NATO SUMMIT

Remand Prime Minister's Statement

Boun 10 JUNE 1982

Our Alliance has existed for 33 years. Europe has lived since its formation through the longest period of peace which any of us here has known. It is a success because we believe passionately in the values we share and we are ready to pay for defences strong enough to deter those who threaten them. Let us beware complacency - eternal vigilance is surely a small price to pay for our freedom: its loss may prove irredeemable. In recent weeks we in Britain have had reason to be reminded of how much true Allies are worth. We have greatly appreciated the support we have received over the Falklands. We realise that in giving this our North American and our European allies have had difficult choices to make. \* / The purposes and hate insolion But principles are ast only for thorters and speeches They move be just into practice by all of us of they are to live. That is where we are doing in the South Mantie how

The purposes and principles our Alliance defends may not change, but we must adjust the practical requirements to changing circumstances.

We are all only too well aware of the steep and
inexorable rise in the cost of maintaining
sound defences.

The United Kingdom attaches great importance to the NATO goal of 3% annual real increases in defence spending and has budgeted to implement the target in full up to 1985/6.

Nonetheless, we and all our Allies have found that the rise in the cost of defence equipment outstrips even this increase.

And this rapid rise

comes at a time when the Soviet
Union has been introducing dramatic
improvements in the quality of its armed
forces, and during a period of particular
economic difficulty for the West.

/ The implications of

The implications of this situation are clear.

Unless we can find new ways of using the resources available more effectively, our defences will be eroded.

One member of the Alliance after another will be obliged to abandon assets, either military or industrial, that they can no longer sustain.

If we are to maintain our strength in spite of rising costs, we must review the way we use our resources.

Must a weapons system always be replaced by its equivalent successor?

Could the task be achieved more effectively or more cheaply by other means?

Do our forces mirror too closely those deployed by the Soviet Union?

What scope is there for greater cooperation and closer collaboration between our forces and our defence industries?

/ It may be

It may be that there are also some operational tasks which some members of the Alliance can undertake more effectively than others who, in turn, could take on a bigger role elsewhere. If so, we should be prepared to make the relevant changes so that we may all enjoy more effective security.

These difficult questions have been asked before.

But the answers must be found if our defences are to remain credible.

The only alternative is to increase our reliance on nuclear weapons.

I do not believe that this is a possible option.

Our peoples will not accept a defence policy which leaves us with nuclear retaliation as the only response to an attack by the Warsaw Pact.

And they are right.

/ To be credible

To be credible in the eyes of a potential abgressor, we must have sufficient conventional defences, and this means that we must convince our publics that they must pay the necessary economic price.

There is another area in which change is needed.

Our fortunes are affected by developments

outside the NATO treaty area — as Afghanistan

reminded us so vividly.

Our dependence on imported oil, supplies and

raw materials means that we have a crucial interest
in the maintenance of stability throughout the

world.

But we know that the system of deterrence
which has maintained stability in Europe
cannot be applied elsewhere.

We need to devise a strategy which exploits the assets
which we each possess, whether political,
economic, commercial or military.

/ We need to identify

We need to ide ify potential trouble spots, to agree upon our objectives and upon the measures necessary to achieve them.

This does not require that the members of the Alliance should invariably support each other, whatever or wherever they are engaged, or that members should only embark upon activities which the others support.

Nor does it require the Alliance to revise the North Atlantic Treaty to enable it to act firmly outside the North Atlantic Treaty area.

But it does require a recognition that our security no
longer lies simply in the defence of European
territory but also in defence of our wider
interests the world over.

We must assure this by using all the means
available to us whether jointly or separately.
So shall we each enhance the security of all.

/ Innovation in our

Innovation in our security policy requires innovation
in our approach to arms control.

The quest for arms control agreements must not endanger a sure defence.

The litmus test is whether an agreement would genuinely serve our security interests.

/ I welcome the approach

I welcome the approach which President Reagan has taken both with intermediate range nuclear forces (INF) and, more recently, in strategic nuclear forces (START) and the MBFR negotiations. I believe that his wish for major reductions in nuclear weapons is an approach which will command widespread respect and support. We must reject Soviet claims that the American negotiating position is no more than an attempt to retain Western superiority, by firmly emphasising that our approach is based on the principle of balance between the two major nuclear weapon states.

I do not underestimate the difficulties in achieving
our objective.

In START, the strongest guarantee of
progress will be American determination to

proceed with its strategic weapons programme;

/ in the case

in the case of intermediate range nuclear forces, it will be European determination to proceed with the Cruise missiles and Pershing modernisation programme.

We should not be deflected from our purpose by other developments, for it is our own interests, not those of the Soviet Union, which we seek to advance through these negotiations.

Our message for the Soviet Union must be that we will
not be deterred from maintaining strong
defences but we want to reduce the size of
our forces by agreement.

The President has exposed the Russians'
calls for moratoria as empty posturing,
and challenged them to match his bold call
to cut rather than freeze the levels of
armaments.

/ The message

The message for our peoples is that in nuclear and conventional forces alike, we wish to achieve security at lower levels of weapons and that it is this approach rather than unilateral disarmament which will ensure peace and freedom.

The prospects for East/West relations remain very uncertain.

I therefore welcome the President's five-point programme set out in his Illinois speech.

Poland and Afghanistan will continue to symbolise that absence of Soviet tolerance which has had such a sharply adverse impact on the international climate.

Nevertheless, I believe that, as long as we remain united, our chances of achieving progress may be better than they have been for some time.

/ It is also

It is also in our interests that we should keep open our lines of communication to the Russians.

They must be exposed to the Western point of view.

The President's imaginative arms reduction proposals
have given the Alliance the initiative at a
time when the Russians are beset with
problems.

Internally their economic and agricultural performance falls far short of planned targets, while externally they remain bogged down in Afghanistan and disturbed by the fundamental questions the Polish crisis has raised about the political and economic viability of the socialist system.

For the Russians it must be a profound blow to find
that their implanted system has, thirty or
more years after the event, been so decisively
rejected in Poland.

/ Blocking the path

Blocking the path to peaceful change in

Poland will only prolong and deepen the crisis,

and in turn increase its debilitating

and destabilising effects on the whole

This combination of circumstances could however act as disincentive to Soviet adventurism, particularly if they are convinced of the Alliance's determination to defend its interests.

The Alliance should therefore support

President Reagan's efforts to build on his
9 May speech.

I should like to close by
expressing the hope that the discussions we
have held here in Bonn, with the help of the
excellent hospitality from our German hosts,
may prove to have reinforced the strength and
unity of our Alliance in the months and years

/ ahead; and will

and will help in bringing home to our fellow citizens throughout the Alliance that a healthy NATO is the best guarantee of the enduring peace we all seek.