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27 April,

From the Private Secretary

Statement on the Defence Estimates 1983

Following the discussion at OD on 18 April, the Prime Minister has looked again at the draft Statement on the Defence Estimates. She is content with the draft in general but would be grateful if the following points could be considered.

The last sentence of <u>paragraph 104</u> may be regarded as too sanguine, given the motivation which appears to underlie the Soviet military programme. The sentence might be redrafted as follows:

"Only if they are faced with a resolute approach may they eventually be brought to recognise that a balanced agreement"

With regard to <u>paragraph 111</u> it is perhaps questionable whether the accession of Spain to NATO is evidence of the Alliance's "continuing vitality". Perhaps the penultimate sentence of that paragraph could read: "1982 saw the accession of Spain, the sixteenth member of the Alliance".

The reference in <u>paragraph 115</u> to "the maintenance of adequate forces" as being necessary to deter aggression in the Falkland Islands might invite criticism of the Government's actions prior to the Argentine invasion last year. Could the second and third sentences of the paragraph be re-drafted as follows:

"But above all it made abundantly clear that successful deterrence rests crucially on the perceptions of a potential enemy. The Argentine Government miscalculated our ability and resolve to defend our territory and our people. The result was war."

It might also be useful to insert an additional sentence before the penultimate sentence of <u>paragraph 115</u> as follows:

"Nor

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"Nor by the same token should we fail to carry through measures which we and our allies have judged necessary to maintain the effectiveness of our common defence."

As to the "essay" on NATO strategy, the Prime Minister thought that paragraph 7 was rather over-elaborate and might with advantage be recast to emphasise the essential point about deterrence along the following lines:

"NATO's possession of nuclear weapons for deterrence does not make their use, and therefore nuclear war, more probable. Rather by deterring attack, it makes any kind of war - but especially nuclear war - less likely. Its sole purpose is to keep the peace. It may not seem an attractive way of doing so; but in an age in which nuclear weapons exist and cannot be disinvented it is the surest way we have. It has worked for more than 30 years and there is no reason why it should not continue to do so."

In the chapter on Nuclear Forces, the penultimate sentence in paragraph 202 may be open to misunderstanding. Perhaps it could read:

"Moreover, effective deterrence requires that NATO must be seen to have a credible response to Soviet agression at any level - conventional or nuclear."

It would be useful in <u>paragraph 206</u> to underline the importance of a US capability to counter SS2Os. This could be achieved by amending the third sentence of that paragraph as follows:

"This takes no account of the Alliance's need for a modernised American capability in Europe to deter the modernised Soviet intermediate range capability which the SS2O represents. It also ignores the fact that the British systems which the Russians want to treat as matching theirs are sea-based, independent, strategic systems, which provide a 'last resort' deterrent and thus have a completely different role from the land-based Soviet SS2Os."

The Prime Minister believes that it may well be necessary to include in paragraph 210 of the White Paper a reference to the arrangements for joint decision on the use of Cruise missiles based in this country. But it will not be possible to decide upon the wording of this reference until nearer the date of publication.

As to the essay "Nuclear disarmament: Alternative Approaches" the language towards the end of paragraph 3, raises too clearly, in the Prime Minister's view, the possibility that NATO might have to use nuclear weapons. Perhaps the following could be considered:

/"NATO

"NATO can have no similar confidence in Soviet motivation nor, in the light of the conventional imbalance, can the Alliance be confident of deterring any Eastern aggression by its conventional forces alone. Without the deterrent of possible first use of nuclear weapons by NATO, the Soviet Union might be prepared to risk a conventional attack. NATO for its part has foresworn the first use of any form of force. Experience teaches us to be wary of Soviet undertakings of this nature: the Soviet invasions of Afghanistan and Czechoslovakia".

In <u>paragraph 4 of</u> the same essay the Prime Minister was inclined to think that the passage from "Indeed the Palme Commission" to "differences of geography" is rather too specialised for the average reader of the White Paper but will be happy for the Defence Secretary to decide on its retention or otherwise, in the light of the promotion by the Social Democratic Party of ideas of this kind.

Finally, the Prime Minister would prefer that the essay "The United States Forces in the United Kingdom" did not include a reference to the Attlee/Truman and Churchill/Truman agreements. We shall be referring to these in the context of nuclear weapons, and to do so in another context could confuse the issue.

I am copying this letter to the Private Secretaries to other members of OD and to Sir Robert Armstrong.

Richard Mottram, Esq., Ministry of Defence CONFIDENTIAL

MINISTRY OF DEFENCE

MAIN BUILDING WHITEHALL LONDON SW1

Telephone 01-203000002 218 2111/3

29th April 1983



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Dear Sohn.

A.J.C. 4.

STATEMENT ON THE DEFENCE ESTIMATES 1983

Thank you for your letter of 27th April forwarding the Prime Minister's comments on the draft Statement on the Defence Estimates. I can confirm that the Defence Secretary is very content to include all the suggested amendments listed in your letter. These include some changes to the "no first use" paragraph in the essay on "Nuclear Disarmament - Alternative Approaches" (paragraph 3 on page 2-11), which Mr Heseltine believes will also meet the concerns expressed by the Lord Privy Seal and the Home Secretary. A suggested redraft of this paragraph was included in the Foreign Secretary's comments, but Mr Heseltine hopes that the amended version will also be acceptable to Mr Pym. The remaining FCO comments mentioned in Brian Fall's letter of 26th April have been taken into account in the redraft (apart from one or two which have been overtaken by other amendments).

A revised draft of the White Paper incorporating all these changes is being circulated for consideration by the Cabinet on 5th May.

I am copying this letter to the Private Secretaries to other members of OD and to Sir Robert Armstrong.

yours ever

(J E RIDLEY) (MISS)

A J Coles Esq

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Foreign and Commonwealth Office

London SW1A 2AH

26 April 1983

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Statement on the Defence Estimates 1983

Following their discussion of this year's Defence White Paper on 18 April, members of the Defence and Overseas Policy Committee were asked to send to the Defence Secretary further proposals for amendment of the draft White Paper.

We have already informed DS 11 (in the enclosed letter of 19 April from Defence Department) of a number of amendments which we should like to see incorporated in the draft. We believe that these are important and hope that they will be accepted.

The Lord Privy Seal has already commented (in a letter of 19 April to the Defence Secretary) on the difficulties in presenting the Government's case on 'No First Use' of nuclear weapons and, given OD's remit that we should try to ensure that material in the White Paper cannot be used out of context to support criticism of government policies we agree on the need to look again at para 3 of the essay 'Nuclear Disarmament: The Alternative Approaches'. I would suggest replacing this with something on the lines of the enclosed draft which draws on a line we have been taking in public and which has been cleared with MOD officials in the past.

I am copying this letter to John Coles and to the Private Secretaries of other members of OD.

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(B J P Fall) Private Secretary

R C Mottram Esq Private Secretary to Minister of Defence

'The NATO Heads of Government made a promise at their meeting in Bonn in June 1982 that no NATO weapons, nuclear or conventional, would ever be used except in response to attack. A declaration of 'no first use' of nuclear weapons would not reduce the chance of war, but in fact increase the risk, for the following reasons; NATO is confronted by massive Warsaw Pact conventional forces. In foreseeable circumstances, therefore, there could be a temptation for the Russians to threaten to fight a successful limited war in Europe which, they might gamble, need not provoke the Americans into using intercontinental nuclear weapons. NATO policy is to ensure that the Russians could never be certain that they would be able to fight a limited war in Europe. If NATO were to make a 'no first use' declaration it would risk removing the uncertainty in the Russians' minds and thereby greatly increase the risk of their being tempted into a conventional attack on Europe. They would also be in a far stronger position to limit our freedom by threatening such an attack. This does not mean that NATO are in any sense committing themselves to any decision in principle to use nuclear weapons first if they found themselves losing a conventional war. It means that would be wrong, in the interests of preventing war, to volunteer to renounce the option.'



Foreign and Communiversisi. Office Loadon SWIA 2AH

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STATEMENT ON THE DEFENCE ESTIMATES 1983

- 1. When we spoke on the telephone earlier today I mentioned that Mr Onslow was briefed to make four points during this afternoon's discussion in OD of the draft White Paper. You may find it helpful if I were to record them. They are as follows:
- (a) paragraphs 104 and 206 of the draft suggest that the Russians have made more of a concession than is the case in the INF negotiations. Richard Goznev of Defence Department has discussed this with DS 17, who have, I gather, agreed that some amendment should be made. I believe that they may have discussed appropriate language to take account of the point. Perhaps this might best be done by re-drafting the 9th, 10th and 11th lines of paragraph 104 to read, "They have more recently made new offers, the details of which are discussed further in chapter 2", and by deleting the second half of the next sentence ("But they nevertheless can be achieved"). The 5th sentence of paragraph 206 might then be amended to read: "However the Soviet Union has now at least shown signs of a recognition of the special nature of INF missiles". In the penultimate line of that paragraph, "for any" read "(a)".
- (b) The reference in paragraph 202 to the Warsaw Pact proposal for a non-aggression pact is too harsh. The language needs to be moderated. A formulation was suggested in paragraph 2(m) of my letter of 28 March which should meet the hill.
- (c) We believe the arguments against limited nuclear weapon free zones in Europe, in the essay of nuclear disarmament, should be strengthened by refuting the widespread claim that they would raise the nuclear threshold. This point was made in paragraph 2(t) of my letter under reference. Again, I believe Richard Gozney has discussed wording with DS 17.
- (d) We are unhappy about the reference in paragraph 402 to a 4% annual real increase in Soviet military expenditure. Our understanding, based on a recent CIG meeting (at which representatives of the defence intelligence side of the MOD were present) is that the UK defence intelligence experts believe the figure to be no higher than 2% in recent years, and under 3% on average since 1970. We

/recognise



recognise that 4% is the latest agreed NATO figure but it could prove to be a hostage to fortune for us to appear to give it full endorsement. If, nevertheless, you feel obliged to retain the 4% figure, it might perhaps be hedged about by opening the second sentence of paragraph 402 with some such phrase as "According to the latest NATO estimate".

- 2. I note that the third draft of the White Paper does not take account of a number of other points made in my letter of 28 March, namely those at paragraph 2(a), (c), (r), (s) (we note that there has been some strengthening of paragraph 3 of the essay on nuclear disarmament in this respect, but it still does not, in our view, go anything like far enough , and we retain a strong preference for our formulation), and (aa). We should still like to have these incorporated.
- 3. If any of these points raise any difficulty for you, I should be grateful if we could have a word on the telephone. Otherwise, I assume that you will be able to incorporate them in the draft which goes to Cabinet later this week.

H J S Pearce

Your ac,

Defence Department

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QUEEN ANNE'S GATE LONDON SWIH 9AT

25 April 1983

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Dear Muhail

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OVERSEAS AND DEFENCE COMMITTEE: 18 APRIL MEETING

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I have seen a copy of Janet Young's letter of 19 April about the draft White Paper on Defence and would like to endorse what she says.

I fear that to include this paragraph will only lead to a worthless argument with some church leaders. I really think it would be better simply to reserve these arguments for the debate.

I am copying this letter to the Prime Minister and to OD colleagues.

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PRIME MINISTER

DEFENCE WHITE PAPER

You said that you wanted to go through this Paper with Mr. Goodall and Mr. Jackling. An opportunity has been provided at 0930 hours on Tuesday 26 April. You may wish to concentrate on the essay at Flag F on NATO Strategy and the essay at Flag G on Nuclear Disarmament.

Following your meeting I will convey to Mr. Heseltine's office such suggestions as you have for amendment.

A. J. C.

Defence White Paper

It was agreed at OD yesterday that those who wished would send the Defence Secretary written notes on his draft. Would you like me to write as in the enclosed letter?

19 April 1983

A.J. C Mary Drage

DRAFT LETTER FROM MR. COLES TO RICHARD MOTTRAM IN THE MOD

DEFENCE WHITE PAPER

It was agreed at OD on 18 April that those members of the Committee who so wished should send written comments to your Secretary of State about the present draft.

The Prime Minister considers that the various sections of the White Paper which are concerned with the role of nuclear weapons and deterrence need to be considered carefully with a view to their likely impact on the present public debate about nuclear issues. Statements which would normally have attracted little attention may, in the present climate, be seized upon to fuel the arguments of the Opposition Parties or of CND.

[Flag F]

The Prime Minister has a number of comments on the essay on "NATO Strategy". The second sentence of paragraph 7 states that because the West and the Soviet Union now have accurate intermediate range nuclear forces, any attempt to use these weapons in a limited war fighting role would involve a high risk of retaliation and escalation to the strategic level. Does this not invite the comment that, if this risk already exists, there should be no need to modernise existing INF? Furthermore, in the light of my paragraph 1 above, perhaps language should be found which does not emphasise so clearly the risk of escalation.

In the next sentence should the reference to "broad parity" be qualified by "between the Soviet Union and the United States"? Then, in the next sentence, is it correct to imply that nuclear war was more probable 20 years ago (when the United States had clear strategic superiority) than it has now?

Paragraph 210 of the draft will need further consideration in the light of possible developments before the publication of the White Paper. But you may care to consider rewording the sentence, "cruise missiles would only be used after a joint decision by the two Governments at the very highest level". In view of the considerations in paragraph 1 above, perhaps this

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could read: "the purpose of cruise missiles is to deter, and therefore not to be used - the understanding provides that they cannot be used without a joint decision by the two Governments at the very highest levels".

[Flay 6]

The Prime Minister also had some comments on the essay on "Nuclear Disarmament: The Alternative Approaches". In the seventh sentence of paragraph 3, the wording could be read as implying that any Eastern aggression would have to be met by nuclear response. The following sentence, with its reference to possible first use of nuclear weapons by NATO, might also attract controversy in the present climate.

As regards the section on Nuclear Weapon Free Zones (paragraph 4), the Prime Minister doubts whether we should imply that this idea is attractive, albeit superficially. The last sentence of this paragraph might be a hostage to fortune in that the case for some formulations of the NFZ concept is perhaps rather stronger than it implies. There has, for example, as you know, been a good deal of discussion about the vulnerability of nuclear warheads situated close to the inner German border and their limited military utility.

I am copying this letter to the Private Secretaries to the members of OD and to Sir Robert Armstrong.

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CCR.J.

FROM THE LEADER OF THE HOUSE HOUSE OF LORDS

19 April 1983

The Rt Hon Michael Heseltine MP Secretary of State for Defence Main Building Whitehall SW1

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Iron Michael,

OVERSEAS AND DEFENCE COMMITTEE: MEETING APRIL 18

You asked colleagues to put in writing any points they had on the attacked draft White Paper on Defence.

> My concern is on the paragraph headed 'No First Use of Nuclear Weapons' in the essay 'Nuclear Disarmament: Alternative Approaches' (page 2-11). It is of course a matter of political judgement whether or not to include this paragraph in the essay and I fully support the other paragraphs which answer arguments frequently advanced in the whole nuclear debate. But on the particular paragraph we are talking about a hypothetical situation: that is, what would happen if the Soviet Union attacked, using conventional weapons. Whereas the whole point of the nuclear deterrent is that it deters, and that nuclear weapons have kept the peace since 1945.

In a sense, therefore, we weaken the argument by suggesting that nuclear weapons may not keep the peace. Furthermore I am sure that we do not wish to indicate what might happen if conventional war did break out, and therefore the arguments cannot, and should not, be fully set out.

I raise these points because I feel sure that this whole section of the White Paper will be examined in great detail by all those opposed to our policy of nuclear deterrence.

I am copying this letter to the Prime Minister and to other colleagues on OD.

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BARONESS YOUNG

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20 APR 1983

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