



No. 1500/40

MT.

18th May 1981

Prime Minister

Copy to: Secretary of State for Defence

THE DEFENCE PROGRAMME

1. I note with regret but understanding that the tightness of your programme precludes your seeing me personally as requested. I am confident however that you will at least spare two minutes to read this note from the professional Head of the Navy before you and your Cabinet colleagues consider a proposition substantially to dismantle that Navy.

2. It is proposed to cut the Naval budget by more than £7½Bn over the next 9 years. This is 62% of the total reduction contemplated for Defence and a quarter of the Naval budget. If implemented it would by 1983 cut our Anti-Submarine Warfare Carriers by one third; by 1991 the Destroyer/Frigate Force, the Survey Flotilla and the Fleet Auxiliaries would be halved and our Anti-Air Warfare and Mining capabilities abandoned; Naval manpower would be reduced to the lowest level for 100 years: 20,000 uniformed personnel would go, 24,000 civilians and there would be 80,000 job losses in industry; Gibraltar, Chatham and most of Portsmouth Dockyards would close as would 10 Supply Depots and 12 Naval Establishments.

3. The proposal has been devised ad hoc in two months. It has been neither validated nor studied in depth. No alternative options have been considered. It has all been done in a rush. Such unbalanced devastation of our overall Defence capability is unprecedented; it must cause serious doubts concerning United States reactions in the context of your own conventional assurances and successful negotiation of the TRIDENT project so important to our country.

4. We are on the brink of a historic decision. War seldom takes the expected form and a strong maritime capability provides flexibility for the unforeseen. If you erode it to the extent envisaged I believe you will undesirably foreclose your future options and prejudice our National Security.

d.

First Sea Lord

18 May 1981

Note.

I told the Secretary to the First Sea Lord that the Home Ministry had seen and read Admiral Leach's minute.

KW

18.5.81