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SIR PERCY CRADOCK

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Anti-Satellite Systems and Arms Control

I return your minute to the Prime Minister on this subject from which you will see that she has some doubts about the conclusions of the joint FCO/MOD paper as well as of your own minute. I hope to arrange for an early discussion with Mr. Heseltine and Sir Geoffrey Howe, in which you should certainly take part, but the Prime Minister first wishes to have the special briefing offered in paragraph 14 of the paper.

CDP

2 July, 1984.

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Prime Minister

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MR POWELL

ANTI-SATELLITE SYSTEMS AND ARMS CONTROL.

PAPER BY THE FOREIGN AND DEFENCE SECRETARIES

1. This is an important paper. Although it concentrates on anti-satellite systems (ASATs) it opens up the question of UK and Western policy on the military uses of space. This has very wide implications inter alia for the East/West strategic balance, deterrence policy, European defence and the future of the UK deterrent. But we have not seriously addressed the issue so far. Whether or not the Prime Minister wishes to have a special briefing on certain aspects of space beforehand (paragraph 14 of the paper), I am sure it would be desirable to have a Ministerial discussion.

2. The questions in the paper fall broadly into two time frames: short-term (control of ASATs) and long-term (Star Wars or, as it is now called, the US Strategic Defence Initiative, SDI). But the two are related: for example acceptance of limits on ASATs could constrain development of the SDI option.

3. On ASATs, the paper argues the desirability of seeking a ban on testing high altitude ASATs. Neither the US nor the Soviet Union is yet involved in this sector and the problems of verification are probably not insuperable. Control over low altitude ASATs should wait until the US achieves parity with the Soviet Union by developing its Miniature Homing

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Vehicle (MHV), which should be in operational service in 1987. Thereafter a block on further developments in this field might be considered. This seems sensible as far as it goes. A check on high orbital capability would block off a new area of arms race competition and would accord with UK interests.

4. So far so good. But the longer-term issue, SDI, is much more diffuse and worrying. In essence it involves US research into the possibility of a multi-layered system of ballistic missile defence (BMD) capable of destroying incoming missiles at various points in their trajectory. It is highly speculative, would be horrendously expensive and it is hard to see how a flawless system providing 100% cover could be devised. It could also be highly destabilising in terms of the super power balance. Research and testing of a BMD system would eventually contravene the 1972 Anti-Ballistic Missile Treaty, which is the foundation for our present offensive-related deterrence (mutual assured destruction). Nevertheless the arguments from a purely US point of view may not be entirely against. There will be strong temptation to develop defences which could at least reduce the prospect of a total holocaust; the credibility of the present offensive-related deterrent is arguably suspect (would a US President really sacrifice Chicago for Hamburg?); and it has been argued that substantial cuts in offensive nuclear missiles could only be achieved in the presence of strong defensive systems on both sides. We may

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Surely that would argue² for more so that some missiles would get through

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be facing at least a limited move away from offensive deterrence to a more defensive-related balance.

5. But whatever attractions SDI may have for the United States, it would seem to have little for Western Europe. ?

- a. We can take it as axiomatic that the Soviet Union, if compelled to, would strain every nerve to match US developments in ballistic missile defence. The US strategic threat, on which NATO at present depends, would have a distinctly lower deterrent effect in the presence of Soviet strategic defences.
- b. If there were a defensive stalemate between the US and the Soviet Union, the latter might be more tempted to try to exploit its advantages in conventional arms.
- c. Even if the US were able to achieve satisfactory cover by a system over continental America it is doubtful whether the "astrodome" would be extended over Western Europe.
- d. Even if it were, the Europeans by reason of their geography would still be vulnerable to conventional threats and to threats from tactical nuclear weapons.
- e. Finally, BMD systems in the Soviet Union would degrade and eventually nullify the British and French deterrents.

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*I'm not sure
about this*

6. It is therefore in UK interests to promote control of ASATs both for its own sake and also since it would make it harder for the US to go too far down the SDI path. But, as pointed out in paragraph 4 above, there may be reluctance on the US side to abandon SDI research altogether; and they may wish for a time at least to have it both ways, continue some work on the SDI option while pursuing proposals for ASAT control.

7. Against this background the paper's recommendation of talks with the US to explore US intentions and push the Americans towards ASAT controls looks right. It may seem over-cautious, given the overwhelming balance of UK interest in favour of controls in space. But I think we should handle these discussions carefully, taking account of the vastly greater knowledge of this sector on the US side, their worries over verification of a ban on ASATs and our own dependence on US space-derived intelligence.

8. The Soviet attitude is worth noting. They have occupied the high propaganda ground with public statements about the need to check military development in space. They naturally wish to preserve their present superiority in low altitude ASATs. But there is also probably a genuine wish on their part to avoid the effect of all-out competition with the Americans in space. They may therefore prove receptive to an eventual US approach.

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9. There is also a European aspect. The French launched a discussion on military development in space in WEU earlier this month and urged the need for the European allies to take a position on arms control options. We shall naturally wish to discuss this matter eventually with our European partners but it would be best not to get too involved with them before we have had quiet bilateral discussions with the Americans.



PERCY CRADOCK

28 June 1984

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