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APPENDIX TO ANNEX G
TO PMVZ(80) 17.a

PRIME MINISTER'S MEETING WITH PRESIDENT CARTER - JUNE 1980

Brief by the Cabinet Office

*Removed from PM's briefing
Economic Summit Venice
June 1980.*

POINTS TO MAKE

Polaris Replacement

1. Glad our representatives have now reached full agreement on arrangements for formal Exchange of Letters between us in mid-July.
2. Security co-operation at its best. A very special element in Anglo-American relations.

ESSENTIAL FACTS

1. Discussed with President Carter in Washington on 17 December 1979, at restricted meeting with only Lord Carrington, Mr Vance, Dr Brzezinski and Sir Robert Armstrong present. President promised positive response to British request but did not want it made until SALT II ratification complete.
2. Following postponement of SALT II ratification because of Afghanistan, protracted negotiations took place between White House and Cabinet Office. They have just resulted in full agreement on all details in a formal Exchange of Letters. Outline timetable as follows:

Friday 11 July	Prime Minister's formal letter delivered to President Carter by Sir N Henderson
Tuesday 15 July	President Giscard and Chancellor Schmidt informed in confidence
Wednesday 16 July	President Carter's formal reply delivered to the Prime Minister by Special Emissary (possibly Dr Brzezinski)
Thursday 17 July	Publication

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3. The White House have attached great importance to arrangements for briefing other Allies before the announcement. They are particularly concerned about Chancellor Schmidt's reaction, which they think will be unsympathetic. They are worried that he may see the Anglo-American deal as a reason for going back on his commitment to TNF modernisation.

4. More generally, the White House expect the President to be criticised over the Anglo-American deal on the grounds (a) that it damages detente and (b) that it will divert British defence expenditure away from conventional forces. But they do not anticipate any trouble over Congressional ratification, which will be complete by the end of September.

5. The main American motive for helping us on Polaris replacement is probably the fear that we would otherwise follow the French example of going it alone at much greater expense, which would imply really serious weakening of our conventional effort.

20 June 1980

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