CONFIDENTIAL

Mr Gillmore (Defence Dept)

Brim Minister

Bly
189

Call on the Secretary of State by Mr David Aaron

Mr David Aaron, President Carter's emissary on Theatre Nuclear Force issues, called on the Secretary of State this morning, accompanied by the American Ambassador and a member of the NSC Lord Strathcona, Mr Wade-Gery and Mr Moberly were present.

Mr Aaron explained that the object of his current visits in Europe was to try to establish an agreed programme for Theatre Nuclear Forces modernisation on which decisions could be taken by the end of the year. His discussions with the Germans had been moderately encouraging. Chancellor Schmidt clearly wanted to take a decision within this time-scale but was pessimistic about the chances of agreeing on a fully-fledged arms control position by then and seemed to regard this as a pre-condition for modernisation. The Secretary of State said that his impression had been that the Germans wanted to take a decision in principle in favour of Theatre Nuclear Force modernisation, to start arms control discussions in parallel and then to decide on the final numbers of new systems in the light of those discussions. Aaron said that the trouble was that the Germans wanted the decision on force modernisation to be accompanied by a specific arms control proposal, not just a commitment to enter discussions, and their ideas on the arms control side were complex, not well thought out, and would take some time to be refined. The Secretary of State asked whether the German attitude reflected their own domestic concerns or a desire to reassure smaller countries in the Alliance. Mr Aaron thought that it was a mixture of both.

Mr Aaron added that a further problem was that Chancellor Schmidt seemed still to be interested in sea-launched cruise missiles. Mr Aaron's own brief was not to close the door on this option but the Americans had little enthusiasm for it. systems would be expensive, would not be militarily effective and would have less deterrent value. The specific force proposals which the Americans themselves favoured were for a mixture of Pershing IIs and ground-launched cruise missiles. The 108 Pershing I missiles now in Germany would be replaced by the mark II version on a one for one basis; and ground-launched cruise missiles would be deployed elsewhere within the Alliance, perhaps by installing 36 launchers (each with 4 missiles) within the UK, 12 launchers in the Netherlands, 12 in Belgium, 24 in the FRG, and 24 in Italy. The Secretary of State asked whether the deployment in the UK was envisaged as a replacement for the British Vulcan bomber force or in addition to it. Mr Aaron replied that the thinking of the Joint Chiefs of Staff on this was not clear. His impression was that they thought that an overall deployment of this size, including 36 launchers in the UK, was what NATO as a whole needed. that this was without prejudice to the UK's own requirements.

The



The Secretary of State asked whether the rest of the Alliance would be likely to endorse these proposals. Mr Aaron replied that the Belgians, including both the Prime Minister and the Foreign Minister, had shown serious interest though they were concerned about reactions in the Netherlands. The Dutch were doubtful: the Government would like to help but were afraid of Dutch public opinion. At official level the Italians were interested but it was not clear how the new Italian Government would react. As regards the other members of the Alliance, the Americans would inform the Danes, Norwegians, Turks and Greeks of their proposals but were not suggesting their involvement in basing of new systems.

The Secretary of State said that it was important to avoid entering arms control negotiations about weapons which did not yet exist if this would impede NATO's acquisition of them. how the British Government could help. Mr Aaron said that he hoped some influence could be brought to bear on the Germans to bring their arms control ideas down to a more practical level. Secretary of State referred to the Protocol in the SALT II Treaty. This was the only aspect which gave the British Government some hesitation. He wondered whether there would not be pressure from the Russians to ensure that the limitations in the Protocol continued even after its expiry. Mr Aaron replied that there would both be domestic pressure in the United States and pressure from other international quarters in quite the contrary sense. He thought that the Russians now accepted that a US cruise missile programme was under way. By the time the Protocol expired, the US could well be far embarked on a programme to which they were committed to their Allies. On timing, he doubted whether SALT III negotiations would start until the SALT II Treaty was ratified. He was reasonably confident that ratification would happen in December.

Mr Aaron added that the French attitude towards SALT III seemed surprisingly positive. President Giscard, although stressing that France would not take part, had now endorsed the desirability of negotiations to cover Theatre Nuclear Forces. The Secretary of State said that the British attitude towards participation in SALT III was less clear-cut. It would suit Britain to have British nuclear forces excluded from the negotiations but he wondered whether this would be feasible. Speaking personally he thought it politically impossible for British nuclear forces to be discussed in an arms control forum where Britain was not present. But any British presence would change the whole nature of SALT.

Caul down (P Lever)

17 July 1979

cc: PS
PS/Mr Hurd
PS/PUS
Sir A Duff
Mr P Moberly

Mr Cartledge (No 10)
Mr Wade-Gery (Cabinet Office)
PS/Secretary of State for Defence