PRIME MINISTER

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I need report only one part of the exchanges following Mr. Pym's Statement on theatre nuclear forces this afternoon. There was pressure from all sides for an early debate on nuclear weapons, and Mr. Callaghan said that if time was provided he he would want to take the opportunity to express his own views.

Subsequently, the Speaker refused a request from Bill Rodgers for an SO 9 debate on consultations arising from the NATO meeting this week - which was explicitly intended to include your consultations in the United States. The Speaker hinted that he hoped that there would be an early debate anyway.

Poger Carte 1. Duty Clerk

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MODERNISATION OF NATO'S LONG RANGE THEATRE NUCLEAR FORCES

With your permission, Mr Speaker, and that of the House, I should like to make a statement about the NATO Foreign and Defence Ministers' meeting in Brussels yesterday to consider proposals for modernisation of the Alliance's Long Range Theatre Nuclear Forces, and a parallel arms control offer. A copy of the communique issued at the end of the meeting is being placed in the Library.

Faced with the rapid growth in Soviet long range theatre nuclear capability, notably the deployment of large numbers of modern SS-20 missiles and Backfire bombers, at a time when the Alliance's own equivalent forces are increasing in age and vulnerability, we concluded that some modernisation of NATO's theatre nuclear capability is essential.

The modernisation programme will involve the deployment in Europe of US owned and operated systems comprising 108 Pershing II ballistic missile launchers, which will replace the same number of the existing Pershing IA, and 464 ground launched cruise missiles. All 14 NATO countries concerned have agreed to support the programme, and certain infrastructure costs will be met through NATO's existing common funding arrangements. As far as basing is concerned, Germany, Italy and Belgium in addition to

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ourselves, have agreed to stationing, subject in the Belgian case to a six-month deferment of implementation while arms control developments are monitored. The Netherlands will take a decision in 1981 on deployment in their territory. The first deployments should take place in about three years' time.

We will discuss with the United States where the 160 cruise missiles to be deployed in the United Kingdom should be stationed;

I will make a statement about this as soon as practicable.

As an integral part of the programme, we also agreed that the United States should withdraw 1,000 of their nuclear warheads from Europe as soon as possible, and that the remaining stockpile will not be increased as the 572 warheads associated with the modernisation programme are introduced.

In parallel with this modernisation programme the

United States will make an offer to the Soviet Union to begin

negotiations on the limitation of both Soviet and US land-based

long-range theatre nuclear systems. The intention is that their

bilateral negotiations should begin as soon as possible. They

will be based on the principle of equality between both sides;

any limitations will have to be adequately verifiable. The aim

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will be to contribute to a more stable military relationship in Europe, and hence a more predictable and manageable situation at a lower level of armaments. Because of the particular importance of these negotiations for the European members of the Alliance a special consultative body is to be set up within NATO to follow the negotiations on a continuous basis.

HMG has, as I have earlier made clear, fully supported the Alliance effort to reach agreement on this programme, which I believe is essential if we are to avoid a dangerous gap emerging in NATO's theatre nuclear capability. Such a gap would weaken the Alliance's strategy of flexible response and so cast doubt on the credibility of our deterrent. The decision reached yesterday is a dramatic reaffirmation of the American commitment to the defence of Europe. This decision is also a demonstration of the cohesion and political will of the Alliance to respond to a growing Soviet threat and to resist a massive Soviet propaganda campaign. My right honourable and noble Friend the Foreign and Commonwealth Secretary and I therefore regard the outcome of the Alliance's lengthy and careful deliberations as highly satisfactory. We must now hope that the Soviet Union are now willing to negotiate seriously on the limitation of theatre nuclear systems.

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