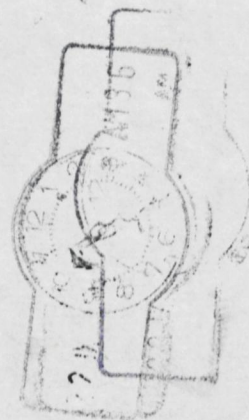




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RECORD OF THE SECRETARY OF STATE'S MEETING WITH DR WOERNER,
IN BONN, ON TUESDAY 16TH SEPTEMBER 1986

Those present:

The Rt Hon George Younger MP
Secretary of State

Dr Woerner

Sir Clive Whitmore
Permanent Under Secretary

Dr Ruehl

Sir David Perry
Chief of Defence Equipment
Collaboration

Dr Schnell

plus three others

Mr Williams,
HM Embassy Bonn

Mr Chambers,
HM Embassy Bonn

Mr Howe,
Private Secretary to/
Secretary of State

STATE OF THE ALLIANCE

1. After warm greetings on both sides, Dr Woerner said that he was still much concerned with the state of transatlantic relations within the Alliance. The Americans were tending towards the conclusion that they should "go it alone" without regard to the Europeans. Admiral Crowe had recently told him that more and more voices in the US were being raised in favour of US force reductions in Europe. The recent article by David Aaron was typical of this trend. Financial constraints, the coming elections, the mood in the US, the Glenn amendment, pressures to buy American: all were manifestations of the same trend. He had a feeling that a "basically dangerous" situation was developing. Perhaps there was no chance that "the old comfortable times" would fully return, but the Europeans did need to convince the younger US generation of the importance of ties with Europe. The Europeans for their part needed to show that they were solid allies.



2. In this connection, Dr Woerner continued, he was concerned about some of our European neighbours: for example, the Danes were having problems in agreeing the General Political Guidelines on nuclear weapons. This was a important document, and it would be helpful if, like the Germans, we were to convey our concern to Mr Engell. The Danish Security Council was meeting the following day.

3. All in all, he foresaw no "immediate catastrophe" but the need for corrective action at all levels to demonstrate that the Alliance was working well and to give President Reagan ammunition to use with Congress. At the same time, we should urge the US to be sensitive to European concerns and to allow a two-way street in political decisions.

4. The Secretary of State recalled his visit to Washington in June. There had been signs at that time of the kinds of pressure on the Administration that Dr Woerner had described. He had stressed his concern on all these matters to those he had met in the Administration - including the Vice President and the Secretary of Defense - and in the House and the Senate. The Administration for its part was very appreciative of UK support over the Libyan operation. Some of the pressures were no doubt at least to some extent a pre-election phenomenon. He had recently met a delegation of Congressmen and urged their help over the Glenn and Traficant amendments. Dr Woerner said that he had for his part written in clear terms to the Chairmen of Congressional committees.

5. The Secretary of State said that what Dr Woerner had said about Denmark and the General Political Guidelines was disturbing. Jane's Defence Weekly had a story on the stocks (not yet published) about the GPG. We would need to emphasise that the GPGs represented no major change in policy, and the Danish reaction would make this line much more difficult to sustain. The picture among allies was not however uniformly gloomy: Dr van Eekelen had recently described to him the 2% increase the Netherlands hoped to achieve in defence spending in the coming year.

FRANCE

6. The Secretary of State went on to say that he had had useful discussions the previous day in London with M. Giraud. M. Giraud was more forthcoming than many of his predecessors. He had said that it was clear that France could not afford to go it alone, in many fields. Dr Woerner interjected that Giraud had told him this too. The Secretary of State said that Giraud had expressed a preference for bilateral as opposed to multilateral co-operation, but not to the point of being inflexible. M. Giraud and he had agreed to put a joint



paper to the Anglo/French summit meeting in November reviewing the opportunities for equipment co-operation.

7. Dr Woerner said that M. Giraud was trying to arrange bilateral co-operation with the Germans over tanks, but Woerner had told him that because of the German commitment to the UK any such co-operation would have to be multilateral. The French had some difficulties with their new tank technology. The Secretary of State commented that the rationalisation of the tank industry in the UK - ie the purchase by Vickers of the Royal Ordnance tank division - should be helpful to international co-operation in this field.

CHEMICAL WEAPONS

8. The Secretary of State said that he was glad that the US President had been able to certify to Congress that NATO had met the conditions for the funding of CW production. Dr Woerner noted however that Congress was still placing obstacles. He strongly shared Mr Younger's interest. The CW issue must however be handled in such a way as to avoid stirring up an unhelpful public debate in Europe. He praised the British initiative on CW arms control verification as "very helpful". The German Ambassador [at CD?] had reported that the Russians could be brought to accept controls on CW production. He, Woerner, was planning to meet Mr Weinberger bilaterally in the margins of the NPG to persuade him of the importance of making progress in CW arms control. The Secretary of State said that Vice President Bush and Mr Weinberger had told him in June that they would not make public difficulties over our initiative although it was clear they had reservations about it. Dr Woerner commented that some in Washington did not want a CW agreement at all, and saw efforts towards one as standing in the way of a resumption of CW production.

CONVENTIONAL DEFENCE IMPROVEMENTS

9. The Secretary of State said that he thought the NATO conventional defence improvement programme was making useful progress. Dr Woerner said it was his impression that US and European priorities were not exactly the same; attention still needed to be given within NATO to the definition and alignment of priorities and to the initiation of specific projects in response to those priorities.

SDI

10. The Secretary of State said that M. Giraud had expressed interest in the application of SDI technology to defence against shorter range missiles. Dr Woerner said that there had been "a clear change in the French position" in this regard. The Germans, for their part, were encouraging firms to develop their



technological links with the US in the SDI area, with a view not only to commercial objectives but to developing technologies which could be used for the improvement of conventional defence. It was important to derive benefits for the defence of Europe, not simply to assist the US in providing a defence for their own national territory. He suggested that experts from the Federal Republic and the UK should take stock together, in a few months' time, of what was coming out of the SDI that might have importance to Europe. This exercise should go wider than just the European architecture studies. He for his part was encouraging German companies to "get inside" the SDI programme and find out as much as possible of US developments and thinking on a broad front. He was not interested in a European SDI as such. He had long been interested, on the other hand, in the improvement of European air defence. This went much wider than the question of ATMs or ATBMs.

11. In answer to a question, Dr Ruehl said that he expected the NATO Air Defence Committee to make its report in about a year's time. It might be useful to arrange for a progress report to the DPC in December.

12. Dr Woerner asked whether we felt the French were near to signing an agreement on the SDI. The Secretary of State said he doubted it. He went on to say that the Glenn and Traficant amendments did not help in terms of the public debate over the SDI in Britain, which had been a difficult one. Dr Woerner said that exactly the same was true in Germany. PUS said the amendments would revive criticism from those who were disposed to doubt the reliability of the SDI agreement.

TNW

13. Dr Woerner said that feelings were running high in Bonn about General Rogers' article in Stern which claimed that there were too many TNWs in Europe. He was right to think so, but not to say so; particularly as he had in fact resisted the Montebello decision at the time.

EUROPEAN SECURITY CO-OPERATION

14. The Secretary of State said that this was a critical stage in the revival of WEU. We needed to be preparing ourselves for the review of the results of reactivation, due at the end of 1987. He would think it premature to take a view on enlargement until that review was complete. M. Giraud, for his part, had seemed lukewarm about the WEU. Dr Woerner said that that was because there were no longer elections in the offing in France. As for his own view, he too was lukewarm. There was much talk in WEU, but no tangible contribution to the improvement of defence. We could not stop the WEU but should



not enlarge its membership. The Germans for their part would certainly not support an increase in its staff.

15. The Secretary of State said that he felt the Eurogroup, and particularly its informal dinner, had a useful, if modest, role. Dr Woerner said he "liked the Eurogroup - that is a body we should use". He said that the UK and the FRG should not neglect it but use it in a sensible way, both in its own right and as a means of giving the smaller nations a role in European co-operation. [Dr Woerner may well have been thinking of the IEPG not Eurogroup; he referred to the French as members].

EQUIPMENT COLLABORATION: EFA

16. The Secretary of State said that it was coming to be seen that collaboration with the US and collaboration with the Europeans were not mutually incompatible. As for the Anglo-German collaborative relationship this was excellent. Turning specifically to EFA, he urged Dr Woerner to agree to the establishment of the International Programme Office (IPO) as soon as possible. He hoped that Dr Woerner would be ready to sign the MOU at Gleneagles. He emphasised that it was important for as much as possible of the aircraft to be on a collaborative basis, and for as many as possible of the major equipments to be common.

17. Dr Woerner said that the radar was a particular difficulty. It was a very costly item to develop; the only suitable model available now was American. It was not necessary to take a decision on the radar yet but if he had to take one now then financial considerations might force him to choose a US one. The Secretary of State said he recognised that the judgement might ultimately be to buy an American radar but he hoped that we could approach all parts of the aircraft, including the radar, on a competitive basis. Dr Woerner said he agreed in theory. He would naturally prefer a European radar if he could have one.

18. He said that the point had been made to him forcibly at Farnborough that any further delay to the MOU would be disastrous. State Secretary Timmermann had signed the MTZ, and he himself would sign MOU 1 and MOU 2. He still had one problem however: he had to convince the Finance Ministry that they should lift their objection to the establishment of a project office for the EFA, separate from that for Tornado. He was having to demonstrate to them that the IPO would use existing resources to the maximum extent possible. Meanwhile staff were earmarked, and funding was available, subject to a lifting of the Finance Ministry's freeze. He foresaw that this obstacle would be removed by the first week in October. He doubted whether Parliamentary approval would be necessary (although Dr Schnell suggested that it would be necessary to get the approval



of the Bundestag Committees); in any case he thought the problem manageable. All in all, he was confident that he would be ready to sign the MOU at Gleneagles.

19. Dr Woerner added that he thought the French for their part had major problems in financing their own aircraft, and that its export potential would be limited.

SP 70

20. The Secretary of State said that he was very anxious to resolve the problems over SP 70. The Germans had put forward a good proposal, which the NADs had recommended. What was his latest thinking? Dr Woerner said that there were in fact two proposals. One was the NADs' recommendation to construct prototypes for competitive evaluation. There were many doubts on the German side about whether that could and would work. The other suggestion was an end to the common effort, the purchase by the Germans of 83 M109s and the start of a new exercise to try and provide a common replacement by the end of the 1990s. We had to consider very carefully which of these approaches was better, bearing in mind that the British requirement arose earlier than the German. The Secretary of State said that the British had an urgent need to replace their current equipment as soon as possible. We felt it would be much against our interests to abandon the SP 70 programme, and that the NADs recommendation was the best approach from our point of view. We would much regret it if the Germans dropped out. Dr Woerner commented that in that case we would need a more detailed plan, including timing and finance, for the production of prototypes. His experts told him that the timescale envisaged by the NADs was completely unrealistic, given the lack of progress over the last 15 years. Dr Schnell said that the German companies were committed to the Leopard chassis; this could be changed, but it would mean more time, and German firms would be placed at a disadvantage if the proposed timescale (trials to be finished by the end of 1989) were adhered to. Dr Woerner said that he clearly understood the British position. The next step would be to consult German industry, urgently, on the feasibility of the NADs' approach in terms of cost and timescale. It would be necessary to obtain Parliamentary agreement if the NADs' recommendation were to be accepted because the expenditure was not approved. He nevertheless agreed to aim, as a target, at taking a firm decision at Gleneagles in October, when Mr Spadolini would also be present.

ARMS CONTROL

21. Dr Woerner raised two arms control issues. He was most disturbed by the news of the latest developments in the INF talks in Geneva. It seemed that the Americans were proposing a sub-limit of 100 warheads on each side in Europe. They had made



this offer without consulting allies and knowing that some would definitely have preferred other numbers. If ceilings as low as that were in prospect, then it was vital to include shorter range INF. Nor did he like the proposed withdrawal of Pershing. What would the US replace the Pershing II with? There were no Pershing IAs still in the US inventory. Secondly, on CDE, the US should not allow an agreement to slip our grasp on account of unnecessary difficulties over notification levels or such details as the use of foreign aircraft for air inspections. The Secretary of State generally agreed with what Dr Woerner had said on INF. Collateral constraints on shorter range systems were most important. On CDE, PUS commented that the gap on notification was now relatively small and it would be difficult to explain to public opinion a failure to close it. On air inspections, we agreed with Dr Woerner's comments.

POSTSCRIPT : SOLTAU/LUENEBERG

22. The meeting ended at this point but Dr Woerner subsequently tackled the Secretary of State about the Soltau-Lueneberg training area. We had indicated that because training schedules for 1987 were now fixed there was little more we could do, in 1987, to limit the environmental impact of training, over and above the substantial measures we had already taken or agreed. We had no further flexibility until 1988 at the earliest. Dr Woerner emphasised the political importance of his having at least some further progress to show in 1987. The Secretary of State agreed to see whether there was any scope for this.

J. F. Howe

Ministry of Defence
18th September 1986

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