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Arms Control and the Effect on Nuclear Arms

SALT MBFR

Nuclear Advisory Panel

Comprehensive Test Ban.

DEFENCE

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The NATO documents which were enclosed on this file have been removed and destroyed.

Such documents are the responsibility of NATO and as the originators they reserve ownership of the documents they issue. NATO documents are, therefore, not public records even when they are kept in UK government records. When released they will be available in the NATO Archives in Brussels.

Document Reference and Title	Date
CCWG(88)2(3rd Revised) Further Development of a Comprehensive Concept of Arms Control and Disarmament	2 December 1988
NAU/3/8/1 (Revision 1-18 Jan 89) Analysis of HLTF Draft Conventional Arms Control Proposal In Annex I to PO/88/135 (Revised)	1-18 January 1989
HLTF(89)27 Negotiations on Conventional Armed Forces in Europe: Working Paper 1	
~~Press Communique M-1 (89) 20~~ ~~A Comprehensive Concept of Arms Control and Disarmament~~	~~30 May 1989~~
C-M(89)34(Revised) A Comprehensive Concept of Arms Control and Disarmament Note by the Secretary General	20 March 1971

Signed:

Date: 16 July 2016

Cabinet Office
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PRIME MINISTER

CONVENTIONAL ARMS CONTROL IN EUROPE

Mr Powell's letter of 14th June asked for a note on the implications of current CFE proposals for our defence strategy and procurement. I have also seen the Chief Secretary's letter of 20 June to the Foreign and Commonwealth Secretary.

2. There is, in a nuclear world, no realistic alternative to flexible response as NATO's basic strategic concept; and forward defence, though it may admit some latitude in implementation, will remain politically essential. The original NATO proposals covering tanks, armoured troop carriers and artillery were carefully designed to preserve the strategy; and we, like other Allies and the NATO military authorities, concluded that that would be achieved. The extension of the proposals into further force categories made at the Summit rested on much less analysis; but though both the working out of details and the further analysis still have some way to go, our own urgent staff work shows no reason for fundamental strategic misgiving. There remain however important uncertainties, and many aspects still need careful watching as the Alliance develops the proposals more specifically.

3. Much will depend on by whom, where and in what form the overall NATO cuts in each category are taken. The US will want a substantial share of reductions. Cuts in US forces would fall naturally in the Central Army Group and that is where militarily

cuts should be focused, rather than in the aggressor-favourable and less well-defended terrain of the Northern Army Group. But NORTHAG countries like Belgium are certain to press for a large proportionate share of reductions. It will be a formidable task for the Alliance to ensure that the reductions overall are made coherently and the best force balance struck in the interests of security for all without distorting further the pattern of burden-sharing. This will need both careful planning and good political leadership; and I believe strongly that we ought to press for the principle to be firmly established, from the outset, that countries must take their eventual reduction measures not unilaterally but within an agreed Alliance framework, and only when Warsaw Pact reductions are not just agreed but well along the implementation road.

4. Once the shape of an agreement is clearer and the implications for Alliance and WP force levels can be defined, we must be ready to look afresh both at our operational concepts and at the longer-term balance of equipment investment. For example, the coverage of the prospective NATO proposals for helicopters is still to be chosen as between a narrow concentration on armed helicopters (as we and the FRG are inclined to prefer) and a wide definition including both attack and transport helicopters. The choice could affect the balance of our provision and therefore the mix between counter-armour and battlefield-mobility capability (and it would also have implications for verification). The pattern of our anti-armour capability may need to be matched to a much-altered Warsaw Pact order of battle and deployment. To provide effective and assured defence with smaller numbers, there may be a need for a shift in investment into, for example, surveillance systems, beyond existing forward plans.

5. On fixed-wing aircraft, again, there remain important choices to be discussed in NATO. We for our part are clear that we must maintain an effective nuclear capability with our dual-capable aircraft, but beyond this we cannot yet assess how best an overall UK reduction should be taken.

6. For all this work, as the Vice Chief of the Defence Staff brought out at the VFM seminar on 14 June, the Ministry of Defence moved swiftly to set up special staff dispositions in which the Defence Staff works closely with the programme staff of the Office of Management and Budget and with the Procurement Executive. You may like to see the attached paper produced for me as an early overview of the military issues. In addition to the immediate work, we are seeking to develop our capability to model and study yet more radical ideas, which are not ruled out in the Western approach.

7. We must frame our plans and programmes so as to cope with the Eastern capabilities as they actually exist, as well as to allow for changes which we hope to see; events in China remind us of the ability of totalitarian societies to change direction. In the British taxpayer's interest we will of course continue - for example in the phasing of batch orders, and the control of rates of commitment - to stay as flexible as possible; and I have already noted the need to be ready to re-examine concepts for the longer-term. But it would help neither our security nor our negotiating position to let a planning blight descend on our defence programme. There is moreover a strong *prima facie* case that reduction will heighten the need for quality in what remains. And nothing in what CFE stands to offer reduces the case for our nuclear forces and those concerned with supporting reinforcement across the Atlantic, or the need to meet our non-NATO tasks in Northern Ireland and farther afield.

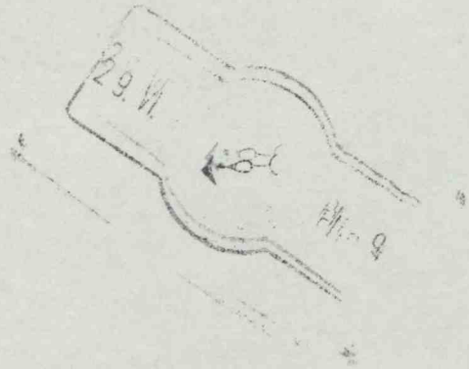
8. A final point: as I believe the Foreign and Commonwealth Secretary will agree, it would be dangerous for action on the content of reductions to run far ahead of work on their necessary companions, verification and stabilisation measures (which will incidentally be far from cost-free). I am uneasy about the current status of NATO preparations here, and I worry lest some of our allies be tempted to brush aside these unglamorous and inconvenient details. We and the FCO are working up inputs.

9. I stand ready for an early discussion if you wish (though I am paying a visit to the United States and Canada from 6th July). I think, however, as does the Foreign and Commonwealth Secretary, that an OD discussion on the general CFE position and way forward, before the recess, would be sensible.

10. I am sending a copy of this minute to the Foreign and Commonwealth Secretary and the Chief Secretary, and to Sir Robin Butler.

G.H.

29th June 1989
Ministry of Defence



A

UK MILITARY AIMS IN CONVENTIONAL ARMS CONTROL

INTRODUCTION

1. The Negotiations on Conventional Armed Forces in Europe (CFE) opened in Vienna on 6 Mar 89 involving the 23 NATO and Warsaw Pact (WP) nations. At the same time talks began between the 35 nations who were signatories to the Stockholm Document in 1986 to discuss further Confidence and Security Building Measures (CSBMs). This paper is concerned only with issues arising from the Talks on CFE.

AIM

2. The aim of the paper is to review the military aims that the UK should pursue in the Negotiations on Conventional Armed Forces in Europe.

SCOPE

3. The paper covers the detail of the Western and Eastern proposals before examining the broad aims that the UK should pursue in CAC now that CFE proposals have been tabled. Specific issues in CFE are then addressed picking up, in particular, differences between East and West. Finally, there is discussion of a number of the questions relating to the way in which CAC may be implemented.

THE PROPOSALS

4. The formal Western and Eastern proposals for the Negotiations on CFE are at Annexes A and B respectively.

(282000)
[B-278]

B

5. The formal Western proposals (concerning tanks, artillery and ATCs) have been subject to operational analysis by the Defence Operational Analysis Establishment (DOAE) and the SHAPE Technical Centre. Both have concluded that the formal proposals are sound and offer NATO the possibility of increased stability at lower force levels. Analysis of lower force levels than the Western proposals in an attempt to discover where forward defence ceases to be viable has not yet been feasible given present modelling techniques. In essence, the DOAE and STC models are attrition based and are unable to reproduce the different concepts of operations that would apply once the force/space ratio is significantly reduced; it may be necessary to make use of additional models, such as those of the Rand Corporation, for more complex analysis in future. Time has so far only permitted initial analysis of the WP formal proposals and NATO Summit proposals, though preliminary assessments show that the Summit proposals are sound in terms of providing increased stability at lower force levels.

6. Following the NATO Summit on 29 and 30 May 89 the Heads of State and Government agreed, inter alia, to:

a. Expand the formal Western proposals to include reductions by each side to equal ceilings 15% below current Alliance holdings of helicopters and all land-based combat aircraft, with all withdrawn equipment to be destroyed. The effects of applying such reductions on a pro rata basis is shown in the Net Assessment Unit tables at Annex C.

b. Propose a 20% cut in combat manpower in US stationed forces and a resulting ceiling on US and Soviet ground and air force personnel stationed in the ATTU of approximately 275,000, with withdrawn forces de-mobilized.

c. Seek an agreement within 6 months to a year and accomplish reductions by 1992 or 1993.

(282000)
[B-278]

C

The High Level Task Force (HLTF) is tasked with the elaboration of these proposals and the development of associated verification elements by 7 Sep 89.

7. The Eastern proposals are in line with the agreed Mandate[1], but a number of elements differ from the current Western approach:

a. The "no-increase commitment" from the beginning of the negotiations.

b. The call for cuts in defence expenditure.

c. Regionalization through the establishment of strips (zones) along the dividing line between the Alliance.

d. The inclusion of manpower (the NATO Summit proposal on manpower being only a bilateral US/USSR issue).

8. The second and third stages in the Eastern proposal are not considered in this paper on the grounds that they equate to "The Long Term" in the formal Western proposal. In this connection NATO has stated it would be willing to contemplate further reductions and re-structuring of armed forces in the light of the implementation of the formal Western proposals currently tabled.

9. Subsequently, further details of the WP proposals have become clear:

a. The ATTU is to be divided into sub regions different from those proposed by NATO:

(1) A Forward Region, consisting of the Military

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1. Mandate for Negotiation on Conventional Armed Forces in Europe dated 10 Jan 89.

D

Districts (MD) of Leningrad, Baltic, Odessa, North Caucasus, Trans Caucasus, Romania, Bulgaria, Hungary*, Poland*, GDR*, Czechoslovakia*, Denmark*, Benelux countries*, FRG*, Norway, Italy, Greece and Turkey. Within this Region, those countries/districts asterisked are to form a "Central Area".

(2) A Rear Region, consisting of the remaining countries (including the UK) in the ATTU.

b. Within the Regions the ceilings for each Alliance (in active units and storage) are to be:

	Forward Region (Central Area)	Rear Region	Total
Tanks	16,000 (8,700)	4,000	20,000
AFVs[2]	20,500 (14,500)	7,500	28,000
Artillery[3]	16,500 (7,600)	7,500	24,000
Strike Aircraft[4]	1,100 (420)	400	1,500
Combat Helicopters	1,300 (800)	400	1,700
Manpower	1 m (0.57 m)	0.35 m	1.35 m

c. Limits on stationed forces (in active units and storage) and the upper limits for any individual country (sufficiency) are set as:

	Stationed Forces	Sufficiency
Tanks	4,500 (NATO 3,200)	14,000 (NATO 12,000
AFVs	7,500 (NATO 6,000)	18,000 (NATO 16,800
Artillery	4,000 (NATO 1,700)	17,000 (NATO 10,000

2. This category includes APCs, AIFVs, "combat reconnaissance vehicles" and "heavy armament combat vehicles".
3. Weapons over 100 mm calibre, including anti-tank guns.
4. Difficulties of translation/definition have yet to be resolved over aircraft. It is assumed that the WP are referring to ground attack aircraft.

E

Strike Aircraft	350	1,200
Combat Helicopters	600	1,350
Manpower	0.35 m	0.92 m

d. Reductions are to be phased over 5 to 6 years.

10. The total ceilings per Alliance now proposed by the WP are identical to the NATO ones in tanks and AFVs but higher for artillery by 7,500 pieces as they include anti-tank guns. Since the WP Regions do not correspond to the NATO Areas, no direct comparison of sub ceilings is possible.

SOVIET AIMS IN ARMS CONTROL

11. An examination of Soviet aims in arms control provided by the DIS is at Annex D.

UK MILITARY AIMS

12. NATO's military and political aims in CAC have been spelt out in a series of reports and documents, including the Statement on Conventional Arms Control issued by Heads of State in Brussels on 3 Mar 88. They fully reflect UK views and objectives. Politically, the aim is to incorporate conventional arms control in, and associate it with, the wider attempt to move towards a different pattern of East-West relations, in which the threatening Soviet military presence and capability for aggression no longer dominate the scene. The military thrust therefore is the elimination of the WP's capability for surprise attack and large-scale offensive action. The obligations and reductions in the formal Western proposals are set at levels which enable the Alliance's defensive strategy of forward defence and flexible response to be maintained.

13. The cohesion and sense of direction achieved by the Alliance in putting forward the initial proposal must be actively

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maintained throughout the CFE process. In particular there will be a need to ensure that:

a. The Alliance strategy of flexible response and forward defence is maintained. While it would be possible to devise a defence doctrine other than forward defence, it would necessarily involve the trading of space for time and the sacrifice of large parts of Alliance territory. The political difficulties of this, not least for West Germany, are clear. Any attempt to modify MC 14/3 would also run the risk of the Alliance failing to agree on an acceptable alternative. There is, however, no requirement for an over-literal interpretation of forward defence, and lower force levels will call for revised concepts of operations and some re-structuring. Meanwhile, DOAE advise that the formal Western proposals have been adequately modelled, and the analysis suggests that parity at levels of up to 20% below current holdings of tanks, artillery and ATCs would improve the security of the Alliance. The limitations of current operational analysis techniques described in Paragraph 5 mean that it is not at present possible to determine a threshold below which NATO's concept of operations would need fundamental revision.

b. Hopes of more visionary possibilities do not inhibit a firm reiteration of existing realities, strategies, and needs. However, longer term, more radical reductions to levels which would call into question our present understanding of forward defence must not be ruled out. The possibility of deeper reductions is indeed mentioned in the West's proposal. While this is not an immediate issue, it is important to begin some long-term thinking on the implications of deeper cuts. Work on this has been set in hand and should be carried forward as a matter of urgency, involving the use of wargaming where appropriate for developing new concepts of operations.

(282000)
[B-278]

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c. The attempt to seize present opportunities fundamentally to affect the size and shape of the WP is maintained. This will involve dialogue and willingness to compromise where it is safe to do so. While NATO will not wish to concede to the WP on major points, it must not adopt an approach that appears intransigent. It is in NATO's interests to reduce defence spending, not least in order to maintain Alliance cohesion. NATO should, therefore, adopt as constructive an attitude as possible in addressing the points of difference, whilst continuing to reject proposals which are inherently de-stabilizing.

d. Proposals from the WP which seek to "singularize" members of the NATO Alliance or give any part of the ATTU a special security status are rejected.

e. Implementation of the obligations in the Treaty does not lead to a reduction of North American forces below a level that would continue to bind the United States into the effective conventional and nuclear defence of Western Europe. More generally the question of how reductions will be shared out in the Alliance has yet to be addressed in detail, although work is in hand in the UK and in NATO. For political and financial reasons, each Alliance member is likely to wish to take a share of the savings and the general principle must be that no nation can be either exempt from the reductions process or demand to take a disproportionate share. From the Alliance point of view, the need will be to avoid mechanically-calculated reductions which would diminish the security gains achievable from an agreement and risk freezing Alliance force levels and dispositions in their present form. Moreover, account will need to be taken of the need to balance the residual capabilities of NORTHAG and CENTAG to ensure that present imbalances are not exacerbated. The task will be to manage

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the reductions to produce a solution which meets Alliance and national requirements.

f. From a national point of view it will be necessary to seek to take our share of the reductions in a way which enables us to continue to provide capabilities which other nations can not (for example, dual-capable aircraft), and which retains a balanced force mix which meets our national requirements, including as well as our NATO tasks, the support of the civil power within the UK and our remaining out of area responsibilities.

g. Individual countries do not anticipate an agreement and their share of it by taking unilateral action in advance of signature and outside an agreed Alliance timetable for reductions. Alliance reductions should be phased to come into effect only after the WP has substantially removed the present large force imbalances, so that thereafter in the transition period Alliance security is not jeopardized.

SPECIFIC ISSUES IN CFE

14. Now that the detail of the Eastern proposals is available, the UK delegation in Vienna is seeking rapid progress in agreeing counting rules and definitions and in discussing data. There will need to be an early understanding of the areas/regions to be used, and the baseline data and definitions for the categories of equipment to be considered. Working groups are now established in Vienna to facilitate discussion in these areas.

15. On the face of it, the combined effect of the WP proposals for sub regions and their associated ceilings appear to be designed to push substantial forces away from the "Central Area" into the "Rear Region" and so threaten forward defence, whilst its zoning and sufficiency rules permit a continued concentration

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of Soviet forces in or near the Central Region[5]. This is illustrated by the map at Annex E and in the discussion at Annex F. It will therefore be necessary for the negotiators in Vienna to establish with the WP the principle upon which regions/areas are used, seek mutually acceptable zoning arrangements and obtain changes in the WP sub-ceilings. However, until such agreement is reached and an assessment of the figures made, no initial guidance can be given. Nevertheless, this section of the paper addresses, in so far as it is possible at this stage, the specific issues that will arise. Figures are necessarily based upon the Western proposal and Western data. The effects upon UK force levels of pro rata cuts calculated category by category on an arithmetical basis are given purely for illustration; but it must in no way be assumed that this will be the best way, in the interests of sustaining Alliance security, of proceeding in the event.

TANKS

16. Since both Eastern and Western proposals include reductions in tanks to 20,000 on each side, negotiations will primarily be concerned with definitions.

17. The proposed common ceiling on tanks requires NATO to reduce by 2,809 MBTs, or approximately 12.3%, and the WP by 30,000, or approximately 60%. A cut of 12.3% applied in the UK case would require us to reduce by 145 tanks.

18. The general definition of a main battle tank (MBT) agreed by the Western Definitions Group is: "An armoured combat vehicle capable of heavy firepower (primarily that of a large calibre direct-fire main gun) and high cross country mobility, and providing a high level of self-protection. Such armoured vehicles serve as the principal weapon system of contemporary tank

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5. JIC(89)(WSI)23 dated 9-15 Jun 89: CFE - WP Proposals.

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[B-278]

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formations." This is currently interpreted as meaning armoured vehicles of at least 26 metric tons with a main gun of at least 90mm calibre.

19. Light tanks are excluded by the Western definition. They are defined by the HLTF as those which do not have the collective characteristics of a MBT but which have guns above 70 mm calibre but below 90mm. Scorpion (76mm) is in this category[6]. However, the WP define MBTs as a "self-propelled fighting vehicle with a combat weight of more than 25 metric tons" and do not disaggregate on the basis of gun calibre. Their definition therefore includes some 1,500 obsolete T34s (85mm gun but 32 tons weight) which substantially increases their reduction obligation. In NATO the Pact definition would capture the 90 Centurions which make up about half of the Danish tank fleet, but would not affect the classification of any UK held tanks.

20. The United States, in particular, points to the danger of circumvention by light tanks in future. Scientific staffs advise that in the next decade there is little likelihood of high technology guns being mounted on platforms with a total weight of less than 26 metric tons. Circumvention is therefore probably not a serious risk in the short term. The UK has substantial holdings of such vehicles. They play an important part in the UK's reconnaissance forces, and it is in the UK's interests to retain them. To seek a separate definition of light tanks now might imply a willingness to negotiate on them, which could obscure the main Alliance purpose of achieving stability at reduced levels of MBTs. The UK should therefore resist their inclusion in the negotiations, but the option of seeking a "no increase" commitment for light tanks and/or taking account of them in the verification process could be considered as a last resort. We should, however, consider including them as a category in the longer term (as envisaged in the formal Western proposal) should

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6. The UK holds 278 Scorpion or 34% of a NATO total of 822.

it become clear that with advances in technology there is a risk of circumvention.

ARTILLERY

21. Whilst both sides are agreed on the need to reduce artillery holdings, the NATO proposed ceiling is 7,500 pieces below the Soviet one. Both sides agree that the term "artillery" applies to systems above 100mm in calibre. The Western proposal covers in one category all types of weapon. The WP proposal specifically includes MRLS, mortars and anti-tank guns. Apart from the question of definitions, the two issues that need to be considered are: whether to include anti-tank weapons and therefore meet the WP higher ceiling figure; and whether to remain with a single category of artillery.

22. The Western proposed ceiling on artillery requires NATO to reduce by 1,239 pieces, or approximately 7%, and the WP by 26,215 pieces, or approximately 61%. The UK possesses the smallest proportion of artillery per formation of any NATO nation and this will need to be taken into account when the NATO plan for reductions is devised.

23. The Inclusion of Anti-Tank Weapons and the Higher Ceiling. At first sight the WP's higher figure for artillery is explained by the inclusion of anti-tank weapons. Eastern representatives have argued that they wish to include such weapons because some can be used for indirect fire. However, the WP definition includes recoilless rifles which is hardly compatible with this line of argument. Anti-tank guns are direct fire and essentially defensive weapons. Acceptance of their inclusion could set, by association, a precedent in the direction of the inclusion of ATGW. It is also the case that NATO has very few anti-tank guns (as opposed to missiles) and that their inclusion would appear to affect the East more than the West. On the other hand, were NATO to accept the WP wider definition and higher ceiling, it would

(282000)
[B-278]

afford the East the opportunity in the future to swap its anti-tank guns, many of which are already out-dated, for modern artillery. To match such a holding NATO would have to increase its holding by approximately 6,300 pieces which it might well be reluctant to do. Bearing in mind the importance the Soviets attach to artillery, not least in terms of their military calculus, it is possible to view their higher ceiling as a carefully constructed proposal which could enable them to build up a more substantial artillery force than NATO. As such it should be resisted by the West. The suggestion by President Bush (but not endorsed in the NATO Summit) that NATO should split the difference between the Western and Eastern proposals would still require NATO to increase its artillery holdings which would be undesirable in programme and budget terms and in relation to our general aim of achieving increased security at lower levels of arms on both sides.

24. The Single Category of Artillery.

a. The Western Definitions Group description of artillery states that it comprises: "all large calibre primarily indirect fire systems. Guns, howitzers, mortars and multiple rocket launchers, both self-propelled and towed, are included. Such indirect fire systems provide the essential fire support element of contemporary combined arms formations."

b. Single categorization offers the advantage of avoiding problems of complex definition. However, special arguments do apply to MRLS. Each side will continue to need both tube and rocket artillery at least until the turn of the century, but it would on the face of it be desirable to reduce the WP's current superiority in MRLS of 15:1 (compared with 2.5:1 in artillery overall). This disparity reflects in part the current undesirably low proportion of MRLS in NATO armies. Plans exist to increase both the UK's and NATO's

(282000)
[B-278]

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holdings by about 1,000 systems (of which the UK share will be 71[7]), and it would be undesirable to limit either the Alliance's ability to implement these plans or the opportunity for making the best use of the major advances in defensive technology which long-range rocket systems promise. While this is an argument for non categorization, there is a need to balance it against the risk of circumvention, if no limit is placed on the numbers of MRLS[8 9]. With no such sub-limit it would theoretically be possible for one side to exchange its tube artillery for MRLS, thereby significantly increasing its firepower and threatening stability.

25. A solution is required which allows NATO headroom to procure rocket systems, eliminates to some extent the WP's considerable superiority in MRLS and yet minimizes the problems of definition. We should therefore insist upon the Western ceiling of 16,500 pieces per Alliance and remain within the definitional limit of 100mm and above. But, during the course of negotiations with the WP, we should insist that within the ceiling allowed by each side, no more than, say, 1,500 pieces may be MRLS.

ARMOURED TROOP CARRIERS

26. Although questions of definition will need to be resolved, the likely common proposed ceiling of 28,000 ATCs on each side will have little effect upon NATO. The Alliance will be required to reduce by 610 (or 2%) but the WP by 27,500 (or 50%).

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7. This figure does not take into account any additional launchers which might be procured as part of the Follow-on to Lance programme.
8. The solution of controlling MRLS by counting the number of tubes is not considered on the grounds that it would be almost impossible to devise a workable verification regime.
9. Non-categorization also leaves open the possibility of converting mortars into heavy calibre, long range artillery, though the risk is not assessed as great.

(282000)
[B-278]

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27. The Western Definitions Group describes an ATC as a "lightly armoured combat troop-carrying vehicle with cross-country capability. It is normally armed with a small calibre cannon or a machine gun, and sometimes a missile launcher, mounted on the vehicle". Only the Type 432, Saxon and Spartan vehicles actually used for troop carrying are therefore within the definition and verification of this aspect will be difficult.

28. Each side is restricted to a total of 12,000 AIFVs within the ceiling of 28,000 ATCs. An AIFV is defined as "an ATC with an integral cannon and provides the capability for troops to fight from the vehicle under armoured protection. Such AIFVs serve as the principal weapon system of armoured infantry or mechanized formations". Warrior does not strictly fit this definition since there is no "fight under armour" capability, but is included in the category. The UK must ensure that it is allocated a sufficient share of the NATO total to provide an effective mechanized infantry capability within the AIFV ceiling, including through the introduction of Warrior.

AIR FORCES

29. During the CFE negotiating process, helicopters and fixed wing aircraft have been considered separately, helicopters being a component of land forces. This paper therefore maintains this distinction, but acknowledges that consistency between the negotiating positions in the separate categories is desirable.

30. Following the NATO Summit, the US are pressing for agreed positions on fixed wing combat aircraft and helicopters by 13 Jul 89.

31. The current WP proposal includes provision for the reduction of "strike aircraft" to a total on each side within the ATTU of 1,500. The Pact defines "strike aircraft" as all combat aircraft with the ability to deliver guided weapons against ground

targets. However, it is widely accepted in NATO that the WP hopes specifically to constrain NATO's tactical nuclear delivery capability. In the case of "combat helicopters" the Pact proposes a reduction to a total of 1,700. Its underlying motives in putting forward the helicopter proposal are not clear, but may stem from concern over the capability of some NATO attack helicopters, notably the US Apache, which they consider to be overtly offensive and technically superior.

32. The Requirement for Zones and Stationing Rules.

a. The majority of NATO's stationed air forces are owned by the US and the UK and would be severely affected by the WP proposed stationing rules which would involve massive Western reductions, of between 30-40% in the forward region and 50-60% in the rear.

b. The progressive approach to CFE, which first concentrated on ground force reductions, created the precedent of sub-limits within geographical zones. From a Western point of view there is an argument that while such sub-limits are valid in the context of the land battle, the flexibility and mobility of airpower make such zoning ceilings inappropriate. Indeed, such a regime could constrain the peacetime activities of the European states without influencing the wartime potential of the Superpowers, which could redeploy and reinforce.

c. However, there may be occasions when the build up of air forces in forward areas could be a precursor to an attack. Furthermore, forward basing permits increased sortie rates as the targets are closer. DOAE initial assessment of the air forces issue indicates that some restraint on the forward deployment of air forces might be desirable, and that in the helicopter case it will be necessary to limit the forward deployment of attack

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helicopters by the imposition of zones/stationing rules. Urgent work to prove this view is in hand.

33. National Defence Requirements. The UK may wish to exclude from consideration those air forces, or elements of those forces, required exclusively or in part for national defence purposes such as internal security in Northern Ireland and OOA contingency. However, arguments in favour of this approach need to be considered in relation to the wider needs of maintaining a consistent posture within NATO and of avoiding the WP using similar arguments. The case for excluding air assets for national defence purposes is not, therefore, considered worthwhile.

34. Naval Aircraft. The UK must continue to insist that only permanently land based aircraft (fixed wing and rotary) are considered in the negotiations.

FIXED-WING AIRCRAFT

35. The major difficulty with any discussion of the WP proposal is that it requires an analysis of air forces by role. An increasingly large number of aircraft have a multi-role capability enabling them to perform both offensively and defensively as the need arises. Aircraft with such a capability give an air force considerable advantages in its operations. For this reason combat aircraft should be defined on the basis of a general weapons capability to avoid singularization and overcome the difficulty of definition of specifically offensive types. Problems of definition nevertheless remain.

36. The Broad Approach. In the analysis underlying its broad approach to "combat aircraft", NATO has disaggregated land-based fixed wing aircraft into the following categories according to their primary roles: fighter bombers, tactical fighters/ interceptors, ECM/Recce and combat-capable trainers. Within each category the HLTF has identified specific aircraft types.

Applying this NATO broad approach, the WP enjoys a marginal superiority in offensive[10] aircraft of 2,557 to 2,495 (1.1:1). By contrast, the WP calculate, by assigning to the offensive category those NATO air defence aircraft which could have an air-to-ground capability without major and lengthy conversion, that NATO's total of offensive aircraft should be some 700 higher (with a consequent decrease in defensive aircraft), leading to an advantage in NATO's favour of nearly 1.3:1. Applying similar arguments to the data declared by the WP[11], however, the WP total in offensive aircraft should rise to some 5,119, giving them an advantage of 1.5:1. A "balance" could therefore be construed, on the basis of the WP's own counting rules, to show that they have an advantage over NATO in offensive aircraft even when NATO's own aircraft have been re-classified on the basis proposed by the Pact.

37. Nevertheless, applying the WP proposed ceiling of 1,500 to NATO's declared total of 2,495 offensive aircraft, the RAF's pro rata cut would be some 70 aircraft from an overall NATO cut of about 1,000.

38. On the other hand, if the 15% reduction in the "combat aircraft" category as a whole, proposed in the NATO Summit communique were to be translated into a 15% cut in RAF combat aircraft numbers declared by the HLTF on 1 Jan 89 (835 aircraft of which 635 are in active units), this would require the destruction of 126 combat aircraft. Work is in hand on how a commitment to reduce UK aircraft and helicopter numbers might be implemented.

39. The Narrow Approach. In order to minimize the UK's reduction liability whilst maximizing the WP's, the following narrow definition of a combat aircraft would need to be adopted:

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10. In this context, those aircraft with a declared or assessed role purely for attack of ground targets are considered "offensive".
11. MCM-UAX-7788.

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"a fixed wing aircraft, permanently based on land, which is constructed or converted to be physically capable of delivering air-to-air or air-to-surface missiles, fire cannons/guns or employ any other weapon of destruction, without the need for further modification to its structure, or mechanical or electronic systems. Any version or variant of these aircraft which has been modified to perform the functions of ECM or reconnaissance is also included, whether or not it retains the capability to deliver ordnance."

40. Numerical Liabilities under Each Approach. The numerical effects of adopting each definition are summarized below:

a. Broad Definition. Under the broad HLTF definition, NATO's overall holding of combat aircraft is about 7,100 and the WP's about 15,100. After a 15% reduction, the ceiling would therefore be some 6,000, requiring a WP reduction of about 9,100 aircraft.

b. Narrow Definition. Under the narrow definition, NATO holdings are about 5,400 and the WP's about 10,000. The reduced ceiling would be about 4,600. Although the WP reduction would be less, all cuts would come from truly combat-capable aircraft.

41. Factors to be Considered. In consideration of the broad and narrow definitional approaches, a number of issues need to addressed:

a. Maritime Patrol Aircraft. Initially the UK proposed to exclude maritime patrol aircraft with an offensive capability on the grounds that they were exclusively used in a maritime role. On the other hand, there are strong arguments for including Soviet Naval Aviation Forces(SNAF) which would have a significant capability to mount attacks against surface forces and have some potential to attack

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land targets. For the UK, with a fleet of 34 Nimrod, the issue is not critical as the cut of a further 5 aircraft (15%) overall which would result from this inclusion could be taken elsewhere. However, the inclusion of MPA might open the back door to maritime arms control. On balance, the advantages of including MPA to capture the WP's SNAF outweigh the risk of drawing sea-based maritime assets into CFE. Moreover, by including MPA with land-based anti-surface warfare in the wider totals of CFE aircraft reduction liability, the potentially more damaging eventuality of their singularization in any future maritime arms control regime would be avoided. The inclusion of MPA is not, however, a vital issue for the UK and we should therefore be prepared to concede the point during the course of the negotiations should this be necessary for Alliance cohesion reasons.

b. Training Aircraft. There are good reasons why certain groups of training aircraft should be excluded from the negotiations:

(1) The inclusion of combat-capable trainers in negotiations would enable the WP to include some 4000-5000 aircraft. Although this would inflate the WP liability for reduction, it would also dramatically increase the Pact's scope to choose its reductions in a way leaving the more modern and capable aircraft unaffected.

(2) An aircraft's combat capability is largely determined by whether 3 components are integral: mounting points capable of carrying and releasing a weapon, a weapon aiming or sighting system, and avionics and wiring capable of integrating the whole. Visual inspection could easily establish whether an aircraft had such combat capability. The conversion of

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non combat-capable trainers by the addition of the vital components would be time consuming.

(3) The US would be unaffected by the inclusion of training aircraft, while the USSR could transfer such assets out of the ATTU before agreement is reached. On the other hand, European nations would have to reduce their training force irrespective of whether these trainers had a combat capability. The UK's liability could include non-weapon capable Hawk, Jet Provost and Tucano, all of which have combat variants.

Thus, it is in the UK's and NATO's interests to include only those training aircraft variants which have a weapons capability equivalent to that in the definition of combat aircraft in Paragraph 39.

c. Categorization by Role. The arguments against categorizing aircraft by role have been fully rehearsed. As nothing has occurred to alter the situation, the UK should continue to resist subdividing aircraft by role.

d. Data and Reduction Baseline. In order to effect any reductions, both sides will need rapidly to agree a baseline of data. So far both sides have produced data bases which, not surprisingly, differ markedly. Any delay in producing an agreed data base would allow both sides the deliberate build-up in storage of obsolescent aircraft types. Depending on the length of the delay, some redeployment and re-declaration would be possible. On balance, it is unlikely to be to the West's advantage to encourage this process; however, until negotiations indicate whether they could contribute to the UK's reduction commitment, disposal of spare combat aircraft should be suspended.

e. Residual Soviet Threat. Despite the tacit acceptance

in CFE that the Urals and Atlantic are comparable obstacles, the USSR will retain the ability to vary its force levels to the east of the Urals, which has particular significance for aircraft in speed of reaction. Moreover, in the context of the balance of airpower after an agreement, the East will still retain about a 5:1 advantage in SAMs. Not only are many of these systems configured for support of offensive armoured operations but, at current levels, they offer considerable scope for reassignment of some AD aircraft to other roles.

f. Pro Rata Reductions. Discussion on reductions to parity below present levels will rightly take no account of relative capabilities of aircraft types. However, it is vital for the UK and NATO that an analysis of the comparative effectiveness of NATO's aircraft be made before any cuts are taken. The HLTF should be encouraged to guard against simply applying pro rata reductions to each aircraft type within national and NATO totals.

g. Effect of Drawdown. It is believed that a 15% cut could be contained within the UK's total of less capable combat aircraft and allow for modernization, where necessary, to go ahead. This process might generate, particularly in respect of the US Air Force, aircraft which were surplus to lower national requirements and were candidates for destruction but which were of greater capability than those held by the poorer Alliance countries. The Alliance should, therefore, consider the scope for bilateral transfers between nations of aircraft affected by reductions, so that the least capable across NATO as a whole were destroyed.

42. Balance of Advantage. On balance, the UK and NATO fixed wing air forces are likely to benefit more from the narrow definition given in Paragraph 39, which will include MPA and only the combat-capable trainers. The MPA point could be conceded

albeit at risk to NATO of the exclusion of the SNAF from CFE and the possibility of future singularization of NATO MPA. The trainer point, however, should not easily be conceded; not only could it dilute the effect of reductions on combat aircraft on the WP side, but it could involve progressively more aircraft destruction for the non-US allies, and particularly the UK, of no direct relevance to the aims of CFE. The waste would increase as the definition was broadened. In addition, there could be consequential costs in re-providing training in other ways. An intermediate position would be to include training aircraft where similar types, but with an armed capability, are already operated by a NATO nation. Even on this, all unarmed Hawks and Alpha Jets would be captured affecting both the UK and France. Ultimately, it may be necessary to concede inclusion of all training aircraft where an armed variant is in service elsewhere in the world, but this is the least desirable option.

HELICOPTERS

43 The helicopter debate is also characterized by arguments concerning broad and narrow approaches to definitions.

44. The Broad Approach. A NATO broad approach to "combat helicopters" embraces all the helicopter types in the agreed HLTF definitions of:

a. Attack Helicopters. "Operational aerial platforms configured with weapon systems, anti-tank or close fire support for ground combat forces. Some may have sufficient capacity to carry equipped troops."

b. Assault/Transport Helicopters. "To include helicopters with a primary role to move equipped troops and cargo in support of battlefield operations with a minimum of 5 men plus crew. They may be configured with weapons". Specialist helicopters such as electronic counter measures and search

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and rescue types are excluded from this category but are declared in footnotes.

c. Combat-Capable Training Helicopters. "Helicopters in operational units, operational conversion units and schools whose primary role is training but have an assigned secondary combat role". Non-combat helicopter trainers are shown in footnotes.

45. The Narrow Approach. The WP definition of "combat helicopter" is, by comparison, narrow: "a helicopter designed and equipped for striking at ground and air targets, or air reconnaissance or electronic warfare." From the Western point of view, a narrow definition would best concentrate on the "armed helicopter" along the lines of: "a helicopter, permanently based on land, which is constructed or converted to be physically capable of delivering air-to-air or air-to-surface missiles, fire cannons/guns or employ any other weapon of destruction, without the need for further modification to its structure, or mechanical or electronic systems." This would imply that such a helicopter would have mounting points capable of carrying and releasing a weapon, a weapon aiming or sighting system, and avionics and wiring capable of integrating the whole. It is assumed that the narrow definition will include reconnaissance helicopters in use in NATO forces.

46. Comparative Numbers. In terms of overall numbers of helicopters, NATO enjoys a small advantage[12]. But the WP has superiority in the categories of attack helicopters (1.5:1) and assault/transport types (1.3:1)[13]. Not all NATO nations possess

12. NATO holds a total of all military types of 4,666 (including 292 in storage), the WP 3,805 (but not including storage and training helicopters, some of which are technically capable of combat).
13. Under the HLTF definition NATO holds 885 attack helicopters (of which 36 are in storage) and 1,742 assault helicopters (of which 185 are in storage). The WP holds 1,324 attack and 2,340 assault helicopters (not including any in storage).

attack helicopters, although the Dutch and Belgian forces have plans to acquire them. The burden of reductions in this category will fall heavily upon the US, the FRG and the UK, especially if nations which do not currently have attack helicopters seek a share of the agreed ceiling. On HLTF declarations, the UK has 158 helicopters in active units and 36 in storage, so a 15% reduction using the broad "combat helicopter" definition would involve 29 UK helicopters. On the narrow "armed helicopter" definition, the figure would be 15.

47. Comparison of the Broad and Narrow Approaches.

a. Broad. The arguments concerning the broad definitional approach are:

(1) Safeguarding of Future Concepts of Operations. Future concepts of operations, both in NATO and nationally, already envisage increased use of helicopters particularly in the role of operational level reserves. Such concepts will require both attack and assault machines. The likelihood is that the attack helicopter may form a larger proportion of such forces, although the exact mix of attack and assault/transport helicopters which the UK and NATO will need is not yet clear, and will almost certainly require modification in the light of reductions in other force categories. Although the case for changing the balance from assault to attack helicopters has yet to be proved, any specific ceilings by type would hamper NATO's flexibility in acquiring and using what may turn out to be a crucial weapon system in effective defence in the future.

(2) The Offensive Role of Assault/Transport Helicopters. The WP's potential for offensive action in the use of helicopters depends upon the total

capability provided by the attack helicopter backed up by assault/transport types. The latter play a role comparable to ATCs in the land battle. Their inclusion in the broad definition would reduce the Pact's ability to mount such offensive helicopter operations.

(3) The Inclusion of Civilian Helicopters. The broad approach includes assault/transport helicopters, which are defined as those capable of carrying 5 or more troops excluding the operating crew. This could be taken to include civilian types. If this was the case some 400 such aircraft on the UK civilian register would be included. However, the substantial Aeroflot helicopter fleet, which contains many aircraft of the assault/transport type barely distinguishable from the military counterpart, would also be captured.

b. Narrow. The arguments relating to the narrow approach are:

(1) Isolation of the Attack Helicopter. WP doctrine currently envisages massing attack helicopters for offensive operations. A reduction in their numbers would usually constrain such use. Focusing on "armed helicopters" would also force the WP to include not only those helicopters with a declared capability, but also those with a similar potential. To determine that a helicopter was in the "armed helicopter" category would require intrusive visual inspection.

(2) Exclusion of Western Civilian Helicopters. The narrow definition is unlikely to include any Western civilian helicopters. They can therefore be used for military purposes if required - of the 400 on the UK civilian register capable of carrying 5 troops or more, over 100 have been identified for use in TTW and war.

The non-inclusion of Western civilian helicopters also avoids the difficulty that in the West cutting civil fleets is not an option: 15% reductions under a broad definition could, therefore, be taken only from military fleets, which would suffer proportionately higher cuts. However, the narrow definition could still capture some WP civilian registered helicopters which are variants of military aircraft.

(3) Lower Destruction Liability. As there would be fewer "armed helicopters" in the West, fewer would need to be destroyed.

(4) Expansion of Other Helicopter Roles. Although the narrow definition catches armed helicopters, it leaves the remainder with no ceiling, so allowing for the development of other helicopter roles such as airmobile, logistic, ECM and STAR.

48. Coherence in Negotiating Approach. Whilst it is desirable to maintain the consistency of the negotiating position between fixed and rotary wing, it is possible to argue the case both ways. Under the broad definition, there is consistency in seeking to include all fixed wing and helicopters which can operate offensively, as "combat" types. On the other hand, under the narrow definition all those fixed wing aircraft and helicopters which have a true combat capability would be included - "support" aircraft being excluded in each case.

49. Modification of Definitions. Both the broad and narrow definitions could be modified specifically to exclude civilian helicopters. While overcoming some of the concerns in the arguments above, such a definition would allow both sides to build up under civilian registration assault/transport helicopter fleets, which could be rapidly made available for military use. This would then allow both sides to concentrate on increasing

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their numbers of attack/armed helicopters within the agreed ceiling. However, in the West governmental support for building up a civil fleet for rapid re-roling is less feasible than in the East.

50. Balance of Advantage. On balance, the UK and NATO helicopter forces are likely to benefit more from the narrow definition given in Paragraph 45. Should this definition prove untenable, it will be necessary to review the matter.

MANPOWER

51. The total number of WP armed personnel in the ATTU area is approximately 4.1 million, while the NATO total is about 3.0 million. The WP figure includes 0.5 million Soviet transport and construction soldiers, whose jobs in NATO are mostly done by civilians. The Soviet manpower figure also includes a significantly higher number of air force personnel - their air defence force comprises some 0.5 million personnel. Overall, the WP and NATO countries probably maintain in peacetime roughly equal numbers of military personnel in their active ground forces.

52. One significance of the new NATO manpower proposal (a bilateral US/USSR reduction of stationed forces to 275,000 for each nation) is that the USSR, being the only WP nation to have stationed forces in the ATTU area, would have to accept that NATO's stationed forces would exceed its own by the total of all the non-US NATO stationed forces, currently 163,745. The USSR would have to accept this significant imbalance of stationed forces on the grounds that it is able to place forces in barracks on its own national territory in the ATTU area whilst the US cannot. Notwithstanding any Alliance difficulties, it is understood that the US are likely to table the US/USSR manpower proposal on 13 Jul 89. There is clearly the danger that in these bilateral negotiations the USSR will seek to include other

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stationed forces as an offsetting measure: giving ground to such an attempt could undermine forward defence and the UK's ability to meet national defence requirements, and needs to be vigorously resisted.

53. The WP proposes reductions in manpower to 1.35 million for each Alliance, of which only 350,000 can be stationed troops. Its sufficiency rule limits any one nation to 920,000 personnel. Were the WP stationing rule to be accepted and the US did reduce to its proposed figure (290,946 personnel, including naval forces), the effect on remaining NATO stationed forces would be severe. A reduction of about two thirds would have to be made in Belgian, Dutch, Canadian, French and UK stationed forces from 160,746 to 59,054.

54. Some manpower reductions will result from equipment reductions. These cannot yet be quantified, but it is unlikely they would result in even near-parity. It is likely that the WP will continue to demand such parity, especially now that manpower proposals are on the table in Vienna. The manpower that each Alliance requires is dependent on the type of equipment held and individual national methods of organizing their combat units and logistics. The process of reducing to set ceilings may require nations totally to restructure their forces. Little would be added to stability by attempting to dictate the way in which equipment is manned.

55. In general, common manpower ceilings could affect NATO more seriously than the WP. Within the ATTU both sides operate on interior lines. But NATO's logistic tail currently occupies a larger proportion of its manpower than that of the WP. Logistic support is organized in NATO on a national basis to cope with differing equipments; the result is different concepts of sustainability. In this connection, it should be noted that neither side's proposals envisage any reductions in logistic units and there is no evidence that the Pact intends to decrease

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[B-278]

C2

its holdings in this respect. It will be vital that NATO retains its present ability to sustain operations. Accepting the WP proposed total manpower ceiling of 1.35 million men could result in NATO either not being able to man as many equipments as the agreement allows, or compromising its logistic support.

56. The UK should urge NATO to:

a. Resist, during the course of the US/USSR bilateral negotiations on manpower, any attempt by the USSR to include other stationed forces.

b. Argue that substantial cuts will necessarily follow from equipment reductions.

c. Point out that the prospective imbalance of stationed forces would be the result of a Superpower bilateral agreement to reduce their influence in the defence of other European nations.

d. Acknowledge that once equipment reductions have been agreed it might be appropriate to examine the residual manpower balance.

e. Agree counting rules and consider verification measures and methods of preventing circumvention.

MEASURES FOR STABILITY, VERIFICATION AND NON CIRCUMVENTION

57. Both NATO and the WP have proposed various forms of stabilizing measures. Such measures are designed to buttress the resulting reductions in force levels agreed in the ATTU area. In so sustaining any Treaty, the measures must focus on the capability of either side to concentrate forces in order to achieve a surprise attack or launch large-scale offensive action and on the possibility of circumvention. Measures which do not

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relate directly to the CFE process and which are likely to apply to and be agreed by the 35 are more properly considered as CSBMs.

58. The HLTF is currently considering measures which will prevent or identify preparations for an attack by the WP. The detail is at Annex G.

IMPLEMENTATION ISSUES

59. Any agreement resulting from the Negotiations on CFE will clearly have far reaching effects for the Alliance and the UK. In general it is too early to assess what those effects might be. However, there are some issues that are already apparent and attention is drawn to them in this section of the paper, both to provide assumptions where necessary and as an indication of areas where further work will be required.

THE AGREEMENT

60. The indications from Vienna are that the WP is negotiating seriously and is keen to achieve a quick outcome. Despite the statement in the NATO Summit Communique concerning a short timescale (Paragraph 6) the prospects for achieving it are not good when issues such as verification arrangements (without which no country is likely to ratify) are taken into account. It is also relevant to consider the WP's approach to timing, bearing in mind the urgency it attaches to such an agreement; the Pact appears anxious to achieve an outcome by 1991 and envisages implementation being phased over at least 6 years. For planning purposes (notwithstanding the political impetus for a reduced timescale) it should, therefore, be assumed that:

a. The prospects for an agreement before mid-1990 are not good. It is, however, likely that the FRG will wish at least to have an agreement in sight before the elections in November that year.

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b. The agreement will be in the form of a Treaty which will initially be for at least a 10-year term with review arrangements after 5 years.

c. Implementation will be phased but is not likely to be complete before 1995.

IMPLICATIONS FOR DEFENCE PLANNING

61. An agreement to reduce NATO force levels, even in a limited way, will have significant implications for force planning, and consideration will need to be given to the way in which NATO force structures are re-aligned to sustain forward defence. There will be a continuing need to support reinforcement across the Atlantic. The difficulties to be faced will include:

a. The need to share out reductions in a way which meets Alliance requirements, including if possible rectifying present imbalances and mal-dispositions, and which is equitable between nations.

b. The desire of nations to make savings in their defence budgets could lead to a process of structural disarmament going beyond, and even preceding, agreed force reductions.

c. The need, in the event of an agreement, to re-cast NATO force goals and investment programmes, while maintaining the momentum on necessary modernization programmes and avoiding planning blight.

62. It is not possible to predict the outcome of the Negotiations at this stage, and for the present UK and Alliance policy must reflect current and potential Soviet capabilities, not just stated intentions. NATO's twin policy of effective deterrence and a willingness to negotiate remains the key to

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successful arms reductions negotiations. It follows that there is at present no clear basis for changes to established plans linked to arms control. It also follows, however, that the UK and the Alliance must ensure that they are well-placed to respond quickly to the situation as it develops. Difficult decisions may be needed on how best to retain freedom of manoeuvre in the forward equipment programme while avoiding, as far as possible, planning blight.

63. The focus in CAC work to date has been on positions to be taken in the negotiations themselves. The emphasis will change, as the talks proceed, to consideration of the impact of CAC on defence planning, taking account of political, economic and military considerations. The UK Delegation to NATO has proposed that the Executive Working Group (EWG), whose task is to consider the broad direction in which NATO force structure develops, should undertake this task for NATO. Continuing work within the MOD will strengthen our approach to the definition of how Alliance defence needs can best be furthered through arms control. Once the shape of an agreement is clearer and the implications for Alliance and WP force levels can be defined, the aim will be to ensure that timely decisions are made to:

a. Adjust the offensive/defensive balance in our forward plans as necessary.

b. Re-shape the forward programme in a way that continues to sustain an effective and up-to-date contribution to the Alliance and meets national defence requirements, while achieving financial savings wherever possible.

c. In the light of b. above, look at the balance in the equipment programme between R & D and production, and adjust our manpower plans to take account of force level and equipment changes.

(282000)
[B-278]

G2

RESOURCES

64. Substantial costs will arise from the verification regimes required for both the CFE and CSBM Agreements. Such regimes are likely to involve both national and international monitoring.

65. The MOD Arms Control Resources Working Group (ACRWG) is already tasked with identifying the additional resources required to implement arms control in terms both of financial cost and the need for specialist manpower, which, especially in the linguist field, is in very short supply and not capable of being generated at short notice. An initial assessment, based solely on the CSBM requirement, has identified a future requirement for 4 full-time interpreters in the DIS, about 50 inspectors/observers to be added to DI(AC) and about 7 posts with British embassies in WP countries. The additional requirements for CFE, together with the inclusion of aircraft in both agreements, will almost certainly double this figure in the medium to long term. The travel, subsistence, communications and hospitality costs of incoming inspection teams will also need to be paid for, as will the monitoring of compliance using NTMs and other intelligence sources. The resources necessary to handle incoming inspection teams will be greatly affected by any ceiling placed on simultaneous incoming CSCE activities. The implications for MOD running costs expenditure will need to addressed in due course, if it is decided that these verification costs are to be met from within the defence budget. There may be a need for a separate verification budget organization and a degree of international co-ordination of such budgets.

66. It is therefore likely that in the short term defence costs will rise as implementation costs are superimposed on existing costs. The rise may be offset in the medium term as the implementation period comes to an end and reductions take effect. Some real defence savings are likely to be possible in the long term, but on the assumptions in Paragraph 60 this will not be

(282000)
[B-278]

H2

before 1995. Concepts of operations at reduced force levels are likely to call for increasingly sophisticated weapon systems in some fields, notably surveillance, to ensure stability. It is, therefore, probable that the balance of investment will change alongside long-term cost savings.

DESTRUCTION

67. Since the NATO Summit communique specifies that equipment withdrawn is to be destroyed, it will be necessary to establish Alliance principles for destruction.

68. The UK should urge that:

a. The most modern equipment should not be destroyed.

b. Before any equipment is destroyed, the scope for re-distribution between allies should be addressed, so that it is the least capable equipment on an Alliance-wide basis that is destroyed.

69. There is unlikely to be a provision in any agreement limiting modernization, and the WP is already modernizing widely. There is no sign of the modern equipment recently withdrawn being destroyed, and it must be expected to re-appear to replace older items. Arrangements for swapping new-for-old need not be included in any agreement - it will suffice to indicate that the actual choice of equipment within a given category is a matter for each Alliance. But to maintain stability it will be necessary for both sides to notify their intentions to change equipment in this way.

70. A further destruction issue is the extent to which components may be salvaged from a piece of equipment before its destruction. Since it is not the intention of the negotiations to impose an economic burden on signatories, there can be no

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objection in principle to states creating spares in this way. However, it will be necessary to limit the extent to which salvaging is allowed in order to minimize the ease with which increased production can be set up in the event of abrogation. Rules will therefore have to specify the features that must be destroyed; these will usually be those which characterize an equipment and give it its unique capability, such as its hull/airframe.

71. Practical limits will have to be set on the number of destruction sites allowed (which should be in the open to allow national technical means to operate). Such pre-destruction open storage sites will have to be declared and recognized as distinct from other forms of storage.

DATA EXCHANGE

72. The negotiating process is bound to involve exchanges of data. Single-Service security directorates have expressed concern at the certainty that such data exchanges would give the WP important intelligence information. Nevertheless, the current rules for safeguarding data will need to be constantly reviewed and natural tendencies not to disclose classified information overcome. Transparency is a new and essential principle of any regime of co-operative security. An early start on exchange of data relevant to the proposals is being pursued in Vienna, together with agreement on definitions. The purpose of the exercise is to facilitate discussion of proposals, not to reach agreement on data per se. Such an initial exchange could include, as a minimum, data on categories, numbers and types of weapon systems (disaggregated down to brigade (NATO) and regiment (WP) level), readiness and location. There will be a need to ensure that release of data on each side is controlled in such a way as not to prejudice security.

73. In addition, detailed exchanges may need to take place

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before the conclusion of any agreement, not least to minimize circumvention of destruction. Nevertheless, the UK should not regard it as essential that such a baseline data exchange on all categories is required, as considerable delays could occur in agreeing to it. An exchange of data after the conclusion of any agreement will, however, be necessary in order to establish a contractual basis for monitoring the level of residual forces.

74. It is not axiomatic that verification of data exchanges must occur, though some degree of verification of an initial data exchange may be needed if the East seriously understates or misrepresents the size of its armed forces. Destruction and the final exchange will need to be verified, not least for PR and monitoring reasons. Any binding exchange of data, such as the final exchange, must include disaggregation down to battalion or air base level.

CONCLUSIONS

75. NATO's military and political aims in CAC fully reflect UK views and objectives. The pre-Summit Western formal proposals are set at levels which enable the strategy of forward defence and flexible response to be maintained.

76. In the interests of maintaining Alliance cohesion throughout the CFE process, it will be necessary to maintain the Alliance strategy of forward defence. At present scientific analysis and military judgement suggest that conventional force reductions of more than approximately 20% of current NATO levels could call into question the viability of the present approach to forward defence within Alliance strategy.

77. Longer-term and more radical reductions which could call into question the present understanding of forward defence are not ruled out in the formal Western proposals. While such considerations are not an immediate issue, work on the

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implications of deeper cuts should be carried forward as a matter of urgency.

78. Despite points of difference, the dialogue with the East must be maintained - the West cannot afford to appear intransigent. Nevertheless, the Alliance must not be bound by treaty in any way that affects its cohesion, nor must compliance with a treaty lead to reductions in North American forces below a level that would continue to bind the US into the effective conventional and nuclear defence of Western Europe.

79. The question of how reductions will be shared out in the Alliance has yet to be addressed in detail, but as a general principle no nation must either be exempt from the reduction process or demand to take a disproportionate share. Account must be taken of the need to balance the residual capabilities of NORTHAG and CENTAG. From a national point of view it will be necessary to seek to take our share of the reductions in a way which will enable us to continue to provide capabilities which other Alliance members cannot, and retain a balanced force mix which meets our national defence requirements. Individual countries must not anticipate an agreement by taking unilateral action in advance. Reductions should be phased to come into effect only after the WP has substantially removed the present force imbalance, so that thereafter in the transition period Alliance security is not jeopardized.

80. On specific issues, final comparison of the two sides' proposals will not be possible until some agreement is reached on the definitions of areas/regions and equipment. On the face of it, the combined effect of the Eastern ceilings and zones are militarily unacceptable as they attempt to push forces away from a "Central Area" in such a way as to prejudice forward defence.

81. The debate on tanks will focus on definitions. The UK should attempt to avoid light tanks entering the negotiating arena in

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the short term, but should press for their inclusion in the longer term should it become clear that with advances in technology there is a risk of circumvention. In the case of artillery, the UK should urge that anti-tank guns are not included in the category and that the NATO lower ceiling is retained, but should insist, during the course of the negotiations, that within the total ceiling no more than, say, 1,500 pieces may be MRLS. Reductions in ATCs are likely to be small, but it will be necessary to ensure that there is sufficient headroom within the AIFV ceiling to provide an effective mechanized infantry capability.

82. Reductions in fixed wing combat aircraft should be restricted by a narrow definition to only those with integral weapon carriage and delivery capabilities. The total of such land-based aircraft should include MPA, and training aircraft with those capabilities. Fallback positions are: to concede MPA with the penalty of failing to capture SNAF and at risk to future more specific measures; to concede those trainers of which an armed derivative is in service within NATO, and ultimately those with variants in service elsewhere, but this should be avoided if at all possible. Reductions in helicopters should also be restricted by a narrow definition to those which are configured and capable of weapon delivery. The need for zoning/stationing rules to apply to air forces requires further analysis. Where possible, in implementing an agreement, more capable aircraft should be transferred within NATO to allow destruction of less capable equipments. NATO must continue to exclude sea-based aircraft from the negotiations.

83. Were the NATO proposal on manpower applied but the WP stationing rule also accepted a very considerable squeeze would be put on those remaining stationed forces (including the UK's) in the Central Region - cuts in manpower of up to two thirds would be required. The NATO proposal also would require acceptance by the WP of some imbalance in stationed forces in the

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ATTU area. However, any attempt by the USSR in the course of bilateral negotiations to include other stationed forces as an offsetting measure must be resisted. The UK should therefore argue that substantial manpower cuts will be made anyway in association with equipment reductions, and acknowledge that it might be appropriate thereafter to examine the residual manpower balance, but that manpower stationing rules should apply only to the Superpowers.

84. Stabilizing measures will be required to buttress the resulting reductions in force levels. They should be designed primarily to prevent or identify preparations for attack by the WP. Verification regimes will also be necessary, though a 100% regime is impractical and unrealistic. The criterion should, therefore, be a high degree of confidence that the regime will work. Any regime is likely to involve permanent inspection teams, and a challenge inspection system. To avoid stretching resources beyond what is feasible, limits will have to be imposed on a state's liability for inspections both from a simultaneity point of view and in terms of total numbers. A review process will need to be established, not least to minimize the risk of technological circumvention.

85. It is too early to assess what the effects of any agreement might be upon the Alliance. However, for planning purposes it should be assumed that no agreement is likely before mid 1990, that the agreement will be in the form of a treaty initially for at least a 10 year term and that implementation will be phased but not complete before 1995.

86. It is clear that any agreement to reduce force levels will have significant implications for force planning. Both NATO and the MOD must be organized to meet this task: proposals to make use of the EWG in NATO now being considered and staff arrangements in the MOD are steps in this direction. Cost saving is likely in the long term, but in the short to medium term

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additional financial costs and requirements for specialist manpower to contribute towards a verification regime are likely to arise.

87. The major principles for destruction of equipment are that the most modern equipment should not be destroyed, and that before less modern equipment is destroyed the scope for re-distribution within the Alliance should be addressed. Whilst there should be no objection to the salvaging of certain components from equipment to be destroyed, rules will have to be drawn up concerning the minimum features to be destroyed and the number of destruction sites allowed.

88. The negotiating process is bound to involve exchange of currently classified data, initially disaggregated to brigade level, but in any final binding agreement, down to battalion or air base level. However, there will be a need to ensure that release of data on each side is controlled in such a way as to safeguard security.

Annexes:

A. The Western Proposals for Negotiations on Conventional Armed Forces in Europe.
B. The Eastern Proposals for Negotiations on Conventional Armed Forces in Europe.
C. Tables Showing Effects of 15% Pro Rata Cuts on NATO's Fixed Wing Aircraft and Helicopters (Attack & Assault/Transport).
D. Soviet Aims in Arms Control.
E. Map Depicting WP Proposed Regions and NATO Proposed Areas.
F. The Effects of the WP Ceilings.
G. Measures for Stability, Verification and Non Circumvention.

(282000)
[B-278]

ANNEX A

THE WESTERN PROPOSALS FOR NEGOTIATIONS ON CONVENTIONAL ARMED FORCES IN EUROPE

PROPOSALS SUBMITTED BY THE DELEGATIONS OF BELGIUM, CANADA, DENMARK, FRANCE, FEDERAL REPUBLIC OF GERMANY, GREECE, ICELAND, ITALY, LUXEMBOURG, NETHERLANDS, NORWAY, PORTUGAL, SPAIN, TURKEY, UNITED KINGDOM AND UNITED STATES.

OBJECTIVES

1. The objectives of these negotiations are:

- the establishment of a secure and stable balance of conventional forces at lower levels;

- the elimination, of disparities prejudicial to stability and security;

- the elimination, as a matter of high priority, of the capability for launching surprise attack and for initiating large-scale offensive action.

2. Through the proposals set out below the Delegations of Belgium, Canada, Denmark, France, The Federal Republic of Germany, Greece, Iceland, Italy, Luxembourg, The Netherlands, Norway, Portugal, Spain, Turkey, the United Kingdom and the United States seek to establish a situation in which surprise

(282000)
[B-140]

attack and large-scale offensive action are no longer credible options. We pursue this aim on the basis of equal respect for the security interests of all. Our proposals make up a coherent whole and are intended to be applied simultaneously and in their totality in the area of application, as defined in the mandate.

RATIONALE

3. The rationale for our proposals is as follows:

- the present concentration of forces in the area from the Atlantic to the Urals is the highest ever known in peace-time and represents the greatest destructive potential ever assembled. Overall levels of forces, particularly those relevant to surprise attack and offensive action such as tanks, artillery and armoured troop carriers, must therefore be radically reduced. It is the substantial disparity in the numbers of these systems, all capable of rapid mobility and high firepower, which most threatens stability in Europe. These systems are also central to the seizing and holding of territory, the prime aim of any aggressor;

- no one country should be permitted to dominate Europe by force of arms: no participant should therefore possess more than a fixed proportion of the total holdings of all participants in each category of armaments, commensurate with its needs for self defence;

- addressing the overall number and nationality of forces will not by itself affect the stationing of armaments outside national borders: additional limits will also be needed on forces stationed on other countries' territory;

- we need to focus on both the levels of armaments and

state of readiness of forces in those areas where the concentration of such forces is greatest, as well as to prevent redeployment of forces withdrawn from one part of the area of application to another. It will therefore be necessary to apply a series of interlocking sub-limits covering forces throughout the area, together with further limits on armaments in active units.

PROPOSALS

4. We propose the following specific measures within the area of application:

Rule 1: Overall Limit

The overall total of weapons in each of the three categories identified below will at no time exceed:

- main battle tanks	40,000
- artillery pieces	33,000
- armoured troop carriers	56,000

Rule 2: Sufficiency

No one country may retain more than 30 per cent of the overall limits in these three categories, i.e.

- main battle tanks	12,000
- artillery pieces	10,000
- armoured troop carriers	16,800

Rule 3: Stationed Forces

Among countries belonging to a treaty of Alliance neither side will station armaments outside national territory in active units exceeding the following levels:

- main battle tanks	3,200
- artillery pieces	1,700
- armoured troop carriers	6,000

Rule 4: Sub-limits

In the areas indicated below, each group of countries belonging to the same treaty of Alliance shall not exceed the following levels:

(1) In the area consisting of Belgium, Denmark, France, the Federal Republic of Germany, Greece, Iceland, Italy, Luxembourg, the Netherlands, Norway, Portugal, Spain, Turkey, the United Kingdom, Bulgaria, Czechoslovakia, the German Democratic Republic, Hungary, Poland, Romania, and the Territory of the Soviet Union west of the Urals comprising the Baltic, Byelorussian, Carpathian, Moscow, Volga, Urals, Leningrad, Odessa, Kiev, Trans-Caucasus, North Caucasus military districts:

- main battle tanks	20,000
- artillery	16,500
- armoured troop carriers	28,000 (of which no more than 12,000

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(2) In the area consisting of Belgium, Denmark, France, the Federal Republic of Germany, Italy, Luxembourg, the Netherlands, Portugal, Spain, the United Kingdom, Czechoslovakia, the German Democratic Republic, Hungary, Poland and the territory of the Soviet Union west of the Urals comprising the Baltic, Byelorussian, Carpathian, Moscow, Volga, Urals military districts in active units:

- main battle tanks	11,300
- artillery	9,000
- armoured troop carriers	20,000

(3) In the area consisting of Belgium, Denmark, France, the Federal Republic of Germany, Italy, Luxembourg, the Netherlands, the United Kingdom, Czechoslovakia, the German Democratic Republic, Hungary, Poland and the territory of the Soviet Union comprising the Baltic, Byelorussian, Carpathian military districts in active units:

- main battle tanks	10,300
- artillery	7,600
- armoured troop carriers	18,000

(4) In the area consisting of Belgium, the Federal Republic of Germany, Luxembourg, the Netherlands, Czechoslovakia, the German Democratic Republic and Poland in active units:

- main battle tanks 8,000

- artillery 4,500

- armoured troop carriers 11,000

(5) Rule 4 is to be seen as an integrated whole which will only be applied simultaneously and across the entire area from the Atlantic to the Urals. It will be for the members of each Alliance to decide how they exercise their entitlement under all of these measures.

Rule 5: Information Exchange

Each year holdings of main battle tanks, armoured troop carriers and artillery pieces will be notified, disaggregated down to battalion level. This measure will also apply to personnel in both combat and combat support units. Any change of notified unit structures above battalion level, or any measure resulting in an increase of personnel strength in such units, will be subject to notification, on a basis to be determined in the course of the negotiations.

MEASURES FOR STABILITY, VERIFICATION AND NON CIRCUMVENTION

5. As an integral part of the agreement, there would be a need for:

- stabilizing measures: to buttress the resulting reductions in force levels in the ATTU area. These should include measures of transparency, notification and constraint applied to the deployment, movement, storage, and levels of readiness of conventional armed forces which include conventional armaments and equipment;

- verification arrangements: to include the exchange of detailed data about forces and deployments, with the right to conduct on-site inspection, as well as other measures designed to provide assurance of compliance with the agreed provisions;

- non-circumvention provisions: inter alia, to ensure that the manpower and equipment withdrawn from any one area do not have adverse security implications for any participating state;

- provision for temporarily exceeding the limits set down in Rule 4 for pre-notified exercises.

THE LONGER TERM

6. In the longer term, and in the light of the implementation of the above measures, we would be willing to contemplate further steps to enhance stability and security in Europe, such as:

- further reductions or limitations of conventional armaments and equipment;

- the restructuring of armed forces to enhance defensive capabilities and further to reduce offensive capabilities.

(282000)
[B-140]

ANNEX B

THE EASTERN PROPOSALS FOR NEGOTIATIONS ON CONVENTIONAL ARMED FORCES IN EUROPE

The following is a translation of the official Eastern Proposal:

"CONCEPTUAL FRAMEWORK OF AGREEMENT ON CONVENTIONAL ARMED FORCES IN EUROPE PROPOSED BY BULGARIA, CZECHOSLOVAKIA, THE GERMAN DEMOCRATIC REPUBLIC, HUNGARY, POLAND, ROMANIA AND THE UNION OF SOVIET SOCIALIST REPUBLICS.

PARTIES OF THE AGREEMENT. THE PARTIES OF THE AGREEMENT SHALL BE: BELGIUM, BULGARIA, CANADA, CZECHOSLOVAKIA, DENMARK, FRANCE, THE GERMAN DEMOCRATIC REPUBLIC, THE FEDERAL REPUBLIC OF GERMANY, GREECE, HUNGARY, ICELAND, ITALY, LUXEMBOURG, THE NETHERLANDS, NORWAY, POLAND, PORTUGAL, ROMANIA, SPAIN, TURKEY, THE UNION OF SOVIET SOCIALIST REPUBLICS, THE UNITED KINGDOM, AND THE UNITED STATES OF AMERICA.

OBJECTIVES

1. The objectives of the Agreement will be to strengthen stability and security in Europe through deep cuts in conventional armed forces, including conventional armaments and equipment, of the Warsaw Treaty member States and of the NATO member countries so as to establish in this way a balance at lower levels at which both military alliances will keep forces and systems necessary solely for defence and insufficient to launch a surprise attack or conduct offensive operations; to restructure and redeploy their armed forces on strictly defensive principles.

(282000)
[B-141]

2. The process of strengthening stability and security on the European continent should proceed stage by stage and in a manner that will not upset the overall balance or prejudice anyone's security at all stages of the negotiations.

3. These objectives will be achieved through reductions, limitations, appropriate redeployment measures, equal collective ceilings on armed forces and conventional armaments both throughout the European zone and in its individual regions. The scope and procedure of reduction of national and foreign troops down to agreed levels would be decided upon within each alliance on the basis of the principles and criteria to be agreed at the negotiation.

4. The reductions in conventional armed forces and armaments will be effected on the basis of reciprocity with all the Participating States without exception taking their appropriate contributions with account taken of their military potentials. The reductions will be accompanied by corresponding cuts in military expenditures and by measures to convert their military production.

5. All the participants will refrain from steps running counter to the above objectives and will not build up their conventional armed forces and armaments.

6. These objectives can be achieved both through agreed steps and unilateral measures to reduce their armed forces and armaments.

ZONE OF APPLICATION OF AGREEMENT

7. The zone of application of agreement will be the entire land territory of the Participating States in Europe from the Atlantic

to the Urals, including a part of the Asian territory of Turkey and the Soviet Transcaucasus as well as all the European island territories of the Participating States including the Faroe Islands, Svalbard, the Islands of Azores and Madeira, the Canary Islands, Franz Josef Land and Novaya Zemlya.

THE FIRST STAGE (NO LATER THAN 1991 - 1994)

1. At the first stage of reductions all the Participating States will eliminate imbalances and asymmetries between NATO and the Warsaw Treaty as regards both troop numbers and main armaments and will make steps to eliminate the capability to launch a surprise attack or initiate large-scale offensive action.

2. For this purpose attention will be focused on reducing the most destabilizing types and categories of armaments such as attack combat aircraft of short-range/tactical aviation, tanks, combat helicopters, combat armoured vehicles and armoured personnel carriers, artillery including multiple launch rocket systems and mortars.

3. The Participating States will reduce their conventional armed forces and armaments down to equal collective ceilings that would be 10 - 15% lower than the lowest levels possessed by the military political alliances. These ceilings will be agreed between the Participating States in absolute terms.

4. Thus, following the first-stage reductions, by 1994 the collective ceilings for member States of either of the military political alliances will be approximately:

strength of the armed forces .....(number)men;

attack aircraft .....(number);

tanks .....(number);

combat helicopters .....(number);

combat armoured vehicles and
armoured personnel carriers .....(number);

artillery including multiple launch
rocket systems and mortars .....(number).

5. Definitions will be worked out for each category of armaments including a list of concrete systems pertaining to them as well as rules of accounting for the purposes of unified data exchange. Such data can be presented with regard to each individual Participating State including data on the troops stationed in the territory of any other Participating State in the zone of agreements. Both general and random verification of data can be undertaken following their presentation.

6. The reduction of armed forces could be implemented through disbandment of the troops being reduced or their withdrawal from the territory of another State and subsequent disbandment. The armaments and equipment being reduced are eliminated under agreed procedures at specially assigned locations or are converted for civilian use. A part of the armaments and equipment are put in temporary storage under international control.

SURPRISE ATTACK PREVENTION MEASURES

1. Starting with the first stage onwards, strips (zones) of reduced levels of armaments would be established along the line of contact between the two military political alliances from where the most dangerous destabilizing types of conventional armaments and equipment would be pulled out, reduced, or limited and where limitations would be introduced on military activities.

The establishment of such zones in Central Europe and in other regions of the European continent could be effected on the basis of the existing and possible new proposals.

2. The depth of the strips (zones) of reduced levels of armaments could be agreed with account taken of geographical factors and performance characteristics of the main types of armaments. Confidence and security-building measures would limit military activities within the strips (zones) and would, appropriately, provide for an increasing rigorous regime as the line of contact is approached. In particular, they would affect the scope and number of concurrent exercises, the duration and frequence (sic) of exercises and envisage a ban on large-scale exercises and limitations on troop transfers.

THE SECOND STAGE (1994 - 1997)

1. Subject to the attainment, as a result of the first stage, of lower equal ceilings the Participating States will implement subsequent reductions on an equal-percentage basis.

2. At the second stage the armed forces of each side would be cut approximately by 25% (by about 500,000 men) with their organic armaments.

3. Along with further substantial lowering of the levels of the most destabilizing types and categories of armaments the Participating States shall take steps to reduce other categories of armaments not affected by the first-stage cuts.

4. The Participating States will make further steps to restructure their armed forces on the basis of the principle of sufficiency for defence.

5. They will elaborate and make agreement steps to develop predictability and openness in day-to-day military activities and

to lower their levels.

THE THIRD STAGE (1997 - 2000)

1. During the third stage further reductions of armed forces and conventional armaments shall be implemented and the armed forces of the Participating States will be given a strictly defensive character.

2. The Participating States will reach agreement on ceilings on all other categories of armaments.

3. The Participating States will reach agreements on the principles of armed forces development by which they will abide in the future for the purposes of maintaining a secure and stable peace in Europe.

VERIFICATION

1. The Participating States will agree to exchange data regarding manpower strength, number of conventional armaments, and deployment of military formations and to verify them, including through on-site inspections.

2. There would be envisaged the establishment of a comprehensive and effective system of verification of compliance with agreements including land and air on-site inspections without the right to refuse. There would be created checkpoints to monitor entry/exit both along and inside the strips (zones) of reduced levels of armaments and in the reduction area (at railway stations, junctions, airfields, ports). Such technical means of verification as artificial Earth satellites, aircraft, helicopters, ground automatic recording systems, including the ones developed through international co-operation, could also be

used for the purposes of verification.

3. There would be verification of the process of reduction elimination (dismantlement, conversion) and storage of armaments disbandment of formations and units, non-excess of the strength of armed forces and the number of armaments as well as of the activities of the troops remaining after reductions.

4. An international verification (consultative) commission would be set up and given wide powers (observation, inspection, consideration of disputes, etc), which would be made up of representatives of the Participating States.

5. A prominent part in the implementation of verification and control measures should be played by the highest representative bodies - Parliaments, National Assemblies and the Supreme Soviet - which could act as guarantors of the reductions and re-deployment of the armed forces and conventional armaments of the appropriate countries. Related matters could be discussed within the framework of foreign and military affairs committees and be reflected in appropriate statements to be made on behalf of the parliaments.

GENERAL PROVISIONS

1. Nothing in the agreement will be aimed against any other countries or their security interests or will be construed as prejudicial to other international treaties concluded by the Participating States.

2. For the purposes of ensuring the viability and effectiveness of agreements each Participating State will not circumvent their provisions or assume international obligations which would conflict with the Agreement.

3. Each Participating State may propose amendments to the

Agreement. The amendments agreed by consensus will enter into force in accordance with the procedures governing the entry into force of the Agreement.

4. The Agreement will be subject to ratification in accordance with the constitutional procedures of the Participating States."

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ANNEX C

TABLE 1: EFFECTS OF 15% PRO RATA CUT ON FIXED WING AIRCRAFT

Nation	Aircraft in Units	Aircraft in Storage	Declared Combat Capable Trainers	Total Aircraft	Total Aircraft After 15% Cut	Reduction Required
Belgium	144	30	31	205	174	31
Canada	36	0	0	36	31	5
Denmark	87	10	0	97	82	15
France	450	0	60	510	433	77
Germany	579	14	113	706	600	106
Greece	319	0	36	355	302	53
Italy	329	268	25	622	529	93
Netherlands	162	77	51	290	246	44
Norway	79	14	0	93	79	14
Portugal	99	0	0	99	84	15
Spain	173	0	26	199	169	30
Turkey	356	0	217	573	487	86
UK	568	192	83	843	717	126
US	754	0	18	772	656	116
Total	4135	605	660	5400	4589	811

Source: HLTF/RT/BT(87)12(3rd Revue) 24/4/89.

p2

TABLE 2: EFFECTS OF 15% PRO RATA CUTS ON HELICOPTERS (ATTACK & ASSAULT/TRANSPORT)

	Helicopters In Units	Helicopters In Storage	Total Helicopters	Total Helicopters Post 15% Cut	Reductions Required
France	350	0	350	297	53
Germany	556	61	617	524	93
Greece	64	0	64	54	10
Italy	138	30	168	143	25
Netherlands	52	16	68	58	10
Norway	21	2	23	20	3
Spain	160	0	160	136	24
Turkey	164	0	164	139	25
UK	158	36	194	165	29
US	743	76	819	696	123
Totals	2,406	221	2,627	2,232	395

Total NATO Attack Helicopters = 885 (UK 94)
Total Attack Helicopters after 15% reduction = 752 (UK 80)

Total NATO Assault/Transport Helicopters = 1,742 (UK 100)
Total Assault/Transport Helicopters after 15% reduction = 1,481 (UK 85)

Source: HLTF/RT/BT(87)12(3rd Revue) 24/4/89.

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ANNEX D

SOVIET AIMS IN ARMS CONTROL

1. The Soviet Union has a range of political, economic and defence objectives which come together in the context of conventional arms control. It is assessed[1] that the Soviet Union has recognised that there are considerable advantages to be gained in developing a more stable and durable military relationship with the West. Economic problems and domestic needs have led to a policy which aims both to maintain security at lower cost and to create armed forces which more reasonably reflect the declared priority commitment of the defence of the homeland. This approach, which the Soviets have called "reasonable defence sufficiency" embraces the broader political and military aims of trying to persuade the West to reduce its current military capability and to abandon its plans and projects for equipment modernisation and the introduction of high technology. Additionally, it assists in the creation of a climate where Western public opinion begins to turn against reliance on nuclear deterrence, eventually leading to the de-nuclearization of Europe.

2. Furthermore, it seems likely that Gorbachev has recognised that conventional arms control is a major political priority for NATO and that he will not achieve many of his broad aims, particularly those concerning nuclear weapons in Europe, unless he addresses the problems of the massive Soviet superiority in conventional weapons. The unilateral conventional reductions he announced at the UN in Dec 88 will, when implemented, go some way

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1. JIC (89)(N)14 dated 23 Feb 89: Soviet Aims and Options in CAC.

(282000)
[B-173]

towards demonstrating the Soviet commitment. In the CFE negotiations, the Soviet Union will hope to exploit any progress as a means to erode public support for the maintenance of a credible Alliance nuclear posture in addition to benefitting from any reductions that might be agreed.

3. Soviet defence expenditure imposes a substantial economic burden. A recent JIC[2] paper estimates this expenditure currently absorbs over 16% of GDP, a figure which could rise to over 18% of GDP by the mid 1990s, although Gorbachev's recent statement that Soviet defence spending has already been frozen may halt this trend[3]. It is likely that the Soviets were concerned at the prospect of another round in the arms race, particularly one driven by developments in conventional arms technology where they perceive themselves to be trailing the West in a number of fields and which would further exacerbate the conflicting demands of the defence and civil economies. The new policy of defensive sufficiency aims to maintain security, inter alia, at lower cost and led on 18 Jan 89 to announced reductions of 14.2% in Soviet defence expenditure and of 19.5% in the production of arms and military equipment. If these figures are taken at face value, the JIC believes that further cuts over and above those announced at the UN are in the pipeline. One of Gorbachev's aims in adopting the policy of defence sufficiency is to release resources from defence which can be used to boost the civil economy. The defence sector has traditionally enjoyed privileged access to supplies of capital equipment and skilled human resources. Any cuts in the production of the defence sector should free resources that are in short supply and could be used to open up bottlenecks in civil production, particularly in those

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2. JIC (89)(N)8 dated 3 Mar 89: Implications of Announced Cuts in Defence Spending.
3. Since the JIC paper was issued, Prime Minister Ryzhkov has announced defence budget figures totalling little more than half the JIC estimates. There are, however, doubts as to what is included in these figures: a further JIC assessment is being produced.

(282000)
[B-173]

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areas involving high technology. It is not known whether reductions in defence output will be achieved by cutting across the board or by terminating a smaller number of selected programmes; the latter method is more in line with current Soviet policy and is likely to release greater capital resources. Despite the economic and industrial pressures on the civil economy we believe that Gorbachev and the military will be determined to prevent Soviet military capability falling below an acceptable level. It is likely that the emphasis in new weapon systems will be on quality rather than quantity, but cuts in R&D will limit the scope.

4. The unilateral cuts announced by Gorbachev in Dec 88 were assessed by the JIC at the time and subsequently incorporated in a revised threat assessment for the Central Region[4] [5]. In particular the approximately 50% reduction in Soviet tanks in the forward area should result in a reduction of the Soviet forces' ability to mount a successful short warning attack. The proclaimed restructuring of the remaining divisions in the forward area and the Soviet Union will go some way to meet further the West's concerns, but it seems unlikely that additional cuts or re-structuring will take place outside the context of an arms control agreement. The Soviets are likely to reiterate their view that rough parity exists if naval forces are taken into account and will concentrate on securing reductions in those areas where they feel most threatened by the Alliance.

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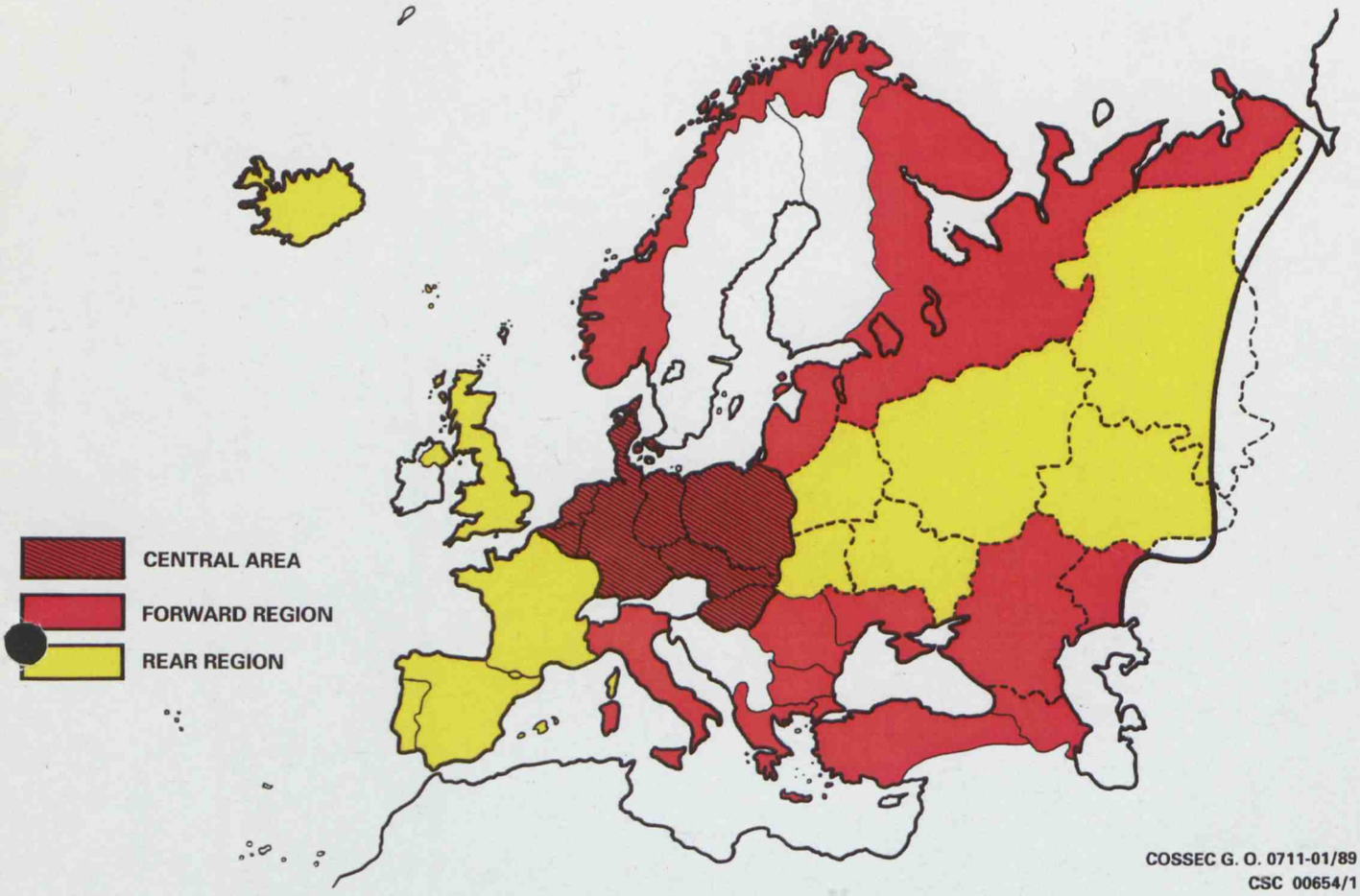
4. JIC (88)IA 98 dated 8 Dec 88: Soviet Unilateral Force Reductions: Gorbachev's UN Speech of 7 Dec 88.
5. JIC (89)(N)13 dated 23 Feb 89: The Threat to the Central Region: Implications of WP Arms Reductions.

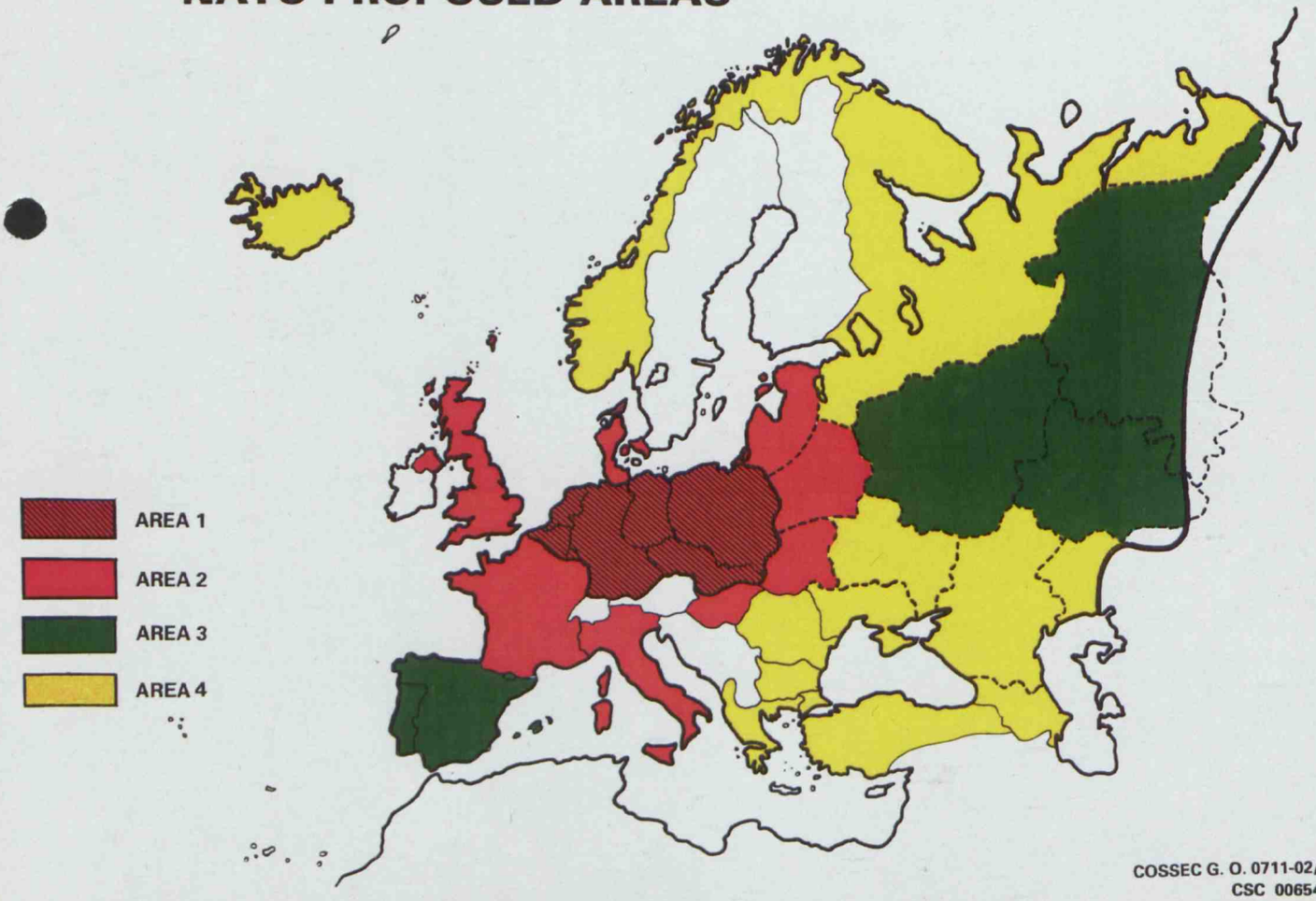
(282000)
[B-173]

WARSAW PACT PROPOSED REGIONS



COSSEC G. O. 0711-01/89
CSC 00654/1

NATO PROPOSED AREAS



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CSC 00654/2

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ANNEX F

THE EFFECTS OF WP CEILINGS

1. The intellectual basis of the WP approach seems to be to propose that the West should undertake reductions on a roughly similar scale (50%+) to those which the WP is having to take in heavy armour. This approach is applied in the areas in which NATO, in the WP's view, is superior. Thus, the ceilings to be applied to strike aircraft and helicopters would involve (according to WP estimates) the loss by the Allies of some 2,500 of their present holdings in each of these two categories; and in the case of manpower the loss of over 1 m men.

2. In addition, the effects of the WP's proposed zonal arrangements, and the numbers which it proposes for the stationing rule, would mean that, though the entitlement to parity overall would apply, there would be considerable disruption of the Alliance's present defence arrangements. For example:

a. Tanks. The ceilings proposed by the WP for the forward region (16,000) would, on the assumption that stored main battle tanks are included but light tanks are excluded, oblige the West to reduce by almost 5,000 tanks (of which about 3,400 would be stationed); and by around 5,400 in the "central area". This would mean in practice that all Allied tank reductions would need to come from tanks currently deployed in the FRG and the Benelux. The implications for forward defence are clear. In the rear region by contrast the ceiling (4,000) leaves headroom of over 2,000 tanks. This would in theory allow a large number of tanks withdrawn

(282000)
[B-230]

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from the forward region to be re-deployed in the rear. But it is unlikely that it would be practicable to build up tank holdings in the UK, France, Spain and Portugal in this way; whereas the Soviet Union would have no difficulty in adjusting its own holdings between the forward and rear regions so as to exploit the 20,000 ceiling to the full.

b. Armoured Troop Carriers. Similar considerations apply to this category in the forward region the Alliances would need to reduce by up to 2,750 ATCs (of which 1,560 would be stationed) whereas, again, in the rear region there is headroom of over 2,000, which in practice it would be difficult for the Allies to exploit. In the "central area" the proposed ceiling of 14,500 would mean a reduction of 1150 (assuming compatible definitions).

c. Strike Aircraft. The proposed ceilings on strike aircraft both overall (1,500) and in particular on stationed forces (350) would, on the basis of likely WP definitions, involve massive Western reductions, of between 30-40% in the forward region and 50-60% in the rear region. The cuts in stationed strike aircraft would be around 50%. Impact on American aircraft in Europe would be extremely severe. If, say, half of the RAF's 120 Tornados and Harriers were withdrawn from Germany, then within a ceiling of 350 stationed aircraft, US and Canadian strike aircraft in Europe would have to be reduced from about 600 to 290. This would mean, illustratively, a reduction to 90 F111s in the UK and 200 F16s/F18s in Germany; but leaving nothing else.

d. Helicopters. The Allies would have to reduce their helicopter holdings by around two-thirds in both the forward and rear areas. Stationed helicopters would be reduced by over 50%.

e. Manpower. The proposed ceiling of 1,000,000 in the

(282000)
[B-230]

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forward region would mean cutting Allied forces' manpower by half and in the rear region the reduction would be well over 60%. Stationed forces would be cut overall by over 25%. There would appear to be some incompatibility between the Pact's personnel and equipment ceilings. For example, the quite substantial increases permitted in Alliance holdings of tank, artillery and ATCs in the rear region, would need to be manned with a much reduced manpower level of 0.35 million men. It is not clear whether the WP personnel figures includes Soviet air defence forces, transport or construction troops.

3. Summary. The WP's counter proposals are carefully crafted. It has accepted NATO's overall figures for tanks and ATCs, come near to the West on artillery and endorsed the principle of limits on stationed forces and individual country limits. Thus, in the three categories of equipment to which NATO attaches the greatest importance the Pact is, broadly speaking, giving the Alliance what it asked for. But it has mitigated the effect of this major concession in two ways. First, its zonal arrangements are such that the Allies would be obliged to take reductions in forward deployed forces deployed forces and in particular in the "central area" rather than in rear regions, and at levels likely to impact unfavourably on Alliance capacity to maintain a credible forward defence. Moreover, the division of the three Western Military Districts (MDs) of the Soviet Union between the "forward" and "rear" areas (the Belorussian and Carpathian MDs are in the rear while the Baltic MD is in the forward region) has the effect of reducing the squeeze on WP (and in particular Soviet) forces in the forward region. Second, the Pact is seeking reductions in strike aircraft, combat helicopters and manpower at levels which would involve major penalties for the West. These would be particularly acute in the case of stationed strike aircraft and stationed combat helicopters.

4. This brief analysis is a "worst case" one based on what is

W2

expected will be the Pact's position on definitions, counting rules etc. In the case of strike aircraft, helicopters and manpower, particularly the first of these three categories, there is plenty of scope for challenging their definitions on grounds of internal coherence.

5. As regards zones, NATO is on less good ground. There is nothing intrinsically aberrant about the division of the two halves of Europe into forward and rear areas. But NATO can justifiably argue that the particular territorial arrangements which the Russians have proposed are designed to impact unfavourable on the West in a way which we cannot be expected to regard as compatible with our security. The function of zonal arrangements in the CFE negotiations can be either to generate "strips" or zones of reduced levels of armaments (as is envisaged by the WP); or to prevent the undue concentration of forces (as the Alliance would wish). NATO will need to bear this important distinction in mind in arguing its case against the WP's zonal proposals.

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[B-230]

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ANNEX G

MEASURES FOR STABILITY, VERIFICATION AND NON CIRCUMVENTION

1. The HLTF is currently considering measures which will prevent or identify preparations for an attack by the WP. Four areas are being looked at:

a. Planning. It is likely that before any attack, last minute testing of plans and the exercising of commanders would take place. Major CPXs would, therefore, become notifiable. This measure could be supported by one which placed liaison officers (LOs) at field formation HQs. Such LOs would be free to visit all units down to battalion and so detect undeclared CPXs, FTXs and troop concentrations.

b. Covert Concentration. Various proposals for preventing covert concentration are being considered:

(1) Storage. Storage is a necessary concept for NATO because of the Alliance's defensive nature and its geography. The WP's current offensive doctrine, on the other hand, calls for a high degree of logistic mobility. Storage measures will, however, restrain the WP's offensive capability, cause the Pact to mirror the Alliance posture more closely and provide additional warning time if equipment is withdrawn from storage sites. NATO's current holdings in storage are considerable. There are, for example, 5,847 MBTs in storage of which 4,006 belong to the US. Of the US total 1,476 are in POMCUS. The majority of US MBTs are held in stores which could be economically monitored by WP observers. Further these MBTs would take time to deploy, mainly because their crews are based in the US

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Y2

in peace. These two factors of monitorability and a reduced state of readiness should be central to any storage regime. It is unlikely that the WP has a similar existing capacity, although early indications are that it would not be opposed to it. The number of equipments and the delay to be imposed on their readiness have yet to be assessed. The UK has no equipment in "deep" storage of the POMCUS sort, but must be able to take advantage of any storage sub-ceilings. The criterion of ability to monitor rather than "depth" of storage will be the important criterion for the UK to develop.

(2) Recall of Reservists. Recalling reservists could be a clear indication of offensive intent. A measure is, therefore, needed which will require the notification of recall above an agreed level.

(3) Exercises. Some NATO nations are also calling for the limitation on size and duration of the larger exercises, which could be used as covert concentration prior to offensive action.

c. Maintenance of Momentum. Measures in this area include putting forward limits on mine ploughs and assault bridging. There are distinct problems with definition and verification. However, the reduction of such equipments would impede offensive operations, but there will be a need to balance any such cuts against genuine defensive requirements.

d. Logistics. The French have proposed a number of logistic measures. They would like the enforced disbandment of those units which are dedicated to combat units and have proposed constraints on logistic holdings at divisional level and higher.

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2. Verification.

a. A 100% verification regime is impractical and unrealistic. The criterion for a regime should be that it provides NATO with a high degree of confidence of its effectiveness by imposing on the other side to the degree necessary to ensure it is deterred from cheating. It should be possible to make the WP feel that it is accountable for its actions to the extent that it actively co-operates in the verification process.

b. To be effective any regime will need to be highly intrusive. Proposals currently being considered in the HLTF working group will establish permanent inspection teams (of about 4 people) in each state, based at Corps/Front Aviation level with clearly defined rights of access to the formations concerned. In addition, it is intended that there will be challenge inspections lasting for 72 hours.

c. The verification regime will also involve national technical means (NTMs) and other intelligence sources, monitoring of equipment destruction, manning of exit/entry points and the use of sophisticated sensors. Acceptance in the Alliance of the principle of "Open Skies" will also have a bearing on any regime.

d. There will be a degree of overlap of regimes developed under the auspices of the Conference on Security and Co-operation in Europe (CSCE). There will be a need to balance the obvious need for verification against the risk of the UK finding itself with commitments that it cannot fulfil. There will, therefore, be a need for the UK to argue in the HLTF that:

(1) While it is acknowledged that states must accept

A3

incoming inspections, some limit must be set on numbers. This is probably better approached on the basis of a proportionality rule relating to forces stationed in a country rather than by agreeing a specific number. It would, for example, be possible to relate the number of inspections to the number of runways over 6,000 feet and to the number of brigade-sized units in the country concerned, on the basis, say, of 5% for the former and 10% for the latter.

(2) There will be a need to limit the total number of inspections/observations that a state may receive at any one time (a Simultaneity Rule) and during the course of a year. For UK resource planning purposes it should in the meantime be assumed that any Simultaneity Rule will impose a limit of not more than 2 simultaneous inspections and one observation and that the annual total will not exceed 25.

(3) A degree of intra-Alliance co-ordination of inspections and monitoring will be required to make best use of scarce and often specialist resources.

3. From a national point of view there will be a need to establish priorities between the conflicting demand for resources in the verification field. For present resource planning purposes that priority is:

a. The maintenance of NTMs and other intelligence sources.

b. The ability to carry out inspections/observations in WP countries in pursuance of any CFE agreement.

c. The ability to fulfil the UK's obligations for receiving inspections/observations under any CFE agreement.

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d. The ability to fulfil the UK's obligations under any CSBM agreement.

4. Non-Circumvention. Equipment definitions are vulnerable to circumvention as technology advances. A review process is therefore needed to update definitions and review all aspects of the Agreement. The current advice is that a 5 year review process would minimize the risk of technological circumvention.

DEFENCE: Arms Control
Pt 15

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CHIEF SECRETARY TO THE TREASURY

Treasury Chambers, Parliament Street, SW1P 3AG

CBP 21/6

The Rt Hon Sir Geoffrey Howe QC MP
Secretary of State for Foreign Affairs
Foreign & Commonwealth Office
King Charles Street
London
SW1A 2AH

20th June 1989

Dear Geoffrey,

CFE: CONSEQUENCES FOR NATO STRATEGY AND PROCUREMENT

I was interested to see Charles Powell's letter of 14 June to George Younger's office. My officials have already been in touch with George's to discuss the need to plan equipment procurement flexibly, and to avoid committing ourselves to expenditure which may turn out to represent poor value for money if force reductions are made. I look forward to seeing the paper the Prime Minister requested on this subject.

There is another aspect of the implications of CFE - the sharing of benefits within NATO - which it would also be useful to consider.

Following the recent successful NATO summit, the proposal to include land based combat aircraft and helicopters within conventional arms control in Europe has added to the potential financial benefits to the United Kingdom if the negotiations prove successful. A 15 per cent reduction in such United Kingdom aircraft and helicopters (excluding of course dual capable aircraft) should bring a significant cost saving over time, in addition to any consequences of ceilings on tanks, armoured personnel carriers and artillery. And to the extent that it will allow us to limit our expenditure on the BAOR and RAF in Germany, there will be a balance of payments benefit as well.

I appreciate that all of this has not yet been negotiated with the Warsaw Pact. If the negotiations are successful, resulting NATO reductions in equipments and their support will need to be shared among the allies. For this reason, it will be important in discussions with other NATO countries to make it clear that we expect a fair share of any financial benefits to accrue to the United Kingdom.

DEFENCE: Army Cuts PT5

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I well understand that the United States would expect to take a significant share of any savings, given their current relatively high level of defence spending and their domestic budget deficit. However, as you know, the United Kingdom spends proportionately more than any other major European NATO country on defence, and makes a larger contribution than any one apart from the United States and the Federal Republic to forward defence in Germany. This involves a heavy balance of payments burden. It would be quite wrong for the European share to be picked up entirely by other countries.

I doubt if the question of sharing out any NATO reductions can be left on one side for much longer. In the inevitable negotiations with NATO allies, I believe we should therefore argue for at least the same percentage benefit as the NATO average. Subject to your views, that would seem eminently defensible. Perhaps your officials could coordinate the details of a UK position along these lines with mine.

I am copying this letter to the Prime Minister and George Younger, and to Sir Robin Butler.

Yours Ever,

JOHN MAJOR

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START: US NEGOTIATING POSITION
SUMMARY

1. THE ADMINISTRATION'S REVIEW NEARING COMPLETION ALTHOUGH POSITIONS UNLIKELY TO BE DECIDED ON SOME ISSUES UNTIL AFTER THE NEGOTIATIONS RESUME. EFFORT TO CONSTRAIN OR BAN MULTIPLE-WARHEAD ICBMS EXPECTED TO BE THE MAIN FEATURE. UK TRIDENT INTERESTS UNLIKELY TO BE AFFECTED. GENERAL EMPHASIS ON CONTINUITY AND EARLY RESULTS NOT ENVISAGED - THOUGH SURPRISES ALWAYS POSSIBLE.

DETAIL

2. ON 19 JUNE THE STRATEGIC ARMS REDUCTIONS TALKS RESUME IN GENEVA AFTER A SUSPENSION OF SEVEN MONTHS. FOR THE LAST TWO DAYS THE NATIONAL SECURITY COUNCIL HAS BEEN REVIEWING THE AMERICAN NEGOTIATING POSITION. WHEN THE ADMINISTRATION TOOK OFFICE, THE ASSUMPTION WAS THAT THEY WOULD WISH TO PUT SOME FORM OF BUSH IMPRINT ON START IN ORDER TO PREVENT IT FROM BEING MERELY A REAGAN HAND-ME-DOWN, BUT THAT THERE WOULD BE NO MAJOR DEPARTURES. THIS SEEMS LIKELY TO HOLD TRUE: THE NEGOTIATION IS ALREADY AT A MATURE STAGE, IS COVERED BY 400 PAGES OF JOINT DRAFT TEXT AND THE RUSSIANS HAVE BEEN GIVEN A GENERAL PROMISE OF CONTINUITY. NEVERTHELESS EXPECTATIONS OF MORE RADICAL ACTION HAVE BEEN RAISED BY THE RECENT INITIATIVE ON CONVENTIONAL ARMS CONTROL AND THE POLITICAL SUCCESS WHICH THIS HAS BROUGHT THE PRESIDENT. THE FACT THAT THE SUMMIT INITIATIVE CAME AS A LAST MINUTE MOVE BY THE WHITE HOUSE WITH VIRTUALLY NO PRIOR KNOWLEDGE ON THE PART OF THE BUREAUCRACY, MEANS THAT NO ONE IS PREPARED TO MAKE PREDICTIONS WITH ABSOLUTE CONFIDENCE ON START AT THIS STAGE. IT IS ALSO BECOMING CLEAR THAT A NUMBER OF NEW PROPOSALS ARE CURRENTLY BEING WEIGHED BY THE CABINET.

3. THESE PROPOSALS WOULD NOT ALTER THE BASIC STRUCTURE OF THE AGREEMENT. NOR WOULD THEY AFFECT BRITISH INTERESTS DIRECTLY. SUBMARINES ARE PROTECTED AS THE HEART OF THE STRATEGIC FORCE, TOGETHER WITH THE TRIDENT DS PROGRAMME. ALTHOUGH THERE IS INTEREST IN A TOUGHER APPROACH TO VERIFICATION ISSUES, INCLUDING THE REGIME

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FOR NON-DEPLOYED MISSILES, THIS REMAINS CONFINED TO ICBM'S, WITH SLBMS CONTINUING TO BE EXEMPT FROM INTRUSIVE SCRUTINY (HENCE PROTECTING OUR INTERESTS AT KINGS BAY).

4. THE MOST IMPORTANT CHANGE UNDER CONSIDERATION IS DESIGNED TO CURB OR ELIMINATE LAND-BASED MISSILES WITH MULTIPLE WARHEADS. THIS INTEREST IN QUOTE DE-MIRVING UNQUOTE ICBMS REFLECTS THE LONGSTANDING CONCERN OF SCOWCROFT AND THE DEMOCRATIC LEADERSHIP IN CONGRESS THAT SUCH SYSTEMS ARE DESTABILISING. MIRVED MISSILES IN SILOS ARE REGARDED AS CONCENTRATING TOO MUCH DESTRUCTIVE POWER IN ONE LOCATION AND TEMPTING PRE-EMPTION. THE GROWTH IN SOVIET MIRVED MOBILE MISSILES IS ALSO SEEN AS BEING PARTICULARLY THREATENING TO THE UNITED STATES.

5. CONTACTS AT THE NSC HAVE TOLD US THAT THE OPTIONS BEING LOOKED AT INCLUDE:

A) A BAN ON ALL MOBILE MIRVED ICBMS (SOVIET SS24)

B) A BAN ON SILO BASED MIRVED SYSTEMS (SOVIET SS18 AND US MX)

C) A BAN ON BOTH

D) A BAN OR SPECIFIC SUB-LIMIT ON MOBILE MIRVED SYSTEMS COUPLED WITH A NEW SUB-LIMIT ON SILO BASED MIRVED SYSTEMS.

6. IN ONE SENSE THIS IS A SURPRISING DEVELOPMENT. THE ADMINISTRATION'S RECENT ICBM MODERNISATION DECISION GAVE PRIDE OF PLACE TO RETAINING THE MX MIRVED MISSILE AND MAKING IT RAIL-MOBILE. IT WAS NOT EVIDENT THAT MX WAS INTENDED MERELY AS A BARGAINING CHIP (WHICH IS ALL THAT IT COULD BECOME UNDER MOST OF THE OPTIONS). BUT THE SHIFT IS PARTLY THE RESULT OF SCOWCROFT'S PERSISTENCE (HE HAS EVEN ADVANCED NEW IDEAS FOR PROMOTING HIS PREFERENCE FOR SINGLE WARHEAD MISSILES BY SUGGESTING THAT THEY SHOULD BE EXEMPT FROM THE 1600 DELIVERY VEHICLE LIMIT IN THE DRAFT TEXT). IT ALSO REFLECTS THE GROWING PROBLEMS OVER THE ICBM MODERNISATION COMPROMISE IN CONGRESS, WHERE MX IS NOW UNDER PARTICULARLY STRONG ATTACK. FURTHER CRITICISM OF MIRVED MOBILES HAS COME FROM THE VERIFICATION COMMUNITY WHO HAVE USED THE DEFENCE STRATEGY REVIEW TO REOPEN THE OLD QUESTION OF WHETHER AN ADEQUATE REGIME CAN BE DEVISED.

7. THERE ARE NO BETS BEING PLACED ON WHAT THE CABINET WILL DECIDE. IT MAY BE THAT DECISIONS ON SUCH A MAJOR, IF ESOTERIC, ISSUE WILL BE DEFERRED BEYOND 19 JUNE. THE NEGOTIATIONS COULD RESUME WITHOUT ALL US POSITIONS BEING IN PLACE. IT MAY ALSO BE THAT A DE-MIRVING PROPOSAL WILL BE ADVANCED TENTATIVELY IN THE FIRST INSTANCE AND WITHDRAWN IF (AS SEEMS ALMOST INEVITABLE) THE SOVIET RESPONSE IS HOSTILE. IT SEEMS UNLIKELY THAT THE ADMINISTRATION WILL WISH TO INSIST ON A DIVERGENT COURSE, WHEN THE GENERAL MOOD IN EAST-WEST

RELATIONS IS FOR CONVERGENCE. BUT THE IDEA OF TOUGHER CONSTRAINTS ON MIRVED ICBMS IN GENERAL AND MOBILE ONES IN PARTICULAR IS TO THE FORE AT PRESENT.

8. CRUISE MISSILES HAVE ALSO BECOME A BONE OF CONTENTION. ON SLCM, WE UNDERSTAND THAT SCOWCROFT HAS ARGUED IN FAVOUR OF A BAN BUT HAS MET STRONG RESISTANCE TO ANY CHANGE IN THE EXISTING POSITION (NO FORMAL CONSTRAINTS AND ONLY DECLARATORY STATEMENTS ABOUT NUMBERS). NEVERTHELESS NSC CONTACT HAVE SAID THAT A NEW PROPOSAL MIGHT STILL EMERGE. ON ALCM, THE PROBLEM NOW AFFLICTING THE B2 PENETRATING BOMBER PROGRAMME HAVE GIVEN RISE TO GREATER INTEREST IN MAXIMISING CRUISE MISSILES AND TO PROPOSING A MORE ADVANTAGEOUS COUNTING RULE (6 PER AIRCRAFT RATHERN THAN 10). BUT THERE ARE OBVIOUS PROBLEMS OF NEGOTIATING AND NO DECISIONS HAVE YET BEEN TAKEN.

9. IN GENERAL, THE EXPECTATION IS THAT ALTHOUGH NEW PROPOSALS WILL BE MADE SOON (THOUGH POSSIBLY NOT UNTIL THE NEGOTIATIONS HAVE BEEN UNDERWAY FOR TWO WEEKS), THE EMPHASIS WILL BE ON CONTINUITY RATHER THAN CHANGE. AMBASSADOR BURT (FINALLY CONFIRMED BY A SENATE VOTE OF 89-10 ON 14 JUNE) MAY NEVERTHELESS FIND EMPLOYMENT FOR SOME TIME. HIS DEPUTY ESTIMATES THAT AGREEMENT IS STILL TWO YEARS AWAY, WITH A RATIFICATION TARGET OF SPRING 1992. CONGRESS WILL BE SEEKING TO IMPROVE ON THE TIMETABLE AND ASPIN HAS ALREADY URGED THAT START SHOULD BE BROUGHT INTO LINE WITH CFE. BUT MUCH WILL DEPEND ON WHAT THE ADMINISTRATION DOES FINALLY DECIDE TO DO OVER THE CONTENTIOUS ISSUES.

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CFE: WASHINGTON QUINT: 15 JUNE
SUMMARY

1. A PRODUCTIVE SESSION. US REAFFIRMS INTEREST IN TABLING FRAMEWORK PROPOSAL BEFORE VIENNA ROUND ENDS ON 13 JULY. CIRCULATION OF ILLUSTRATIVE LISTS OF AIRCRAFT/HELICOPTERS BY US. GOOD PROGRESS ON AIRCRAFT DEFINITIONS WITH COMMITMENTS TO FUTURE STUDY OF TWO DEFINITIONS (US AND UK). HELICOPTER DEFINITION UNRESOLVED, WITH FRG AND ITALY PRESSING FOR NARROW DEFINITION EXCLUDING TRANSPORT (QUOTE ATTACK UNQUOTE). SUPPORT FOR UK CALLS FOR MORE AMBITIOUS APPROACH TO STABILISING MEASURES. DESAZARS (FRANCE) REVEALS DIFFERENCES IN PARIS ON EXCLUSION OF NUCLEAR AIRCRAFT (MIRAGE IV).

DETAIL

2. THOMAS (PRINCIPAL DAS, EUR, STATE) CHAIRED A MEETING OF THE CFE QUINT IN WASHINGTON ON 15 JUNE. LEVER (FCO) AND HOPKINSON (DACU, MOD) REPRESENTED THE UK. EXCEEDING PRIOR EXPECTATIONS, THE MEETING WAS A PRODUCTIVE ONE IN WHICH MANY OF THE PROBLEMS ASSOCIATED WITH EARLY TABLING OF THE NEW WETERN CFE INITIATIVE WERE GIVEN A FULL AIRING FOR THE FIRST TIME.

3. AT THE OUTSET, THOMAS, SUPPORTED BY RUNNING (JCS), MAHLEY AND MATHENY (BOTH NSC) AND HINDS (OSD) MADE A STRONG PITCH FOR THE PRESENTATION OF A FRAMEWORK PROPOSAL BY THE END OF THE CURRENT ROUND IN VIENNA ON 13 JULY. MIGLORINI (ITALY) AND ROSSBACH (FRG) SPOKE UNRESERVEDLY IN SUPPORT OF THIS GOAL: DESAZARS (FRANCE), IN THE FIRST OF A SERIES OF CAUTIONARY INTERVENTIONS, WARNED THAT PARIS WAS STILL WORKING ON THE DETAILS, AND THAT A FRAMEWORK PROPOSAL CONTAINING DETAILED NUMBERS (ON AIRCRAFT/HELICOPTERS) MIGHT NOT BE POSSIBLE IN THAT TIMESCALE.

AIRCRAFT

4. THE US SIDE INITIATED DISCUSSION OF AIRCRAFT BY CIRCULATING AN ILLUSTRATIVE LIST OF NATO AND WARSAW PACT AIRCRAFT (AND HELICOPTERS). THIS LIST WENT FURTHER THAN THAT CONTAINED IN

THE MOST RECENT REVISE OF THE HLTF BLUE DATA, IN THAT IT WAS BASED ON A US DEFINITION EMBRACING ALL COMBAT AIRCRAFT (INCLUDING LAND BASED NAVAL AND TRAINERS). AFTER PROLONGED DISCUSSION, DURING WHICH THE PROS AND CONS OF AN ALL EMBRACING APPROACH SUCH AS THIS WERE CONSIDERED IN DEPTH, IT WAS AGREED THAT THE FOLLOWING AMENDED VERSION WOULD BE TAKEN BACK TO CAPITALS WITH A VIEW TO EARLY INTRODUCTION INTO THE HLTF:

QUOTE FOR THE PURPOSE OF THE CFE NEGOTIATION, A COMBAT AIRCRAFT IS A FIXED WING AIRCRAFT, PERMANENTLY BASED ON LAND, OF A TYPE CONSTRUCTED OR LATER CONVERTED TO DROP BOMBS, DELIVER AIR-TO-AIR OR AIR-TO-SURFACE MISSILES, FIRE GUNS/CANNONS, OR EMPLOY ANY OTHER WEAPONS OF DESTRUCTION. ANY VERSION OR VARIANT OF THESE AIRCRAFT WHICH HAVE BEEN MODIFIED TO PERFORM ANOTHER FUNCTION, SUCH AS ELECTRONIC COUNTER-MEASURES, RECONNAISSANCE OR TRAINING, ARE ALSO INCLUDED. UNQUOTE.

LEVER (UK) PUT FORWARD AN ALTERNATIVE WHICH WOULD HAVE THE VIRTUE OF EXCLUDING LAND-BASED NAVAL AIRCRAFT OF DUBIOUS RELEVANCE TO THE TALKS (EG NIMROD/ATLANTIC) WHILE KEEPING BACKFIRE IN.

QUOTE COMBAT AIRCRAFT ARE THOSE (PERMANENTLY?) LAND-BASED FIXED-WING AIRCRAFT WHICH ARE CONSTRUCTED OR CONVERTED TO DELIVER ORDNANCE, SUCH AS CANNONS, ROCKETS, MISSILES OR BOMBS, AGAINST LAND OR AIR TARGETS. ANY VARIANTS OR VERSIONS OF THESE AIRCRAFT WHICH HAVE BEEN MODIFIED TO PERFORM ANOTHER FUNCTION, SUCH AS ELECTRONIC COUNTER MEASURES, RECONNAISSANCE, TRAINING OR MARITIME STRIKE, ARE ALSO INCLUDED. UNQUOTE.

5. BOTH OF THESE DEFINITIONS TEND TOWARDS THE BROAD END OF THE SPECTRUM. THE US SIDE PUSHED HARD FOR A CATCH-ALL DEFINITION IN ORDER TO PUT THE SOVIET UNION ONTO THE DEFENSIVE (GIVEN THE NARROW DEFINITIONS THEY HAVE USED IN VIENNA) AND TO LIMIT THE POTENTIAL FOR NON-CIRCUMVENTION. THE BROAD DEFINITIONS REMAIN PROBLEMATIC FOR FRANCE IN RESPECT OF THE ALPHA JET (GIVEN THAT THIS BASIC FRENCH TRAINER APPEARS IN A COMBAT VERSION IN THE LUFTWAFFE) AND THEIR NAVAL SUPER ETENDARDS, WHICH THOUGH NOMINALLY CARRIER-BORNE, ARE BASED ON LAND FOR MUCH OF THE TIME. LEVER (UK) ALSO POINTED UP THE RISK OF A DEFINITION THAT, IN SWEEPING UP ALL CONCERNABLE SOVIET TRAINERS, WHATEVER THEIR POTENTIAL MILITARY CAPABILITIES, MIGHT NOT BE SUSTAINABLE DURING NEGOTIATIONS. (ALTHOUGH RUNNING (US) SUGGESTED THAT EXCLUSIONS COULD BE WORKED IN SUBSEQUENTLY BY COUNTING RULES). BUT IN GENERAL THERE WAS A DISPOSITION TO WORK ON THE BASIS OF A BROADLY BASED DEFINITION AND SUPPORT FOR THE US IDEA

THAT THIS DEFINITION, ONCE AGREED, WOULD BE BACKED IN THE FIRST INSTANCE BY A LIST OF WESTERN TYPES (TO BE MATCHED BY THE EAST, WITH PROMPTING FROM THE WEST, DURING THE NEGOTIATION).

6. ON AIRCRAFT NUMBERS, MATHENY AND RUNNING (US) SAID THAT THE USAF WAS STILL WORKING ON THE FIGURES. ON THE BASIS OF THE ILLUSTRATIVE LISTS CIRCULATED AT THE MEETING, WHICH ADDED UP TO 1000 AIRCRAFT TO THE 5400 FIGURE CIRCULATED AT THE HLTF, THEIR BEST GUESS FOR ALLIED REDUCTIONS LAY BETWEEN 800-1000 AIRCRAFT. SUCH A REDUCTION WOULD NOT, IN THEIR VIEW, SERIOUSLY ENDANGER WESTERN AIR CAPABILITIES, OR PARTICULAR (EG NUCLEAR) COMMITMENTS THEREIN. IT WOULD NOW BE FOR INDIVIDUAL COUNTRIES TO COME UP WITH NUMBERS TO FIT DEFINITIONS, ONCE AGREED. (IN SUBSEQUENT CONVERSATION WITH LEVER AND HOPKINSON, MATHENY CONFIRMED THAT A-10S WOULD BE THE PRIME CANDIDATE FOR US REDUCTIONS).

HELICOPTERS

7. RUNNING (US) OPENED THE DISCUSSION ON HELICOPTERS BY CONCEDING THAT THIS WAS A QUOTE MURKY UNQUOTE CATEGORY. THE ALMOST COMPLETE ABSENCE OF UNIQUELY MILITARY HELICOPTERS ON THE WESTERN SIDE GAVE RISE TO NUMEROUS COMPLICATIONS. KRUBER (FRG) SPOKE UP STRONGLY IN SUPPORT OF A NARROW DEFINITION FOR HELICOPTERS (EG QUOTE ATTACK UNQUOTE) ON THE GROUNDS THAT THE GERMAN ARMY WAS STRESSING THE INCREASING REQUIREMENT FOR AIR MOBILITY, AND PARTICULARLY IN ANY POST-REDUCTIONS ENVIRONMENT. MIGLORINI (ITALY) ALSO SPOKE UP IN SUPPORT OF A SELECTIVE DEFINITION. RUNNING (US) QUOTED THE FOLLOWING DEFINITION AS A POSSIBLE BASIS FOR FURTHER WORK.

> QUOTE A LAND BASED/ROTARY WING AIRCRAFT WITH AIR/AIR OR AIR/SURFACE ORDNANCE, CONSTRUCTED OR CONVERTED TO CARRY AT LEAST FIVE COMBAT TROOPS. UNQUOTE.

MATHENY (US) WARNED THAT THE PRESERVATION OF WESTERN AIR MOBILITY THROUGH A SELECTIVE DEFINITION WOULD GIVE THE EAST A SIMILAR OPPORTUNITY, AND THAT THE CONSEQUENCES OF SUCH UNCONSTRAINED EASTERN MOBILITY SHOULD ALSO BE CONSIDERED. MIGLORINI (ITALY) ASKED WHETHER THE EXISTENCE OF ARMOUR ON HELICOPTERS MIGHT BE USED TO NARROW ANY DEFINITION. LEVER (UK) SAID THAT WESTERN DEFINITIONS OF AIRCRAFT AND HELICOPTERS SHOULD BE CRAFTED WITH AN EYE TO COHERENCE, A NARROW DEFINITION FOR HELICOPTERS, WHICH EXCLUDED TRANSPORT COULD BE AIMED AT. BUT SUSTAINABILITY WOULD BE A PROBLEM IF THE AIRCRAFT DEFINITION REMAINED BROADLY BASED.

STABILISING MEASURES

8. THOMAS (US) SAID THAT WITH THE EXCEPTION OF A SUFFICIENCY RULE, THE ADMINISTRATION HAD YET TO FIND A STABILISING MEASURE

FOR AIRCRAFT THAT THEY WERE COMFORTABLE WITH. LEVER (UK) AGREED THAT A SUFFICIENCY RULE WOULD BE COHERENT. A STATIONING RULE MIGHT NOT BE TO OUR ADVANTAGE, BUT PARALLELS WOULD BE SURELY DRAWN TO OUR PROPOSALS ON OTHER CATEGORIES, WHERE SUCH RULES HAD BEEN INCORPORATED. WE THEREFORE NEEDED TO HAVE OUR DEFENSIVE ARGUMENTS, AND TO SEE IF THERE WERE ANY HYPOTHETICAL LIMITS THAT WE COULD LIVE WITH.

9. DESAZARS (FRANCE) SAID THAT THE RATIONALE FOR OUR STATIONING RULE WAS POLITICAL NOT GEOGRAPHICAL. MATHENY (US) SAID THAT APPLICATION OF SUCH RULES FOR AIRCRAFT AND HELICOPTERS WOULD HURT NATO MORE THAN THE WARSAW PACT. HE WAS ALSO CONCERNED ABOUT LIKELY SOVIET SCRUTINY OF WESTERN INFRASTRUCTURE SUPPORT FOR REINFORCING (PARTICULARLY HANGARETTES). LEVER (UK) AND DESAZARS (FRANCE) BOTH POINTED OUT THAT ARGUMENTS USED BY THE WEST IN SUPPORT OF PROPOSALS ON TANKS ETC WOULD BE QUOTED BACK ON AIRCRAFT.

9. ROSSBACK (FRG) SAID THAT THERE COULD BE A NUMBER OF OTHER STABILISING MEASURES, EG TRANSPARENCY ON PRODUCTION, DEPLOYMENTS OUTSIDE THE ZONE, MOVEMENTS WITHIN THE ZONES,OBSERVATION OF MAJOR AIRFIELDS. DESAZARES (FRANCE) MADE SCATHING NOISES ABOUT OPEN SKIES. LEVER (UK) SAID THAT THE POSSIBILITIES FOR CIRCUMVENTION OF AN AIRCRAFT AGREEMENT, BY VIRTUE OF RAPID RE-INTRODUCTION FROM OUTSIDE THE ATTU ZONE, WAS A FACTOR TO BE TAKEN INTO ACCOUNT (AS WE HAD DONE SO IN PREVIOUSLY RESISTING THE EARLY INTRODUCTION OF AIRCRAFT PROPOSALS).

10. ON STABILISING MEASURES MORE GENERALLY, LEVER (UK) COMMENDED THE UK PAPER CIRCULATED AT THE HLTF DEPUTIES MEETING ON 14 JUNE. THERE WAS GENERAL AGREEMENT THAT WESTERN AMBITIONS SHOULD GO BEYOND INFORMATION EXCHANGE AND STORAGE.

MANPOWER

11. DESAZARS (FRANCE) QUESTIONED THE US SIDE CLOSELY ABOUT THE PROPOSALS FOR US/USSR CEILINGS ON MANPOWER. WHAT DID THESE SAY ABOUT THE US APPROACH TO WESTERN SECURITY? DID THEY ENCOURAGE OTHER EUROPEANS TO DRAW CONCLUSIONS ABOUT THE SOVIET THREAT AND LIKEWISE DRAW DOWN? WHAT WAS THE RELATIONSHIP BETWEEN THESE CEILINGS AND US TROOPS WITHDRAWN WITH EQUIPMENT REDUCTIONS CONSEQUENT UPON THE OTHER WESTERN PROPOSALS? MATHENY AND THOMAS (US) REHEARSED STANDARD US LINES AS TO WHY A US/SOVIET PARITY AGREEMENT ON MANPOWER WAS SUSTAINABLE IN SPITE OF THE PRESENCE OF OVER 150,000 NON-US ALLIED FORCES STATIONED IN THE FRG. THEY WERE SANGUINE ABOUT THE PROSPECTS FOR SOVIET AGREEMENT (QUOTE A TEST BED FOR SOVIET SERIOUSNESS UNQUOTE, A QUOTE CONCESSION UNQUOTE TO RUSSIAN DEMANDS FOR THE INCLUSION OF MANPOWER). RUNNING (US) SAID

THAT IMPLEMENTATION OF THE CEILINGS WOULD IMPROVE NATO'S MILITARY SITUATION VIS-A-VIS THE WARSAW PACT (BUT ADDED THAT SERIOUS PROBLEMS WOULD BE ENCOUNTERED IF THE US WERE TO GO BEYOND 275,000.) LEVER (UK) AND DESAZARS (FRANCE) BOTH WARNED ABOUT THE NEED FOR MORE CONVINCING DEFENSIVE ARGUMENTS, AND DESAZARS' SUGGESTION THAT THE PROPOSAL MIGHT BE PUT FORWARD IN PARALLEL WITH THE EQUIPMENT PROPOSALS (INSTEAD OF AS RULE 5) WAS GIVEN A SYMPATHETIC HEARING BY THE US SIDE.

DEFINITIONS/COUNTING RULES

12. IT WAS AGREED THAT THE CENTRE OF ACTIVITY FOR THE ELABORATION OF DEFINITIONS AND COUNTING RULES SHOULD REMAIN IN VIENNA. BUT THOMAS (US) CAUTIONED, TO GENERAL AGREEMENT, THAT SUCH WORK WOULD ONLY BE MEANINGFUL ON THE BASIS OF A SUFFICIENT LEVEL OF COMMON UNDERSTANDING ON THE PART OF THE HLTF.

FRENCH NUCLEAR ROLE

13. OVER LUNCH, DESAZARS MENTIONED, A PROPOS THE FRENCH DOMESTIC REVIEW ON AIRCRAFT, THAT CHEVENEMENT HAD WRITTEN TO MITTERRAND ADVOCATING THAT FRANCE INSIST UPON THE EXCLUSION FROM ANY AGREED WESTERN LIST/BASELINE OF ALL FRENCH QUOTE NUCLEAR UNQUOTE AIRCRAFT (IE EIGHTEEN MIRAGE IVS). DESAZARS ADDED THAT THE QUAI WAS RESISTING THIS MORE: IT WAS TOO EARLY TO PREDICT HOW THE STRUGGLE WOULD TURN OUT.

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10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

14 June 1989

Dear Brian,

CFE: CONSEQUENCES FOR NATO STRATEGY AND PROCUREMENT

During the Value for Money Seminar this afternoon, the Prime Minister raised an issue which she would like to see considered further, and that is the implications of conventional force reductions for NATO's strategy and thus for our weapons procurement. She thinks that force reductions of the sort now envisaged are bound to affect NATO's strategy and in particular our ability to maintain forward defence. This in turn could have implications for the sort of weapons we need, and may require us to look again at some of our prospective purchases, notably tanks.

The Prime Minister would like to see a short paper which tells her how these problems are being approached. Thereafter she may wish to call a meeting to consider the issues in more depth. I should be grateful for the preliminary paper by 1 July.

I am copying this letter to Alex Allan (HM Treasury), Stephen Wall (Foreign and Commonwealth Office) and to Trevor Woolley (Cabinet Office).

Yours sincerely,

CHARLES POWELL

Brian Hawtin, Esq.,
Ministry of Defence

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SECTION ONE OF TWO
CONVENTIONAL ARMS CONTROL:HLTF, 7 JUNE

SUMMARY

1. U S PRESENT FURTHER DETAILS OF BUSH PROPOSALS, URGES TABLING OF FRAMEWORK PROPOSAL BY 13 JULY. FRG AND OTHERS SUPPORT EARLY TABLING. UK AND FRANCE CAUTIOUS, EMPHASISE NEED FOR THOROUGH ANALYSIS. AMBITIOUS WORK PROGRAMME FOR COMING MONTHS. BRIEF DISCUSSIONS OF CANADIAN VERIFICTION WORKSHOP AND EASTERN PROPOSALS TABLED IN VIENNA.

DETAIL

U S BRIEFING

2. GEN RUNNING (US) GAVE THE HLTF (A BRIEFING CLASSIFIED SECRET) ON THE MILITARY ANALYSIS SUPPORTING THE BUSH PROPOSALS (COPY OF VUFOILS FROM PRESENTATION SENT TO FCO, MOD, UKDEL VIENNA). HE SAID THAT THE AIM WAS TO CAPTURE ALL COMBAT-CAPABLE AIRCRAFT, INCLUDING COMBAT-CAPABLE TRAINERS. FOR HELICOPERS THE AIMS WAS TO EXCLUDE OBSERVATION HELICOPTERS AND HELICOPTERS WITH DUAL MILITARY AND CIVILIAN USES, IN WHICH THE WEST WAS SUPERIOR, WHILE INCLUDING COMBAT-CAPABLE WP HELICOPTERS. THE TIMETABLE FOR AGREEMENT WAS 'AMBITIOUS BUT ACHIEVABLE'.

3. ON ARILLTERY, RUNNING SAID THAT CIRCUMVENTION POSSIBILITIES WERE BUILT INTO THE SOVIET DEFINITION. THE PROPOSED SOVIET CEILING WAS IN ANY CASE HIGHER THAN WESTERN HOLDINGS, EVEN ON SOVIET FIGURES: THE BEST SOLUTION WOULD BE TO 'SETTLE BACK' TO THE WESTERN DEFINITION AND CEILING.

4. ON AIRCRAFT, RUNNING SAID 15 PERCENT CUTS WOULD NOT REDUCE ALLIANCE COMBAT CAPABILIY (TAKING INTO ACCOUNT WP GROUND FORCE CUTS) BUT IT WAS CRITICAL THAT THE EQUIPMENT REDUCED SHOULD BE DESTROYED.

5. ON MANPOWER, THE U S APPROACH WAS BASED ON THE FACT THAT ONLY THE

U S AND THE SOVIET UNION HAD SUBSTANTIAL FORCES STATIONED IN THE ZONE AND A SUBSTANTIAL LAND MASS OUTSIDE THE AREA. THE AIM WAS TO THIN OUT SOVIET STATIONED FORCES. THE PROPOSED 20 PERCENT CUT IN U S COMBAT MANPOWER, PRODUCING A CEILING OF 275,000, WOULD ACHIEVE THIS, WHILE LEAVING A SUBSTANTIAL U S GROUND AND AIR CAPABILITY.

6.RUNNING SAID THAT THE CEILING FOR AIRCRAFT SHOULD BE 4,600, IE A CUT OF 800 ON THE NATO SIDE AND 9,400 FOR THE WP, AND FOR HELICOPTERS A CEILING OF 2,250, IE A CUT OF 380 FOR NATO AND 1,400 FOR THE WP. THIS DID NOT INCLUDE STORED WP EQUIPMENT, ABOUT WHICH NOTHING WAS KNOWN SEMICOLON BUT STORED EQUIPMENT IN EXCESS OF CEILINGS WOULD ALSO HAVE TO BE DESTROYED.

7. ON DUAL CAPABLE AIRCRAFT DCA, RUNNING SAID THE U S WAS SENSITIVE TO OTHERS' CONCERNS. THERE WERE AT PRESENT 2,250 'CONCEIVABLE' DCA OUT OF 5,400 AIRCRAFT ON THE WESTERN SIDE, NOT ALL OF WHICH WERE ASSIGNED TO NUCLEAR TASKS. (THESE FIGURES MAY EXCLUDE SOME FRENCH DCA). THIS WOULD REPRESENT 42 PERCENT OF THE PROPOSED CEILING. THUS THE CEILING WOULD NOT AFFECT THE DCA HOLDING OF THE ALLIANCE AS A WHOLE OR OF INDIVIDUAL COUNTRIES.

8. RUNNING SAID THE U S DREW TWO CONCLUSIONS:

(A) AGREEMENT ON 5 EQUIPMENT CATEGORIES WOULD SIGNIFICANTLY IMPROVE NATO'S DETERRENT AND WAR-FIGHTING POSTURE BY BRINGING THE OVERALL CORRELATION OF FORCES TO PARITY SEMICOLON

(B) DCA REDUCTIONS WERE NOT REQUIRED.

9. THOMAS (US) THEN SET OUT THE CONCEPTUAL BACKGROUND TO THE BUSH PROPOSALS. BUSH WISHED TO CAPITALISE ON APPARENT EASTERN SERIOUSNESS ABOUT CONVENTIONAL ARMS CONTROL BY EXPANDING THE WESTERN PROPOSAL AND RESPONDING TO EASTERN ACCEPTANCE OF THE CONCEPTUAL BASIS OF WESTERN PROPOSALS. THE INITIAL EASTERN REACTION, ESPECIALLY FROM THE EAST EUROPEANS, HAD BEEN VERY POSITIVE. THEY HAD A KEEN INTEREST IN REMOVING SOVIET FORCES FROM THEIR TERRITORY.

10. THOMAS SAID THAT IN ORDER TO RETAIN THE INITIATIVE IN VIENNA A FRAMEWORK PROPOSAL SHOULD BE TABLED BY 13 JULY, WITH A COMPLETE VERSION, INCLUDING VERIFICTION ELEMENTS, READY BY 7 SEPTEMBER. HE CIRCULATED PROPOSED MODIFICATIONS TO THE EXISTING PROPOSAL (COPIED TO FCO, MOD, UKDEL VIENNA). THERE WAS NO STATIONING RULE, SINCE NO MEANINGFUL REGIONAL LIMITS COULD BE APPLIED TO AIRCRAFT OR HELICOPTERS BECAUSE OF THEIR MOBILITY. THERE WAS A NEW RULE FOR

MANPOWER, MAKING EXPLICIT THAT ONLY US AND SOVIET STATIONED FORCES WERE COVERED. THOMAS CONCLUDED THAT INTENSIVE WORK ON THE FRAMEWORK PROPOSAL, AS WELL AS VERIFICATION AND STABILISING MEASURES, WAS NOW NEEDED.

GENERAL DISCUSSION

11. IN A BIREF INITIAL COMMENT, BECKEL (IMS) SAID THAT THE GROWING IMPORTANCE OF AIR MOBILIY TO ALLIED GROUND FORCES HAD TO BE BORNE IN MIND WHEN CONSIDERING HELICOPTER REDUCTIONS. ON MANPOWER, VERIFICATION WAS DIFFICULT, BUT THE IMPORTANCE OF GETTING AT HIGH T READINESS FORCES PROBABLY OUT WEIGHED THE DIFFICULTIES.

12. DESAZARA (FRANCE) SAID THAT RUNNING HAD SAID NOTHING ABOUT THE IMPORTANCE OF STABILISING MEASURES. THEY SHOULD NOT BE FORGOTTEN HE ALSO SAID THAT, WHILE FRANCE SUPPORTED THEM, BUSH'S PROPOSALS WERE INSPIRED BY THREE MOTIVES NOT CONNECTED TO EUROPEAN SECURITY:

(A) THE NEED TO COUNTER THE PERCEIVED LACK OF 'THE VISION THING' SEMICOLON

(B) BURDENSHARING (THE PROPOSED U S TROOP WITHDRAWALS WERE 'A NEW MANSFIELD AMENDMENT') SEMICOLON

(C) THE NEED TO SHIFT ATTENTION AT THE SUMMIT FROM SNF.

THE PROPOSALS HAD BEEN WELL-RECEIVED, BUT THEY REPRESENTED MAJOR CHANGES FROM EARLIER ALLIANCE POSITIONS, AND THEY DID NOT SEEM TO BE BASED ON RIGOROUS MILIARY ANALYSIS, FOR EXAMPLE OF THE RELATIONSHIP BTWEEN AIRCRAFT REDUCTIONS AND THE MAINTENANCE OF CONVETIONAL AND NUCLEAR ROLES IN FUTURE. THE IMS SHOULD EXAMINE IN DEPTH POSSIBLE CHANGES IN THE ROLE OF AIRCRAFT IN THE LIGHT OF THE INF TREATY AND THE SNF DEBATE.

13. DESAZARS SAID THAT WE SHOULD NOT BE OVER-HASTY IN SEEKING AGREEMENT. IT WAS IMPORTANT THAT THE EAST HAD ACCEPTED WESTERN CEILINGS, BUT THE ZONES THEY PROPOSED WERE INTENDED TO UNDERMINE FORWARD DEFENCE. HE OPPOSED SUGGESTIONS THAT THE WEST SHOULD LOOK AT THE ACCEPTABILITY OF THE SOVIET ZONES.

14. DESAZARS WARNED AGAINST SOVIET ATTEMPTS TO REACH 'AGREEMENT IN PRINCIPLE' OR AGREEMENT ON PARTS OF THE WESTERN PROPOSAL. VERIFICATION AND STABILISING MEASURES, FOR EXAMPLE, COULD NOT BE DEFERRED SIMPLY BECAUSE THEY WERE DIFFICULT. A PARTIAL AGREEMENT COULD NOT BE ALLOWED TO TRIGGER THE REST OF THE DISARMAMENT

CALENDAR. ALL PARTS OF THE PROPOSALS WERE EQUALLY IMPORTANT. DESAZARS CONCLUDED BY POSING A NUMBER OF QUESTIONS ABOUT THE EFFECT OF THE EXPANDED PROPOSAL ON STABILISING MEASURES, VERIFICATION, AND CSBMS.

15. GOULDEN (UK) SAID THAT THE BUSH INITIATIVE HAD BEEN A MASSIVE POLITICAL SUCCESS, AND HAD NOW TO BE FLESHED OUT. HE HOPED THERE WAS MORE TO IT THAN HAD BEEN CONTAINED IN THE U S PRESENTATION. THE PROPOSAL HAD NOT ONLY TO SUIT THE WEST BUT TO BE ROBUST ENOUGH TO STAND UP TO NEGOATIOAN. THERE WOULD BE SEARCHING QUETIONS AOUT AIRCRAFT OUTSIDE THE ZONE AND CARRIER BASED AIRCRAFT. WHAT CUTS WOULD HAVE TO BE MADE IN AIR DEFENCE AIRCRAFT IF DUAL-CAPABLE AIRCRFT WERE OT REDUCED? DID THE BILATERAL APPROACH TO MANPOWER REDUCTIONS HAVE DANGERS FOR THE REST OF THE PROPOSAL?
WE SHOULD NOT PUT OURSELVES UNDER PRESSURE TO TABLE A FRAMEWORK PROPOSAL ON 13 JULY UNTIL WE KNEW THAT WE HAD A ROBUST, DEFENSIBLE AND WATERTIGHT PROPOSAL. NOR SHOULD U S FIGURES LEAK AND BECOME PERCIEVED AS FIXED ALLIANCE FIGURES. THERE MUST BE MORE THAN SUPERFICIAL VERIFICATION AND STABILISING MEASURES. MILITARY ADVICE WAS NEEDED ON A NUMBER OF POINTS. THE EASTERN PROPOSALS HAD TO BE EXAMINED WITH A VIEW TO ADVISING VIENNA ON HOW TO 'REGISTER AGREEMENT'. HE CIRCULATED A UK PAPER ANALYSING EASTERN PROPOSALS.

16 MIGLIORINI (ITALY) SAID THE BUSH PROPOSALS HAD BEEN DECISIVE FOR THE SUCCESS OF SUMMIT. IF MOMENTUM WAS TO BE MAINTAINED, A FRAMEWORK PROPOSAL SHOULD BE TABLED BY 13 JULY. SOME ISSUES, EG EXACT DEFINITIONS OF CATEGORIES, COULD BE SETTLED LATER.

17. CHAMPENSOIS (BELIUM) AGREED WITH GOULDEN. REGISTERING AGREEMENT WAS MORE COMPLICATED THAN SIMPLY AGREEING THE GLOBAL CEILINGS. HE NOTED THE POTENTIAL PROBLEMS OF INCLUDING COMBAT CAPABLE TRAINERS: THE NUMBER OF AIRCRAFT TO BE REDUCED WAS INCREASED, BUT THE TRAINERS COULD NOT BEAR THE BRUNT OF THE CUTS BECAUSE THEY WOULD CONTINUE TO BE NEEDED. VERIFICATION OF AIRCRAFT WOULD HAVE TO STRETCH OUTSIDE THE ATTU AREA. WHAT WOULD BE THE IMPLICATIONS FOR PRODUCTION FACILITIES? THE U S APPROACH TO MANPOWER LACKED LOGIC, AND THE U S HAD 'PRE-EMPTED' REDUCTIONS WHICH BELGIUM WANTED TO MAKE FOR BUDGETARY REASONS. CRITERIA FOR COLLECTIVE AND NATIONAL DECISIONS ON REDUCTIONS SHOULD BE DISCUSSED.

18. MIRANDA (SPAIN) SUPPORTED EARLY TABLING OF A FRAMEWORK PROPOSAL, AND URGED CONSIDERATION OF AIR CSBMS. ON ZONES, MIRANDA SAID THAT THE WESTERN POSITION SHOULD NOT BE FROZEN, ESPECIALLY WHEN THE PROPOSAL WAS BEING EXPANDED TO COVER NEW CATEGORIES. THE FOUR ZONES

HAD BEEN DESIGNED FOR THE INITIAL THREE CATEGORIES. THIS POINT WAS ECHOED BY SAETHER (NORWAY).

19. ROSSBACH (FRG) SAID THE BUSH INITIATIVE WOULD ENABLE THE FRG TO DISCUSS SECURIY POLICY WITH GORBACHEV ON A SOLID BASIS. AN IMPORTANT IMPULSE HAD BEEN GIVEN TO 'SEVERAL FIELDS' OF ARMS CONTROL. HE AGREED ON THE NEED FOR A FRAMEWORK PROPOSAL TO BE TABLED BY 13 JULY. HE CIRCULATED A PAPER ON AIRCRAFT.

20. SCHAPER (NETHERLANDS) AGREED WITH GOULDEN ON THE NEED FOR DELIBERATE PROGRESS: A POLTICAL SUCCESS SHOULD NOT BE TURNED INTO A SECURITY ERROR THROUGH HASTE. ON AIRCRAFT, HE COULD NOT RECONCILE THE U S FIGURES WITH NATO'S PUBLICLY - RELEASED FIGURES. HE HOPED THE U S SHARED HIS INTERPRETATION THAT LAND-BASED NAVAL AIRCRAFT SHOULD BE INCLUDED. HOW WOULD THE U S COUNTER THE ARGUMENT THAT IF COMBAT-CAPABLE TRAINERS WERE INCLUDED, CARRIER-BASED AIRCRAFT SHOULD ALSO BE? ON PERSONNEL, HOW DID A REDUCTION OF 30000 US TROOPS RELATE TO LIKELY REDUCTIONS OF U S EQUIPMENT? ON TANKS AND ATCS, HOW WOULD DIFFERING DEFINITIONS BE RECONCILED? ON VERIFICATION, HOW WOULD WE ENSURE THAT WHAT WAS PROPOSED WAS VERIFIABLE? A PACKAGE OF STABILISING MEASURES SHOULD BE SENT TO VIENNA, AS AGREED, BY 7 SEPTEMBER. SCHAPER CONCLUDED BY NOTING THE IMPORTANCE OF CONSIDERING THE EFFECT OF ARMS CONTROL ON DEFENCE PLANNING: THE DPC SHOULD LOOK AT THE APPORTIONMENT OF CUTS.

ALEXANDER

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Re Russia
An interesting analysis
CDP. 8/6

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MR POWELL

c Sir Robin Butler

Likely Soviet Reaction to the US Proposals on Conventional Arms

The US proposals adopted at last week's NATO Summit have received a qualified welcome from the Russians, who have said they will discuss them seriously at the CFE negotiations in Vienna. It may be helpful to look at the likely Warsaw Pact approach.

2. There are significant discrepancies between the two sides' data for armaments and troops; much depends on the categories and definitions to be agreed upon; and the United States have still to provide specifics (although this should be clearer after the next meeting of the High Level Task Force on 7 June). It is therefore not possible to analyse much more than the broad thrust of the proposals.

The Proposals

3. The Russians should have no difficulty in principle in accepting the accelerated timetable proposed (an agreement in 6-12 months and implementation by 1992/93, in contrast to the Warsaw Pact's proposal for staged cuts to be completed by 1996/97). Gorbachev will probably judge that any risks in so rapidly reducing the Soviet military presence in Eastern Europe would be balanced by the new atmosphere in Europe that a CFE agreement could create.

4. On NATO figures, the US proposals would require the destruction of over 40 per cent of the Warsaw Pact's helicopters. Since the Warsaw Pact have already offered to cut over 50 per cent, this in itself should pose no difficulties. The problem for them will be that NATO's equivalent helicopters would be cut only 15 per cent. (The

Warsaw Pact's own proposals require cuts of over 60 per cent in NATO combat helicopters.) The choice of categories is important. The US envisage the cuts applying only to attack and assault/transport helicopters which make up almost the total Warsaw Pact holdings and in which the Pact has a preponderance. Moscow on the other hand wants cuts to apply to the wider category of "combat" helicopters in which NATO is preponderant because of its large numbers of reconnaissance and command and control helicopters.

5. The proposal on **aircraft** could pose particular difficulties. On NATO figures, Warsaw Pact proposals already imply Soviet bloc cuts of just over 50 per cent in "strike" aircraft, with NATO reductions of about the same amount. But NATO's proposal calls for cuts in "all land-based *combat* aircraft". This is a much wider category, in which the Soviet Union is heavily preponderant. Cuts of at least 50 per cent would be required, involving not just the roughly 1,600 "strike" aircraft envisaged but also at least 2,200 aircraft in other categories, mainly air defence interceptors. NATO reductions by contrast would be just 15 per cent and theoretically might not touch NATO "strike" aircraft at all. As it stands, this would probably be unacceptable to the Russians. But if they could secure a deal that gave them a handle on NATO dual-capable strike aircraft, they might possibly be willing to sacrifice quite large numbers of interceptors.

6. The Russians have already offered to cut their **stationed troops** in Eastern Europe by 42 per cent (from 600,000 to 350,000). NATO's ceiling of 275,000 would take the total cut to 54 per cent. The Russians could probably contemplate this, given the radicalism of their existing proposals. But in their eyes the NATO approach would have three serious flaws. First, there is an unappealing asymmetry: in return for the disbandment of 325,000 Soviet troops only 30,000 US troops would leave Europe. Secondly, it would not touch some 164,000 other NATO stationed troops

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(leaving NATO with about 440,000 stationed troops to the Soviet Union's 275,000). Thirdly, the NATO approach would not address at all the Warsaw Pact proposals for cuts by both sides of over 1 million men (national as well as stationed).

Negotiability

7. The unappealing features of the NATO proposals, however, are likely to be more than balanced for the Russians by the negotiating principles which they concede. Since the Warsaw Pact have already largely met NATO's positions on tanks, armoured fighting vehicles and artillery, they will feel well placed to press their demands on helicopters, aircraft and manpower, on which NATO has hitherto resisted negotiations. They are likely to urge ceilings on troop levels generally rather than just on stationed US and Soviet forces. More immediately, they will probably seek a cap on all stationed manpower, not just US and Soviet. Shevardnadze has already pointed to the ostensible inequity of leaving British, French and other non-US NATO stationed forces unconstrained. We can expect propaganda, directed chiefly at the FRG, to the effect that the Soviet Union is pulling half its troops out of Eastern Europe and is ready for other massive troop cuts, in contrast to NATO which is not prepared to contemplate any significant foreign troop withdrawals from West German soil.

8. There is also negotiating play for the Warsaw Pact over aircraft. They will now try to gain a handle on NATO dual-capable aircraft at a time when the Alliance is considering the introduction of more capable longer-range bombers and the development of an air-launched stand-off nuclear missile. The Russians will at least hope thereby to stir the SNF debate. They may also use aircraft to press for negotiated constraints on naval operations. They might argue that, if land-based aircraft are limited, NATO could transfer its air forces to its superior carrier

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fleets on which there will therefore need to be some operating constraints. Alternatively, they might seek a deal which dropped the idea of constraints on naval air power in return for a focus on "strike" aircraft rather than the wider category of combat aircraft. Finally, the Warsaw Pact will try to manoeuvre to its advantage over the categories of aircraft and helicopters for reduction: if NATO wants to limit combat aircraft, why not combat helicopters? Conversely, if NATO only wants a ceiling on attack and assault helicopters, why not on strike aircraft? (In reply NATO might want to seek the inclusion of 5,700 Warsaw Pact trainer aircraft which are potentially combat capable.)

Conclusion

9. NATO's proposals will not be immediately acceptable; but Moscow will almost certainly consider them negotiable. With the possible exception of aircraft, what President Bush has proposed will not have a significantly greater impact on Soviet combat capability (both offensive and defensive) than the very dramatic force restructuring that the Russians have already indicated they could accept. The cuts that the NATO proposals require of the Warsaw Pact will be acceptable for helicopters, conceivable for manpower and possibly more difficult for aircraft. Their chief drawback in Soviet eyes is the lack of comparable, compensating constraints on NATO (which is, of course, a *sine qua non* of the Warsaw Pact's own proposals). But the Russians will hope to overcome this by exploiting the considerable negotiating opportunities which NATO's proposals offer.

5 June 1989

PERCY CRADOCK

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CONVENTIONAL FORCES IN EUROPE (CFE): GERMAN VIEWS

1. DURING A CALL YESTERDAY ON LEVER (SECURITY POLICY DEPARTMENT) CHARLIE THOMAS OF THE STATE DEPARTMENT REFERRED TO GERMAN IDEAS, PUT FOWARD AT A MEETING AT WHICH YOU WERE PRESENT ON 30 MAY (CLEGHORN'S TELELETTER OF 30 MAY TO LEVER) FOR A QUICK INITIAL CFE AGREEMENT COVERING JUST TANKS, ARTILLERY AND ATCS, WITH NEGOTIATIONS ON AIRCRAFT, HELICOPTERS AND MANPOWER POSTPONED UNTIL A SECOND PHASE.

2. THE US EMBASSY HAVE SUBSEQUENTLY TOLD US THAT AMBASSADORS LEDOGAR IN VIENNA AND WALTERS IN BONN HAVE BEEN INSTRUCTED TO RE-AFFIRM STRONGLY THAT THE UNITED STATES VIEWS PRESIDENT BUSH'S CFE INITIATIVES AS AN ORGANIC WHOLE, INTENDED TO ENHANCE THE PROPOSAL WHICH NATO HAS ALREADY TABLED. THEY HAVE BEEN ASKED TO ADD 'THAT THE US STRONGLY OBJECTS TO ANY ATTEMPT TO UNDERCUT THE PRESIDENT'S INITIATIVES, WHICH HAVE BEEN AGREED BY ALL MEMBERS OF THE ALLIANCE, INCLUDING CHANCELLOR KOHL, AND THAT TO DO SO WOULD DIRECTLY CONTRADICT THE NATO SUMMIT DECLARATION.'

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Rt Minister

The devils! We should resist CDP strongly.

CABINET OFFICE

70 Whitehall London SW1A 2AS

01-270 0101

From the Secretary of the Cabinet and Head of the Home Civil Service

Sir Robin Butler KCB CVO

Ref. A089/1423

1 June 1989

Dear Stephen,

CFE Negotiations

Sir Robin Butler reported that Mr Bob Blackwell of the NSC approached Sir Antony Acland and himself in the margins of the Prime Minister's meeting with the President and said that the FRG representative at the CFE talks in Vienna had approached the United States representative "before the ink was dry on the NATO agreement" and had suggested that, since the definition of the aircraft section of the President's initiative would be difficult to negotiate, an agreement with the Soviets should be sought first on those aspects on which early progress could be made with implementation. The more difficult areas could then be channelled as a second stage. Mr Blackwell saw this as a device to accelerate the point at which negotiations on SNF could be undertaken. He stressed that the US administration saw the President's proposals as a package and hoped that the British Government would support this line. Sir Robin Butler and Sir Antony Acland took note and said that they felt sure that the British Government would take a similar view.

I am copying this letter to Brian Hawtin (MOD) and Charles Powell, No 10.

Yours ever,

Trevor Woolley

(T A Woolley)
Private Secretary

Stephen Wall Esq
Foreign and Commonwealth Office

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For immediate release
on 30th May 1989

A COMPREHENSIVE CONCEPT OF ARMS CONTROL AND DISARMAMENT

1. At Reykjavik in June 1987, Ministers stated that the arms control problems facing the Alliance raised complex and interrelated issues that needed to be evaluated together, bearing in mind overall progress in arms control negotiations as well as the requirements of Alliance security and of its strategy of deterrence. They therefore directed the Council in Permanent Session, working in conjunction with the appropriate military authorities, to "consider the further development of a comprehensive concept of arms control and disarmament".(1)

2. The attached report, prepared by the Council in response to that mandate, was adopted by Heads of State and Government at the meeting of the North Atlantic Council in Brussels on 29th and 30th May 1989.

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(1) For ease of reference, the text of the Reykjavik Communiqué is attached.

A COMPREHENSIVE CONCEPT OF ARMS CONTROL AND DISARMAMENT

A REPORT ADOPTED BY HEADS OF STATE AND GOVERNMENT AT THE MEETING OF THE NORTH ATLANTIC COUNCIL IN BRUSSELS ON 29TH AND 30TH MAY 1989

I. INTRODUCTION

1. The overriding objective of the Alliance is to preserve peace in freedom, to prevent war, and to establish a just and lasting peaceful order in Europe. The Allies' policy to this end was set forth in the Harmel Report of 1967. It remains valid. According to the Report, the North Atlantic Alliance's "first function is to maintain adequate military strength and political solidarity to deter aggression and other forms of pressure and to defend the territory of member countries if aggression should occur". On that basis, the Alliance can carry out "its second function, to pursue the search for progress towards a more stable relationship in which the underlying political issues can be solved". As the Report observed, military security and a policy aimed at reducing tensions are "not contradictory, but complementary". Consistent with these principles, Allied Heads of State and Government have agreed that arms control is an integral part of the Alliance's security policy.

2. The possibilities for fruitful East-West dialogue have significantly improved in recent years. More favourable conditions now exist for progress towards the achievement of the Alliance's objectives. The Allies are resolved to grasp this opportunity. They will continue to address both the symptoms and the causes of political tension in a manner that respects the legitimate security interests of all states concerned.

3. The achievement of the lasting peaceful order which the Allies seek will require that the unnatural division of Europe, and particularly of Germany, be overcome, and that, as stated in the Helsinki Final Act, the sovereignty and territorial integrity of all states and the right of peoples to self-determination be respected and that the rights of all individuals, including their right of political choice, be protected. The members of the Alliance accordingly attach central importance to further progress in the Conference on Security and Cooperation in Europe (CSCE) process, which serves as a framework for the promotion of peaceful evolution in Europe.

4. The CSCE process provides a means to encourage stable and constructive East-West relations by increasing contacts between people, by seeking to ensure that basic rights and freedoms are respected in law and practice, by furthering political exchanges and mutually beneficial cooperation across a broad range of endeavours, and by enhancing security and openness in the military sphere. The Allies will continue to demand full implementation of all the principles and provisions of the Helsinki Final Act, the Madrid Concluding Document, the Stockholm Document, and the Concluding Document of the Vienna Meeting. The latter document marks a major advance in the CSCE process and should stimulate further beneficial changes in Europe.

5. The basic goal of the Alliance's arms control policy is to enhance security and stability at the lowest balanced level of forces and armaments consistent with the requirements of the strategy of deterrence. The Allies are committed to achieving continuing progress towards all their arms control objectives. The further development of the Comprehensive Concept is designed to assist this by ensuring an integrated approach covering both defence policy and arms control policy: these are complementary and interactive. This work also requires full consideration of the interrelationship between arms control objectives and defence requirements and how various arms control measures, separately and in conjunction with each other, can strengthen Alliance security. The guiding principles and basic objectives which have so far governed the arms control policy of the Alliance remain valid. Progress in achieving these objectives is, of course, affected by a number of factors. These include the overall state of East-West relations, the military requirements of the Allies, the progress of existing and future arms control negotiations, and developments in the CSCE process. The further development and implementation of a comprehensive concept of arms control and disarmament will take place against this background.

II. EAST-WEST RELATIONS AND ARMS CONTROL

6. The Alliance continues to seek a just and stable peace in Europe in which all states can enjoy undiminished security at the minimum necessary levels of forces and armaments and all individuals can exercise their basic rights and freedoms. Arms control alone cannot resolve longstanding political differences between East and West nor guarantee a stable peace. Nonetheless, achievement of the Alliance's goal will require substantial advances in arms control, as well as more fundamental changes in political relations. Success in arms control, in addition to enhancing military security, can encourage improvements in the East-West political dialogue and thereby contribute to the achievement of broader Alliance objectives.

7. To increase security and stability in Europe, the Alliance has consistently pursued every opportunity for effective arms control. The Allies are committed to this policy, independent of any changes that may occur in the climate of East-West relations. Success in arms control, however, continues to depend not on our own efforts alone, but also on Eastern and particularly Soviet readiness to work constructively towards mutually beneficial results.

8. The immediate past has witnessed unprecedented progress in the field of arms control. In 1986 the Stockholm Conference on Disarmament in Europe (CDE) agreement created an innovative system of confidence and security-building measures, designed to promote military transparency and predictability. To date, these have been satisfactorily implemented. The 1987 INF Treaty marked another major step forward because it eliminated a whole class of weapons, it established the principle of asymmetrical reductions, and provided for a stringent verification regime. Other achievements include the establishment in the United States and the Soviet Union of nuclear risk reduction centres, the US/Soviet agreement on prior notification of ballistic missile launches, and the conduct of the Joint Verification Experiment in connection with continued US/Soviet negotiations on nuclear testing.

9. In addition to agreements already reached, there has been substantial progress in the START negotiations which are intended to reduce radically strategic nuclear arsenals and eliminate destabilising offensive capabilities. The Paris Conference on the Prohibition of Chemical Weapons has reaffirmed the authority of the 1925 Geneva Protocol and given powerful political impetus to the negotiations in Geneva for a global, comprehensive and effectively verifiable ban on chemical weapons. New distinct negotiations within the framework of the CSCE process have now begun in Vienna: one on conventional armed forces in Europe between the 23 members of NATO and the Warsaw Treaty Organization (WTO) and one on confidence- and security-building measures (CSBMs) among all 35 signatories of the Helsinki Final Act.

10. There has also been substantial progress on other matters important to the West. Soviet troops have left Afghanistan. There has been movement toward the resolution of some, although not all, of the remaining regional conflicts in which the Soviet Union is involved. The observance of human rights in the Soviet Union and in some of the other WTO countries has significantly improved, even if serious deficiencies remain. The recent Vienna CSCE Follow-up meeting succeeded in setting new, higher standards of conduct for participating states and should stimulate further progress in the CSCE process. A new intensity of dialogue, particularly at high-level, between East and West opens new opportunities and testifies to the Allies' commitment to resolve the fundamental problems that remain.

11. The Alliance does not claim exclusive responsibility for this favourable evolution in East-West relations. In recent years, the East has become more responsive and flexible. Nonetheless, the Alliance's contribution has clearly been fundamental. Most of the achievements to date, which have been described above, were inspired by initiatives by the Alliance or its members. The Allies' political solidarity, commitment to defence, patience and creativity in negotiations overcame initial obstacles and brought its efforts to fruition. It was the Alliance that drew up the basic blueprints for East-West progress and has since pushed them forward towards realisation. In particular, the concepts of stability, reasonable sufficiency, asymmetrical reductions, concentration on the most offensive equipment, rigorous verification, transparency, a single zone from the Atlantic to the Urals, and the balanced and comprehensive nature of the CSCE process, are Western-inspired.

12. Prospects are now brighter than ever before for lasting, qualitative improvements in the East-West relationship. There continue to be clear signs of change in the internal and external policies of the Soviet Union and of some of its Allies. The Soviet leadership has stated that ideological competition should play no part in inter-state relations. Soviet acknowledgement of serious shortcomings in its past approaches to international as well as domestic issues creates opportunities for progress on fundamental political problems.

13. At the same time, serious concerns remain. The ambitious Soviet reform programme, which the Allies welcome, will take many years to complete. Its success cannot be taken for granted given the magnitude of the problems it faces and the resistance generated. In Eastern Europe, progress in constructive reform is still uneven and the extent of these reforms remains to be determined. Basic human rights still need to be firmly anchored in law and practice, though in some Warsaw Pact countries improvements are underway. Although the WTO has recently announced and begun unilateral reductions in some of its forces, the Soviet Union continues to deploy military forces and to maintain a pace of military production in excess of legitimate defensive requirements. Moreover, the geo-strategic realities favour the geographically contiguous Soviet-dominated WTO as against the geographically separated democracies of the North Atlantic Alliance. It has long been an objective of the Soviet Union to weaken the links between the European and North American members of the Alliance.

14. We face an immediate future that is promising but still uncertain. The Allies and the East face both a challenge and an opportunity to capitalise on present conditions in order to increase mutual security. The progress recently made in East-West relations has given new impetus to the arms control process and has enhanced the possibilities of achieving the Alliance's arms control objectives, which complement the other elements of the Alliance's security policy.

III. PRINCIPLES OF ALLIANCE SECURITY

15. Alliance security policy aims to preserve peace in freedom by both political means and the maintenance of a military capability sufficient to prevent war and to provide for effective defence. The fact that the Alliance has for forty years safeguarded peace in Europe bears witness to the success of this policy.

16. Improved political relations and the progressive development of cooperative structures between Eastern and Western countries are important components of Alliance policy. They can enhance mutual confidence, reduce the risk of misunderstanding, ensure that there are in place reliable arrangements for crisis management so that tensions can be defused, render the situation in Europe more open and predictable, and encourage the development of wider cooperation in all fields.

17. In underlining the importance of these facts for the formulation of Alliance policy, the Allies reaffirm that, as stated in the Harmel Report, the search for constructive dialogue and cooperation with the countries of the East, including arms control and disarmament, is based on political solidarity and adequate military strength.

18. Solidarity among the Alliance countries is a fundamental principle of their security policy. It reflects the indivisible nature of their security. It is expressed by the willingness of each country to share fairly the risks, burdens and responsibilities of the common effort as well as its benefits. In particular, the presence in Europe of the United States' conventional and nuclear forces and of Canadian forces demonstrates that North American and European security interests are inseparably bound together.

19. From its inception the Alliance of Western democracies has been defensive in purpose. This will remain so. None of our weapons will ever be used except in self-defence. The Alliance does not seek military superiority nor will it ever do so. Its aim has always been to prevent war and any form of coercion and intimidation.

20. Consistent with the Alliance's defensive character, its strategy is one of deterrence. Its objective is to convince a potential aggressor before he acts that he is confronted with a risk that outweighs any gain - however great - he might hope to secure from his aggression. The purpose of this strategy defines the means needed for its implementation.

21. In order to fulfil its strategy, the Alliance must be capable of responding appropriately to any aggression and of meeting its commitment to the defence of the frontiers of its members' territory. For the foreseeable future, deterrence requires an appropriate mix of adequate and effective nuclear and conventional forces which will continue to be kept up to date where necessary; for it is only by their evident and perceived capability for effective use that such forces and weapons deter.

22. Conventional forces make an essential contribution to deterrence. The elimination of asymmetries between the conventional forces of East and West in Europe would be a major breakthrough, bringing significant benefits for stability and security. Conventional defence alone cannot, however, ensure deterrence. Only the nuclear element can confront an aggressor with an unacceptable risk and thus plays an indispensable role in our current strategy of war prevention.

23. The fundamental purpose of nuclear forces - both strategic and sub-strategic - is political: to preserve the peace and to prevent any kind of war. Such forces contribute to deterrence by demonstrating that the Allies have the military capability and the political will to use them, if necessary, in response to aggression. Should aggression occur, the aim would be to restore deterrence by inducing the aggressor to reconsider his decision, to terminate his attack and to withdraw and thereby to restore the territorial integrity of the Alliance.

24. Conventional and nuclear forces, therefore, perform different but complementary and mutually reinforcing roles. Any perceived inadequacy in either of these two elements, or the impression that conventional forces could be separated from nuclear, or sub-strategic from strategic nuclear forces, might lead a potential adversary to conclude that the risks of launching aggression might be calculable and acceptable. No single element can, therefore, be regarded as a substitute compensating for deficiencies in any other.

25. For the foreseeable future, there is no alternative strategy for the prevention of war. The implementation of this strategy will continue to ensure that the security interests of all Alliance members are fully safeguarded. The principles

underlying the strategy of deterrence are of enduring validity. Their practical expression in terms of the size, structure and deployment of forces is bound to change. As in the past, these elements will continue to evolve in response to changing international circumstances, technological progress and developments in the scale of the threat - in particular, in the posture and capabilities of the forces of the Warsaw Pact.

26. Within this overall framework, strategic nuclear forces provide the ultimate guarantee of deterrence for the Allies. They must be capable of inflicting unacceptable damage on an aggressor state even after it has carried out a first strike. Their number, range, survivability and penetration capability need to ensure that a potential aggressor cannot count on limiting the conflict or regarding his own territory as a sanctuary. The strategic nuclear forces of the United States provide the cornerstone of deterrence for the Alliance as a whole. The independent nuclear forces of the United Kingdom and France fulfil a deterrent role of their own and contribute to the overall deterrence strategy of the Alliance by complicating the planning and risk assessment of a potential aggressor.

27. Nuclear forces below the strategic level provide an essential political and military linkage between conventional and strategic forces and, together with the presence of Canadian and the United States forces in Europe, between the European and North American members of the Alliance. The Allies' sub-strategic nuclear forces are not designed to compensate for conventional imbalances. The levels of such forces in the integrated military structure nevertheless must take into account the threat - both conventional and nuclear - with which the Alliance is faced. Their role is to ensure that there are no circumstances in which a potential aggressor might discount the prospect of nuclear retaliation in response to military action. Nuclear forces below the strategic level thus make an essential contribution to deterrence.

28. The wide deployment of such forces among countries participating in the integrated military structure of the Alliance, as well as the arrangements for consultation in the nuclear area among the Allies concerned, demonstrates solidarity and willingness to share nuclear roles and responsibilities. It thereby helps to reinforce deterrence.

29. Conventional forces contribute to deterrence by demonstrating the Allies' will to defend themselves and by minimising the risk that a potential aggressor could anticipate a quick and easy victory or limited territorial gain achieved solely by conventional means.

30. They must thus be able to respond appropriately and to confront the aggressor immediately and as far forward as possible with the necessary resistance to compel him to end the conflict and to withdraw or face possible recourse to the use of nuclear weapons by the Allies. The forces of the Allies must be deployed and equipped so as to enable them to fulfil this role at all times. Moreover, since the Alliance depends on reinforcements from the North American continent, it must be able to keep open sea and air lines of communication between North America and Europe.

31. All member countries of the Alliance strongly favour a comprehensive, effectively verifiable, global ban on the development, production, stockpiling and use of chemical weapons. Chemical weapons represent a particular case, since the Alliance's overall strategy of war prevention, as noted earlier, depends on an appropriate mix of nuclear and conventional weapons. Pending the achievement of a global ban on chemical weapons, the Alliance recognises the need to implement passive defence measures. A retaliatory capability on a limited scale is retained in view of the Soviet Union's overwhelming chemical weapons capability.

32. The Allies are committed to maintaining only the minimum level of forces necessary for their strategy of deterrence, taking into account the threat. There is, however, a level of forces, both nuclear and conventional, below which the credibility of deterrence cannot be maintained. In particular, the Allies have always recognised that the removal of all nuclear weapons from Europe would critically undermine deterrence strategy and impair the security of the Alliance.

33. The Alliance's defence policy and its policy of arms control and disarmament are complementary and have the same goal: to maintain security at the lowest possible level of forces. There is no contradiction between defence policy and arms control policy. It is on the basis of this fundamental consistency of principles and objectives that the comprehensive concept of arms control and disarmament should be further developed and the appropriate conclusions drawn in each of the areas of arms control.

IV. ARMS CONTROL AND DISARMAMENT: PRINCIPLES AND OBJECTIVES

34. Our vision for Europe is that of an undivided continent where military forces only exist to prevent war and to ensure self-defence, as has always been the case for the Allies, not for the purpose of initiating aggression or for political or military intimidation. Arms control can contribute to the realisation of that vision as an integral part of the Alliance's security policy and of our overall approach to East-West relations.

35. The goal of Alliance arms control policy is to enhance security and stability. To this end, the Allies' arms control initiatives seek a balance at a lower level of forces and armaments through negotiated agreements and, as appropriate, unilateral actions, recognising that arms control agreements are only possible where the negotiating partners share an interest in achieving a mutually satisfactory result. The Allies' arms control policy seeks to remove destabilising asymmetries in forces or equipment. It also pursues measures designed to build mutual confidence and to reduce the risk of conflict by promoting greater transparency and predictability in military matters.

36. In enhancing security and stability, arms control can also bring important additional benefits for the Alliance. Given the dynamic aspects of the arms control process, the principles and results embodied in one agreement may facilitate other arms control steps. In this way arms control can also make possible further reductions in the level of Alliance forces and armaments, consistent with the Alliance's strategy of war prevention. Furthermore, as noted in Chapter II, arms control can make a significant contribution to the development of more constructive East-West relations and of a framework for further cooperation within a more stable and predictable international environment. Progress in arms control can also enhance public confidence in and promote support for our overall security policy.

Guiding Principles for Arms Control

37. The members of the Alliance will be guided by the following principles:

- Security: Arms control should enhance the security of all Allies. Both during the implementation period and following implementation, the Allies' strategy of deterrence and their ability to defend themselves, must remain credible and effective. Arms control measures should maintain the strategic unity and political cohesion of the Alliance, and should safeguard the principle of the indivisibility of Alliance security by avoiding the creation of areas of unequal security. Arms control measures should respect the legitimate security interests of all states and should not facilitate the transfer or intensification of threats to third party states or regions.

- Stability: Arms control measures should yield militarily significant results that enhance stability. To promote stability, arms control measures should reduce or eliminate those capabilities which are most

threatening to the Alliance. Stability can also be enhanced by steps that promote greater transparency and predictability in military matters. Military stability requires the elimination of options for surprise attack and for large-scale offensive action. Crisis stability requires that no state have forces of a size and configuration which, when compared with those of others, could enable it to calculate that it might gain a decisive advantage by being the first to resort to arms. Stability also requires measures which discourage destabilising attempts to re-establish military advantage through the transfer of resources to other types of armament. Agreements must lead to final results that are both balanced and ensure equality of rights with respect to security.

- Verifiability: Effective and reliable verification is a fundamental requirement for arms control agreements. If arms control is to be effective and to build confidence, the verifiability of proposed arms control measures must, therefore, be of central concern for the Alliance. Progress in arms control should be measured against the record of compliance with existing agreements. Agreed arms control measures should exclude opportunities for circumvention.

Alliance Arms Control Objectives

38. In accordance with the above principles, the Allies are pursuing an ambitious arms control agenda for the coming years in the nuclear, conventional and chemical fields.

Nuclear Forces

39. The INF Agreement represents a milestone in the Allies' efforts to achieve a more secure peace at lower levels of arms. By 1991, it will lead to the total elimination of all United States and Soviet intermediate range land-based missiles, thereby removing the threat which such Soviet systems presented to the Alliance. Implementation of the agreement, however, will affect only a small proportion of the Soviet nuclear armoury, and the Alliance continues to face a substantial array of modern and effective Soviet systems of all ranges. The full realisation of the Alliance agenda thus requires that further steps be taken.

Strategic Nuclear Forces

40. Soviet strategic systems continue to pose a major threat to the whole of the Alliance. Deep cuts in such systems are in the direct interests of the entire Western Alliance, and therefore their achievement constitutes a priority for the Alliance in the nuclear field.

41. The Allies thus fully support the US objectives of achieving, within the context of the Strategic Arms Reduction Talks, fifty percent reductions in US and Soviet strategic nuclear arms. US proposals seek to enhance stability by placing specific restrictions on the most destabilising elements of the threat - fast flying ballistic missiles, throw-weight and, in particular, Soviet heavy ICBMs. The proposals are based on the need to maintain the deterrent credibility of the remaining US strategic forces which would continue to provide the ultimate guarantee of security for the Alliance as a whole; and therefore on the necessity to keep such forces effective. Furthermore, the United States is holding talks with the Soviet Union on defence and space matters in order to ensure that strategic stability is enhanced.

Sub-Strategic Nuclear Forces

42. The Allies are committed to maintaining only the minimum number of nuclear weapons necessary to support their strategy of deterrence. In line with this commitment, the members of the integrated military structure have already made major unilateral cuts in their sub-strategic nuclear armoury. The number of land-based warheads in Western Europe has been reduced by over one-third since 1979 to its lowest level in over 20 years. Updating where necessary of their sub-strategic systems would result in further reductions.

43. The Allies continue to face the direct threat posed to Europe by the large numbers of shorter-range nuclear missiles deployed on Warsaw Pact territory and which have been substantially upgraded in recent years. Major reductions in Warsaw Pact systems would be of overall value to Alliance security. One of the ways to achieve this aim would be by tangible and verifiable reductions of American and Soviet land-based nuclear missile systems of shorter range leading to equal ceilings at lower levels.

44. But the sub-strategic nuclear forces deployed by member countries of the Alliance are not principally a counter to similar systems operated by members of the WTO. As is explained in Chapter III, sub-strategic nuclear forces fulfil an essential role in overall Alliance deterrence strategy by ensuring that there are no circumstances in which a potential aggressor might discount nuclear retaliation in response to his military action.

45. The Alliance reaffirms its position that for the forseeable future there is no alternative to the Alliance's strategy for the prevention of war, which is a strategy of deterrence based upon an appropriate mix of adequate and effective nuclear and conventional forces which will continue to be kept up to date where necessary. Where nuclear forces are concerned, land-, sea-, and air-based systems, including ground-based missiles, in the present circumstances and as far as can be foreseen will be needed in Europe.

46. In view of the huge superiority of the Warsaw Pact in terms of short-range nuclear missiles, the Alliance calls upon the Soviet Union to reduce unilaterally its short-range missile systems to the current levels within the integrated military structure.

47. The Alliance reaffirms that at the negotiations on conventional stability it pursues the objectives of:

- the establishment of a secure and stable balance of conventional forces at lower levels;

- the elimination of disparities prejudicial to stability and security; and

- the elimination as a matter of high priority of the capability for launching surprise attack and for initiating large-scale offensive action.

48. In keeping with its arms control objectives formulated in Reykjavik in 1987 and reaffirmed in Brussels in 1988, the Alliance states that one of its highest priorities in negotiations with the East is reaching an agreement on conventional force reductions which would achieve the objectives above. In this spirit, the Allies will make every effort, as evidenced by the outcome of the May 1989 Summit, to bring these conventional negotiations to an early and satisfactory conclusion. The United States has expressed the hope that this could be achieved within six to twelve months. Once implementation of such an agreement is underway, the United States, in consultation with the Allies concerned, is prepared to enter into negotiations to achieve a partial reduction of American and Soviet land-based nuclear missile forces of shorter range to equal and verifiable levels. With special reference to the Western proposals on CFE tabled in Vienna, enhanced by the proposals by the United States at the May 1989 Summit, the Allies concerned proceed on the understanding that negotiated reductions leading to a level below the existing level of their SNF missiles will not be carried out until the results of these negotiations have been implemented. Reductions of Warsaw Pact SNF systems should be carried out before that date.

49. As regards the sub-strategic nuclear forces of the members of the integrated military structure, their level and characteristics must be such that they can perform their deterrent role in a credible way across the required spectrum of ranges, taking into account the threat - both conventional and nuclear - with which the Alliance is faced. The question concerning the introduction and deployment of a follow-on system for the Lance will be dealt with in 1992 in the light of overall security developments. While a decision for national authorities, the Allies concerned recognise the value of the continued funding by the United States of research and development of a follow-on for the existing Lance short-range missile, in order to preserve their options in this respect.

Conventional Forces

50. As set out in the March 1988 Summit statement and in the Alliance's November 1988 data initiative, the Soviet Union's military presence in Europe, at a level far in excess of its needs for self-defence, directly challenges our security as well as our aspirations for a peaceful order in Europe. Such excessive force levels create the risk of political intimidation or threatened aggression. As long as they exist, they present an obstacle to better political relations between all states of Europe. The challenge to security is, moreover, not only a matter of the numerical superiority of WTO forces. WTO tanks, artillery and armoured troop carriers are concentrated in large formations and deployed in such a way as to give the WTO a capability for surprise attack and large-scale offensive action. Despite the recent welcome publication by the WTO of its assessment of the military balance in Europe, there is still considerable secrecy and uncertainty about its actual capabilities and intentions.

51. In addressing these concerns, the Allies' primary objectives are to establish a secure and stable balance of conventional forces in Europe at lower levels, while at the same time creating greater openness about military organisation and activities in Europe.

52. In the Conventional Forces in Europe (CFE) talks between the 23 members of the two alliances, the Allies are proposing:

- reductions to an overall limit on the total holdings of armaments in Europe, concentrating on the most threatening systems, i.e. those capable of seizing and holding territory;

- a limit on the proportion of these total holdings belonging to any one country in Europe (since the security and stability of Europe require that no state exceed its legitimate needs for self-defence);

- a limit on stationed forces (thus restricting the forward deployment and concentration of Soviet forces in Eastern Europe); and,

- appropriate numerical sub-limits on forces which will apply simultaneously throughout the Atlantic to the Urals area.

These measures, taken together, will necessitate deep cuts in the WTO conventional forces which most threaten the Alliance. The resulting reductions will have to take place in such a way as to prevent circumvention, e.g. by ensuring that the armaments reduced are destroyed or otherwise disposed of. Verification measures will be required to ensure that all states have confidence that entitlements are not exceeded.

53. These measures alone, however, will not guarantee stability. The regime of reductions will have to be backed up by additional measures which should include measures of transparency, notification and constraint applied to the deployment, storage, movement and levels of readiness and availability of conventional forces.

54. In the CSBM negotiations, the Allies aim to maintain the momentum created by the successful implementation of the Stockholm Document by proposing a comprehensive package of measures to improve:

- transparency about military organisation,

- transparency and predictability of military activities,

- contacts and communication,

and have also proposed an exchange of views on military doctrine in a seminar setting.

55. The implementation of the Allies' proposals in the CFE negotiations and of their proposals for further confidence and security-building measures would achieve a quantum improvement in European security. This would have important and positive consequences for Alliance policy both in the field of defence and arms control. The outcome of the CFE negotiations would provide a framework for determining the future Alliance force structure

required to perform its fundamental task of preserving peace in freedom. In addition, the Allies would be willing to contemplate further steps to enhance stability and security if the immediate CFE objectives are achieved - for example, further reductions or limitations of conventional armaments and equipment, or the restructuring of armed forces to enhance defensive capabilities and further reduce offensive capabilities.

56. The Allies welcome the declared readiness of the Soviet Union and other WTO members to reduce their forces and adjust them towards a defensive posture and await implementation of these measures. This would be a step in the direction of redressing the imbalance in force levels existing in Europe and towards reducing the Warsaw Pact capability for surprise attack. The announced reductions demonstrate the recognition by the Soviet Union and other WTO members of the conventional imbalance, long highlighted by the Allies as a key problem of European security.

Chemical Weapons

57. The Soviet Union's chemical weapons stockpile poses a massive threat. The Allies are committed to conclude, at the earliest date, a worldwide, comprehensive and effectively verifiable ban on all chemical weapons.

58. All Alliance states subscribe to the prohibitions contained in the Geneva Protocol for the Use in War of Asphyxiating, Poisonous or Other Gases, and of Bacteriological Methods of Warfare. The Paris Conference on the Prohibition of Chemical Weapons reaffirmed the importance of the commitments made under the Geneva Protocol and expressed the unanimous will of the international community to eliminate chemical weapons completely at an early date and thereby to prevent any recourse to their use.

59. The Allies wish to prohibit not only the use of these abhorrent weapons, but also their development, production, stockpiling and transfer, and to achieve the destruction of existing chemical weapons and production facilities in such a way as to ensure the undiminished security of all participants at each stage in the process. Those objectives are being pursued in the Geneva Conference on Disarmament. Pending agreement on a global ban, the Allies will enforce stringent controls on the export of commodities related to chemical weapons production. They will also attempt to stimulate more openness among states about chemical weapons capabilities in order to promote greater confidence in the effectiveness of a global ban.

V. CONCLUSIONS:

Arms Control and Defence Interrelationships

60. The Alliance is committed to pursuing a comprehensive approach to security, embracing both arms control and disarmament, and defence. It is important, therefore, to ensure that interrelationships between arms control issues and defence requirements and amongst the various arms control areas are fully considered. Proposals in any one area of arms control must take account of the implications for Alliance interests in general and for other negotiations. This is a continuing process.

61. It is essential that defence and arms control objectives remain in harmony in order to ensure their complementary contribution to the goal of maintaining security at the lowest balanced level of forces consistent with the requirements of the Alliance strategy of war prevention, acknowledging that changes in the threat, new technologies, and new political opportunities affect options in both fields. Decisions on arms control matters must fully reflect the requirements of the Allies' strategy of deterrence. Equally, progress in arms control is relevant to military plans, which will have to be developed in the full knowledge of the objectives pursued in arms control negotiations and to reflect, as necessary, the results achieved therein.

62. In each area of arms control, the Alliance seeks to enhance stability and security. The current negotiations concerning strategic nuclear systems, conventional forces and chemical weapons are, however, independent of one another: the outcome of any one of these negotiations is not contingent on progress in others. However, they can influence one another: criteria established and agreements achieved in one area of arms control may be relevant in other areas and hence facilitate overall progress. These could affect both arms control possibilities and the forces needed to fulfil Alliance strategy, as well as help to contribute generally to a more predictable military environment.

63. The Allies seek to manage the interaction among different arms control elements by ensuring that the development, pursuit and realisation of their arms control objectives in individual areas are fully consistent both with each other and with the Alliance's guiding principles for effective arms control. For example, the way in which START limits and sub-limits are applied in detail could affect the future flexibility of the sub-strategic nuclear forces of members of the integrated military structure. A CFE agreement would by itself

make a major contribution to stability. This would be significantly further enhanced by the achievement of a global chemical weapons ban. The development of Confidence- and Security-Building Measures could influence the stabilising measures being considered in connection with the Conventional Forces in Europe negotiations and vice versa. The removal of the imbalance in conventional forces would provide scope for further reductions in the sub-strategic nuclear forces of members of the integrated military structure, though it would not obviate the need for such forces. Similarly, this might make possible further arms control steps in the conventional field.

64. This report establishes the overall conceptual framework within which the Allies will be seeking progress in each area of arms control. In so doing, their fundamental aim will be enhanced security at lower levels of forces and armaments. Taken as a whole, the Allies' arms control agenda constitutes a coherent and comprehensive approach to the enhancement of security and stability. It is ambitious, but we are confident that - with a constructive response from the WTO states - it can be fully achieved in the coming years. In pursuing this goal, the Alliance recognises that it cannot afford to build its security upon arms control results expected in the future. The Allies will be prepared, however, to draw appropriate consequences for their own military posture as they make concrete progress through arms control towards a significant reduction in the scale and quality of the military threat they face. Accomplishment of the Allies' arms control agenda would not only bring great benefits in itself, but could also lead to the expansion of cooperation with the East in other areas. The arms control process itself is, moreover, dynamic; as and when the Alliance reaches agreement in each of the areas set out above, so further prospects for arms control may be opened up and further progress made possible.

65. As noted earlier, the Allies' vision for Europe is that of an undivided continent where military forces only exist to prevent war and to ensure self-defence; a continent which no longer lives in the shadow of overwhelming military forces and from which the threat of war has been removed; a continent where the sovereignty and territorial integrity of all states are respected and the rights of all individuals, including their right of political choice, are protected. This goal can only be reached by stages: it will require patient and creative endeavour. The Allies are resolved to continue working towards its attainment. The achievement of the Alliance's arms control objectives would be a major contribution towards the realisation of its vision.

N A T O — O T A N

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PRESS COMMUNIQUE M-1(87)25

For Immediate Release
12th June 1987

STATEMENT ON THE MINISTERIAL MEETING OF THE NORTH ATLANTIC COUNCIL AT REYKJAVIK (11-12 June 1987)

1. Our meeting has taken place at a time when developments in East-West relations suggest that real progress may be possible particularly in the field of arms control. We welcome these developments and will work to ensure that they result in improved security and stability. We note some encouraging signs in Soviet internal and external policies. In assessing Soviet intentions, we agree that the final test will be Soviet conduct across the spectrum from human rights to arms control.

We reaffirm the validity of the complementary principles enunciated in the Harmel report of 1967. The maintenance of adequate military strength and Alliance cohesion and solidarity remains an essential basis for our policy of dialogue and co-operation - a policy which aims to achieve a progressively more stable and constructive East-West relationship.

2. Serious imbalances in the conventional, chemical and nuclear field, and the persisting build-up of Soviet military power, continue to preoccupy us. We reaffirm that there is no alternative, as far as we can foresee, to the Alliance concept for the prevention of war - the strategy of deterrence, based on an appropriate mix of adequate and effective nuclear and conventional forces, each element being indispensable. This strategy will continue to rest on the linkage of free Europe's security to that of North America since their destinies are inextricably coupled. Thus the US nuclear commitment, the presence of United States nuclear forces in Europe(1) and the deployment of Canadian and United States forces there remain essential.

3. Arms control and disarmament are integral parts of our security policy; we seek effectively verifiable arms control agreements which can lead to a more stable and secure balance of forces at lower levels.

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(1) Greece recalls its position on nuclear matters.

4. We reiterate the prime importance we attach to rapid progress towards reductions in the field of strategic nuclear weapons. We thus welcome the fact that the US and the Soviet Union now share the objective of achieving 50% reductions in their strategic arsenals. We strongly endorse the presentation of a US proposal in Geneva to that effect and urge the Soviet Union to respond positively.

We reviewed the current phase of the US-Soviet negotiations in Geneva on defence and space systems which aim to prevent an arms race in space and to strengthen strategic stability. We continue to endorse these efforts.

5. We note the recent progress achieved at the Geneva Conference on Disarmament towards a total ban on chemical weapons. We remain committed to achieving an early agreement on a comprehensive, worldwide and effectively verifiable treaty embracing the total destruction of existing stockpiles within an agreed timeframe and preventing the future production of such weapons.

6. Recognising the increasing importance of conventional stability, particularly at a time when significant nuclear reductions appear possible, we reaffirm the initiatives taken in our Halifax Statement and Brussels Declaration aimed at achieving a comprehensive, stable and verifiable balance of conventional forces at lower levels. We recall that negotiations on conventional stability should be accompanied by negotiations between the 35 countries participating in the CSCE, building upon and expanding the confidence and security building measures contained in the Helsinki Final Act and the Stockholm Agreement. We agreed that the two future security negotiations should take place within the framework of the CSCE process, with the conventional stability negotiations retaining autonomy as regards subject matter, participation and procedures. Building on these agreements we took the decisions necessary to enable the High Level Task Force on Conventional Arms Control, which we established at the Halifax Ministerial, to press ahead with its work on the draft mandates to be tabled in the CSCE meeting and in the Conventional Stability mandate talks currently taking place in Vienna.

7. Having reviewed progress in the negotiations between the United States and the Soviet Union on an INF agreement the Allies concerned call on the Soviet Union to drop its demand to retain a portion of its SS-20 capability and reiterate their wish to see all long-range land-based missiles eliminated in accordance with NATO's long-standing objective.

They support the global and effectively verifiable elimination of all US and Soviet land-based SRINF missiles with a range between 500 and 1,000 km as an integral part of an INF agreement.

They consider that an INF agreement on this basis would be an important element in a coherent and comprehensive concept of arms control and disarmament which, while consistent with NATO's doctrine of flexible response, would include:

- a 50% reduction in the strategic offensive nuclear weapons of the US and the Soviet Union to be achieved during current Geneva negotiations;

- the global elimination of chemical weapons;

- the establishment of a stable and secure level of conventional forces, by the elimination of disparities, in the whole of Europe;

- in conjunction with the establishment of a conventional balance and the global elimination of chemical weapons, tangible and verifiable reductions of American and Soviet land-based nuclear missile systems of shorter range, leading to equal ceilings.

8. We(1) have directed the North Atlantic Council in Permanent Session, working in conjunction with the appropriate military authorities, to consider the further development of a comprehensive concept of arms control and disarmament. The arms control problems faced by the Alliance raise complex and interrelated issues which must be evaluated together, bearing in mind overall progress in the arms control negotiations enumerated above as well as the requirements of Alliance security and of its strategy of deterrence.

9. In our endeavour to explore all opportunities for an increasingly broad and constructive dialogue which addresses the concerns of people in both East and West, and in the firm conviction that a stable order of peace and security in Europe cannot be built by military means alone, we attach particular importance to the CSCE process. We are therefore determined to make full use of the CSCE follow-up meeting in Vienna.

The full implementation of all provisions agreed in the CSCE process by the 35 participating states, in particular in the field of human rights and contacts, remains the fundamental objective of the Alliance and is essential for the fruitful development of East-West relations in all fields.

Recalling our constructive proposals, we shall persist in our efforts to persuade the Eastern countries to live up to their commitments.

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(1) In this connection France recalled that it had not been a party to the double-track decision of 1979 and that it was not therefore bound by its consequences or implications.

We will continue to work for a substantive and timely result of the conference.

10. Those of us participating in the MBFR talks reiterate our desire to achieve a meaningful agreement which provides for reductions, limitations and effective verification, and call upon the Warsaw Pact particpants in these talks to respond positively to the very important proposals made by the West in December 1985 and to adopt a more constructive posture in the negotiations.

11. In Berlin's 750th anniversary year we stress our solidarity with the City, which continues to be an important element in East-West relations. Practical improvements in inner-German relations should in particular be of benefit to Berliners.

12. It is just 40 years since US Secretary of State Marshall delivered his far-sighted speech at Harvard. The fundamental values he expressed, which we all share, and which were subsequently embodied in the Marshall Plan, remain as vital today as they were then.

13. We reiterate our condemnation of terrorism in all its forms. Reaffirming our determination to combat it, we believe that close international co-operation is an essential means of eradicating this scourge.

14. Alliance cohesion is substantially enhanced by the support of freely elected parliamentary representatives and ultimately our publics. We therefore underline the great value of free debate on issues facing the Alliance and welcome the exchanges of views on these issues among the parliamentarians of our countries, including those in the North Atlantic Assembly.

15. We express our gratitude to the government of Iceland, which makes such a vital contribution to the security of the Alliance's northern maritime approaches, for their warm hospitality.

16. The Spring 1988 meeting of the North Atlantic Council in Ministerial Session will be held in Spain in June.

CONFIDENTIAL
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SIC

MODUK FOR DACU
BMG BERLIN FOR AMBASSADOR

YOUR TELNO 357 : CFE

1. IN MY ABSENCE IN BERLIN, ACTING HEAD OF CHANCERY SOUGHT A REACTION TO THE NEW US PROPOSALS FROM THE FEDERAL CHANCELLERY. KAESTNER, HEAD OF DEPARTMENT FOR EAST/WEST RELATIONS AND ARMS CONTROL, SAID THE FEDERAL GOVERNMENT'S REACTION WAS VERY POSITIVE. KOHL HAD PROMISED HIS FULL PERSONAL SUPPORT. THEY WERE PLEASED AT THE TIMETABLE, WHICH WOULD ALLOW THE VIENNA NEGOTIATIONS TO BE SPEEDED UP, AND THAT THE PROPOSALS WERE CONCEIVED AS AN ADDITION TO THE EXISTING WESTERN PROPOSALS, WHICH WOULD REMAIN VALID. KOHL WAS PARTICULARLY PLEASED THAT THE INITIATIVE WOULD ENABLE BUSH TO SHOW STRONG LEADERSHIP: IT SHOULD REMAIN ASSOCIATED WITH BUSH'S NAME. PSYCHOLOGICALLY THE INITIATIVE WAS THE RIGHT THING FOR THE ALLIANCE TO DO.

2. WE GAVE KAESTNER AN ACCOUNT OF YOUR REACTION, DRAWING ON TUR. KAESTNER SAID HE UNDERSTOOD YOUR CONCERN AT THE PROPOSAL TO TREAT TROOP NUMBERS ON A US/SOVIET BASIS.

MALLABY

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Prime Minister 13(a-e)

A political initiative. Our best chance to make sense of it is to have it remitted to a NATO group for study & refinement. We may be able to get some of the bugs out. CDP

SIC
MODUK FOR RESIDENT CLERK (CDS, PUS, DUS(P))
CFE: PROPOSED US INITIATIVES
SUMMARY

1. COOPERATIVE AND REVEALING BRIEFING FROM THE PENTAGON. JCS CLEARLY COMMITTED TO THE PRESIDENTIAL INITIATIVE. EVIDENT THAT IT HAS BEEN COBBLED TOGETHER IN HASTE PRIMARILY WITH A VIEW TO RESPONDING TO GORBACHEV AND REGAINING THE HIGH GROUND, BUT WITHOUT THINKING THROUGH THE ALLIANCE IMPLICATIONS. NO DETAILED UNDERPINNING FROM MILITARY OR POLITICAL ANALYSIS. THE POTENTIAL PITFALLS WERE UNDERLINED BY THE UK SIDE. IMPACT ON THE SNF ISSUE AND TIMING OF SUCH NEGOTIATIONS. BUT MOMENTUM HAS BEEN ESTABLISHED AND PROSPECTS FOR CHANGE, OTHER THAN MINOR MODIFICATIONS, DO NOT LOOK GOOD.

DETAIL

2. ON 26 MAY THE JCS PROVIDED DETAILED BRIEFING ON THE NEW PRESIDENTIAL INITIATIVE (YOUR TELNO 87 TO UKDEL NATO) TO GENERAL WALKER, (DCDS COMMITMENTS), GARDEN AND HOPKINSON FROM THE MOD. DESPITE THE SHORT NOTICE, THE AMERICAN SIDE WENT OUT OF ITS WAY TO BE HELPFUL, WITH INTRODUCTORY AND CONCLUDING SESSIONS WITH GENERAL HERRES (VICE CHAIRMAN JCS) AND A ONE AND A HALF HOUR BRIEFING ATTENDED BY ALL THE RELEVANT MILITARY BRANCHES. THIS DEMONSTRATED THE EXTENT TO WHICH THE JCS ARE COMMITTED TO THE INITIATIVE (WE LEARNED INFORMALLY THAT THE JCS HAD GIVEN IT THEIR FORMAL BLESSING LAST SUNDAY (21 MAY), ALBEIT WITH SIGNIFICANT MODIFICATIONS). EQUALLY IT UNDERLINED THE ABSENCE OF NORMAL INTER-AGENCY DISCUSSION OR THOROUGH PREPARATION BEHIND THE PROPOSAL: THERE WERE NO STATE DEPARTMENT OR ARMS CONTROL AND DISARMAMENT AGENCY REPRESENTIVES PRESENT.

3. MAIN POINTS TO EMERGE WERE AS FOLLOWS:-

(A) RATIONALE: THE INITIATIVE WAS EXPLAINED IN TERMS OF THE NEED TO: PROVIDE IMPETUS FOR AN EARLY CFE AGREEMENT: COUNTER THE PUBLIC IMPACT OF SOVIET CFE INITIATIVES: CAPITALISE ON THE CONVERGENCE OF EXISTING NATO/WARSAW PACT PROPOSALS BY BROADENING AND ACCELERATING THE AGENDA: AND, FINALLY, TO ENSURE THAT REDUCTIONS REMAINED IN THE CONTEXT OF CFE

(B) THIS LAST POINT WAS PARTICULARLY REVEALING. WE DISCOVERED IN THE MARGINS OF THE MEETING THAT THE PROPOSED REDUCTIONS WERE CONCEIVED ORIGINALLY AS A BILATERAL DEAL BETWEEN THE UNITED STATES AND THE SOVIET UNION AND CONVERTED ONLY SUBSEQUENTLY INTO AN ALLIANCE-WIDE CFE PROPOSAL.

(C) AS A CONSEQUENCE, IT WAS CLEAR THAT THE AMERICANS HAD YET TO ADDRESS THE ALLIANCE IMPLICATIONS OR MODALITIES. IT WAS OPENLY CONCEDED THAT THE 15 PER CENT REDUCTIONS IN AIRCRAFT AND HELICOPTERS HAD NOT BEEN BASED ON DETAILED ANALYSIS, TAKING ACCOUNT OF THE PROLEMS OF DEFINITION, VERIFICATION, FORCE STRUCTURE AND APPORTIONMENT OF CUTS BETWEEN MEMBERS OF THE ALLIANCE. SIMILARLY ON MANPOWER, THE RISK THAT IT COULD CONVEY THE IMPRESSION OF A SUPER POWER DEAL BEING STRUCK OVER THE HEADS OF EUROPEANS, HAD NOT BEEN ADDRESSED. NOR HAD THE PROSPECT OF SOVIET DEMANDS FOR LIMITS ON THE OTHER ALLIED NATIONS WITH STATIONED TROOPS. THE IMPLICATIONS OF AN ACCELERATED CFE TIMETABLE FOR THE CENTRAL SUMMIT PROBLEM OF SNF NEGOTIATIONS APPEARED NOT TO HAVE BEEN CONSIDERED. THERE WAS ALSO NO COMMENT ON THE POINT THAT THIS COULD OVERLOAD THE ALLIANCE AGENDA AND MIGHT BE THE WRONG TIME TO CHANGE TACTICS AND DANCE, EFFECTIVELY TO THE SOVIET TUNE.

4. AS REGARDS THE PROPOSALS ON AIRCRAFT AND HELICOPTERS, THE CONCEPTUAL BASIS FOR THE FIGURE OF 15 PER CENT SEEMED TO BE THAT THIS WAS WELL WITHIN THE LIMITS OF RECENT WORK UNDERTAKEN BY OUTSIDE BODIES (RAND, BDM CORPORATION ETC). THESE HAD SUGGESTED THAT NATO'S POSTURE COULD BE MAINTAINED AS WELL OR BETTER THAN AT PRESENT, WITH COMMON CEILINGS SET AT 20 PER CENT BELOW CURRENT NATO LEVELS, GIVEN THE DISPROPORTIONATELY LARGE CUTS WICH WOULD BE NEEDED ON THE WARSAW PACT SIDE. THERE WERE ALSO REFERENCES TO EXTRAPOLATION BASED ON WORK UNDERTAKEN FOR THE CURRENT NATO PROPOSAL. ON THIS RATHER TENUOUS BASIS THE JCS SEEMED CONFIDENT THAT REORGANISATION OF THE REMAINING NATO AIR ASSETS COULD BE ACHIEVED IN A WAY WHICH PROTECTED DUAL-CAPABLE AIRCRAFT AND RETAINEND THE MOST MODERN AIRCRAFT TYPES UNSCATHED. IT WAS EVIDENT HOWEVER THAT THIS VIEW OF AMPLE FLEXIBILITY TO COPE, WAS BASED ON AN EXAMINATION OF AMERICAN FORCES ONLY. THERE HAD BEEN NO ANALYSIS OF EUROPEAN FORCE STRUCTURES, NOR OF HOW IN POLITICAL TERMS, THE ALLIANCE COULD APPORTION THE REDUCTIONS AS BETWEEN REGIONS AND COUNTRIES.

5. ONE POINT DISCUSSED WAS THE EFFECT OF AN AIRCRAFT PROPOSAL AT THIS STAGE ON THE PLANS FOR POST-INF RESTRUCTURING OR THE MOVE OF THE 401 WING TO CROTONE. BUT THE MILITARY ANALYSIS HAD NOT BEEN DONE IN SUCH DETAIL. MOREOVER CONSIDERATION HAD YET TO BE GIVEN TO THE QUESTION OF HOW TO SECURE PUBLIC ACCEPTANCE FOR QUOTE NEW UNQUOTE DEPLOYMENTS AT A TIME WHEN NATO WAS PROPOSING OVERALL EDUCTIONS.

6. THE US MANPOWER REDUCTION WAS DESCRIBED AS BEING AROUND 30,000 TROOPS, BASED ON A CURRENT LEVEL OF 305,000 - IE WITH ELEMENTS SUCH AS LAND-BASED NAVAL FORCES EXCLUDED. THE JCS ESTIMATED THAT ONE HALF OF THE REDUCTION (15,000) WOULD FLOW NATURALLY FROM THE PROPOSED EQUIPMENT REDUCTIONS IN CFE. THIS MIGHT PROVIDE A BROAD INDICATION OF THE SHARE WHICH THE AMERICANS EXPECT TO TAKE FROM ANY AGREEMENT ON THESE LINES.

7. WE EXPLAINED OUR CONCERN THAT A SEPARATE CEILING FOR US FORCES STATIONED IN EUROPE COULD HAVE DAMAGING IMPLICATIONS FOR THE SOLIDARITY OF THE ALLIANCE AS A WHOLE AND FOR ALLIES SUCH AS OURSELVES WHO SIMILARLY HAD STATIONED FORCES. THE JCS JUSTIFIED A US CEILING ON THE BASIS OF SECURING A DISPROPORTIONATELY LARGE REDUCTION ON THE SOVIET SIDE, AND SAID IT WAS THOUGHT UNDESIRABLE TO PROPOSE A WESTERN CEILING SINCE THIS WOULD CONSTRAIN THE OTHER WESTERN STATIONING NATIONS. THEY NOTED THE ARGUMENT THAT A PROPOSAL ALONG THE LINES SUGGESTED WOULD LEAD INEVITABLY TO SOVIET DEMANDS FOR COMMON CEILINGS FOR ALL WESTERN ALLIES. BUT THEY MAINTAINED THAT WE COULD RESIST SUCH PRESSURE BY INSISTING THAT WESTERN EUROPE WAS AN INTEGRAL WHOLE.

8. AS REGARDS THE ACCELERATED TIMETABLE, THE JCS WERE DOUBTFUL WHETHER WORK COULD INDEED BE ACCOMPLISHED WITHIN 6 MONTHS TO A YEAR. THEY HAD YET TO FOCUS ON THE PROBLEM OF MANAGING THE PREPARATORY WORK IN THE ALLIANCE AND COMMENTED THAT WHEN THE PROPOSAL WAS PUT TO WORNER, HE SUGGESTED THAT THERE SHOULD BE A CRASH REMISSION TO THE HLTF OF 1-2 MONTHS IN ORDER TO SORT IT OUT. THE GENERAL VIEW WAS THAT IT MIGHT BE UNREALISTIC TO EXPECT THE VARIOUS FORCE STRUCTURE IMPLICATIONS, STABILISATION MEASURES ETC, TO BE DEALT WITH IN THAT SORT OF TIME SCALE BUT THAT THE EAST WOULD FACE EVEN GREATER PROBLEMS IN COPING WITH THE COMPLEXITIES ON THEIR SIDE.

9. ON THE POSSIBLE READ-ACROSS TO THE SNF ISSUE, IT WAS LEFT TO US TO NOTE THAT THE ANNOUNCEMENT OF AN INITIATIVE TO COMPLETE CFE SO QUICKLY COULD PLAY INTO THE HANDS OF THE GERMANS AND UNDERMINE THE US'S OWN POSITION ON CONDITIONALITY AND BRING CLOSER THE POINT AT WHICH ANY SNF NEGOTIATION WOULD BE REACHED. THE RESPONSE WAS, THAT THE INTRODUCTION OF A MAJOR CFE INITIATIVE AT THIS STAGE COULD HELP TO DIVERT ATTENTION FROM THE NUCLEAR PROBLEM AND EASE ALLIANCE DIFFICULTIES GENERALLY.

CONCLUSION

10. THE COMMON THREAD RUNNING THROUGH THE AMERICAN PRESENTATION, ALBEIT IMPLICIT, WAS THAT THIS IS A POLITICALLY DRIVEN PROPOSAL TO WHICH THE MILITARY ARE NOW COMMITTED BUT HAVE YET TO WORK OUT THE DETAILS. SIMILARLY THE ADMINISTRATION HAS NOT ADDRESSED THE POLITICAL PROS AND CONS FULLY. THESE ARE BEING HANDLED BY THE PRESIDENT'S CLOSEST ADVISERS (LED BY SCOWCROFT) OUTSIDE THE NORMAL SYSTEM.

11. FCO PLEASE PASS DESKBY 270800Z TO NO 10.

ACLAND

SECRET AND PERSONAL

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Foreign and Commonwealth Office

London SW1A 2AH

26 May 1989

Dear Charles,

CFE: Message from President Bush to the Prime Minister

Thank you for your letter of 24 May recording the Prime Minister's meeting with Messrs Eagleburger, Gates and Catto yesterday about President Bush's proposal for a conventional arms control "initiative".

The Chiefs of Staff's views on the substance of the Americans proposals are being sent to you separately. The following are the recommendations of the Foreign Secretary, which have been agreed with the Defence Secretary, on how we should respond to them before and at the NATO Summit.

Whatever the initial reaction to the American idea, President Bush may well pursue his initiative at the Summit; and propose that in return for the Warsaw Pact's acceptance of NATO proposals on tanks, armoured troop carriers and artillery, the West would agree to expand its current proposals to include limitations on helicopters (attack and assault/transport), all land-based combat aircraft (irrespective of role) and US and Soviet ground and air force manpower.

In my letter of 24 May I set out the reasons why we should not at this stage concede the idea of limitations on aircraft, helicopters and manpower. Once, however, it becomes known that the US administration favours their inclusion, then the tactical element of our argument loses much of its force: the pass will have been sold and the Russians will know it.

Eagleburger and Gates did not appear to envisage specific endorsement of their proposal being adopted at the Summit. But the balance of opinion there is hard to predict. Several other Allies are likely to share our tactical appreciation of the inadvisability of shifting our position so soon. But some heads of government may be reluctant to oppose a presidential initiative on grounds of tactics alone. Herr Genscher told the Foreign Secretary yesterday that he and Kohl had welcomed it:

/aircraft

SECRET AND PERSONAL

aircraft would have to be negotiated sooner or later and it was a good thing for Bush to demonstrate his leadership of the Alliance. Even President Mitterrand, whose officials have hitherto been the strongest opponents of the inclusion of aircraft, may not at the Summit prove so robust: he may well for example be disinclined to oppose both SNF negotiations and the inclusion of aircraft in the CFE. If this assessment is correct there is no UK national interest in being portrayed as the principal obstacle to President Bush's proposal.

There is one aspect of it, however, which is particularly flawed, namely the idea of the idea of limits on US and Soviet stationed manpower. Such a juxtaposition has no political or military logic and seems designed principally to strike a chord with Congress over the prospect of substantial US troop withdrawals from Europe, rather than seriously to match Warsaw Pact proposals on personnel. It introduces an unhelpful element of superpower bilateralism into the CFE which the allies have hitherto sought to avoid. And, above all, it would be incompatible with the rest of the Alliance's approach. NATO has proposed equal ceilings on the equipment holdings of all stationed forces (ie including on the Western side British, French, Dutch, Belgian and Canadian forces as well as American). We could not credibly argue that limitations on manpower should only apply to the Americans and Russians alone. The likely Soviet response would be to accept the American proposed figure of 275,000 but to apply it to all stationed forces. This would mean massive reductions (around 200,000 on the NATO side) which would be incompatible with forward defence.

The Foreign Secretary's recommendation is therefore that:-

i) we should not mount a major effort to dissuade the President from raising at the Summit the idea of expanding the Alliance proposal in the way he has suggested. But we should confirm our continuing scepticism;

ii) if President Bush pursues the idea, the Prime Minister should point out the tactical disadvantages in amending our proposal so soon after its initial presentation and the risk of appearing simply to reply to Gorbachev;

/iii)

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iii) she should not in the last resort hold out against the idea of some indication of NATO's willingness to contemplate limits on these additional categories, provided that no figures or definitions are mentioned publically at this stage;

iv) but we should before the Summit try to ride the Americans off the idea of a bilateral US/Soviet ceiling on stationed forces.

/ A draft telegram to the Embassy in Washington is enclosed, reflecting the above considerations.

Yours,
Stephen Wall

(J S Wall)
Private Secretary

C D Powell Esq
PS/10 Downing Street

CONFIDENTIAL

PRIME MINISTER

Seen + discussed

CONVENTIONAL FORCE REDUCTIONS: PRESIDENT BUSH'S PROPOSALS

I attach preliminary analysis by the FCO and MOD. A more detailed response will follow after MOD representatives return from Washington.

As you will see, both departments are sceptical. The point which worries them most is the idea of a bilateral US/Soviet ceiling on stationed forces, ie. manpower. At present NATO's proposals deal with all stationed manpower (ie. British, French, Dutch, etc.) The Russians would probably try to apply the equal ceiling to this rather than to US forces alone, which would be massively to our disadvantage. Personally I am not sure that we need necessarily fall into this trap, but we should certainly urge the Americans to clarify their proposal and make sure they are aware of the dangers.

More generally, there is the tactical question of how far we want to go in criticising the US proposals when we shall need the President's support on other issues including SNF.

The FCO want to send the telegram attached to their letter to Washington urgently. I think it is all right provided we make clear the points in it are an attempt to get clarification and do not pre-empt the points you will make in Brussels.

Agree?

CDP

C. D. POWELL

26 May 1989
SL2AVI

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SECRET UK EYES A

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CCPC

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Prime Minister

An interim answer

CDS 20/5

25 May 1989

Dear Charles,

CONVENTIONAL FORCE REDUCTIONS

In your letter of 24th May to Stephen Wall, you indicated that the Prime Minister wished to have the views of the Chiefs of Staff on the implications of the United States proposals set out in President Bush's message. The Chiefs of Staff met this morning, with FCO representation; their views are set out in the attached minute from the Chief of the Defence Staff to my Secretary of State. The MOD team is currently en route to Washington; any salient points that emerge from their discussions tomorrow will be reported by telegram.

I am copying this letter and attachment to Stephen Wall (FCO and to Trevor Woolley (Cabinet Office).

Yours sincerely,

Brian Hawtin

(B R HAWTIN)
Private Secretary

Charles Powell Esq
10 Downing Street

SECRET UK EYES A

101/5 b

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7/4.

CDS 1095/2

SECRETARY OF STATE

CONVENTIONAL FORCE REDUCTIONS

1. The Chiefs of Staff have studied and discussed the latest American proposals for Conventional Force Reductions which were put to the Prime Minister on 24 May 1989. You will recall that we considered conventional arms control and specifically the implications of including air forces in conventional arms control negotiations in November 1988. Our conclusion then was that it was inevitable that aircraft would have to be included at some time, but overall NATO would prefer to exclude them for as long as possible. When it became necessary, the West would need to ensure that all land-based, fixed-wing, combat aircraft were included, irrespective of nationality and service.

2. Despite this new initiative our views are essentially unchanged. We entirely support the sceptical and robust line taken by the Prime Minister with Messrs Eagleburger and Gates, and underline the concerns she voiced as expressed in her Private Secretary's letter dated 24 May 1989. In our meeting this morning, on the assumption that this initiative, while unwelcome, was unstoppable, we concentrated on the military implications of the new proposals. Lacking detail and information we find it difficult to offer a definitive and quantified judgement. We have therefore focussed our advice upon the potential impact of the proposals on UK Defence. The visitors stated that the US Joint Chiefs of Staff had made some calculations and drawn conclusions with which we had great difficulty. We have not had intimation of the work being set in hand, but wishing as a matter of urgency to have sight of this work to probe the basis for the proposals, we have arranged for a small team to leave for Washington immediately.

3. Turning to the specifics, we take the following military view:

a. Locking-in. We have little difficulty with this proposal per se. However we would wish to stick with the NATO figure and definition for artillery, and to consider anti-tank guns on their own merits. The equipment definitions in the CFE mandate should be adhered to, as any relaxation would offer substantial scope for circumvention.

b. Helicopters. We see the proposal on helicopters as less destabilising than that on aircraft. However we foresee difficulties in verification, and in the known capability of the WP to convert State-owned helicopters to military use. We appreciate that the Americans, who are updating their helicopter fleet have the flexibility for reductions, but this is not the case for other NATO nations. Nationally, we are about to embark on a modest expansion of helicopter numbers to rectify shortcomings in the anti-armour mix and the proposal would impact heavily upon us. In addition there would be bound to be implications for counter-terrorism operations in peace, and on the defence of the UK in war, as the measures would encompass land-based Naval assets.

c. Aircraft. We found it difficult to reconcile the proposed 15% reduction in aircraft numbers with the statement that there would be no effect on front-line and dual capable aircraft strength. Unless we were to forego a balanced combat capability, a course which we could not recommend, it is inevitable for the UK that some of the proposed reductions would have to be taken in DCA. Using UK national figures in isolation, of the 643 fixed-wing aircraft likely to be affected, almost one third are DCA. It would therefore be extremely difficult to absorb a 15% cut, amounting to 96 aircraft, without affecting DCA numbers.

d. Manpower. By far our most serious reservation lies in the proposal for bilateral manpower reductions. We feel strongly that any negotiations for manpower reductions must take place in a NATO/WP context and certainly not on a bilateral basis. NATO stationed forces include units from many countries of the Alliance, whereas in the WP only Soviet Forces are concerned. The security implications of acceding to this proposal are frankly unmeasurable.

e. Timetable. While agreement in 6 months to a year and implementation by 1992/3 are unrealistic, these are not major points of contention.

4. Public Relations. If these proposals are tabled at the NATO summit we judge that they will be leaked to the media at that time, or earlier. We are convinced of the urgent need for a unified defensive PR line across Whitehall.

25 May 1989

CHIEF OF THE DEFENCE STAFF

DEFENCE: Arms Control
A 15

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FROM PRIVATE SECRETARY
SECRETARY OF STATE'S MEETING WITH GENSCHER: CFE
1. AT DINNER WITH GENSCHER THIS EVENING (SEE SEPARATE TELEGRAM) GENSCHER SOUGHT OUR REACTION TO THE NEW US PROPOSALS ON CFE.
2. THE SECRETARY OF STATE SAID THAT WE HAD ALWAYS ACCEPTED THAT AIRCRAFT WOULD HAVE TO BE BROUGHT INTO THE NEGOTIATION BUT WE QUESTIONED THE WISDOM OF AN ILL-PREPARED INITIATIVE, PARTICULARLY WHEN WE HAD JUST PERSUADED THE RUSSIANS TO REACT TO OUR PROPOSALS ON TANKS, ARTILLERY AND ARMOURED PERSONNEL CARRIERS. WE WERE ALSO CONCERNED AT THE PROPOSAL TO TREAT TROOP NUMBERS ON A US/SOVIET BASIS. WE HAD ALWAYS LOOKED AT ALL ALLIANCE STATIONED FORCES IN THE PAST. IT COULD BE DAMAGING TO DEPART FROM THAT, NOT LEAST BECAUSE THE RUSSIANS MIGHT ACCEPT THE NUMBERS BUT TRY TO APPLY THEM TO ALL STATIONED FORCES. THE PROPOSAL ALSO GAVE THE IMPRESSION OF MORAL EQUIVALENCE BETWEEN RUSSIAN AND AMERICAN TROOPS IN EUROPE.
3. GENSCHER SAID THAT HE AND KOHL HAD BEEN KEEN TO SEEK REASSURANCE THAT THE AMERICAN PROPOSAL ON TROOP NUMBERS WOULD NOT CUT ACROSS THEIR ABILITY TO LIMIT THE NUMBER OF SOVIET TROOPS STATIONED IN THE GDR. THE AMERICANS HAD GIVEN THEM REASSURANCE ON THIS POINT. HE AND KOHL HAD WELCOMED THE PROPOSAL OVERALL. AIRCRAFT AND HELICOPTERS WOULD HAVE TO BE BROUGHT INTO A NEGOTIATION SOONER OR LATER AND IT WAS AS WELL TO DO IT NOW ON THE BASIS OF A PROPOSAL THAT CONFIRMED US LEADERSHIP OF THE ALLIANCE AND SHOWED THAT THE US WAS READY TO TAKE AN ARMS CONTROL INITIATIVE.
4. THE SECRETARY OF STATE AND GENSCHER BATTED THE SUBJECT BACK AND FORTH FOR A WHILE BUT GENSCHER DID NOT APPEAR TO ACCEPT THE RISK INHERENT IN A LATE, ILL-PREPARED PROPOSAL. HE ASSUMED THAT ONCE THE AMERICANS HAD BRIEFED WOERNER, WOERNER WOULD IN TURN BRIEF THE REST OF THE ALLIES AND THE AMERICANS WOULD THEN LAUNCH THEIR PROPOSAL AT THE SUMMIT.

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ADDITIONAL 2

PS/NO 10.
PS/MR YOUNGER

NNNN

SUBJECT cc MASTER SECRET AND PERSONAL 10a-c File SRW cc PC



10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

24 May 1989

Dear Stephen,

CONVENTIONAL FORCE REDUCTIONS

The Prime Minister saw Mr. Eagleburger, Mr. Gates and the American Ambassador this morning to take delivery of President Bush's message setting out an initiative on conventional force reductions which the United States proposes to take at the forthcoming NATO summit. The Foreign Secretary was also present. I enclose a copy of the President's letter.

After reading the letter, the Prime Minister said that she would make a few preliminary comments. She understood why the President felt it necessary for the United States to take the initiative and not always appear to be reacting to Mr. Gorbachev. But she would want to consider what he proposed very carefully. Her instinct was to be wary. She would obtain the views of the Chiefs of Staff on the implications of the proposal for NATO's security. There were a number of points which concerned her. First, we had to remember that Gorbachev had himself proposed substantial reductions in aircraft and helicopters. That in itself was grounds for being suspicious. He had pressed this proposal on her during his recent visit and she had resisted it firmly. She was particularly concerned to avoid compromising NATO's Dual Capable Aircraft. This was particularly necessary when Germany was being so weak on SNF: that enhanced the importance of DCAs. There was also the risk of drawing in American carrier-borne aircraft. Second, she was concerned about NATO capacity to verify that the aircraft and other weapons covered by an agreement would in practice be destroyed rather than just withdrawn behind the Urals, where they would continue to pose a threat to NATO. Third, NATO had tabled important proposals on tanks, artillery and armoured personnel carriers in the CFE talks in Vienna and the Russians were reacting to them. Surely it was better to continue to focus on these rather than introduce the new element of aircraft now? She recognised that aircraft would have to be drawn into the negotiations at some stage, but it was premature to bring them in now. Lastly, she was concerned about the effect of launching such a proposal so soon before the NATO summit. The press might portray it as a panic reaction rather than a well-thought out proposal.

b

Eagleburger and Gates responded to a number of these points. The President's intention was to take advantage of Soviet acceptance of NATO's proposals on tanks and troop carriers, while countering his demand that NATO's aircraft and helicopters should be cut by 55 per cent. The President believed that the proposals were compatible with NATO's security. They had been considered in detail and approved by the Joint Chiefs of Staff and had also been seen by SACEUR. The JCS' calculus showed that there was enough flexibility in NATO's stocks of aircraft to achieve 15 per cent reductions without touching DCAs. Indeed the Americans believed that it would not be necessary to touch NATO's front line aircraft at all. Carrier-borne aircraft would be expressly excluded. The American proposal had to be seen as a package: the Soviets would not be allowed to pick and choose. The reductions required of them would be very much heavier than for NATO and, in the view of the JCS, the outcome would be to NATO's overall advantage. The American proposal insisted that aircraft and other equipment must be destroyed not just withdrawn and there were provisions for this to be verified. Both Eagleburger and Gates emphasised that this was an American proposal to be put on the table at the NATO Summit for subsequent discussion. There was no expectation that the NATO summit would adopt it and no intention to put it to the Russians.

The Foreign Secretary said that he found it hard to understand the logic of making such a proposal now when the Russians were already responding to our proposals on tanks, armoured personnel carriers and artillery. There was no need to deploy this particular negotiating chip now. NATO had deliberately decided to exclude aircraft from its negotiating position and the American proposal to bring them in would inevitably be disruptive of the agreement reached within NATO. He saw dangers in causing confusion on the eve of the summit. Like the Prime Minister, he thought the American proposal would be presented as a step towards Soviet proposals rather than a genuine initiative.

Mr. Eagleburger said that the Americans understood that there were likely to be problems in NATO. All he could say was that the Joint Chiefs and the USAF believed that the proposal would not affect NATO's security adversely, indeed would enhance it. Soviet acceptance of NATO proposals on tanks and APC had been predicated on a cut of 55 per cent in aircraft and helicopters: it was this equation which the Americans wanted to undo. The initiative was not taken just for political reasons, but in the belief that it was in NATO's security interest.

The Prime Minister concluded that Mr. Eagleburger and Mr. Gates should report that she was enormously appreciative to the President for this advance notice of his proposal, but that her first reaction had been wary. The point of greatest concern to her was the proposal to bring aircraft into the negotiations at this stage and the risk of NATO's DCA being affected. She was also sceptical whether the proposal would have quite the political effect which the President clearly sought. She would need to discuss it with

her military advisers and would then let the Americans have a more considered reaction. As a final thought: it would be very useful if SACEUR were to give a military briefing at the first session of the NATO Summit, so as to remind Heads of Government of the scale of the Soviet military threat.

The Prime Minister took the opportunity to enquire about the position on SNF. Mr. Gates said that the US had replied to Chancellor Kohl's latest message, insisting that there must be explicit rejection of a third zero and that there would need to be tangible progress in implementing a CFE agreement before negotiations on SNF could start. There was still a great distance between the two sides. His personal view was that, without a great deal of movement by the Germans in the next few days, there was no chance of agreement being reached. The Prime Minister recalled our oppposition to negotiations on SNF altogether. At the very least it must be clear that a successor to LANCE would be deployed before negotiations could be considered, in addition to the other conditions set by the Americans.

I should be grateful if you would follow up with SACEUR and the NATO Secretary-General the Prime Minister's proposal for a military briefing at the Summit.

I am copying this letter and enclosure to Brian Hawtin (Ministry of Defence) and Trevor Woolley (Cabinet Office).

Yours sincerely,

(C. D. POWELL)

Stephen Wall, Esq.,
Foreign and Commonwealth Office.

PERSONAL AND SECRET

9a-c

Foreign and Commonwealth Office

London SW1A 2AH

24 May 1989

Dear Charles,

Visit of Messrs Gates and Eagleburger

I enclose a telegram from our Embassy in Washington which suggests that, according to their sources, the Administration have it in mind to propose that the Alliance should "cap" the Warsaw Pact's conventional arms control proposals by itself putting forward limits on the three categories not so far limited in NATO's CFE plan:

- aircraft: 10 or 15% below NATO levels for all aircraft (offensive and defensive);
- helicopters: ditto;
- manpower: a more complex formula which has not been divulged.

As an idea for careful study, this should not be rejected. The Alliance position is that we are open-minded about limiting these three categories at some stage; but sceptical about whether it can be done satisfactorily, at least as regards manpower and aircraft; and, of course, the particular proposals which the Warsaw Pact have put forward for these latter two categories would be damaging to Western security. If we are persuaded that a sensible arms control regime can be devised, we may well want to put down counter-proposals of our own later on.

But the idea of clearing considered NATO proposals over the next 5 days is over-ambitious and likely to lead to strains and diasgreements at a time when the Alliance has more than enough problems on the Summit table:

i. There is a formal intra-Alliance understanding that the allies will not themselves include aircraft in their initial proposals. Several allies, notably France, attach importance to this point. Many allies will be reluctant to modify NATO's proposals so soon, particularly when the Warsaw Pact seem to be moving in our direction.

ii. Tactically, we aim to talk up the price of a deal covering aircraft, by questioning the Soviet Union aggressively about their many technical problems -

verification, mobility, versatility. If it becomes known that we have seriously discussed tabling an aircraft proposal of our own, even if the proposal itself does not see the light of day, our negotiating position will be weakened;

iii. In substance, the problems of limiting aircraft are formidable. It takes only 3 hours for a Mig 29 to fly from the Urals to the inner German border. It may not be feasible to tackle aircraft in a regional agreement like CFE. The obstacles to a global agreement are obvious;

iv. At a time when the future of land-based SNF is being called into question, we should be doubly cautious about accepting even light constraints on our dual capable aircraft, which will have an even more important role with the introduction of TASM;

v. Bringing manpower into a regime of simple numerical limits would also complicate the CFE negotiations - perhaps fatally, as in the case of MBFR. Any such regime would need to be studied thoroughly before it would be ready for Ministerial decision.

In short, these proposals are rushed, ill thought-out, unlikely to be acceptable to all allies in the time available and liable to strain an already fraught Summit. They have clearly been dreamt up by Mr Baker's coterie and a small team in the NSC. The Embassy's informant agreed that they were ill-advised. The experts concerned with conventional arms control in the State Department and the Pentagon do not appear to have been consulted.

On a proposal as significant and unexpected as this, the visitors will not expect to receive a definitive response. They will, however, hope to secure a promise that the Prime Minister will give this initiative her support. In the time available, I have not yet been able to consult the Foreign Secretary. But, unless the US proposal turns out to be considerably less ambitious than we have been led to expect, our advice at official level would be to:

- express appreciation for the opportunity to consult and for the Administration's efforts to devise initiatives for the Summit;

- undertake to consider the proposals and respond as quickly as possible;

- avoid any commitment.

/Among

PERSONAL AND SECRET

Among the questions which the Prime Minister may wish to raise are:

i. Do we need a major arms control initiative, given that we are still ahead of the Warsaw Pact in terms of CFE proposals; and given that we have other initiatives on the stocks for the Summit (open skies, humane frontiers and a political prescription for Eastern Europe)?

ii. It it wise to concede the inclusion of aircraft at this early stage? Should we not build this up as a major bargaining chip for later?

iii. Is it feasible to clear such a radical change in our CFE position in 5 days?

iv. Will it not be disruptive to reopen the Alliance understanding on aircraft?

v. Is there not a real risk of overloading CFE, when we have a good chance of focussing the discussion on our three categories (tanks, artillery and armoured troop carriers)?

vi. What is the military advice behind the proposal? Have the Joint Chiefs been consulted? What about the risk of including US carrier-based aircraft?

vii. More generally, won't this last minute move suggest that NATO is panicking in its desperation to match Gorbachev's gestures, when it should be calmly setting the agenda and sticking to its proposals?

The meeting is not being publicised and knowledge of this letter should obviously be very restricted.

I am sending copies of this letter to Brian Hawtin (MOD) and Trevor Woolley (Cabinet Office).

Yours,
Stephen Wall

(J S Wall)
Private Secretary

C D Powell Esq
10 Downing Street

PERSONAL AND SECRET

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Foreign and Commonwealth Office

London SW1A 2AH

12 May 1989

Dear Charles,

Soviet response to NATO proposals on conventional arms control

I enclose a copy of the notes we have sent to the Foreign Secretary for his use in Perth today. We shall be drawing on them in briefing the press here.

Yours,

Stephen Wall

(J S Wall)
Private Secretary

C D Powell Esq
10 Downing Street

SOVIET RESPONSE TO NATO PROPOSAL ON CONVENTIONAL ARMS CONTROL

- Yesterday Moscow, in talks with the US Secretary of State, Mr Gorbachev responded to NATO's proposals on conventional forces in Europe. He indicated that he was willing to accept some of the figures, for example on tanks, which we tabled in Vienna in March. Not all of them: there will still be a lot of negotiating to do and the devil is always in the detail. But it looks as though we may be on course to achieve an agreement which will greatly enhance conventional stability in Europe.

- And if we do what will be the reason?

- First because NATO made a serious analysis of its security, presented serious and fair proposals and stuck to them. Just as we did over the INF Treaty and the Stockholm agreement.

- And second because in time the Soviet Union came to accept our approach.

- So it is welcome that Mr Gorbachev is recognising what we and our Allies have been arguing for years, that the Warsaw Pact's massive superiority in conventional forces in Europe is damaging to security and should be eliminated.

- It is welcome too that the Russians intend to remove some 500 nuclear warheads from Eastern Europe back to the Soviet Union. They can certainly afford to do so. It would take only hours for these warheads to be returned. And according to their own figures they have over 1,600 short range missile launchers in Europe while NATO has 88. This superiority will remain almost untouched even after their announced withdrawals. And 500 warheads compares with the 2,400 which NATO has itself reduced over the last 10 years.

- Mr Gorbachev has also proposed the complete elimination of nuclear weapons from Europe. Indeed the timing of his announcement about missile withdrawals, coming just a few weeks before the NATO Summit, was designed no doubt to help bring this

about. Each time that NATO meets, it seems, Mr Gorbachev offers as an hors d'oeuvre to shed a further veil in his disarmament striptease show.

- But let us be clear. His aims in the nuclear field are different to ours. He wants nuclear weapons to be removed from Western Europe, while Western Europe is still targeted by the Soviet Union's strategic nuclear forces. And he shows no sign so far of recognising the role which nuclear weapons in Europe have for decades played, and will for the foreseeable future continue to play, in maintaining security.

- So Mr Gorbachev's announcement, encouraging though it is, is no reason for us to change our strategy. We still require nuclear weapons in Eruope and we must keep them up-to-date. And we should ~~still~~ not ~~be wary of~~ be~~ing~~ lured in to negotiations about them. ~~So long as~~ the Russians aim is a complete denuclearisation of Western Europe, ~~and so long as~~ We continue to believe in nuclear deterrence, It is hard to see ~~how a negotiation can succeed~~.

Any basis for a successful negotiation.


AM-9

PRIME MINISTER

SOVIET ARMS CONTROL INITIATIVES

As you will have heard on the radio, the Soviet Union has announced its intention to withdraw 500 short-range nuclear warheads from Eastern Europe and repeated its willingness to bring conventional forces down to parity with NATO's by 1997 (although we haven't seen the small print yet). I attach:

- the speaking note which I gave Bernard to use for the press this morning;

- the notes which the FCO have prepared for the Foreign Secretary.

CDP

CHARLES POWELL
12 May 1989

EL3DNL

SOVIET ANNOUNCEMENT ON WITHDRAWAL OF NUCLEAR WARHEADS

1. We welcome the Soviet decision. It is a justification of NATO's firmness and constant pressure on the Soviet Union to reduce its SNF, in which it has a 14:1 superiority.

2. But it's also a reminder of how far there still is to go. It's really a very small step compared with what remains.

3. Remember that NATO has reduced its warhead stockpile in Europe from 7,000 in 1979 to 4,600 now. The Soviets are talking of withdrawing - not destroying - only 500.

4. There's no need for NATO to change its policy. We still want to see the Soviet Union bring down its SNF to NATO's levels. Meanwhile we shall press ahead with preparations for modernisation of our own SNF.

5. The Russians are only talking of withdrawing some of their SNF from Eastern Europe. They could be back again within hours.

EL3DNM

Foreign and Commonwealth Office

London SW1A 2AH

12 May 1989

Dear Charles,

Soviet response to NATO proposals on conventional arms control

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Stephen Wall

(J S Wall)
Private Secretary

C D Powell Esq
10 Downing Street

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We need both answers overpage

Jp 0770

Copy No 1 of 5 copies

MR POWELL for Kohl visit

c Sir Robin Butler

Robin Butler

CBO

21/4

Soviet Troop Withdrawals

The commander of Soviet forces in East Germany announced on 17 April that two Soviet tank divisions and a number of lesser units would begin withdrawing from the GDR to the Soviet Union on 11 May. General Snetkov said the move would be completed by 15 August.

2. The withdrawals are in line with the unilateral reductions announced by Gorbachev in his 7 December UN speech. Press reports have suggested that the 25th and 32nd tank divisions of the 20th guards army would be withdrawn this year. SIGINT reveals that preparations for withdrawal have been under way in sub-units of these tank divisions since last month. A well-publicised formal beginning to the Soviet withdrawal is planned for 11 May.

3. General Snetkov said that in this first phase over 10,000 personnel, about 1,000 tanks, more than 330 artillery pieces and almost 5,000 vehicles would be withdrawn. In addition to the two tank divisions, two training tank regiments, together with assault landing and assault crossing units, would be withdrawn with their equipment. He added that tactical nuclear systems would be sent to the Soviet Union. These are likely to be SS-21s, whose inlcusion in the package is probably a political move to keep up the pressure on West German public opinion. The withdrawal of the two tank divisions, together with a further two planned for next year, will reduce the number of Soviet tank divisions in East Germany from 11 to 7.

4. There are two interesting features:

b

(a) General Snetkov said in his announcement that after the units were disbanded in the Soviet Union the tanks would be sent beyond the Urals, where some would be mothballed and others put to civilian use. This conflicts with earlier statements, by the Soviet Defence Minister among others, that all the tanks withdrawn would be destroyed.

(b) SIGINT and satellite photography suggest that at least one of the tank regiments to be withdrawn is swapping its "new" self-propelled howitzers for the "old" towed howitzers of a regiment that is to remain behind. If confirmed, this too could be taken as evidence of Soviet military commanders trying to salvage what they can from the withdrawal. It would be contrary to earlier Soviet statements to the effect that such "new for old" exchanges of equipment would not occur.

PERCY CRADOCK

21 April 1989

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MIPT: BAKER/SHEVARDNADZE MEETING ON 7 MARCH
ARMS CONTROL ISSUES

SUMMARY

1. A BRIEF BROAD-BRUSH SURVEY, WITH BOTH SIDES PUTTING DOWN MARKERS FOR FUTURE DISCUSSION RATHER THAN SUBSTANTIVE EXCHANGES AT THIS STAGE.

DETAIL

2. VERSCHBOW SAID THAT BAKER BEGAN WITH THE CONVENTIONAL ARMS TALKS, EMPHASISING THE FOCUS IN THE WESTERN POSITION ON A RADICAL RESTRUCTURING OF THE BALANCE AND A REDUCTION OF CAPACITY FOR SHORT-WARNING ATTACK, AND NOTING THE AREAS OF COMMON GROUND IN THE PROPOSALS OF THE TWO SIDES. SHEVARDNADZE CONFINED HIMSELF TO WARNING THAT THERE WERE OTHER ISSUES ON WHICH THE SOVIET UNION WOULD KEEP UP PRESSURE: THE INCLUSION OF AIRCRAFT, SPECIFICATION OF MANPOWER REDUCTIONS AND NAVAL SYSTEMS.

3. PROLIFERATION ISSUES. BAKER RAISED BALLISTIC MISSILE AND CHEMICAL WEAPON PROLIFERATION AND SUGGESTED THAT BOTH SIDES SHOULD COMPARE NOTES ON THE PROBLEM AND PLACE IT ON THE AGENDA FOR THE MEETING IN EARLY MAY. HE EMPHASISED THE IMPORTANCE OF HIS ANNOUNCEMENT TO ACCELERATE THE REMOVAL OF US CW FROM GERMANY. HE WAS ALSO CRITICAL OF THE WEAK SOVIET RESPONSE TO RABTA. SHEVARDNADZE EXPRESSED INTEREST IN A FULLER DISCUSSION OF BW/CW.

4. START. BAKER EXPLAINED THAT ONCE THE STRATEGIC REVIEW WAS FINISHED AT THE END OF APRIL AND THE ADMINISTRATION HAD DECIDED ON POLICY, THEY WOULD LOOK FOR A RESUMPTION OF THE TALKS. SHEVARDNADZE SAID HE HAD HOPED THAT NEGOTIATIONS COULD RESUME IN APRIL OR MAY, BUT THAT THE POSITION WAS QUOTE UNDERSTOOD UNQUOTE.

5. ON SNF: SHEVARDNADZE ARGUED THAT NATO MODERNISATION WOULD FORCE THE SOVIET UNION TO REACT (BUT,VERSCHBOW COMMENTED, THIS WAS SAID IN PRO-FORMA TERMS).

6. NUCLEAR TESTING. THE TWO SIDES AGREED TO CONTINUE TO WORK FOR COMPLETION OF THE PNET ANO TTBT VERIFICATION

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MDLI[redacted]4296

PROTOCOLS, BUT NOTHING WAS DECIDED ON A DATE FOR RESUMPTION OF THE TALKS. (VERSCHBOW CONCEDED THAT THERE WERE STILL INTERNAL DIFFERENCES WITHIN THE US OVER CERTAIN ASPECTS.)

ACLAND

YYYY

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cc P.C.

(2)

Foreign and Commonwealth Office

London SW1A 2AH

3 March 1989

Prime Minister
This seems to be working out.
CDP MT
3/3.

Dear Charles,

Conventional Arms Control: Turkey

Since my letter of 22 February (copy enclosed) NATO officials have discussed a further proposal which might be acceptable to all Allies in time for the opening of the Vienna talks on 6 March. I enclose a copy of the proposal. It amends the extended central zone which the Turks dislike by making it one of four interlocking zones. It has been welcomed by most Allies, in particular the Turks. The main doubts have come from the Germans, who tend to see the smallest of the four zones as a reincarnation of MBFR and fear that it would put the spotlight on themselves and Benelux. But the inclusion of an inner zone reflects military advice from SHAPE and an inner zone is a precondition for several Allies, including the Turks. Discussion in Brussels yesterday suggested that initial German hesitation was being overcome. There are also some remaining Turkish problems over the numbers. These will be discussed at another meeting of the High Level Task Force in Brussels tomorrow.

We cannot be sure that this proposal will fly. If not, we will make a last minute effort to agree a truncated proposal, leaving the zonal problem to be settled later, as suggested in my earlier letter. But the prospects for agreement are better than for many weeks and relations with the Turks on this issue are now very good.

I am copying this letter to Brian Hawtin (MOD) and to Trevor Woolley (Cabinet Office). It has not been seen by the Foreign Secretary in draft.

Yours ever,

Richard Gozney

(R H T Gozney)
Private Secretary

C D Powell Esq
10 Downing Street

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SIC CFJ

KARPOV'S VISIT TO BONN, 27 - 28 FEBRUARY: SNF

SUMMARY

Just as expected

1. KARPOV ANNOUNCES SOVIET READINESS TO REDUCE SNF EITHER TO EQUAL CEILINGS WITH NATO OR TO ZERO, AND TO OPEN NEGOTIATIONS ON TACTICAL NUCLEAR WEAPONS IN PARALLEL TO CFE. A PRESS AGENCY REPORT IMPLIES A SOVIET READINESS TO MAKE UNILATERAL CUTS, BUT (EXCEPT FOR ONE FMOD PARTICIPANT AT THE TALKS) GERMAN OFFICIALS DID NOT RECEIVE THIS IMPRESSION.

2. MIFT REPORTS DISCUSSION OF CONVENTIONAL ARMS CONTROL. REPORTS OF DISCUSSION OF START AND CW FOLLOW BY TELELETTER.

DETAIL

3. SOVIET DEPUTY FOREIGN MINISTER KARPOV VISITED BONN ON 27 - 28 FEBRUARY FOR ARMS CONTROL CONSULTATIONS WITH HOLIK, AUSWAERTIGES AMT. HE HAD LUNCH WITH SUDHOFF (PUS EQUIVALENT) AND ALSO CALLED ON TELTSCHIK (FEDERAL CHANCELLERY).

THE TALKS.

4. SEIBERT, HEAD OF AUSWAERTIGES AMT NUCLEAR ARMS CONTROL DEPARTMENT, BRIEFED US (AND THE US, FRENCH AND NETHERLANDS EMBASSIES) ON 1 MARCH. HE SAID HOLIK HAD OPENED BY REFERRING TO THE REYKJAVIK NAC OBJECTIVE OF REDUCTIONS OF US AND SOVIET LAND-BASED SNF MISSILE SYSTEMS TO EQUAL CEILINGS: THE WARSAW PACT SUPERIORITY IN SUCH SYSTEMS: KOHL'S APPEALS FOR UNILATERAL SOVIET REDUCTIONS TO IMPROVE THE STARTING POINT FOR NEGOTIATIONS: AND SHEVARDNADZE'S ANNOUNCEMENT - A LIMITED STEP IN THE RIGHT DIRECTION - THAT 24 LAUNCHERS WOULD BE WITHDRAWN. (KARPOV HAD NOT DISPUTED THIS FIGURE.) HOLIK SAID THE ALLIANCE HAD NOT FINISHED CONSIDERING HOW TO TAKE FORWARD THE REYKJAVIK NAC OBJECTIVE.

5. KARPOV HAD REPLIED THAT TACTICAL NUCLEAR WEAPONS (TNW) MUST NOT

BE OMITTED FROM THE PROCESS OF REMOVING THE CAPABILITY FOR SURPRISE ATTACK. (KARPOV REFERRED THROUGHOUT TO TNW, ALTHOUGH AT TIMES HE SEEMED TO MEAN SNF MISSILES.) STABILITY IN EUROPE COULD BE ENHANCED BY REDUCING OR REMOVING TNW. BUT TO FOCUS ONLY ON SNF MISSILES WAS TOO NARROW. THE US HAD 4600 NUCLEAR WARHEADS IN EUROPE. THE USSR COULD NOT BE EXPECTED TO NEGOTIATE ONLY ON THE CATEGORY OF WEAPONS IN WHICH IT HAD SUPERIORITY. HE SAID THE SOVIET UNION WAS READY FOR NEGOTIATIONS WITHOUT DELAY, PARALLEL TO CFE, BUT WITHOUT ANY LINKAGE. SUCH NEGOTIATIONS SHOULD COVER THE FOLLOWING ''NUCLEAR CHARGES'':-

(A) NUCLEAR ARTILLERY MUNITIONS

(B) NUCLEAR BOMBS FOR AIRCRAFT (HE DID NOT MENTION STANDOFF WEAPONS)

(C) NUCLEAR-DEDICATED SNF MISSILE SYSTEMS (LITERALLY: ''THOSE SNF MISSILE SYSTEMS IN WHICH THE MISSILES CANNOT BE SEPARATED FROM NUCLEAR OPERATIONAL ROLES'').

6. KARPOV COULD NOT EXPLAIN WHICH SOVIET MISSILES WERE NUCLEAR-DEDICATED, SAYING THIS WAS A MATTER ''FOR THE EXPERTS''. HOWEVER, HE ENVISAGED DUAL-CAPABLE SNF MISSILES, AS WELL AS ARTILLERY AND STRIKE AIRCRAFT, BEING COVERED BY CFE. (COMMENT: A FMOD OFFICIAL WHO WAS AT THE TALKS HAS SUGGESTED TO STEPHENS (AD NUC POL, MOD) THAT THE SOVIET UNION MAY BE PREPARING TO DECLARE THAT SOME (SAY 200-300) OF THEIR SNF MISSILES ARE NUCLEAR-DEDICATED: THOSE MIGHT THEN BE REDUCED TO NATO'S LEVEL OF 88 LAUNCHERS.)

7. HOLIK REPLIED THAT ARTILLERY SHOULD BE INCLUDED IN CFE FROM THE OUTSET AND THAT AIRCRAFT COULD BE INCLUDED IN PRINCIPLE, AT A LATER STAGE. BUT THERE WOULD BE ENORMOUS VERIFICATION PROBLEMS IN AN AGREEMENT COVERING NUCLEAR WARHEADS. KARPOV CONCEDED THAT VERIFICATION WOULD BE DIFFICULT, BUT ARGUED THAT CW VERIFICATION WOULD BE JUST AS DIFFICULT AND THAT ONE SHOULD NOT BE AFRAID TO BREAK NEW GROUND, AS IN THE INF TREATY. IN THE CASE OF NUCLEAR BOMBS, THEIR SIZE AND THE SMALL NUMBER OF DEPOTS SHOULD MAKE VERIFICATION FEASIBLE. KARPOV SAID THE SOVIET UNION WAS CONSULTING ITS WARSAW PACT ALLIES AND MIGHT FORMALLY PROPOSE NEGOTIATIONS ON TNW. HE SAID THE SOVIET UNION WOULD BE PREPARED EITHER TO REDUCE TNW TO EQUAL CEILINGS OR TO ELIMINATE THEM. HOLIK SAID THAT THE FRG COULD ENVISAGE PARALLEL NEGOTIATIONS, BUT THIS WOULD REQUIRE AGREEMENT IN THE ALLIANCE.

8. KARPOV REFERRED BRIEFLY TO MODERNISATON. HE SAID THE SOVIET UNION

OPPOSED MODERNISATION OF TNW. THE SOVIET UNION WAS NOT AT PRESENT CONDUCTING ANY SUCH MODERNISATION. NO OLD SYSTEMS WERE BEING REPLACED BY NEW ONES. (HE DID NOT DENY PAST MODERNISATION.) HOLIK REPLIED BY REFERRING TO THE MARCH 1988 NATO SUMMIT DECLARATION (''KEPT UP TO DATE WHERE NECESSARY''). NATO NEEDED A MINIMUM OF NUCLEAR WEAPONS FOR WAR-PREVENTION: THE NUMBER COULD BE REDUCED IF THE WARSAW PACT THREAT WAS REDUCED. HOLIK REFERRED TO KOHL'S STATEMENTS THAT MODERNISATION WAS NOT ON THE AGENDA AT PRESENT. HE SAID THE SOVIET UNION, WHICH HAD SUBSTANTIALLY REPLACED ITS FROGS BY SS21S, HAD A MORE MODERN SNF CAPABILITY THAN NATO.

KARPOV'S PRESS CONFERENCE.
9. THE GERMAN PRESS CARRIES LOW-KEY REPORTS. MAIN POINTS:

(A) THE SOVIET UNION FAVOURED EARLY SNF NEGOTIATIONS, PARALLEL TO CFE. THESE MIGHT BE NOT ONLY WITH THE US BUT ALSO WITH THE WEST EUROPEAN COUNTRIES WHERE SNF WERE DEPLOYED. IN THE VIEW OF THE WARSAW PACT THESE NEGOTIATIONS SHOULD NOT BE DELAYED, BUT THEY DOUBTED WHETHER NATO WOULD AGREE.

(B) THE GOAL SHOULD BE ELIMINATION OF THESE WEAPONS. BUT IF THE US COULD NOT AGREE, THE SOVIET UNION COULD ACCEPT COMMON LOWER CEILINGS.

(C) A THIRD ZERO COULD BE GLOBAL, NOT CONFINED TO EUROPE.

(D) AT PRESENT THE SOVIET UNION WAS NOT MODERNISING ITS SNF. NATURALLY THERE HAD BEEN CERTAIN ''CHANGES AND PERFECTIONS'' IN RECENT DECADES. IF NATO DECIDED ON MODERNISATION OF ITS MISSILES, THE SOVIET UNION WOULD BE RESTRAINED, ALTHOUGH HE COULD NOT GUARANTEE THAT THERE WOULD BE NO SOVIET COUNTER-MODERNISATION.

10. A REPORT OF THE PRESS CONFERENCE BY THE GERMAN PRESS AGENCY IS OPEN TO THE INTERPRETATION THAT THE SOVIET UNION IS READY TO REDUCE ITS SNF UNILATERALLY. THIS INTERPRETATION IS NOT SHARED BY THE AUSWAERTIGES AMT OR THE FEDERAL CHANCELLERY, ALTHOUGH AN FMOD OFFICIAL WHO WAS AT THE TALKS IS INCLINED TO ACCEPT IT. IT WAS NOT TAKEN UP BY OTHER GERMAN PRESS REPORTS. SEIBERT SAID THAT THERE WAS NO TRANSCRIPT OF WHAT KARPOV HAD SAID. BUT THE FRG/EMBASSY IN MOSCOW WAS BEING ASKED TO CLARIFY WHETHER OR NOT THE SOVIET UNION WAS PREPARED TO MAKE UNILATERAL REDUCTIONS. SEIBERT SAID HE HAD SUBMITTED A DRAFT STATEMENT FOR FEDERAL SPOKESMAN OST, CAUTIOUSLY WELCOMING KARPOV'S STATEMENTS , IF THEY MEANT A SOVIET READINESS TO REMOVE ITS SUPERIORITY IN SNF. (NO SUCH STATEMENT HAS ISSUED.)

11. CDU/CSU PARLIAMENTARY LEADER DREGGER HAS WELCOMED THE SOVIET READINESS TO INCLUDE SNF MISSILES IN ARMS CONTROL NEGOTIATIONS. HE CALLED ON THE SOVIET UNION, AS A SIGN OF ITS GOOD WILL, UNILATERALLY TO DESTROY 1000 SNF MISSILE SYSTEMS. SPD SPOKESMAN BAHR SAID HE WAS NOT SURPRISED BY KARPOV'S PROPOSALS. FROM WHAT KARPOV HAD TOLD HIM, BAHR HAD NO DOUBT THAT THE SOVIET UNION WAS READY TO DISMANTLE ITS GREAT SUPERIORITY IN SNF.

MALLABY

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YOUR TELNOS 53 TO ANKARA AND 36/37 TO UKDEL NATO:

CONVENTIONAL ARMS CONTROL: TURKEY

SUMMARY
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1. TURKS GRATEFUL FOR OUR EFFORTS TO TAKE ACCOUNT OF THEIR CONCERNS. A COUNTER-PROPOSAL BASED ON OUR SUGGESTIONS AND APPROVED BY THE TGS LIKELY TO BE TABLED ON 2 MARCH. CAUTIOUS OPTIMISM THAT AGREEMENT CAN BE REACHED BY 6 MARCH.

2. ANY FURTHER LOBBYING SHOULD FOLLOW 2 MARCH HLTF MEETING, BE IN CONJUNCTION WITH NATO PARTNERS AND ADDRESS MILITARY AS WELL AS MFA.

DETAIL
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3. MARASLI (HLTF REPRESENTATIVE) LEFT FOR BRUSSELS TODAY. H OF C THEREFORE DELIVERED TEXT IN SECOND TUR TO OZER (HEAD OF ARMS CONTROL DEPARTMENT, MFA) THIS MORNING AND ASKED ABOUT TURKISH REACTIONS TO THE IDEAS FLOATED AT THE HLTF ON 23 FEBRUARY (UKDEL NATO TELNO 36). OZER CONFIRMED (TELECON GOULDEN/WESTMACOTT) THAT MARASLI WAS TAKING A TURKISH COUNTER-PROPOSAL TO BRUSSELS, BASED ON AN EXHAUSTIVE EXAMINATION WITH THE TGS OF THE IDEAS FLOATED AT THE LAST MEETING OF THE HLTF. THE TURKISH AUTHORITIES WERE WHOLLY COMMITTED TO REACHING AGREEMENT BY 6 MARCH, AND BELIEVED THEY WERE DEMONSTRATING MAXIMUM FLEXIBLITY. THE NATIONAL SECURITY COUNCIL HAD BEEN ADAMANT THAT THE EARLIER 'BRITISH' TEXT WAS UNACCEPTABLE, BUT THE TGS NOW BELIEVED THAT OUR LATEST IDEAS COULD BE WORKED INTO A COMPROMISE ACCEPTABLE TO ALL.

4. ASKED FOR DETAILS OF THE TURKISH COUNTER-PROPOSAL, OZER SAID THAT IT TOOK OUR IDEAS 'FORWARD' IN TWO MAIN WAYS: IT PROPOSED THE DEFINITION, IN CLEAR GEOGRAPHICAL TERMS, OF THE 'FOURTH' SUB-ZONE DELIBERATELY OMITTED FROM 4(D) OF THE REVISED BRITISH TEXT AS WELL AS MINOR CHANGES TO THE CATEGORIZATION OF SOVIET MILITARY DISTRICTS. IN BOTH RESPECTS, THE TURKISH PROPOSALS WERE LIKELY TO MAKE THE TEXT MORE ACCEPTABLE TO THE SOVIET SIDE.

5. ASKED ABOUT NUMBERS, OZER SAID THAT MARASLI WOULD BE PROPOSING SLIGHT INCREASES IN CEILINGS TO REFLECT TGS PROCUREMENT PLANS - IN PARTICULAR THE TEMPORARY BULGE LIKELY TO RESULT FROM THE STAGED INTRODUCTION OF NEW EQUIPMENT BEFORE EXISTING MATERIAL WAS SCRAPPED.

6. ON ATTENDANCE AT THE OPENING SESSION (YOUR TELNO 55) OZER CONFIRMED THAT FOREIGN MINISTER YILMAZ WOULD BE PRESENT AND ADDRESS THE SESSION.

7. AT MY FRENCH COLLEAGUE'S SUGGESTION, HE, I AND THE US AMBASSADOR DISCUSSED THE TURKISH PROBLEM PRIVATELY ON 28 FEBRUARY. (ROULEOU HAD INSTRUCTIONS TO STAY IN CLOSE TOUCH WITH THE US AND OURSELVES AND CONSIDER, WITH US, WHETHER THERE WAS SCOPE FOR FURTHER ACTION WITH THE TURKS.) WE AGREED THAT THE TURKS WERE FULLY SEIZED OF THE NEED FOR AN AGREED POSITION BEFORE THE NEGOTIATIONS BEGAN, AND WERE TRYING HARD TO ACHIEVE THAT END. THEY WERE UNLIKELY TO ACCEPT A VISIT TO ANKARA BY A TEAM OF NATO OFFICIALS - IN THE FRENCH VERSION A FRENCH/UK/US TEAM - (PARA 2 OF FIRST TUR).
WHILE TURKISH FEARS WERE, IN SOME CASES, EXAGGERATED, THEIR OBJECTIONS TO THE EARLIER DRAFT WERE DEEPLY FELT, PARTICULARLY WITHIN THE TGS. FURTHER DETAILED LOBBYING SHOULD ONLY BE UNDERTAKEN IN THE LIGHT OF THE TURKISH LINE AT THE HLTF ON 2 MARCH. ANY APPROACH JUDGED USEFUL AFTER THAT MEETING SHOULD BE COLLECTIVE ONE, AND PARALLEL ACTION TAKEN (PREFERABLY BY COMPETENT NATO MILITARY AUTHORITIES) WITH THE TGS.

COMMENT
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8. HAVING NOT SEEN THE TEXT (AND OZER WAS RELUTANT TO GO AS FAR AS HE DID), WE CANNOT TELL WHETHER THE TURKISH COUNTER-

PROPOSALS ARE REASONABLE OR AN ATTEMPT MERELY TO POCKET WHAT IS ON OFFER AND REVERT TO THEIR OWN EARIER PROPOSAL.
IN THESE CIRCUMSTANCES, I THINK THE ABOVE LINE (WHICH THE GERMANS HERE ENDORSE) IS CORRECT. THE TURKS HAVE GOT THE MESSAGE ABOUT URGENCY AND THE NEED FOR MAXIMUM FLEXIBILITY (MY TELNO 68).
WE SHOULD NOW SEE WHAT THEY COME UP WITH AT THE HLTF.
(MARASLI HOPES TO HAVE A WORD WITH GOULDEN BEFOREHAND).
IT MAY BE NECESSARY THEREAFTER TO MAKE A FURTHER COLLECTIVE PUSH (IN WHICH THE AMERICANS, WITH A MAJOR MILITARY PRESENCE HERE, WILL NEED TO BE WHOLE-HEARTED PARTICIPANTS IF WE ARE TO INFLUENCE THE TGS).

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CONVENTIONAL ARMS CONTROL: TURKISH POSITION

1. WORNER TOLD ME THIS AFTERNOON THAT HE HAD A TELEPHONE CONVERSATION WITH THE TURKISH FOREIGN MINISTER YESTERDAY EVENING ABOUT THE ALLIANCE CONVENTIONAL ARMS CONTROL PROPOSAL. CIRCUMSTANCES DID NOT ALLOW ME TO QUESTION WORNER IN DETAIL. BUT HE SAID THAT YILMAZ HAD INDICATED A READINESS TO ACCEPT IN PRINCIPLE THE REVISED ZONAL ARRANGEMENTS. YILMAZ STILL HAS SOME RESERVATIONS ABOUT 'THE NUMBERS' - PRESUMABLY THE ENTITLEMENT IN THE ZONES. MY TURKISH COLLEAGUE, WHO HAS HEARD NOTHING FROM ANKARA, WAS UNABLE TO ENLIGHTEN ME IN ANY WAY.

ALEXANDER

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From the Private Secretary

23 February 1989

CONVENTIONAL ARMS CONTROL: TURKEY

Thank you for your letter of 22 February setting out various options for dealing with Turkey's difficulties with the agreed NATO proposal for conventional force reductions. I do not think that the Prime Minister would regard any of the options, save option (d), as worth pursuing. It might be helpful if the Foreign Secretary and the Defence Secretary were to discuss it with their French counterparts during the forthcoming Anlgo/French Summit.

I am copying this letter to Brian Hawtin (Ministry of Defence) and to Trevor Woolley (Cabinet Office).

CHARLES POWELL

Richard Gozney, Esq.,
Foreign and Commonwealth Office

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CCPC (2)

Prime Minister

Further organizing over Turkey. Option (d) below is the only one which makes sense.

CDP 22/2.

Foreign and Commonwealth Office

London SW1A 2AH

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22 February 1989

Dear Charles,

Conventional Arms Control: Turkey

Thank you for your letter of 16 February in which you asked us to spell out what alternative options were open to us in the light of further opposition on the part of the Turks to the present Alliance proposal on conventional arms control.

Turkish opposition, on political grounds, to the zonal aspects of the current NATO proposal remains strong. Contacts during recent days suggest that there is little likelihood that the Turks will be prepared to associate themselves with the approach in the proposal, involving an extended Central zone which includes Spain, Portugal and Italy, but from which they are themselves excluded.

It has become clear in recent meetings that the Turks have a second important interest in the forthcoming negotiations, namely their plans for the procurement of military equipment. It has little, if anything, to do with securing an arms control agreement; nor indeed with achieving any specific reductions in Soviet tanks or artillery facing Turkey. The Turks' main and overriding priority is to ensure that such limitations as may be agreed do not affect the very considerable weapons procurement plans of the Turkish General Staff. In order to protect these plans they are demanding, for example, that the equipment ceilings for armoured troop carriers should be set at a higher level than that which the Alliance currently has; this is hardly consistent with the commitment to seek stability at lower levels of forces and would almost certainly be unsustainable in negotiating terms. Nor is it readily understandable in the case of a country which will have a sizeable part of its territory excluded from the area to which limits apply. A large area of South-eastern and Southern Turkey would not be subject to a conventional arms control agreement.

Our other principal Allies share the view that it would be very difficult for Turkish political difficulties with the zone to be overcome before the talks start on 6 March. At the Anglo-German Summit in Frankfurt this week there was a general consensus that the Americans, Germans and ourselves should look at the problem again - as the countries best placed to understand Turkey's difficulties.

NATO officials are meeting this week in the High Level Task Force to consider the way ahead. They will use the occasion to explore once again whether there are any other zonal regimes which could command the support of all 16 members of the Alliance. A variety of zonal arrangements have been looked at in the past. All have fallen foul of political objections from one Ally or another, though the UK, along with the United States, has indicated that it could accept any form of geographical differentiation which made military sense; and has emphasised that military, rather than political, criteria should be determinant.

But if it proves impossible to reach agreement on a specific alternative zonal regime in the time available before 6 March, there are four options for the Alliance when the talks open on 6 March:

(a) to table no immediate proposal at all in the hope that agreement within the Alliance might be reached after further discussion. There would, however, be no certainty of how soon any such agreement would be achieved; and in presentational terms it would be damaging for the Alliance after all this time to be seen to have nothing substantive to say when the talks begin. The Foreign Secretary is firmly of the view that when he addresses the opening meeting on 6 March, as the first Western speaker, he should set out clear NATO proposals: not least to counter the ideas which Shevardnadze may present the same day;

(b) to table a proposal of the kind now under discussion in the names of those (15) countries who are prepared to support it. But this would be strongly resented by Turkey and the Foreign Secretary would not think it right to isolate the Turks and ignore their concerns in this way. Nor, judging by Mr Baker's comments in Ankara and at NATO, would the United States;

(c) to table such a proposal in the name of one country only as an illustration of Alliance thinking. This too would be unwelcome to the Turks (who could, not unreasonably, ask why only the proposal objectionable to them should be tabled rather than other types of proposal objectionable to other members of the Alliance); and the Americans would probably also oppose it. It is just possible that the French might be tempted to follow this path. They might argue that though it would be preferable to have a common Alliance proposal on the table, it would be better to have something in the name of one country than nothing at all. The Foreign Secretary would regard this as a

thoroughly undesirable development. It would be contrary to the interests of the rest of NATO for the conventional arms control talks to start with only a French proposal on the table;

(d) to table a proposal which envisages that some form of regional differentiation might be required but leaves the exact delineation of the necessary zonal arrangements for consideration during the negotiations themselves. This might lessen the presentational impact of the West's proposal. But there would be enough concrete elements and figures to enable it to be discussed. In presenting it we should need to make clear that each alliance was entitled to half the overall limit, ie 20,000 a side in the case of tanks. In the proposal as presently drafted this is apparent only from the sum of the sub-ceilings in the Central zone and the area outside it. In commenting on the proposal to the press the Foreign Secretary and other NATO spokesmen could give illustrative examples of the type of zonal regimes which have been considered, making it clear in our case that the United Kingdom for its part would support whatever made military sense and was generally politically acceptable; or indeed a straightforward equal ceiling covering the entire area, with no zones at all.

Option (d) would most probably satisfy the Turks. They would not be forced to accept a specific zonal arrangement; their procurement plans are only likely to affect NATO's negotiating position to any major extent later in the negotiation.

Option (d) would not, on past form, be very welcome to the French, with or without the gloss that we might seek to put on it. They might fear that it would be precursor to a proposal for bloc-to-bloc parity between the two military alliances in Europe, something to which they have hitherto been opposed. They have been brought to accept an outcome which results in parity; but hitherto at any rate, they have insisted that this must flow from specific regimes for limited geographical zones - hence the way in which under the current proposal the sum of the regimes in the sub-zones corresponds to the overall limits. Nonetheless, it may be possible to convince the French that in the circumstances something on these lines is the best solution.

British officials will explore these options with the key Allies, especially the Americans and Germans, at the HLTF meeting in Brussels this week and in bilateral contacts. In the light of them the Foreign Secretary will consider further how best to proceed. We shall let you know of any progress.

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I am copying this letter to Brian Hawtin (MOD) and Trevor Woolley (Cabinet Office).

Yours ever,

Richard Gozney

(R H T Gozney)
Private Secretary

C D Powell Esq
10 Downing Street

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So it is we who are being difficult. CDJ

HLTF MEETING: 23 FEBRUARY

1. WHEN BOYD SAW CHARLIE THOMAS DURING CALLS IN STATE DEPARTMENT ON 21 FEBRUARY IT WAS IMMEDIATELY AFTER AN IN-HOUSE STATE DEPARTMENT MEETING ON PREPARATIONS FOR THE VIENNA TALKS. THOMAS'S COMMENTS ON CFE/CSBM ISSUES ARE THEREFORE LIKELY TO BE INDICATIVE OF THE LINE TO BE TAKEN BY THE US TEAM AT THE MEETINGS IN BRUSSELS LATER THIS WEEK.

2. THOMAS MADE THE FOLLOWING POINTS:-

(A) SUB-ZONES. THOMAS SAID IT WAS CLEAR THAT THE TURKS WOULD NOT BACK DOWN IN THEIR OPPOSITION TO THE PRESENT PROPOSAL. TO THE EXTENT THAT THEIR PROBLEM WAS A MILITARY ONE, ALL NECESSARY ASSURANCES COULD BE GIVEN WITHOUT DISMANTLING THE ALLIANCE POSITION. BUT THE REAL CONCERNS WERE POLITICAL AND A PERCEPTION, HOWEVER MISPLACED, THAT ACCEPTANCE WOULD LEGITIMISE TURKISH EXCLUSION FROM EUROPEAN GROUPINGS. IT WAS CLEAR FROM BAKER'S VISIT THAT OZAL FACED A REAL DOMESTIC PROBLEM, ESPECIALLY AS THE MERSIN COMPROMISE ON AREA OF APPLICATION HAD NOT GONE DOWN WELL AND THERE WAS ALREADY PRESS CRITICISM. THOMAS SAID THAT THE US WOULD NOT PUT ANY MORE PRESSURE ON THE TURKS AND WOULD PROBABLY ACCEPT THAT THIS ASPECT WOULD HAVE TO BE LEFT OPEN FOR DISCUSSION DURING THE TALKS THEMSELVES, WITH HE DOUBTED WHETHER THIS WOULD BE UNDULY DAMAGING, ESPECIALLY AS THE FRENCH HAD ALREADY INTIMATED THAT THEY WOULD NOT OPPOSE THE OBVIOUS ALTERNATIVE SOLUTION - ONE SINGLE ATTU-WIDE ZONE - ONCE THE NEGOTIATION WAS IN PROGRESS,

(B) COMMON CEILINGS. THE US WOULD NOT BE RIGID ABOUT REFUSING TO ACCEPT ANY CEILINGS BELOW 95 PER CENT OF EXISTING NATO LEVELS (THEY HAD ALREADY CONCEDED THE PRINCIPAL OVER THE 40,000 TANK FIGURE). BUT THE KEY CRITERION SHOULD BE MILITARY VALIDITY AS OPPOSED TO WESTERN PERCEPTION OF NEGOTIABILITY AND IT WOULD BE NECESSARY TO SATISFY THE CONCERNS OF THE JCS WHOSE ORIGINAL CALCULATIONS WERE EFFECTIVELY

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BEING CHALLENGED. NEVERTHELESS THE IMPLICATION WAS THAT, IN THE LIGHT OF THE UK AND SHAPE'S STUDIES, THE US WOULD NOT BE COMPLETELY INFLEXIBLE.
(C) CSBMS. THE RESISTANCE TO INCLUSION OF LAND-BASED NAVAL AIR HAS YET TO BE OVER COME. THOMAS SAID THAT EVEN THE JCS THINKS THE NAVY ARE NUTS. BUT HE CONFIRMED (AS WE HAVE REPORTED PREVIOUSLY) THAT CINCLANT IN PARTICULAR REMAINED UNCONVINCED. (THIS CONFIRMS SEPARATE INDICATIONS WE HAVE RECEIVED FROM THE PENTAGON AND ACDA. DESPITE OUR FURTHER LOBBYING EFFORTS OVER THE PAST WEEK WITH NAVAL CONTACTS IT SEEMS UNLIKELY THAT THE US WILL MODIFY THIS POSITION IN TIME FOR THE MEETING ON 23 FEBRUARY.

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Telephone 01-218 2111/3

MO 14/25L

17 February 1989

Dear Richard,

CONVENTIONAL ARMS CONTROL: TURKEY

Thank you for your letter of 16th February recommending that my Secretary of State should send a message to Mr Vuralhan in an effort to allay Turkish concerns about the Alliance proposals for the negotiations on conventional forces in Europe (CFE). Since considering your letter we have received, this morning, Charles Powell's letter of 16th February reiterating the Prime Minister's concerns and asking for advice on what practical options there are for meeting Turkey's problems.

Mr Younger is seriously concerned at the prospect of the Alliance entering the negotiations on 6th March in disarray and is, of course, prepared to continue to play a full part, as appropriate, in ensuring that that does not happen and that Turkish concerns are allayed. He accepts that given the nature of those concerns, and the involvement of Mr Vuralhan, an approach on the defence net might offer the best prospect of success; in principle, he would be content to send a message if that is deemed appropriate and thought likely to prove helpful (a shorter draft is attached).

However, Mr Younger considers that we should think through the tactics of such a message very carefully. There is no doubt about the strength of Turkish concerns; underlying their military and political worries is resentment at being, as they see it, undervalued and not consulted fully by the major Alliance countries. (You will note that Charles Powell's letter also stresses the Prime Minister's concerns on that score). In addition, there is the problem that the Turks tend already to see the offending proposals as a British construction. They will obviously be hoping that, as a result of their recent demarches, the United Kingdom would find a way to help them; conversely a further message on the lines proposed, simply from the Defence Secretary, reiterating the reasons why Turkish objections are not well founded and inviting them to put broader Alliance interests above their perceived national interests (albeit for sound reasons) might well cause disappointment and prove to have little impact.

R Gozney Esq
Foreign and Commonwealth Office

SECRETARY OF STATE

There is, therefore, a risk that such a message might not succeed and that the UK would unjustly suffer a disproportionate amount of Turkish umbrage. (Your idea of an official UK team to Ankara also needs to be seen in that context; if it was deemed necessary to ensure a successful outcome all well and good but we should be certain that that was indeed the case). Mr Younger considers, therefore, that any message might better form part of a wider and concerted European approach in which the Italians, Germans and French could have a particular role to play (though for obvious reasons, any idea of co-ordination under WEU auspices needs to be handled very carefully). Mr Younger also wonders whether given the Foreign Secretary's lead responsibility for arms control matters, he would wish to consider sending any message in parallel to his Turkish counterpart (with similar action by other Foreign Ministers).

However, as I have discussed with you, and separately with Charles Powell, it is clear that any message should not be sent until the Prime Minister has received and considered the further advice requested. Indeed, it would seem sensible for that advice to cover also the idea of a message and how it might best be played (taking account of Mr Younger's concerns as outlined above). Your officials will no doubt be liaising closely with ours accordingly.

I am sending a copy of this letter with, as we agreed, a copy of your letter of 16th February, to Charles Powell (No 10) and to Trevor Woolley (Cabinet Office).

Yours sincerely,

Brian Hawtin

(B R HAWTIN)
Private Secretary

POSSIBLE MESSAGE TO MR VURALHAN

ALLIANCE PROPOSALS FOR NEGOTIATIONS ON CONVENTIONAL FORCES IN EUROPE

1. Following our very interesting discussions during your visit, I have considered carefully with my colleagues the worries which you outlined about the existing Alliance proposals for the negotiations on conventional forces in Europe (CFE). Since these proposals began to take shape in September; they have been, as you will know, substantially recast in October and November to ensure that they would not be misconstrued as throwing any doubt on the unity of the Alliance. All the Allies are determined to pursue the negotiations, through a coherent set of measures, applicable to the whole Atlantic to the Urals area, and respecting the security interests of all members of the Alliance.

2. The current proposals are now acceptable to 15 Allies, although for many, including the UK, they have been accepted only after a good deal of compromise. After reviewing the position, I and my colleagues in London have concluded that no other model seems likely to attract a similar degree of support, even if we had time to develop an alternative in the three weeks which remain before the opening of the negotiations.

However, we remain particularly sensitive to your concern that the proposals which the West puts forward at these talks should convey the right political and military message. The essential elements in our proposal - overall parity between the two Alliances in the categories of equipment on which we wish to concentrate; a limitation on the size of Soviet forces; and a "stationing rule" - are all, I believe, well geared to this purpose. Some form of geographical differentiation, within the overall Atlantic to Urals area, will be needed as well, in order to deal with the critical problem of the concentration of forces in the Central Region: hence the inclusion in the proposal of a "central zone". I can appreciate that you would have preferred any such zone to be delineated differently; but I would emphasise the following considerations:

a. The shape of the central zone does not carry any political overtone. The UK took a determined stand against basing any CFE zone on WEU membership, insisting that zonal arrangements should reflect military realities.

b. The zone is fully compatible with the present and future structure of the Alliance. We are satisfied that a CFE agreement negotiated on this basis would not require any structural change in NATO's military organisation;

c. The core elements of the proposal treat the Atlantic to Urals area as a single entity. The zonal arrangement is subsidiary, designed to focus attention on the central front,

where the equipment concerned (tanks, artillery and armoured troop carriers) is most relevant; and to prevent circumvention from the centre to the disadvantage of other areas.

d. The zonal element is a technical instrument, appropriate for these items of equipment. It carries no implication or precedent for the geographical arrangements which might be suitable if other equipment were to be covered. Nor does it in any way affect the role in the Southern Region of the forces (notably air and sea) belonging to central zone countries.

These arguments should in our view be drawn on as necessary by all of the Allies to support our overall message to public opinion: namely that we approach the negotiations with common political and military objectives, determined to seek a single outcome to the benefit of all of us. The benefits of an agreement based on the existing proposals would be great. Our studies indicate that the results would substantially enhance NATO's ability to resist a Warsaw Pact attack. If there are ways of further reinforcing the theme of Allied unity which you would wish to put forward, we would be very happy to take account of them.

You will know that the UK is already proposing that the sub-ceilings on artillery should be recast to take full account of the impact on Turkey. I suggest that it would also be worth adding that any measures should be implemented simultaneously in a single

process; and that all Allies should participate directly on an equal basis on all aspects of the negotiation.

My colleague, Geoffrey Howe, and I think it vital that when the new talks begin a Western proposal should be on the table from the outset - as a sign of our unity and a counter to the proposals we expect from the Soviet Union. The talks are a NATO proposal and NATO must take the initiative. We hope that on this basis your Government will feel able after all to support a proposal of the type which is now under discussion.

Foreign and Commonwealth Office

London SW1A 2AH

14/2

CONFIDENTIAL

16 February 1989

Dear Brian,

Conventional Arms Control: Turkey

You will be aware of the continuing difficulties we are having with the Turks over the zonal arrangements in the Alliance's conventional arms control proposal. Though isolated within the Alliance, they have given no indication of preparedness to modify their stance: indeed the Turkish representative at the last of the High Level Task Force meeting in Brussels on 10 February stressed that if Turkish concerns were not met, there could be no agreed proposal at the start of the talks on 6 March.

It is clear that no-one can force the Turks to subscribe to the Alliance proposal against their will, and experience suggests that they react badly to overt pressure from their Allies. On the other hand with three weeks to go before the start of the negotiations if we fail to table an Alliance proposal, we would leave the initiative wholly with the Soviet Union, show the Alliance in disarray and risk losing public support for our approach.

The Foreign Secretary believes that it would be worth making a last attempt at Ministerial level to help the Turks to join the consensus. It was Mr Younger's Turkish colleague, Vurulhan, who raised the matter with the Prime Minister on 25 January and it is the Turkish General Staff who hold the key to the question. He thinks therefore that a message from Mr Younger to Vurulhan would be the right approach .

/ A possible draft is enclosed. It expresses sympathy and understanding with Turkish concerns about being isolated (consistent with the line taken by the Prime Minister with Vurulhan last month); emphasises the need for Alliance unity; and argues that the proposal as drafted is compatible with the present and future structure of the Alliance. It also makes clear that the sub-zonal arrangements in the proposal are subordinate to the global focus of the proposal.

/Since

Since time is short the message should ideally issue before the end of this week. We hope other Allies, in particular the Germans and the Italians, might be persuaded to make similar representations. This has been agreed informally in the WEU Special Working Group. We hope you will also agree that once the Ambassador in Ankara, Timothy Daunt, has the first reaction of Turkish officials to the Ministerial message he should have discretion to offer a visit by two senior officials (one MOD, one FCO) if it seems to him that such an offer would make a difference.

If you agree that a message should issue, we would be happy to follow up with other Allies.

Yours ever,

Richard Gozney

(R H T Gozney)
Private Secretary

Brian Hawtin Esq
Ministry of Defence

DSR 11 (Revised Sept 85)

DRAFT: minute/letter/teleletter/despatch/note

TYPE: Draft/Final 1 +

FROM: Mr Younger

DEPARTMENT: TEL. NO:

BUILDING: ROOM NO:

Reference

POPAAE

Your Reference

SECURITY CLASSIFICATION

Top Secret
Secret
Confidential
Restricted
Unclassified

PRIVACY MARKING

..... In Confidence

CAVEAT .....

Enclosures flag(s) .....

TO:

Copies to:

Mr Vurulhan

Minister of Defence of Turkey

SUBJECT:

ALLIANCE PROPOSALS FOR NEGOTIATIONS ON CONVENTIONAL FORCES IN EUROPE

Following our very interesting discussions during your visit, I have considered carefully with my colleagues the worries which you outlined about the existing Alliance proposals for the negotiations on conventional forces in Europe (CFE). As an ally which prides itself on a long and close relationship with Turkey we have been very conscious of your concerns (and those of our Norwegian and Icelandic partners) since these proposals began to take shape in September. As you will know, they were substantially recast in October and November to ensure that they would not be misconstrued as throwing doubt on the unity of the Alliance. Hence the emphasis on the determination of all Allies to pursue the negotiations in a single framework, through a set of measures applicable to the whole Atlantic to the Urals

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area which would respect the security interests of all Allies.

In this form, the proposals are now acceptable to 15 Allies. For many, including the UK, they are not their first choice and have been accepted only after a good deal of compromise. I would be the last person therefore to argue that they are perfect. But I and my colleagues in London have concluded, after reviewing the position, that no other model seems likely to attract a similar degree of support, even if we had time to develop an alternative in the three weeks which remain before the opening of the negotiations.

We, however, remain particularly sensitive to your concern that the proposals which the West puts forward at these talks should send the right political and military message to our publics. We therefore hope very much that the Allies can show that they are all united behind a single set of proposals and that they are approaching the negotiations in a spirit of solidarity and confidence. The essential elements in our proposal - overall parity between the two Alliances in the categories of equipment on which we wish to concentrate; a limitation on the size of Soviet forces; and a "stationing rule" - are all, I believe, well geared to this purpose.

Nonetheless, some form of geographical differentiation, within the overall Atlantic to Urals area, will be needed as well, in order to deal with the

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critical problem of the concentration of forces in the Central Region: hence the inclusion in the proposal of a "central zone". I can appreciate that you would have preferred any such zone to be delineated differently. If we were asked to explain it we would emphasise the following considerations:-

i) the shape of the central zone does not carry any political overtone, ~~and~~. The UK took a determined stand against basing any CFE zone on WEU membership, insisting that zonal arrangements should reflect military rather than political realities. For this reason we argued from the outset that Denmark should be included in the central zone and eventually persuaded other Allies to concede this point: (our condition that military, rather than political, considerations should apply to zonal arrangements was also of course the reason why we were able to support your position on the extent of Turkish territory which should be included in the Atlantic to Urals area);

ii) the zone is fully compatible with the present and future structure of the Alliance. We are satisfied that a CFE agreement negotiated on this basis would not require any structural change in NATO's military organisation;

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iii) the core elements of the proposal treat the Atlantic to Urals area as a single entity. The zonal arrangement is subsidiary, designed to focus attention on the central front, where the equipment concerned (tanks, artillery and armoured troop carriers) is most relevant; and to prevent circumvention from the centre to the disadvantage of other areas.

iv) the zonal element is a technical instrument, appropriate for these items of equipment. It carries no implication or precedent for the geographical arrangements which might be suitable if other equipment were to be covered. Nor does it in any way affect the role in the Southern Region of the forces (notably air and sea) belonging to central zone countries.

These arguments should in our view be drawn on as necessary by all of the Allies to support our overall message to public opinion: namely that we approach the negotiations with common political and military objectives, determined to seek a single coherent outcome to the benefit of all of us. The benefits of an agreement based on the existing proposals would be great. On our own computer modelling, the results would substantially enhance our ability to resist a Warsaw Pact attack as well as improve transparency and warning time. If there are ways of further reinforcing the theme of Allied unity, we would be happy to take account of them. For example, I suggest that it would be worth adding

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that any measures should be implemented simultaneously in a single process; and that all Allies should participate directly on an equal basis in all aspects of the negotiation.

My colleague, Geoffrey Howe, and I hope that on this basis your government will feel able after all to support a proposal of the type which is now under discussion. We think it vital that when the new talks begin a Western proposal should be on the table from the outset - as a sign of our unity and a counter to the proposals we expect from the Soviet Union. The talks are a NATO proposal and NATO must take the initiative.


17. 11.

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KAYAOX

cdc

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

16 February 1989

CONVENTIONAL ARMS CONTROL: TURKEY

Thank you for your letter of 14 February about Turkish difficulties with the zonal arrangements proposed for NATO's conventional arms control negotiating position.

The Prime Minister is not reassured by it. The report from Ankara about Secretary Baker's discussions and a possible hardening of the Turkish position reinforces her doubts. She thinks it unwise for the rest of NATO to appear simply to ride rough-shod over Turkey's objections. I think that the Prime Minister would like to see spelled out what practical options there are in the present situation to meet Turkey's problem (even if we do not particularly favour them).

I am copying this letter to Brian Hawtin (Ministry of Defence) and Trevor Woolley (Cabinet Office).

(C. D. POWELL)

J. S. Wall, Esq.,
Foreign and Commonwealth Office.

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TELNO 0061
OF 151520Z FEBRUARY 89
INFO PRIORITY WASHINGTON
INF ROUTINE OTHER NATO POSTS
INFO SAVING MOSCOW

VISIT BY US SECRETARY OF STATE TO ANKARA:

ARMS CONTROL/SNF MODERNISATION

SUMMARY
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1. BAKER SYMPATHISES WITH TURKISH POSITION ON CFE NEGOTATIONS. TURKS REITERATE UNACCEPTABILITY OF PRESENT PROPOSAL, AND HEDGE ON SNF MODERNISATION.

DETAIL
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2. ARMS CONTROL QUESTIONS DOMINATED BAKER'S THREE HOUR VISIT TO ANKARA ON 14 FEBRUARY, WHEN HE SAW BOTH THE PRIME MINISTER AND THE FOREIGN MINISTER. THE TURKISH PRESS REPORTS BAKER AS SAYING THAT, ON CFE, THE US SYMPATHISED WITH THE TURKISH POSITION AND WOULD NOT ACCEPT OR SUPPORT APPROACHES WHICH WOULD DISTURB EQUALITY WITHIN THE ALLIANCE. AFTER THE TALKS, THE TURKISH MFA ISSUED A STATEMENT TO THE EFFECT THAT A NEGOTIATING POSITION BASED ON THE EXTENDED CENTRAL ZONE AS CURRENTLY DEFINED WAS NOT ACCEPTABLE.

3. ON SNF MODERNISATION, THE PRESS REPORTS YILMAZ AS TELLING BAKER THAT TURKEY WOULD NOT OPPOSE THE PRINCIPLE OF NUCLEAR MODERNISATION, BUT THIS DID NOT MEAN THAT SHE WOULD ACCEPT NEW SYSTEMS OR INCREASED RESPONSIBILITIES.

4. THE US EMBASSY TELL US THAT, ON BOTH ISSUES, THE PRESS DISTORTED THE FACTS. ON CFE, BAKER DID INDEED SPEAK AS REPORTED, BUT ALSO STRESSED THAT IT WAS ESSENTIAL FOR THE ALLIANCE TO HAVE AN AGREED NEGOTIATING PROPOSAL BY 6 MARCH.

OUR CONTACTS MAINTAIN, CONTRARY TO THE IMPRESSION GAINED BY SOME OF OUR TURKISH CONTACTS, THAT BAKER SAID NOTHING ABOUT SCOPE FOR FURTHER AMENDMENT TO THE 'BRITISH' PROPOSAL: THE US POSITION REMAINED AS SET OUT IN THOMAS' LETTER TO GOULDEN: ANXIOUS THAT THERE SHOULD BE AN AGREED PROPOSAL, AND READY TO FALL IN WITH WHATEVER THE EUROPEANS CAN SELL TO TURKEY.

5. ON SNF MODERNISATION, THE TURKISH POSITION WAS LESS EQUIVOCAL THAN REPORTED IN THE PRESS: YILMAZ TOLD BAKER THAT TURKEY WOULD SUPPORT THE PRINCIPLE OF MODERNISATION BUT WOULD NOT ACCEPT 'NEW ROLES OR MISSIONS: THERE WAS NO DISCUSSION OF 'NEW SYSTEMS', AS THE PRESS SUGGESTS.

6. IN PRIVATE CONTACTS IN THE MARGINS OF THE BAKER VISIT, US OFFICIALS FORMED THE IMPRESSION THAT THE TURKISH LINE ON CFE WAS, IF ANYTING, HARDENING. IT HAD BEEN CLEAR AT THE HLTF MEETING ON 10 FEBRUARY, OF WHICH WE SO FAR HAVE NO/NO REPORT, THAT THE TURKS WERE HAVING SECOND THOUGHTS ABOUT THE WHOLE CONCEPT OF CONVENTIONAL FORCE REDUCTIONS. IN ADDITION, THEY WERE NOW CLAIMING THAT A NEW SACEUR STUDY PROVED CONCLUSIVELY THAT THE TURKISH CFE PROPOSAL WAS MORE MILITARILY COHERENT THAN THE BRITISH COMPROMISE. THE TURKISH GENERAL STAFF HAD SEIZED ON THIS POINT, AND WERE FIRMLY OPPOSED TO TURKEY GIVING WAY. MFA OFFICIALS WERE NOW ARGUING THAT, IF FORCED TO CHOOSE BETWEEN NON-PARTICIPATION AND PARTICIPATION ON THE BASIS OF THE BRITISH PAPER, THE TURKISH GNOVERNMENT WOULD ABSENT ITSELF. IN THE US VIEW, THE TURKS WILL ONLY NOW BACK DOWN IF OZAL IS PREPARED TO OVERRULE THE GENERAL STAFF WHEN THE NATIONAL SECURITY COUNCIL CONSIDERS THE ISSUE (AS NOW SEEMS INEVITABLE) - OR IF THE EUROPEAN ALLIES COME UP WITH AN IMPROVED COMPROMISE PROPOSAL.

7 . OTHER ISSUES RAISED DURING THE VISIT WILL BE REPORTED SEPARATELY.

DAUNT

FCO PLASE PASS SAVING TO MOSCOW

YYYY

This reads as if we have deliberately let the Turks down – a most unwise thing to do and from which we shall suffer. MT

CCPC (2)

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Foreign and Commonwealth Office

London SW1A 2AH

14 February 1989

Prime Minister

Not satisfactory: the fact is that we bullied the Turks rather than putting pressure on the Spaniards, Portuguese and Italians, which was not a wise decision in military terms.

CDP 14/2

Dear Charles,

Conventional Arms Control: Turkey

In your letter of 25 January to Brian Hawtin in the MOD you reported that the Turkish Defence Minister had raised with the Prime Minister Turkish difficulties with the zonal arrangements proposed for the conventional arms control negotiating position currently being finalised by the Alliance.

The debate in the Alliance about zonal arrangements within Europe raged for over 15 months in 1987-88 as the French, American, Germans and others defended entrenched positions. Most allies want to subdivide the area to be covered by the negotiations (Atlantic to the Urals): partly to focus on the central front (where tanks etc are most relevant) and partly to counter the undesirable zonal proposals we expect from the Soviet Union. A small zone in central Europe, in some ways the best way of limiting Warsaw Pact forces along the Central Front, created problems for the Germans, Spaniards, Portuguese and Italians. A large central zone led to fears of isolation among the Norwegians, Turks, Icelanders and Greeks (fears which were subsequently assuaged for all but the Turks). It fell to the UK, as the one major ally with no theological hang-ups about zones, to sort out these conflicting views.

The proposal which has emerged gives priority to the Atlantic to the Urals area as a whole, but also includes a larger central sub-zone (from which Turkey, Greece, Norway and Iceland would be excluded on the NATO side). This is accepted by fifteen allies, including the Greeks, Norwegians and Icelanders. The Turks have suggested an alternative zonal arrangement but this has found no favour with other members of the Alliance.

We have had close contacts with the Turks to try to identify and allay their concerns. Their worries seem to be both political and military. Politically, they argue that the extended central zone looks too much like an exclusive inner club of Western European countries, from which they feel isolated. This view is not shared by the Greeks, Norwegians and Icelanders. Militarily, the Turks claim to believe that the existing proposals would undermine the military structure of NATO. (We have explained that this fear is groundless: it is not shared by the NATO military authorities or by any other Ally.)

Of course not – they are NOT in Turkey's position MT

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As the Prime Minister told Mr Vurulhan on 25 September, we share Turkey's wish not to be isolated or detached from the main body of the Alliance. For example, we are trying to adjust the artillery ceilings in the NATO proposal to make them more favourable to Turkey. We have also hinted at an Intra-Alliance understanding to affirm the strategic integrity of the Alliance. It is difficult to see how else to satisfy the Turkish political concerns without creating further difficulties for other allies and leaving the Alliance even further from a consensus by the opening the CFE negotiations in early March. The Allies now consider that it is too late, with the conventional talks beginning on 6 March, to re-open the whole question of zonal arrangements. Mr Baker has confirmed that the Americans are set firmly against reopening the wounds. The wounds are still open.

In the light of the above the Foreign Secretary's approach is:-

- that we should be careful not to take the lead in putting pressure on the Turks to accept the present proposal;

- that we should nonetheless try to avoid re-opening the zonal question;

- that we should continue to show ourselves willing to try to take account of Turkish concerns, as we did successfully, and in similarly difficult circumstances, in the mandate discussions leading to the conclusion of the CSCE negotiations.

If the Turks remain unmoved the Alliance may have to consider other alternatives. But they would probably have the effect of weakening the Western proposal, which we want to present with maximum impact in Vienna. The best outcome for the West, therefore, would be to find a way of bringing the Turks to join their 15 allies on the basis of the existing proposals. In seeking this we can continue to demonstrate the sympathy which the Prime Minister showed to Mr Vurulhan. We are considering with the Ministry of Defence how best to do this, possibly through a ministerial message to Ankara.

I am copying this letter to Brian Hawtin in the Ministry of Defence and John Weston, Cabinet Office.

Yours,
Stephen Wall

(J S Wall)
Private Secretary

C D Powell Esq
PS/No 10 Downing Street

CONFIDENTIAL

TURKEY: Relations Pt. 2

FILE

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SIR PERCY CRADOCK

CONVENTIONAL STABILITY TALKS

The Prime Minister has read your minute of 13 February about NATO's opening position for the Conventional Stability Talks. I think there are several points in her mind:

- she feels that she ought to have been consulted at a much earlier stage and in detail about NATO's negotiating position;

- she also feels that the psychology of the NATO offer is not right, in the sense that it could be used against Gorbachev by his own military; and, per contra, by Gorbachev against NATO governments with their own public opinion, to argue that unreasonable demands are being made on him;

- she is especially concerned about the Turkish problem and the risk that one result of the whole exercise may be to loosen Turkey from NATO, just when she is likely to receive a rebuff from the EC;

- her main objective is to avoid the Alliance getting drawn into negotiations on further reductions in SNF, at least until a balance of conventional forces has been established and chemical weapons eliminated.

I do not think that the Prime Minister intends in practice to re-open the issues now. But she will be watching progress much more closely.

C. D. POWELL
14 February 1989

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(2)

Prime Minister

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B.039

MR POWELL

Not yet completed

Conventional Forces in Europe

When I briefed the Prime Minister on 8 February she asked for a copy of my notes. These are attached herewith, together with a copy of the map of the Atlantic to Urals region, the detailed numerical exposition of the NATO proposal and the agreed negotiating mandate.

P J Weston

13 February 1989

Notes for Prime Minister: Negotiations on Conventional Armed Forces in Europe (CFE)

1. Start on 6 March in Vienna. Participants: 16 members of NATO and 7 members of Warsaw Pact. (Simultaneously, further round of talks on confidence building measures will open there among 35 CSCE participants). MBFR wound up.

2. Negotiating Mandate. Differs from MBFR -

a. Atlantic to Urals not just central region;

b. all NATO and Warsaw Pact to take part;

c. aims not at "mutual and balanced" reductions, but at whatever is needed to establish stability at lower levels;

d. negotiating currency is major weapons categories, not manpower.

Thus deals with real military problems more comprehensively.

3. Objectives are -

i. secure balance at lower levels;

ii. elimination of disparities;

iii. eliminate capacity for launching surprise attack or large scale offensive action.

Will deal with "conventional armed forces including arms and equipment of participants based on land within the territory of participants in Europe". Nuclear and chemical weapons and naval forces excluded. Armaments which have "other capabilities" (coded language for dual capable systems) not excluded per se but will not be singled out. Mandate provides for on-site inspections as a matter of right and information exchanges in sufficient detail to permit meaningful comparison of forces involved.

[4. Within the Alliance there is private understanding on dual capable systems: (a) artillery can be in the negotiations, because we need reductions in Soviet holdings, (b) no Western proposal on aircraft during initial stage of negotiations, but might agree to include them at a later stage, (c) on ground based missiles Allies will not present or accept proposals which could bite on holdings of nuclear capable missiles (but without prejudice to result of comprehensive concept exercise).]

5. Data. NATO data published before Christmas 1988 on conventional forces in Europe demonstrates continuing Soviet preponderance: more tanks and artillery than rest of Warsaw Pact and NATO put together, 50 per cent of all active divisions in Atlantic to Urals area. Recent reductions offered by Gorbachev and other East Europeans, even if genuinely implemented, do not greatly alter overall force ratios.

6. Warsaw Pact figures published on 30 January: a detailed and in some ways impressive piece of work, unthinkable five years ago. Some of their figures wrong,

others rest on tendentious definitions but some calculations valid on their own terms. Warsaw Pact admits publicly and on quantified basis their superiority in tanks, tactical missile launchers, air defence interceptor aircraft, infantry combat vehicles, armoured personnel carriers and artillery. Where Warsaw Pact claims an advantage over NATO not indicated by our own data, this can usually be explained in terms of inclusion of naval forces (relevant especially to combat aircraft), different definitions, e.g. gun calibres or other presentational techniques. But broadly speaking data argument is now about definitional parameters and figures bearing some relation to the real world. This is a considerable victory for glasnost by comparison with old MBFR style arguments (but it highlights their so far wholly unsatisfactory data about chemical weapons).

7. Western negotiating proposal. Based on considerable British input as honest broker among many conflicting Alliance positions. Focusses on weapon systems particularly relevant for seizing and holding territory, i.e. main battle tanks, artillery and armoured troop carriers (ATCs). Aims at equality between Warsaw Pact and NATO at levels requiring small reductions in Western tanks and artillery and puts spotlight sharply on Russian stationed forces in Eastern Europe. System of interlocking rules would have effect of squeezing out from central Europe present Soviet preponderance in these weapons and putting strict ceiling on levels of stationed forces in active units.

8. Rule 1 provides an overall limit on main battle tanks, artillery pieces and ATCs throughout the area. Taken in conjunction with Rules 4 and 5 it would establish equal

ceilings for NATO and the Warsaw Pact at 20K, 15K and 27.5K respectively for each side (i.e. the overall limit is 40K, 30K and 55K). This in turn would require Warsaw Pact reductions in those categories of 60%, 65% and nearly 50% respectively; and for NATO reductions of 10%, 14% and 4% respectively.

9. Rule 2 stipulates that no one country may retain more than 30% of the overall holdings permitted in the area: i.e. 12K MBTs, 9K artillery, 16.5K ATCs. It only affects the Soviet Union who will have to reduce by 25K, 24K and 22K respectively.

10. Rule 3 provides that neither side taken as a whole will have stationed forces outside its own national territory in active units exceeding 10% of the overall limits under Rule 1. This will require the Soviet Union to remove 6.7K tanks, 3.6K artillery and 5.3K ATCs from Eastern Europe; and NATO to remove some 800 ATCs.

11. Rule 4 provides that there should be equal limits for each Alliance on the main categories permitted in the central front and associated rear areas (see map) of 16K, 12K and 24K (of which no more than 12K, 9K and 18K should be in active units) for tanks, artillery and ATCs. This will involve reductions of 60%, 60% and 40% respectively for the Warsaw Pact; and for NATO reductions of 10%, 2.5% and 4.3% respectively.

12. Rule 5 states equal limits for either side for permitted deployments outside the area referred to in Rule 4, i.e. flanks. These limits, taken with the limits in

Rule 4, equate to the overall ceilings under Rule 1. They require reductions on current deployments for the Warsaw Pact of 60%, 76% and 75% respectively: and for NATO (Norway, Greece and Turkey) of 12% and 41%, but the overall numbers are small.

13. Throughout this Western proposal, ratio of reductions required of Warsaw Pact by comparison with those required of NATO is never less than 5 to 1 in absolute terms (the rule of thumb ratio for reductions which do not adversely affect Western security), and are usually in the region of at least 10 to 1. The reductions listed under Rules 2 to 5 above are of course more precise ways of describing how the overall reductions required by Rule 1 shall be made; and are not "additional" to them.

14. Important to get formed Western proposal on the table quickly when negotiations open. Only possible hiccup is Turkey's problem over zoning arrangements which underpin Rules 4 and 5. Turks see existing definition of central front as reinforcing politically the WEU club from which they are excluded; and have argued for different carve-up between central front and southern flank to offset this. British view is that no one version of sub-zones has monopoly of virtue, and most alternatives could be made to yield acceptable outcome in security terms. But now is very late in the day to reopen this Pandora's box.

15. Prospects. Difficult to predict whether these negotiations will settle down for long slow haul, or rapidly become more dramatic focus of attention. In favour of the former, Gorbachev may prefer to proceed by a series of unilateral acts, giving him more flexibility to circumvent bureaucratic or military obstacles on his own side to achieve outcomes compatible with his economic reform programme. The formal negotiations would require him to make very big concessions to meet our proposal: what could he expect in return (see below)? He may calculate that political, economic and demographic trends work in his favour anyway. For example, the under-15 year age group in FRG fell from 1970 to 1987 by 38 per cent (from 14 to 8.7 million) and experts predict Bundeswehr reductions over next few years of between 50 to 80,000 will be hard to avoid. In United States Scowcroft has predicted major restructuring of US defence budget, with cuts of the order of $300 bn. from existing defence plans during the period 1990-94. Since then President Bush has been reported as wishing to cut Reagan's draft defence budget for FY 90 by $6.4 bn. spending authority, freezing military spending in real terms. Russians may draw comfort from all this, and may even take view that too strong an emphasis on formal negotiations might be counter-productive, giving NATO excuse to reverse trends toward defence cuts to avoid losing negotiating capital (cf. MBFR as countervailing ploy to Mansfieldism in 70s).

16. As against that Gorbachev may be tempted to engage the new negotiations in a high profile way. This would suggest a rapid Soviet counter-offer linking preparedness to talk on NATO terms with a quid pro quo of their own choosing. For

example, they may argue for early inclusion of combat aircraft, as well as helicopters and perhaps even ground-to-ground missiles. And while accepting that naval forces are ruled out by the mandate, they may argue that there must be some recognition that United States carrier borne aircraft from the nine carrier battle groups assigned to the Atlantic and the Mediterranean do have obvious military impact on the European balance; and that, even if excluded, the Warsaw Pact deserves some compensation for them, e.g. exclusion of Warsaw Pact air defence fighter aircraft from the equation. Or again they might suggest, even if NATO's Lance missiles are left outside the negotiations, a possible trade-off between some Warsaw Pact missiles and NATO aircraft, i.e. withdrawal of a Scud brigade in return for withdrawal of a Tornado squadron. Counter offers of this kind at the negotiating table would require deft tactical handling by the Alliance and would quickly move the negotiating process into rather deeper water than the simple proposals of NATO's opening bid.

17. In public the West would probably do best not to over-emphasise at the outset the innate complexity of the negotiations; but rather to insist that only at the negotiating table shall we see the real test of how far Gorbachev's newly proclaimed defensive posture and "reasonable sufficiency" convert into deeds. We must do this without giving the impression that the priority on conventional force reductions in the Reykjavik communique means that, if balance were to be significantly redressed, NATO would then consider more radical revision of present attitude to nuclear deterrence especially nuclear weapons in Europe.

18. The Force Balance. The static accountancy methods of arms control, however justified or required in their own terms, are not the basis for assessing the force balance in defence policy terms. NATO military staffs have never sought to mirror-image the Warsaw Pact or to match gun for gun or tank for tank, but to find the right mix of forces to implement NATO's strategy and defend the Alliance adequately against attack.

19. Calculating a more realistic force balance by means inter alia of enhanced static comparisons and dynamic modelling is called "net assessment". Much interesting work in this field is being done by SHAPE, by the MoD Defence Operations Analysis Establishment and their newly formed Net Assessments Unit, by comparable Pentagon bodies and by American think-tanks such as Rand. Such work, although it is highly scenario- and assumption-dependent and cannot pretend to be a precise science, does tend to point toward interesting conclusions. It suggests: that the overall "correlation" of conventional ground and air forces in Europe, while still favouring the Warsaw Pact, is not nearly so much to Western disadvantage as some of the crude numerical indicators might seem to imply; that it would be difficult for the Soviet Union to embark on hostilities in central Europe with any absolute assurance of achieving rapid or easy breakthrough; that the key factors for NATO in preventing this are prompt reaction to warning signals and the timely availability of operational reserves; and (in the case of one Rand study) that for NATO to be sure of holding a steadfast defence well forward on the central front for up to 30 days might not require drastic remedial measures. (The effect in security terms of the arms control

proposal outlined at paragraphs 7-12 above would, incidentally, be to delay significantly the theoretical point of breakthrough in war by Warsaw Pact forces.)

20. Confidence building measures. Concurrently with the conventional force negotiations in Vienna a further round of talks among the 35 CSCE participants will open on confidence building measures. These may be defined as - "Concrete non-reduction measures which set rules for military behaviour and interchange". Aim is:

a. to reduce secrecy
b. to establish threshold for certain types of military activity
c. to impede attack options
d. to improve warning time.

21. The 1986 Stockholm CDE Conference culminated in a set of measures providing for the prior notification of certain military activities, the observation on request of most such activities, the exchange of annual calendars in advance listing notifiable activities and precluding certain activities above a certain threshold if not so notified, as well as measures to secure compliance and verification including on site inspection on request. This system has worked broadly satisfactorily over the last two years.

22. The Alliance now has a further series of measures up its sleeve designed to build on and expand the earlier CBMs' regime. These include -

(i) Exchange of military information covering each side's military organisation, manpower and equipment, the designation of major ground force units down to and below divisional level and their normal peacetime locations, as well as information on land based air units, relocation of ground based units, and call up of reservists.

(ii) Information exchange on major conventional weapon deployment programmes, as new weapon systems are brought into service.

(iii) Establishment of a random evaluation system giving states the right to conduct a number of pre-announced visits to confirm the information given under measures (i) and (ii).

(iv) Enhanced information in the annual calendar including the designation and peacetime head-quarters of major ground units scheduled to participate in notifiable military activities.

(v) An improvement in the system of actual notification of military activities, the weapon systems and equipment involved in them.

(vi) An improvement in the observation modalities available to authorised observers.

(vii) A lowering of the numerical threshold for which observation is provided.

(viii) An improvement to inspection procedures including a larger annual quota, aerial survey before inspection and shorter notice between request and access.

(ix) Lowering the threshold of the larger scale military activities for which long notice is a prerequisite.

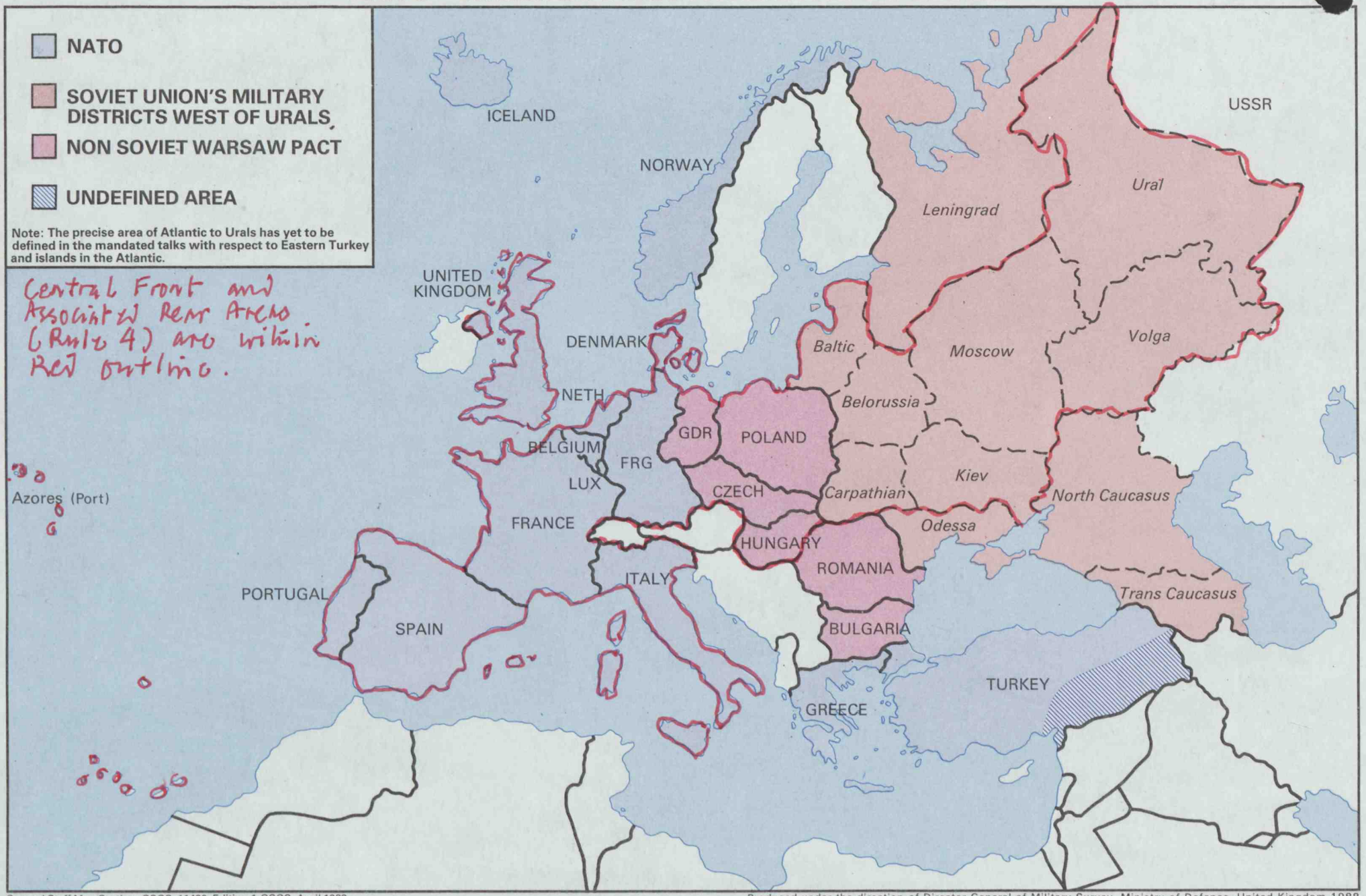
(x) Improved access for accredited military personnel. And some supplementary measures on speeding up relevant communications and providing better treatment for media representatives.

In addition the talks may provide a kind of standing seminar at which military doctrine, defence budgets, training manuals and sudden changes in the number or pattern of notifiable military activities can be under discussion on a more or less permanent basis.

23. All this is a necessary adjunct to the force reduction talks, but we wish the main emphasis to remain on the latter.

John Weston
Cabinet Office
13 February 1989

NATO - WARSAW PACT : ATLANTIC TO URALS



General Staff Map Section, GSGS 11430, Edition 1-GSGS, April 1988.

Produced under the direction of Director General of Military Survey, Ministry of Defence, United Kingdom 1988

SECRET

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PRIME MINISTER 13 February 1989

CONVENTIONAL STABILITY TALKS

I am rather worried by your comment during your discussion with Secretary Baker on Sunday that you were not happy with NATO's opening position for the CST and that you did not think the psychology of demanding very substantial initial reductions from the Soviet Union was necessarily right.

We are committed from the NATO Heads of Government meeting last March to eliminating the present conventional imbalance and in particular to seeking parity in such fields as tanks, artillery and armoured fighting vehicles. Given the massive Soviet preponderance, this can only be done by swingeing cuts on their side, as against small cuts on ours. Anything less as an objective would be militarily indefensible and politically unnegotiable within the Alliance.

In terms of presentation, it also seems to me crucial that at the opening of the talks - only 3 weeks away - the West should put forward a clear proposal, which will bring out the fact that, despite incessant Soviet propaganda there remains an enormous conventional imbalance which would have to be removed before there was anything like parity or stability. This is necessary if we are to seize the initiative in the talks, also if we are to begin re-educating the Western public in the realities of the East-West situation. Gorbachev has said let us remove asymmetries; let us take him at his word. The UK is the first NATO speaker at the talks.

After great travail we have such an agreed Western position, with only the Turks dissenting. (There were some American niggles about the precise level of Alliance ceilings - they wanted smaller

b

NATO cuts - but Baker readily agreed to reconsider these). To re-open the issue now would leave the Alliance in disarray and miss a major opportunity.

There remains the Turkish problem and I in a way underestimate their strategic importance. But the right course, as I see it, is to use the remaining time to continue our efforts to bring the Turks round or mask the outstanding differences with them rather than going back to square one. It is too late to change the basic proposal and we would in any case resurrect familiar political difficulties for Germans and French. We might consider a message from George Younger to his Turkish opposite number. The source of Turkish anxieties is probably their military; and a military assurance that the proposal does not go against the NATO military structure structure might do the trick. A German message to the Turks might also help.

None of this is to argue for an unsubtle, unimaginative approach during the negotiations. Our present approach is not based simply on parity but also on stability: it focuses on nationality, location and state of readiness with an eye particularly to Soviet stationed forces. There will also be ample opportunity for tactical moves on detailed aspects once the talks begin. We may rely on Gorbachev to come back with counter proposals involving NATO aircraft, including carrier aircraft. But we have to state a clear overall objective. This will merely be the first shot. But let us, for once, get it in.

— But be careful how you say it. The objective is not in doubt - no further talks on nuclear (after -50% strategic) until conventional symmetry and no chemical weapons. But I cannot see that state being reached quickly because of the massive destruction of weapons it would entail no

K.

PERCY CRADOCK

5(a)

Prime Minister

You may like to see this on a strictly personal basis (I am not supposed to have it). It is a good message. CDP 27/1.

SECRET

Dear Helmut,

I enjoyed talking with you on Monday. I am writing you now because I understand there will be an important meeting in Bonn January 26 where you will continue to discuss the "comprehensive concept" of security and arms control under consideration in NATO. This is an important issue and I want to work with you on it.

I know that you and I agree that we must modernize NATO's nuclear forces. These forces must be effective to maintain deterrence and flexible response. As we have also agreed, NATO decisions will have to be taken in the framework of a comprehensive concept which will include both security and arms control components.

I believe, however, that negotiations on short-range nuclear forces would be a grave mistake in current circumstances.

We know how Gorbachev works. He could quickly offer a "third zero" which publics would find attractive, building irresistible pressure for a denuclearized Europe. There is, however, a good chance for substantial cuts in the number of our nuclear weapons in Europe in the context of keeping NATO's weapons up to date and moving to an emphasis on weapons of greater range.

We understand the inherent linkage betweeen needed modernization decisions and NATO's comprehensive concept exercise, but we believe we should not undertake a new "dual track" decision like that of INF.

I hope you will not close any doors at your January 26 meeting. Your useful suggestion that a small group of senior officials meet to work this issue together is timely. My people will be in touch with Horst Teltschik.

Sincerely,

/S/

George Bush

SECRET


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FCO TELNO 9 TO EAST BERLIN: WARSAW PACT FORCE REDUCTIONS:
US REACTIONS

1. ON 24 JANUARY, THE STATE DEPARTMENT SPOKESMAN MADE THE FOLLOWING ON THE RECORD STATEMENT:
QUOTE WE WELCOME THE ANNOUNCEMENT OF PROPOSED CUTS MADE BY THE GERMAN DEMOCRATIC REPUBLIC STATE COUNCILMAN ERICH HONECKER, ESPECIALLY IF THEY ARE IMPLEMENTED IN SUCH A WAY THAT BOTH GDR AND WARSAW PACT FORCES BEGIN TO BECOME DEFENSIVE IN THEIR STRUCTURE AND DOCTRINE. IMPLICIT IN SUCH A UNILATERAL MOVE IS, OF COURSE, THE ACKNOWLEDGEMENT OF THE EXISTENCE OF WARSAW PACT CONVENTIONAL SUPERIORITY IN EUROPE. WE HAVE OFTEN HIGHLIGHTED THE NEED FOR ASYMMETRICAL REDUCTIONS TO ELIMINATE THIS EASTERN SUPERIORITY. WE THUS DOUBLY WELCOME THE GDR'S ANNOUNCEMENT AS CONFIRMATION THAT OUR APPROACH TO CONVENTIONAL ARMS CONTROL IN EUROPE IS THE PROPER ONE. WE LOOK FORWARD TO BEGINNING THE NEW CONVENTIONAL ARMS TALKS. WE ALSO SHARE THE SENTIMENTS EXPRESSED BY DEPUTY FOREIGN MINISTER KARPOV IN AN EDITORIAL I SAW TODAY, WHICH ECHO THE STATED NATO GOAL OF ESTABLISHING SECURITY AND STABILITY AT A LOWER LEVEL OF FORCES IN EUROPE.
THE SOVIET AND EAST GERMAN UNILATERAL REDUCTIONS, IF IMPLEMENTED COULD GIVE GOOD MOMENTUM TO THE NEW CONVENTIONAL TALKS. IN ANY EVENT, THEY WOULD CERTAINLY START THE WARSAW PACT MOVING IN THE DIRECTION OF NATO'S GOALS.
I THINK THAT WE ALL NEED TO KEEP IN MIND, AND I THINK WHICH IS VERY EVIDENT TO THE MEMBERS OF NATO IS THAT THE WARSAW PACT HAS, IN FACT, MUCH SUPERIOR LEVELS AT ALMOST ANY LEVEL - IN ALMOST ANY KIND OR CATEGORY OF ARMAMENTS THAT YOU CARE TO LOOK AT.
ON THE CONVENTIONAL SIDE, FOR EXAMPLE, WE HAVE RECENTLY PUT OUT IN NOVEMBER ALL OF THE FACTS AND FIGURES ON THAT PARTICULAR SCORE. SOME OF THE THINGS THAT HAVE BEEN TALKED @BOUT RECENTLY, FOR EXAMPLE, I NOTICED THAT MR KARPOV ALSO SAID THAT THE TOTAL NUMBER OF SHORT-RANGE NUCLEAR MISSILES TO BE WITHDRAWN WOULD

NB 1

BE OF IN THE ORDER OF 24. THAT'S ONLY A VERY SMALL REDUCTION IN THE SIZE OF THE TOTAL SOVIET SHORT-RANGE NUCLEAR MISSILE FORCE. THE SOVIET UNION WOULD STILL DEPLOY A VERY LARGE AND MODERATE INVENTORY OF THESE SYSTEMS IN EUROPE. AND THERE, I THINK, THE ORDER OF MAGNITUDE WOULD BE, IN TERMS OF SHORT-RANGE MISSILE SYSTEMS, OF THE ORDER OF ABOUT 90 ON THE NATO SIDE, AS OPPOSED TO 1,400 ON THE WARSAW PACT SIDE.
SO THAT GIVES YOU AN IDEA OF THE KIND OF DISCREPANCIES WE'RE LOOKING AT. AND SECONDLY, THOSE 1,400 INCLUDE SYSTEMS WHICH DATE FROM THE 1980S - THE SS-21S, FOR EXAMPLE. SO THERE IS A MODERNIZATION PROGRAM THAT HAS BEEN EN TRAIN DURING THIS DECADE ON THE PART OF THE WARSAW PACT WHICH HAS NOT EXISTED ON THE US-NATO SIDE. UNQUOTE

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PERSONAL FOR AMBASSADORS

YOUR TELNO 127: MODERNISATION OF NATO'S SNF

SUMMARY

1. ACTION TAKEN WITH RIDGWAY (STATE) AND SEPARATELY WITH BLACKWILL (NSC). BOTH SUBMITTING HELPFULLY BUT NO GUARANTEE THAT ACTION WILL BE TAKEN IN TIME FOR KOHL'S MEETING ON 26 JANUARY.

DETAIL

2. WE WERE ADVISED THAT RIDGWAY WAS THE SENIOR FIGURE IN STATE ABLE TO ACT IN THIS AREA AND MINISTER SPOKE TO HER ACCORDINGLY. HER FIRST REACTION WAS TO EMPHASISE THE PROCEDURAL DIFFICULTIES OF TAKING ACTION BEFORE BAKER WAS CONFIRMED (A PROBLEM REINFORCED BY HER UNWILLINGNESS TO SEE SCOWCROFT TAKE THE LEAD WHILE STATE'S NEW TEAM GET ESTABLISHED). SHE ALSO ARGUED AGAINST PRESSING KOHL FOR TOO MUCH ON MODERNISATION AT A DIFFICULT TIME FOR HIM: AND SHE ADDED THAT IN HER VIEW (BASED ON CONVERSATIONS WITH NUNN) CONGRESS UNDERSTOOD KOHL'S DIFFICULTIES AND WOULD NOT REQUIRE TOO MUCH AS A CONDITION FOR VOTING THE FUNDS THAT WOULD BE REQUIRED THIS YEAR

3. MINISTER SAID THAT WE DID NOT HAVE TO DECIDE TO-DAY PRECISELY HOW MUCH TO GO FOR BY WAY OF A COMMITMENT TO MODERNISATION, EITHER FOR CONGRESSIONAL OR FOR GERMAN REASONS. THE URGENT POINT WAS TO MAKE IT AS CLEAR AS POSSIBLE TO KOHL THAT THE AMERICANS CONTINUED TO OPPOSE A LINKAGE BETWEEN MODERNISATION AND NEGOTIATION ON SNF, BECAUSE OF THE REAL DANGERS WHICH SUCH A NEGOTIATION WOULD PRESENT. RIDGWAY ACCEPTED THIS POINT AND UNDERTOOK TO DO HER BEST TO GET THE MESSAGE ACROSS TO THE GERMANS. SHE THEREUPON DICTATED TO HER STAFF A HELPFUL OUTLINE OF SPEAKING NOTES WHICH MIGHT BE USED BY THE PRESIDENT WITH KOHL (OR POSSIBLY BY SCOWCROFT WITH TELTSCHIK).

4. FALL HAD TAKEN THE OCCASION OF A PREVIOUSLY ARRANGED LUNCH WITH BLACKWILL (NEWLY APPOINTED DIRECTOR OF EUROPEAN AFFAIRS IN THE NSC)

AND HAS SUBSEQUENTLY BRIEFED HIM ON HIS MEETING WITH RIDGWAY (AS HE INDICATED TO THE LATTER THAT HE WOULD). BLACKWILL AGREED WITH THE SUBSTANCE OF OUR POSITION AND IS URGING APPROPRIATE ACTION ON SCOWCROFT. HE HAS WARNED HOWEVER THAT IT MAY BE DIFFICULT FOR THE ADMINISTRATION TO MAKE AN AUTHORITATIVE PRONOUNCEMENT ON AN ISSUE OF THIS KIND BEFORE IT HAS BEEN DECIDED HOW WIDELY THE MUCH ADVERTISED REVIEW OF STRATEGIC POLICY SHOULD GO. (SOME AT LEAST ARE ARGUING THAT IT SHOULD NOT BE CONFINED ONLY TO START AND THE RELATED DECISIONS ABOUT THE SURVIVABILITY OF THE LAND-BASED LEG OF THE US TRIAD). FALL SAID THAT HE TOOK THE POINT, BUT THOUGHT IT MOST UNLIKELY THAT A REVIEW WOULD CHANGE US THINKING ABOUT THE UNDESIRABILITY OF A MODERNISATION/NEGOTIATION LINKAGE ON SNF. EVEN IF IT WERE DECIDED THAT NO MORE COULD BE SAID TO THE GERMANS AT THIS STAGE, THAT POINT AT LEAST MIGHT HELPFULLY BE UNDERLINED. BLACKWILL AGREED.

5. WE SHALL REMAIN IN CLOSE TOUCH AND REPORT DEVELOPMENTS.

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From the Private Secretary

23 January 1989

MODERNISATAION OF NATO's S.N.F.

I wrote to you about my conversation on this subject with Herr Teltsihck at the end of last week. The Prime Minister has now sent the message to Chancellor Kohl. But it was evident from what Teltsihck said that the Germans will also be looking for a strong steer from the Americans as early as possible in the light of the new Administration. It would be very helpful if we could stir the Americans to get an early message to Chancellor Kohl as well, and you may like to consider how we can best do this. Perhaps we should approach the State Department at a high level in the first instance.

C. D. POWELL

Stephen Wall, Esq.,
Foreign and Commonwealth Office

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cc PC
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(Spare)

PRIME MINISTER

MEETING THE HERR TELTSCHIK

I went to Bonn on 20 January for a meeting with Herr Teltschik.

Modernisation of NATO's nuclear weapons

This was the main subject. The German Government has not yet reached an agreed position. But the chances are that it will be unsatisfactory when they do, although Teltschik himself has some quite sensible ideas.

Teltschik said that Chancellor Kohl's personal view on modernisation was close to yours. But he had to reach an accommodation with the FDP. The problem was Genscher. I asked why Chancellor Kohl did not stand up to Genscher on this. Where else did the FDP have to go? Teltschik said you could never be sure with Genscher.

Teltschik said that there had been a coalition meeting before Christmas. The only point agreed then was that no-one wanted a third zero. There would be another meeting in the next ten days to try to reach agreement on other aspects. There were two main issues: when the Alliance should take decisions on modernisation: and what arms control conditions should be attached to them.

Chancellor Kohl's view was that there was no reason to delay a decision, provided the new US Administration confirmed very soon that it still wanted to modernise TASM and LANCE. He argued that, since both parties in the government were opposed to a third zero, this meant that both accepted the continuing need for effective SNF, which in turn meant that modernisation was necessary. The Soviet Union would have no incentive to negotiate reductions if NATO failed to modernise. Genscher, on the other hand, argued that there was no hurry. No decision was needed until 1991. He wanted to get through the

Federal Elections in 1990 first. But his real motive was his hope that the Soviet Union would take further steps before then which would make it impossible to go ahead with modernisation at all, by eroding public support for it. Shevardnadze's statement the day before detailing reductions in Soviet SNF would be grist to Genscher's mill. In this situation, Kohl's immediate aim was to tie the FDP down by getting a decision that modernisation was necessary. Even if it had to be postponed until 1991, it must be clear that the decision would definitely be taken then.

The second aspect was the place of modernisation in the comprehensive concept. Genscher wanted it linked to an explicit commitment to negotiate with the Soviet Union now on reductions in SNF. Chancellor Kohl was not looking for immediate negotiations. But some substance had to be given to the commitment in the NATO Reykjavik communique that there would be negotiations on reductions. The question was how to formulate it. You had said in the past that negotiations on SNF could be held only when a balance of conventional forces and elimination of chemical weapons had been achieved. That might mean 15/20 years and was too remote. We should look for some intermediate formulation which held out the prospect of SNF negotiations if there was progress on conventional and chemical reductions.

I said that the last NATO summit had agreed on the need for modernisation. We now needed to decide specifically that NATO would deploy successor systems for TASM and LANCE. The last US Administration had made clear that a decision was needed this year. There was no reason to expect the Bush Administration to reach a different conclusion. Chancellor Kohl had given a clear impression in Washington in November and to you in Rhodes in December that he wanted an <u>early</u> decision. I assumed he would not resile.

I continued that we were absolutely opposed to negotiations with the Russians on reductions in SNF. We could not identify any result from such negotiations which would not weaken NATO.

Negotiations would be used as an excuse to delay modernisation. They would distract from the need to negotiate reductions in conventional forces and eliminate chemical weapons. And the most probable outcome was that we would be trapped into a third zero. Your view on this was very firm indeed. If the Germans agreed to take the decision on modernisation but linked it to negotiations with the Russians on SNF reductions, we were in for a very difficult time. We accepted the NATO Reykjavik communique as it stood. But we could not start to interpret it as meaning that there could be SNF negotiations if there was 'progress' or even 'substantial progress' on conventional and chemical weapons.

I suggested that a better way forward was for the Alliance to link modernisation with autonomous reductions in nuclear artillery and munitions and then challenge the Russians to match us. There was general agreement that we could do with fewer warheads in Europe in the context of modernisation. This should surely satisfy German opinion. Teltschik said that his mind was moving in the same direction. He had proposed a new position to Chancellor Kohl, under which NATO should set a ceiling for the number of nuclear warheads it needed, while retaining the freedom to deploy them between TASM, the LANCE replacement and nuclear artillery as necessary. In practice holdings of nuclear artillery shells could be very considerably reduced if not eliminated altogether. We would then offer to negotiate with the Russians not on systems, but only on a common ceiling. This would meet Germany's need to demonstrate considerable reductions in the number of nuclear warheads while leaving NATO with the systems which it really needed. I said that this seemed a more promising approach, although I did not see it was necessary to negotiate the common ceiling with the Russians. They would only try to widen the negotiations. Teltschik did not know whether the FDP would accept his idea at all: they were less likely to do so without some provision for negotiation.

I said that I could see quite a serious clash approaching if the German Government came out in the next ten days or so with a position on modernisation which also linked it to SNF negotiations. It would certainly cast a shadow over the Anglo-German Summit. Would it help if you sent Chancellor Kohl a message setting out your views? Teltschik said that it certainly would. Chancellor Kohl would want to avoid a public row with you. The message should be sent as soon as possible. I urged him to continue to develop his idea for autonomous reductions by NATO.

Teltschik said that it was hard to divine exactly what game Genscher and the Foreign Ministry were playing. He hoped the Foreign Secretary would press Genscher on this issue when they met next week. Chancellor Kohl would do his best to get the right decision: but he had to keep the coalition government together.

NATO Summit

Teltschik asked whether we still supported an early NATO Summit. I said that you were willing in principle. But we had to give President Bush time to reach a view. And it had to be a Summit which reached the right conclusion. Teltschik said that a decision by a Summit would be the best way to compel the German Government to reach the right decision on modernisation. They could then present it as the united view of all sixteen NATO member states. Chancellor Kohl remained very keen to have the Summit before the European elections and before Gorbachev's visit to the FRG which was now expected in June. Otherwise Gorbachev would only exploit his visit to move German opinion against modernisation.

Teltschik said that the French might find it easier to have a Summit in Brussels than in London. I said that we were not wedded to London if Brussels was easier for President Bush. But I could not see why the French should object to London.

Gorbachev's visit

Teltschik said that Shevardnadze had told Genscher in Vienna last week that Gorbachev wanted to visit Germany in early June. On the face of it this was rather surprising, as it would help the CDU in the European elections. The Russians were keen to have a Joint Declaration and had submitted a draft which was 'eighty per cent all right'. I said that we were sceptical of such documents and had discouraged the Russians from pursuing a similar idea in our case. Teltschik asked whether Gorbachev was coming to the United Kingdom. I said that it was being discussed.

Poland

Teltschik is engaged in preparing Kohl's visit to Poland. It would be difficult: the Poles were demanding financial help and the Germans had a lot at stake, as a result of the vastly over-generous credits granted by the SPD government in the 1970s. I said that I hoped Chancellor Kohl would be no less firm than you on the need for political reform as the condition for help. From Teltschik's demeanour I doubt that he will be.

Anglo-German Summit

Teltschik said that the German Foreign Ministry had suggested there should be a Joint Statement. But their draft had been fairly free of content. I said that I did not think you felt a need for this. It was clear what needed to be discussed: nuclear modernisation, EC matters including agriculture and financial aspects, South Africa. There would no doubt be a number of common themes which you and Chancellor Kohl could emphasise at the press conference.

South Africa

Teltschik thought Leutwiler's visit had been worthwhile. I told him that the South Africans were expecting some

follow-up. You would want to discuss this at Frankfurt. Progress over Namibia should further reduce pressure for sanctions. Teltschik suggested that Britain and Germany might undertake some joint projects to help Black South Africans.

Libya: Chemical Weapons

Teltschik said that Chancellor Kohl was upset in equal measure with Genscher and with the Americans. Genscher had been in possession of the information about German involvement since May last year without passing it on. The Americans had treated the FRG like a banana republic instead of a country which practised the rule of law and needed evidence which stood up in court before it could act.

Economic Summit

Teltschik said that the French would want to give prominence to environmental issues, to debt (particularly of middle income countries) and to Bangladesh. The Germans had suggested there might be a declaration on human rights, to mark the bicentenary of the French Revolution. I wondered whether this might give rise to problems of definition.

Franco-German Relations

Teltschik claimed that these were rather in the doldrums. Mitterrand was increasingly interested only in grand events which would secure his place in (French) history. It was difficult to get anywhere on substance with the French at present.

Follow-up

You will want to send an early message to Kohl on the modernisation issue to help him with the debate within the Coalition. A draft is in the box.

Charles Powell
20 January 1989

SECRET AND PERSONAL 3B-e

File MJ
cc CDP

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

21 January 1989

MEETING THE HERR TELTSCHIK

I went to Bonn on 20 January for a meeting with Herr Teltschik. He was particularly anxious that what he said should not be repeated more widely. Could I please ask that you give this record very limited distribution only, and that no reference is made to the conversation in other contacts with German officials.

Modernisation of NATO's nuclear weapons

This was the main subject. The German Government has not yet reached an agreed position. But the chances are that it will be unsatisfactory when they do, although Teltschik himself has some quite sensible ideas.

Teltschik said that Chancellor Kohl's personal view on modernisation was close to the Prime Minister. But he had to reach an accommodation with the FDP. The problem was Genscher. I asked why Chancellor Kohl did not stand up to Genscher on this. Where else did the FDP have to go? Teltschik said you could never be sure with Genscher.

Teltschik said that there had been a coalition meeting before Christmas. The only point agreed then was that no-one wanted a third zero. There would be another meeting in the next ten days to try to reach agreement on other aspects. There were two main issues: when the Alliance should take decisions on modernisation: and what arms control conditions should be attached to them.

Chancellor Kohl's view was that there was no reason to delay a decision, provided the new US Administration confirmed very soon that it still wanted to modernise TASM and LANCE. He argued that, since both parties in the government were opposed to a third zero, this meant that both accepted the continuing need for effective SNF, which in turn meant that modernisation was necessary. The Soviet Union would have no incentive to negotiate reductions if NATO failed to modernise. Genscher, on the other hand, argued that there was no hurry. No decision was needed until 1991. He wanted to get through the Federal Elections in 1990 first. But his real motive was

his hope that the Soviet Union would take further steps before then which would make it impossible to go ahead with modernisation at all, by eroding public support for it. Shevardnadze's statement the day before detailing reductions in Soviet SNF would be grist to Genscher's mill. In this situation, Kohl's immediate aim was to tie the FDP down by getting a decision that modernisation was necessary. Even if it had to be postponed until 1991, it must be clear that the decision would definitely be taken then.

The second aspect was the place of modernisation in the comprehensive concept. Genscher wanted it linked to an explicit commitment to negotiate with the Soviet Union now on reductions in SNF. Chancellor Kohl was not looking for immediate negotiations. But some substance had to be given to the commitment in the NATO Reykjavik communique that there would be negotiations on reductions. The question was how to formulate it. The Prime Minister had said in the past that negotiations on SNF could be held only when a balance of conventional forces and elimination of chemical weapons had been achieved. That might mean 15/20 years and was too remote. We should look for some intermediate formulation which held out the prospect of SNF negotiations if there was progress on conventional and chemical reductions.

I said that the last NATO summit had agreed on the need for modernisation. We now needed to decide specifically that NATO would deploy successor systems for TASM and LANCE. The last US Administration had made clear that a decision was needed this year. There was no reason to expect the Bush Administration to reach a different conclusion. Chancellor Kohl had given a clear impression in Washington in November and to the Prime Minister in Rhodes in December that he wanted an early decision. I assumed he would not resile.

I continued that we were absolutely opposed to negotiations with the Russians on reductions in SNF. We could not identify any result from such negotiations which would not weaken NATO. Negotiations would be used as an excuse to delay modernisation. They would distract from the need to negotiate reductions in conventional forces and eliminate chemical weapons. And the most probable outcome was that we would be trapped into a third zero. The Prime Minister's view on this was very firm indeed. If the Germans agreed to take the decision on modernisation but linked it to negotiations with the Russians on SNF reductions, we were in for a very difficult time. We accepted the NATO Reykjavik communique as it stood. But we could not start to interpret it as meaning that there could be SNF negotiations if there was 'progress' or even 'substantial progress' on conventional and chemical weapons.

I suggested that a better way forward was for the Alliance to link modernisation with autonomous reductions in nuclear artillery and munitions and then challenge the Russians to match us. There was general agreement that we could do with fewer warheads in Europe in the context of modernisation. This should surely satisfy German opinion.

Teltschik said that his mind was moving in the same direction. He had proposed a new position to Chancellor Kohl, under which NATO should set a ceiling for the number of nuclear warheads it needed, while retaining the freedom to deploy them between TASM, the LANCE replacement and nuclear artillery as necessary. In practice holdings of nuclear artillery shells could be very considerably reduced if not eliminated altogether. We would then offer to negotiate with the Russians not on systems, but only on a common ceiling. This would meet Germany's need to demonstrate considerable reductions in the number of nuclear warheads while leaving NATO with the systems which it really needed. I said that this seemed a more promising approach, although I did not see it was necessary to negotiate the common ceiling with the Russians. They would only try to widen the negotiations. Teltschik did not know whether the FDP would accept his idea at all: they were less likely to do so without some provision for negotiation.

I said that I could see quite a serious clash approaching if the German Government came out in the next ten days or so with a position on modernisation which also linked it to SNF negotiations. It would certainly cast a shadow over the Anglo-German Summit. Would it help if the Prime Minister sent Chancellor Kohl a message setting out your views? Teltschik said that it certainly would. Chancellor Kohl would want to avoid a public row with her. The message should be sent as soon as possible. I urged him to continue to develop his idea for autonomous reductions by NATO.

Teltschik said that it was hard to divine exactly what game Genscher and the Foreign Ministry were playing. He hoped the Foreign Secretary would press Genscher on this issue when they met next week. Chancellor Kohl would do his best to get the right decision: but he had to keep the coalition government together.

NATO Summit

Teltschik asked whether we still supported an early NATO Summit. I said that the Prime Minister did so in principle. But we had to give President Bush time to reach a view. And it had to be a Summit which reached the right conclusion. Teltschik said that a decision by a Summit would be the best way to compel the German Government to reach the right decision on modernisation. They could then present it as the united view of all sixteen NATO member states. Chancellor Kohl remained very keen to have the Summit before the European elections and before Gorbachev's visit to the FRG which was now expected in June. Otherwise Gorbachev would only exploit his visit to move German opinion against modernisation.

Teltschik said that the French might find it easier to have a Summit in Brussels than in London. I said that we were not wedded to London if Brussels was easier for President Bush. But I could not see why the French should object to London.

Gorbachev's visit

Teltschik said that Shevardnadze had told Genscher in Vienna last week that Gorbachev wanted to visit Germany in early June. On the face of it this was rather surprising, as it would help the CDU in the European elections. The Russians were keen to have a Joint Declaration and had submitted a draft which was 'eighty per cent all right'. I said that we were sceptical of such documents and had discouraged the Russians from pursuing a similar idea in our case. Teltschik asked whether Gorbachev was coming to the United Kingdom. I said that it was being discussed.

Poland

Teltschik is engaged in preparing Kohl's visit to Poland. It would be difficult: the Poles were demanding financial help and the Germans had a lot at stake, as a result of the vastly over-generous credits granted by the SPD government in the 1970s. I said that I hoped Chancellor Kohl would be no less firm than the Prime Minister on the need for political reform as the condition for help. From Teltschik's demeanour I doubt that he will be.

Anglo-German Summit

Teltschik said that the German Foreign Ministry had suggested there should be a Joint Statement. But their draft had been fairly free of content. I said that I did not think the Prime Minister felt a need for this. It was clear what needed to be discussed: nuclear modernisation, EC matters including agriculture and financial aspects, South Africa. There would no doubt be a number of common themes which she and Chancellor Kohl could emphasise at the press conference.

South Africa

Teltschik thought Leutwiler's visit had been worthwhile. I told him that the South Africans were expecting some follow-up. The Prime Minister would want to discuss this at Frankfurt. Progress over Namibia should further reduce pressure for sanctions. Teltschik suggested that Britain and Germany might undertake some joint projects to help Black South Africans.

Libya: Chemical Weapons

Teltschik said that Chancellor Kohl was upset in equal measure with Genscher and with the Americans. Genscher had been in possession of the information about German involvement since May last year without passing it on. The Americans had treated the FRG like a banana republic instead of a country which practised the rule of law and needed evidence which stood up in court before it could act.

Economic Summit

Teltschik said that the French would want to give

prominence to environmental issues, to debt (particularly of middle income countries) and to Bangladesh. The Germans had suggested there might be a declaration on human rights, to mark the bicentenary of the French Revolution. I wondered whether this might give rise to problems of definition.

Franco-German Relations

Teltschik claimed that these were rather in the doldrums. Mitterrand was increasingly interested only in grand events which would secure his place in (French) history. It was difficult to get anywhere on substance with the French at present.

Follow-up

I have put to the Prime Minister the draft message on modernisation of NATO's SNF enclosed with Richard Gozney's letter of 18 January. I hope that it will issue after the weekend.

C. D. POWELL

Stephen Wall, Esq.,
Foreign and Commonwealth Office.

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MODUK FOR DUS(P), AUS (POL), NUC POL/SY AND DACU

YOUR TELNO 11 TO UKDEL NATO : SOVIET FORCE CUTS : FRG REACTION

SUMMARY

1. FEDERAL GOVERNMENT WELCOME SOVIET ANNOUNCEMENT AS FALLING IN WITH THEIR REQUESTS. GENSCHER SEES IT AS FURTHER ARGUMENT AGAINST EARLY SNF MODERNISATION. COALITION MEETING ON SNF POSTPONED.

DETAIL

2. FEDERAL SPOKESMAN OST STATED ON 19 JANUARY THAT KOHL WELCOMED SHEVARDNADZE'S ANNOUNCEMENT ABOUT A UNILATERAL REDUCTION OF SOVIET TACTICAL NUCLEAR WEAPONS AS A POSITIVE CONTRIBUTION TO THE ARMS CONTROL AND DISARMAMENT PROCESS. THIS STEP SIGNIFIED THAT THE SOVIET UNION WAS FALLING IN WITH THE FEDERAL CHANCELLOR'S LONGSTANDING DEMAND - E.G. IN HIS SPEECH IN MOSCOW IN OCTOBER 1988 - TO REDUCE THEIR GREAT SUPERIORITY IN THE FIELD OF SHORT-RANGE NUCLEAR SYSTEMS THROUGH UNILATERAL REDUCTIONS, AND THEREBY TO MAKE NEGOTIATIONS IN THIS FIELD EASIER. OST ADDED THAT WITH THE ANNOUNCEMENT OF THESE UNILATERAL MEASURES, THE SOVIET UNION WAS FOLLOWING THE EXAMPLE OF NATO IN GENERAL AND OF THE FRG IN PARTICULAR:

- NATO HAD ALREADY, IN THE IMPLEMENTATION OF THE MONTEBELLO DECISIONS, WITHDRAWN 2,400 NUCLEAR WARHEADS FROM EUROPE SINCE 1981.
- THE FEDERAL CHANCELLOR HAD LIKEWISE MADE A UNILATERAL GERMAN CONTRIBUTION TO DISARMAMENT WITH HIS DECISION OF AUGUST 1987 ON GERMAN PERSHING 1A MISSILES.

3. ONE NEWSPAPER REPORTS THAT GENSCHER TOLD SHEVARDNADZE RECENTLY THAT, THE MORE MOSCOW REDUCED ITS PREPONDERANCE IN SNF, THE LESS LIKELIHOOD THERE WAS OF AN EARLY NATO DECISION ON SNF MODERNISATION. GENSCHER IS ALSO REPORTED TO HAVE STATED IN VIENNA ON 19 JANUARY THAT THERE WAS AGREEMENT ON HOLDING A CSCE SUMMIT, AS PROPOSED BY

SHEVARDNADZE, IN DUE COURSE.

4. THE AUSWAERTIGES AMT HAVE CONFIRMED TO US A NEWSPAPER REPORT THAT SHEVARDNADZE HAD TOLD GENSCHER THAT THE NUCLEAR SYSTEMS TO BE WITHDRAWN COVERED BOTH SHORT-RANGE MISSILES AND NUCLEAR ARTILLERY. ACCORDING TO OUR CONTACT, SHEVARDNADZE MENTIONED FROG, SS21 AND ARTILLERY, BUT GAVE NO NUMBERS. OUR AUSWAERTIGES AMT CONTACT ARGUED THAT THE WITHDRAWALS WERE NOT VERY SIGNIFICANT AND SPECULATED THAT THE SOVIET MILITARY, UNHAPPY ABOUT THE CONVENTIONAL FORCE REDUCTIONS, HAD REFUSED TO AGREE TO MORE FAR-REACHING NUCLEAR CUTS. FMOD QUESTION WHETHER ANY FROG OR SS21 WILL BE WITHDRAWN, SINCE THEY BELIEVE THESE MISSILES HAVE BEEN TRANSFERRED FROM DIVISION TO ARMY LEVEL. THE FMOD ALSO DOUBT SHEVARDNADZE'S CLAIM THAT THE SOVIET UNION IS NOT ENGAGED IN MODERNISATION OF TACTICAL NUCLEAR MISSILES.

5. THE DEPUTY CHAIRMAN OF THE SPD PARLIAMENTARY PARTY, EHMKE, DECLARED THAT THE PARTIAL WITHDRAWAL OF SOVIET SNF YET AGAIN SHOWED UP WESTERN SUPPORTERS OF MODERNISATION. FDP DISARMAMENT SPOKESMAN FELDMANN SAW IN THE SOVIET ANNOUNCEMENT EVIDENCE OF GOODWILL FOR REAL DISARMAMENT. THE REDUCTION OF SOME SNF AND RENUNCIATION OF MODERNISATION OF THE REMAINDER ''SHOULD NOT REMAIN WITHOUT RESPONSE FROM THE WEST''.

6. EDITORIAL COMMENT IS MIXED. THE FRANKFURTER ALLGEMEINE ZEITUNG (CONSERVATIVE) SEES THE AIM OF THE SOVIET MOVES AS TO PUSH THE AMERICANS OUT OF EUROPE, AND TO TAKE A STEP TOWARDS THE DEMILITARISATION OF EUROPE. THE HASTE WITH WHICH MOSCOW WAS ESTABLISHING A LINK BETWEEN THE CONVENTIONAL FORCE TALKS AND NUCLEAR WEAPONS DID NOT SERVE THOSE TALKS. IT WAS AIMED AT THE WESTERN PUBLIC, ABOVE ALL THE GERMANS. IN ANOTHER NEWSPAPER A COMMENTATOR CLOSE TO GENSCHER SEES THE SOVIET MOVE AS PROOF OF THE SERIOUSNESS OF THE SOVIET WILL TO DISARM, AND ADMISSION OF SOVIET SUPERIORITY AND AN ENCOURAGING SIGNAL FOR THE CONVENTIONAL FORCE TALKS. NATO COULD NOW HARDLY REFUSE THE ''SENSIBLE WISH'' FOR SNF NEGOTIATIONS WITH THE AIM OF EQUAL LOW CEILINGS.

7. WE UNDERSTAND THAT THE COALITION MEETING TO DISCUSS SNF POLICY PLANNED FOR 20 JANUARY, HAS BEEN POSTPONED. (ON 19 JANUARY IT WAS STILL EXPECTED TO TAKE PLACE THE FOLLOWING DAY.) OUR CONTACTS DO NOT KNOW WHEN IT WILL NOW TAKE PLACE. OUR FMOD CONTACT POINTED OUT THAT THE FDP HAD HAD TO BOW TO CDU/CSU WISHES THIS WEEK OVER BOTH LOW FLYING AND THE EXTENSION OF NATIONAL SERVICE FROM 15 TO 18 MONTHS. IT MAY THEREFORE HAVE BEEN DECIDED NOT TO ASK TOO MUCH BY DEMANDING AGREEMENT ON SNF POLICY IN THE SAME WEEK. ANOTHER FMOD CONTACT HAS

TOLD US THAT THE MEETING WAS POSTPONED AS A RESULT OF SHEVARDNADZE'S SPEECH.

8. WE HAVE SENT COPIES OF THE LINE TO TAKE IN TUR TO AUSWAERTIGES AMT, FMOD AND THE FEDERAL CHANCELLERY.

MALLABY

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DISTRIBUTION 143

MAIN 128

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ADDITIONAL 15

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STAFF IN CONFIDENCE

Ref. A089/113

PRIME MINISTER

Yes - will do

Prime Minister
Do you want to do this?
(You have of course seen quite a lot of him over the years - eg. the SDI seminar at Chequers in 1986)

John Weston

I meant to mention this morning that I hope that it will be possible for you to have a talk with John Weston at some stage about the Comprehensive Concept.

2. The reason I suggest that is two-fold. First, John Weston is a considerable expert on arms control as well as being intellectually very powerful; and I think that you would enjoy a talk with him on this subject. But the second reason is that, whether or not such a talk is necessary for briefing purposes, it would give you an opportunity to make an assessment of John Weston. As you know, he is returning to the FCO after a relatively short tour as Head of the OD Secretariat, because the FCO want him for a central post there. (Sir Michael Quinlan also bid for him to go to MOD for the main policy job in that Department but Weston himself preferred the post in the FCO.) There has not been an episode which has enabled you to get to know John Weston as well as some of his predecessors, and I think that this would provide a useful opportunity for you to do so.

CDP 13/1

R.E.R.B.

ROBIN BUTLER

13 January 1989

Date fixed
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STAFF IN CONFIDENCE

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PRIME MINISTER

ARMS CONTROL

You have time in the diary tomorrow for a talk with Percy Cradock and me on arms control. There are three aspects you will want to cover, all of which come up at ministerial meetings with your colleagues next week: chemical weapons, SDI and the comprehensive concept.

Chemical Weapons

This is the most important and the most pressing. You read the papers over the Christmas/New Year break. The main developments since then have been the announcement of the Soviet Union's intention to start destroying its stocks of chemical weapons: and the rising tension over Libya's chemical weapons plant, with the possibility of an American attack on it.

The questions you may like to address tomorrow are:

- our reaction to the latest Soviet proposals. Obviously we welcome them. But we should not dignify them too much. When proposals are put forward in public rather than in private, it usually means that propaganda is the main purpose. The fact is that the Russians should have started destroying their chemical weapons long ago (like us): and anyway the problem of verification remains. (You should also remember that Gorbachev signalled the Soviet intention to do this when you met in Moscow in March 1987).

- our own policy on chemical weapons. The crucial question is how far you should try to push your colleagues next week for a decision to acquire a break-out capability to make our own chemical weapons in parallel with efforts to negotiate a ban. We

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could do so either on our own or in co-operation with the Americans. Your colleagues will resist a decision, but we cannot go on postponing it indefinitely.

- the line you should take with Mr. Gorbachev on chemical weapons when you next meet. The recommendation is that you should confront him with the facts of Soviet activities and their failure to come clean. Has the latest Soviet step towards coming clean, ie. Shevardnadze's speech in Paris made this more difficult?

- the attitude we should take towards a possible American attack on Libya's chemical weapons facility. You have said that you doubt the legal justification for such an attack, do not expect it to succeed, feel that the Libyans would have much wider sympathy than last time, and fear that American action would jeopardise other peace moves in the Middle East. You have instructed that, if the Americans approach us, we should urge them to desist. Obviously its better if the Libyans can be dissuaded peacefully from producing chemical weapons. But you may want to be cautious about giving the impression, publicly and to the Americans, that we are opposed to any action because (a) action could actually be justified, eg. if we learn of Libyan plans to use chemical weapons for terrorist purposes; and (b) if the Americans do anyway take action, we shall not want to disown them, indeed would probably wish to speak up in their support. You will not want that to appear a U-turn.

SDI

The second subject for tomorrow is SDI. You are to discuss the Chiefs of Staff paper with colleagues next week. You have seen and accept the arguments against their paper (attached). You will also, before the meeting, have seen General Abrahamson and therefore be up to date on latest developments.

We might consider tomorrow what positive results you would like to see from next week's meeting. Possible points are:

- we should positively encourage the Bush Administration to continue research, development and testing of SDI so that the West keeps the technological edge.

- the need to work with the Americans on perfecting penetration aids and other improvements to the design of our nuclear warheads for Trident, to ensure that we can cope with the (inevitable) improvements in Soviet defensive systems.

- the importance of taking seriously the case for an eventual European defence against ballistic missiles. Although the European Architecture Study has been done for the Americans, we should begin to think seriously about the implications for us.

You will have to push hard to get these accepted.

The Comprehensive Concept

Again, you have seen the papers on this (summary attached). The main question is how to deal with the Germans, getting them to agree to modernisation without selling the pass on SNF negotiations. There is a tendency in Whitehall to argue that we are going to have to concede SNF negotiations of some sort if we are to get the Germans aboard for modernisation, and that we should therefore be planning options. This cannot be right: it will lead inexorably to a third zero. Rather we should be resolute in opposing negotiations with the Russians on SNF, while being ready to make further unilateral reductions in nuclear artillery. Indeed one could argue that it would be better to get rid of all NATO's nuclear artillery unilaterally - it is hard to see circumstances in which we would ever use it - than get hooked on negotiations with the Russians on SNF.

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You noted on the earlier papers that you wanted to discuss this with someone who was sufficiently tough. There are not many around. Archie Hamilton is not an expert in this area. John Weston could take you through the details of the Comprehensive Concept and the mandate for conventional stability talks, but it is actually all set out in his paper which you have read (and I am not sure he meets your criterion).

C. D. POWELL

9 January 1989

SL3BGL

Foreign and Commonwealth Office

London SW1A 2AH

30 December 1988

Dear Charles,

Implications of a START Treaty for the United States' Submarine Force

The minutes of the MISC 7 meeting on 6 December recorded that some doubts had been expressed about the adequacy of the US force of ballistic missile firing submarines (SSBNs) after a START Treaty. The Prime Minister raised this issue with Mr Shultz on 15 - 17 November. Officials have recently discussed it further with their American colleagues. You might like to have a note of the position, covering both the effects of START on the SSBN fleet itself and the relationship of that force to the other elements of the United States' strategic deterrent capability.

The SSBN Fleet

The facts are:-

(a) The United States currently has 35 SSBNs in service (8 Tridents and 27 Poseidons). Under existing plans all the Poseidon boats are due to be retired from service by the end of the 1990s by which time the Trident fleet will be built up to 20 boats. In addition to the 8 already in service, orders have so far been placed for a further 8.

(b) START will not limit either side's holdings of submarines nor, directly, of submarine launched ballistic missiles (SLBMs). It will, however, limit ballistic missile warheads overall (to 4,900). This total can be divided in various proportions between land- and sea-based systems. One plausible scenario is that, taking into account the likely requirements of the United States' force of land based missiles (ICBMs), around 3,500 ballistic missile warheads would be available for deployment at sea. If the currently envisaged configuration of Trident boats and missiles remains unchanged this would restrict the size of the planned fleet to 18 boats, each carrying 24 missiles with 8 warheads on each missile.

(c) Out of a fleet of 18 boats about 12 would be at sea at any one time.

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(d) The enormous increase in the patrol area of Trident by comparison with its predecessors means that the survivability of SSBNs is unlikely to be a problem for the foreseeable future. Soviet anti-submarine warfare (ASW) capability, though improving, has not yet developed to a point where it poses any significant threat to the US SSBN force, whatever the latter's size.

(e) If hypothetically in the future the survivability of submarines were thought to be a problem, the United States could, within the confines of the START Treaty, increase the number of its boats by reducing the number of missiles carried in them.

In sum therefore:

- START could well involve only a small further reduction (from 20 to 18) in the US SSBN fleet by comparison with the reduction which, under current plans, will happen anyway;

- the number of boats at sea at any one time (12) is assessed, in the light of their wide patrol area and of foreseeable development in Soviet ASW capability, as being more than adequate to ensure survivability; and

- even if Soviet ASW capability were to improve dramatically, there is nothing in the START Treaty to prevent the United States from introducing more boats into service.

SSBNs in relation to the other elements of the TRIAD

The Joint Chiefs of Staff in Washington have recently conducted extensive studies on the post-START strategic balance. They have concluded that, subject to the way the United States configures certain elements of its strategic forces, notably its land-based missiles, the START Treaty will be a good deal for the West. This is principally because:-

(a) START will hit hardest those elements of the Soviet strategic nuclear force posture which the Americans have always seen as particularly de-stabilising: it will force the Russians to shift the balance of their nuclear capability away from ICBMs and it will halve the number

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of Soviet heavy missiles (SS 18s) whose ability to strike hardened targets make them a particular threat to the survivability of US land-based strategic assets.

(b) Because of the way the counting rules work out, the total number of warheads on United States strategic launchers may fall by as little as 10% by comparison with the current force. By contrast Soviet warheads will be reduced by around 19%, with a 50% reduction in throw-weight and just under 50% reduction in ballistic missiles.

(c) The START counting rules will favour a force posture in which bombers are well represented. This is already the case with the United States which deploys 38% of its warheads on bombers and which enjoys a marked technological superiority in this area including a developed prototype of the B2 STEALTH bomber. By contrast, the Soviet Union currently has only 10% of its strategic forces on bombers.

The principal factor of uncertainty over the post-START strategic balance lies in the land-based element of the United States' triad. It is the survivability of this force, rather than the submarine fleet, which has been the source of principal concern in the United States: a concern which President Reagan's Administration has not managed in 8 years satisfactorily to allay. The force needs to be modernised and the main new candidates are mobile missiles (such as the MX, which currently exists only in silos and MIDGETMAN), together with some alteration in the silo-based missile force. The introduction of mobile systems will help to ensure the survivability of United States ICBMs, given the reduction which would occur under START in Soviet heavy missiles. But exactly what system, or combination of systems, and in what basing mode they will be introduced will be one of the first priorities of President Bush's Administration and one on which he will need to reach some kind of prior understanding with Congress, given the formidable budgetary implications.

I am sending a copies of this letter to Brian Hawtin in the MOD and to Trevor Woolley, Cabinet Office.

Yours ever, Lyn Parker

(L Parker)
Private Secretary

C D Powell Esq
PS/No 10 Downing Street

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PRIME MINISTER

COMPREHENSIVE CONCEPT

You asked to see some background papers on the Comprehensive Concept of arms control. The attached folder contains:

- a short explanatory note by the Cabinet Office;
- the first draft of a Comprehensive Concept put forward by the United Kingdom;
- the current NATO draft (which is a dog's breakfast and scarcely worth your reading);
- a paper on options for Short-range Nuclear Forces (SNF) arms control, which we recently put to the Germans to show how difficult it is to devise <u>any</u> acceptable option; and
- a letter on the same subject from Michael Alexander.

It all boils down to a simple question: can the Germans be brought to take firm and specific decisions on the modernisation of NATO's SNF without a commitment by the Alliance to negotiate with the Russians on further reductions in SNF? You have of course discussed the subject with Chancellor Kohl.

It is clear from the attached papers that Sir Michael Alexander and others are deep into examining possible options for SNF negotiations, either because they believe this is the best way to head off the Germans by demonstrating the damage which would be done to NATO's capabilities; or because (in Michael's case) they think that we are going to <u>have</u> to give in to the Germans on this and may as well start now. The problem is that it gives the wrong signal to the Germans. Once we concede it is a subject which can be discussed, there is no going back.

In the end it's a matter of judgment whether we can get the Germans to the right conclusion on modernisation without

selling the pass on SNF negotiations. We did it - or just about - on the INF Agreement although it was a painful process. It will be even more difficult this time. My own view is that, rather than make concessions to them on SNF negotiations, we should look for some unilateral action by NATO, for instance linking modernisation of SNF with a unilateral decision to reduce SNF munitions and particularly nuclear shells (for which we have no real use).

This may be an issue which you will want to discuss with the Defence and Foreign Secretaries at one of the two meetings on defence matters we already have planned for January, namely Chemical Weapons and SDI. Agree?

CHARLES POWELL
22 December 1988

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CC/PC

HLTF REPORT TO MINISTERS

CONVENTIONAL ARMS CONTROL: THE ALLIANCE APPROACH

Introduction

1. At their meeting in Brussles on 11 December 1987 Ministers instructed the High Level Task Force to present recommendations for the proposals which Allied governments should advance at the two prospective negotiations on conventional arms control in Europe: on conventional stability and on confidence and security building measures. In this, the first part of our report, we offer such recommendations in respect of conventional stability.

2. The launch of these new negotiations provides a unique opportunity to address the central issue lying at the heart of the European security namely the massive superiority enjoyed by the Warsaw Pact over the Atlantic Alliance in all areas of combat capability; and in particular the threat posed by the preponderance of Soviet forces stationed in Eastern Europe.

3. In this as in all arms control negotiations, our starting point is the need to enhance the security of all allies. Our approach should reflect the strategic unity of the Alliance and the commitment to collective security which the North Atlantic Treaty embodies. Alliance security is indivisible and the measures we propose should apply to the totality of the Atlantic To The Urals (ATTU) area. We should reject calls for partial security arrangements or proposals aimed at separate agreements in the zone of application.

4. Our primary aim in the forthcoming negotiations, as stated in the NAC Summit statement on conventional arms control of 2 March 1988, will be to establish a secure and stable balance of conventional forces at lower levels. For this purpose, it will not be enough to secure parity between the two Alliances, in selected force categories. It will be essential also to deal with the

location and nationality of the forces to be limited. Additional measures will be needed to build confidence; to reduce mistrust and the risk of miscalculation; and to ensure compliance with the agreed measures.

WESTERN PROPOSALS

5. An agreement designed to eliminate the capability for surprise attack and large-scale offensive action should include the following elements.

6. We need to focus on those weapons systems which are particularly relevant for seizing and holding territory. These are, above all, main battle tanks, artillery and armoured infantry fighting vehicles. It is these systems, all capable of rapid mobility, which most threaten stability in Europe.

7. In our concept of stability in Europe, no one country should be able to dominate Europe by force of arms. This can be sought by specifying that no country may possess more than a fixed proportion of the total holdings of the 23 participants in each equipment category.

Rule 1

Within the area of application (ATTU) no one country may retain more than 30% of the total holdings of tanks, artillery pieces and armoured infantry fighting vehicles (AIFVs) of the 23 participating states, such holdings to be notified to all other participants on 1 January each year, dis-aggregated down to battalion level.

8. Another element in our effort to limit the capability for surprise attack is the placing of an overall limit on total holdings of equipment in the ATTU area. We suggest that these limits should be very substantially lower than existing levels, down to around half those for tanks and artillery.

Rule 2

The overall total of weapons in each of the three categories shall at no time exceed 40,000 for tanks; 30,000 for artillery pieces; and 20,000 for AIFVs.

9. Limiting numbers and nationality of forces would not by itself affect the forward stationing of forces on other countries' territory, in deployments which others are bound to see as threatening and destabilising. We therefore seek also to limit the percentage of forces which may be stationed outside national territory.

Rule 3

On neither side within the area of application will "stationed" forces exceed 20% of the limits set out in Rule 2, ie:

- main battle tanks 8,000
- artillery pieces 6,000
- AIFVs 4,000

10. In addition it would be necessary to limit the share of stationed forces which are held in active combat units, since these are particularly relevant to surprise attack.

Rule 4

No more than half of the stationed tanks, artillery pieces and AIFVs may be deployed with active combat units. Thus the ceilings for stationed equipment in active units would be as follows:

- main battle tanks 4,000
- artillery pieces 3,000
- AIFVs 2,000

11. These measures would still permit an undue concentration in those parts of Europe where the threat from these categories of

forces is greatest. It will therefore be necessary to place a specific limit on forces in that area.

Rule 5

In an area consisting of Belgium, the Netherlands, Luxembourg, the FRG, Denmark, France, the UK, Italy, Spain, Portugal, the GDR, Poland, Czechoslovakia, Hungary and the territory of the Soviet Union west of the Urals and bounded by the 60° and 48° lines of latitude, Warsaw Pact and Alliance states will not exceed the following levels :

- main battle tanks 16,000
- artillery pieces 12,000
- AIFVs 8,000

12. A further measure will be needed to prevent the circumvention of agreed reductions and redeployment elsewhere in the zone.

Rule 6

- in the remainder of Europe to the north of the area specified in Rule 5 above, neither side will exceed the following levels:

  - main battle tanks 150
  - artillery pieces 500
  - AIFVs 100

- in the remainder of Europe to the south of the area specified in Rule 5 above, neither side will exceed the following levels:

  - main battle tanks 4,500
  - artillery pieces 4,500
  - AIFVs 250

13. Finally, to buttress the resulting reductions in force levels in the ATTU area, we should propose the following stabilising measures:

- notification of changes in unit structures above battalion levels; as well as notification (y) days in advance of changes in personnel strength in such units of more than x%;

- the deactivation of equipment placed in monitored storage;

- the prior notification of reactivation of such equipment;

- notification of mobilisation activities;

- notification and observation of movement of troops and equipment across international boundaries and from garrison to garrison;

- limitations on military activities outside of garrisons;

- constraints on logistics, eg. the forward stationing of bridge-building and mine-clearing equipment;

- notification of military activities involving helicopter and airborne units;

- notification of any significant upgrading of readiness states of combat divisions.

The development of the Alliance's Comprehensive Concept of Arms Control and Disarmament: First Report to Ministers

1. APPROACH

1.1 At the conclusion of their meeting in Reykjavik on 11-12 June 1987, the Foreign Ministers of the Alliance directed the North Atlantic Council in permanent session to "consider the further development of a comprehensive concept of arms control and disarmament". The present report summarises the work* so far undertaken by the Council in response to this remit. On the basis of it Ministers are invited to consider how work should be taken forward.

1.2 Ministers recognised in commissioning this exercise that the arms control problems faced by the Alliance raise complex and inter-related issues which must be evaluated together, bearing in mind overall progress in the current arms control negotiations as well as the requirements of the Allies' security and of their strategy of deterrence.

1.3 These inter-relationships are central to the exercise. Arms control touches directly upon the two main tasks of the Alliance as laid down in the Harmel Report of 1967:

- the maintenance of adequate military strength and political solidarity to deter aggression and other forms of pressure and to defend the territory of member countries should aggression occur;

- the pursuit of a more stable relationship between East and West in which underlying political issues could be solved.

Arms control can contribute to the first task by preserving security at lower levels of forces, and by bringing about greater transparency and predictability. It can further the Alliance's

* For a list of papers submitted by Allies see Annex

second purpose by helping to create a climate of stability and confidence as a durable basis for improved East/West relations. But experience has shown that arms control cannot bear the full weight of relations with the Soviet Union; it cannot compensate for political mistrust; and it cannot, and should not, be pursued in isolation from developments in East-West relations in other areas. Hence the need to frame arms control policies within a comprehensive concept which embraces the political relationship between East and West and the Alliance's security requirements.

II. THE CURRENT STATE OF EAST/WEST RELATIONS

2.1 Recent developments, in particular the conclusion of the INF Treaty, have raised hopes that real progress towards a more stable and secure relationship between East and West may now be possible. There are encouraging signs of new thinking and openness inside the Soviet Union. While much of the evidence remains confined to speeches and promises, notably in external policy, it is right to study such developments with objectivity and to be ready to respond and encourage where appropriate. But the Allies must not forget that a genuinely cooperative and non-adversarial relationship with the East still remains far from achievement.

2.2 In assessing Soviet intentions, the Allies have agreed that Soviet conduct right across the spectrum must be the test. The dialogue between the Allies and the Soviet Union takes place on an increasingly broad basis. But a stable order in Europe cannot be conceived unless the Eastern countries live up to their commitments in the field of human rights and contacts, and in relation to the other provisions agreed to in the CSCE process.

2.3 It is right to recall in this context the origins of instability in Europe. These date from the period when the Soviet Union imposed its military order on Eastern Europe: Soviet ideology was, and remains, opposed to the fundamental Western values of freedom, the rule of law and democracy; Soviet military power in Europe was, and remains, on a scale far exceeding any legitimate defensive requirements; and finally the Soviet political system has time and again has demonstrated that it does not shrink from

employing its military power to further its ambitions.

2.4 It would take time for new thinking to be reflected in the deeply ingrained Soviet offensive military doctrine. This provides a strict theoretical model, applied throughout the Warsaw Pact as the military element of Marxist-Leninist doctrine. It encompasses all the state's preparations for war including the relevant application of foreign policy. In the period since 1945 this doctrine has caused Soviet military forces to be structured and equipped in the event of war to achieve rapid victory in Western Europe by conventional means without necessarily having recourse to nuclear weapons. Its key tenets are surprise and deception, fire-power, speed of advance, concentration of forces to exploit the initiative, deep operations to erode NATO defence from behind, and air superiority as part of a massive all-arms operation.

2.5 The Allies have no reason to believe that current Soviet leaders intend to initiate hostilities in Europe but the long term effect of Soviet policy has created just that capability. If Soviet intentions should change then the instruments for pressure and coercion will already exist - and what is more, without the need to take actions that might signal such a change. Even without any change of intentions, the fact of Soviet military power exerts its influence. It is this offensively structured Warsaw Pact capability that is at the heart of Allied concerns over the security of Europe.

III. THE SECURITY REQUIREMENTS OF THE ALLIANCE

3.1 The first duty of members of the Alliance has not changed since its inception: to maintain adequate military strength and political solidarity to deter aggression and other forms of pressure; and to defend the territory of member countries at their borders should aggression occur. The Alliance has always been of an entirely defensive character. None of its weapons will ever be used except in response to attack. The overall defensive concept is to preserve credible deterrence by maintaining forces equipped, trained and deployed so that any potential aggressor will conclude that the chances of a favourable outcome from an armed attack are too small

to be acceptable; and that the risks involved would be out of all proportion to any possible gains.

3.2 The structure and composition of the Allies' forces, both conventional and nuclear, will continue to evolve over the years in response to changing international circumstances and technological developments. But the basic concept will always remain a purely defensive one.

3.3 History shows that for a defender, even a superiority of conventional forces is no guarantee against aggression. The requirements of a defensive concept are further complicated by the geographical separation between Europe and North America, the discontinuity of its European members, forward deployment of Soviet forces and the Alliance's lack of strategic depth. As a democratic Alliance of equals the Allies also have to ensure that there are no zones of unequal security in the NATO area. In this connection the importance of the Northern and Southern flanks to the overall security of the Alliance needs to be borne in mind: Soviet attempts to impose special regimes, or to inhibit the Alliance's capabilities to reinforce these areas, must be resisted.

3.4 The Allies' defensive requirements are met by a twofold strategy. First, a mix of forces based in Europe - both conventional, chemical and nuclear - is designed to ensure that a potential aggressor will judge that the price of aggression would be unacceptably high. Secondly, the ultimate guarantee of Allied security is provided by the coupling of US strategic forces to the defence of Europe by the presence of substantial numbers of North American forces in Europe and by the European-based nuclear forces of the US. The numbers and capabilities of these forces, and the ranges of the weapons systems with which they are equipped, mean that a potential aggressor could not count on limiting a conflict to Europe alone nor regard his own nation as a sanctuary geographically remote from the battlefield.

3.5 The principles upon which the defence policy of the Allies continue to rest are therefore:

a. a manifest determination to act jointly to defend the NATO area against all forms of aggression. If aggression occurs, the objective is to restore the territorial integrity and security of the NATO area, to restore deterrence and to terminate the conflict as soon as possible.

b. a recognisable capability to respond effectively, regardless of the level of aggression, and to escalate, if necessary, to convince the aggressor that he has miscalculated the Allies' resolve and should cease his attack and withdraw.

c. the maintenance of a wide spectrum of responsive options and of uncertainty over their possible use, thereby preventing a potential aggressor from predicting with confidence the Allies' specific response to any type of aggression, and leading him to conclude that an unacceptable degree of risk would be involved, regardless of the nature of the attack.

3.6 From these principles are derived the basic requirements for the Alliance's triad of forces: strategic nuclear, theatre nuclear/pre-strategic and conventional. Each component has its intrinsic capabilities, but all three are essential for the overall defensive concept. Deterrence would be undermined if, for example by their arms control policies, the Allies gave the impression that the conventional could be separated from the nuclear, or theatre from strategic: and thus allowed a potential aggressor to conclude that an attack at a given level would be met with a response that was calculable and acceptable. The provision of military force in support of the principles and purposes of the Alliance requires close political and military collaboration among the nations both within and outside the integrated command structure.

3.7 Strategic nuclear forces, if they are to achieve their deterrent purpose, must be clearly seen to be capable of inflicting unacceptable damage - military, political and economic - on the aggressor state even after it has previously made a major surprise attack. Each element of US strategic forces (ICBM, SLBM and bombers) has intrinsic advantages and makes a contribution to an overall structure which is robust and survivable. In addition to

the central strategic systems of the United States, the strategic nuclear forces of the United Kingdom and France provide a valuable contribution to the Alliance's deterrent posture. The existence of separate national centres of nuclear decision-making strengthens of overall deterrence.

3.8 Theatre nuclear forces provide an essential element of linkage between conventional and strategic forces. They contribute substantially to the deterrence of conventional attacks and they also directly deter the use of theatre nuclear and chemical weapons. The Allies do not, however, in their strategic concepts, envisage nuclear war fighting in order to achieve military victory. The fundamental objective of maintaining the capability for selective use is political - to demonstrate in advance that NATO has the capability and will to use its nuclear weapons in a precise, politically controlled way with the objective of restoring deterrence by inducing the aggressor to make the decision to terminate his aggression and withdraw. Theatre nuclear forces are not therefore designed to compensate for any imbalance in conventional forces. The achievement of conventional parity could have very positive consequences for the Alliance's strategy of deterrence. But it would not, of itself, obviate the need for theatre nuclear forces.

3.9 Theatre systems must possess a number of characteristics:

a. the responsibility for operating and basing theatre nuclear systems must be visibly shared between as many Alliance members as possible to emphasise Alliance solidarity and cohesion, risk-sharing and commitment;

b. the systems must be able to operate over a wide geographical range in order to ensure the necessary degree of flexibility over a wide geographical area. Theatre systems thus complicate the planning of a conventional attack by placing at risk critical targets in the battlefield and beyond and ensuring that the aggressor will know that his own territory cannot be regarded as a nuclear sanctuary. In particular, the forward deployment of systems emphasises the

Alliance's commitment to forward defence, whilst some rearward basing improves survivability and target flexibility;

c. the systems must be responsive, in terms of immediate readiness, time to target and potential for retargetting in order to send the correct political signals (including the demonstration of deliberate restraint);

d. to be credible the systems must also have certain other military characteristics, including survivability, reliability, penetrativity, accuracy and an appropriate range of yields.

e. Although there is no requirement to match the numbers of Warsaw Pact nuclear forces system for system, a significant overall imbalance could be destabilising, and indeed dangerous if it leads the Warsaw Pact to believe that aggression might succeed through the attrition of a much smaller force. More generally, the scale and nature of Warsaw Pact capability, conventional and nuclear, is bound to have an effect on the number of militarily significant targets for NATO's nuclear forces. A significant reduction in the number of potential targets or types of threat (eg. tanks) would allow a in the reduction of systems required by the Allies, particularly at short ranges. It would not, however, remove the need for a wide and effective spread of capability.

3.10 The contribution of conventional forces to deterrence and forward defence is:

a. to identify the scale of any aggression as soon as possible;

b. to prevent the aggressor from seizing and holding NATO territory and to deny free use of sea and air space;

c. to counter limited aggression by responding with the necessary degree of force and to confront the aggressor with the necessary resistance to compel him to withdraw and end the

conflict or face the risk of escalation.

3.11 The Allies must therefore continue to maintain armed forces with adequate mobility, fire-power, communications and logistics and with satisfactory readiness, availability and levels of training to carry out this concept of operations. They must be capable of carrying out such key missions as defeating the lead echelon of an attack, attaining and maintaining a favourable air situation, dealing with follow-on forces before they can be brought to bear, controlling the seas and providing amphibious forces for the support of the land campaign, as well as sustaining the integrity of the Alliance's sea lines of communication.

3.12 The structure of the Warsaw Pact forces described in paragraph 2.4 means that one of the bases of the Alliance's current planning must be the hypothesis of a large-scale surprise attack. The deployments and alert states of the Alliance's forces must be such as to be able to cope with this. The Alliance must also be in a position to make the maximum use of any period of fore-warning to demonstrate its cohesion and determination and to enhance the credibility of its deterrent posture.

3.13 In the event however that possible aggression is preceded by a period of political tension the Alliance also requires a capability for rapid augmentation of its forward posture, calling for timely deployment of those forces which are not at their emergency defence positions, rapid reinforcement capability, mobilisable reserve forces, and availability of adequate stocks. The Alliance must retain the capability to keep open the sea lines of communication between Europe and North America for the transport of strategic materials, military reinforcements and resupply, and economic supply. But it is also necessary for facilities to be available in Europe for the pre-positioning of equipment and war stocks for Allied reinforcements.

3.14 The 1925 Geneva Convention prohibits use of chemical weapons, although some members of both NATO and the Warsaw Pact reserve a right of retaliation. Because the Soviet Union possesses an overwhelming chemical weapons capability, Allied forces have to be

provided with a range of equipment to protect them against chemical attack, including individual protective suits, respirators, detection and monitoring equipment and medical aids as well as collective protection facilities. The wearing of such equipment could itself significantly degrade Allies' conventional defence. There is a danger that Soviet leaders might come to believe that their capabilities would give them a significant military advantage. It has long been NATO military doctrine that NATO should rely principally upon its conventional and nuclear forces, whilst recognising the deterrent value of the possession of the capability to employ effective CW agents in retaliation, on a limited scale.

3.15 The next section considers the implications of these specific military requirements for the Allies' arms control policies and priorities.

IV ARMS CONTROL CRITERIA AND OBJECTIVES

4.1 The objective of a comprehensive approach to disarmament and arms control is to bring together political considerations (described in section 2) with security requirements (described in section 3). Allied policy is discussed in detail by different Allied bodies and is applied in both bilateral and multilateral negotiations. But it must be seen as a whole. Proposals in any one area of arms control must take account of the implications for the policies of the Alliance, and for other negotiations. It is the function of the Council to pull these threads together and ensure that they make a coherent whole. This is a continuing process.

4.2 The overriding principle of the comprehensive approach is to ensure the effectiveness of the Alliance's strategy to prevent war by maintaining an effective deterrent to all forms of aggression. Individual arms control proposals can bring added security only if the residual defensive arrangements remain adequate to prevent war. Preferably the effectiveness of the remaining arrangements should be enhanced by arms control agreeements.

4.3 The fundamental criteria for satisfactory arms control are

therefore as follows:

a. the maintenance of political cohesion among the Allies and avoidance of zones of unequal security;

b. the preservation of capabilities vital to the defence of the Atlantic area, taken either singly or in conjunction with other elements;

c. the reduction or elimination of Warsaw Pact capabilities which are most threatening to stability;

d. a negotiating and implementation process which guarantees the undiminished security of all concerned at each stage;

e. an effective verification regime (in which detailed exchanges of information and on site inspection will play a vital part) to ensure compliance with the provisions of agreements, and to guarantee that limitations on force capabilities or other provisions are not exceeded or circumvented.

4.4 Given these general principles the Alliance can with confidence pursue its arms control objective of negotiating agreements which clearly ensure equal, or if possible greater, security at lower levels of forces and armaments.

4.5 Measures to build confidence and to improve openness and predictability about military behaviour also have an important part to play in the comprehensive approach.

4.6 The following paragraphs describe in more detail how the arms control criteria listed above relate, in the comprehensive concept, to the Alliance's principal security capabilities.

4.7 Strategic Nuclear Forces The proposals put forward by the United States for 50% cuts in the strategic offensive systems of both superpowers are designed to ensure that the contribution of strategic weapons to the Alliance's deterrence strategy will remain

effective and credible while placing specific restrictions on the most destabilising elements of the threat posed to the West by Soviet strategic systems - fast-flying ballistic missiles and, in particular, Soviet heavy ICBMS.

4.8 A START agreement of this kind will, if implemented, in no way change the importance or role of strategic forces within the Alliance's deterrent posture. Nor is there any reason to assume fundamental changes in their structure. Indeed it is likely to increase the value of the existing balanced triad: with a smaller force, flexibility and especially survivability will be at a premium. It should be noted however that a START agreement does have the potential to affect non-strategic force structures. For example, any START limits on SLCMs or long range dual capable aircraft such as the FB 111, or a low range floor for defining ALCMs, could significantly affect the Alliance's flexibility on theatre nuclear forces.

4.9 In order further to enhance stability, the United States has offered to associate strategic reductions with a period of non-withdrawal form the ABM Treaty, an offer which is now agreed in principle, and with measures to provide greater predictability on the progress of research being conducted by both super powers into strategic defence, including exchanges of data, briefings on both sides' strategic defence activities and visits to associated research facilities.

4.10 It cannot be excluded that further agreements reducing US and Soviet strategic warheads to below 6,000 might also enhance stability. But the requirements of extended deterrence impose some, albeit unquantifiable, limit on how far the process should go. It would be wrong to encourage assumptions of any early move, post-START, to further strategic nuclear reductions. Time will be required to absorb the impact of agreements involving major reductions of nuclear weapons in two areas - INF and START. The arms control focus should therefore move to other priorities. It is currently envisaged that towards the end of the period of assured non-withdrawal from the ABM Treaty the United States and the Soviet Union would engage in discussions on strategic stability. It

seems unlikely that in advance of such discussions any further reductions of offensive strategic systems would be feasible.

4.11 Theatre Nuclear Forces An important priority of the Alliance has been met with the signing of the INF Treaty which will bring about the removal of the grave threat to Europe posed by the modern, accurate and triple-warheaded SS20 (plus the elimination of three other deployed Soviet missile systems). Its comprehensive and effective verification arrangements and the asymmetrical reductions which it will entail will set a good precedent for future arms control agreements.

4.12 The remaining theatre nuclear forces of the Alliance must be capable of fulfilling the deterrent requirements set out in the preceding section. In particular, longer range theatre forces must ensure a spectrum of options, including the ability to hold at risk the territory of the Soviet Union. Following implementation of the INF Treaty, strike aircraft with an adequate range and/or with an appropriate stand-off capability will be the only systems based on land in Europe capable of fulfilling this role. Their deterrence significance, and the need to maintain it, will be of critical importance. Likewise medium range theatre forces must continue to hold at risk a wide variety of targets, which would support and sustain breakthrough operations against NATO. Finally short range systems are needed to hold at risk targets operating on or near the battlefield.

4.13 These nuclear capabilities will for the foreseeable future remain an essential element in NATO's deterrent strategy. The denuclearisation of Europe has no place in the Alliance's arms control agenda. It is essential that arms control agreements should not prevent NATO's ongoing programme of modernisation, adjustment, redeployment and other measures necessary to maintain a responsive, survivable and effective TNF posture. Equally, the Alliance will continue to review its forces to ensure that they are at the minimum level necessary to fulfil their deterrent role. Its force planning should take account of any change in the threat brought about by arms control agreements. Significant reductions in the number or types of threat (eg. tanks) would need to be taken into account in

force plans, particularly for short range systems.

4.14 Such a posture does not rule out further arms control measures involving theatre nuclear forces. It remains an objective, in view of the preponderance and continuing modernisation of the remaining Soviet land-based missiles not covered by the INF Treaty and in conjunction with the establishment of a conventional balance and the global elimination of chemical weapons, to secure verifiable and tangible reductions in such American and Soviet systems, leading to equal ceilings.

4.15 This objective needs to be considered in the light of the Alliance's continuing requirement to maintain an effective strategy of deterrence involving both conventional and nuclear forces; and on the basis of a thorough assessment of the practical problems involved. Remaining theatre nuclear systems on both sides are mostly dual capable and, in the case of the Warsaw Pact, sometimes triple capable. It is for practical purposes impossible to verify whether artillery tubes or aircraft have a nuclear capability; and hard to envisage a verification regime which would allow for the accurate monitoring of warhead numbers. Even for missiles, the verification of any agreed levels above zero would be complex and difficult. The missiles concerned are small and mobile; and there would be definitional problems over the difference between a missile and a projectile fired from a rocket launcher. Furthermore such systems are not operated solely by US and Soviet forces. The complexities and inter-relationships with other arms control objectives are obvious, and thus the Alliance should not enter into premature negotiations involving shorter-range land-based missile forces without taking full account of progress towards Alliance objectives in other areas. Were any such negotiations to generate political momentum towards a nuclear free Europe, this would not be in the interests of the Alliance.

4.16 Conventional Forces. It is in the conventional field that the threat to stability in Europe is the most immediate and where the scope for enhancing security through arms control is greatest. This is therefore a priority area for the Allies. Improvements in conventional stability in Europe would not only serve in themselves

to limit the risk of war and to help promote openness and confidence; they also provide an indispensable basis for the achievement of a more stable nuclear equilibrium between East and West. The problem of conventional stability is not just a matter of the numbers and capabilities of the forces deployed on either side. It lies in the division of Europe and in the preponderance and functions of the armed forces of the Soviet Union. The Allies' approach to conventional arms control should not therefore take the form simply of a technical corrective to a self-contained problem. It must be an approach which is founded in a coherent overall political and security framework.

4.17 This framework must take account of not just military, but also political, economic and, above all, humanitarian factors. And it must reflect the complex relationship between conventional and nuclear forces. The nature of this framework, and the implications of the nuclear/conventional relationship, were set out in the Declaration issued at the time of the North Atlantic Summit on 2-3 March 1988. This Declaration confirmed the Allies' decision that both of the negotiations which the Allies have proposed in the conventional arms control field, on conventional stability and on confidence and security building, will be undertaken within the framework of the CSCE process. This will enable the Allies to ensure that progress in this area of arms control is pursued in parallel with balanced progress in the humanitarian, political and economic fields.

4.18 That Declaration also explained the objectives which the Allies would be seeking in the two sets of talks. In the conventional stability negotiations priority is to secure a substantial and verifiable reduction in Warsaw Pact offensive capability, particularly in forces deployed forward, but also taking into consideration capabilities for force generation and reinforcement, as well as the geographical particularities of the different regions of the Alliance. The Allies will seek the elimination of the capability for surprise attack and large scale offensive action - a capability which they themselves neither have nor aspire to. The essential ingredient of this capability is the massive forward deployment of tank and artillery forces, the mobility and fire power

of which are peculiarly adapted to seizing and holding territory. In order to secure the elimination of this capability, and to establish a secure and stable balance of conventional armed forces, the Allies will propose a variety of measures such as reductions, limitations, redeployment provisions and the establishment, where appropriate, of equal ceilings in tanks, artillery, and perhaps armoured infantry fighting vehicles. In presenting their proposals the Allies will focus on results and residual entitlements, not on the numbers or percentage of forces to be removed. A rigorous and effective verification regime, including the exchange of detailed data about forces and deployment and the right to conduct on-site inspections, will be an essential element in these proposals.

4.19 The Allies will also seek, in the negotiations on further confidence and security building measures, to enhance transparency and predictability about military activities throughout Europe.

4.20 The proposals which the Allies will make should be substantial and significant. They will involve the acceptance by the Soviet Union of highly asymmetrical reductions and the disclosure to an unprecedented degree of information about the Warsaw Pact's military capabilities. The experience of MBFR offers no confidence of the Soviet Union's willingness to meet these conditions. For more than 15 years the Russians have denied that disparities on the scale which the Allies find so threatening exist; and have rejected verification arrangements which would allow force levels to be properly checked. Recent statements by Soviet spokesman have given grounds for hope that this attitude may have changed. The Allies must proceed on the hypothesis that it has and put the Soviet Union to the test. Success in conventional arms control would be a major security gain. It would not however of itself change the underlying political realities in Europe; nor remove the requirement for a European-based nuclear component in deterrence.

4.21 Chemical Weapons To address the very considerable threat posed by the massive Soviet chemical warfare capability, the way forward is the negotiation of an effective and verifiable global ban on chemical weapons. Progress has been made towards this goal but many complexities remain to be resolved in negotiation. In parallel,

greater openness and intensified confidence building are needed with respect to chemical weapons both on a bilateral and multilateral basis.

V. CONCLUSIONS

5.1 The continuing development of the Alliance's comprehensive concept should take place within the two existing strands of the Harmel Report. Recent developments in the Soviet Union open up the prospect not only of further arms control and disarmament but possibly also of fundamental changes which could lead to a reduction of confrontation and a broadening of cooperation in other areas. The achievement of the Alliance's arms control goals could lead to the expansion of cooperation in the interests of both sides. The Alliance seeks peace with freedom not victory. It sets out ~~not~~ to ~~win wars but to~~ avoid them ways by a strong defence. But states that wish to preserve peace have never achieved their aims by neglecting their own security. Arms control must therefore be accompanied - and is indeed reinforced - by deterrence based on an appropriate mix of forces, both nuclear and conventional, within the framework of strategic coupling between Europe and North America. The clear explanation of this inter-relationship between arms control and defence will be a priority task for Western Governments in the years ahead.

5.2 Although there are natural divisions in the arms control process the implications of rapid progress in one area must take into account lack of progress in others. Only in this way can confidence be maintained in arms control, ensuring the continued security of all participants. While this does not mean that there should necessarily be linkage between one set of arms control negotiations and another, agreements in one area will undoubtedly have consequences for the nature and acceptability of proposals in other areas, and for the means by which those proposals may be implemented. Since the Council's meeting in Reykjavik last year, the Alliance has made good progress towards its objective of ensuring that its positions in the various negotiations in which member nations are or may be engaged, separately or collectively, are related effectively in a mutually reinforcing manner.

5.3 It will be necessary to continue to develop the Alliance's

concept as the basis for its initiatives in arms control and its responses to changing circumstances. The Council has been conscious therefore that the development of a "comprehensive concept" is not a discreet exercise that ends with this report. As the report of the Committee of Three concluded in 1956 in laying down the role of the Council in such matters, a "limitation is the difficulty, and indeed the unwisdom, of trying to specify in advance all the subjects and all the situations where consultation is necessary; these things have to work themselves out in practice. In this process, experience is a better guide than dogma". That approach is as correct today as it was then.

PERSONAL AND SECRET

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B

16 December 1988

Charles Powell Esq
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CDD 1872

Dear Charles,

SNF MODERNISATION ETC

1. I last wrote to you three months ago, on 16 September, about modernisation and all that. There has been a great deal of activity in the interim, including, of course, on the part of the Prime Minister herself, but I am not sure that we are any nearer a solution. The signals from Bonn remain confused in the extreme (exacerbated by the chaos in the FMOD) while Washington, in the twilight hours of the present Administration, is sounding less robust than one might have expected. We shall have to wait and see what 20 January brings. Gorbachev's UN speech has not helped at all - least of all in the smaller capitals.

2. None of this has affected the objective case for modernisation (even from the point of view of the arms controllers, if they thought about it). But it has to be taken into account in assessing how we proceed in the weeks and months immediately in front of us. Assuming that we are going to push ahead (and failure to do so will give rise to substantial problems with the military and, in due course, with the transatlantic relationship) we need to give urgent and specific thought to the resolution of the modernisation/negotiability dilemma. I attach for your personal background a copy of a letter which I sent to the Department a day or two ago in an effort to get things moving faster.

3. It outlines an approach whereby:

(a) the Alliance decides in the Spring what it needs (better and considerably fewer SNF systems) and acts. Reductions in artillery holdings would start in 1990 and in SNF missile holdings "concurrent with" modernisation - probably in 1995 but possibly earlier;

/(b)

(b) in doing so, the Alliance establishes a common ceiling for SNF (and perhaps for TNW) systems within which it reserves to itself freedom to mix;

(c) the Alliance invites the Warsaw Pact to come down to the same level;

(d) the Alliance indicates a willingness, assuming the Warsaw Pact agrees to the necessary asymmetric reductions and begins to implement them, to negotiate a verification regime - starting, perhaps, in 1991;

(e) the Alliance also indicates that it is open minded about negotiating further SNF reductions (within its common ceiling ie starting with artillery) if and when the verification regime is in place and has therefore provided a trustworthy basis for negotiation; and once a substantial CST agreement has been negotiated and implemented. This would, obviously, be a good many years ahead (unless Soviet policy evolves even more dramatically than we can now envisage). The signal would be given in the context of a clear commitment to maintain an SNF capability "for the foreseeable future" (see enclosure to my letter).

4. This may all be too detailed and too ambitious. It would certainly require a good deal of work in a short time. I have no idea how the Departments will react. But at least it may force some more detailed consideration of the issues. (Lest that sounds critical, I should say that Goulden, Lever and the others have done very well in developing the data initiative, the CST proposal etc etc. I hate to think where the Alliance would be at the present juncture had it not been for the efforts of the FCO/MOD over the last couple of years.)

Yours ever

Michael.

Michael Alexander

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ABM TREATY: GOMEL/KRASNOYARSK

1. THE LATEST ROUND OF US/SOVIET CONSULTATIONS ON THE ABM TREATY ENDED ON 9 DECEMBER. NO PROGRESS WAS MADE ON KRASNOYARSK BUT THE RUSSIANS INDICATED THAT DESTRUCTION OF THE PARTS OF THE PAWN SHOP AND FLAT TURN RADAR AT GOMEL WOULD BEGIN IMMEDIATELY AND THAT THAT DESTRUCTION WOULD BE VERIFIABLE BY NATIONAL TECHNICAL MEANS (NTMS). ON 14 DECEMBER, THE STATE DEPARTMENT SPOKESMAN MADE THE FOLLOWING ON THE RECORD STATEMENT:

THE SOVIET GOVERNMENT HAS INDICATED THAT IT WILL DESTROY THE ABM RADAR INSTALLATIONS AT GOMEL, THE DEPLOYMENT OF A WHICH LED TO THE FINDING OF AN ABM TREATY VIOLATION. THIS WOULD BE A CONSTRUCTIVE STEP, WHICH WHEN FULLY CARRIED OUT AND VERIFIED, WILL SATISFY OUR CONCERNS REGARDING THE ILLEGAL DEPLOYMENT OF THESE RADARS. THIS UNDERLINES THE IMPORTANCE OF CONTINUING THE ADMINISTRATION'S POLICY OF FIRMNESS WITH REGARD TO DEALING WITH SOVIET VIOLATIONS OF THE ABM TREATY.
I MIGHT JUST ADD, HOWEVER, THAT THE MORE CRUCIAL ISSUE OF THE SOVIET VIOLATION AT KRASNOYARSK REMAINS UNRESOLVED. THAT IS A SIGNIFICANT VIOLATION OF A CENTRAL ELEMENT OF THE ABM TREATY WHICH WILL CONTINUE TO MAKE IT IMPOSSIBLE FOR US TO CONCLUDE ANY FUTURE STRATEGIC ARMS AGREEMENTS.

THE SOVIETS HAVE ANNOUNCED THEIR INTENTION TO TURN KRASNOYARSK - THIS ILLEGAL RADAR - INTO AN INTERNATIONAL SPACE RESEARCH FACILITY. THIS PROPOSAL DOES NOT, HOWEVER, CORRECT THE KRASNOYARSK RADAR VIOLATION. IT DOES NOT REMOVE THE TREATY-PROHIBITED RADAR CAPABILITY, NOR WOULD IT RESTORE THE LEAD-TIME THAT WAS THE PURPOSE OF THE LPAR PROVISIONS OF THE ABM TREATY. INDEED, WHAT THE SOVIETS PROPOSE WOULD ALLOW THEM TO MOVE FORWARD WITH WORK ON THE ILLEGAL RADAR WITH NO GUARANTEES THAT THE INTERNATIONAL SCIENTISTS, WHOEVER THEY MAY BE, COULD NOT BE EXPELLED AT A MOMENT'S NOTICE.

WE'VE MADE CLEAR TO THE SOVIETS THAT THE KRASNOYARSK RADAR VIOLATION MUST BE CORRECTED IN A VERIFIABLE MANNER. THE ONLY WAY TO DO SO IS TO DISMANTLE THE RADAR AND DESTROY THE TRANSMITTER AND RECEIVER BUILDINGS, INCLUDING THEIR FOUNDATIONS. THAT'S A REPETITION OF WHAT I SAID A NUMBER OF WEEKS AGO. ON THAT SPECIFIC QUESTION, THE WORDS USED IN NEW YORK WERE THE SAME WORDS THAT WE HAD HEARD PREVIOUSLY, THE WORDS QUOTE DISMANTLE, UNQUOTE BUT WE HAD NEVER BEEN ABLE TO GET ANY FURTHER PRECISION ON THAT: NOR DO WE HAVE THAT TODAY.

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UNITED KINGDOM PERMANENT REPRESENTATIVE
ON THE NORTH ATLANTIC COUNCIL
OTAN NATO
1110 BRUSSELS
TELEPHONE 2426775

12 December 1988

J D I Boyd Esq CMG
DUS
FCO

Dear John,

SNF MODERNISATION

Introduction

1. The last two weeks have given me many opportunities to participate in, or listen to, discussions among Ministerial and other visitors from Alliance countries about the modernisation/negotiability dilemma. One impression is of how little thought most have given to the detail of the problem and to just how it might be resolved.

2. Some, of course, have hoped all along that the issue would simply go away. The political will of others has been shaken by the increasing signs of movement from Moscow and more particularly by Gorbachev's UN speech - it is too soon to judge just how serious the repercussions of the latter will be. But even from those (like Jurgen Holst or Lothar Ruehl) of whom one might have expected more, there was little sign of clear ideas.

3. Nonetheless the basic facts as regards the modernisation half of the equation have not yet been changed at all by Gorbachev. Given that an effort is to be made to meet Chancellor Kohl's timetable - agreement on the Comprehensive Concept at a Summit before 20 May - someone (in effect the UK) will need very soon now to take a view on how the problem is to be tackled and start canvassing that view with the incoming US Administration and the Germans. Hence this letter - which builds on but goes some way beyond my earlier letters on the subject.

What sort of decision?

4. We all agree that it would be best if an SNF modernisation decision had no arms control component. It might be possible to fudge the arms control issue next year if we limited ourselves to some very generalised reaffirmation of the requirement for FOTL. Many of the Allies will be

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tempted by this approach. But I am increasingly inclined to doubt that it would be worthwhile. The price - in terms of concessions extracted by the FRG and others - even for such a generalised affirmation would probably be high. The difficulties would still have to be faced a year or two later, probably in even more intractable form, and with the risk that Genscher, Andreotti, Stoltenberg et al will turn SNF modernisation into a running sore in the Alliance in the interim. Moreover, it is only by going into the details eg of the reductions that modernisation will make possible, that we will be able to put together a package with any public appeal. In my view, therefore, the balance of advantage lies in going for as precise as possible a decision next year, even if some of the details on deployments and numbers necessarily have to be filled in later.

The Arms Control Dimension

5. If we are to achieve this, the evidence so far suggests that some kind of arms control dimension will be unavoidable. I derive this impression not only from Christopher Mallaby's reporting from Bonn, including most recently the report of Mr Waldegrave's visit, but also from the Ministerial discussions already mentioned and from talks with officials in the margins of these discussions. Nor do I think that there is any realistic chance (particularly in the wake of Gorbachev's New York decisions) of completing the Comprehensive Concept next year with a section which excludes completely the prospect of SNF negotiations at some stage. Even though the word "negotiate" is not used in relation to SNF, the language of the Reykjavik communiqué alone seems to me sufficient to rule out such a */ disparity between the expectations raised in the FRG and elsewhere on the scope and content of the Comprehensive Concept and the extremely insubstantial document now under discussion - one on which as you know we have yet to reach any measure of consensus.

6. Against this background I have been giving some thought to what kind of arms control element might be least damaging to Alliance interests. The result is set out in the Annex to this letter, the rest of which is by way of commentary on the Annex. The approach has, obviously been discussed with my own staff. I have had a preliminary exchange of views with David Nicholls in the margins of the recent High Level Group (HLG) meeting. The ideas will not come as a complete surprise to John Goulden. But they do not aspire to be more than a contribution to stimulate a debate which still has some way to go!

*/ possibility. One cannot help being struck by the glaring /NATO's

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NATO's SNF requirement

7. SACEUR's NWRS study - the outcome of which is now due in mid-January - will provide an important ingredient in the construction of any modernisation package. I should say at the outset that, from our discussions with SHAPE, it seems unlikely to be possible to use SACEUR's own recommendations as the basis for the sort of package I have in mind. Although SACEUR will propose the expected 50% reduction in artillery shells, he will be seeking at least to maintain existing SNF missile and launcher numbers and preferably a substantial increase in both (as the price for reducing the total of weapons held for delivery by Dual Capable Aircraft (DCA)).

8. SACEUR's calculations are based on the holdings required for the use of theatre nuclear weapons (TNW) in general nuclear response (GNR). This is despite NATO's avowed strategy (reflected, for example, in the general political guidelines (GPG) that the primary purpose of TNW is the capability to hold at risk targets for selective use prior to GNR. Apart from SACEUR's somewhat questionable methodology his preferred options would seem in present - and most foreseeable - circumstances to be politically unsaleable. There is a strong and natural public expectation that better should mean fewer (a view reinforced by Defence Ministers at the Eurogroup dinner at the end of last month). I would have thought it essential, not least to avoid the "war fighting" accusation eg from the French, that NATO significantly reduces its holdings of SNF nuclear munitions in the early to mid nineties. Leaving aside one's doubts about the utility of artillery shells, it is very difficult to justify perpetuation of the present startling 8:1 ratio between SNF missiles and launchers. One senior general (with Lance launchers under his command) told me the other day that in actual hostilities (and leaving aside all the political inhibitions) any single launcher would be lucky indeed to fire three missiles before it was itself destroyed!

9. SACEUR's study will, fortunately, be addressing a range of options. This should leave open the possibility for the HLG to assemble a politically saleable package from its contents. Given that the initial ingredients on present form are likely to be rather unhelpful, this will be a major and urgent task for the HLG in the early part of next year. The achievement of a package which would make possible the kind of approach summarised in the Annex to this letter is likely to require a severance of the link between stockpile numbers and GNR requirements.

/How

How explicit such a break should be will need to take into account the time it will inevitably take to develop and secure agreement on an alternative methodology. A move away from stockpile determination based on GNR - drawing on the work done prior to the Montebello decision - will be controversial and difficult to achieve. But it is now, in my view, both timely and desirable.

An SNF/TNW ceiling?

10. As regards the area that an arms control proposal could cover, it might be possible to confine this to SNF missiles alone. But I tend to doubt that this would be advantageous. It would prevent us taking full credit for the artillery shell reductions we will be offering and might increase the difficulties of arresting the slide towards a third zero. It would, I think, be preferable to use the HLG recommendations (provided a sensible package can thereby be derived) to identify a common ceiling for all SNF nuclear munitions, with freedom for each side to determine the mix within that ceiling (which is what we do in one sense when we talk about the total stockpile). This would avoid any even implicit commitment to reduce SNF missiles themselves below whatever level we consider is required for deterrent purposes.

11. Nor should we instantly reject the idea of extending the ceiling to embrace DCA systems as well. This would be attractive because of the trade-offs that exist - and will be reflected in SACEUR's study - between SNF missiles and DCA systems and because not to include DCA systems could increase the problems of verification. We have, however, hitherto taken the view that DCA should be firmly excluded from the arms control process. Moreover any such move might tend to increase the risk of TASM decisions becoming unhelpfully caught up in the Comprehensive Concept. For the present I have, therefore, assumed such a ceiling should be confined to SNF systems only. But this is an area that requires further thought.

The Comprehensive Concept

12. Assuming we decide (and, more particularly, the Americans) decide to sustain the push for a modernisation decision by early summer, then (as already noted) I would see considerable advantage in trying to exploit a heads of government meeting to promulgate as part of the Comprehensive Concept an SNF package which would be both an arms reduction/arms control initiative and a rather specific set of guidelines for SNF modernisation. The

/guidelines

guidelines would be based on the work of the HLG though the final arms control gloss would be added by the Council. The HLG report would be approved initially by NPG Ministers and then submitted to the Council so that it could be drawn upon in its work on the Comprehensive Concept and its main findings attached as an annex to that report. The Comprehensive Concept text itself would contain a section (referring to the annex) summarising the more salient points on the deterrence requirements of the Alliance in this area and drawing overall conclusions setting SNF modernisation in the context of overall Alliance policy including arms control. It would greatly ease the drafting process (to put the point mildly) if it could be assumed that while the Comprehensive Concept itself was a document agreed by all 16 members, the annex was approved at 15 - no doubt with a Greek footnote! (cf Ambassador Robin's intervention in the NAC Ministerial discussion of the Comprehensive Concept on Friday.)

13. The text at annex is cast as an outline of what such a document might look like. There is nothing original about it - except perhaps the idea of using verification at once as a firebreak and as a way of defusing the negotiation issue (cf the December 1985 MBFR initiative). It is basically an attempt to pull things together in the least damaging and most binding way. I have included illustrative figures for the kind of stock-pile reductions which would, in my judgement, meet our security requirements while at the same time achieving the kind of public resonance we need. Whether or not they are achievable will depend upon the outcome of the further work that I have suggested will need to be undertaken by the HLG. It would, in any case, be premature to be looking for a reduction in SNF launchers (as apparently proposed by Teltschik - whose approach is in some ways not all that different from my own) given both the need to improve the launcher/missile ratio and the fact that the appropriate mix cannot sensibly be determined until we know whether the launcher will be dedicated or dual capable.

Why not a "robustly defined minimum"?

14. The Annex does not refer to the idea of a "robustly defined minimum" - though of course the effect of the proposals would be to produce a floor for NATO's SNF capability which would be extremely solid unless and until the Soviet Government opted for policies which would in any case change the politico/military landscape even more dramatically than one can now envisage. There seem

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to me to be a number of reasons for not pursuing the "minimum" approach. Despite the assertions of Herr Genscher and others that they do not favour a third zero, I suspect that when it came to the point it would prove remarkably difficult for the Alliance to agree on how high (or how low) a minimum should be; and on how rigorous (or how soft) the terms for changing it should be. I wonder how easy it would be to sell the idea of a minimum to our publics in the present climate or how durable it would turn out to be. A figure for SNF missiles alone would isolate them from the rest of our TNW capability: a figure for the stockpile as a whole would be still more difficult to agree and, because larger, more unpalatable to the public.

Verification

15. I recognize that the draft places a lot of weight on the verification point and that in this field intrusive verification may, on the one hand, be as difficult for the Alliance as for the Warsaw Pact to accept; and, on the other, an area where Mr Gorbachev could surprise us again. But if we are to reject verification on these grounds we would by implication be rejecting SNF arms control negotiations in principle and for good. For the reasons set out in para 5 above, this seems to me politically inconceivable in present circumstances. That said, urgent thought is clearly required on the practical implications of verification in this area.

Linkage with CST

They are already linked.

16. Further consideration will also have to be given to the question as to what linkage, if any, should be made between such an "offer" and progress on the CST talks. To the extent that we move away from basing stockpile sizes on what is required for GNR, there is no longer such a straightforward correlation between conventional force size and TNW stockpiles, the latter being determined rather by what is required to achieve the required political signalling effect. There are also tactical risks in such a linkage in so far as they could strengthen the hand of those who will argue that SNF modernisation should be postponed until the outcome of the CST negotiations is clearer. On the other hand, the public and political expectations of such a linkage (witness the Reykjavik communiqué) are there. The attractions of a double safeguard to SNF negotiations, verification and a substantive CST achievement, are self evident.

/Soviet

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Soviet options

17. Finally, the Gorbachev factor. The absence of any reference to the Soviet TNW capability was not the least striking aspect of the New York speech. Given the ascendancy which he appears for the moment to enjoy over the Soviet military hierarchy, a unilateral reduction in the Soviet TNW surplus would seem to be a card which Gorbachev can play whenever it suits him. An Alliance proposal of the kind sketched in this letter may be as good a defence as any against the repercussions of another Soviet spectacular. The further along the road we are with intra-Alliance negotiations if and when Gorbachev acts, the better.

Yours ever

Michael

Michael Alexander

cc: Sir M Quinlan KCB
PUS, MOD

D Nicholls Esq CMG
DUS(P), MOD

Sir C Mallaby KCMG
Bonn

B J P Fall Esq CMG
Washington

ANNEX

SHORT RANGE NUCLEAR FORCES

1. The Alliance is committed to maintaining only the minimum number of nuclear weapons necessary to support its strategy of deterrence. It is also committed to keeping these weapons up to date where necessary in order to ensure the continued efficacy of its deterrent capability. For the nations concerned, doing this means continuing to move forward in the years ahead, as we have been over the last six years, within the framework established at Montebello in 1983. The process embraces all the constituent elements of NATO's theatre nuclear armoury.

2. Consistent with these principles, the Alliance is reviewing the numbers and deployments of its dual capable aircraft and the United States has announced its decision to procure a nuclear TASM. This system will replace part of the current stockpile of nuclear gravity bombs. The Alliance is also reviewing the role of sea-based nuclear delivery systems. The US programme to modernise the stockpile of nuclear artillery shells is continuing. The Lance short-range missile system is, however, now approaching the end of its effective in-service life, and a decision on the maintenance of an effective NATO capability in this area has ~~become necessary~~.

3. In order to maintain the credibility of its strategy of deterrence, the Alliance requires a mix of theatre nuclear systems which are effective, survivable, widely deployed and provide adequate target coverage at both shorter and longer ranges. For the foreseeable future, therefore, the Alliance will continue to have a requirement for SNF. Analytical work by the political and military authorities of the Alliance in recent months has concluded that, within this overall SNF requirement, more emphasis should be given to the contribution to deterrence which can be made by relatively longer range systems with their greater flexibility, utility and survivability.

4. NATO is therefore moving towards a mixed SNF capability comprising both widely deployed and longer-range SSM and nuclear artillery with the emphasis on the former. Such a shift in emphasis towards longer-range SNF is consistent with the movement towards longer-range systems

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in general associated with the Montebello decision. Together with the modernisation of the artillery component, it will permit further substantial reductions to the overall size of the stockpile.

5. Against this background the Allies concerned have decided to proceed with the procurement of a longer-range SSM to replace Lance from 1995 and, concurrent with the introduction of the new system, to reduce Allied holdings of short-range land-based nuclear missiles by (50%). It has also been decided that over the next few years, commencing in 1990, the NATO stockpile of nuclear artillery shells in Europe will be reduced by (50%). (The precise details of the resulting SNF missile capability as regards range, deployment and the mix of launchers and missiles remain to be determined.)

6. Together with the reductions in NATO's European nuclear stockpile which have already taken place, these further reductions will mean that the Alliance total stockpile will have been reduced by some (60%) since 1979.

7. Given the improved capability of the Alliance's modernisation nuclear capable systems these reductions will, in the judgement of the Alliance's military authorities, leave the Alliance with adequate and appropriate means to meet the requirements of our strategy of deterrence in this part of the nuclear spectrum.

8. The Alliance invites the Warsaw Pact to follow its lead in reducing its total holdings of SNF nuclear munitions by agreeing to reduce its own total SNF holdings (incorporating nuclear artillery and SSMs) to an overall level which matches that of NATO. Given the very large superiority which the Warsaw Pact currently enjoys in this area, such reductions will have to be heavily asummetric. It would be open to each side to determine within such a ceiling the mix of systems that it considers best meets its requirements. For the reasons noted above, the Alliance has concluded that its deterrence requirements are best served by the shift towards longer-range systems reflected in the mix which will result from the decisions set out above.

9. If the Warsaw Pact declines to take up the Alliance's challenge the message will be clear to all.

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10. We would welcome an announcement by the Warsaw Pact that it planned to follow suit. But mere declarations, accompanied by a publicity fanfare, will not be enough. For the Alliance to have confidence that the claimed reductions had taken place and were not liable to be reversed, a permanent, effective and agreed verification regime would have to be put in place.

11. Agreement on the nature of such a regime and its installation would require detailed and complex negotiation between the countries directly affected. On NATO's side those countries would be ready to enter such a negotiation, at a time to be agreed, once the process of reduction by both sides was under way. To be effective, the resulting regime would have to be no less extensive, intrusive and mandatory than the verification arrangements enshrined in the INF Treaty, proposed in the START negotiations or envisaged as accompanying a substantive agreement on reductions in conventional forces.

12. The Alliance is willing in principle to envisage the negotiation of a further reduction in overall SNF holdings at the appropriate time. But such a negotiation would only be conceivable if the Warsaw Pact, in accordance with NATO's proposals, had both reduced its SNF holdings down to those of NATO and accepted the installation of a satisfactory verification regime, thereby providing a trustworthy basis on which to proceed. Even then NATO could only envisage additional reductions in its SNF capability, beyond the substantial cuts now being announced, if major steps towards the establishment of a verified conventional balance in Europe had been negotiated and implemented.

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10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

9 December 1988

Dear Stephen,

SOVIET POLICIES

The Prime Minister thinks it would be useful if the Department could produce an annotated version of Mr. Gorbachev's recent speech to the United Nations, commenting on the significance of the various proposals contained in it and tracing their antecedents. This might be done by having the text of the speech on the right hand page and a commentary on the left. You may well already have this in mind for your own purposes. It would be helpful to have it while the speech is still topical.

In rather slower time, the Prime Minister would find it useful to see a paper tracing the development of Mr. Gorbachev's thinking on politico-military issues, based on his speeches, commenting also on the various influences which seem to have conditioned his views. This might be a task for the Soviet section of research department in collaboration with the Cabinet Office. I should be grateful if you could arrange for this to be put in hand.

I am copying this letter to Sir Percy Cradock.

Yours sincerely,

(C.D. POWELL)

J.S. Wall, Esq.,
Foreign and Commonwealth Office.

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CONVENTIONAL ARMS CONTROL: NORTH ATLANTIC COUNCIL MINISTERIAL STATEMENT

THE FOLLOWING STATEMENT WAS APPROVED BY MINISTERS AND RELEASED TO THE PRESS ON THE MORNING OF 8 DECEMBER.

BEGINS:
CONVENTIONAL ARMS CONTROL
STATEMENT ISSUED BY THE NORTH ATLANTIC COUNCIL MEETING IN MINISTERIAL SESSION AT NATO HEADQUARTERS, BRUSSELS
(8TH-9TH DECEMBER 1988)

1. IN THEIR STATEMENT 'CONVENTIONAL ARMS CONTROL: THE WAY AHEAD', THE HEADS OF STATE AND GOVERNMENT PARTICIPATING IN THE MEETING OF THE NORTH ATLANTIC COUNCIL IN MARCH 1988 EMPHASIZED THAT THE IMBALANCE IN CONVENTIONAL FORCES REMAINS AT THE CORE OF EUROPE'S SECURITY CONCERNS. WE SHALL BE PRESENTING SPECIFIC PROPOSALS AT THE NEGOTIATING TABLE TO REDRESS THIS IMBALANCE.

2. WE LOOK FORWARD TO THE EARLY COMMENCEMENT OF THE TWO NEGOTIATIONS WE HAVE PROPOSED: ONE ON CONVENTIONAL STABILITY BETWEEN THE 23 MEMBERS OF THE TWO MILITARY ALLIANCES IN EUROPE AND ONE ON CONFIDENCE- AND SECURITY-BUILDING MEASURES AMONG ALL 35 SIGNATORIES OF THE HELSINKI FINAL ACT.

3. IN THESE NEGOTIATIONS WE WILL BE GUIDED BY:

- THE CONVICTION THAT THE EXISTING MILITARY CONFRONTATION IS THE RESULT, NOT THE CAUSE, OF THE PAINFUL DIVISION OF EUROPE:

- THE PRINCIPLE OF THE INDIVISIBLE SECURITY OF ALL OUR NATIONS. WE

SHALL REJECT CALLS FOR PARTIAL SECURITY ARRANGEMENTS OR PROPOSALS AIMED AT SEPARATE AGREEMENTS:

- THE HOPE THAT THE NEW THINKING IN THE SOVIET UNION WILL OPEN THE WAY FOR MUTAL AGREEMENT ON REALISTIC, MILITARILY SIGNIFICANT AND VERIFIABLE ARRANGEMENTS WHICH ENHANCE SECURITY AT LOWER LEVELS.

TOWARDS STABILITY

4. THE MAJOR THREAT TO STABILITY IN EUROPE COMES FROM THOSE WEAPONS SYSTEMS WHICH ARE CAPABLE OF MOUNTING LARGE-SCALE OFFENSIVE OPERATIONS AND OF SEIZING AND HOLDING TERRITORY. THESE ARE ABOVE ALL MAIN BATTLE TANKS, ARTILLERY AND ARMOURED TROOP CARRIERS. IT IS IN THESE VERY SYSTEMS THAT THE EAST HAS SUCH A MASSIVE PREPONDERANCE. INDEED, THE SOVIET UNION ITSELF POSSESSES MORE TANKS AND ARTILLERY THAN ALL THE OTHER MEMBERS OF THE WARSAW PACT AND THE ALLIANCE COMBINED. AND THEY ARE CONCENTRATED IN A MANNER WHICH RAISES GRAVE CONCERNS ABOUT THE STRATEGY WHICH THEY ARE INTENDED TO SUPPORT AS WELL AS THEIR ROLE IN MAINTAINING THE DIVISION OF EUROPE.

5. THE REDUCTIONS ANNOUNCED BY THE SOVIET UNION ARE A POSITIVE CONTRIBUTION TO CORRECTING THIS SITUATION. THEY INDICATED THE SERIOUSNESS WITH WHICH THE CONVENTIONAL IMBALANCES WHICH WE HAVE LONG HIGHLIGHTED AS A KEY PROBLEM OF EUROPEAN SECURITY ARE NOW ALSO ADDRESSED BY THE SOVIET GOVERNMENT. WE ALSO WELCOME THE DECLARED READINESS OF THE SOVIET UNION TO ADJUST THEIR FORCE POSTURE. THE IMPORTANT THING IS NOW TO BUILD ON THESE HOPEFUL DEVELOPMENTS AT THE NEGOTIATING TABLE IN ORDER TO CORRECT THE LARGE ASYMMETRIES THAT WILL STILL REMAIN AND TO SECURE A BALANCE AT LOWER LEVELS OF FORCES. FOR THIS, IT WILL BE NECESSARY TO DEAL WITH THE LOCATION, NATIONALITY AND THE STATE OF READINESS OF FORCES, AS WELL AS THEIR NUMBERS. OUR PROPOSALS WILL ADDRESS THESE ISSUES IN THE FOLLOWING SPECIFIC WAYS:

- WE SHALL PROPOSE AN OVERALL LIMIT ON THE TOTAL HOLDINGS OF ARMAMENTS IN EUROPE. THIS LIMIT SHOULD BE SUBSTANTIALLY LOWER THAN EXISTING LEVELS, IN THE CASE OF TANKS CLOSE TO A HALF. THIS WOULD MEAN AN OVERALL LIMIT OF ABOUT 40,000 TANKS.

- IN OUR CONCEPT OF STABILITY, NO COUNTRY SHOULD BE ABLE TO DOMINATE THE CONTINENT BY FORCE OF ARMS. WE SHALL THEREFORE ALSO PROPOSE THAT NO COUNRYY SHOULD BE ENTITLED TO POSSESS MORE THAN A FIXED PROPORTION, SUCH AS 30 PERCENT, OF THE TOTAL HOLDINGS IN EUROPE OF THE 23 PARTICIPANTS IN EACH EQUIPMENT CATEGORY. IN THE CASE OF TANKS, THIS WOULD RESULT IN AN ENTITLEMENT OF NO MORE THAN ABOUT

12,000 TANKS OF ANY ONE COUNTRY.

- LIMITING NUMBERS AND NATIONALITY OF FORCES WOULD NOT BE ITSELF AFFECT THE STATIONING OF FORCES ON OTHER COUNTRIES' TERRITORY. STATIONED FORCES, PARTICULARLY THOSE IN ACTIVE COMBAT UNIT, ARE ESPECIALLY RELEVANT TO SURPRISE ATTACK. WE SHALL PROPOSE LIMITS ON SUCH FORCES.

- OUR PROPOSAL WILL APPLY TO THE WHOLE OF EUROPE. IN ORDER TO AVOID UNDUE CONCENTRATION OF THESE WEAPON CATEGORIES IN CERTAIN AREAS OF EUROPE, WE SHALL PROPOSE APPROPRIATE SUB-LIMITS.

6. TO BUTTRESS THE RESULTING REDUCTIONS IN FORCE LEVELS IN THE WHOLE OF EUROPE, WE SHALL PROPOSE STABILIZING MEASURES. THESE COULD INCLUDE MEASURES OF TRANSPARENCY, NOTIFICATIONS AND CONSTRAINT APPLIED TO THE DEPLOYMENT, MOVEMENT AND LEVELS OF READINESS OF CONVENTIONAL ARMED FORCES, WHICH INCLUDE CONVENTIONAL ARMAMENTS AND EQUIPMENT.

7. FINALLY, WE SHALL REQUIRE A RIGOROUS AND RELIABLE REGIME FOR MONITORING AND VERIFICATION. THIS WOULD INCLUDE THE PERIODIC EXCHANGE OF DETAILED DATA ABOUT FORCES AND DEPLOYMENTS, AND THE RIGHT TO CONDUCT ON-SITE INSPECTIONS.

TOWARDS TRANSPARENCY

8. GREATER TRANSPARENCY IS AN ESSENTIAL REQUIREMENT FOR REAL STABILITY. THEREFORE, WITHIN THE FRAMEWORK OF THE CSCE PROCESS, THE NEGOTIATIONS ON CONFIDENCE AND SECURITY-BUILDING MEASURES FORM AN ESSENTIAL COMPLEMENT TO THOSE ON CONVENTIONAL STABILITY. WE ARE ENCOURAGED THUS FAR BY THE SUCCESSFUL IMPLEMENTATION OF THE STOCKHOLM DOCUMENT AND WE CONSIDER THAT THE MOMENTUM MUST BE MAINTAINED.

9. IN ORDER TO CREATE TRANSPARENCY OF MILITARY ORGANIZATION, WE PLAN TO INTRODUCE A PROPOSAL FOR A WIDE-RANGING, COMPREHENSIVE ANNUAL EXCHANGE OF INFORMATION CONCERNING MILITARY ORGANIZATION, MANPOWER AND EQUIPMENT AS WELL AS MAJOR WEAPON DEPLOYMENT PROGRAMMES. TO EVALUATE THIS INFORMATION WE WILL PROPOSE MODALITIES FOR THE ESTABLISHMENT OF A RANDOM EVALUATION SYSTEM.

10. IN ADDITION, IN ORDER TO BUILD ON THE SUCCESS OF THE STOCKHOLM DOCUMENT AND TO CREATE GREATER TRANSPARENCY OF MILITARY ACTIVITIES, WE WILL PROPOSE MEASURES IN AREAS SUCH AS:

- MORE DETAILED INFORMATION WITH REGARD TO THE NOTIFICATION OF MILITARY EXERCISES,

- IMPROVEMENTS IN THE ARRANGEMENTS FOR OBSERVING MILITARY ACTIVITIES

- GREATER OPENNESS AND PREDICTABILITY ABOUT MILITARY ACTIVITIES,

- A STRENGTHENING OF THE REGIME FOR ENSURING COMPLIANCE AND VERIFICATION.

11. FINALLY, WE SHALL PROPOSE ADDITIONAL MEASURES DESIGNED TO IMPROVE CONTACTS AND COMMUNICATIONS BETWEEN PARTICIPATING STATES IN THE MILITARY FIELD: TO ENHANCE ACCESS FOR MILITARY STAFFS AND MEDIA REPRESENTATIVES: AND TO INCREASE MUTUAL UNDERSTANDING OF MILITARY CAPABILITIES, BEHAVIOUR AND FORCE POSTURES. WE WILL ALSO PROPOSE MODALITIES FOR AN ORGNAIZED EXCHANGE OF VIEWS ON MILITARY DOCTRINE TIED TO ACTUAL FORCE STRUCTURES, CAPABILITIES AND DISPOSITIONS IN EUROPE.

A VISION FOR EUROPE

12. WE WILL PURSUE THESE DISTINCT NEGOTIATIONS WITHIN THE FRAMEWORK OF THE CSCE PROCESS, BECAUSE WE BELIEVE THAT A SECURE PEACE CANNOT BE ACHIEVED WITHOUT STEADY PROGRESS ON ALL ASPECTS OF THE CONFRONTATION WHICH HAS DIVIDED EUROPE FOR MORE THAN FOUR DECADES. MOREOVER, REDRESSING THE DISPARITY IN CONVENTIONAL FORCES IN EUROPE WOULD REMOVE AN OBSTACLE TO THE ACHIEVEMENT OF THE BETTER POLITICAL RELATIONSHIP BETWEEN ALL STATES OF EUROPE TO WHICH WE ASPIRE. CONVENTIONAL ARMS CONTROL MUST THEREFORE BE SEEN AS PART OF A DYNAMIC PROCESS WHICH ADDRESSES THE MILITARY, POLITICAL, AND HUMAN ASPECTS OF THIS DIVISION.

13. THE IMPLEMENTATION OF OUR PRESENT PROPOSALS AND OF THOSE WE ARE MAKING FOR FURTHER CSBMS WILL INVOLVE A QUANTUM IMPROVEMENT IN EUROPEAN SECURITY. WE WILL WISH TO AGREE AND IMPLEMENT THEM AS SOON AS POSSIBLE. IN THE LIGHT OF THEIR IMPLEMENTATION WE WOULD THEN BE WILLING TO CONTEMPLATE FURTHER STEPS TO ENHANCE STABILITY AND SECURITY IN EUROPE, FOR EXAMPLE:

- FURTHER REDUCTIONS OR LIMITATIONS OF CONVENTIONAL ARMAMENTS AND EQUIPMENT:

- THE RESTRUCTURING OF ARMED FORCES TO ENHANCE DEFENSIVE CAPABILITIES AND FURTHER REDUCE OFFENSIVE CAPABILITIES.

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OUR VISION REMAINS THAT OF A CONTINENT WHERE MILITARY FORCES ONLY EXIST TO PREVENT WAR AND TO ENSURE SELF DEFENCE, NOT FOR THE PURPOSE OF INITIATING AGGRESSION OR FOR POLITICAL OR MILITARY INTIMIDATION. ENDS:

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UKMIS NEW YORK TELNO 1752: AND FCO TELNO 238 TO UKDEL NATO (NOT TO ALL) : GORBACHEV'S SPEECH AT THE UN: TROOP REDUCTIONS: INTERNAL DIMENSIONS.

SUMMARY.

1. THE TROOP REDUCTION PROPOSALS MEET AN INTERNAL IMPERATIVE FOR GORBACHEV, AND MUST HAVE REQUIRED DELICATE NEGOTIATIONS WITH THE MILITARY. RUMOURS OF CHANGES AT THE MINISTRY OF DEFENCE.

DETAIL.

2. IT IS AXIOMATIC THAT, IF GORBACHEV'S ECONOMIC POLICIES ARE TO SUCCEED, HE NEEDS TO SHIFT RESOURCES OUT OF THE DEFENCE SECTOR. RESTRUCTURING OF THE ARMED FORCES WAS THEREFORE ANTICIPATED LONG BEFORE THE CURTAIN-RAISING RUMOURS WHICH PRECEEDED HIS SPEECH. THE ANNOUNCEMENT OF UNILATERAL CUTS REFLECTS GORBACHEV'S BELIEF THAT THE SOVIET ARMED FORCES ARE TOO LARGE, AND THAT AN EQUIVALENT LEVEL OF SECURITY COULD BE OBTAINED WITH LOWER FORCE LEVELS AND AT LESS COST, ESPECIALLY IF THIS SECURITY HAS POLITICAL AND ECONOMIC DIMENSIONS.

3. AT THE SAME TIME, ANY PROPOSAL TO MAKE UNILATERAL CUTS IN THE SOVIET MILITARY IS INTERNALLY SENSITIVE AND CARRIES A DEGREE OF POLITICAL RISK.)MEMORIES OF VIGOROUS MILITARY OPPOSITION TO KHRUSHCHEV'S PROPOSED REDUCTIONS OF 1.2 MILLION MEN IN 1960, WHICH CONTRIBUTED TO HIS EVENTUAL DOWNFALL, HAVE NOT FADED. WE BELIEVE THAT GORBACHEV'S MORE MODEST PROPOSALS HAVE BEEN NEGOTIATED WITH THE MILITARY OVER THE PAST SIX MONTHS. THERE ARE SOME GROUNDS FOR THINKING THAT HE HAS GONE FOR CUTS AT THE LOWER END OF THE POSSIBLE RANGE. OUR US COUNTERPARTS WERE CERTAINLY EXPECTING REDUCTIONS THREE TIMES AS GREAT AS THOSE ANNOUNCED BY GORBACHEV. HOWEVER, WE HAVE AS YET NO FIRM EVIDENCE AS TO WHETHER THE MILITARY HAVE SUCCEEDED IN BEATING DOWN A MORE AMBITIOUS TARGET: OR, CONVERSELY, WHETHER THEY WILL STILL REGARD THESE CUTS AS THREATENING TO THEIR POSITION.

4. ALTHOUGH THERE HAS YET TO BE AN OFFICIAL ANNOUNCEMENT OF MARSHAL AKHROMEYEV'S RETIREMENT AS CHIEF OF THE GENERAL STAFF, DIFFERENT SOVIET CONTACTS (MILITARY AND CIVILIAN) HAVE SPOKEN TO US OF THIS AS AN ESTABLISHED FACT. IT IS VARIOUSLY RUMOURED THAT AKHROMEYEV WILL BE APPOINTED AS AN ADVISER ON ARMS CONTROL, EITHER PERSONALLY TO GORBACHEV OR TO THE CENTRAL COMMITTEE. INEVITABLY, HIS TRANSFER IS BEING LINKED WITH THE PROPOSED REDUCTIONS, BUT AGAIN WITHOUT HARD EVIDENCE. IT APPEARS THAT AKHROMEYEV'S REPLACEMENT IS TO BE GENERAL LOBOV.

5. THERE ARE FURTHER PERSISTENT RUMOURS THAT DEFENCE MINISTER YAZOV WILL REPLACE MARSHAL KULIKOV AS COMMANDER-IN-CHIEF OF THE WARSAW PACT AFFAIRS (KULIKOV IS APPROACHING RETIREMENT AGE): AND THAT YAZOV WILL BE REPLACED BY A CIVILIAN, BAKLANOV (CENTRAL COMMITTEE SECRETARY RESPONSIBLE FOR THE DEFENCE INDUSTRIES).

6. THE MILITARY SIGNIFICANCE OF THE REDUCTIONS, AND IN CONSEQUENCE THEIR RELEVANCE TO THE CST NEGOTIATIONS, MUST OF COURSE BE ANALYSED BY THOSE WITH APPROPRIATE EXPERTISE. BUT WE ASSUME IT MAY BE THE CASE THAT HE COULD ACHIEVE THE REDUCTION IN MATERIAL LARGELY BY RETIRING OLD EQUIPMENT SUCH AS T55/T62 TANKS, WITHOUT HAVING A SERIOUS EFFECT ON FRONT-LINE CAPABILITIES. SUCH AN ASSESSMENT ON THE SOVIET SIDE WOULD HAVE MADE THE CUTS EASIER TO SELL TO THE SOVIET ARMED FORCES, BUT WITHOUT NECESSARILY UNDERMINING THE ADVANTAGES TO GORBACHEV OF A STEP THAT APPEALS DRAMATICALLY TO WESTERN PUBLIC OPINION.

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MIPT : GORBACHEV SPEECH TO THE UN GENERAL ASSEMBLY: US REACTIONS

SUMMARY

1. GOOD ATMOSPHERICS GENERALLY, BUT CAUTIOUS REMARKS BY SHULTZ ON SPECIFICS. HE DESCRIBED GORBACHEV'S ANNOUNCEMENT OF UNILATERAL REDUCTIONS IN SOVIET CONVENTIONAL FORCES AS A QUOTE A WELCOME AND SIGNIFICANT STEP IN THE RIGHT DIRECTION UNQUOTE, BUT WARNED THAT EVEN AFTER IMPLEMENTATION, THERE WOULD STILL BE A SIGNIFICANT EASTERN SUPERIORITY, WITHOUT PROGRESS ELSEWHERE. NO REAL MOVEMENT ON AFGHANISTAN. ON HUMAN RIGHTS, GORBACHEV'S CLAIMS ON POLITICAL AND RELIGIOUS PRISONERS TO BE SCRUTINIZED. BRIEF AND APPARENTLY INCONCLUSIVE DISCUSSION OF KRASNOYARSK.

DETAIL

2. SHULTZ GAVE THE FIRST OFFICIAL US REACTION TO THE GORBACHEV SPEECH TO THE UN GENERAL ASSEMBLY AT A PRESS CONFERENCE ON GOVERNOR'S ISLAND SHORTLY AFTER THE REAGAN/BUSH/GORBACHEV LUNCH. FOLLOWING AN OPENING STATEMENT CONFINED TO A LIST OF THE ISSUES DISCUSSED AT THE LUNCH (PERESTROIKA, KRASNOYARSK, CW, CONVENTIONAL ARMS CONTROL, REGIONAL ISSUES (SOUTHERN AFRICA, MIDDLE EAST)) SHULTZ RESPONDED TO PRESS QUESTIONS ON THE MAIN ISSUES IN THE GORBACHEV SPEECH:

I) UNILATERAL REDUCTIONS IN SOVIET CONVENTIONAL FORCES: SHULTZ WELCOMED THE ANNOUNCEMENT AS A QUOTE SIQNIFICANT STEP IN THE RIGHT DIRECTION UNQUOTE. BUT HE WENT ON TO SAY THAT EVEN AFTER IMPLEMENTATION (IE. BY 1991) THERE WOULD STILL BE A SIGNIFICANT ASYMMETRY IN CONVENTIONAL FORCES, SO THERE WAS QUOTE A LOT OF NEGOTIATING TO DO UNQUOTE (AN INTENDED REFERENCE TO CST). THE EMPHASIS ON REORGANISATION AND RESTRUCTURING OF OFFENSIVE EQUIPMENT WAS OF PARTICULAR INTEREST, AND HE SINGLED OUT THE REFERENCE TO WITHDRAWAL OF OFFENSIVE BRIDGING CAPABILITY IN THE SPEECH. HE ADDED THAT THE ANNOUNCEMENT WOULD BE STUDIED CAREFULLY AND QUOTE FACTORED INTO UNQUOTE THE WESTERN APPROACH TO THE

CONVENTIONAL STABILITY TALKS.
II) HUMAN RIGHTS: SHULTZ SAID THAT THE ADMINISTRATION MAINTAINED THAT THERE WERE STILL POLITICAL AND RELIGIOUS PRISONERS IN THE SOVIET UNION IN SPITE OF THE CLAIM TO THE CONTRARY IN THE SPEECH, AND THE RECENT WAVE OF RELEASES. IT WOULD BE NECESSARY TO GO THROUGH THE US LISTS WITH THE RUSSIANS TO ESTABLISH THE STATUS OF THE INDIVIDUALS IN QUESTION, AND THE VALIDITY, OR OTHERWISE, OF THEIR IMPRISONMENT. IN SHULTZ'S VIEW, SUCH AN EXCHANGE WOULD TAKE PLACE IN THE CONTEXT OF QUOTE DIGGING IN UNQUOTE TO GET THE DETAIL THAT LAY UNDERNEATH THE MORE GENERAL (AND WELCOME) STATEMENTS ON HUMAN RIGHTS IN THE SPEECH.
III) AFGHANISTAN: SHULTZ AGREED THAT A MAJOR PEACEKEEPING, RECONSTRUCTION AND DEVELOPMENT EFFORT WOULD BE NEEDED IN AFGHANISTAN. BUT HE WAS UNCONVINCED THAT THE AFGHAN PEOPLE WOULD ACCEPT THE QUOTE ENTITLEMENT OF THE PUPPET REGIME UNQUOTE TO HOLD ITS OWN TERRITORIALLY (WHICH UNDERLAY THE PROPOSAL ON ARMS SUPPLIES). IT WAS ENCOURAGING THAT THE RUSSIANS WERE NOW TALKING DIRECTLY TO THE MUJAHIDEEN. BUT THE KEY TO AFGHANISTAN WAS THE SOVIET WITHDRAWAL, AND HE BELIEVED AND HOPED THAT IT WOULD BE COMPLETED.
IV) KRASNOYARSK: SHULTZ SAID THAT GORBACHEV'S REFERENCE TO QUOTE DISMANTLING UNQUOTE IN THE SPEECH HAD BEEN RAISED AT THE LUNCH. BUT DISCUSSION HAD NOT GONE BEYOND CONFIRMATION THAT GORBACHEV HAD USED THE WORD IN THE CONTEXT OF KRASNOYARSK. (COMMENT: THE SPEECH REFERRED ONLY TO KRASNOYARSK BECOMING AN INTERNATIONAL CENTRE FOR PEACEFUL COOPERATION THROUGH QUOTE DISMANTLING AND REFITTING CERTAIN UNITS AND STRUCTURES UNQUOTE, WHICH MAY NOT REPRESENT AN ADVANCE ON PREVIOUS POSITIONS).
V) A FUTURE BUSH/GORBACHEV SUMMIT: SHULTZ REFERRED TO BUSH'S STATEMENT THAT HE WOULD WAIT TO ASSESS THE VARIOUS ELEMENTS IN THE RELATIONSHIP BEFORE QUOTE MOVING FORWARD ON AN ORDERLY BASIS UNQUOTE. NO DATES HAD THEREFORE BEEN DISCUSSED.

3. SHULTZ'S DETAILED COMMENTS ASIDE, THE GENERAL FLAVOUR WAS ONE OF CONTENTMENT ON BOTH SIDES AT THE WAY THE LUNCH HAD GONE. ON GOVERNOR'S ISLAND, PRESIDENT REAGAN SAID IN RESPONSE TO QUESTIONS ON THE LUNCH QUOTE READ OUR SMILES UNQUOTE, AND IMMEDIATELY PRIOR TO HIS RETURN TO WASHINGTON, HE SAID THAT IT HAD BEEN A QUOTE GOOD AND SUCCESSFUL DAY UNQUOTE. OFFICIALS IN THE STATE DEPARTMENT ARE RELIEVED AT THE WAY THE ANNOUNCEMENT OF THE UNILATERAL REDUCTION OF CONVENTIONAL FORCES HAS BEEN HANDLED SO FAR, WITH ALL THE RIGHT CAVEATS INCLUDED. BUT THERE IS ALREADY A TENDENCY TOWARDS EUPHORIA ON THE PART OF SOME MEDIA PUNDITS, PARTICULARLY AFTER FURTHER REMARKS FROM THE PRESIDENT THIS EVENING

(SEE MIFT). THERE IS FOR EXAMPLE A RISK THAT PUBLIC OPINION COULD TWIST THE FORCE REDUCTIONS FROM BEING A UNILATERAL DECISION WHOSE IMPLEMENTATION SHOULD BE MONITORED CAREFULLY TO THE STATUS OF A PROPOSAL WHICH REQUIRES A WESTERN RESPONSE. SOME CONCERN HAS ALSO BEEN VOICED THAT GORBACHEV'S PROPOSAL FOR A CEASE-FIRE IN AFGHANISTAN FROM 1 JANUARY COULD DIVERT ATTENTION FROM THE NEED TO HOLD HIM TO THE COMMITMENT TO A SOVIET WITHDRAWAL BY 15 FEB.

4. ALL EYES ARE NOW TURNING TO THE NATO COMNAC MEETING AND THE COLLECTIVE ALLIANCE RESPONSE.

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MR POWELL

c Sir Robin Butler

Gorbachev's Speech at the UN: Military Cuts

The most important element of Gorbachev's speech was an announcement of extensive, unconditional and unilateral cuts of men and equipment both in the Soviet armed forces as a whole and, more specifically, in the area from the Atlantic to the Urals. The main points of his package were as follows:

a. A reduction of the Soviet armed forces by a total of 500,000 men over a period of two years. (This is out of a total of some 5 million - ie a 10 per cent cut.)

b. The withdrawal by 1991 from Czechoslovakia, the GDR and Hungary of:

i. 6 tank divisions (which would be completely disbanded);

ii. a total of 50,000 men, which would include assault landing troops and river-crossing troops;

iii. a total of 5,000 tanks.

The reduction in manpower and tanks is, of course, in part a reflection of the withdrawal of the 6 tank divisions.

2. Gorbachev then approached the cuts from a different angle and said that by 1991 the following reductions would be made "from the European part of the USSR and the territory of its allies":

a. 10,000 tanks;

b. 8,500 artillery systems; and

c. 800 combat aircraft.

Here again there is a certain amount of double counting in that the withdrawals from Czechoslovakia, the GDR and Hungary would obviously also be included in this second set of figures.

3. These reductions should be measured against the following totals for Soviet forces from the Atlantic to the Urals: a. 2,200,000 military personnel; b. 156 divisions (46 of which are tank divisions), of which 31 are stationed in the NSWP countries; c. 37,000 main battle tanks; d. 33,000 artillery systems; and 6,050 combat aircraft.

4. It follows that the percentage reduction in Soviet forces in these categories is:

Divisions	3.8%
Main battle tanks	27%
Artillery systems	26%
Combat aircraft	13%

5. The following table shows the overall balance between the NATO and Warsaw Pact forces in the area from the Atlantic to the Urals and also shows the proportional implications of the cuts.

	NATO	Warsaw Pact at present	Warsaw Pact after cut	Present ratio	Ratio after cut
Divisions outside national territory	11 1/3	31	25	1:2.74	1:2.20
Total divisions	72	210	204	1:2.91	1:2.83
Main battle tanks	16,424	49,500	39,500	1:3.01	1:2.40
Artillery systems	14,458	43,400	34,900	1:3	1:2.41
Combat aircraft	3,977	8,250	7,450	1:2.07	1:1.87

6. The raw figures above show that this is a major eye-catching initiative on the part of the Soviet leadership. We shall, however, need to study the fine print (when this becomes available) before drawing firm conclusions about the impact for the balance of forces. The most telling question will be the nature and the positioning of the units and equipment that are withdrawn and their location. It will also be significant whether modern main battle tanks are withdrawn or whether older equipment is disposed of. In any case even after the reduction there will still be a major asymmetry in favour of the Warsaw Pact.

7. The initiative is nevertheless bound to have considerable impact on Western public opinion and also on certain Alliance members. In particular it is likely to affect the West German attitude to modernisation.

8. Gorbachev also mentioned that the Soviet Union intended to make a withdrawal of a "considerable number of troops" from Mongolia. Further, under the heading of "The Economy of Disarmament", he announced that the Soviet Union planned to convert some defence enterprises to civilian production and called on the rest of the world to follow suit.

9. On Afghanistan he proposed that there should be a total ceasefire with effect from 1 January and also proposed the introduction of a UN peace force to police the final stages of the implementation of the Geneva Accords.

10. The JIC will issue a considered assessment tomorrow afternoon.

(Assessments Staff)

for PERCY CRADOCK

7 December 1988

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FOR SECRETARY OF STATE'S PARTY:
GORBACHEV SPEECH AT UN
1. SUMMARY OF SPEECH IS BEING SENT DESKBY TELEGRAM FROM NEW YORK TOGETHER WITH THEIR COMMENTS. WE HAVE ALREADY COMMENTED SEPARATELY ON THE TROOP WITHDRAWAL PROPOSALS. FOLLOWING ARE COMMENTS ON REMAINDER OF SPEECH.
GENERAL
2. LONG PASSAGES OF THE SPEECH ARE HIGHLY GENERAL BUT CONVEY AN OVERALL MESSAGE OF REASONABLENESS, WILLINGNESS TO COOPERATE, AND READINESS TO LOOK FOR NEW SOLUTIONS TO OLD PROBLEMS. THESE WILL NO DOUBT BE OVERSHADOWED BY THE MORE NEWSWORTHY PASSAGES ON TROOP REDUCTIONS, AFGHANISTAN ETC, BUT WILL HELP TO REINFORCE THE POSITIVE IMPACT OF THE SPEECH. MUCH OF IT MIRRORS SHEVARDNADZE'S SEPTEMBER UNGA SPEECH. BUT THE REFERENCES TO A SINGLE WORLD ECONOMY OUTSIDE WHICH NO STATE CAN HOPE TO SURVIVE IS AN INTERESTING ADMISSION OF AN OBVIOUS BUT PAINFUL TRUTH. THERE ARE SOME STRIKING STATEMENTS WHICH WE SHOULD BE ABLE TO TURN BACK ON GORBACHEV:
- QUOTE DEMOCRATIC VALUES INTENDED FOR EXPORT OFTEN VERY QUICKLY LOSE THEIR WORTH UNQUOTE
- QUOTE TODAY THE PRESERVATION OF ANY KIND OF QUOTE CLOSED UNQUOTE SOCIETIES IS HARDLY POSSIBLE UNQUOTE
- QUOTE THE USE OR THREAT OF FORCE NO LONGER CAN OR MUST BE AN INSTRUMENT OF FOREIGN POLICY UNQUOTE
- QUOTE THE PRINCIPLE OF FREEDOM OF CHOICE IS MANDATORY.... FREEDOM OF CHOICE IS A UNIVERSAL PRINCIPLE THAT SHOULD ALLOW FOR NO EXCEPTIONS UNQUOTE
(WE CAN USE THIS PARTICULARLY IN AN EAST EUROPEAN CONTEXT)
- QUOTE THE NEW PHASE...REQUIRES DE-IDEOLOGISING RELATIONS AMONG STATES. WE ARE NOT ABANDONING OUR CONVICTIONS.....BUT NEITHER DO WE HAVE ANY INTENTION TO BE HEMMED IN BY OUR VALUES UNQUOTE
(THIS HINTS AT A FURTHER MEASURE OF INTERNAL DE-IDEOLOGISATION TOO, REINFORCED BY THE PASSAGE (PAGE 4) IMPLYING THAT THE ROAD ESTABLISHED BY THE REVOLUTION IS NO LONGER VALID IN TODAY'S WORLD)

3. GORBACHEV'S CALLS FOR GREATER SUPPORT FOR THE UN HARK BACK TO THE PROPOSALS IN HIS 1987 ARTICLE. HIS FURTHER PROPOSALS - ON INTERNATIONAL DEBT, ON ENVIRONMENTAL COOPERATION, AND ON COOPERATION IN THE PEACEFUL USES OF OUTER SPACE, ARE COUCHED IN GENERAL TERMS BUT ARE FOR THE MOST PART OLD CHESTNUTS REWARMED. THESE ARE ALL AREAS WHERE WE HAVE IN THE PAST RESISTED THE CREATION OF NEW AGENCIES, AND THE LINKAGE OF UNCONNECTED QUESTIONS.

4. THE DEBT PROPOSALS HAVE SUPERFICIAL ATTRACTION BUT THE SOVIET UNION OBVIOUSLY HAS LESS TO LOSE IN THIS AREA THAN MOST. PROPOSALS FOR FORMATION OF A NEW INTERNATIONAL AGENCY OR A DEBT SUMMIT ARE UNLIKELY TO BE WELCOME, AND WOULD UNDERMINE ALREADY ESTABLISHED FORA (IMF, WORLD BANK, PARIS CLUB). THE EXPERTS WIL IN ANY CASE NEED TO LOOK AT ALL THIS IN DETAIL.

5. SIMILARLY, ALTHOUGH SOVIET INTEREST IN INTERNATIONAL ENVIRONMENTAL COOPERATION IS MOST WELCOME, WE ARE LIKELY TO BE CAUTIOUS ABOUT PROPOSALS FOR A NEW AGENCY. THE UNEP ALREADY COORDINATES ENVIRONMENTAL ASSISTANCE AND WE ARE KEEN TO SEE ITS ROLE ENHANCED, BUT DO NOT WISH TO SEE IT LINKED (AS GORBACHEV DID) WITH QUESTIONS OF DISARMAMENT AND INTERNATIONAL ECONOMIC SECURITY.

6. ON OUTER SPACE, GORBACHEV REPEATED FAMILIAR PROPOSALS FOR A WORLD SPACE ORGANISATION, AND LINKED THIS WITH WHAT IS EFFECTIVELY A REPETITION OF THE OFFER TO INCORPORATE KRASNOYARSK INTO AN INTERNATIONAL PEACEFUL SYSTEM, A PROPOSAL WHICH THE AMERICANS HAVE ALREADY MADE CLEAR CUTS LITTLE ICE WITH THEM. IN GENERAL THE SPACE PROPOSALS HAVE AN OBVIOUS RELEVANCE TO SOVIET HOSTILITY TO SDI.

AFGHANISTAN

7. A) THE CEASEFIRE, IF OBSERVED, WOULD PRIMARILY BENEFIT THE REGIME WHICH IS UNDER ACUTE MILITARY PRESSURE.

B) LEFT IN POSSESSION, EG OF KABUL, REGIME WOULD HAVE TIME TO CONSOLIDATE UNDER UN PROTECTION.

C) IF CEASE-FIRE COLLAPSED EASIER FOR RUSSIANS TO RESUME SUPPLIES THAN FOR CHANNELS TO RESISTANCE VIA PAKISTAN TO REOPEN.

D) NEUTRALITY/DEMILITARISATION FOR AFGHANISTAN TO DECIDE, NOT FOR ANY INTERNATIONAL CONFERENCE.

E) PROPOSAL APPEARS AS ATTEMPT TO CLAW BACK DISADVANTAGES AS RUSSIANS SEE IT OF GENEVA AND OF POSITIVE SYMMETRY.

F) RESISTANCE LIKELY TO REJECT. BUT ELEMENTS MAY FORM BASIS OF VORONTSOV/RESISTANCE TALKS.

INTERNAL REFORM

8. GORBACHEV SAYS AGAIN THAT THE THINKING BEHIND PERESTROIKA IS STILL EVOLVING (IE NEW REFORMS ARE LIKELY). HE UNDERLINES

THE NEED FOR DEMOCRATIC REFORM OF THE ENTIRE SYSTEM OF POWER AND ADMINISTRATION. HE MAKES FAMILIAR REFERENCES TO THE NEED TO IMPROVE THE RELATIONSHIP BETWEEN THE CENTRE AND THE REPUBLICS AND TO ESTABLISH THE RULE OF LAW (WITH NEW LAWS ON FREEDOM OF CONSCIENCE, GLASNOST AND PUBLIC ASSOCIATIONS LIKELY TO BEGIN FOR NEXT YEAR). HE MAKES THE OBVIOUSLY INCORRECT CLAIM THAT EVERYONE IN THE SOVIET UNION SUPPORTS PERESTROIKA.

HUMAN RIGHTS

9. GORBACHEV CLAIMS THAT THERE ARE NO POLITICAL OR RELIGIOUS PRISONERS IN THE SOVIET UNION. THIS CONTRADICTS RECENT SOVIET STATEMENTS THAT THERE ARE A DOZEN OR SO CONVICTED UNDER QUOTE POLITICAL UNQUOTE ARTICLES OF THE PENAL CODE. GORBACHEV REFERS TO FUTURE AMENDMENTS OF THE PENAL CODE BUT IS NOT SPECIFIC. HE ALSO CLAIMS THAT THE ENTRY AND EXIT PROBLEMS ARE BEING DEALT WITH HUMANELY AND THAT PUTTING TIME LIMITS ON THE APPLICATION OF SECRECY RESTRICTIONS (HE DOES NOT SAY WHAT THESE LIMITS WILL BE) WILL REMOVE THE REFUSENIK PROBLEM.

10. THESE CLAIMS SEEM EXAGGERATED AND LIKELY TO ATTRACT CRITICISM FROM HUMAN RIGHTS GROUPS, NOT LEAST THOSE WITHIN THE SOVIET UNION. HIS PROMISES TO SUBJECT SOVIET HUMAN RIGHTS PERFORMANCE TO INTERNATIONAL MONITORING INCLUDING THE ICJ IS NOT SPECIFIC, BUT PROVIDES A HANDLE FOR THE WEST.

ARMS CONTROL

11. GORBACHEV'S PROPOSALS ON CONVERSION FROM AN ECONOMY OF ARMAMENTS TO ONE OF DISARMAMENT HAVE SUPERFICIAL PLAUSIBILITY BUT ARE UNLIKELY TO CUT MUCH ICE IN PRACTICE. HIS REFERENCES TO CONVERSION PLANS FOR TWO OR THREE DEFENCE PLANTS IN 1989 ARE SUITABLY VAGUE.

US-SOVIET RELATIONS

12. GORBACHEV IS NOTABLY POSITIVE, COMPLEMENTARY TO REAGAN, AND UPBEAT ABOUT THE PROSPECTS FOR PROGRESS WITH BUSH.

PRESS LINE

13. THE SECRETARY OF STATE MAY LIKE TO TAKE THE FOLLOWING LINE WITH THE PRESS:

- NOT YET STUDIED FULL TEXT IN GREAT DETAIL.
- LIKE THE PRIME MINISTER, WELCOME UNILATERAL CUT IN TROOPS AND ARMAMENTS AS AN IMPORTANT FIRST STEP IN REDUCING THE PRESENT OVERWHELMING SUPERIORITY OF THE SOVIET UNION.
- THE FUTURE OF AFGHANISTAN IS FOR THE AFGHANS TO DECIDE. WELCOME NEW SOVIET CONTACTS WITH RESISTANCE. FOR THE LATTER TO DECIDE WHETHER CEASEFIRE ACCEPTABLE. IMPORTANT THING THAT RUSSIANS WITHDRAW ON TIME.
- WELCOME THIS FURTHER ELABORATION OF WHAT MR GORBACHEV MEANS BY TAKING IDEOLOGY OUT OF FOREIGN POLICY - AND PARTICULARLY HIS

REAFFIRMATION OF FREEDOM OF CHOICE FOR ALL NATIONS AS A UNIVERSAL PRINCIPLE.

- SHALL LOOK TO THIS PRINCIPLE BEING APPLIED IN RESOLVING OUTSTANDING INTERNATIONAL ISSUES. LOOK FORWARD TO DISCUSSING WITH SHEVARDNADZE NEXT WEEK.
- WELCOME MR GORBACHEV'S PUBLIC COMMITMENT TO THE RULE OF LAW AND HUMAN RIGHTS. CERTAINLY HOPE THAT SOON THERE WILL INDEED BE NO POLITICAL OR RELIGIOUS PRISONERS AND NO REFUSENIKS.
- WELCOME THE RATHER GENERAL INTENTION TO PROVIDE FOR AN INTERNATIONAL LEGAL SYSTEM TO MONITOR SOVIET HUMAN RIGHTS. BRITAIN ALREADY HAS ECHR.
- EXPERTS TO LOOK AT DEBT PROBLEMS IN DETAIL. BUT NOTE THAT THE WEST A FAR LARGER CREDITOR THAN THE EAST.
- ENVIRONMENTAL PROPOSALS NOT NEW EXCEPT PUTTING KRASNOYARSK RADAR UNDER UN AUSPICES. THIS PRIMARILY FOR US TO COMMENT. PROBLEM OF EASE OF CONVERSION TO DEFENCE USE APPEARS TO REMAIN.
- ENDORSE WELL EARNED TRIBUTE TO UNSC.

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VISIT OF MR WALDEGRAVE TO FRG 4-6 DECEMBER : SNF MODERNISATION

SUMMARY

1. MR WALDEGRAVE'S TIMELY VISIT REVEALS THAT GERMAN THINKING ON SNF MODERNISATION HAS CLARIFIED. CONFIRMATION THAT KOHL WANTS A NATO SUMMIT NEXT MAY TO AGREE THE COMPREHENSIVE CONCEPT, INCLUDING A MODERNISATION DECISION BUT ALSO AN ARMS CONTROL ELEMENT. AUSWAERTIGES AMT, FOR THE FIRST TIME, SHOWS READINESS TO GO ALONG WITH THIS. GERMAN PUBLIC LINE IS THAT COMPREHENSIVE CONCEPT SHOULD BE ADOPTED NEXT YEAR AND THAT MEANWHILE IT IS PREMATURE TO SPEAK OF DECISIONS ON SNF.

DETAIL

2. MR WALDEGRAVE HAD A FULL PROGRAMME IN BONN, FOCUSSING ON THE NUCLEAR MODERNISATION QUESTION. APART FROM TALKS AT THE AUSWAERTIGES AMT WITH MINISTER OF STATE SCHAEFER (FDP), HE CALLED ON KOHL'S DIPLOMATIC ADVISER TELTSCHIK, CDU DEPUTY PARLIAMENTARY LEADER RUEHE AND SPD FOREIGN POLICY SPOKESMAN VOIGT. HE HAD LUNCH ON 5 DECEMBER WITH A GROUP OF GERMAN JOURNALISTS. APART FROM SNF, HE DISCUSSED PROSPECTS FOR CONVENTIONAL AND CHEMICAL ARMS CONTROL, AND (WITH SCHAEFER) THE SOVIET UNION AND EASTERN EUROPE, ARAB-ISRAEL, TORNADO FOR JORDAN AND THE SOLTAU-LUENEBERG TRAINING AREA. THERE WAS AN INTERESTING EXCHANGE WITH TELTSCHIK ON THE SOVIET UNION AND EASTERN EUROPE. TELTSCHIK ARGUED THAT IF GORBACHEV PRESSED FORWARD RAPIDLY WITH PERESTROIKA, HE INCREASED THE CHANCES OF AN EXPLOSION IN THE GDR (OR ELSEWHERE IN EASTERN EUROPE), WHICH IN TURN WOULD ENDANGER PERESTROIKA.

3. ON SNF MR WALDEGRAVE SAID THAT WE UNDERSTOOD THE PARTICULAR SENSITIVITIES IN GERMANY. WE DID NOT WANT TO DRAMATISE THE MODERNISATION DECISION. THE PROSPECTS FOR SOVIET REFORM REMAINED UNCERTAIN, AND THE ALLIANCE MUST KEEP ITS DEFENCES IN GOOD ORDER. WE HAD TO KEEP OUR NUCLEAR WEAPONS UP TO DATE IN ORDER TO MAINTAIN

DETERRENCE. THIS WAS ALSO IMPORTANT IN THE CONTEXT OF CALLS IN THE US FOR WITHDRAWAL OF TROOPS FROM EUROPE. SNF ARMS CONTROL NEGOTIATIONS WOULD INVOLVE DANGERS, NOTABLY THE DIFFICULTY OF RESISTING PRESSURE FOR A THIRD ZERO.

4. TELTSCHIK TOLD MR WALDEGRAVE THAT KOHL WANTED A DECISION ON THE COMPREHENSIVE CONCEPT BY A NATO SUMMIT NEXT MAY BEFORE GORBACHEV'S STATE VISIT HERE (PROBABLY AT THE END OF MAY). TO SECURE BUSH'S ATTENDANCE, IT WOULD NEED TO BE 8-10 WEEKS BEFORE THE PARIS ECONOMIC SUMMIT ON 14 JULY. TELTSCHIK ENVISAGED A FUTURE SNF POSTURE COMPRISING A FOLLOW-ON TO LANCE (FOTL), AIR TO SURFACE MISSILES (TASM) AND MUCH REDUCED NUCLEAR ARTILLERY. IT MIGHT COMPRISE 2000 WARHEADS IN TOTAL (HALF THE PRESENT NUMBER), INCLUDING SAY 400 TO 500 GROUND-BASED MISSILES (SOME 700 AT PRESENT) ON 88 OR FEWER LAUNCHERS. NATO'S MONTEBELLO DECISION AND GENERAL POLITICAL GUIDELINES WOULD JUSTIFY FEWER SYSTEMS WITH LONGER RANGES. THE COMPREHENSIVE CONCEPT SHOULD ALSO COVER AIRCRAFT IN THE INF RANGE AND ASSIGNMENT OF STRATEGIC SYSTEMS TO SACEUR. TELTSCHIK SAID THAT CARLUCCI HAD TOLD KOHL'S PARTY IN WASHINGTON THAT THE US COULD ACCEPT A 50 PER CENT (UNILATERAL) REDUCTION IN NATO'S NUCLEAR ARTILLERY.

5. TELTSCHIK SAID THE FEDERAL GOVERNMENT WOULD ALSO WANT IN THE COMPREHENSIVE CONCEPT A COMMITMENT TO SNF NEGOTIATIONS, FOLLOWING PROGRESS IN (NOT THE CONCLUSION OF) CST. NO DATE WOULD NEED TO BE FIXED. HE DID NOT EXPECT THE SOVIET UNION TO PROPOSE A THIRD ZERO. AT A SEMINAR IN BONN AT THE WEEKEND GORBACHEV'S FOREIGN POLICY ADVISER ZAGLADIN HAD SUGGESTED AN INTERIM STEP OF PHASED SNF REDUCTIONS.

6. DIE WELT (CONSERVATIVE) OF 6 DECEMBER CARRIES A REPORT BY ONE OF THE JOURNALISTS WHO MET MR WALDEGRAVE ON 5 DECEMBER. ENTITLED ''LONDON IS NOT PRESSING FOR NATO MODERNISATION'', IT SAYS THAT HMG TRUSTS THE RECORD OF THE FEDERAL GOVERNMENT ON SECURITY AND DISARMAMENT QUESTIONS AND IS NOT EXERTING PRESSURE OVER SNF MODERNISATION. LONDON AGREED WITH TELTSCHIK'S IDEAS OF DRASTIC REDUCTIONS IN SNF NUMBERS AND THAT THE NECESSARY MINIMUM OF NUCLEAR WEAPONS MUST BE KEPT UP TO DATE. THE PRIME MINISTER WOULD DISCUSS THE QUESTION AGAIN WITH KOHL IN FEBRUARY. (NO MENTION IN THE ARTICLE OF ARMS CONTROL NEGOTIATIONS ON SNF.)

7. SCHAEFER, TOO, TOLD MR WALDEGRAVE THAT THE COMPREHENSIVE CONCEPT SHOULD BE ADOPTED AT A NATO SUMMIT, WHICH HE THOUGHT MIGHT BE IN JUNE (WE KNOW THAT OTHERS IN THE AUSWAERTIGES AMT AGREE WITH

TELTSCHIK THAT MAY WOULD BE PREFEREABLE). SCHAEFER ARGUED THAT IT WOULD BE A PSYCHOLOGICAL MISTAKE TO HAVE A PUBLIC DEBATE ON MODERNISATION BEFORE CONVENTIONAL ARMS CONTROL TALKS HAD STARTED. IT WAS ALSO NECESSARY TO FOLLOW UP THE REYKJAVIK NAC BY THINKING OUT A POSITION ON SNF ARMS CONTROL, WITH THE AIM OF EQUAL CEILINGS. A THIRD ZERO WAS OUT OF THE QUESTION, AS THE GERMANS HAD MADE CLEAR TO THE RUSSIANS DURING KOHL'S VISIT TO MOSCOW. ROSSBACH, DEPUTY HEAD OF THE AUSWAERTIGES AMT'S ARMS CONTROL DIVISION, ADDED THAT THE COMPREHENSIVE CONCEPT MUST INCORPORATE THE DUAL APPROACH TO DEFENCE AND ARMS CONTROL (IE DEFENCE DECISIONS MUST TAKE ACCOUNT OF ARMS CONTROL POSSIBILITIES) AND THE BASIC ELEMENTS FOR AN SNF ARMS CONTROL POSITION. ONE COULD NOT WAIT FOR SNF NEGOTIATIONS UNTIL CST HAD BEEN COMPLETED. BUT EQUALLY THE FRG WAS NOT SEEKING SNF NEGOTIATIONS IMMEDIATELY AFTER ADOPTION OF THE COMPREHENSIVE CONCEPT. GENSCHER'S REMARKS OPPOSING ''COMPENSATION'' FOR THE INF AGREEMENT DID NOT IMPLY OPPOSITION TO SNF MODERNISATION.

8. IT WAS IMPLICIT IN SCHAEFER'S REMARKS THAT THE COMPREHENSIVE CONCEPT WOULD INCLUDE A DECISION IN PRINCIPLE ON LANCE MODERNSIASTION. THE AUSWAERTIGES AMT UNDER-SECRETARY FOR THE SOVIET UNION AND EASTERN EUROPE, HOYNCK, HAS SINCE CONFIRMED TO ME THAT THIS IS NOW HIS MINISTRY'S POSITION. ROSSBACH HAS ALSO CONFIRMED IT IN A SEPARATE CONVERSATION. HOYNCK SAID THAT GENSCHER HAD DECIDED THAT A MODERNISATION DECISION NEED NOT DAMAGE FRG-SOVIET RELATIONS OR GORBACHEV'S STATE VISIT HERE. GORBACHEV WAS DEMANDEUR IN SEEKING BETTER EAST-WEST RELATIONS AND ANYWAY THE SOVIET UNION WAS MODERNISING SNF.

9. RUEHE TOLD MR WALDEGRAVE THAT HE WAS TRYING TO PREPARE THE CDU FOR THE FORTHCOMING PUBLIC BATTLE (MY TELNO 1232). MODERNISATION OF NATO'S LAND-BASED SNF WAS CRUCIAL TO THE FUTURE OF DETERRENCE. BUT THE PUBLIC MOMENTUM IN GERMANY AGAINST NUCLEAR WEAPONS WAS STRONG. GORBACHEV KNEW THIS. TIME WAS WORKING AGAINST THE FEDERAL GOVERNMENT. THE COALITION NEEDED TO AGREE A CLEAR POLICY SOON. IT WOULD BE IMPORTANT TO SECURE HEADLINES ABOUT OVERALL REDUCTIONS AND RESTRUCTURING RATHER THAN ABOUT SNF MODERNISATION. RUEHE FAVOURED AN AUTONOMOUS NATO RESTRUCTURING, NOT EAST-WEST NEGOTIATIONS. THE DOOR SHOULD BE LEFT OPEN FOR NEGOTIATIONS ONCE CST HAD SUCCEEDED.

10. VOIGT SAID THAT THE SPD WOULD MOBILISE PUBLIC OPPOSITION EARLY NEXT YEAR TO SNF MODERNISATION. BUT THE 1990 FEDERAL ELECTION WOULD BE FOUGHT PRIMARILY ON ECONOMIC ISSUES. THE SPD WANTED A THIRD ZERO AND WOULD PROBABLY FIND ALLIES IN THE GOVERNMENTS OF DENMARK, NORWAY AND BELGIUM. HE FEARED THAT THE USSR WOULD NOT PROPOSE A THIRD ZERO.

FOR THE SPD, DEPLOYMENT OF MORE DUAL CAPABLE AIRCRAFT, ASSIGNMENT OF SLCM TO SACEUR AND MODERNISATION OF TASM WERE NOT SO HARD TO SWALLOW.

11. THE FEDERAL SPOKESMAN, OST, WAS ASKED ON 5 DECEMBER ABOUT REPORTS IN THE TIMES AND THE GUARDIAN THAT KOHL HAD SIGNALLED TO THE PRIME MINISTER AT RHODES THE FEDERAL GOVERNMENT'S AGREEMENT TO MODERNISATION . OST SAID THAT KOHL HAD NOT SPOKEN WITH THE PRIME MINISTER ABOUT MODERNISATION. BOTH HAD SPOKEN ABOUT NEXT YEAR'S 40TH ANNIVERSARY NATO MEETING IN LONDON IN (EG) MAY, AT WHICH THE HEADS OF GOVERNMENT SHOULD AGREE THE COMPREHENSIVE CONCEPT. THERE WAS NO CURRENT NEED TO DEAL WITH LANCE MODERNISATION. LANCE, NUCLEAR ARTILLERY AND TASM MUST BE SEEN IN THE CONTEXT OF THE COMPREHENSIVE CONCEPT. (EXPERT JOURNALISTS WERE NOT CONVINCED BY OST'S MANNER IN DENYING DISCUSSION OF SNF BY THE PRIME MINISTER AND THE CHANCELLOR.)

COMMENT

12. TELTSCHIK'S REMARKS TO MR WALDEGRAVE CONFIRM THE POSITION OF THE CHANCELLOR, AS TELTSCHIK HAD DESCRIBED IT TO ME RECENTLY. THE POSITION OF THE AUSWAERTIGES AMT, AS REVEALED BY SCHAEFER, IS NEW. GENSCHER HAS EVIDENTLY MOVED TOWARDS THE CHANCELLOR'S POSITION AND CONTEMPLATES A MODERNISATION DECISION AS PART OF THE COMPREHENSIVE CONCEPT ADOPTED AT A NATO SUMMIT, PROVIDED THAT VARIOUS OTHER POINTS ARE ALSO INCLUDED IN THE COMPREHENSIVE CONCEPT. IT LOOKS AS THOUGH THE INCLUSION IN THE COMPREHENSIVE CONCEPT NOT ONLY OF NUCLEAR ARTILLERY REDUCTIONS BUT ALSO OF AN ELEMENT CONCERNING SNF ARMS CONTROL NEGOTIATION (BUT WITH NO PRESSURE FOR ACTUAL NEGOTIATIONS TO START QUICKLY) HAS BECOME AN INTEGRAL PART OF THE GERMAN GOVERNMENT POSITION. IT MAY BE THE PRICE THAT THE AUSWAERTIGES AMT HAS EXTRACTED FOR ACQUIESCING IN THE PROSPECT OF LANCE MODERNISATION. THE NEW POSITION OF THE AUSWAERTIGES AMT IS NOT PUBLICLY KNOWN.

13. THE GERMAN POSITION HAS IMPROVED ON MODERNISATION AND GOT WORSE ON ARMS CONTROL. IT IS STILL IN GENERAL TERMS, AND MUCH DETAILED THINKING IS NEEDED. IT WOULD NOT BE DIFFICULT FOR THE AUSWAERTIGES AMT TO GET INTO REVERSE ON MODERNISATION. OUR BEST TACTIC IS TO MAINTAIN PRIVATE PRESSURE ON GERMAN MINISTERS AND OFFICIALS. MR WALDEGRAVE'S VISIT WAS A MAJOR CONTRIBUTION. THE PUS WILL BE ABLE TO FOLLOW UP THIS WEEK. YOUR TALKS WITH GENSCHER ON 27 JANUARY, DEFENCE MINISTER SCHOLZ'S VISIT AT THE END OF JANUARY AND THE ANGLO-GERMAN SUMMIT ON 20-21 FEBRUARY WILL BE GOOD OPPORTUNITIES TO KEEP UP THE PRESSURE DURING A CRUCIAL PERIOD OF POLICY FORMATION.

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CONVENTIONAL ARMS CONTROL: CSBM WORKING GROUP WITH EXPERTS, 5-7 OCTOBER

SUMMARY
1. HEAVY GOING, PARTICULARLY ON ROUTINE VERIFICATION PROPOSALS, BUT SIGNS OF EMERGING CONSENSUS ON FRAMEWORK AND GENERAL CONTENTS OF PACKAGE. GERMANS ISOLATED ON CONSTRAINTS. FURTHER EXPERTS' MEETING ON 27-28 OCTOBER, POSSIBLY PROCEEDED BY QUINT EXPERTS.

DETAIL
2. THE CSBM WG MET WITH EXPERTS FROM 5-7 OCTOBER WITH THE INTENTION OF FINALISING (AS FAR AS POSSIBLE) THE WESTERN POSITION FOR CSBM NEGOTIATIONS. IT WAS UNABLE TO DO THIS (IN PART BECAUSE OF INEXPERT CHAIRMANSHIP), BUT SOME PROGRESS WAS MADE, AND A ROUGH STRUCTURE (PROPOSED BY FRANCE) FOR THE PACKAGE WAS AGREED. THE IS WILL ISSUE A REVISED DRAFT PACKAGE BASED ON THIS FRENCH STRUCTURE OF THREE 'PILLARS':

A) TRANSPARENCY OF STRUCTURE OF FORCES
B) TRANSPARENCY OF MILITARY ACTIVITY
C) 'PREDICTABILITY'.

3. THE SECTION ON TRANSPARENCY OF FORCES WILL CONTAIN: (A) THE CURRENT STATIC INFORMATION MEASURE, (B) AN 'AUDIT' REGIME BASED ON THE PRINCIPLE OF CHECKING STATIC INFORMATION IN SOME WAY, (C) A REVISED VERSION OF THE FRG MILITARY PROCUREMENT PROGRAMMES PROPOSAL KEYED TO DEPLOYMENT OF NEW EQUIPMENT, (D) THE U S MEASURE ON ACCESS FOR ACCREDITED PERSONNEL (HARDLY DISCUSSED AT THIS MEETING), (E) PROPOSALS (TABLED BY THE FRENCH AT THIS MEETING) FOR THE EXCHANGE OF MILITARY MANUALS AND MILITARY BUDGETS.

4. THE U S SHOCKED EXPERTS AT THE START OF THE MEETING WHEN IT QUESTIONED THE DESIRABILITY OF INCLUDING INFORMATION ON AIRFORCE

EQUIPMENT IN THE STATIC INFORMATION MEASURE. OTHER DELEGATIONS URGED THE U S TO RECONSIDER. THE IS MAY SOLVE THE PROBLEM BY CAREFUL DRAFTING. TURKEY CIRCULATED AMENDED LANGUAGE ON THE LEVEL OF DISAGGREGATION IN THE STATIC INFORMATION MEASURE WHICH WAS BROADLY ACCEPTED BY THE MAJORITY OF DELEGATIONS EXCEPT GREECE, (TEXT FAXED TO DACU).

5. THERE WAS BROAD AGREEMENT IN PRINCIPLE ON THE NEED FOR A MECHANISM TO CHECK INFORMATION PROVIDED UNDER THE STATIC INFORMATION MEASURE, BUT THE CURRENT DRAFT PROVIDED BY THE UK RAN INTO CONSIDERABLE OPPOSITION AS BEING TOO FAR-REACHING, INTRUSIVE, AND EXPENSIVE TO IMPLEMENT. DESAZARS (FRANCE) PRODUCED A NEW VERSION WHICH REMOVED MUCH OF THE SUBSTANCE FROM THE UK DRAFT. AT UK INSISTENCE BOTH VERSIONS WILL APPEAR IN THE REVISED DRAFT PACKAGE. THE TURKS REMAINED IMPLACABLY OPPOSED TO ANY CHECKING OF STATIC INFORMATION.

6. THE UK PROPOSAL ON GARRISON TO GARRISON MOVEMENTS, WHICH HAD LITTLE SUPPORT AS A NOTIFICATION MEASURE, WAS REDRAFTED FOR INCLUSION IN THE STATIC INFORMATION MEASURE (THIS WAS AN FRG SUGGESTION). THE UK HAS ALSO UNDERTAKEN TO REDRAFT THE PROPOSAL TO CATCH MOBILISATION ACTIVITIES FOR INCLUSION IN THE STATIC INFORMATION MEASURE, THEREBY HOPING TO SAFEGUARD THE BASIC OUTLINE. WE COMAE UNDER HEAVY PRESSURE TO WITHDRAW THE PROPOSAL ENTIRELY, AFTER IT WAS FLATLY REJECTED BY FRANCE AND THE FRG AND RECEIVED LITTLE SUPPORT FROM THE U S.

7. THE FRENCH CALLED FOR 'ENRICHMENT' OF THE STATIC INFORMATION MEASURE THROUGH THE INCLUSION OF EXCHANGES OF MILITARY BUDGETS AND 'TRAINING' MANUALS. THE DETAILS OF THESE PROPOSALS ARE FAR FROM CLEAR. THE FRG INTRODUCED A REVISED VERSION OF ITS PROCUREMENT PROGRAMMES PROPOSAL, WHICH IS AN IMPROVEMENT BUT IS NOT WITHOUT PROBLEMS.

8. THE SECTION ON THE TRANSPARENCY OF MILITARY ACTIVITY WILL CONTAIN MOST OF THE CURRENT 'IMPROVEMENTS TO THE STOCKHOLM DOCUMENT', INCLUDING IMPROVEMENTS IN THE INSPECTION REGIME.

9. THE FRENCH AND TURKS REMAIN FIRMLY OPPOSED IN PRINCIPLE TO ANY INCREASE IN THE PASSIVE INSPECTION QUOTA. THE MECHANISM FRANCE WOULD CONSIDER FOR INCREASING THE QUOTA WAS TO LINK IT TO THE 'MOYENNE GLISSANTE' AS A SANCTION AGAINST INCREASING ONE'S LEVEL OF MILITARY ACTIVITY. THE UK AND U S ARGUED STRONGLY THAT THE WEST SHOULD COME TO NEW NEGOTIAIONS WITH A SPECIFIC INCREASE IN THE QUOTA TO PROPOSE.

(THE UK SUGGESTED AN INCREASE TO 5). THE FRG SUGGESTED THAT WE INDICATE ONLY A GENERAL READINESS TO IMPROVE INSPECTION MODALITIES, AND COMMENTED THAT THE JUSTIFICATION FOR AN INCREASE IN THE QUOTA WOULD BE GREATER IF MORE ALLIED COUNTRIES CHOSE TO CONDUCT INSPECTIONS. THE U S INTRODUCED A PROPOSAL FOR AERIAL OVERFLIGHTS OF THE INSPECTION AREA, TO BE CONDUCTED BEFORE THE ARRIVAL OF INSPECTORS IN THE COUNTRY TO BE INSPECTED. FRANCE RESISTED THIS STRONGLY. OTHER INSPECTION MODALITIES WERE NOT DISCUSSED.

10. THERE WAS A LONG DISCUSSION OF NOTIFICATION AND OBSERVATION THRESHOLDS. THE FRG ARGUED STRONGLY FOR REDUCING THE OBSERVATION THRESHOLD TO 13000 WHILE REMAINING OPEN ON THE NEED FOR A FURTHER REDUCTION OF THE NOTIFICATION THRESHOLD. THEY POINTED OUT THAT THE CURRENT SPLIT THRESHOLDS WORKED AGAINST THE WEST: THE SOVIET UNION NOTIFIED TEN EXERCISES BUT HOSTED ONLY ONE OBSERVATION, WHILE THE FRG NOTIFIED EIGHT EXERCISES BUT HOSTED SIX OBSERVATIONS. THE U S WAS OPPOSED TO ANY REDUCTION IN THE NOTIFICATION THRESHOLD BECAUSE OF THE ADMINISTRATIVE BURDEN. THE UK SUGGESTED BRINGING THE NATURE OF THE OBSERVATION THRESHOLD INTO LINE WITH THAT OF THE NOTIFICATION THRESHOLD BY COMBINING THE PRESENT MANPOWER THRESHOLD OF 17000 WITH A TANK THRESHOLD OF PERHAPS 350, THEREBY CATCHING MORE EASTERN EXERCISES WITHOUT AFFECTING NATO. BOTH UK AND FRG IDEAS WILL APPEAR IN THE PAPER.

11. OTHER IMPROVEMENTS TO STOCKHOLM WERE SCARCELY DISCUSSED, BUT ITALY AGREED TO DROP ITS PROPOSAL FOR A SEPARATE THRESHOLD FOR HELIBORNE ACTIVITIES.

12. BY FAR THE MOST DIFFICULT QUESTIONS STILL TO BE RESOLVED ARE IN THE CHAPTER ENTITLED BY FRANCE 'PREDICTABILITY'. THIS MIGHT INCLUDE A TIGHTER CALENDAR CONSTRAINT AND (IF AGREED) THE REWORKING OF THE FRENCH 'MOYENNE GLISSANTE' PROPOSAL, TOGETHER WITH A PROPOSAL GIVING THE RIGHT OF VETO TO THIRD COUNTRIES IN THE EVENT OF TWO OF THEIR NEIGHBOURS CONDUCTING LARGE EXERCISES SIMULTANEOUSLY. A GOOD DEAL OF REDRAFTING OF EXISTING MEASURES HAS BEEN DONE OR WILL BE NEEDED. DESAZARS EXPLAINED THAT HIS AIM IN PROPOSING THIS CHAPTER WAS TO SATISFY THE FRG BY HAVING ADEQUATE CONSTRAINING PROVISIONS AS AN INTEGRAL PART OF THE INTITIAL ALLIANCE PACKAGE, WITHOUT INCLUDING 'GENUINE' CONSTRAINTS OF THE TYPE LIKLEY TO BE PROPOSED BY THE EAST. THERE WAS A GENERAL RECOGNITION THAT SOMETHING OF THE SORT PROPOSED BY DESAZARS WOULD BE NEEDED TO SATISFY THE FRG, BUT THE U S REMAINED OPPOSED TO ALL CONSTRAINTS IN PRINCIPLE.

13. THE NEW FRENCH 'MOYENNE GLISSANTE' PROPOSAL WILL BE BASED ON THE

AVERAGE NUMBER OF NOTIFIABLE EXERCISES CONDUCTED ANNULLY BY A STATE, CALCULATED OVER SEVERAL YEARS, WITH EXERCISES ABOVE THE AVERAGE 'PUNISHED' BY AN EXTRA INSPECTION ADDED TO THE PASSIVE QUOTA. IT IS THEREBY DESIGNED TO COMBINE THE OLD 'MOYENNE GLISSANTE' WITH LIMITS ON THE NUMBER OF NOTIFIABLE EXERCISES, AND TO MEET THE U S DESIRE FOR AN INCREASED INSPECTION QUOTA. SPEIGHT (UK) SAID ON A PERSONAL BASIS THAT IT MIGHT BE BETTER TO TIE THIS TO AN INCREASED NUMBER OF OBSERVATIONS, RATHER THAN INSPECTIONS.

14. THE FRG AGREED TO DROP TWO PROPOSALS, ONE TO PROHIBIT TWO NOTIFIABLE ACTIVITIES TAKING PLACE SIMULTANEOUSLY IN THE SAME COUNTRY, AND THE OTHER TO LIMIT THE FREQUENCY OF LARGE-SCALE ACTIVITIES, BUT CONTINUED TO SUPPORT A LIMIT ON THE NUMBER OF NOTIFIABLE EXERCISES A COUNTRY MAY HOLD. MUCH MORE DISCUSSION OF THE CONTENTS OF THIS CHAPTER WILL BE NEEDED.

15. AT FRG SUGGESTION, THE CSBM WG WILL MEET AGIN WITH EXPERTS ON 27-28 OCTOBER, STARTING AFTER LUNCH ON 27 OCTOBER. THERE WAS TENTATIVE AGREEMENT THAT QUINT EXPERTS SHOULD MEET BEFORE LUNCH ON THAT DAY.

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Foreign and Commonwealth Office

London SW1A 2AH

3 October 1988

Prime Minister

You will wish to be aware.

CDP 3/X.

Dear Charles,

Stockholm Conference on Disarmament in Europe (CDE)

The Prime Minister will wish to be aware that we have received a request from the Soviet Union at 5.00 pm today under the terms of the Stockholm Document on confidence-building agreed in September 1986, to inspect military activities in an area centred on Salisbury Plain and stretching to Hemel Hempstead, Selsey Bill, St Catherine's Point, Portland Bill, Weston-super-Mare and Priors Park. The Soviet Union has requested that the inspection begin at 5.00 am London time on 5 October. It can last anything up to 48 hours.

Under the Stockholm Document each of the 35 signatory states has the right, subject to certain limitations set out in the enclosed excerpt from the Stockholm Document on inspection modalities, to conduct inspections on territory of another within the area of application if there is 'doubt' about compliance with the agreed confidence building measures in the Document. The inspection provisions have been invoked on 14 occasions so far, twice by the United Kingdom which inspected the GDR in September 1987 and the Soviet Union in April this year. This is the first time we have received an inspection request.

It is not clear to what specific military activity this inspection relates. However, two home defence exercises under the command of HQ London district and HQ South West district are taking place within the requested inspection area during the inspection period (from 1-9 October). We have not notified either of these to Stockholm Document signatories since each one falls well below the notifiable level of 13,000 troops. Indeed the two combined comprise a maximum of 7,267 troops.

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The MOD/FCO Inspection Committee is meeting this evening to discuss the request and arrangements for the inspection, including publicity aspects. There is no prima facie reason to believe that the request is not fully in accordance with the Stockholm provisions. Once agreed to, we are obliged to inform Stockholm Document signatory states immediately.

I am copying this letter to Brian Hawtin (MOD).

Yours ever,

(L Parker)
Private Secretary

C D Powell Esq
10 Downing Street

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PART 14 ends:-

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PART 15 begins:-

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