

PRIME MINISTER

OD: 20 MARCH

The purpose is to consider the Defence White Paper, which you saw at the weekend.

You were not happy with the section on arms control (paragraphs 114-127) and will want to say something on this. In particular you may want to look at the opening sentences of paragraph 121 in the light of the unfortunate effect created by the Foreign Secretary's speech.

The Chief Secretary has proposed some rewording of paragraph 503 on the Defence Budget (Flag A). This seems an improvement.

You may like to use the discussion to ask the Defence Secretary to say something about the European Fighter Aircraft. I enclose the Defence Secretary's minute (Flag B), Norman Tebbit's comment (Flag C) and the Policy Unit's advice (Flag D). The view is getting about in some quarters - including the press - that the Defence Secretary is so keen on collaboration that we may end up losing out badly on it. You will not want a substantive discussion now. But you might conclude that there should be a full Ministerial discussion to set clear guidelines before the Defence Secretary meets the members of the EFA consortium in May.

C.D.P.

P.S. Please now see also the Policy Unit note attached just inside the cover.

19 March 1985

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