

PRIME MINISTER

Yes. I am trying to find 2 days at the very early part for economic matters (1)

Foreign Policy: Strategy

We could have winter days for 2nd week? For defence matters

You have said to me more than once that you feel that we have not given sufficient consideration to our general strategy in foreign policy. Earlier we contemplated holding meetings on East/West relations and the Middle East but for various reasons we have not been able to hold them, usually because more immediate issues have intervened.

You may now like to consider making a fresh attempt. I suggest that we envisage, and begin now to prepare for, two or three meetings between September and December. This would give the new Foreign Secretary a chance to work himself in before we start.

I believe that we should begin with East/West relations, both because our approach to these to some extent determines our view of more specific questions such as the Middle East and because we can expect East/West questions to be prominent in the latter part of this year. (INF stationing, START, possible Heads of Government session at the UNGA in late-September, further speculation about a Reagan/Andropov Summit).

I suggest that we aim to hold such a meeting early in September after Balmoral. Also that we begin work now on a paper to form the basis of a discussion, this to be of a rigorously practical nature and designed to aid decisions on what the British Government should do about such questions as ~~practical~~ ^{political} contacts with the Soviet Union and Eastern Europe, arms control and disarmament questions, trade, human rights, communications and cultural contacts. A personal paper, from Michael Alexander, which I am submitting to you separately, contains a lot of useful material. I think that, arms control and disarmament apart, we should reserve defence issues for a later discussion (see below).

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The next priority might be the Middle East - for as the Americans become more and more involved in elections, there will be increasing discussion of whether Europe should be more active. I am sceptical about the scope for practical action by the UK on the Arab/Israel issue and believe that we should instead have a wider discussion on the Soviet threat to the area, the importance of Iran and the Gulf conflict, the significance of Israel for British interests, and our wider defence, arms sales and commercial interests in the Middle East, again directed to practical consideration of what the UK should do.

Finally, I suggest a separate session on defence issues, (defence of the UK base, developments in military technology, etc).

Would you like us to block off suitable times in the diary, start work on the various papers and consult you later about who should attend?

A. J. C.

15 June, 1983