## CONFIDENTIAL

## PRIME MINISTER

## CABINET : NATO SUMMIT

You may like to report briefly on the NATO Summit (there has not been a Cabinet since).

The Summit was <u>our idea</u> and it paid off. NATO had been looking rather ragged in the face of Gorbachev's arms control initiatives, with a tendency on the part of some NATO members - most worringly the Germans - to downplay the Soviet military threat.

The Summit was a chance to remind them of the reality of
Soviet military might and the constant modernisation of Soviet
weaponry in every field. We secured two resolute statements
from the Summit reaffirming NATO's basic strategy, reiterating
the support of the sixteen NATO governments for nuclear
deterrence, and explicitly recognising the need to keep all
NATO's weapons including its nuclear weapons up to date.
There will no doubt be some foot-dragging when specific
decisions on modernisation have to be taken. But there is now
a clear political steer from the Summit which is what General
Galvin wanted. There was also an impressive and rather moving
restatement of America's commitment to the Alliance by
President Reagan.

The subsequent <u>Parliamentary statement</u> was a very useful chance to draw attention to the <u>Opposition's complete</u> isolation in Europe on defence issues.

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