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From the Private Secretary

17 February 1988

Dear Tony,

PRIME MINISTER'S VISIT TO NATO AND SHAPE, 17 FEBRUARY

The Prime Minister paid visits to NATO and to SHAPE today. UKDEL NATO will be reporting her address to the North Atlantic Council and the subsequent discussion. Her remarks at her press conference will be available to you in the verbatim series. This letter records one or two points which arose during her meeting with Lord Carrington and subsequently at Sir Michael Alexander's lunch in her honour.

Lord Carrington made three points to the Prime Minister. First, a number of people such as Senator Nunn and M. Heisbourg of the IISS were suggesting that NATO needed a new Harmel report. He thought that this was most unwise and hoped that the United Kingdom would not support the idea. The Prime Minister agreed: it was the equivalent of appointing a Royal Commission which she had never done in her time as Prime Minister.

Second, Lord Carrington drew attention to sensitivity on the part of some NATO Member States to the term "modernisation" when applied to NATO's nuclear capability. To respect their sensitivities, it was better to talk of updating NATO's nuclear weapons or making them more effective or some other anodyne phrase. It was also important not to talk of compensation or substitution for the weapons which NATO was giving up as a result of the INF agreement. The Prime Minister said that the two points were very different. It was absurd not to talk of modernisation of our nuclear weapons. Modernisation was a continuous process stemming from the Montebello decisions some five years ago. Heads of Government had a duty to ensure that NATO modernised all its weapons, nuclear and conventional. She agreed, however, that we should not refer to compensation or substitution for Cruise and Pershing. Rather we should speak of adjusting NATO's deployment of nuclear weapons to take account of the INF Treaty, while respecting its terms.

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Lord Carrington's third point was concern over the lack of progress in agreeing a mandate for conventional stability talks. The French were the main obstacle. He hoped that the Prime Minister would draw attention to the importance of the Alliance coming forward with a proposal soon. We could hardly say that there should not be negotiations on shorter range nuclear forces until a conventional balance was established if we were unable even to make a start on conventional force negotiations. The Prime Minister agreed that she would make a reference to this in her remarks to the Council.

At Sir Michael Alexander's lunch there was a good deal of discussion of the forthcoming NATO Summit and the difficulties likely to be encountered there. The Prime Minister referred to General Galvin's proposal that the Summit should begin with an intelligence briefing to bring home to the smaller Member States the continuing threat to NATO from Soviet military strength. They should not be allowed to escape reality. Lord Carrington doubted whether it would be possible to arrange this, given the very limited time available for Summit discussion as a whole (largely at American insistence).

Lord Carrington was worried about the likely difficulty of getting the smaller NATO governments to subscribe a strong declaration reaffirming nuclear deterrence and calling for modernisation of NATO's nuclear weapons. There would also be problems with the Germans over SNF, where we would have to settle for Reykjavik communique language ("in conjunction with the establishment of ...").

General Galvin pleaded for a clear message from the Summit on the importance of restructuring NATO's nuclear posture following the INF agreement and modernising (or maintaining the effectiveness of) its nuclear weapons. Without such a message it was very difficult to envisage any progress being made at the NPG meeting. He himself favoured quite a simple declaration which would take credit from what had been achieved, reaffirm NATO's basic strategy and the need for nuclear deterrence and set guidelines for the future.

General Galvin was inclined to doubt whether the Soviet Union would make unilateral withdrawals of conventional forces, on the grounds that the Soviet military would be very reluctant to do this and Gorbachev would be unlikely to press them. He agreed, however, that such a move by the Russians would put NATO on the spot as would a unilateral decision to reduce or eliminate remaining Soviet short range systems.

The Prime Minister will be discussing the prospects for the NATO Summit with the Foreign Secretary tomorrow. In general she was rather disheartened by her visit and by the likely difficulties of getting an adequately robust declaration. She sees the worst outcome as a Summit which has to engage in divisive argument about the text. She wants every effort to be made to agree it beforehand,

although not at the cost of accepting a feeble text. She would like to be kept in very close touch with progress.

I am copying this letter to Brian Hawtin (Ministry of Defence) and to Trevor Woolley (Cabinet Office).

*Yours sincerely,
Charles Powell*

Charles Powell

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