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MINISTRY OF DEFENCE
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26th June 1979

MO 12/2/5

Prime Minister

*BM
26/6*

Dear Bryan.

At her briefing meeting yesterday morning the Prime Minister requested supplementary briefing on National Seismic Stations (NSS) in the light of the American decision (reported in Washington telno 1551 of 16th June) that it was impossible on political grounds to find provision from US funds for NSS on UK territory.

In our opinion, there is little indication of flexibility in the American position over possible funding of UK NSS. In view of the distinct possibility that the President will wish to explore options on NSS in the margins of Tokyo, the Prime Minister may wish to see our assessment of the more obvious options, at Annex.

American officials continue to urge that the UK move "more than half way" towards the Soviet demand for ten NSS in the UK and dependent territories as the only way of breaking the present impasse in the negotiations. The Prime Minister may wish to ascertain whether the President would be prepared to lend wholehearted support to any other option, particularly in the light of his appeal to President Brezhnev to stop obstructing progress by the unrealistic demand for ten NSS on UK territory (UKDEL Geneva telno 214 of 20th June).

The Annex has been developed in consultation with Foreign and Commonwealth Office officials, but you wish no doubt wish to check whether the Foreign and Commonwealth Secretary is content.

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B G Cartledge Esq
No 10 Downing Street

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I am sending copies of this letter to George Walden (FCO),
Martin Hall (Treasury) and Martin Vile (Cabinet Office).

Yours sincerely,

Roger Facer
(R L L FACER)

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ANNEX TO
MO 12/2/5
DATED 26TH JUNE 1979

PMVR(79)12 Supplement

26th May 1979

ECONOMIC SUMMIT, TOKYO
28TH-29TH JUNE 1979

COMPREHENSIVE TEST BAN (CTB) - UK NATIONAL SEISMIC
STATIONS (NSS) OPTIONS

Background Note

The US Administration has concluded that it was impossible on political grounds to fund the provision of NSS in UK territory. Consequently, unless the President can be persuaded to reconsider this position, the option adopted by Ministers on 24th May of offering four or possibly five NSS, but of financing no more than one (or at most two) would appear to be foreclosed. The Americans continue to urge that the UK should move "more than half way" to the Soviet position.

2. The Prime Minister may wish to explore with the President other options, amongst which are the following:

- a. Restatement of our Present Position: There has been no indication to suggest any weakening in the Soviet view that this position is wholly unacceptable. The Soviets could make a persuasive case that we were responsible for preventing progress. Without more than the nominal American support we have so far received for this position, we could be hard pressed to counter this.
- b. Reverting to Zero UK NSS: Our original proposal, supported by the Americans, was for association with the Separate Verification Agreement (SVA); we did not seek equal rights (or obligations), though we did seek the right to be involved in all aspects, notably the Joint Consultative Commission (JCC). In principle this is still our position, though we have conceded one NSS. Though they have never explicitly rejected the idea of "association" by the UK, by implication the Russian counter-proposal for ten UK NSS does just this.

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c. Withdrawal from the SVA: It is reported that this possibility was raised at the Vienna Summit and that the Russians indicated that they were not interested in this approach. Bilateral exchanges in Geneva suggest that the Russians would argue equality of obligation on NSS between the three negotiating nuclear weapon states and that membership of the SVA is not relevant. Since the prime purpose of the SVA is to provide for confidence between the two superpowers, and since we have no independent means of testing, there might be a limit to the extent to which the Russians could press for UK NSS were we to forego our place in the SVA. US reaction would depend on whether we could withdraw without prejudice to American NSS objectives. UK withdrawal for the SVA could involve us in certain penalties. Technically, under all possible verification arrangements, we would be dependent upon data and information from the US to satisfy us of Soviet compliance, and our withdrawal should not affect this providing it was done with minimal damage to the American negotiating position on verification. On a political level, withdrawal from the SVA could undermine our long-standing position on the importance of arms control verification, particularly if it were argued that we were not prepared to back this principle with financial support. We would be excluded from the JCC, where consultations on the whole test ban regime and its future would take place. Our reduced status in the CTB arrangements would contrast unfavourably with the leading role we have consistently taken on nuclear non-proliferation.

d. To offer more than one NSS but less than ten: Negotiability would depend on wholehearted American support - the general US view is that we should offer (and pay for) six NSS. It would also depend on whether the Soviets would in the event be prepared to drop equality of obligation and by how much, there are some small signs of flexibility in the Soviet position. If we were to make this offer in principle and it were accepted, there might be scope for negotiating a reduction in the financial impact. The possibilities include a selection of sites which minimise practical difficulties and hence costs and a relaxation of the timetable for UK NSS installations so as to push some expenditure so far to the right that it would not be incurred unless the Treaty were extended beyond three years. An offer of six UK NSS would entail a willingness to bear the whole costs because it is clear that the Americans are unable to commit themselves to a financial contribution.

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This does not, however, rule out the possibility that, if the UK funded the NSS and so led to the achievement of a major objective of the US President, the US would recognise this in the financial terms for other US/UK co-operation in the nuclear field.

e. To accept ten NSS: Not only would this option be most expensive (even with cost reduction along the lines indicated above), but it would represent a total concession to the Russians, and one which neither they nor the Americans are likely to expect.

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LINE TO TAKE

1. We recognise the importance of achieving ten NSS in the Soviet Union.
2. Wholehearted American support needed if we are to budge the Russians from demands for ten NSS in UK.
3. We have a strong case for being treated differently from the two superpowers and see little justification to move from our present position of one NSS.
4. In the light of your discussions with President Brezhnev, how flexible do you consider Soviets are prepared to be on NSS in order to achieve a treaty?
5. There are a number of options. But many involve financial commitment beyond that which we would consider justifiable. One possibility would be a new UK negotiating position proposing UK withdrawal from the SVA. This might serve to impress upon the Soviets the unacceptability of their demands. We could re-consider the issue in the light of further Soviet reaction. We would welcome your views.

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