The Prime Minister will wish to reply soon to President Reagan's message of 10 September, in which he asks for HMG's views within the next few days. Mr Richard Burt, the American Chairman of NATO's Special Consultative Group which met in London yesterday, has told us that the Administration are hoping for the Prime Minister's comments by Thursday this week at the latest. I enclose a draft reply which has been cleared by telegram with Sir Geoffrey Howe who is at present in Budapest.

President Reagan's message comes as no surprise. The substantive elements in it have been under discussion among key Allies over recent weeks, and they are consistent with our own approach to the INF negotiations as recently endorsed by Sir Geoffrey Howe and MOD Ministers.

The three substantive elements in President Reagan's message are largely acceptable. The offer to include Pershing II missiles pro rata in any reductions taken by NATO as a result of an INF agreement has been implicit in NATO's own thinking from the beginning. Spelling it out has the merit of making clear conversely that the option of excluding Pershing IIs altogether from NATO's intended deployments is not on offer.

The President's proposal with respect to US deployments of LRINF missiles in Europe is also satisfactory. Without conceding the essential NATO principle of strict US/Soviet parity it explains that the United States would not deploy its entire global entitlement to LRINF missiles in Europe, on the assumption that part of the Soviet global entitlement would be reserved for Soviet Asian deployments against Chima. This is in effect to introduce the concept of European sub-ceilings, an element which again has been part of NATO's thinking since the original 1979 dual track decision.

/As for



As for the passage on possible proposals involving US and Soviet LRINF aircraft, this too is consistent with all the major principles of NATO's negotiating position. The draft reply to President Reagan does however bring out one possible point to which the UK attaches importance, namely that any limitations on LRINF aircraft should be on a global basis: regional limits on aircraft make little sense given the very short time that aircraft need by definition need to deploy from one area to another.

It could be argued that, strictly on the merits of the negotiations themselves, it is not for the West to initiate further moves, but for the Russians to make substantive concessions. We know, however, that the Americans are very concerned to take account of German political requirements; and that Chancellor Kohl attaches great importance to ensuring that the Allied negotiating position is as detailed and comprehensive as possible, consistent with NATO's main principles, before deployments begin to take place. This is the over-riding reason, in the view of the Foreign and Commonwealth Secretary, for giving a positive response to President Reagan's message. Whether all the elements in that message should be used simultaneously, or whether it would be better to eke them out over a period during the current negotiating round, is perhaps ultimately for the US chief negotiator Ambassador Nitze to judge; but the draft reply also addresses this point.

I am sending copies of this letter and enclosure to Richard Mottram in the Ministry of Defence and David Goodall in the Cabinet Office.

'Lun un

(R B Bone)
Private Secretary

A J Coles Esq 10 Downing Street

DS. 1 (Revised) MESSAGE TYPE: Draft/Final 1+ DRAFT: xminute/lettex/telelettex/despatch/notex FROM: Reference THE PRIME MINISTER DEPARTMENT: TEL. NO: Your Reference TO: SECURITY CLASSIFICATION PRESIDENT REAGAN Top Secret Secret US Declassified Copies to: Confidential Restricted Unclassified SUBJECT: PRIVACY MARKING 3. Thank you very much for your message of 10 SeptemberIn Confidence about the Allied approach to the INF negotiations in Geneva. CAVEAT..... I agree on the importance of ensuring that our peoples understand fully the efforts we are making to achieve agreement in Geneva, particularly now that initial Western deployments are about to begin. I quite see that it will be useful for Ambassador Nitze in this context to have the necessary discretion to fill out and explain our negotiating position, while remaining true to NATO's fundamental negotiating principles. I am in general very content with the substantive elements outlined in your message for possible elaboration of the Western negotiating hand. But I hope that if it comes to the point of indicating our readiness to consider proposals involving the US and Soviet LRINF aircraft, the Allied position will make clear that we are talking about Enclosures—flag(s)..... global limitations. NATO rightly attaches primacy to

global limits on missiles (rather than purely regional

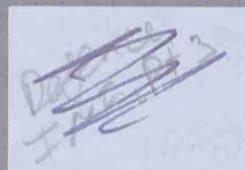
limits as the Russians would prefer) if Western security is

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to be enhanced by an INF agreement. The argument seems to /me even

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me even stronger in respect of aircraft, since these are by definition the most highly mobile weapons platforms of all.

include all these elements simultaneously in one elaboration of the Western position at Geneva, or to proceed in phases depending on Soviet reactions. In the latter case (for which I have some preference) there might be advantage in introducing our detailed position on aircraft before going on to the question of sub-ceilings on missiles, since this would enable us to secure the principle of global ceilings at the outset. But I accept that you will wish to give full weight to Ambassador Nitze's recommendations on this score.

I am sure that NATO has everything to gain by remaining firm over the basic criteria and principles embodied in the zero/zero and interim agreement proposals. You may rest assured of our whole-hearted support in this and I welcome your continued readiness to consult closely with Allies about how best to achieve our joint objectives.

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you are

Ragaret

A. J. C. 14.