

CONFIDENTIAL

NOTE FOR THE RECORD

Conversation with Mr. Carbaugh at 10 Downing Street on
Thursday 24 April 1980

Mr. Carbaugh, who is an assistant of Senator Jessie Helms, came to see me this morning. He had earlier asked for a tête-a-tête meeting with the Prime Minister and had been told that this could not be arranged.

Mr. Carbaugh handed over two bulky documents one entitled 'A Programme for Military Independence' and the other entitled 'Foreign Policy of National Independence'. The first document had been drafted by a team of Congressional assistants and co-ordinated by Mr. Carbaugh, the second had been written by Mr. Carbaugh. The first is already publicly available in Washington. Mr. Carbaugh claimed that it had been adopted by Mr. Reagan as the basis for his future defence policy: this is not public knowledge. The second document is still confidential but, according to Mr. Carbaugh, Mr. Reagan's team are showing particular interest in it. It is likely to be considerably expanded in the immediate future.

Mr. Carbaugh said that the "Programme for Military Independence" was already being used by some US Senators to justify increases in the US defense budget. Many Senators considered it excessively ambitious but if Mr. Reagan were to win the election it would form the basis both for his first supplemental request for funds and for his Administration's five-year plan. Mr. Carbaugh said that it would greatly help those who were trying to secure increased defence appropriations if the Prime Minister were able to make statements in the House of Commons arguing for increased defence expenditure. (Mr. Carbaugh claimed to have stimulated questions in recent months by both Lord Cranborne and Mr. Amery. These had resulted in replies from the Prime Minister which had been useful in Washington.)

/On a specific

CONFIDENTIAL

CONFIDENTIAL

- 2 -

On a specific defense point, Mr. Carbaugh said that the Procurement Sub-Committee of the Senate Armed Services Committee had recently approved a \$50 million appropriation for the Rapier programme. He was confident that Senator Byrd, the Chairman of the Sub-Committee, would be prepared to seek funds for the \$100 million cost of a full Rapier programme if encouraged to do so by the Prime Minister. The Procurement Sub-Committee's report would be presented to the full Committee by Senator Byrd within a week or 10 days. If the Prime Minister wished to send him a letter it would, therefore, have to be written in the near future. Mr. Carbaugh said he would be very happy to deliver any such message.

On a more general political point, Mr. Carbaugh said that he thought whoever got the Republican nomination would be the next President of the United States. It seemed virtually certain that Mr. Reagan would secure the nomination. It would of course be an enormous help to his campaign if the Prime Minister, whose influence was very great in the United States, agreed to meet Mr. Reagan in London either immediately before or immediately after the Republican Convention. It would show that Mr. Reagan had access overseas and would much enhance his credibility.

I asked Mr. Carbaugh about the precise nature of his relationship with Mr. Reagan and Mr. Reagan's team. He said that he was in contact with Mr. William Casey, who is Mr. Reagan's campaign manager. He implied that the suggestion for a meeting between the Prime Minister and Mr. Reagan came from Mr. Casey. As regards his own position, Mr. Carbaugh said that he expected to be the head of the "transition team" which was already being set up by Mr. Reagan. Senator Helms (and by extension his aides) were likely to have an important role in the remainder of Mr. Reagan's campaign because Mr. Reagan was running out of money. He had reached the legal limit on the amount of money he was allowed to raise for his campaign and had spent most of it. However individuals were allowed to conduct independent fund-raising campaigns on behalf of the Presidential candidates. Senator Helms had one of the best fund-raising organisations in the United States and intended to mount a fund-raising campaign on Mr. Reagan's behalf.

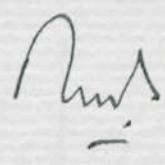
CONFIDENTIAL

/Mr. Carbaugh

Mr. Carbaugh said that it would be very useful to him in the months ahead to have a direct channel of communication with No. 10. He wondered whether a member of the Embassy in Washington could not be nominated who could keep in touch with him and through whom he could get messages to London rapidly and without their being enmeshed in the bureaucracy.

Turning to international affairs, Mr. Carbaugh gave me the attached memorandum on Namibia. (Most of this has appeared in an edition of Trans-National Security.) He said that, having been written at the end of last year, it was somewhat out of date. Nonetheless it still provided a way to break out of the present fruitless discussions on Namibia. The significance of the document was that it had been accepted as the right way to proceed by Mr. Richard McCall who would shortly be replacing Mr. Maynes as the Assistant Secretary for International Organisations in the State Department. Mr. McCall recognised that a policy based on Mr. Carbaugh's memorandum would be opposed by Messrs Moose, McHenry and Holbrook. Nonetheless he intended to push it through. If the Prime Minister or the British Government were able to indicate support for the approach, it would of course be a great help in securing the adoption of the policy.

I made no response to any of Mr. Carbaugh's requests and gave no indication as to whether or not I thought the Prime Minister would be interested. I said that we would of course consider what he had said carefully and added that if we wished to get in touch with him it would no doubt be easy to do so in Washington. He indicated that he saw no difficulty about this.



24 April 1980

PERSONAL

CONFIDENTIAL

25 April 1980

I enclose a copy of a record of a conversation which I had with Mr. Carbaugh whose name will be familiar to you.

The Prime Minister hopes to discuss some of the points raised by Mr. Carbaugh with the Foreign and Commonwealth Secretary soon.

I also enclose the documents left by Mr. Carbaugh. I should be grateful if neither this letter nor the documents were given any further circulation for the moment.

M. O. D. B. ALEXANDER

G.G.H. Walden, Esq.,
Foreign and Commonwealth Office

PERSONAL

CONFIDENTIAL

etc.

Handed
to Person
please return
from [unclear]
[unclear]

file [unclear] [unclear]

SUBJECT.

(1)

PRIME MINISTER

I attach a summary record of my conversation with Mr. Carbaugh this morning. You may wish to discuss one or two of the points he raised - specifically the suggestions that you should write to Senator Byrd; that you should see Mr. Reagan; and that a member of the Embassy should be detailed to keep in touch with Mr. Carbaugh - tomorrow morning *with Lord Carrington.*

There are obvious risks in dealing with Mr. Carbaugh who strikes me as a man principally concerned with his own advancement and as a man unlikely to prove particularly reliable. However we should perhaps take steps to establish the precise nature of his relationship with Mr. Reagan. There is clearly a real chance that Mr. Reagan will be the next President of the United States. If this were to happen Mr. Carbaugh might turn out to be a figure of some significance.

I have not attached the documents left by Mr. Carbaugh: they are lengthy & detailed.

Reid

*I will speak to Lord C
about some of these matters*

ms

24 April 1980