



Foreign and Commonwealth Office

London SW1A 2AH

8 October 1985

Dear Charles,

MBFR

Thank you for your letter of 4 October detailing the Prime Minister's comments on the draft reply to President Reagan's message which was enclosed with my letter of 3 October.

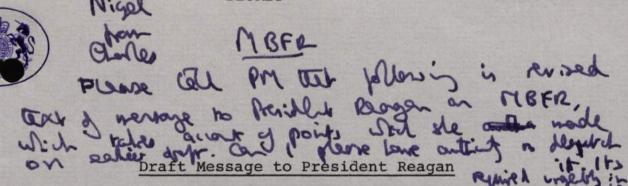
The Foreign Secretary's judgement remains as it was in July, that it is not worth expending a large amount of credit on persuading the Americans to accept our ideas. But he endorses Sir Oliver Wright's advice that they can be pressed over MBFR without prejudice to more important interests. It has been made clear by those in Washington who have confirmed that the President's message was drafted solely in the Pentagon that a mild-toned response is liable to be dismissed as confirming that there is no real political weight behind the Anglo-German proposal. Sir Geoffrey Howe thinks it important not to undersell it, particularly as the European members of NATO other than ourselves will not be easy to manage if the Americans remain entirely negative over MBFR.

I enclose a redrafted text which takes account of the particular points set out in your letter. It is cast in language which I hope you will find as clear as the subject matter allows - perhaps clearer than that of Mr Reagan's own message. The Foreign Secretary suggests that no message need now be sent to Chancellor Kohl, since Herr Genscher told him on 4 October that the German response to President Reagan was ready and likely to be despatched that day.

I am copying this letter and enclosure to Richard Mottram (MOD) and Michael Stark (Cabinet Office).

(L V Appleyard) Private Secretary

C D Powell Esq 10 Downing Street



Thank you for your message of 25 September. I am grateful to you for taking such a close interest in the Anglo-German proposal on MBFR, and glad to have the opportunity to give you my own views. My firm conclusion is that our proposal is a good one which NATO ought to put forward in Vienna.

Your main attention must, of course, be devoted to the Geneva negotiations and nuclear weapons. But, just as the Alliance's conventional armaments are a vital complement to its nuclear deterrent, so our arms control efforts should not neglect the negotiations on conventional forces. The goal of MBFR is important to the main European NATO countries, who are direct participants in the negotiation. I believe it would be timely to seize the high ground ahead of your meeting with Mr Gorbachev.

My reasons for favouring the Anglo-German proposal are not just political and presentational. I agree with you that the East's last proposals were inadequate. We do not need to do-"something new" at Vienna just for its own sake, even though I myself am reluctant to allow the communist countries to claim that they hold the initiative in the only direct negotiation between the Alliance and their pact.

The first test of any proposal is that it should enhance Western security. I believe ours would do so. The withdrawal of 13,000 US troops is no small matter. But we have offered it in previous Western proposals and we would hope you would keep them at active duty during the lifetime of the agreement. Meanwhile 30,000 Soviet troops would leave. They might well go no further than the Western Soviet Union. But even that would be a gain and



we should not assume that it would be easy to reintroduce them.

The main benefit would be the ability to verify force levels in

Eastern Europe through a verification package more than three

times as severe as anything we have ever before asked for.

Intelligence and warning would both be improved. We would place
a cap on further Soviet and Warsaw Pact increases.

A strictly time-limited agreement with stringent verification would enable us to establish the real level of Eastern forces and get the agreed data we must have ahead of substantial reductions. It would clearly show up any Soviet cheating, and would indeed also establish a precedent for intrusive on-site inspection. That precedent could be exploited in other arms control negotiations. I think it more than balances the implications of deferring prior data agreement since our proposal does not weaken, let alone abandon, the traditional Western insistence on an agreed data base. The main point of the proposal is to obtain reliable data on all forces in the area in a form which can be used publicly. Negotiation over anything beyond symbolic reductions would not go ahead if we aid not get it. But prior data agreement is neither necessary nor negotiable for the minimal first phase data remains the centrepiece of our approach. Our proposal is for a more negotiable and reliable way to obtain it.

When he was here last month, Bud McFarlane underlined your concern about time limited agreements which become extended by political pressures. I think our proposal guards pretty well against that danger. It is strictly time limited. Unanimous agreement would be needed in NATO to continue it, not for ending it. The verification regime would show over the three years if the East was cheating. All the onus would be on them to comply. If they did not, the evidence would be there over a prolonged period and even the weaker brethren would probably have their eyes opened.



My detailed answers to the specific questions you ask are set out in the attached paper. If your experts want more detailed explanations, I hope they will take up the invitation they already have to meet their British and German counterparts again at an early date.

We must clearly be realistic about the chances of our proposal being accepted by the East. The East would particularly dislike the extensive verification package. But, by accepting the format of the February proposal and turning it back on its authors with relatively little change, we should be able to highlight the importance of the verification issue and intensify pressure on the East. We would seize the initiative in a negotiation which you would have the opportunity to promote when you meet Mr Gorbachev. We should be seen to be actively pursuing the Alliance's twin approaches of firmness and flexibility as set out in the 1984 Washington Declaration. I hope that you will agree that we should pursue this chance.

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