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DEDIP
FM WASHINGTON
TO IMMEDIATE FCO
TELNO 2703
OF 232300Z OCTOBER 86
INFO PRIORITY MOSCOW, UKDEL NATO, MODUK

MOSCOW, UKDEL NATO PERSONAL FOR AMBASSADORS
MODUK FOR PS/SOFS, DUS(P), ACDS (POL/NUC), DACU

YOUR TELNO 1822: POST-REYKJAVIK ARMS CONTROL DISCUSSIONS

1. THANK YOU FOR THESE FULL AND CLEAR INSTRUCTIONS.

I HAVE ARRANGED TO SEE POINDEXTER ON 28 OCTOBER, AND WILL AIM

TO SEE WEINBERGER LATER, ONCE I HAVE SEEN AN ACCOUNT

OF THE DEFENCE SECRETARY'S TALK WITH HIM AT GLENEAGLES. (IDEALLY

THIS SHOULD REACH US BEFORE WEINBERGER DINES WITH ME ON 26 OCTOBER

AND ALEXANDER SEES HIM ON 27 OCTOBER.) BUT A WAS ABLE TO

TAKE ACTION AT ONCE WITH SHULTZ ON 23 OCTOBER.

- 2. I SAID THAT HIS NAC BRIEFING ON 13 OCTOBER HAD BEEN CAREFULLY STUDIED IN LONDON, WHERE THE PRIME MINISTER HAD ALSO DISCUSSED THE REYKJAVIK DEVELOPMENTS WITH MITTERRAND, AND CARRINGTON. SHE WAS GREATLY LOOKING FORWARD TO HER DISCUSSION WITH THE PRESIDENT AT CAMP DAVID ON 15 NOVEMBER. BUT YOU AND SHE HAD ASKED ME, AS A MATTER OF URGENCY, TO CONVEY TO HIM REACTIONS TO THE REYKJAVIK DISCUSSIONS.
- 3. I THEN MADE ALL THE POINTS IN PARAS 2 12 OF TUR,
 BEGINNING WITH THE POINTS ON WHICH WE AGREED AND ENDORSED THE US
 LINE, IE INF (YOUR PARA 10), START 50 PER CENT CUTS OVER 5 YEARS,
 SDI (YOUR PARA 9), AND NUCLEAR TESTING. ON INF I SPELT OUT THE
 CAVEATS THAT IF THE RUSSIANS WERE TO INSIST ON HIGHER ASIAN SS20
 NUMBERS, SOME RESIDUAL US LRINF DEPLOYMENT IN EUROPE MIGHT BE
 NECESSARY, AND THAT AN INF AGREEMENT MUST FROM THE OUTSET BE
 COUPLED WITH EFFECTIVE COLLATERAL CONSTRAINTS ON SRINF. AND
 I ARGUED FOR AN ALL-OUT ALLIANCE EFFORT TO PRESS THE RUSSIANS TO
 DROP THEIR RELINKAGE OF INF AND SDI.
- I THEN TURNED TO THE NEW ASPECTS OF THE US POSITION WHICH CAUSED US CONSIDERABLE ANXIETY. I DREW ATTENTION TO THE PRIME MINISTER'S SURPRISE AND CONCERN AT THE EMERGENCE OF A 10 YEAR TIMETABLE FOR THE ABOLITION OF BALLISTIC MISSILES (YOUR PARA 2): THE MAJOR PROBLEM (YOUR PARA 3) OF THE CONVENTIONAL IMBALANCE (THE FACTS OF WHICH SHULTZ DID NOT ON THIS OCCASION SEEK TO DISPUTE): THE PARTICULAR POLITICALPROBLEM OF THE EFFECT ON THE UX DETERRENT (YOUR PARA 4): CUR DOUBTS ABOUT GORBACHEV'S SINCERITY, AND ABOUT WHETHER, GIVEN FRENCH (AND ? CHINESE) VIEWS, A 10 YEAR PROGRAMME COULD BE AT ALL REALISTIC (YOUR PARA 4): AND OUR CONCERN (YOUR PARAS 5 AND 6) THAT, EVEN 30, TALK OF SUCH A PROGRAMME, AND THE INEVITABLE PUBLIC DEBATE, WOULD CREATE NEW INSECURITY IN WESTERN EUROPE, EG MAKING IT HARDER TO DEFEND THE MAINTENANCE OF US NUCLEAR SEUNEI 11 SAID BASES IN THE UK.

I SAID THAT THE CORE OF OUR CONCERN WAS THE APPARENT ABSENCE. IN THE NEW US POSITION, OF ANY RECOGNITION OF THE NEED TO ELIMINATE" THE CONVENTIONAL INBALANCE IN PARALLEL WITH THE ABOLITION OF BALLISTIC MISSILES. THIS WAS A POINT WHICH THE PRIME MINISTER WOULD NO DOUBT WANT TO EXPLORE IN SOME DETAIL AT CAMP DAVID. 4. SHULTZ'S REACTION WAS CALM AND CONSIDERED (ALMOST REFLECTIVE) BUT ON THE WHOLE HE STUCK TO HIS POSITION. HE ACCEPTED THAT THE UK (AND FRENCH) ATTITUDE WAS CRUCIAL. FOR CLEARLY US AND SOVIET BALLISTIC MISSILES WOULD NOT BE ELIMINATED UNLESS THE BRITISH FRENCH AND CHINESE DECIDED TO ELIMINATE THEIRS TOO. THERE WAS NO NEED TO RUSH TO DECISIONS, FOR THE FIRST PLANNED STEP WOULD BE THE ELIMINATION, OVER 5 YEARS, OF 50 PER CENT OF ALL US AND SOVIET STRATEGIC SYSTEMS: DURING THIS 5 YEARS, THIRD COUNTRIES WOULD BE ABLE TO DECIDE WHETHER THEY WISHED TO JOIN IN A FURTHER STAGE LEADING TO THE ELIMINATION OF BALLISTIC MISSILES (BUT NOT BOMBERS, CRUISE MISSILES ETC). BUT IN ANSWER TO A QUESTION FROM ME, SHULTZ SAID THAT THE PRIME MINISTERS REQUIREMENT THAT THERE SHOULD BE CONVENTIONAL BALANCE BEFORE THE UK COULD JOIN THE PROCESS OF ELIMINATING BALLISTIC MISSILES SEEMED ENTIRELY REASONABLE. A SIMILAR CONDITION IN RESPECT OF CW MIGHT ALSO SEEM REASONABLE, THOUGH NOT EVERYONE WAS PREPARED TO BE REASONABLE ABOUT CW, GIVEN THAT THE VERIFICATION PROBLEMS IN ANY CHEMICAL ARMS CONTROL AGREEMENT WERE SO DIFFICULT. THE CHINESE POSITION SEEMED TO BE THAT THEY WOULD ELIMINATE THEIR BALLISTIC MISSILES IF OTHERS DID. THEY WERE NOT PRESUMABLY MUCH BOTHERED ABOUT CONVENTIONAL DISPARITIES. IT PROBABLY WOULDN'T BE TOO DIFFICULT TO GET THEM TO JOIN THE NEGOTIATIONS, THOUGH THEY COULD PROVE TO BE DIFFICULT NEGOTIATORS.

SHULTZ THEN GAVE ME A HISTORICAL DISQUISITION APPARENTLY DESIGNED TO SHOW THAT SURPRISE AT THE REYKJAVIK PROPOSAL FOR ABOLITION OF BALLISTIC MISSILES WAS MISPLACED. THE PRESIDENT HAD ALWAYS WANTED ARMS REDUCTIONS, NOT LIMITS. HIS DECLARED AIM. IN STARTING THE SDI PROGRAMME HAD BEEN TO RENDER BALLISTIC MISS-ILES OBSOLETE. ON INF HE HAD PROPOSED THE ZERO/ZERO SOLUTION AND, THANKS TO THE FIRMNESS OF ALLIED SUPPORT, IT LOOKED AS IF ALL SS20S MIGHT IN DUE COURSE BE WITHDRAWN FROM EASTERN EUROPE. IN START, HIS ADVOCACY OF REDUCTIONS AS SWEEPING AS 50 PER CENT HAD INITIALLY BEEN MOCKED, BUT REDUCTIONS ON THIS SCALE NOW LOOKED A GENUINE POSSIBILITY. IN HIS 25 JULY LETTER TO GORBACHEY HE HAD SUGGESTED THAT, FOLLOWING 5 YEARS OF SDI RESEARCH, 2 FURTHER YEARS COULD BE ALLOWED FOR (A) SHARING THE RESULTS OF SUCH RESEARCH AND (B) NEGOTIATING THE POSSIBLE ELIMINA-TION OF BALLISTIC MISSILES. ALL THAT HAD HAPPENED IN REYKJAVIK WAS THAT THE PRESIDENT, WITH GREAT CREATIVITY, HAD QUOTE RE-ARRANGED UNQUOTE PREVIOUS US POSITIONS. HE HAD ALWAYS WANTED TO START THE PROCESS WHICH WOULD LEAD TO THE ELIMINATION OF BALLISTIC MISSILES: HE HAD SIGNALLED THAT DESIRE MANY TIMES: THE NOVELTY IN REYKJAVIK WAS ONLY THAT THE PROPOSAL HAD BEEN GIVEN A CONCRETE FORM SLIGHTLY DIFFERENT FROM THAT IN THE 25 JULY LETTER. 6. SHULTZ ADDED THAT THE PRESIDENT WAS AN ASTUTE POLITICIAN: HE SENSED THAT UNEASE ABOUT NUCLEAR WEAPONS WAS GROWING IN THE WEST PARTICULARLY AMONG THE YOUNG, AND HE WISHED TO AVOID ANY RISK OF UNILATERAL DISARMAMENT BY THE WEST. THE RUSSIANS MUST BE BROUGHT TO

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SEE THAT THEY COULD ONLY SECURE REDUCTIONS ON A NEGOTIATED,
BALANCED, BASIS, INVOLVING NO INCREASED INSTABILITY. THE PROBLEM.
OVER UK TRIDENT SHOULD THEREFORE BE CONTAINABLE: CERTAINLY THE US
WOULD WISH THE UK PROGRAMME TO GO AHEAD, FOR THE RUSSIANS MUST NOT
THINK THAT THE WEST WOULD UNILATERALLY OBVIATE THE NEED FOR
NEGOTIATED AGREEMENTS. IT WAS STRENGTH WHICH LED TO SUCCESSFUL
NEGOTIATIONS.

FOR WESTERN EUROPE THE PROSPECT OF THE ELIMINATION OF BALLISTIC
MISSILES, UNACCOMPANIED BY THE ELIMINATION OF CONVENTIONAL
DISPARITY, WAS ACUTELY DESTABILISTING. THE US PRESENTATION AT
REYKJAVIK HAD BEEN SILENT ABOUT CONVENTIONAL DISPARITIES, THOUGH IT
SEEMED FROM PRESS REPORTS THAT WEINBERGER MIGHT HAVE MADE THE POINT
AT GLENEAGLES. WE HAD NEVER UNDERRATED THE PRESIDENT'S PERSONAL
COMMITMENT TO SEEKING MUTUAL REDUCTIONS IN BALLISTIC MISSILES, BUT
NUCLEAR DETERRENCE WOULD BE NEEDED SO LONG AS CONVENTIONAL
DISPARITIES LASTED. THE VIEW OF THE PRIME MINISTER AND HER
COLLEAGUES WAS THAT NUCLEAR WEAPONS COULD NOT BE TREATED IN
ISOLATION, WITHOUT TAKING ACCOUNT OF THE OVERALL EAST/ WEST BALANCE
OF FORCES.

8. SHULTZ DID NOT DISSENT. BUT HE COMMENTED, QUIZZICALLY,
THAT THE DISPARITY IN THE WEST'S FAVOUR IN BOTH POPULATION AND
GNP SHOULD PERHAPS PROVIDE SOME REASSURANCE. I SAID THAT I
FOUND IT LESS THAN REASSURING, GIVEN THE DISPARITY, IN FAVOUR
OF THE EAST, OF 2:1 IN TANKS AND 3:1 IN ARTILLERY IN EUROPE. WE
LEFT IT AT THAT, WITH SHULTZ MENTIONING THAT HE HAD ON 22 OCTOBER
SUGGESTED TO KOHL,

WORNER AND GENSCHER THE CREATION OF A SMALL GROUP OF KEY
SENIOR ALLIED OFFICIALS TO EXPLORE, IN SECRET, THE IMPLICATIONS
OF REYKJAVIK FOR FUTURE NATO POLICY. HE WAS UNSPECIFIC ABOUT
PRECISE TERMS OF REFERENCE, BUT IT WAS CLEAR THAT THE IDEA HAD
EMERGED IN REACTION TO FRG CONCERN ON THE CONVENTIONAL BALANCE
POINT. THE IMPLICATION WAS THAT SHULTZ WOULD LIKE BRITISH
PARTICIPATION.

COMMENT

9. IT IS PERHAPS SOME PROGRESS THAT SHULTZ NOW ACKNOWLEDGES THAT THE

DISPARITY IN CONVENTIONAL FORCES IS INDEED A RELEVANT CONSIDERATION. I AM SURE THAT YOU WERE RIGHT TO HAVE YOUR ANXIETIES SPELT OUT TO HIM FULLY AND QUICKLY. BUT IT IS OBVIOUS THAT HIS PRINCIPAL CONCERN IS TO FIND A CONCEPTUAL FRAMEWORK INTO WHICH THE PRESIDENT'S NEW MOVE AT REYKJAVIK WILL FIT: AND TO FIND A LOGICAL BASIS FOR IT.

ALTHOUGH HE DID NOT DISPUTE THE POINT, I DID NOT SENSE ANY
INSTINCTIVE GRASP OF THE NEW POLITICAL DIFFICULTIES FOR WEST
EUROPEAN GOVERNMENTS WHICH THE NEW MOVE HAS CREATED. HIS REPLY
ON THE UK TRIDENT POINT, AND HIS POPULATION/GNP POINT, REVEAL
THE PROFESSOR, NOT THE POLITICIAN.

10. BUT OTHERS IN STATE, WHO RECOGNISE THE DESTABILISING ASPECTS OF THE NEW MOVE, WILL NO DOUBT MAKE USE OF OUR POINTS IN BRIEFING FOR CAMP DAVID. AND THE POLITICAL ARGUMENTS MAY IN FACT HAVE MORE RESONANCE WITH THE PRESIDENT THAN WITH SHULTZ.

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ORWBAN 7304

LIMITED
HD/ACDD
HD/DEFENCE DEPT
HD/SOVIET DEPT
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HD/NAD
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MR HOUSTON
MR THOMAS
MR GOODALL
MR GILLMORE

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