

January 1984 National Security Decision Directive (NSDD) 119 established a research programme called the Strategic Defense Initiative. In March 1984 Lt. Gen. James Abrahamson was appointed to head the project and in April the Strategic Defense Initiative Organization (SDIO) was formed. The cost of the programme was estimated to be \$26 billion over a five-year period.

In February of 1985, almost a year after the SDI began, Paul Nitze, special advisor to the President on arms control, stated that the United States would not go ahead with the SDI on the basis of technological feasibility alone. A decision to continue the programme would be subject to other stringent criteria. He stated that the technologies must be survivable and be cost-effective at the margin, "that is, it must be cheap enough to add additional defensive capability so that the other side has no incentive to add additional offensive capability to overcome the defence."

Within NATO, reaction to the SDI was mixed. European allies feared the SDI would lead to US withdrawal or a weakening US commitment to the defence of Europe. Allies also feared that the SDI would spark the Soviet Union into greatly increasing its offensive forces, and generate a new, more dangerous arms race.

On 26 March 1985 Canada with all other NATO allies, as well as Australia, Japan and Israel, received a letter from US Secretary of Defence Caspar Weinberger. Weinberger reassured US allies that they were to be included in the benefits of the SDI programme and the decision-making process, and invited them to become participants in the research stage of the programme, insofar as they were allowed under the limits of the ABM Treaty.

On 7 September 1985 Canada refused the offer of government to government participation in the research programme but left open the possibility that private companies could compete for SDI contracts.