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NOTE FOR THE RECORD: PLENARY MEETING BETWEEN MR YOUNGER
AND M. GIRAUD, MONDAY 15TH SEPTEMBER 1986 AT 1110 HOURS

Present:

The Rt Hon George Younger MP Secretary of State for Defence	M. Andre Giraud French Defence Minister
The Rt Hon John Stanley MP Minister of State for the Armed Forces	HE M. Jacques Viot French Ambassador
Adm of the Fleet Sir John Fieldhouse Chief of the Defence Staff	Contre Amirale Yves Goupil Chief of Military Cabinet
Mr Peter Levene Chief of Defence Procurement	Ingenieur Generale Henri Conzé
Sir David Perry Chief of Defence Equipment and Collaboration	Contre Amirale Lucas Armed Forces Attache
Mr David Nicholls DUS(P)	M. H F de La Fortelle Adviser on International Affairs
Mr John Ledlie CPR	M. Michel Scheller Technical Procurement Counsellor
Mr Brian Hawtin Head of Sec(NATO/UK)Pol	Capitaine de Vaisseau J L Delaunay Member of the Military Cabinet
Air Commodore M Burton British Defence Attache, Paris	Ingenieur-en-Chef de l'Armement M Courtiapè
Mr J F Howe PS/Secretary of State	

1. Mr Younger warmly welcomed M. Giraud, and suggested that the discussion start with a survey of the respective national defence policies. In the UK, 7 years of real growth in the defence programme had just been completed leaving us at a spending level some 20% higher than before. There would now be a period of broadly level funding, although in the immediate future there would be a very slight decline. No major changes in posture or force levels or commitments were expected as a



result of this decline, but the change from growth to level funding was fairly painful. He had just completed an exercise to bring the programme into line with the budget and some difficult decisions had had to be taken. But they involved nothing fundamental. M. Giraud said that in France, following a period of increase, defence expenditure had been declining slightly but next year this trend was to be reversed. A major effort had been and would continue to be made in the equipment area. Discussions were in train on the 5-year plan and the proposition was that current expenditure would be increased by 1.5% per annum in real terms (on "common expenditure"), against a 3% increase in GNP. A decision had still to be taken on equipment expenditure, for which his Ministry was putting in a large bid. The effect would be overall to take the defence expenditure percentage of GNP from 3.8% to 4% in 1991. A major increase in equipment expenditure was undoubtedly necessary so that the forces could be modernised.

2. Continuing, M. Giraud said that the objectives of French defence policy overall were, firstly, to ensure that the nuclear posture remained highly credible; this involved new submarines, an improvement of warheads, especially in the light of possible Soviet terminal defence improvements, and the introduction of mobile ICBMs. Secondly, an improvement in conventional and tactical nuclear forces in the central region, including land-based rather than airborne nuclear weapons (as for the latter, the nuclear airborne missile was already a very promising development). Thirdly, activities in areas of the world where the French had special interests, particularly the Mediterranean (given the highly armed state of the Southern Littoral), Africa, the Middle East, Indian Ocean, the Caribbean and the Pacific. Under the third of these headings, the future of long range strategic military air-lift was under review. The Secretary of State responded that the UK's out of area commitments were still a highly important part of our own defence posture. M. Giraud said that the Chinese were showing a particular interest in the South Pacific. They had signed the Treaty of Raratonga, no doubt with this area of interest particularly in mind. If he, Giraud, were an Australian or New Zealander, he would not loosen his ties with the US, UK or France. The Chinese were a real problem in the longer term. They might one day have "to do something in front of the Japanese". The French were very suspicious of what was going on. It would be a "terrible mistake" to sign the Raratonga Treaty. He was very serious about this. No one could push the French out of Mururoa. It was the same distance from Tahiti as Romania was from Paris. The Raratonga Treaty was an issue that had to be confronted head-on and not evaded. Mr Younger replied that we ourselves were worried about the New Zealand attitude, for example, to ship visits; our own defence relationship with New Zealand was drying up. M. Giraud suggested that these developments were the result of "manoeuvres from outside".



3. Turning to the state of the NATO alliance, Mr Younger suggested that NATO was in quite good shape but this could easily change if for example the German elections went the wrong way. The UK was playing its part in the improvement of conventional defences. M. Giraud said that the Europeans had to be wary of a number of developments: the possible political transformation in Europe that was coming up, the discussions between the US and Russians on arms control, the pressure to include British and French forces in arms control. He expressed particular concern over the "zero option" for INF. The Pershing sanctuarised Germany; this effect would disappear if zero was agreed, and the coupling with the US strategic guarantee would be weakened. Mr Younger agreed with these reactions. We had reservations about zero as a first step. It would be particularly dangerous against the background of conventional imbalance. Mr Stanley interjected that it was also very important to place tight constraints on shorter range systems, particularly the SS22 and SS23.

4. M. Giraud said that Dr Woerner had told him that NATO was about to adopt a new concept for theatre nuclear weapons (the General Political Guidelines). Mr Younger said that the Guidelines did not break radically new ground; they were an up-dating of long-standing doctrine. It was, however, something of an achievement to get some of the Northern European nationals to subscribe to the policy.

5. Turning to the SDI, Mr Younger said that our participation was still firmly based on the Camp David Four Points. We supported the SDI as a research programme. We expected that British industrial and technical participation would build up. M. Giraud said that for the French part they were glad that possible deployment of SDI defences was a long way off. It was very important that nuclear "dissuasion" should not be undermined. Provided that it was not, the French had no reason to oppose the SDI, although he personally thought nothing would come of it. The maintenance of adequate deterrent forces at the time that the SDI was proceeding to deployment would prove impossibly expensive for the US and for this reason alone he doubted whether the SDI would in the end come to anything. Spin-offs from it might meanwhile, however, be very important, for example the improvement of terminal defences on both sides. Such improvement would mean that the British and French would have to spend much more on their own nuclear defensive systems so as to maintain penetrativity. He doubted whether a submarine-based force would indeed be capable of penetrating improved defences. There might be some other technological fall-outs. As a practical consequence, there was the ATBM issue "on which we are not entirely negative". Europe needed an "elementary ATBM" but without the SDI. The French needed an anti-missile system to protect warships, coastal bases and air bases anti-missiles (not necessarily only ballistic missiles).



6. Mr Younger said that the UK regarded the ATBM problem in Europe as a separate one but overlapping with the SDI. The NATO Air Defence Committee was looking at it. M. Giraud said that the US and USSR relied on mutual assured destruction. The French and British system on the other hand was based on "dissuasion from the weak to the strong" by which a small force effectively neutralised a very large force; it was not necessary for the British or French to match Soviet systems weapon for weapon. We could not afford defences against 10,00 Soviet warheads. A European SDI was therefore a waste of time.

7. Mr Stanley asked over what timescale the French planned to introduce mobile ICBMs. M. Giraud said by the mid-1990s - say 1994. He would not be drawn on the way in which the French proposed to provide mobility - rail or road - "it was not necessary to announce; if you could put it on a truck you could put it on a rail; the maximum uncertainty should be kept over the basing mode".

8. M. Giraud asked whether we were planning to modernise our TNF. Mr Younger said that we had the same position on this as on our strategic force. There was a national veto over the use of TNF; and we would contribute to NATO's general efforts to modernise, so as to preserve a range of nuclear capabilities in line with the flexible response strategy.

9. In answer to a question, M. Giraud said that he thought there would probably be a summit meeting this year between Gorbachev and Reagan. Mr Younger suggested that Gorbachev had more to lose from a summit without specific results than Reagan did, and for this reason he thought it quite possible that a summit would not take place until next year. For the British part we would be absolutely insistent on keeping British and French systems out of the negotiations. M. Giraud added that it was also important to keep the ABM Treaty working. It was necessary to keep the cost of deterrence as low as possible by avoiding the need to go in for terminal defences.

10. M. Giraud expressed surprise at the Russian policy of "preparing for all kinds of war"; one would expect them to be preparing for just one kind. Were we satisfied with our intelligence information - did we have our own reconnaissance satellites? Mr Younger said we did, and we got some information from others. Soviet improvements were proceeding all the time, particularly in quality.

11. Mr Younger said that the UK would like to exploit collaborative opportunities, in line with M. Giraud's own statement at the Madrid IEPG meeting. Bilateral collaboration was somewhat easier than multilateral but they were not mutually exclusive. He described the state of play on the AEW competition. There had been a most successful competition but we were not yet sure what our final position would be. If we



decided on the Boeing E3A then he would be much in favour of getting together with the French so as jointly to achieve the best bargain we could. M. Giraud said that for their part the French would like to study the various options with us. We had a common interest in putting up a united front to the suppliers. Moreover there was an operational question to be addressed if we both went for AWACS - how should we best operate together and organise ourselves? Mr Younger said that our main UK requirement was for a system that worked. Subject to that, Nimrod had the advantage that we had sunk a lot of money in it. Mr Levene said that he agreed with M. Chevalier that we should put our evaluation teams together as much as we could. French experts were already looking at Nimrod and indeed flying in it. Mr Younger said we expected to take a final decision by the end of the year. M. Giraud asked about the Grumman solution. Mr Younger said that there was a frequency problem here. Mr Levene said that the Department hoped to put proposals to the Secretary of State in the next few days.

12. M. Giraud urged the importance of a British decision on the RCMDS 2. Mr Younger said that he had hoped to make quicker progress on this. We had been impressed by the French equipment and with their technology.

13. M. Giraud asked whether we would be interested in co-operation on ASTER - a surface-to-air missile, which was showing much promise. Sir David Perry said that the British had done a study with the French which should be completed by early next year. The British and French teams were working jointly on the evaluation of the project and this had been most helpful. Mr Younger suggested that he and M. Giraud should put together a paper on all the areas in which the British and French were involved in, or were contemplating, collaboration, to put to the Heads of Government for their summit in November. M. Giraud agreed this suggestion.

14. Mr Stanley asked whether the French were developing a long range Cruise missile system. M. Giraud said they were not yet. They had an air-launched Cruise missile concept which was most promising which might, however, be a starting point for a future line of Cruise missiles. But Cruise missiles did not seem very attractive unless they could be made stealthy.

15. M. Giraud went on to emphasise the importance of making progress in third generation anti-tank guided missiles. The French were developing a new tank and a new helicopter. The latter was in co-operation with the Germans, and the possibility of co-operation with the Germans on the tank was also under discussion. Nothing was yet closed. The kind of co-operation the French proposed with the Germans might be open to others too. But all this had to be correlated with the third generation ATGW, which was an urgent request. Mr Younger suggested that he and M. Giraud should direct their NADs to



ensure that these studies were completed on time by next June. M. Giraud asked whether this might not be accelerated. Mr Younger agreed to consider this, for example, with a view to completion by April. M. Giraud said that his suggestion would be not to wait for too many people but to let the project go at the pace of the main nations. Sir David Perry doubted, however, whether it was the extra nations who were instrumental in holding the project up.

16. At this point the meeting adjourned (after one and a half hours).

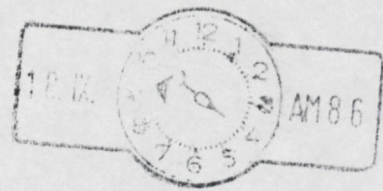
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