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NOTE FOR THE RECORD OF A MEETING WITH DR WOERNER
AT 0830 HOURS ON TUESDAY 26TH MARCH 1985
IN THE MARGINS OF THE NPG MEETING, LUXEMBOURG

Those present:

The Rt Hon Michael Heseltine MP
 Secretary of State for Defence

Dr Manfred Woerner
 Federal Minister of Defence

Sir John Graham
 UK Permanent Representative
 to NATO

Dr Hans-Georg Wieck
 Ambassador, Permanent Represen-
 tative

Field Marshal Sir Edwin Bramall
 Chief of the Defence Staff

General Wolfgang Altenburg
 Chief of Staff, Federal Armed
 Forces

Mr D A Nicholls
 DUS(P)

Dr Hans Ruhle
 Chief Planning Staff

Mr R C Mottram
 Private Secretary to the
 Secretary of State

Major General Rolf Huttel
 Assistant Chief of Staff

Colonel Dr Klaus Reinhard
 Principal Staff Officer

Colonel Dieter Stoeckmann
 Chief of Personnel Staff of
 Chief of Staff, Federal Armed
 Forces

European Fighter Aircraft

1. In reply to a question from the Secretary of State about the French attitude to EFA, Dr Woerner said that the French appeared to be keeping their options open; there was even speculation that they would take part in both EFA and their own separate national programme. His impression was that M. Hernu was genuinely and strongly interested in a collaborative solution. This had obvious financial advantages for him, given the other pressures on the French defence budget particularly to fund their nuclear programme. When he had talked with M. Hernu he had impressed upon him the importance of seeking a compromise and had not indicated any willingness to fall in with French leadership. He had made it clear that, if a truly European solution were not possible, all German options would be open. The German Government had sufficient flexibility in their



requirement to fall in with any sensible compromise. The Secretary of State said that his problem was that the French at an industrial level might believe that his commitment to collaboration was such that he would eventually be forced to accept a solution on their terms in order to get an agreement at all. Dassault in particular might believe that all they had to do was to sit tight and refuse to compromise. The reality was that, if an agreement was to be reached, he had to persuade a whole range of very sceptical people on his own side. French dominance was not the same as European co-operation. Dr Woerner emphasised that he was unwilling to accept French dominance in any programme with which he was associated. He repeated that he had not given M. Hernu any signal to suggest that this would be acceptable. His own industrialists would prefer the British solution if they had to choose.

2. The Secretary of State said that at the heart of the problem was a lack of contact between Dassault and British Aerospace. He would himself be visiting the Dassault factory the following Tuesday and he had encouraged the Chief Executive of British Aerospace to make contact himself with his opposite number in Dassault. Ultimately, in order to achieve a compromise it might be necessary for him to apply pressure on Sir Raymond Lygo while M. Hernu applied similar pressure on M. Vallieres. He felt that M. Hernu had the will to do this. The question was whether he had the clout within the French system to override the industrial interest. Dr Woerner agreed that that was indeed an imponderable issue. Subsequently he emphasised that this was not simply an Anglo-French problem or a matter which could be settled by contact between the two countries. There must be a European solution in which Germany was fully involved.

3. In discussion of the engine for the new aircraft, the German side expressed concern over the suitability of the RB199 or a derivative of it for an air superiority aircraft. The Secretary of State emphasised that our interest was to agree an engine size for EFA which was also appropriate for the re-engining of our Tornado ADV force. This was also in the interest of our partners since it increased total orders for the new engine. Given this, it made sense to use the RB199 as the engine for the prototype aircraft; but he had given an absolute commitment that there was no suggestion of using the RB199 for production aircraft.

4. In discussion of the timing of a decision, Dr Woerner emphasised the importance of reaching a view on the feasibility of the EFA solution at the next Ministerial meeting. On the basis of the outcome of the meeting, he would need to take his own follow-on decisions before the Summer break. Should agreement not be possible on a five-nation solution, his Government would wish urgently to address a number of other options including collaboration with France, collaboration with Britain or building a US aircraft in Germany under licence. It would take three months to assess these



options. He wanted any decision to be out of the way before the Autumn when Parliament resumed and when the focus of attention would be on the extension of the period of compulsory military service. An early decision was also needed for industrial reasons. He had told his industry not themselves to engage in research or development work while the EFA approach was on the table, but they needed soon to know the way ahead. The Secretary of State said that he had himself envisaged the need for two Ministerial meetings before agreement was likely to be secured. He had anticipated that after the meeting which had now slipped into May, there would be one final meeting in the Summer. If it were to be apparent at the first meeting that a deal was not possible, this would be a tragedy for Europe and for the process of equipment collaboration. He wondered whether the right approach then would be to elevate the problem to the level of the Prime Minister, the Federal Chancellor and the President. Dr Woerner said that he would not oppose such an approach, but he doubted whether it would do much good. M. Hernu kept closely alongside President Mitterand on matters of this kind, and was likely to have cleared his lines in advance. On the German side, were the decision to be elevated to a higher level, more political considerations could well determine the outcome. It might be preferable for any approach of this kind to be a bilateral one between the Prime Minister and the French President.

5. The Secretary of State said that the next step was perhaps to discuss with M. Hernu the French position to get a feel for the possibility of a compromise. After his meeting on 2nd April, he would telephone Dr Woerner about the outcome.

Strategic Defence Initiative

6. The Secretary of State asked if Dr Woerner had any views on the paragraph in the draft NPG communique about the strategic defence initiative. Dr Woerner said that his position was that research on the SDI was legitimate and he was looking for some form of German participation in it. Options should be kept open for what happened after the research phase. It was important that handling of the SDI should focus not only on the technological aspects, but that there should also be a dialogue about the strategic and political implications. Two of these wider considerations were particularly important for Germany: that there should be no de-coupling of America from Europe and that pursuit of the SDI should not appear morally to disqualify the role of nuclear weapons in present NATO strategy. We must not undermine the validity of flexible response. The Secretary of State said that the British Government also supported research, but any SDI-related deployments should be the subject of negotiation under the ABM Treaty. His concern was that the communique should not imply that the Alliance saw benefits in SDI deployments, since he foresaw language of this kind gradually being strengthened over a period of years to produce an Alliance commitment to the SDI. He was not himself persuaded at present that there would be any



benefits of the kind envisaged. Dr Woerner said that he was not opposed to a reference in the communique to the possible benefits of strategic defences. He could see that there could be an increase in stability under certain conditions and that the SDI had theoretical advantages. It was, however, too soon to make final judgements. He recognised also the problems that could arise in the transitional phase. The Secretary of State commented that his difficulty was that all experience suggested that the outcome of an initiative of this kind would be a process of escalation on both sides. Dr Woerner said that, if there were no possible benefits from the deployment of an SDI system, it might be difficult to justify SDI research. The Secretary of State said that the justification for the research was that we could not leave the field to the Russians and there was no way of placing verifiable limits on research on both sides. He felt that research on defensive systems could be justified in itself without getting into the question of the ultimate benefits of the SDI.

7. The meeting ended at 0920.

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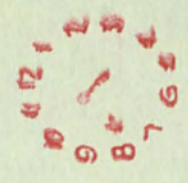
Ministry of Defence
29th March 1985

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