As a result of her various discussions in Turkey, including her meeting with the Commander of the Turkish First Army, the Prime Minister was impressed by the extent to which Turkey's armed forces are ill-equipped to meet the threat on NATO's South-Eastern flank. She concludes that Turkey does indeed have a pressing need for further military aid and would like to see a note on this problem. It might cover the following points:

- the scale of military aid which Turkey already receives, either bilaterally or through NATO;
- the use which is made of this;
- what scope, if any, we see for an increase in NATO's assistance, and for persuading the Americans and Germans to do more;
- the arguments for and against the United Kingdom making more of a contribution in this field.

On this last point you will want to take into account:

- the contributions we are already making through NATO;
- the scale of additional help which would be required to make a significant contribution to upgrading the effectiveness of Turkey's armed forces;
- the scope for finding additional funds, either from the defence budget, or by diverting ATP or other aid money, or by offering more favourable credit terms for the purchase of military equipment from the United Kingtom.

The Prime Minister wants to discuss this in due course with Ministers directly concerned. But it would be better to have a note first. She has commented that she does not want just to be told that military aid to Turkey is impossible but to have a proper study of what the options are and what the costs - financial and political - would be.

SECRET 2

I am copying this letter to Alex Allan (H. M. Treasury), Brian Hawtin (Ministry of Defence) and to Trevor Woolley (Cabinet Office.

Jas sinerely, C. D. POWELL

Lyn Parker, Esq., Foreign and Commonwealth Office.