



FCS/85/150

SECRETARY OF STATE FOR DEFENCE

Defence Relations with New Zealand

1. Thank you for your minute MO14/2 of 16 April in which you seek my views on the conclusions you have reached with regard to the future conduct of our defence relations with New Zealand.

2. I share your view that despite the unhelpful policy adopted by the New Zealand Government on ship visits, with its implications for wider Western security interests, we should avoid applying sanctions which could only be self-defeating. This applies to possible sanctions in the economic and trade fields as much as the defence questions covered in your minute. Equally we will need to guard against any attempt by New Zealand to drive a wedge publicly between ourselves and the Americans through compensating for their loss of defence contacts with the United States by increasing their ties with us. I am therefore content with your proposal to maintain our defence contacts with New Zealand at broadly the same levels as at present.

3. We will need to handle the question of the programmed Task Group deployment next year with care. When we are in a position to begin consulting our posts about the Group's overall programme, I suggest that before we announce the

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Group's programme we remind the New Zealand Government that Mr Lange told the Prime Minister on 4 March that he was hopeful of finding a formula which would permit RN ships to visit but in the absence of one we have been forced to exclude New Zealand from the Task Group's itinerary. This approach would give the New Zealand Government an opportunity to reconsider the matter again before the Task Group's programme becomes public. If the New Zealand Government persist with their policy, the fact that we have given them a chance to change their position should reinforce the hand of those in New Zealand opposed to the present line. We should continue to keep in touch with the Australians and Americans on the handling of this.

4. I am copying this minute to the Prime Minister.

A handwritten signature in dark ink, appearing to be 'G.H.' with a flourish.

GEOFFREY HOWE

Foreign and Commonwealth Office

28 May 1985

NEW ZEALAND: Int Sd:

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