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PREM 19/2788

SECRET. CAB ONE

PART THREE

Confidential File

NATO Summits

NATO

Part 1 - March 1982

Part 3 - December 1988

Referred to	Date	Referred to	Date	Referred to	Date	Referred to	Date
~~6.12.88~~							
~~13.12.88~~							
~~21-3-89~~							
~~5.4.89~~							
~~27/4/89~~							
~~15.5.89~~							
~~18.5.89~~							
~~25-5-89~~							
30.5.89.							
22-6-89							
Part 3 X							
ENDS							

PREM 19/2788

PART 3 ends:-

22-6-89

PART 4 begins:-

27-11-89

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

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Document Reference and Title	Date
Press Communique M-1(89)21	30/5/89
CPT 2173 DSD 5 Declaration of the Heads of State and Government Participating in the Meeting of the North Atlantic Council in Brussels (29th-30th May 1989)	27/5/89
C-M(89) 34 A Comprehensive Concept of Arms Control and Disarmament Note by the Secretary General	27/5/89
SG/89/362 Letter from Secretary General to His Excellency Mr Jaap G N de Hoop Scheffer	28/5/89
CPT 2173 DSD 3 Declaration of the Heads of State and Government Participating in the Meeting of the North Atlantic Council in Brussels (29th-30th May 1989)	25/5/89
CCWG(89)4((4th revise) A Comprehensive Concept of Arms Control and Disarmament	24/5/89
SG/89/331 Letter from Secretary General to The Right Honourable Margaret Thatcher	18/5/89
CCWG(89)4(3rd revise) A Comprehensive Concept of Arms Control and Disarmament	5/5/89

Signed:

Date: 8 December 2016

Cabinet Office
London

The National Archives

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NATO Summit

3.30 pm

The Prime Minister (Mrs. Margaret Thatcher): With permission, Mr. Speaker, I shall make a statement about the meeting of NATO Heads of State and Government held in Brussels on 29 and 30 May, which I attended together with my right hon. and learned Friend the Foreign and Commonwealth Secretary.

The meeting approved two documents: a declaration to mark NATO's 40th anniversary; and a comprehensive concept for arms control and disarmament. Copies have been placed in the Library.

I will deal first with the declaration. This celebrates NATO's success in withstanding the test of four decades and enabling our countries to enjoy in freedom one of the longest periods of peace and prosperity in their history. It reaffirms NATO's believe in strong defence and a strategy of nuclear deterrence. It confirms that the presence of American conventional and nuclear forces remains vital to the security of Europe.

The declaration endorses NATO's conventional arms control proposals, which call for the elimination of disparities between NATO and the Warsaw pact in tanks, artillery and armoured troop carriers. It also welcomes the initiative announced by President Bush at the summit. For land-based combat aircraft and helicopters, this provides for reduction to equal ceilings at a level 15 per cent. below current Alliance holdings. All the equipment withdrawn is to be destroyed.

It also proposes a 20 per cent. cut in combat manpower in United States stationed forces, and a resulting ceiling of 275,000 on United States and Soviet ground and air force personnel stationed outside national territory in the area between the Atlantic and the Urals. This ceiling would require the Soviet Union to reduce its forces in eastern Europe by some 325,000. United States and Soviet forces withdrawn will be demobilised.

The American initiative sets the ambitious goal of trying to accomplish these reductions by 1992 or 1993. In addition, the declaration commends President Bush's "open skies" proposal.

The declaration also sets some very important political aims. At British initiative, it calls upon the Soviet Union and the east European countries to tear down the walls that separate us physically and politically; to ensure that people are not prevented by armed force from crossing the frontiers and boundaries which we share with the eastern countries; to respect in law and practice people's right to determine freely and periodically the nature of the government which they wish to have; and to see to it that their peoples can decide through their elected authorities what form of relations they wish to have with other countries.

I deal next with the comprehensive concept. This asserts a number of very important points: first, NATO's strategy remains one of deterrence. Second, conventional defence alone cannot ensure deterrence. Only the nuclear element can confront an aggressor with an unacceptable risk, and thus plays an indispensable role in the current strategy of war prevention.

Third, deterrence therefore requires an appropriate mix of adequate and effective nuclear and conventional forces which will continue to be kept up to date where necessary —that is, a strategy of flexible response.

Fourth, nuclear forces below the strategic level make an essential contribution to deterrence. Those points match in every respect the Government's views.

The comprehensive concept also deals with the particular role of short-range nuclear forces. This section confirms that land, sea and air-based systems, including ground-based missiles, will continue to be needed in Europe. It challenges the Soviet Union to reduce unilaterally its short-range missiles—in which it has massive superiority—to NATO levels.

It states that introduction and deployment of a follow-on system to the Lance missile will be addressed in 1992. Meanwhile, NATO recognises the value of the continuing research and development work on the follow-on to Lance being done by the United States.

Once agreement has been reached on conventional force reductions and implementation of that agreement is under way, then and only then, the United States is authorised to enter into negotiations to achieve a partial reduction in short-range missiles. But no reductions will be made in NATO's SNF missiles until after the agreement on conventional force reductions has been fully implemented. *[Interruption.]*

Mr. Speaker: Order.

The Prime Minister: Moreover, it is specifically recognised that removal of the imbalance in conventional forces——

An hon. Member: That is not telling the truth.

Mr. Speaker: I heard that remark. Please withdraw it. I ask the hon. Gentleman to withdraw that remark.

Mr. D. N. Campbell-Savours (Workington): Whatever you require, Mr. Speaker.

Mr. Speaker: Order. It was from a sedentary position, and I accept it.

The Prime Minister: Moreover, it is specifically recognised that removal of the imbalance in conventional forces would not obviate the continuing need for short-range missiles. In other words, negotiations will take place only when those strict conditions have been met—and there will be no third zero.

I pay tribute to the contribution of the Secretary-General of NATO, Dr. Woerner, in achieving that excellent result; and also to my right hon. and learned Friend the Foreign and Commonwealth Secretary for his very considerable part in the negotiation of the final documents.

The outcome of the summit is a great success for NATO. We have shown ourselves to be a strong, confident and united alliance, holding the initiative on arms control and challenging the Soviet and east European Governments to give their people the genuine freedom of choice which our own people enjoy. The values which have guided the West for 40 years have been reaffirmed. Our common commitment to a strong defence has been renewed. On NATO's 40th anniversary, this was a very satisfactory outcome for the Alliance and for the United Kingdom.

Mr. Neil Kinnock (Islwyn): I thank the Prime Minister for her statement and specifically welcome, among other things, proposals for the elimination of disparities between NATO and the Warsaw pact countries, and the

POINTS FOR THE PRESS

1. IMPORTANT THAT THIS MEETING SHOULD BE A SUCCESS FOR NATO. WE HAVE ALL WORKED FOR THAT.

2. THE 40TH ANNIVERSARY DECLARATION IS STRONG RESTATEMENT OF NATO'S FUNDAMENTAL BELIEFS IN STRONG DEFENCE AND OPEN-NESS TOWARDS VIEW OF HOW E-W relations should develop. ~~NEGOTIATION WITH THE WARSAW PACT COUNTRIES.~~

3. THE DEFENCE ARMS CONTROL COMPREHENSIVE CONCEPT ELABORATES THAT APPROACH AND IS A VERY SATISFACTORY RESTATEMENT OF NATO'S BASIC STRATEGY TO CARRY US INTO THE NEXT CENTURY.

4. PRESIDENT BUSH'S INITIATIVE ON CONVENTIONAL FORCES IS VERY WELCOME AND OPENS THE PROSPECT OF MORE RAPID PROGRESS TOWARDS CONVENTIONAL FORCE REDUCTIONS - AND THAT MEANS MUCH GREATER REDUCTIONS FOR THE SOVIET

UNION, TO BRING US TO PARITY.

5. WE REACHED A CONCLUSION ON SNF WHICH IS ENTIRELY SATISFACTORY. ~~WE HAD TO RECOGNISE THAT GERMANY HAS AN ACUTE POLITICAL PROBLEM WHICH HAD TO BE ADDRESSED WITHOUT UNDERMINING NATO'S FUNDAMENTAL DEFENCE.~~ I THINK WE HAVEDONE THAT WITH A TEXT WHICH:

- UNDERLINES THE CONTINUING NEED FOR EFFECTIVE SNF FOR THE FORESEEABLE FUTURE.

- RULES OUT A THIRD ZERO - AND NO-ONE CONTESTED THAT IN THE COUNCIL.

- AND MAKES CLEAR THAT NEGOTIATIONS WILL ONLY TAKE PLACE ON VERY STRICT CONDITIONS RELATED TO CONVENTIONAL FORCE REDUCTIONS. IF AND WHEN THOSE CONVENTIONAL FORCE REDUCTIONS ARE AGREED AND IMPLEMENTED,

Star Wars may be removed.
Butler document makes clear always some

THE WHOLE STRATEGIC SITUATION MAY LOOK VERY DIFFERENT. Butler (page 63)

6. ABOVE ALL, I RETURN TO MY FIRST POINT. IT IS A SUCCESS FOR NATO, FOR STRONG DEFENCE AND FOR THE PRINCIPLES AND VALUES WHICH HAVE GUIDED US FOR 40 YEARS.

Packed in 48.

27 - Sub-strategic

63 - would not obviate-

Prime Minister

Your Press Conference

Your press conference has been transformed by your announcement this morning that after examining the SNF text produced overnight you felt able to say snap because it fully meets your requirements and safeguards the security of the Western Alliance.

Consequently, the media will do their best to pick holes in the SNF passage; to suggest, in any case, that you only fell into line when the Americans pulled the rug from under you and went over to the Germans - ie you fought to the last drop of US support; and that, at best, you have had to compromise a very great deal indeed, and have lost the certainty of SNF modernisation and the explicit exclusion of a third zero.

Against this background I think the trick with the media is to appear entirely relaxed; not to oversell your achievement - or at least not to bring too much passion to the defence of your achievement; and to explain patiently its strengths.

It might be helpful to know how I have sold it and the reception it got.

First, your decision has been received remarkably quietly and respectfully. It has been probed for weaknesses but I have not been subjected to the kind of questioning I might have expected. This is because partial is seen to mean what it says and because SNF negotiations are tightly linked with the implementation of conventional force reductions.

We can however only expect an increase in the number of questions as to how both you and the Germans can be happy.

Second, my presentation I stressed that any text produced by Van den Broek's group was ad referendum. You had complete confidence in your negotiators. You saw the SNF document for the first time at

7.20am and after reading it through you felt your position - and what is more the security of the Alliance - was fully safeguarded. Moreover, both you and President Bush made it explicit in the conference that partial ruled out a third zero. We had never insisted specifically on "exclusion of a third zero"; only on words which secured that objective. Partial secured that.

From there the media, looking for clues as to why the Germans had signed up, tried to establish when SNF negotiations would begin. I said it was impossible to say because no-one could predict how well the CFE negotiations would proceed, notwithstanding American hopes. It takes two to tango.

At your press conference I expect the media will also pursue you on:

- whether you are sceptical about the Americans' conventional force negotiations "timetable"
- what makes you confident LANCE will be modernised - is this not the Germans' real victory today?
- your marker on President Bush's initiative about dual capable systems.

You may also get questions on:

- visas for Turks (on which you know the line)
- Ted Heath's speech (which I have dismissed by saying: I'm afraid this is the sort of speech we have come to expect from Mr Heath)

Charles has advised against producing a full opening statement for the press conference because you have so much in your head. I attach, however, a few points for inclusion in your remarks.

Finally, I have managed to secure a TV studio in the NATO building for your interviews so you won't have to go to the Holiday Inn.

The National Archives

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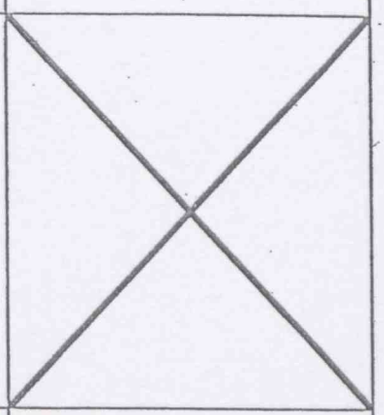
Extract details: Bush to Thatcher 2/6/84	
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CCP/C (2)

EMBASSY OF THE UNITED STATES OF AMERICA
LONDON

June 2, 1989

Rec'd Number 10
CSB 2/6
mrs

Dear Prime Minister:

I have been asked to deliver the attached message to you from President Bush. It is similar to messsages being sent by the President to his colleagues in other NATO capitals and is, of course, addressed principally to those whom he has not seen since leaving Brussels. No signed original will follow.

Sincerely,

Henry E. Catto
Ambassador

Attachment:
CONFIDENTIAL

The Rt. Hon. Margaret Thatcher, M.P.,
Prime Minister,
10 Downing Street,
London.

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MDHIAN 7445

PS TO PRIME MINISTER
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OUR TELNO 1503: NATO SUMMIT: US MEDIA

1. THE HEAVYWEIGHT COMMENTATORS HAVE NOW WEIGHED IN, TO ENDORSE UNANIMOUSLY THE INITIAL PRESS VIEW THAT THE NATO SUMMIT WAS AN OUTSTANDING SUCCESS BOTH FOR THE ALLIANCE AS A WHOLE AND FOR PRESIDENT BUSH PERSONALLY. WITH THE PRESIDENT'S VISIT TO LONDON THE FOCUS HAS NOW MOVED TO HIS PUBLIC ASSURANCES ON THE STATE OF THE ANGLO-US SPECIAL RELATIONSHIP AND THIS HAS PROMPTED SOME COMMENTATORS TO LOOK BEHIND THE WORDS THEMSELVES.

2. THERE IS A GROWING VIEW THAT THE FRG IS AN INCREASINGLY IMPORTANT FACTOR IN THE ADMINISTRATIONS'S THINKING, TO A CERTAIN EXTENT AT THE EXPENSE OF HMG. FOR EXAMPLE THE WASHINGTON POST (BRODER) WRITES QUOTE AS GERMANY FILLS AN INCREASING ROLE IN WHAT REMAINS OF THE NATO DEFENCE FORCES, ITS VOICE WILL BECOME MORE DOMINANT IN ALLIANCE MILITARY AND DIPLOMATIC DECISIONS,JUST AS ITS FINANCIAL STRENGTH ALREADY GIVES IT THE SEAT AT THE CENTRE OF THE TABLE IN EUROPEAN COMMUNITY ECONOMIC AFFAIRS. UNQUOTE. HE CONCLUDES: QUOTE THE POLICY OF CAUTION TOWARD GORBACHEV THAT MRS. THATCHER URGED ON BUSH AND THAT HE FIRST SEEMED INCLINED TO ACCEPT HAS BEEN SWEPT ASIDE BY EUROPEAN - ESPECIALLY GERMAN - ENTHUSIASM TO TEST THE GORBACHEV PROMISES. UNQOTE.

3. THE NEW YORK TIMES (APPLE) UNDER THE HEADLINE QUOTE BUSH IN EURPOE: LOOKING TO GERMANS UNQOTE SAYS THAT QUOTE WHILE BUSH MADE IT SOUND AS IF NOTHING (IN THE ANGLO-U.S. RELATIONSHIP) HAD CHANGED.....IN FACT THINGS HAVE CHANGED AND THEY WILL PROBABLY KEEP RIGHT ON CHANGING..... THE UNITED STATES IS GOING TO PAY MORE ATTENTION TO THE CONTINENTAL POWERS AND A LITTLE LESS TO BRITAIN. UNQUOTE. WHILST QUOTE NONE OF THIS IMPLIES ANY LESSENING OF WARM FEELINGS IN THE WHITE HOUSE TOWARDS BRITAIN..... A TOP AMERICAN OFFICIAL PREDICTED THAT MRS. THATCHER WILL FIND MR. BUSH A MUCH LESS AUTOMATIC SUPPORTER THAN MR. REAGAN..... AMERICAN VOICES IN THE CORRIDORS WERE WHISPERING NOT ABOUT THE NEED TO GIVE GROUND TO THE IRON LADY BUT ABOUT THE NEED TO ACCOMMODATE CHANCELLOR KOHL. UNQUOTE. APPLE CONCLUDES THAT QUOTE BENEATH THE UNITY ACHIEVED BY THE ALLIANCE THIS WEEK THERE LURKS A NEW COMPETITION FOR EUROPEAN LEADERSHIP AND THE UNITED STATES APPEARS INCREASINGLY PREOCCUPIED WITH WHAT WEST GERMANY THINKS AS IT SHAPES A EUROPEAN POLICY FOR THE

152543
MDHIAN 7445

NEW ERA. PARTLY THE CHANGE REFLECTS GEOGRAPHY, GERMANY IS AT THE CENTRE OF EUROPE, BRITAIN ON THE PERIPHERY.... PARTLY THE CHANGE REFLECTS WEST GERMANY'S VIEW OF ITSELF..... MRS. THATCHER IS A RELUCTANT EUROPEAN, RESISTANT TO MANY OF THE IMPLICATIONS OF THE GREATER INTEGRATION THAT IS SCHEDULED FOR COMPLETION IN 1992. THAT UNDERCUTS HER COUNTRY'S STANDING IN NATO AS WELL AS THE EC AND THAT MAKES IT HARD FOR WASHINGTON TO VISUALISE LONDON AS THE AVENUE INTO THE NEW EUROPE. UNQUOTE.

FALL

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NNNN

(1)

PRIME MINISTER

NATO SUMMIT: STATEMENT

You have a draft statement and the background papers with you at Chequers.

I now attach:

- supplementaries prepared by the Foreign and Commonwealth Office;

- a draft of the statement itself which the Foreign and Commonwealth Office produced independently.

If you would like a session on Sunday evening to finalise the statement - given that your diary on Monday is very full - I would be happy to come in. Perhaps you could let the Duty Clerk know.

CDP?

I think it would be as well to consider the oldies on Sunday evening ? 8.30 ? if possible.

C. D. POWELL
2 JUNE 1989

*It seems to me to contain a high proportion of 'guff' stuff!

MRMADV

C.D.P.

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NATO SUMMIT : FRENCH REACTIONS

SUMMARY

1. FRENCH WELCOME ALLIANCE SUCCESS AND BUSH'S CONTRIBUTION. DUMAS NOTES EXCLUSION OF THIRD ZERO. OFFICIALS PRIVATELY RELIEVED THAT FRG NOT ISOLATED NOW BUT WORRIED ABOUT LONG-TERM THREATS TO EUROPEAN SECURITY, PARTICULARLY TO NUCLEAR DETERRENCE.

DETAIL

2. IN A PRESS CONFERENCE IN BRUSSELS AT THE END OF THE SUMMIT ON 30 MAY, PRESIDENT MITTERRAND EXPRESSED SATISFACTION WITH ITS SUCCESS. ON THE SNF COMPROMISE HE SAID QUOTE NOTHING IS EVER SETTLED WITHOUT A CRISIS. ONE CAN SPEAK OF A SUCCESS. I NEVER DOUBTED THAT THIS AGREEMENT WAS POSSIBLE, SINCE NOBODY COULD PREFER A SPLIT. THE AGREEMENT SHOWS THAT EUROPE IS IN THE PROCESS OF MOVING - WHO COULD COMPLAIN ABOUT THIS? UNQUOTE. ON THE PROSPECTS FOR A THIRD ZERO ON SNF, HE SAID THAT IF THERE WERE TOTAL DISARMAMENT IN ALL AREAS, HE WOULD CONSIDER THAT AN SNF ZERO WAS FINE, BUT IT SEEMED LIKELY THAT IT WOULD TAKE SOME TIME BEFORE ONE REACHED THAT POINT. ASKED IF THERE WAS NOT AN IRRESISTIBLE TREND TO EUROPEAN DENUCLEARISATION HE SAID THAT HE DID NOT SEE WHY IT SHOULD BE IRRESISTIBLE: QUOTE IT IS ENOUGH TO SAY NO UNQUOTE. (COMMENT. CLISSIC MITTERRANDISMS: IT IS IMPOLITIC TO SAY NEVER, BUT HIS IMPLICATION IS THAT IN THE REAL WORLD NATO WILL ALWAYS NEED SNF.)

3. MITTERRAND SAID THAT THE US CFE PROPOSALS WERE USEFUL, INTERESTING AND POSITIVE. HE WHOLLY APPROVED OF THIS APPROACH. BUSH UNDERSTOOD EUROPE. IN VIEW OF GORBACHEV'S GENERAL DISARMAMENT OFFENSIVE, MITTERRAND EXPECTED GORBACHEV TO RESPOND POSITIVELY, EVEN IF THE PROPOSALS PERHAPS ACCELERATED THE PROCESS OF CONVENTIONAL DISARMAMENT PROCESS MORE THAN THE SOVIET LEADER WISHED. AS FOR FRANCE'S RESERVATION ABOUT ITS NUCLEAR DELIVERY SYSTEMS, THE FRENCH WERE THE SOLE JUDGES OF WHAT WAS PURELY STRATEGIC AND WHAT WAS PURELY CONVENTIONAL: QUOTE ONE MUST RELY ON GOOD FAITH, WE ARE

NOT GOING TO PLAY ON WORDS UNQUOTE.

4. IN THE NATIONAL ASSEMBLY ON 31 MAY DUMAS SAID THAT THE SUMMIT HAD BEEN A SUCCESS: THE ALLIES HAD AGREED A POSITION ON SNF WHICH REPRESENTED A DEFEAT FOR NONE OF THEM, THEY HAD RECOVERED THE INITIATIVE ON CONVENTIONAL DISARMAMENT, AND THEY HAD HELD A REAL DEBATE ON SECURITY, DISARMAMENT AND EAST/WEST RELATIONS. ON SNF THE SOLUTION WAS VERY CLOSE TO THE POSITION OF BALANCE SUGGESTED BY MITTERRAND AT HIS PRESS CONFERENCE ON 18 MAY: NO-ONE NOW REFUSED THE PRINCIPLE OF NEGOTIATIONS, SUBJECT TO CONDITIONS MARKING THE PRIORITY OF CFE: AND QUOTE THE AGREED FORMULATION EXCLUDES THE TOTAL ELIMINATION OF SHORT RANGE MISSILES (THE THIRD ZERO OPTION) UNQUOTE. DUMAS MENTIONED THE FRENCH RESERVATION ON THE US CFE PROPOSALS BUT SAID THAT IT DID NOT CONCERN THEIR FUNDAMENTAL ELEMENTS AND THAT ONE COULD NOT SPEAK OF ANY FRENCH RETICENCE. HE ALSO REFERRED TO MITTERRAND'S APPEAL TO THE ALLIES ON BEHALF OF LEBANON.

5. PRESS. THE EXTENSIVE PRESS COVERAGE HAS BEEN LARGELY FACTUAL BUT WITH A STRONG NOTE OF RELIEF AT THE ACHIEVEMENT OF A COMPROMISE AND APPRECIATION OF FOR PRESIDENT BUSH'S CONTRIBUTION. US, FRG AND BRITISH LEADERS' COMMENTS ARE FULLY REPORTED. THE GENERAL TONE IS OF A SUCCESS FOR THE ALLIANCE GENERALLY AND FOR US LEADERSHIP IN PARTICULAR, RATHER THAN A VICTORY FOR THE FRG OR A DEFEAT FOR HMG. LE MONDE'S HEADLINE WAS QUOTE MR BUSH HAS IMPOSED HIS CONCEPT OF DISARMAMENT ON THE FRG UNQUOTE. THE ONLY SOUR NOTE IS A WIDESPREAD OBSERVATION THAT BUSH SEEMS TO HAVE WORKED OUT HIS CFE IDEAS OVER THE WEEKEND OF 20/21 MAY WITHOUT BREATHING A WORD TO MITTERRAND, HIS HOUSE-GUEST AT KENNEBUNKPORT. ONE COMMENTATOR HAS ALSO NOTED THAT THE WAY IN WHICH THE ALLIANCE RUBBER-STAMPED THIS SUDDEN US PROPOSAL HARDLY SUPPORTED THE FRENCH POSITION THAT THE CFE TALKS WERE AMONG EQUAL SOVEREIGN PARTNERS AND NOT BLOC-TO-BLOC. BUT LE MONDE DETECTS A VINDICATION OF MITTERRAND'S LONG-STANDING INSISTENCE THAT CONVENTIONAL ARMS CONTROL IS THE TOP PRIORITY.

6. PRIVATELY FRENCH OFFICIALS ARE RELIEVED THAT THE ALLIANCE HAS AVOIDED A CATASTROPHIC SPLIT BETWEEN GERMANS AND ANGLO-SAXONS AND THAT FRANCE HAS COME OUT RELATIVELY UNBLOODIED. BUT THEY REMAIN DEEPLY WORRIED ABOUT THE ANTI-NUCLEAR TRENDS IN GERMANY AND UNEASY ABOUT THE MANNER AND CONTENT OF US LEADERSHIP. THEY ARE PARTICULARLY ALARMED BY THE GAP BETWEEN THE US CFE PROPOSAL AND THE COMMON GROUND AGREED IN DISCUSSIONS AMONG THE ALLIANCE EXPERTS OVER THE PAST COUPLE OF YEARS. THEY EXPECT THE CFE/SNF LINK AND THE ACCELERATED BUSH TIMETABLE TO COMPLICATE INTER-ALLIED CO-ORDINATION IN VIENNA AND AMONG CAPITALS, WITH THE GERMANS PRESSING FOR A CFE AGREEMENT AT

ALMOST ANY PRICE.MORE GENERALLY, A FRENCH DIPLOMAT IN BRUSSELS LET AFP QUOTE HIM AS SAYING THAT THE NATO SUMMIT SHOWED THAT GENSCHER HAD WON ACROSS THE BOARD. WE HAVE HEARD SOME REGRET THAT BRITISH TACTICS ON SNF OVER THE PAST YEAR DID NOT ACHIEVE ALL THAT WE HAD WISHED: OUR CONTACTS ARGUE THAT THE DIFFERENT KINDS OF SLIDE IN POLICY-MAKING IN BONN AND IN WASHINGTON MAKE STRONGER THAN EVER THE OBJECTIVE IDENTITY OF INTEREST BETWEEN BRITAIN AND FRANCE IN SAFEGUARDING CREDIBLE NUCLEAR DETERRENCE AS THE FOUNDATION OF WEST EUROPE'S SECURITY.

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NNNN

SNF Key Requirements

1. Land based SNF will continue to be required

(US text: "are necessary". Woerner: "continue to require"). Could strengthen with "will be necessary (for the foreseeable future)". We also need some reference to land based missiles (explicitly or through "the required spectrum of ranges").

2. No SNF negotiations until CFE implementation well advanced

well-advanced.

(US text: "tangible implementation). Could be toughened up with "substantial" or "once implementation is well advanced".

3. CFE agreement must remove key asymmetries

(US text fine: Woerner not)

4. No third zero

(US and Woerner texts are adequate).

5. No special group on SNF negotiations until CFE negotiations are well advanced

Decision whether to set up group should be entrusted to Council.

6. No negotiations without modernisation

Not negotiable for any agreed text. But we can make clear in the Council that any SNF mandate will need to be agreed by all. And that our decision will be greatly influenced by whether or not an updating decision is on course.

Only response to chemical is nuclear

(PUS 7551)

Group -

cc DM
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DRAFT STATEMENT ON THE NATO SUMMIT

With permission, I shall make a statement about the meeting of Heads of State and Government of the North Atlantic Treaty Organisation held in Brussels on 29 and 30 May. I attend the meeting with my rt hon and learned Friend the Foreign and Commonwealth Secretary.

The Summit agreed a 40th anniversary Declaration and a statement setting out a Comprehensive Concept for arms control and disarmament. Copies of both documents have been placed in the library of the House.

This Summit marked the 40th anniversary of NATO. It was the first attended by President Bush. It was important that, on its 40th anniversary, NATO should reaffirm its belief in a strong defence and proclaim our view of East/West relations. It was also essential to have a clear agreement on our own defence requirements and arms control objectives so that we can [manage our relations with the Soviet Union and Eastern Europe and] continue to take a lead in arms control negotiations. Both these objectives were amply fulfilled.

The 40th Anniversary Declaration reaffirms the guiding principles first set out in the Harmel Report: adequate military strength and political solidarity, and on that basis the search for constructive dialogue and cooperation, including arms control as a means of bringing about a just and lasting peace in Europe.

The Declaration challenges Eastern Europe to match the openness of the West:

- it urges countries of the Warsaw Pact to tear down the walls that separate us physically and politically and to allow a free exchange of people, information and ideas;

- it challenges the countries of the Warsaw Pact to agree a more humane regime on the borders between East and West so that people are not prevented by armed force from crossing boundaries and frontiers;

- it calls on the countries of the Warsaw Pact to respect in law and practice the right of all people in each country to determine freely and periodically the kind of government they want to have and asserts the right of those governments to determine what form of relations they wish to have with other countries;

- it proposes that all NATO and Warsaw Pact countries open their air space for reconnaissance flights in order to build confidence about each other's military activities.

Together, these proposals represent a significant challenge to the Warsaw Pact to come towards the standards of freedom and democracy we take for granted.

The Summit also laid down a major challenge to members of the Warsaw Treaty Organisation to accelerate efforts to reach agreement on the reduction of conventional armed forces to enhance security and stability in Europe. This proposal, made at the initiative of the President of the United States, offers the prospect of a drastic reduction in Soviet forces in Europe, which would be reduced by 325,000. Those forces would not just be withdrawn but also demobilised. Such a

cut would significantly reduce the threat to our own security. It would also reduce the menace of Soviet military might that has hung over the countries of Eastern Europe.

The Summit also agreed a document known as the 'Comprehensive Concept'. It meets our principal objectives. The Alliance has agreed:

- that our strategy of nuclear deterrence remains valid; and that our nuclear weapons will continue to be kept up-to-date where necessary;

- that land-based nuclear systems, including missiles, will remain necessary in Europe for as far as can be foreseen;

- that a decision on the introduction and deployment of a successor for the Lance missile will be taken in 1992;

- that the US programme to develop a Lance successor is of value to the Alliance as a whole;

- that the Warsaw Pact should be challenged now to reduce its short-range nuclear missiles to current NATO levels; and that such reductions should take place before any negotiated reductions are implemented;

- that arms control negotiations on US and Soviet short-range missiles should not begin until an agreement consistent with NATO's expanded conventional arms control proposals is actually being put into effect;

- that any negotiations on short-range missiles should seek only partial reductions since, even with a conventional balance, such missiles will continue to be needed for our strategy; this firmly rules out the so-called third zero;

- that any negotiated agreement on reducing short-range missiles should not be implemented until after the conventional agreement has been fully put into effect.

At a time of massive change in the Soviet Union and Eastern Europe, there have inevitably been questions about the role of NATO and whether our policies are equal to the challenge. The agreements reached in Brussels last week reaffirm our unanimous commitment to a strong defence and the principle of deterrence based on a mixture of land, sea and air-based nuclear systems, including ground-based missiles. On the basis of that commitment to a sure defence, the Alliance has been able to offer far-reaching proposals for arms control.

We have once again drawn attention to the fundamental difference between NATO and the Warsaw Pact: that NATO is a free association of democratic countries committed to the defence of liberty. We have challenged the Soviet Union and the countries of the Warsaw Pact to match their eye-catching initiatives with a genuine commitment to freedom. Above all, the Summit has reaffirmed the stability and confidence of the Alliance and its belief in a strong defence in support of liberty and democracy.

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NATO SUMMIT: US MEDIA
1. THE US MEDIA SEES THE RESULTS OF THE NATO SUMMIT AS A SIGNIFICANT TURNING POINT IN THE BUSH PRESIDENCY. LESS THAN A WEEK AGO THE NEW YORK TIMES (AND VIRTUALLY EVERY OTHER COMMENTATOR) WAS STILL COMPLAINING ABOUT THE 'VACUITY' OF THE ADMINISTRATION'S EAST-WEST POLICY, THE ABSENCE OF AMERICAN LEADERSHIP AND THE FACT THAT THE ADMINISTRATION'S MODERATION TENDED 'TO BLIND THEM TO THE VAST CHANGES UNFOLDING AROUND THE WORLD'.TODAY'S NEW YORK TIMES' LEADING EDITORIAL 'MR. BUSH TAKES THE LEAD' SETS THE NEW TONE.
2. COMMENTATORS SEE THE SUMMIT AS 'AN IMMEDIATE POLITICAL SUCCESS'. THE PRESIDENT NOW HAS 'A GRAND VISION OF GOING BEYOND CONTAINMENT'. HE HAS GREATLY ENHANCED HIS REPUTATION, 'PLAYING A ROLE THAT AMERICANS HAVE COME TO EXPECT OF THEIR PRESIDENT - THE LEADER OF THE FREE WORLD'. ON THE SUBSTANCE, HIS ARMS CONTROL PROPOSALS WERE 'AN IMAGINITIVE AND SERIOUS RESPONSE' AND ON THEIR PRESENTATION THE PRESIDENT'S MOVES 'DEMONSTRATE THAT HE CAN PLAY IN GORBACHEV'S RHETORICAL LEAGUE'. HE ALSO GETS GOOD MARKS FOR CONSULTATION WITH THE ALLIES AND THE PAPERS ARE FULL OF PRAISE FROM IN PARTICULAR THE PRIME MINISTER, WOERNER AND TINDERMANS. AS THE NEW YORK TIMES PUTS IT 'AT LAST BUSH GAINS A VICTORY IN EUROPEAN DIPLOMACY'.
3. BUT THERE ARE SOME CAUTIONARY NOTES. THE WASHINGTON POST SAYS THAT THE U.S. STILL HAS TO LAY OUT THE POLITICAL GUIDELINES TO BRING THE PRESIDENT'S VISION TO EARTH. WHAT, FOR EXAMPLE, WOULD BE THE ROLES OF THE SOVIET UNION AND THE U.S. IN A POST COLD WAR EUROPE? OTHER COMMENTATORS POINT TO THE WIDE GAPS WHICH REMAIN BETWEEN NATO AND THE WARSAW PACT ON THE SUBSTANCE OF ARMS CONTROL - EG DEFININING WEAPONS
CATEGORIES AND IN AGREEING NUMBERS. THESE COULD DERAIL CFE. THEY ALSO COMMENT THAT EUROPEANS 'WON'T CONTINUE TO BUY THE WISDOM OF NUCLEAR DETERRENCE IF THEIR LEADERS CONTINUE TO DEFER TALKS WITH THE SOVIETS' ON SNF.
4. SO, THE WIDESPREAD VIEW IS THAT THE PRESIDENT HAS PROVIDED

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THE LEADERSHIP WHICH HAD BEEN LACKING (WASHINGTON TEL NO 1468) AND IN A SENSIBLE DIRECTION. BUT HE WILL NEED TO REMAIN ENGAGED AND 'TO PROVE THAT HE CAN SUSTAIN THIS LEADERSHIP IN NEGOTIATIONS WITH MOSCOW'.

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NATO SUMMIT : FRG REACTIONS

SUMMARY

1. RELIEF AND GRATIFICATION AT THE UNEXPECTED SUCCESS. BUSH PRAISED FOR SAVING THE SUMMIT WITH HIS CFE INITIATIVE. GENSCHER PRESENTS AGREEMENT AS CORRESPONDING TO GERMAN VIEWS. SPD, HOWEVER, SEE A DISCREPANCY. ATTITUDES TO THE UK REMAIN STRAINED.

DETAIL

2. KOHL'S BEAMING FACE ON THE TV SCREENS SAID IT ALL: RELIEF AND DELIGHT AT THE UNEXPECTED SUCCESS OF THE SUMMIT. BUSH HAVING COME TO THE RESCUE AT THE LAST MINUTE WITH HIS INITIATIVE, HIS CURRENT VISIT TO THE FRG COULD NOT HAVE BEEN BETTER TIMED AS A CELEBRATION OF RESTORED US-GERMAN FRIENDSHIP. KOHL'S ORIGINAL GAME-PLAN HAS UNEXPECTEDLY WORKED OUT: NATO HAS REACHED AGREEMENT BEFORE THE EUROPEAN ELECTIONS AND GORBACHEV'S VISIT TO THE FRG.

3. THE BUSH INITIATIVE DOMINATED THE GERMAN MEDIA ON 30 MAY. KOHL WELCOMED IT AS GRAND AND FAR-SIGHTED, ''AN IMPRESSIVE UNDERSCORING OF US LEADERSHIP''. FEDERAL SPOKESMAN KLEIN CALLED IT THE MOST DRAMATIC AND BOLD DISARMAMENT PLAN EVER PRESENTED BY THE WEST. EDITORIALS RANGE FROM FAVOURABLE TO ENTHUSIASTIC. SUEDDEUTSCHE ZEITUNG DESCRIBES IT AS A SKILFUL RETURN OF GORBACHEV'S SERVE, WHILE WONDERING WHAT WILL HAPPEN IF SO MUCH DISARMAMENT BY 1992 IS TOO MUCH FOR GORBACHEV. STUTTGARTER ZEITUNG IS SCEPTICAL ABOUT BUSH'S TIME-FRAME: IF EVEN GORBACHEV SEES A NEED FOR SEVEN YEARS TO IMPLEMENT AN CFE AGREEMENT, HOW ARE 16 ALLIANCE PARTNERS GOING TO SETTLE THINGS IN 6 MONTHS? FRANKFURTER ALLGEMEINE ALSO HAS DOUBTS ABOUT THE TIMESCALE AND QUESTIONS WHETHER THE THIRD ZERO ISSUE HAS BEEN SETTLED. BUT IT REGARDS THE SUMMIT'S POLITICAL IMPACT AS IMPORTANT IN SHOWING THAT NOW IT IS NATO WHICH IS ACCELERATING THE DISARMAMENT PROCESS.

4. THE POLITICAL PARTIES (EXCEPT THE GREENS) HAVE WELCOMED THE BUSH INITIATIVE. BUT SPD LEADER VOGEL HAS POINTED TO A ''CLEAR DISCREPANCY'' BETWEEN THE NATO AGREEMENT AND THE COALITION'S

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PREVIOUS POSITION: THERE COULD BE NO TALK NOW OF AN ''EARLY START'' OF SNF NEGOTIATIONS OR OF SNF NEGOTIATIONS SYNCHRONOUS WITH CFE. THE NATO AGREEMENT DID NOT GUARANTEE A RESULT FROM SNF NEGOTIATIONS BEFORE 1992, WHICH WOULD ''SAVE US FROM THE DEPLOYMENT OF NEW SHORT RANGE MISSILES''.

5. GENSCHER HAS SAID THAT THE AGREEMENT CORRESPONDS IN SUBSTANCE TO THE GOVERNMENT DECLARATION OF 27 APRIL. THE US AND UK HAD CHANGED POSITION. ''THE DESIRED AGREEMENT TO MODERNISATION WITHOUT NEGOTIATIONS HAS BECOME AN AGREEMENT TO NEGOTIATIONS WITHOUT MODERNISATION''. IN GENSCHER'S VIEWS, THE AGREEMENT NOT TO COME TO A DECISION OVER A SUCCESSOR TO LANCE BEFORE 1992 DOES NOT AUTOMATICALLY EXCLUDE A ZERO OPTION.

6. ATTITUDES TO THE UK REMAIN STRAINED. ON TELEVISION YESTERDAY, KOHL THANKED MANY ALLIES, BY NAME, FOR CONTRIBUTING TO THE SUCCESS, BUT POINTEDLY NOT THE UK. KLEIN HAD SAID ON MONDAY THAT MOST PARTNERS SHOWED UNDERSTANDING FOR THE SPECIAL GERMAN SITUATION ''PERHAPS WITH ONE EXCEPTION''. FRENCH AND BRITISH RESERVATIONS ON THE BUSH INITIATIVE ARE NOTED BY THE PPRESS. STUTTGARTER ZEITUNG SUGGESTS THAT BRITISH SCEPTICISM ABOUT THE US TIMEFRAME FOR CFE MEANS THAT THE UK WILL BLOCK BONN'S HOPES TO BEGIN SNF NEGOTIATIONS BEFORE THE BUNDESTAG ELECTIONS IN DECEMBER 1990.

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NATO SUMMIT, 29-30 MAY : FIRST IMPRESSIONS

SUMMARY

1. SUMMIT A SUCCESS. COMPREHENSIVE CONCEPT AGREED AFTER A CLIFF-HANGER ON SNF. DECLARATION A SUBSTANTIAL POLITICAL DOCUMENT WORTHY OF THE 40TH ANNIVERSARY. BUSH PROPOSALS ON CFE UNIVERSALLY WELCOMED AND HELPFUL TACTICALLY : BUT PRACTICAL DIFFICULTIES AHEAD. CLOSING PRESS CONFERENCES STRESS ALLIANCE'S ACHIEVEMENTS, PRESENT COHESION AND OPTIMISM FOR THE FUTURE.

DETAIL

2. THE NATO SUMMIT ENDED THIS MORNING IN SUCCESS. TWO DAYS AGO THIS DID NOT SEEM LIKELY, BECAUSE OF THE MUCH PUBLICISED DIFFERENCES ON SNF. THE ADOPTION OF SATISFACTORY TEXTS ON THE COMPREHENSIVE CONCEPT AND THE DECLARATION IS ATTRIBUTABLE TO, AMONG OTHERS, THE FOLLOWING FACTORS. FIRST, THE GENERAL FEELING AMONG HEADS OF STATE AND GOVERNMENT THAT NATO'S 40TH ANNIVERSARY SUMMIT SHOULD NOT BE PERMITTED TO END IN FAILURE: SECOND, A DETERMINATION THAT THE PUBLIC RELATIONS INITIATIVE MUST BE WRESTED FROM GORBACHEV: THIRD, PRESIDENT BUSH'S INITIATIVE ON CFE (SEE BELOW): AND FOURTH, THE ACHIEVEMENT BY YOU AND YOUR COLLEAGUES, AFTER MANY HOURS OF NEGOTIATION, OF AGREED LANGUAGE ON SNF FOR THE COMPREHENSIVE CONCEPT.

3. THE DECISION EARLY IN THE FIRST SESSION TO MANDATE A WORKING GROUP ON SNF DEMONSTRATED SERIOUS RESOLVE TO OVERCOME THIS PROBLEM. THE OUTCOME IS VERY SATISFACTORY FROM THE BRITISH POINT OF VIEW. A THIRD ZERO IS RULED OUT. NEGOTIATIONS CAN TAKE PLACE ONLY AFTER IMPLEMENTATION OF AN AGREEMENT ON CONVENTIONAL REDUCTIONS IS UNDER WAY. THE IMPLEMENTATION OF EVENTUAL SNF REDUCTIONS CAN BEGIN ONLY AFTER THE COMPLETE IMPLEMENTAION OF THE CONVENTIONAL AGREEMENT. THE ALLIES ACKNOWLEDGE THE VALUE OF THE CONTINUED U S DEVELOPMENT

PROGRAMME FOR A LANCE SUCCESSOR. (THERE IS, HOWEVER, A VERY TOUGH BATTLE AHEAD TO SECURE A DECISION TO REPLACE LANCE.) FOR THE REST, THE COMPREHENSIVE CONCEPT EMBODIES FOR THE FIRST TIME A STATEMENT OF ALLIED SECURITY DOCTRINE TO WHICH ALL SIXTEEN ALLIES, NOTABLY INCLUDING FRANCE, HAVE SUBSCRIBED. IT WILL BE AN IMPORTANT FACTOR FOR STABILITY IN FUTURE ALLIANCE POLICY-MAKING, BOTH IN AND BEYOND THE FIELD OF ARMS CONTROL.

4. PRESIDENT BUSH'S LAST-MINUTE PROPOSALS ON CFE CONTRIBUTED TO THE SNF COMPROMISE BY CALLING FOR ACCELERATED PROGRESS IN VIENNA, THUS ENABLING THE GERMANS TO ARGUE THAT THE PROSPECT OF EARLY SNF NEGOTIATIONS WAS PRESERVED. BUSH'S INITIATIVE MADE AN UNDENIABLE POLITICAL IMPACT: UNIVERSALLY WELCOMED BY THE HEADS OF GOVERNMENT, IT HAS ALSO RECEIVED A GOOD PRESS. HOWEVER, THE TIMETABLE SET OUT FOR ITS REALISATION IS A MAJOR HOSTAGE TO FORTUNE WHICH WE MAY COME TO REGRET. THE NEGOTIATING AND TECHNICAL (VERIFICATION) PROBLEMS WILL BE FORMIDABLE.

5. THE DECLARATION IS A SIGNIFICANT POLITICAL DOCUMENT. IT CONFIRMS THAT THE POLICIES WHICH HAVE BROUGHT SUCCESS IN THE PAST - STRONG DEFENCE AND POLITICAL SOLIDARITY AS THE BASIS FOR DIALOGUE - WILL REMAIN VALID IN FUTURE. IT ENDORSES THE BRITISH APPROACH TO THE SOVIET UNION - WELCOME FOR CHANGE AND ACKNOWLEDGEMENT THAT MUCH REMAINS TO BE DONE. IT NOTES THE POTENTIAL HAZARDS WHICH MAY RESULT FROM THE PROCESS OF REFORM IN WARSAW PACT COUNTRIES. IT UNDERLINES THE IMPORTANCE OF STRONG DEFENCE AND THE NEED TO KEEP ALL FORCES UP TO DATE WHERE NECESSARY. IT EMPHASISES THE IMPORTANCE BOTH OF THE TRANSATLANTIC PARTNERSHIP AND OF THE EUROPEAN PILLAR. IN STRESSING THE NEED FOR HUMAN RIGHTS AND BASIC ECONOMIC FREEDOMS IN THE EAST, IT INCLUDES TWO UK-SPONSORED INITIATIVES ON THE NEED TO MAKE BORDERS MORE OPEN, AND ON THE RIGHT OF PEOPLES IN THE EAST TO PRACTICE FULL DEMOCRACY.

6. INEVITABLY, THE MOOD OF THE HEAD'S OF GOVERNMENTS DISCUSSIONS WAS CONDITIONED, ON THE FIRST DAY BY UNCERTAINTY ABOUT THE OUTCOME OF THE SNF NEGOTIATIONS, AND ON THE SECOND BY RELIEF AT THE SUCCESS ACHIEVED. THERE WAS NEVERTHELESS SOLID POLITICAL SUBSTANCE IN THE PREPARED STATEMENTS AND IN SUBSEQUENT IMPROMPTU INTERVENTIONS ABOUT BOTH THE PRESENT STATE OF, AND FUTURE PROSPECT FOR, THE ALLIANCE, AND ON THE SITUATION IN THE SOVIET UNION AND EASTERN EUROPE. HIGHLIGHTS WERE THE INTERVENTION BY PRESIDENT BUSH (YESTERDAY LAUNCHING THE CFE INITIATIVE, TODAY REAFFIRMING U S COMMITMENTS TO THE TRANSATLANTIC PARTNERSHIP AND WELCOMING THE PROSPECT OF A STRONGER EUROPE) AND THE PRIME MINISTER, WHO ADMINISTERED A SALUTARY

DOSE OF REALISM TO THE EXCESSIVE EUPHORIA OF SOME ALLIES ABOUT EVENTS IN THE EAST.

7. IN HIS SUMMING UP, THE SECRETARY GENERAL SAID THAT THE ALLIANCE'S ACHIEVEMENTS AND THE SUMMIT DOCUMENTS PROVIDED THE MEANS TO RECAPTURE THE HEADLINES. HEADS OF GOVERNMENT SHOULD STRESS ALLIANCE UNITY, ALLIANCE INITIATIVE AND ALLIANCE OPTIMISM. IN THE CONCLUDING PRESS CONFERENCES, HEADS OF STATE AND GOVERNMENT, AND WOERNER HIMSELF (IN AN EXCELLENT PERFORMANCE) TOOK THIS LINE, EMPHASISING THAT THE ALLIANCE ENTERED ITS NEXT DECADE IN GOOD SHAPE. INEVITABLY MUCH QUESTIONING CENTRED ON THE SNF ISSUE. THE PRIME MINISTER POINTED OUT ROBUSTLY THAT THE LANGUAGE WHICH ALL HAD AGREED EXCLUDED A THIRD ZERO AND PLACED TIGHT CONDITIONS ON ANY FUTURE NEGOTIATIONS. BOTH WOERNER AND BUSH ALSO STRESSED THAT THE COMPREHENSIVE CONCEPT EXCLUDED A THIRD ZERO. KOHL REFUSED TO BE DRAWN ON THE QUESTION OF A THIRD ZERO: GENSCHER SAID THAT A DECISION ON THIS HAD BEEN NEITHER TAKEN NOR PREJUDICED. THERE WILL STILL BE PLENTY TO PLAY FOR IN 1992.

8. A MORE CONSIDERED ASSESSMENT WILL FOLLOW BY DESPATCH.

ALEXANDER

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10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

30 May 1989

Dear Stephen.

PRIME MINISTER'S MEETING WITH THE TURKISH PRIME MINISTER

The Prime Minister met the Turkish Prime Minister before the opening of the second day of the NATO Summit this morning. Mr. Ozal was accompanied by the Turkish Foreign Minister, the Political Director of the Turkish Foreign Ministry and a note-taker.

Visas

The Prime Minsiter said that we simply could not cope with the influx of asylum-seekers from Turkey and would have to introduce a visa regime very shortly. This was not something we wanted to do: it had been forced on us. It is very important not to confirm this publicly, otherwise we would face a rush of people trying to beat the introduction of the visa regime. Mr. Ozal commented that similar regimes had been ineffective in the case of Germany and some other countries. The Prime Minister said firmly that she was not prepared to argue: there was simply no alternative to the introduction of a visa regime. Mr. Ozal subsided, saying only that he hoped we would contemplate multi-entry visas for officials and genuine businessmen.

Bulgaria

The Prime Minister said that she had noted Mr. Ozal's comments about Bulgaria's disgraceful treatment of its Turkish minority. The Foreign Secretary had made our concerns known to the Bulgarian Government. Mr. Yilmaz said that the latest news from the BBC was that the Bulgarians were saying that they were ready to repatriate their Turkish minority to Turkey. He hoped that the matter could be raised at the current CSCE Conference on the Human Dimension in Paris. That would be the best way to demonstrate support for Turkey.

Human Rights in Turkey

The Prime Minister said that she would be asked in Parliament if she had raised human rights in Turkey with Mr. Ozal. It would help her to be able to say that any complaints were investigated and, where appropriate, disciplinary action was taken. Mr. Ozal confirmed that this was the case.

Cyprus

The Prime Minister said that she continued to urge President Vassiliou not to allow negotiations to fail. He had accepted bizonality and seemed ready to contemplate ceilings on Greek-Cypriot settlement and land ownership in the North in return for some territorial adjustment. She hoped Mr. Ozal would encourage Denktash to negotiate realistically. The eighteen year freeze on Greek-Cypriot property rights which he had proposed was not realistic.

Mr. Ozceri said that there had to be an order of priorities. It did not make sense to put these freedoms before the constitutional arrangements. If Denktash was satisfied on the equal sharing of power, the rest would fall into place. The eighteen year period was negotiable and this had been made clear. In practice there was a lot of movement in the negotiations.

The Prime Minister said that it was very important to get a settlement while Perez de Cuellar was Secretary-General, given his long involvement with the problem. She had told President Vassiliou that a Cypriot application to the EC was not feasible in advance of a political settlement. Mr. Ozal said that this was very helpful. He himself had seen Papandreou, who had conveyed the message that President Vassiliou accepted the principles of bizonality and political equality, although he had not mentioned bicommunality. A key question was to impose some sort of numerical limit on the Greek-Cypriot population in the North, for instance thirty per cent. He understood that Vassiliou might be ready to contemplate this.

Turkey's EC Application

Mr. Ozal said that he wanted to raise Turkey's application to the European Community. This had to be looked at politically. Turkey's destiny was European. Over the last few years, she had followed liberal economic policies, and was now running a $1.5 billion surplus on account, a figure which would probably rise this year. Trade with the European Community was approximately in balance. Inflation was far too high, but now falling.

Mr. Ozal continued that it was very important that the EC should enter negotiations with Turkey on membership. There would be no deadline for these and no guarantee of membership by a particular date. But the fact of the negotiations would represent long-term assurance for Turkey, and greatly increase confidence and investment, with the result that when Turkey eventually joined she would not be an economic burden on the Community. It would not be necesary to agree on free circulation of workers, provided Turkey could move towards the other aspects of Customs Union. This point could be reached much earlier than previously thought. But above all, it was the political message of the fact of negotiations which was important and would bring foreign capital to Turkey.

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By fortunate chance, the discussion had to finish at this point, with the Prime Minister commenting only that this was all food for thought.

I am copying this letter to Alex Allan (H.M. Treasury), Neil Thornton (Department of Trade and Industry), Brian Hawtin (Ministry of Defence), Colin Walters (Home Office) and Trevor Woolley (Cabinet Office).

Yours ever,

C. D. POWELL

Stephen Wall, Esq.,
Foreign and Commonwealth Office.

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Original filed as
CANADA: Relations PT6.

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

29 May 1989

Dear Stephen,

PRIME MINISTER'S MEETING WITH THE CANADIAN PRIME MINISTER

The Prime Minister had a talk with Mr. Mulroney this morning, shortly before the opening of the NATO Summit. Mr. Stanley Hartt was also present.

NATO Summit

The Prime Minister described the United Kingdom's viewpoint on SNF and the need not to give ground. Mr. Mulroney gave every appearance of agreeing and being in ignorance of the Canadian position as advanced in NATO.

Commonwealth Secretary-General

Mr. Mulroney said that there was only one point which he particularly wanted to raise, and that was the question of the Commonwealth Secretary-General. Formally Canada had not shown its hand. But he was increasingly convinced that the best and least divisive course was to ask Ramphal to continue. The Prime Minister said that she had established that Ramphal was ready to do so. She agreed that this would avoid a damaging black/white division in the Commonwealth, and would allow Anyaoku more time to establish himself as the natural successor. Mr. Mulroney said that he would be seeing President Kaunda soon and would raise the matter with him. He would also talk to Rajiv Gandhi. The Prime Minister suggested that Mr. Mulroney should also contact Dr. Mahathir. Thereafter she and Mr. Mulroney should be in touch again.

South Africa

The Prime Minister said that it was important not to allow the issue of South Africa to dominate the forthcoming CHOGM. Mr. Mulroney agreed: he was talked out on the subject.

British High Commissioner

The Prime Minister said that Sir Alan Urwick would be leaving Ottawa in the summer to take up the office of Serjeant-at-Arms in the House of Commons. We would do our best to find a good successor. Mr. Mulroney spoke glowingly of Sir Alan's success as High Commissioner.

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

Yours sincerely,

C.D. Powell

Stephen Wall, Esq.,
Foreign and Commonwealth Office.

1. We have done everything we can to accommodate those who have political difficulties in reaffirming NATO's strategy.

2. But we have to remember that these texts do not represent just words which can be endlessly juggled. They are about NATO's defence.

3. We are simply not prepared to leave open the question whether there will be a third zero.

4. During yesterday's discussion I heard a very large number of colleagues say that they were opposed to a third zero.

5. And the military advice is that SNF will continue to be necessary.

6. Although I am profoundly sceptical whether negotiations on SNF can possibly be to NATO's benefit, I am prepared to consider a text which would envisage that after tangible implementation of a conventional force reduction agreement. But it can only be on the basis that a third zero is extended.

7. Moreover, I am astonished that the text should square bracket the question of support for US development work on a successor to LANCE. What sort of an Alliance are we that we expect the US to carry out the work but are not willing to express our support for them? Where is our solidarity and generosity?

8. It will be a pity if we are unable to resolve this issue. But better to have it unresolved than agree to a text which is ambivalent on issues of such crucial importance to NATO's defence.

Textual Comparison

	US Text	Wörner Text
1 (a) Requirement for land-based SNF	are necessary	"Continue to require"
(b) Technical needs for SNF	Must "perform their deterrent role ...across the required spectrum of ranges"	must "maintain a credible deterrence capability"
2. Negotiations after	tangible implementation of CFE agreement eliminating disparities	conclusion of agreement based on US proposals now on table
3. 1992 decision	on the introduction of a follow-on system for the LANCE missile and hence on its production and development	
4. Third zero for SNF missiles	excluding a zero option	levels above zero
5. Preparations for negotiations	no provision	High Level Group
6. US development programme	allies affirm	allies recognise the value in order to preserve the options
7. Challenge to Soviet Union	Call to reduce	Call to reduce excessive inventory "to improve chances of achieving results in such negotiations"

Ambassador

cc: PS/Prime Minister
Mr Ingham
PS/S of S
Sir J Fretwell
Mr J Goulden
Mr D Fisher
H of C

SUMMIT DECLARATION

1. I attach the draft Declaration as it emerged from the Senior Political Committee at 21.00 yesterday. The SPC will meet again at 08.00 tomorrow (Monday) for further instructed discussion, and is likely to meet on other occasions throughout the day. The final draft will go to Heads of State and Government on Tuesday morning, and (once approved) will be published immediately.

2. The Draft has been under discussion since late March, and under particularly intensive negotiation during the last ten days. It reflects the philosophical gulf between the three nuclear powers and the others over the nature of the Declaration. UK, US and France sought a text with firm language on defence and a specific East/West focus, including practical eye-catching initiatives. The others (especially Norway) wanted a much more upbeat, vague and global declaration taking in issues such as the environment, population, etc. German attitudes gave this trend an impetus which it would otherwise have lacked. The US also contributed (partly involuntarily) through a lack of firm instructions from Washington and through President Bush's concern for "global issues". Drafting was consequently difficult.

3. We have secured our main objectives : firm defence language early on (including re-statement of the 1988 Summit commitment to keep forces up to date where necessary), firm language on the transatlantic partnership and a realistic Western assessment of change in the East. We have obtained at least a compression of the extraneous subjects.

4. We did not, however, get all we wanted. In particular, the two UK political initiatives (calls on the East to institute genuine democracy and to improve conditions on the East/West borderline) found little support in their original form. Apart from the US and Portugal, most Allies thought the proposals as drafted too provocative, and liable to "poison the atmosphere" of the Declaration. The German Delegation's practical support for the border initiative, which had been agreed in principle with Herr Genscher, was minimal. We have

/secured . . .

secured most of the main points of the two initiatives in the present text, but they are unsatisfactorily located in the CSCE section, not as free-standing initiatives. The UK has reserved its position on them. The US call for an open skies regime, which we wanted to see adopted as an Alliance initiative, has met opposition from several delegations, from France in particular. The resulting formulation is lukewarm.

5. The section on Arms Control was drafted on the assumption that the Comprehensive Concept would be published at the Summit. It therefore confined itself to a brief statement of Alliance philosophy. But publication of the Concept is now in doubt. If it is not published, the Arms Control section will have to be re-written and expanded. The SPC Chairman has prepared draft language which he will table if necessary when the SPC meets on Monday.

6. The structure of the Declaration also remains open. The UK, US and France succeeded early on in securing agreement to work on the basis of the present structure which has the central sequence of defence/partnership/East-West/arms control. The others (a clear majority) have continued to chafe at this and intend to return : they wish to place arms control immediately after defence. This is unacceptable, but we could live with, and can probably secure, a sequence which would run : defence/partnership (grouped together and titled "Defence and Partnership")/arms control/East-West. This is likely to be raised in the SPC tomorrow.

7. More detailed comments on the text are contained in the annotated version attached.

8. The draft as it stands is still in need of a good many minor drafting improvements.

D Beattie

D Beattie

28 May 1989

Covering SECRET 5(a-b)

Ambassador

cc : Mr Powell ✓
PS S of S
Sir J Fretwell
Mr J Goulden
Minister
H of C

COMPREHENSIVE CONCEPT

1. I attach a note summarising the current position on the Comprehensive Concept, together with the latest version of the text.

2. The alternative texts still in play on the SNF section are marked up in a separate folder.

D R Fisher

28 May 1989

(D R FISHER)

COMPREHENSIVE CONCEPT (C-M (89) 34)

CURRENT STATUS OF TEXT

NON-SNF SECTIONS (i.e. excluding paras 28-30, 45-48)

Text is agreed subject to following :

Para 5 (Reykjavik mandate)

France opposes inclusion (since not party to mandate) but would accept UK compromise proposal to annex the whole of Reykjavik communique with appropriate cross-reference in the introductory paragraph of the Comprehensive Concept.

FRG still insisting on retention of para 5 pending resolution of SNF issue.

Paras 6 and 60 (Defence and Arms Control Interrelations)

FRG claim paragraphs have hidden SNF implications and cannot agree to them pending resolution of SNF issue.

No recent FRG amendments tabled but earlier FRG sought inclusion of sentence :

> 'Progress in arms control must be taken into account and arms control prospects fully reviewed and considered in the preparation of decisions conforming to Alliance requirements on defence.'

US and UK have opposed thus making defence plans hostage to arms control hopes. Final sentence of para 60 already added to meet FRG concerns (reflecting language which

/their . . .

their authorities had agreed in the draft Defence Planning Ministerial Guidance). Existing text thus already a compromise. US and UK have opposed further change.

SNF SECTION

(Paras 28-30, 45-48)

These paragraphs not agreed pending resolution of SNF issue.

Alternative texts still in play are marked up in separate folder viz:

US text	- Flag A
FRG text	- Flag B
Secretary General's text	- Flag C
Italian amendments	- Flag D
Canadian proposals	- Flag E

A commentary on the Secretary General's text is attached at Annex A.

The issue of how either this or US proposals (if accepted) might be integrated into the Comprehensive Concept has yet to be addressed. Some thoughts on how this could be done are at Annex B and C.

The objections to both the Italian and Canadian proposals are marked up on Flags D and E. It is hoped that these proposals can be quickly set aside, with attention concentrating on US and FRG texts and that of the Secretary General.

A note on the question of publication of the Comprehensive Concept in the event no agreement is reached is at Annex D.

ANNEX A

SNF

1. Discussion is likely to focus on Woerner's text. It has several good points (no third zero, support for the US development programme, up to date where necessary). But it has three major defects which need to be corrected :

(a) It does not specify that the Alliance will continue to need land-based missiles. (It merely says that we "continue" to need "land-based systems" - which could refer to artillery).

Remedy : Para 1 sentence 2 should read "The Allies will for the foreseeable future continue to require in Europe air-based, sea-based and land-based systems including land-based missiles in the sub-strategic ranges to maintain credible deterrence capability".

(b) The CFE condition is too weak. It would permit SNF negotiations after any CFE agreement based on proposals now on the table.

Remedy : Para 2 sentence 2 should refer to . . . "an agreement with the East which would eliminate these asymmetries in line with the Allies' proposals now on the table . . ."

(c) It would set up a high-level group to work out a negotiated mandate irrespective of what happened in CFE or of progress towards updating Lance.

Remedy : Para 3 sentence 2 should read "The Council will keep under review the terms and conditions under which such negotiations would commence and in the light of progress in the CFE negotiations will decide whether it is appropriate to set up a high-level group to work out the details of a negotiating mandate".

2. Even with these changes, Woerner's text - like the US text - would permit SNF negotiations to start without total assurance that the Allies would agree in 1992 to update Lance. Kohl might argue, for example at his Press Conference, that the 1992 decision "on the introduction of a follow-on system" was still a "whether/or" decision. If so, we could argue the contrary :

- True that we have conceded that the decision on updating will not be made until 1991-2

- But the policy framework for that decision is clear :

  - The Allies agreed that we need land-based missiles for the foreseeable future

(1)

/- These systems . .

- These systems must be kept up to date : This clearly implies that Lance will be replaced when it becomes obsolete in 1995.

- Our aim in any negotiations is "equal and verifiable levels above zero". This makes clear that the Alliance is not prepared to see these systems dwindle to nothing - as would happen if Lance were not updated.

- The fact that any negotiated SNF cuts would take place only after a CFE agreement has been fully implemented - well into the 90s on any scenario - means that the decision to update is bound to arise before the Alliance can agree to implement any SNF cuts.

- In addition, because the Alliance works by consensus, decisions on negotiating and updating are inevitably linked. We will be able to keep this linkage when deciding whether to set up a High Level Group to prepare an SNF negotiating mandate. As far as the UK government is concerned, we will also want to make sure, before agreeing any SNF mandate, that an updating decision is on course.

Tactics

The credibility of the above line would depend crucially on our securing the three amendments listed above. It is a matter for tactical judgment how far we should pad out our demands in order to make sure of getting at least these three points in any text that may be agreed. Two additional points which we could select from the US text are :

- No SNF negotiations until a CFE agreement is being "tangibly implemented"

- Reference in para 1 sentence 1 to the need to maintain substrategic nuclear forces across the required spectrum of ranges". This would be a satisfactory alternative to the amendment in 1 (a) above.

There are two other proposals which we could add to increase the tactical pressure :

- No decision to launch SNF negotiations until after the up-dating decision.

- No SNF negotiations until the Soviet Union has reduced to NATO current missile levels.

But these points, though reasonable, have already been dropped by the US and are unlikely to attract any support. They might best be held in reserve against the time when others try to weaken the text further. A more credible additional source of pressure is to make clear that we would prefer no agreement to one biassed more in favour of negotiation than of updating.

(2)

/Two other . .

Two other less important amendments are written on the attached text. The first (para 3) should present no problems. The second (para 5) is desirable but non essential.

Procedure

If Woerner's draft is to be the subject of negotiations, the best procedure from our point of view would be for each Head of Government to nominate an official (or two) to a drafting Group after initial discussion by Ministers. They would ensure that our key requirements were registered in advance by the Prime Minister. The fruits of the drafting Group could then be taken by Heads of Government later on Monday. This would obviously be preferable to entrusting discussion to Foreign Ministers, who will have problems enough with the Declaration.

ANNEX B

POSSIBLE WAYS OF INTEGRATING US TEXT INTO COMPREHENSIVE CONCEPT

OPTION I

Insert US text as a whole into para 48. To reduce repetition delete 'which is to be kept up to date where necessary' from end of para 47. Delete existing para 29 but retain para 30, preferably moving into chapter IV to follow 45, deleting final sentence of latter.

OPTION II

US para 1

Incorporate into chapter III by adding final sentence of US para 1 to end of para 22 (which already contains all the other thoughts).

US para 5

To replace existing para 29 and amend beginning to read: 'The level and characteristics of the sub-strategic forces possessed by the members of the integrated military structure must be such.....'

US paras 2 - 4

Insert in para 48. (US para 3 repeats thoughts already in paras 50 - 51 and could without loss be dropped).

ANNEX C

INTEGRATION OF SECRETARY GENERAL'S TEXT INTO COMPREHENSIVE CONCEPT

The simplest solution would be to insert the text as a whole (as amended to meet UK concerns) into paragraph 48.

To avoid repetition some consequential amendments would be required to the existing text viz:

Para 29

Delete second and third sentences but preferably retain substance of first sentence eg by inserting after third sentence in para 28:

'Their level and characteristics must also be such that they can perform their deterrent role in a credible way across the required spectrum of ranges.'

Para 30

Delete

Para 45

Delete final sentence.

Para 47

Delete from final sentence 'which is to be kept up to date where necessary.'

ANNEX D

PUBLICATION OF COMPREHENSIVE CONCEPT

If there is no agreement on the SNF issue, the Secretary General has proposed that some place holding language would be inserted in para. 48 to indicate that work was continuing on this issue.

The views of the Council were divided on whether in that event the document would still be worth publishing.

The UK position is that if all existing SNF language is lost, the document would not be worth publishing.

Publication could still be worthwhile provided paras 28 and 45-7 could be retained. But if these are lost or unacceptably weakened, it would not be worthwhile.

The text could be further improved if :

i) the unilateral challenge to the Soviet Union were included in the place holding language,

ii) the substance of the first sentence of para 29 could be retained eg by inserting after the third sentence in paragraph 28:

'Their level and characteristics must also be such that they can perform their deterrent role in a credible way across the required spectrum of ranges.'

C O P Y

(a+b)

SECRET

OTTAWA, Ontario

26 May, 1989

Dear Sir Geoffrey,

Jim Baker has just written his NATO colleagues to inform us of his views on the current state of the negotiations between the USA and the Germans on SNF. I want to share my perceptions with you. I have also replied to Jim Baker directly and to Hans-Dietrich Genscher and Manfred Woerner in a similar vein.

I am encouraged that there has been meaningful movement and considerable convergence of view. Baker has indicated that the USA now accepts the principle of SNF negotiations, but insists that there cannot be a beginning of negotiations until tangible implementation of a CFE occurs. I understand that the German position is that there can be no implementation of any SNF reductions below current NATO levels until after the implementation of a CFE agreement.

It strikes me that there is a possible bridge between the two positions. The Summit could endorse SNF negotiations and be prepared to embark on a first phase of negotiations to reduce current Soviet asymmetries down to NATO levels as soon as the High Level Group has completed the tasks which the German paper has proposed giving to it. We would also have to make clear that there could be no negotiations on reductions below current NATO levels until after tangible implementation of a CFE agreement. I also believe that given the broad terms of reference of the High Level Group with respect to the timing and aims of the negotiations as well as a mandate for the negotiations that the question of negotiations on nuclear artillery could be left to that group without any firm decision by the Summit.

I have indicated to Jim Baker and to Hans-Dietrich as I indicated to you in my letter of 1 May that Canada believes there should be a clear indication that there must not be a third zero in the SNF negotiations. Furthermore Canada is prepared to affirm support for USA research and development as a follow on to LANCE.

. . . /2

The Right Honourable
Sir Geoffrey Howe Q.C., M.P.
Secretary of State for Foreign
and Commonwealth Affairs

C O P Y

SECRET

I know that your Government has serious reservations about agreeing to negotiations on SNF. However given the USA willingness to accept the principle of negotiations, I hope you will be able to agree and that you will give the above ideas some reflection. We must not lose the very real progress which has occurred in the last week and which should enable us to reach agreement on an issue, which if left unresolved, would be nothing short of a vote of non-confidence in NATO's collective leadership.

I look forward to seeing you in Brussels next Monday.

Yours sincerely,

(signed) Joe

Joe Clark
Secretary of State
for External Affairs

CONFIDENTIAL

United Kingdom Delegation
To the North Atlantic Council OTAN/NATO 1110 Brussels

Telephone 242.67.75

BY IMMEDIATE FAX

S Wall Esq
Private Secretary
FCO

Your reference

Our reference

Date 28 May 1989

Dear Stephen,

1. I attach a letter to Perm Reps from the Secretary General in which Woerner sets out his suggested procedure for the opening Sessions of tomorrow's Summit. You will note that in large measure Woerner has adopted the proposals put forward in the Council yesterday by Sir M Alexander.

2. Please could you arrange for this letter and enslosure to be copied immediately to Charles Powell at No.10.

Yours ever

Andrew Carter

A CARTER

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United Kingdom Delegation
To the North Atlantic Council OTAN/NATO 1110 Brussels

Telephone 242.67.75

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Yours ever

Andrew Carter

A CARTER

(1)

MC Pm

4a

PRIME MINISTER

MESSAGE FROM CHARLES POWELL

I have spoken at length to General Scowcroft in Rome. He was not aware of the Secretary-General's text. I told him of its major failings in our eyes. We had difficulty enough with the American text, and really could not accept that the position be further eroded. I told him of General Galvin's statement with which we very much agreed.

Scowcroft said that the President had sent a further message to Chancellor Kohl yesterday. The gist of this was that the American proposal on conventional forces reductions brought the prospect of agreement in Vienna closer, and could therefore also shorten the timescale within which SNF negotiations might begin. They now looked to Kohl to do them a favour by accepting the American text on SNF. They had not yet had a reply.

I said that we really needed to be sure that the American text was the bottom line. If we could be sure of that, then I thought you might at the end of the day accept it - but no further and definitely not the Secretary-General's text. Scowcroft said he would report to the President.

I have told the Foreign Secretary that he ought to contact Jim Baker as soon as he arrives in Brussels this evening and speak in the same terms.

28 May 1989

Private Secretary

cc PS/No 10
Ambassador
Minister
Mr Burns

CFE: SUMMIT DECLARATION

1. The US paragraph reflecting their new CFE proposals is attached. It contains no surprises. It is being discussed in the Drafting Committee this afternoon.

2. The issues for us are, at first sight:

(i) can we accept a binding commitment now to table proposals on aircraft etc? Given the publicity which the US proposals have attracted, it is probably not feasible to duck this issue by passing it to the HLTF. A summit undertaking to present proposals in volving "major cuts in helicopters and aircraft" - provided that it does not go into detail - is manageable.

(ii) can we accept a personnel ceiling of stationed US and Soviet manpower? This is more difficult. A ceiling on one named ally is a bad precedent. But a ceiling on all allied stationed forces would be worse. The safest would be to go for an undefined personnel ceiling, possibly with a gloss to the effect that US (and Canadian) forces would be covered (to include the congressional signal which Bush clearly wants). If that cannot be secured, a ceiling limited to US and Soviet forces may be the second best outcome.

(iii) Should we accept a time-table for concluding (within a year) and implementing (within three or four years)? This is bad negotiating tactics since it could put us under time pressure to accept a bad CFE agreement. It would be better simply to say that we will work for an agreement as soon as possible. Failing that, we should try to avoid the naive statement that we could "believe" an agreement is possible within the year.

(iV) procedure? Passing the proposal to the HLTF is obviously right. We could propose a meeting tomorrow, in order to give a sense of urgency.

(HLTF members are nearly all in town anyway) but a deadline of four to five days is unrealistic. "Two months" would take us to the summer break and allow us if necessary to work through the summer in order to be ready when Vienna resumes in September.

3. The attached text has some minor improvements of punctuation which helps to avoid the message that all of our CFE proposals make up a single package. We may later need to unscramble the ingredients.

29 May 1989

P J Goulden

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INFO PRIORITY MODUK, BONN, PARIS, WASHINGTON

SIC EME/EMA

MODUK FOR DACU AND NUC POL SY

RESIDENT CLERK PLEASE PASS TO NO 10

MIPT: COMPREHENSIVE CONCEPT - SNF

1. THE SECRETARY GENERAL'S OWN PROPOSALS FOR PARA 48 OF THE COMPREHENSIVE CONCEPT, HANDED ROUND AT THIS MORNING'S COUNCIL MEETING, ARE BEING FAXED SEPARATELY TO YOU, TOGETHER WITH THE PROPOSED ITALIAN AMENDMENTS TO PARAS 28 - 30 AND 46 - 8. I OFFER HEREWITH BRIEF COMMENT ON THESE TEXTS, AND ALSO ON THE CANADIAN PROPOSALS ALREADY DELIVERED TO YOU.

SECRETARY GENERAL'S TEXT
2. THIS CLEARLY ATTEMPTS TO FIND COMMON GROUND BETWEEN U S AND FRG PROPOSALS, ALTHOUH STEERS MORE TOWARDS THE FORMER THAN THE LATTER. IT IS LIKELY TO BE ATTRACTIVE TO A NUMBER OF ALLIES. THE MAIN DIFFERENCE FROM THE U S PROPOSALS ARE (BY REFERENCE TO PARAGRAPHS OF SECRETARY GENERAL'S TEXT):

PARA 1
SECOND SENTENCE NEEDS TO REFER TO THE FUTURE AND INCLUDE EXPLICIT REFERENCE TO CONTINUING NEED FOR LAND-BASED MISSILES. FINAL SENTENCE DILUTES THE TERMS OF ALLIED SUPPORT FOR FOTL DEVELOPMENT.

PARA 2
SECOND SENTENCE
THE CONDITIONS FOR COMMENCING NEGOTIATIONS ARE WEAKENED FROM QUOTE FOLLOWING TANGIBLE IMPLEMENTATION UNQUOTE TO QUOTE FOLLOWING CONCLUSION OF AN AGREEMENT. UNQUOTE. THE THIRD ZERO IS EXCLUDED BY THE REYKJAVIK QUOTE ABOVE ZERO UNQUOTE FORMULA RATHER THAN BY THE MORE EXPLICIT U S FORMULATION.

PARA 3
FIRST SENTENCE
U S WORDING WOULD SEEM PREFERABLE I.E. CHANGE QUOTE REDUCTIONS UNQUOTE TO QUOTE NEGOTIATED REDUCTION UNQUOTE (WE WISH TO RETAIN FREEDOM TO RESTRUCTURE OUR OWN NUCLEAR FORCES AS A RESULT OF MODERNISATION.

SECOND AND THIRD SENTENCES
THESE CONCEDE TO THE FRG ESTABLISHMENT OF A HIGH LEVEL GROUP, ALBEIT CHARGED WITH DIFFERENT TERMS OF REFERENCE.

PARA 4
THE CALL TO THE WARSAW PACT IS LINKED IN WITH NEGOTIATIONS.

ITALIAN AMENDMENTS

3. THEIR PROPOSED AMENDMENTS TO PARAS 28 - 30 SUBSTANTIALLY DILUTE THE LANGUAGE OF THE EXISTING TEXT IN WAYS THAT WOULD APPEAR ACCEPTABLE. FOR EXAMPLE THE INSERTION OF QUOTE IN THE PRESENT CIRCUMSTANCES UNQUOTE IN ADDITION TO THE QUOTE FOR THE FORESEEABLE FUTURE UNQUOTE FORMULA IN PARA 28. THEY ALSO TURN NATO STRATEGY ON ITS HEAD BY IMPLYING IN THEIR THIRD PARAGRAPH THAT ONE OF THE ROLES OF SUB-STRATEGIC FORCES IS TO COMPENSATE FOR CONVENTIONAL IMBALANCE (A PROPOSAL THE DANES HAVE ALSO MADE).

4. THEIR PROPOSALS FOR PARA 46 - 46 MUDDY THE WATERS ON NEGOTIATION IN A VERY UNHELPFUL WAY (EG NEGOTIATIONS TO START QUOTE ONCE TANGIBLE RESULTS UNQUOTE ACHIEVED WHATEVER THAT MIGHT MEAN).

CANADIAN PROPOSALS

5. THE ONLY COMMENT I WOULD OFFER ON THESE IS THAT IT IS MOST UNCLEAR WHAT INCENTIVE THE SOVIET UNION WOULD HAVE TO NEGOTIATE IN A SEPARATE PHASE ONE A REDUCTION OF THEIR FORCE LEVELS DOWN TO NATO LEVELS AND HENCE HOW PHASE ONE OF THE CANADIAN PROPOSALS COULD, IN PRACTICE, BE KEPT SEPARATE FOR THE SECOND PHASE. THEIR PROPOSALS AGAIN SERVE UNHELPFULLY TO MUDDY THE ISSUE.

GENERAL

6. THE LATE PROLIFERAION OF TEXTS AND PROPOSALS WILL INEVITABLY COMPLICATE THE HANDLING OF ANY SNF DISCUSSION AMONG HEADS OF GOVERNMENT AND FOREIGN MINISTERS. AN EARLY DECISION WILL BE REQUIRED AS TO WHICH, IF ANY, OF THE APPROACHES NOW ON THE TABLE SHOULD FORM THE BASIS FOR FURTHER WORK ON MONDAY - ASSUMING SUCH WORK IS DEEMED WORTHWHILE. PRIMA FACIE THE SECRETARY GENERAL'S TEXT IS LIKELY TO PROVE THE STRONGEST CANDIDATE - IF ONLY BECAUSE OF ITS PROVENANCE. I WILL THEREFORE HAVE A DETAILED ANALYSIS, TOGETHER WITH PROPOSALS FOR STRENGTHENING THE DRAFT, READY FOR YOUR AND THE PRIME MINISTER'S ARRIVAL TOMORROW NIGHT.

7. KEEL (US) TELLS ME THAT DISCUSSION ARE STILL IN PROGRESS BETWEEN THE U S AND THE FRG ON THEIR EXISTING TEXTS. THE AMERICANS HAD INITIALLY BEEN DISINCLINED TO REPLY FOR A FURTHER MESSAGE FROM KOHL RECEIVED AT THE END OF THE WEEK. BUT IN THE EVENT AN ANSWER HAS ISSUED FROM PRESIDENT BUSH - EITHER ON THE WAY TO OR IN ROME. KEEL HAS NOT SEEN THE TEXT BUT THINKS IT INVOLVES SOME SLIGHT FURTHER EVOLUTION OF THE U S POSITION. NONE THE LESS THE PRESENT U S TEXT IS STILL VERY MUCH IN PLAY AS FAR AS THE U S DELEGATION IS CONCERNED. THE ONLY U S REACTION SO FAR TO WORNER'S DRAFT - WHICH THE AMERICANS HAVE HAD SINCE YESTERDAY - HAS BEEN QUOTE WHAT DO THE GERMANS THINK UNQUOTE. (THE STATE DEPARTMENT MEMBERS OF WORNER'S PERSONAL STAFF WILL, OF COURSE, HAVE BEEN INOLVED IN DRAFTING HIS TEXT. THEY WILL NO DOUBT HAVE BEEN AT PAINS TO TRY TO ENSURE THAT NOTHING EMERGED WITH WHICH WASHINGTON COULD NOT LIVE IN THE LAST ANALYSIS).

8. THE GERMANS HAVE ALSO HAD WORNER'S TEXT SINCE YESTERDAY. THE AUSWAERTIGES AMT'S REACTION TO I (AS TO THE CANADIAN PROPOSAL) HAS APPARENTLY BEEN QUOTE ASK US AGAIN AFTER THE DEBATE AT THIS WEEKEND'S FDP PARTY CONGRESS IS CONCLUDED UNQUOTE. IN EFFECT THIS APPEARS TO MEAN THAT WE WILL GET NO MORE SUBSTANTIVE IMPUTS FROM THE GERMANS UNTIL GENSCHER'S ARRIVAL HERE.

9. THE INITIAL FRENCH REACTION TO THE SECRETARY GENERAL'S TEXT WAS TO EXPRESS CONCERN ABOUT ITS FAILURE TO TAKE ACCOUNT OF FRANCE'S POSITION AND TO IMPLY, MORE GENERALLY, THAT THE TEXT WAS TOO AMBITIOUS.

ALEXANDER

YYYY

SVLNAN 2908

NNNN

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FM UKDEL NATO
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271526Z MAY 89
FCO PRIORITY MODUK, BONN, PARIS, WASHINGTON

SIC EMA/EME
MODUK FOR DACU AND NUC POL SY

RESIDENT CLERK PLEASE PASS TO NO. 10.

COMPREHENSIVE CONCEPT: NAC: 27 MAY

SUMMARY
1. COUNCIL DISCUSSES PROCEDURAL ARRANGEMENTS FOR HANDLING COMPREHENSIVE CONCEPT DURING SUMMIT. THE SECRETARY GENERAL CIRCULATES HIS OWN COMPROMISE PROPOSALS FOR PARAGRAPH 48. COMPROMISE PROPOSALS ALSO CIRCULATED BY ITALY AND CANADA. ICELAND WITHDRAWS PROPOSALS ON NAVAL ARMS CONTROL.

DETAIL
2. THE SECRETARY GENERAL EMPHASISED THAT IT WAS IMPORTANT TO AVOID THE SNF ISSUE DOMINATING THE SUMMIT. HEADS OF GOVERNMENT MUST BE ALLOWED TO ADDRESS THE OTHER IMPORTANT ISSUES ON THE SUMMIT AGENDA AND THIS IMPLIED THAT A CUT-OFF POINT MUST BE SET FOR DISCUSSION OF THE COMPREHENSIVE CONCEPT. IT WAS ALSO NECESSARY TO CONSIDER HOW TO HANDLE THE COMPREHENSIVE CONCEPT IF SNF WERE NOT AGREED. THERE APPEARED TO BE TWO OPTIONS: THE INSERTION OF PLACE-HOLDER LANGUAGE IN PARAGRAPH 48 TO INDICATE THAT DISCUSSIONS WERE CONTINUING, MINIMAL CHANGES TO THE REMAINING UNBRACKETED SECTIONS OF THE TEXT AND PUBLICATION OF THE CONCEPT: ALTERNATIVELY, IF THIS WERE NOT POSSIBLE AND THE CONCEPT COULD NOT BE PUBLISHED, THE DECLARATION WOULD NEED TO CONTAIN APPROPRIATE LANGUAGE WHICH WOULD EXPLAIN THAT ALLIANCE WORK ON THE CONCEPT WAS CONTINUING. THE SECRETARY GENERAL ADDED THAT, BUILDING ON THE COMPROMISE PROPOSALS ALREDY TABLED HE HAD CONSTRUCTED HIS OWN SUGGESTED TEXT FOR PARAGRAPH 48. THERE WOULD BE NO POINT IN DUSCUSSING THIS NOW BUT IT COULD BE A BASIS FOR PROCEEDING ON MONDAY IF ALLIES SO WISHED.

3. IN THE DISCUSSION WHICH FOLLOWED, THERE WAS A GENERAL VIEW THAT THE SNF ISSUE SHOULD NOT BE ALLOWED TO DOMINATE THE SUMMIT THOUGH I OBSERVED THAT, GIVEN THE PUBLICITY WHICH THE PROBLEM HAD RECEIVED SO FAR, THIS WOULD BE EASIER SAID THAN DONE. ON PUBLICATION, THE NETHERLANDS, SPAIN, U S AND FRANCE SPOKE IN FAVOUR OF ATTEMPTING TO PUBLISH THE CONCEPT EVEN IF AGREEMENT WERE NOT REACHED ON SNF. KEEL (US) ARGUED THAT IT WOULD COMPOUND THE PERCEPTION OF AN ALLIANCE IN CRISIS IF WE FAILED TO RELEASE ANYTHING AND WERE THUS UNABLE TO DEMONSTRATE THE AMOUNT OF WORK WHICH HAD BEEN DONE. ROBIN (FRANCE) SUGGESTED THAT, EVEN WITHOUT AGREEMENT ON SNF IT MIGHT BE POSSIBLE FOR PARGRAPH 48 TO CONTAIN SOME SUBSTANTIVE LANGUAGE BASED ON POINTS OF AGREEMENT. UNSAL (TURKEY) ARGUED AGAINST PUBLICATION IF THERE WAS FAILURE TO AGREE AT THE SUMMIT. WE SHOULD SIMPLY STATE THAT DIFFERENCES STILL EXISTED AND EFFORTS TO RESOLVE THESE WOULD CONTINUE. FULGI (ITALY) AGREED. FAILURE TO REACH CONSENSUS ON SNF WOULD REQUIRE CHANGES TO SEVERAL PARAGRAPHS IN ADDITION TO 48. PUBLICATION WOULD NOT BE FEASIBLE.

4. I MADE THE POINT THAT THE MATTER OF PUBLICATION OR NOT COULD ONLY BE ONE FOR HEADS OF GOVERNMENT TO TAKE IN THE LIGHT OF THEIR DISCUSSION. IF IT PROVED POSSIBLE MERELY TO INSERT PLACE-HOLDER LANGUAGE IN PARAGRAPH 48 AND LEAVE THE REMAINING TEXT UNTOUCHED, THEN IT WOULD CLEARLY BE WORTH PUBLISHING THE DOCUMENT. IF, HOWEVER, FAILURE TO AGREE ON SNF PLACED A LARGE NUMBER OF OTHER PARAGRAPHS IN DOUBT THEN ANY DECISION TO PUBLISH MUST DEPEND ON THE EXTENT TO WHICH HEADS OF GOVERNMENT COULD AGREE ON THESE PARGRAPHS. PUBLICATION OF A DOCUMENT WITHOUT THE PARAGRAPHS WHICH HAD BEEN BROUGHT INTO QUESTION DURING OUR PREVIOUS DISCUSSIONS WOULD NOT BE WORTH WHILE. I NOTED THAT ALL THIS IMPLIED A FURTHER NEGOTIATION EVEN IN THE EVENT OF AN AGREEMENT TO DISAGREE ON THE SNF ISSUE.

5. ON THE MATTER OF HANDLING DISCUSSION OF THE COMPREHENSIVE CONCEPT, KEEL ARGUED THAT HEADS OF GOVERNMENT MUST DECIDE AT A VERY EARLY STAGE WHETHER THERE WAS ANY POSSIBILITY OF AGREEMENT. THIS POINTED TO A DISCUSSION ON SNF TAKING PLACE AT THE BEGINNING OF THE SUMMIT WITH HEADS OF GOVERNMENT REACHING A CONCLUSION ON THE WAY AHEAD AT THE END OF THE FIRST RESTRICTED SESSION. SMITH (CANADA) THOUGHT THAT SUCH AN OPTION WOULD NOT ALLOW THE ALLIANCE TO DEMONSTRATE THAT EVERY EFFORT HAD BEEN MADE TO REACH AGREEMENT. MORE TIME FOR DISCUSSION WAS NECESSARY - ALTHOUGH NOT NECESSARILY AT HEADS OF GOVERNMENT LEVEL. ROBIN SPOKE IN SUPPORT OF THE U S VIEW WHILE FULCI (ITALY) SAID THAT THE SUMMIT WOULD BE SEEN TO HAVE FAILED IF NO AGREEMENT WAS REACHED. EVERY EFFORT MUST BE MADE, THEREFORE, TO AVOID SUCH FAILURE. I AGAIN MADE IT CLEAR THAT THE COUNCIL COULD NOT DECIDE HOW HEADS OF GOVERNMENT SHOULD PROCEED.

6. THE SECRETARY GENERAL AGREED BUT SAID THAT DISCUSSION ON SNF COULD NOT CONTINUE BEYOND THE EVENING OF THE FIRST DAY IF THE COMPREHENSIVE CONCEPT WERE TO BE PUBLISHED BEFORE THE END OF THE SUMMIT SINCE IT WOULD TAKE 12 HOURS FOR THE DOCUMENT TO BE PREPARED FOR PUBLICATION ONCE AGREEMENT WAS REACHED. HIS PREFERENCE WAS THAT THE SUMMIT SHOULD START, AS PLANNED, WITH THE PREPARED STATEMENTS OF HEADS OF GOVERNMENT. DISCUSSION AT THE HEADS OF GOVERNMENTS' LUNCH MIGHT THEN FOCUS ON THE SNF ISSUE AND THEY COULD THEN DECIDE WHETHER THERE MIGHT BE MERIT IN REMITTING THE ISSUE TO A WORKING GROUP WHICH COULD REPORT BACK AT THE END OF THE AFTERNOON'S SESSION. ALTERNATIVELY, THE SUMMIT COULD START WITH A FULL MORNING'S DEBATE ON SNF BUT THERE WAS A RISK THAT IF DISCUSSION BECAME HEATED THIS MIGHT SPILL OVER INTO THE AFTERNOON SESSION. SINCE THE FIRST HALF OF TUESDAY MORNING WOULD BE TAKEN UP WITH THE SUMMIT DECLARATION, SUCH A COURSE OF ACTION COULD LEAVE VERY LITTLE TIME FOR DISCUSSION OF OTHER IMPORTANT ISSUES.

7. I SUGGESTED THAT AN ALERNATIVE MIGHT BE TO SCHEDULE A PRELIMINARY DISCUSSION OF SNF FOR SAY, THE FIRST HOUR OF THE SUMMIT, AFTER WHICH (ASSUMING IT WAS JUDGED WORTHWHILE) A WORKING GROUP WOULD BE CONSTITUED TO CONSIDER LANGUAGE AND TO REPORT BACK AT THE BEGINNING OF THE AFTERNOON SESSION AS TO WHETHER THERE WAS ANY CHANCE OF AGREEMENT. THE SECRETARY GENERAL AGEED TO REFLECT FURTHER. (HE SAID HE DID NOT THINK IT WOULD BE EASY TO RESTRICT HEADS OF GOVERNMENT TO LESS THAN 5 MINUTES EVEN FOR A PRELIMINARY EXCHANGE OF VIEWS ON SNF. I AM NOT SURE THAT ALL HEADS OF GOVERNMENT WOULD NECESSARILY WISH TO TAKE THE FLOOR ON SNF. ON THE OTHER HAND THOSE WHO HAVE SUBMITTED TEXTS MIGHT WISH TO SPEAK FOR LONGER.) HE SAID HE WOULD NOTIFY THE COUNCIL TOMORROW OF THE RECOMMENDATION WHICH HE WOULD MAKE TO HEADS OF GOVERNMENT ON MONDAY MORNING.

8. CANADA AND ITALY THEN CIRCULATED THEIR OWN PROPOSALS FOR LANGUAGE FOR PARAGRAPH 48. THE CANADIAN TEXT HAS ALREADY BEEN TRANSMITTED TO CAPITALS. THE ITALIAN TEXT, TOGETHER WITH THE SECRETARY GENERAL'S SUGGESTION HAS BEEN FAXED TO THE RESIDENT CLERK FOR TRANSMISSION TO NO 10. MIFT CONTAINS A BRIEF ANALYSIS.

9. AT THE END OF THE MEETING, AFTER KEEL (US) AND I HAD SAID FORMALLY THAT HISOUR GOVERNMENTS' PROPOSAL FOR THE ADDITION OF A PASSAGE ON NAVAL ARMS CONTROL TO THE COMPREHENSIVE CONCEPT WAS UNACCEPTABLE, ARNASON (ICELAND) WITHDREW THE IDEA. HIS AUTHORITIES DID NOT WISH TO COMPLICATE FURTHER THE DISAGREEMENTS WHICH ALREADY EXISTED OVER THE CONTENTS OF THAT DOCUMENT ALTHOUGH THEY STILL HELD THE VIEW THAT CLEAR AND PRECISE LANGUAGE ON FUTURE POSSIBILITIES IN THE AREA OF ARMS CONTROL SHOULD HAVE BEEN INCLUDED. THE ICELANDIC VIEWS HAD BEEN PRESENTED REPEATEDLY IN VARIOUS FORA AND THE ISSUE REMAINED OF CONSIDERABLE IMPORTANCE TO THE ICELANDIC GOVERNMENT. ARNSASON ASKED THAT HIS STATEMENT (COPY BY FAX) BE INCLUDED IN THE FORMAL RECORD OF THE COUNCIL MEETING.

SEE MY MIFT.

ALEXANDER

YYYY

SVLNAN 2907

NNNN

FACSIMILE DOCUMENT LEADER

PLEASE COMPLETE THIS FORM.
IT MUST ALWAYS PRECEDE THE MESSAGE BEING TRANSMITTED.
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CLASSIFICATION.....CONFIDENTIAL

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ORIGINATING OFFICERS NAME.....MCEWEN.....

ORIGINATING OFFICERS TELEPHONE NO.....

ORIGINATING OFFICERS SIGNATURE.....J A C McEwen.....

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NATO CONFIDENTIAL

circulated at NAC on 27 May

ITALIAN PROPOSED AMENDMENTS TO COMPREHENSIVE CONCEPT

28. TOGETHER WITH THE PRESENCE OF AMERICAN AND CANADIAN TROOPS IN EUROPE, THE NUCLEAR FORCES BELOW STRATEGIC LEVEL PROVIDE - IN THE PRESENT CIRCUMSTANCES AND FOR THE FORESEEABLE FUTURE - AN ESSENTIAL POLITICAL AND MILITARY LINKAGE BETWEEN EUROPEAN AND NORTH AMERICAN SECURITY AND BETWEEN CONVENTIONAL AND STRATEGIC FORCES.

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.

THE REQUIREMENTS FOR THESE FORCES ARE NOT ONLY A FUNCTION OF EXISTING CONVENTIONAL IMBALANCES, THOUGH THEIR LEVELS MUST TAKE INTO ACCOUNT THE THREAT BOTH CONVENTIONAL AND NUCLEAR WITH WHICH THE ALLIANCE IS FACED, BUT ARE ALSO CONNECTED WITH A CAPABILITY TO EFFECTIVELY IMPLEMENT THE STRATEGY OF FLEXIBLE RESPONSE.

THEREFORE A MINIMUM LEVEL OF SUB-STRATEGIC FORCES WILL REMAIN NECESSARY IN THE PRESENT CIRCUMSTANCES, FOR THE FORESEEABLE FUTURE.

29. IN SUCH CONDITIONS THE SUB-STRATEGIC FORCES POSSESSED BY THE MEMBERS OF THE INTEGRATED MILITARY STRUCTURE, THOUGH KEPT AT A MINIMUM LEVEL, WILL HAVE TO REMAIN EFFECTIVE AND MAINTAIN THE INDISPENSABLE

CHARACTERISTICS OF CAPABILITY, SURVIVABILITY AND FLEXIBILITY IN USE, ALSO THROUGH NECESSARY UPDATING, AS AGREED BY THE ALLIANCE IN 1988. IN THIS CONTEXT THE ALLIES EXPRESS THE VIEW THAT DEVELOPMENT ACTIVITIES WOULD IDEALLY ALLOW A TIMELY UPDATING WHERE NECESSARY, ALONG THE INDICATIONS ALREADY SUPPLIED BY THE ALLIANCE.

30. THE UPDATING OF THESE SUB-STRATEGIC SYSTEMS SHOULD PERMIT SUBSTANTIAL STOCKPILE REDUCTIONS, WITH THE CONSTANT OBJECTIVE OF ENSURING SECURITY AT A LOWER LEVEL OF ARMS. A FURTHER, IMPORTANT AIM IS TO PROMOTE SOLIDARITY AND WILLINGNESS TO SHARE RESPONSABILITIES AMONG ALLIES.

46. MAJOR REDUCTIONS OF THE THREAT POSED TO EUROPE BY THE LARGE NUMBER OF SHORTER RANGE NUCLEAR MISSILES DEPLOYED BY THE WARSAW PACT, WOULD BE OF OVERALL VALUE TO ALLIANCE SECURITY.

THE ALLIES ARE THEREFORE IN FAVOUR OF A NEGOTIATING OPTION AIMING AT TANGIBLE AND VERIFIABLE REDUCTIONS OF AMERICAN AND SOVIET LAND-BASED NUCLEAR MISSILE SYSTEMS OF SHORTER RANGE, LEADING TO EQUAL CEILINGS AT LOWER LEVELS. SUCH NEGOTIATING OPTION WILL BE PURSUED IN CONCRETE ONCE TANGIBLE RESULTS ARE ACHIEVED AT THE VIENNA CFE NEGOTIATIONS TOWARDS THE ELIMINATION OF THE MOST DESTABILIZING

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CONVENTIONAL DISPARITIES. AN "AD HOC" GROUP WILL STUDY THE TERMS OF REFERENCE.

47. SINCE A MINIMUM LEVEL OF SUCH SYSTEMS - IN THE TERMS EXPLAINED IN CHAPTER III - IS NEEDED FOR STABILITY AND SECURITY PURPOSES, THIS LEVEL SHOULD NOT COINCIDE WITH ZERO. IN DUE TIME, BEFORE THE OPENING OF FUTURE NEGOTIATIONS, THE ALLIANCE WILL DEFINE SUCH MINIMUM LEVEL AND STUDY OTHER ASPECTS OF THE ISSUE, TAKING INTO ACCOUNT BOTH STRUCTURAL ASYMMETRIES, THE EVOLUTION OF THE THREAT AND OTHER DEVELOPMENTS, IN PARTICULAR THE RESULTS OF CFE NEGOTIATIONS.

48. IN THE MEANTIME THE ALLIES CALL ON THE SOVIET UNION AND THE WARSAW PACT TO PROMOTE THE MOST CONSTRUCTIVE CONDITIONS FOR FUTURE NEGOTIATIONS THROUGH A REDUCTION OF THEIR OVERWHELMING SUPERIORITY IN THE FIELD OF GROUND - LAUNCHED MISSILES OF SHORTER RANGE.

Icelandic Delegation
27th May 1989

Statement by the Icelandic

Deputy Permanent Representative

Mr. Chairman,

In my intervention at the Council meeting this Thursday my authorities asked that a concluding sentence be added to paragraph 62 of the Document CCWG(89)4(4th Revise). I can now tell you that I have been instructed to withdraw this sentence as my authorities do not want to complicate further the disagreement that now exists over the possibilities for the extension of arms control measures to naval forces.

I am instructed to point out, reiterate our previous statement that my authorities are satisfied with the work of the Comprehensive Concept Working Group and that they fully support the language in paragraph 33 where it is emphisized that the Alliance must be able to keep open sea and air-lines of communications between North America and Europe. My authorities however still hold the view that clear and precise language on future possibilities in the area of naval arms control should have been included in our text. In particular they would have prefered to see in the Comprehensive Concept Document an Alliance committment to examine in the future steps to enhance stability and security in the North Atlantic and in particular naval CBMs. This however is not possible at this stage. These views of my authorities have repeatedly been presented on different occasions and at various levels in the appropriate Allied fora and I do not intend to take up the Council's time by repeating them here. I only stress that they

are of the highest interest to my Government and public opinion in Iceland and are of particular importance to the Government's overall approach to the issue of arms control and disarmament. In order to avoid the creation of additional difficulties in view of the diverse views of the Allies, the Icelandic Government, while maintaining its firm postion, is willing to ~~approve~~ accept the Comprehensive Concept Document as it now stands. It is however the wish of my authorities that this statement be included in the official record on this meeting.

It is the firm intention of the Icelandic Government to continue to address these concerns within the Alliance and if need be elsewhere and it hopes that the Allies will be willing in future to contemplate steps that would enhance stability and security such as the extension of arms control measures to naval forces. It is the hope of my Government that the challenge of naval arms control will be seriously examined by the Allies in order to see if strategically sound proposals can be formulated - sound because they reflect the Allies' requirements for defence and deterrence.

Thank you Mr. Chairman,

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SNF

1. Discussion is likely to focus on Woerner's text. It has several good points (no third zero, support for the US development programme, up to date where necessary). But it has three major defects which need to be corrected :

(a) It does not specify that the Alliance will continue to need land-based missiles. (It merely says that we "continue" to need "land-based systems" - which could refer to artillery).

Remedy : Para 1 sentence 2 should read "The Allies will for the foreseeable future continue to require in Europe air-based, sea-based and land-based systems including land-based missiles in the sub-strategic ranges to maintain credible deterrence capability".

(b) The CFE condition is too weak. It would permit SNF negotiations after any CFE agreement based on proposals now on the table.

Remedy : Para 2 sentence 2 should refer to ". . . "an agreement with the East which would eliminate these asymmetries in line with the Allies' proposals now on the table . . ."

(c) It would set up a high-level group to work out a negotiated mandate irrespective of what happened in CFE or of progress towards updating Lance.

Remedy : Para 3 sentence 2 should read "The Council will keep under review the terms and conditions under which such negotiations would commence and in the light of progress in the CFE negotiations will decide whether it is appropriate to set up a high-level group to work out the details of a negotiating mandate".

Even with these changes, Woerner's text - like the US text - would permit SNF negotiations to start without total assurance that the Allies would agree in 1992 to update Lance. Kohl might argue, for example at his Press Conference, that the 1992 decision "on the introduction of a follow-on system" was still a "whether/or" decision. If so, we could argue the contrary :

- true that we have conceded that the decision on updating will not be made until 1992

- But the policy framework for that decision is clear :

The Allies agreed that we need land-based missiles for the foreseeable future

- These systems must be kept up to date : This clearly implies that Lance will be replaced when it becomes obsolete in 1995.

- Our aim in any negotiations is "equal and verifiable levels above zero". This makes clear that the Alliance is not prepared to see these systems dwindle to nothing - as would happen if Lance were not updated.

- The fact that any negotiated SNF cuts would take place only after a CFE agreement has been fully implemented - well into the 90s on any scenario - means that the decision to update is bound to arise before the Alliance can agree to implement any SNF cuts.

- In addition, because the Alliance works by consensus, decisions on negotiating and updating are inevitably linked. We will be able to keep this linkage when deciding whether to set up a High Level Group to prepare an SNF negotiating mandate. As far as the UK government is concerned, we will also want to make sure, before agreeing any SNF mandate, that an updating decision is on course.

Tactics

The credibility of the above line would depend crucially on our securing the three amendments listed above. It is a matter for tactical judgment how far we should pad out our demands in order to make sure of getting at least these three points in any text that may be agreed. Two additional points which we could select from the US text are :

- No SNF negotiations until a CFE agreement is being "tangibly implemented"

- Reference in para 1 sentence 1 to the need to "maintain substrategic nuclear forces across the required spectrum of ranges". This would be a satisfactory alternative to the amendment in 1 (a) above.

There are two other proposals which we could add to increase the tactical pressure :

- No decision to launch SNF negotiations until after the up-dating decision.

- No SNF negotiations until the Soviet Union has reduced to NATO current missile levels.

But these points, though reasonable, have already been dropped by the US and are unlikely to attract any support. They might best be held in reserve against the time when others try to weaken the text further. A more credible additional source of pressure is to make clear that we would prefer no agreement to one biassed more in favour of negotiation than

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Two other less important amendments are written on the attached text. The first (para 3) should present no problems. The second (para 5) is desirable but non essential.

Procedure

If Woerner's draft is to be the subject of negotiations, the best procedure from our point of view would be for each Head of Government to nominate an official (or two) to a drafting Group after initial discussion by Ministers. They would ensure that our key requirements were registered in advance by the Prime Minister. The fruits of the drafting Group could then be taken by Heads of Government later on Monday. This would obviously be preferable to entrusting discussion to Foreign Ministers, who will have problems enough with the Declaration.

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(1)

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(3)

Faxed copy.
Original destroyed.

SECRET

3(a-d)

PRIME MINISTER

NATO SUMMIT

Work has been going on in Brussels during the day to try to decide how to handle the SNF issue at the Summit. The particular points are:

- whether to issue the Comprehensive Concept without a passage on SNF if one cannot be agreed;

- how to handle the discussion of SNF at the Summit. The Secretary-General seems to envisage discussion by Heads of Government over lunch the first day, who would decide whether to set up a working group to discuss it during the afternoon. Michael Alexander has proposed that the Heads of Government themselves should spend the first hour discussing the problem on Monday and then constitute a working group. The difficulty is that discussion would take more than an hour, and in practice replace the planned more general debate.

At the same time, various delegations are putting forward compromise texts on SNF. The most serious one is that circulated by the Secretary-General. I am faxing it down to you. It is somewhere between the US and German texts. Its main weaknesses, compared to the present US text are:

- there is no explicit reference to the continuing need for land-based missiles;

- a third zero is excluded by the words "above zero" on page 2 rather than by the more explicit US formula;

- the conditions for starting negotiations is weakened from "following tangible implementation of" an agreement on conventional force reductions to "following conclusion of an agreement". This would

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bring forward the opening of SNF negotiations;

- it concedes the establishment of a high level group.

I suspect that the US will be tempted to accept some of these modifications at least.

CDP

CHARLES POWELL

27 May 1989

NATO CONFIDENTIAL

SECRETARY GENERAL'S PROPOSALS - circulated to NAC on 17 May.

DRAFT PARAGRAPH 48

Consistent with their commitment to retain only those minimum forces necessary, the Allies will maintain shorter range nuclear forces at the lowest possible levels compatible with the requirements of their strategy. The Allies continue to require in Europe air-based, sea-based and land-based systems in the sub-strategic ranges to maintain a credible deterrence capability. As stated in the Declaration of the NATO Summit of 1988, the appropriate mix of adequate and effective nuclear and conventional forces, on which our strategy of deterrence is based, will continue to be kept up-to-date where necessary. In the updating process, a shift from shorter to longer ranges as permitted by the INF Treaty would provide strengthened deterrence. As a consequence of measures to update and restructure NATO's nuclear forces, further significant reductions could be made in NATO's total requirement for nuclear weapons in Europe. In 1992, the Alliance will decide on the introduction of a follow-on system for the Lance missile, and hence on its production and deployment. While a decision for national authorities, the Allies recognize the value of the continued funding by the US of research and development of a follow-on for the existing Lance short range missile, in order to preserve the Alliance's options in this respect.

? weaker than US version

In keeping with its arms control objectives formulated in Reykjavik in 1987 and reaffirmed in Brussels in 1988, the

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Alliance states that its first priority in negotiations with the East is reaching an agreement on conventional force reductions which will improve stability by eliminating key existing asymmetries. Following conclusion of an agreement with the East based on the proposals now on the table in the CFE negotiations, the US, in consultation with its Allies, is prepared to enter into negotiations to reduce American- and Soviet- land-based nuclear missile forces of shorter range to equal and verifiable levels above zero.

The members of the Alliance proceed on the understanding that reductions of American land-based nuclear missile forces below their present level will not be effected until after the full implementation of results achieved in conventional negotiations. A high level group, working in conjunction with the appropriate military authorities, will be set up in order to determine the terms and conditions under which such negotiations would commence, and to work out the details of a negotiating mandate. This group will also assess specific issues such as the overall aim of negotiations, levels to be set, items to be limited, the problems posed by dual capability of the systems involved, verification and other relevant questions in determining the conditions and modalities of such negotiations.

In view of the huge superiority of the Warsaw Pact in terms of short range nuclear missiles, the Alliance calls on the

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Soviet Union to improve the chances of achieving results in such negotiations by reducing its excessive inventory of such systems to current NATO levels.

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27 May 1989

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PRIME MINISTER

MEETING WITH CANADIAN PRIME MINISTER

You are to have a talk with Brian Mulroney at Brussels on Monday morning at his request. You last saw him in London on 13 March, and a note of that meeting is in the folder. The main event since then is the Canadian decision not to order SSNs. He sent you a charming hand-written note for your tenth anniversary.

I think the main issues which you want to cover are the following:

NATO Summit

You will want to discuss the prospect with him and explain your views on SNF, particularly the dangers inherent in agreeing to negotiations.

East/West Relations

He is to visit Moscow in August. You will want to tell him about President Gorbachev's visit here, and explain our decision to expel Soviet spies.

South Africa

When you last met, Mulroney hinted that he was thinking of modifying Canada's policy towards South Africa, and you subsequently sent him a list of arguments. There has not been much sign of change so far. You will want to tell him of your determination to step up contacts with South Africa, in order to encourage the post-Botha generation to adopt a more positive approach: hence your meetings with Pik Botha, du Plessis, and soon De Klerk. You will also want to stress how important it is to avoid a row on South Africa at CHOGM, particularly with elections in Namibia likely to take place

very shortly afterwards. If he raises the Australian proposal for financial sanctions, you will want to make clear our view that the Government should not dictate to markets: we shall certainly not be prepared to go along with any such measure.

Commonwealth Secretary General

Since you last met him, you have seen Sonny Ramphal who is clearly prepared to serve for a further three years. You might discuss with Mulroney how Ramphal's candidature could be launched. For obvious reasons, you would prefer not to do it yourself. But you might suggest that he should raise the matter with Rajiv Gandhi.

The Environment

We have continued to make the running on this with our proposal for a global climate convention. Our approach of working through the UN and avoiding sanctions and compulsion is gaining support. The approach adopted by the participants in The Hague meeting is running out of steam.

Bilateral

You should tell him that Sir Alan Urwick, our High Commissioner, is to become the Serjeant-at-Arms and will leave Ottawa at the end of August. You hope to propose a good successor soon.

I attach a fuller note, together with a telegram from the High Commissioner describing the political scene. The main recent event has been John Turner's resignation as Leader of the Liberal Party. You will recall that there was also a mighty row over the leaking of the Canadian Budget.

CDP

CDP

26 May, 1989.

Foreign and Commonwealth Office

London SW1A 2AH

26 May 1989

Dear Charles,

Meeting with Mr Mulroney

I understand that your Press Officer has been in touch with UKDEL NATO to make arrangements for the Prime Minister's meeting with Mr Mulroney in the margins of the NATO Summit; and that it is to take place from 0815-0900 on Monday 29 May in the Delegation offices.

Although the Canadian High Commission in London have told us that Mulroney wants a "substantial" meeting, neither they nor his office in Ottawa have been able to say what he wants to raise. Mulroney himself is currently at a conference in Dakar, as are the other principal players on the Canadian side.

The Prime Minister last met Mulroney in London on 13 March. He will spend 11 July in London en route to the Economic Summit to address the Canada Club dinner.

We suspect that Mulroney wishes to explain personally his decision on nuclear submarines, following the exchange of correspondence between the two Prime Ministers; to discuss approaches to the NATO Summit; and perhaps to look ahead to the Commonwealth Heads of Government meeting and his visit to Moscow late this year.

BILATERAL ISSUES

There are no major problems between us and the Canadians. Our major interest, following the cancellation of the SSN project, is to find other suitable defence sales opportunities in Canada (eg conventional submarines). The Prime Minister might like to mention that Sir Alan Urwick will become the Sergeant-at-Arms, and leave Ottawa at the end of August; and that we hope to propose a successor British High Commissioner soon. If Mulroney raises the indexing of British pensions in Canada (most likely for the record), the Prime Minister might say that the matter has been looked at carefully and is kept

/under

under review by the DSS. On Canadian domestic politics, the Prime Minister might ask whom Mulroney thinks will succeed John Turner as Liberal Leader (Jean Chrétien ?).

EAST-WEST RELATIONS

Mulroney is to visit Moscow in the late Autumn. The Prime Minister might explain that our decision to expel 11 members of the Soviet community was taken only after very careful consideration and on the basis of incontrovertible evidence. By contrast, the Soviet Union's almost instant mirror-image response had no possible justification. We have nonetheless made clear our determination to continue to work to improve Anglo-Soviet bilateral relations.

COMMONWEALTH ISSUES

The Prime Minister might tell Mulroney

- that we hope for a consensus before CHOGM on Pakistan's possible re-entry to the Commonwealth.

- that the agenda for this year's CHOGM should include important non-political items (environment, drugs, Commonwealth of learning, Commonwealth Equity Fund, third world debt).

SOUTH AFRICA

This would lead naturally into discussion of South Africa. We hope to avoid a divisive debate at this year's CHOGM and the outcome of the Canberra Foreign Ministers meeting on South Africa will be critical in setting the tone and detailed agenda on Southern Africa. Canada is chairing that meeting, and we hope that they will keep in close touch with us about developments. If Mulroney raises the Australian proposal for financial sanctions, the Prime Minister might make clear our belief that governments should not dictate to markets, and that market pressure has more impact than governmental decree. If Mulroney raises Canada's initiative on censorship and propaganda, he might be told that we have given the Commonwealth Secretariat a memorandum on what we are doing. However, the Prime Minister might usefully use the occasion to press Mulroney to accept that the new South African leadership will need time to settle and reassess its policies; and that the prospects for reform under a de Klerk government are encouraging. We will continue to

/explain

explain our programme of positive measures (programmes worth over £10 mn in 1988-89 and we shall soon be providing over 1000 scholarships a year to black Africans). Mulroney may well wish to discuss Namibia, Canadian representation in UNTAG and their mission in Windhoek - both of which we welcome.

CYPRUS

The Canadians are concerned about lack of progress in intercommunal talks and the continued burden of UNFICYP costs. We are not convinced real reductions are possible at present and would resist changing UNFICYP's role (eg by converting to an Observer Force) at this time. We will consider any suggestion the Secretary General makes for how we might help him. We must also try to encourage Vassiliou to move further over recent concessions on bizonality and political equality so that we can then work with the Turks over territorial concessions. It will be important that the Canadians work with us to avoid a one-sided statement in the CHOGM communique.

Yours,

Stephen Wall

(J S Wall)
Private Secretary

C D Powell Esq
PS/10 Downing Street

GPS 850

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THE CANADIAN POLITICAL SCENE

SUMMARY

1. A POST-BUDGET LULL, BUT WITH PROVINCIAL RESENTMENT OF THE FEDERAL GOVERNMENT GAINING STRENGTH. A SENSE OF DRIFT IN CANADIAN EXTERNAL POLICY.

DETAIL

2. A SNAPSHOT OF THE CANADIAN POLITICAL SCENE MAY BE HELPFUL IN ADVANCE OF THE PRIME MINISTER'S MEETING WITH MULRONEY, YOUR OWN BILATERAL TALK WITH MR CLARK AND MR EGGAR'S VISIT TO CANADA. THE FUZZINESS OF THE PICTURE DOES, I BELIEVE, REFLECT THE REALITY.

3. THE DRAMA SURROUNDING THE LEAKING AND CONTENT OF THE FEDERAL BUDGET (MY TELNO 307) HAS NOW LARGELY SUBSIDED, ALTHOUGH THE OPPOSITION PARTIES CONTINUE TO ACCUSE THE FINANCE MINISTER OF HAVING FAILED TO DEAL CORRECTLY WITH ONE OR MORE PREMATURE DISCLOSURES. SOME OF THIS MUD IS STICKING, BUT THEIR ATTACKS ON THE CONTENT OF THE BUDGET HAVE BEEN MUTED. IN CONTRAST THE PROVINCES HAVE BEEN VOCIFEROUS IN THEIR COMPLAINTS ABOUT THE LOCAL IMPACT OF CUTS IN FEDERAL FUNDING. BOTH QUEBEC AND ONTARIO HAVE PRESENTED PROVINCIAL BUDGETS WHOSE COMPARATIVELY MODEST EFFORTS TO CONTAIN EXPENDITURE AND REDUCE DEFICITS ARE BEING BLAMED ON THE FEDERAL GOVERNMENT. THE GOVERNMENTS OF MANITOBA AND SASKATCHEWAN CONTINUE TO PROTEST LOUDLY ABOUT THE CLOSURE OF LOCAL MILITARY BASES. THE MOOD IN ATLANTIC CANADA IS SOUR. THE WESTERN PROVINCES SEEM LESS CONCERNED WITH FEDERAL MEASURES AND MORE PREOCCUPIED WITH THEIR OWN AFFAIRS: SUFFICIENT RAIN TO MAKE GOOD THE EFFECTS OF EARLY DROUGHT, WITH ITS CONCOMITANT DUST STORMS AND FOREST FIRES, AND IN BRITISH COLUMBIA PREOCCUPATION WITH LOCAL TROUBLES NOTABLY AN IMPENDING NURSES' STRIKE.

4.

THE GENERAL REACTION TO THE BUDGET SUGGESTS THAT THE CANADIAN GOVERNMENT GAUGED CORRECTLY CANADIAN WILLINGNESS TO ACCEPT TAX INCREASES RATHER THAN FACE CUTS IN SERVICES. MOREOVER THE CANADIAN ECONOMY APPEARS TO HAVE REMAINED REASONABLY BUOYANT DURING THE FIRST QUARTER OF THIS YEAR. MANY FORECASTERS ARE HOWEVER SUGGESTING THAT MOST OF THIS YEAR'S GROWTH HAS ALREADY TAKEN PLACE, WITH GNP FOR 1989 AS A WHOLE LIKELY TO GROW BY ABOUT 3 PER CENT AND BY ONLY 1-2 PER CENT IN 1990. INFLATION IS SLOWLY INCREASING AND NOW STANDS AT 4.6 PER CENT: THERE IS LITTLE SIGN THAT THE PRESENT HIGH INTEREST RATES WILL BE RELAXED SIGNIFICANTLY UNTIL LATER IN THE YEAR. BUT THE GOVERNMENT'S ECONOMIC POLICY AGENDA SEEMS RATHER LIMITED, APART FROM MANAGEMENT OF THE FREE TRADE AGREEMENT WITH THE US, PRIVATISATION OF THE REMAINING 57 PER CENT OF AIR CANADA AND YET ANOTHER ATTEMPT AT FINANCIAL SERVIES REFORM.

5. THE IMPLICATIONS OF THE BUDGET FOR EXTERNAL POLICY HAVE PROMPTED LITTLE DEBATE. THERE WAS A GENERAL SIGH OF RELIEF AT THE CANCELLATION OF THE SSN PROGRAMME, WITH ONLY A FEW VOICES SEEKING AN EXPLANATION OF THE RATIONALE FOR CANADIAN POST-BUDGET DEFENCE POLICY: THE LOCAL INDUSTRIAL AND EMPLOYMENT IMPLICATIONS SEEM TO HAVE EDGED OUT ANY DEEPER DISCUSSION. THE SHARP CUTS IN THE AID PROGRAMME HAVE LEFT MOST CANADIANS UNMOVED. MEANWHILE MULRONEY AND CLARK HAVE DEPARTED TO DAKAR FOR THE FRANCOPHONE SUMMIT, WHICH IS AROUSING LITTLE INTEREST IN CANADA. INDEED FOR THE MEDIA THE MAIN QUESTION IS WHETHER, IN THE MARGINS OF THE SUMMIT, MULRONEY AND THE QUEBEC PREMIER WILL BE ABLE TO STRIKE A DEAL OVER THE MEECH LAKE ACCORD WITH PREMIER MCKENNA OF NEW BRUNSWICK, ONE OF ITS KEY OPPONENTS WHO IS ALSO IN DAKAR. THE GOVERNMENT, NO LESS THAN THE CANADIAN PUBLIC, GIVES THE APPEARANCE OF BEING RATHER OVER-WHELMED BY THE VARIETY AND MAGNITUDE OF THE CHANGES IN THE WORLD SCENE, ESPECIALLY THOSE TAKING PLACE IN CHINA AND THE SOVIET UNION.

6. THE UNEASY RELATIONSHIP BETWEEN MULRONEY AND CLARK CONTINUES TO BE A SOURCE OF WEAKNESS. MULRONEY'S INSTINCT IS TO STRIKE ATTITUDES RATHER THAN CONSTRUCT POLICIES SEMI-COLON BUT HE IS AWARE OF THE DANGERS OF OFFENDING MORE IMPORTANT PLAYERS. CLARK, IN CONTRAST, WOULD LIKE TO ARTICULATE A SPECIFICALLY CANADIAN RESPONSE BUT IS CONSTRAINED BY THE NEED TO CLEAR HIS LINES WITH MULRONEY, WHOSE ATTENTIONS ARE LARGELY FOCUSSED ON DOMESTIC ISSUES. BUT THE TWO MINISTER'S VIEWS CONVERGE BOTH IN THEIR APPROACH TO THE NATO SUMMIT (MY TELNO 359) AND IN THEIR PREOCCUPATIONS ABOUT THE EUROPEAN COMMUNITY.

7. EC/CANADA RELATIONS ARE CURRENTLY BEDEVILLED BY THE FISHERIES DISPUTE. THE LATEST EVIDENCE SUGGESTS THAT STOCKS OFF EASTERN CANADA MAY BE MORE SERIOUSLY DEPLETED THAN HAD PREVIOUSLY BEEN THOUGHT. ALTHOUGH THE CANADIANS HAVE UNDOUBTEDLY BEEN OVERFISHING, THE SPANISH AND PORTUGUESE HAVE PROBABLY BEEN EVEN WORSE OFFENDERS. FISHERIES ARE A CRUCIAL ELEMENT IN THE ECONOMY OF ATLANTIC CANADA, AS THE CANADIANS WILL NO DOUBT MAKE CLEAR AT THE EC POLITICAL COOPERATION MEETING IN MADRID IMMEDIATLEY AFTER THE NATO SUMMIT. THE OTHER MAJOR CANADIAN CONCERN IS 1992 AND WHETHER THE SINGLE MARKET WILL MAKE LIFE MORE DIFFICULT FOR CANADIAN EXPORTERS BECAUSE OF HIDDEN BARRIERS.

8. LASTLY, OVER SOUTH AFRICA THERE HAVE BEEN A NUMBER OF INDICATIONS THAT CLARK AND PARTICULARLY MULRONEY ARE CONSCIOUS OF HAVING GOT THEMSELVES AND CANADA OUT ON A LIMB, BUT NEITHER OF THEM SEEMS TO HAVE ANY IDEA HOW TO CLIMB BACK. IT MIGHT BE WORTH ASKING THEM HOW THEY PROPOSE TO PROCEED IN THE RUN-UP TO THE CANBERRA MEETING OF COMMONWEALTH FOREIGN MINISTERS IN AUGUST AND CHOGM IN OCTOBER.

URWICK

LIMITED. 47

NAD
SEC POL D
DEFENCE D
PLANNERS
ECD(E)
ERD
ECONOMIC ADVS
RESEARCH D.

PS
PS/Mr Essan
PS/PUS
PS/Sir J. Fretwell
Mr Gillmore
Mr Fearn

ADDITIONAL:
Assessment Staff, Cabinet Office.
PS/No 10 Downing Street.

PRIME MINISTER

MEETING WITH CANADIAN PRIME MINISTER

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CDP

CDP

26 May, 1989.

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RECORD OF TÊTE-A-TÊTE DISCUSSIONS BETWEEN THE SECRETARY OF STATE FOR DEFENCE AND DR STOLTENBERG, THE GERMAN DEFENCE MINISTER: MINISTRY OF DEFENCE, 26TH MAY 1989

The Secretary of State had a tête-a-tête lasting 50 minutes with Dr Stoltenberg who was accompanied by the German Ambassador and his Private Secretary, Colonel Schuwirth. The discussion was frank and constructive; preparations for the NATO Summit were pursued in some detail.

Bilateral Defence Relations

2. Mr Younger welcomed Dr Stoltenberg and stressed the enormous importance of maintaining close bilateral defence relations; their strength had been a key factor in the successful functioning of the Alliance. Whilst France made an important contribution, she was outside the integrated military structure. The Joint Study Group that he had set up with Dr Scholz was making good progress and had put some face on the Quiet Alliance. He understood that relations between British and German forces were excellent; the complimentary remarks that Dr Woerner had made on his farewell visit to British Forces Germany were much appreciated. He himself had had excellent relations with Dr Woerner and Dr Scholz and looked forward to continuing them with Dr Stoltenberg.

3. Dr Stoltenberg agreed on the central importance of close bilateral relations. He wished to continue the practice of periodic bilateral meetings and was looking forward to the opportunity of a joint visit to British and German units in September, though there was a slight problem over dates as the German exercises ended on 19th September. He stressed that the presence of British Forces Germany, and our responsibilities for Berlin, were key factors in the bilateral security relationship.

Low Flying

4. Dr Stoltenberg said that he appreciated the British readiness to make limited changes but there was an urgent need to discuss how to improve further what was already on offer. The subject was quiet at the moment but that did not mean that it had been solved. He had to report to the Bundestag before the Summer and would need to demonstrate that he had explored all the possible options; in particular, he wished to be able to say that he had been able to reduce the low flying burden whilst maintaining operational standards and that a final solution had been reached. Mr Younger agreed with this approach.

NATO Summit

5. Dr Stoltenberg said that some limited areas of disagreement remained. It was important to find a solution in terms of public presentation. He had made it plain in Washington the previous week that Germany continued to take full account of her defence responsibilities within the Alliance. He felt that some progress had been made but he still found it difficult to understand why the US and UK insisted on the condition that there must be not just substantial progress at the CFE negotiations but also final results and implementation before SNF negotiations could begin; such a process could take many years which would be difficult to explain to public opinion. Moreover, such conditions were not consistent with earlier and agreed NATO Summit communiques which had acknowledged the need to work for lower levels in land based short range systems.

6. Mr Younger said that we were encouraged that Chancellor Kohl had made it plain that the position he had announced to the Bundestag was the basis for discussion with the Alliance and not the final position. There were enormous areas of agreement which the press tended to ignore. He expected little debate at the Summit about the need to keep SNF forces effective and up-to-date; the difficult area was the question of negotiations. The British view was that the arms control priorities lay in the conventional and chemical areas and that any additions to the agenda, which allowed the Soviet negotiators to take their eye off these particular balls, would work to NATO's disadvantage. We were against SNF negotiations in the short term, therefore; in the longer term we saw no way in which Alliance security interests could be served by allowing the Soviets to achieve their aim of a third zero and denuclearisation of Europe. However, once negotiations had started, it would be very difficult to resist public pressure for a third zero; it was particularly worrying that in contrast to what he had said at the WEU meeting, Genscher now seemed deliberately to refuse to come out against a third zero. Whilst we approached the Summit with an open mind, we were extremely worried about the dangerous and slippery slope that would result from SNF negotiations.

7. Dr Stoltenberg acknowledged that these were essential considerations. He agreed that the first priority must be results at the CFE negotiations; Chancellor Kohl's reaction to the latest American proposals had been very positive. Such an initiative should help to step up progress in Vienna and to open the way for discussions on land based SNF missiles. Given the disparity between NATO and Warsaw Pact capabilities in this area, he saw no reasons why negotiations should not be opened under appropriate conditions. The aim should be to remove the Soviet superiority, and then, as a second step, to reduce to equal ceilings at lower levels. There was no doubt that the agreed Coalition position remained against a third zero. But no decision on modernisation

Exactly as we feared

was needed until early 1992. The essential criterion for a decision at that time was whether the Soviet conventional capability had been reduced to a level which meant that they were unable to mount large scale offensive operations; the public would not tolerate a firm rejection of SNF negotiations; the way forward was to put pressure on the Soviets and to link such negotiations to the removal of the Soviet offensive capability. His Government's position was not in any way intended as an ultimatum to the Allies, but they naturally hoped that their position would have an impact on that adopted by the Alliance. A major battle for public opinion lay ahead; whilst there was considerable support in the FRG for the Alliance and some 70-80% of the public welcomed the presence of allied forces, such support would continue only as long as results were achieved in arms control. The politicians must show strong leadership and avoid arousing excessive expectations.

8. Mr Younger replied that whilst it was important to maintain public support, it was also necessary to ask ourselves how NATO's security interests would be affected if there were no short range systems. A spectrum of capabilities was needed; dual capable aircraft alone were not sufficient; the reasons for this must be put across clearly to public opinion.

9. Turning to the American CFE proposals, Mr Younger said that we were studying them carefully. He saw the potential PR advantages but it was important that such short term considerations should not be the driving force; the Alliance should examine the implications of what was proposed very carefully before deciding on the way forward. The American ideas raised a number of important question marks such as the problems of verification and the implications for dual capable aircraft; how to handle the enormous Soviet civilian helicopter capability; and the probability that the Soviets would press for any reductions in US manpower to be matched by the Europeans. If we were stampeded into such a course, the consequences for NATO's force structure could be very serious indeed. In short, we must urge the Americans to think very carefully and not simply to go for a good headline.

10. Dr Stoltenberg agreed that the proposals had to be looked at carefully, but his impression was that there was scope for doing so and achieving a favourable public impact as well. Certainly, Defence Ministers would need to look at the ideas before they were made any more specific and before a detailed mandate for Vienna was agreed; such work would certainly need to be set in hand following the Summit. However, he was also concerned that, given the US budgetary difficulties, there might be further Congressional pressure for US troop withdrawals from Europe. He suspected that President Bush had such pressures very much in mind in making his CFE proposals and that he was seeking to achieve negotiated reductions with the Warsaw Pact, before Congress passed a resolution requiring unilateral withdrawals. Mr Younger commented

that it was crucial that the US proposals should be considered in an Alliance context, not a bilateral one with the Soviet Union. He hoped that the Summit would register clearly the need for a proper military assessment of the implications before any commitment to them or to the way forward was made.

Ministry of Defence
26th May 1989

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MY TELNO 379 AND TELECON BURNS/WENBAN-SMITH: MEETING BETWEEN PRIME MINISTER AND MR MULRONEY ON 29 MAY

SUMMARY

1. MR MULRONEY SEEMS TO HAVE IN MIND A GENERAL POLITICAL DISCUSSION WITH THE PRIME MINISTER. SUGGESTED LINE TO TAKE IN THE EVENT THAT HE RAISES EC/CANADA FISHERIES ISSUE.

DETAIL

2. MULRONEY TOLD HIS OFFICIALS, IN RESPONSE TO OUR ENQUIRY, THAT THERE WERE NO SUBJECTS ON WHICH HE NEEDED BRIEFING PRIOR TO HIS DISCUSSION WITH MRS THATCHER. WE TAKE THIS TO MEAN THAT MULRONEY IS LOOKING PRIMARILY FOR A POLITICAL DISCUSSION. THE MOST LIKELY THEMES ARE:
(A) EAST/WEST AND WEST/WEST POLITICAL RELATIONSHIPS SEMI-COLON
(B) SOME SHARING OF HIS THOUGHTS ON THE CANADIAN BUDGET SEMI-COLON
(C) JUST POSSIBLY, A REHEARSAL OF CANADIAN CONCERNS AT EC OVER-FISHING (FURTHER LAY-OFFS IN FISH PROCESSNG PLANTS IN ATLANTIC CANADA WERE ANNOUNCED ON 25 MAY).

3. SHOULD HE RAISE (C), THE PRIME MINISTER MAY WISH TO POINT OUT THAT NO BRITISH VESSELS FISH IN THE WATERS CONCERNED AND THAT WE HAVE CONSISTENTLY ARGUED FOR MORE MODERATE CATCH ALLOCATIONS IN EC COUNCILS. WE ARE ALSO STILL MAJOR IMPORTERS OF CANADIAN FISH, BUT NONETHELESS SUFFER FROM THE BAN ON TRANSHIPMENT OF CATCHES TO EC VESSELS IN CANADIAN WATERS.

4. FOR RESIDENT CLERK. PLEASE PASS TO NO. 10.

URWICK

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Foreign and Commonwealth Office

London SW1A 2AH

C D Powell Esq.,
No 10 Downing Street

26 May 1989

Dear Powell,

NATO SUMMIT DECLARATION

1. The final paragraph of Richard Gozney's letter to you of 26 May referred to the Summit Declaration. You may wish to see the latest version of the text, which we have just received from Brussels. This is not the final version; work on the Declaration will continue over the weekend and will, of course, be ad referendum to Heads of State and Government at the Summit.

Yours ever

François Gordon

F Gordon
RESIDENT CLERK.

CONFIDENTIAL

CONFIDENTIAL

Foreign and Commonwealth Office

London SW1A 2AH

26 May 1989

Dear Charles,

NATO Summit: Comprehensive Concept

You asked last night about the working texts on SNF for inclusion in the Comprehensive Concept.

We have endorsed no texts other than the original draft paragraph 49 (paragraph 49 has now become paragraph 48). I enclose the text. We have avoided endorsing for the Comprehensive Concept any of the subsequent alternatives, whether the German position paper (which you have), the Dutch idea (copy enclosed), or the US position paper (which I think you also have, but further copy enclosed).

In practice any useful discussion of what the Comprehensive Concept should say about SNF is likely to take as its starting point the US position paper which, if it were to be agreed in some form, would slot in as the new paragraph 48.

NATO Summit Declaration

The Summit Declaration is still under discussion and revision at NATO and there will be further changes before the Summit itself. We are asking UKDel NATO to ensure that clean copies of the latest drafts are avilable for you on arrival.

Yours ever,

Richard Gozney

(R H T Gozney)
Private Secretary

C D Powell Esq
PS/10 Downing Street

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EAMAWF

PRIME MINISTER

BILATERAL WITH MR ÖZAL

You are to have a bilateral with Mr Özal while you are in Brussels for the NATO Summit at his request.

Politically, Özal is not in very good shape at present, having done very badly in the municipal elections. He seems to have recognised that he has little chance of being elected President in succession to Evren. Inflation hit 80 per cent recently which has undermined his reputation as a good manager of the economy.

The main subjects he will want to discuss are Cyprus and Turkey's EC application. You will also need to mention visas.

On Cyprus, Özal's recent message to you claimed that Vassiliou's commitment to bizonality and political equality were spurious. We do not accept this. There are signs that Vassiliou is ready to consider ceilings on Greek Cypriot settlement and property ownership in the north in return for territorial adjustments. If confirmed, this would give Denktash most of what he wants on bizonality. The key is for the two sides to continue negotiating, and we look to Turkey to urge Denktash to negotiate seriously. Özal is worried about a possible Cypriot application for membership of the EC; you can tell him that you have made clear to Vassiliou that any application would have to follow a political settlement, not precede it.

On Turkey's EC application, the Commission's opinion will be produced by the end of this year and Member States will then have to consider it. But it is impracticable to think that much will happen until after 1992, given the Community's preoccupation with completing the internal market. As you promised during your visit to Turkey, we will give full weight

to the long history of our bilateral relations and our many common interests.

On visas, you should say that we are sorry to have to apply a visa regime, but the situation has become impossible, with over 800 asylum seekers this month already. A visa regime will diminish inconvenience for genuine businessmen and visitors. We have given the requisite one month notice, but hope that Mr Özal will accept an earlier start date if we can be ready in time. It is very important to keep these plans confidential, otherwise we shall simply get an even bigger flood of people attempting to beat the visa regime.

If there is time, you might express the hope that the contracts for the military radio competition - won by Marconi - will be completed by the end of June. You might also say that there is continuing criticism in the press and elsewhere of Turkey's human rights record and you are sure that the Government will continue to do everything possible to ensure respect of the obligations which Turkey has undertaken.

A fuller note is in the folder.

C.D.P.

CHARLES POWELL
26 May 1989

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MT2 DQQ

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

26 May 1989

NATO SUMMIT: STATEMENT

The Prime Minister has agreed to make a statement to the House on the outcome of the NATO Summit on Tuesday 6 June.

I am copying this letter to Stephen Wall (Foreign and Commonwealth Office), Brian Hawtin (Ministry of Defence), Murdo Maclean (Chief Whip's Office) and Trevor Woolley (Cabinet Office).

Charles Powell

Stephen Catling Esq
Lord President's Office.

RESTRICTED

Foreign and Commonwealth Office

London SW1A 2AH

25 May 1989

Dear Charles,

NATO Summit

We have corresponded separately about the speaking note for the Prime Minister's use at the NATO Summit under cover of my letter of 19 May. This letter sets out what the Foreign Secretary believes should be our objectives for the meeting; what we know of others' objectives and, in particular, their positions on SNF; and the position reached on the two texts to be issued by the Summit, the Declaration and the Comprehensive Concept. It covers annexes on:

- arguments to use in relation to others' views on SNF (A);

- Soviet SNF modernisation (B);

- key texts on SNF (C);

- the state of play in the talks on START, Chemical Weapons and conventional forces in Europe (D E F);

- bull points on Soviet and East European internal developments, with a view to the free-ranging discussion planned for the second day (G);

as well as copies of the 1988 Summit Declaration and the Prime Minister's speaking note for that meeting. I enclose also a letter from Dr Woerner confirming that he hopes to give the Summit the structure set out in my letter of 19 May.

Our Objectives

The Foreign Secretary believes that our prime objectives for the Summit meeting should be:

- to obtain the clearest possible commitment to the LANCE follow-on development programme, and to avoid any commitment to SNF negotiations - and, if at all, under the most stringent conditions;

- more generally, to demonstrate to public opinion that NATO is not discomfited by the "Gorbachev challenge", but on the contrary that the Harmel dual approach remains necessary and appropriate;

- to put some backbone into those Allies who assume that we can slacken our defence effort;

- to underline that it is we who hold the initiative in the various East/West arms control negotiating fora, and that we intend to continue to press our objectives;

- to ensure that President Bush does not leave his first meeting with his European Allies with the conclusion that they are unreliable partners for the United States.

Agreement on SNF before or at the meeting would, provided its terms were right, go some way towards meeting the other objectives as well.

As regards other issues, we should encourage a thorough, probing discussion of what is going on in the Soviet Union and Eastern Europe and what opportunities it offers us to enhance security and stability. And we should stress the importance of a responsible attitude on the part of all the allies to the issue of burdensharing.

President Bush and his Administration (eg Mr Cheney in presenting the US defence budget) have been firm about the importance of US commitments to Europe; and congressional and public pressure on this issue appears to have diminished somewhat in recent months. It can, however, be expected to increase again, eg as the Defence budget passes through Congress; and we need to avoid a Summit outcome which will provide material for those who argue for reduced US commitment to Europe.

Other Allies' Objectives

The SNF objectives of other Allies and, where these exist, their other objectives are set out below:

	Firm support for Modernisation	Negotiations	No Third Zero
Belgium	No	Yes: early	Yes
Canada	Yes	Yes	Yes
Denmark	No	Yes: early	Yes
France	?	No	Yes
FRG	No	Yes: early	Yes but
Greece	No	Yes: early	?
Iceland	No	Yes	?
Italy	Yes	Yes	Yes
Luxembourg	No	Yes	Yes
Netherlands	Yes	Yes	Yes
Norway	No	Yes: early	Yes
Portugal	Yes	Uncommitted	Yes
Turkey	Yes	Yes	Yes
US	Yes	No	Yes

Specific Initiatives

There are three specific initiatives on the table:

(i) Open Skies The background was set out in my letter of 12 May. It is still not clear whether all the Allies (notably France and Turkey) will be able to endorse the proposal. If so, a passage in the Declaration might read: "The Allies welcome the proposal made recently by President Bush and call for the establishment of an 'open skies' regime covering the territory of the member countries of the Alliance and of the Warsaw Pact. We reaffirm our willingness to participate in a conference to set up such a regime, and call upon the Soviet Union and its Warsaw Pact Allies to demonstrate their commitment to openness by joining us."

(ii) Humane Frontiers See my letter of 15 May. Genscher has now agreed the idea, and we are urgently consulting Washington and Paris before tabling at NATO a text for the Declaration, which may read: "The Allies call on the Warsaw Pact states adjacent to the East-West dividing line in Europe to join us in seeking to prevent loss of life and to allow freedom to cross the frontiers and boundaries which form that divide. We call on them to ensure that:

- persons seeking to cross the frontiers and boundaries would not be shot at

- no mines or automatic shooting devices would be installed at the frontiers and boundaries

- the number of crossing points for traffic and persons would be increased."

(iii) NATO Educational Fund The Canadian initiative (see above). It is likely to appeal to Allies who want to lay more emphasis on NATO's non-military activity but, if it is to be at the expense of the existing NATO Science Programme, not to those who value that. It is not clear that it would offer as good as value as the Science programme (which is one of the few sources of scholarship for European scientists to study in the US, and also provides an important part of the help we can give to the less-developed Allies). Nor would it be very eye-catching: East/West student exchanges are no longer a novelty.

Comprehensive Concept

The text remains almost exactly as in the enclosure to my letter of 15 May, with which you were content, but still without language on SNF (copy attached for ease of reference).

Summit Declaration

Delegations met again last week to try to agree on a full text following the structure described in my letter of 15 May (further copy of our preferred text enclosed). I enclose a copy of the latest (very unsatisfactory) draft, and of our telegram of instructions to the Delegation for further meetings this week.

Yours, Stephen Wall

(J S Wall)
Private Secretary

C D Powell Esq
10 Downing Street

Because of the importance of the upcoming Summit and the SNF issue, Secretary Baker wanted you to be aware of the latest results of our most recent exchanges with the FRG.

As you know, the U.S. has shown a great deal of flexibility to take account of German political concerns. We have sought to deal with our differences quietly and confidentially, as requested by Chancellor Kohl in January. Given German political concerns about the timing of an SNF modernization decision and the German electoral process, we have agreed to put off important modernization decisions. In view of the strong German public and parliamentary interest in SNF arms control negotiations, we have also stated our willingness to affirm now a commitment to future SNF negotiations. We now need to see similar flexibility from the Germans.

We have just completed an exchange of positions on SNF with the FRG, which began with Defense Minister Stoltenberg's visit last week.

On May 22, we received the FRG's reply to our counter-proposal. The German reply largely reiterated the position reflected in the paper which Stoltenberg gave us last week. Therefore, important differences remain.

Reaching agreement before the Summit almost certainly will require a broad Alliance effort. We hope you will be able to contribute to this effort.

At this stage, the U.S. sees some points of convergence: that NATO's priority is on conventional force reductions; that NATO should make a commitment in principle to future negotiations on SNF missiles; and that implementation of any negotiated reductions in SNF missiles should await full implementation of a CFE agreement.

In this connection, the most recent FRG statement of its position included the useful suggestion to include a paragraph reiterating the March 1988 Summit Declaration language on Alliance objectives in the conventional force negotiations.

We believe inclusion of this language would give emphasis to NATO's negotiating priority -- progress in conventional arms control in Europe. Thus, we have agreed to incorporate it in our text.

The principal and critical difference seems to be the conditions under which SNF negotiations would commence. The U.S. believes that SNF negotiations should begin only after tangible implementation of an agreement on conventional force reductions. Also, we believe that the Comprehensive Concept must clearly rule out any "third zero" for these missile forces.

Moreover, although we are prepared to agree to defer an Alliance modernization decision on SNF missile forces, we believe NATO should affirm support for U.S. research and development on a Follow-On to Lance. This is important for American public and Congressional support.

less emphasized than before.

We wish to reiterate points that are of cardinal importance to the U.S.:

-- There must be no third zero in these land-based missile systems.

-- Negotiations on SNF should not begin before tangible implementation of a CFE agreement.

-- Any negotiated reductions in SNF missile forces should not begin until completion of reductions mandated by a CFE agreement. This is important to ensure that the threat is reduced before our deterrent is reduced.

May 25, 1989

SRWBZU

1. The Alliance reaffirms its position that for the foreseeable 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 are necessary, in Europe as well in the present circumstances.

2. 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 its capability in this field substantially. This would improve the chances of achieving results in negotiations.

3. In keeping with its arms control objectives formulated in Reykjavik in 1987 and reaffirmed in Brussels in 1988, the Alliance is prepared to enter into negotiations on American and Soviet land-based nuclear missiles of shorter range. The members of the Alliance proceed on the understanding that reductions to a level below the present Western SNF missile holdings will not be effected until after the implementation of results achieved in conventional negotiations.

A high level working group of the NATO Council will be set up:

- to specify the circumstances and the conditions which will determine in the light of the declaration of Reykjavik in 1987 and Brussels in 1988 the date for the commencement of negotiations in conjunction with the establishment of a conventional balance and the global elimination of chemical weapons;

- to define the aim of the negotiations including the verification mechanism; and

- to work out the details of a negotiating mandate.

4. At the same time the special consultative group will elaborate an option for the inclusion of nuclear artillery ammunition with a view to establishing equal ceilings at a drastically reduced level.

5. In 1992 the Alliance will decide in the light of political and security policy developments, and especially taking into account the results of all disarmament negotiations whether the introduction of a follow-on system for the LANCE missile into the Alliance, and hence its production and deployment, will be necessary in 1996 or not. The development of a follow-on system for the LANCE short range missile is a national decision of the United States.

Crucial and decisive for the Alliance's decision in 1992 is whether it proves possible:

- to achieve a greater degree of security at a lower level of nuclear and conventional forces overall;

- to conclude binding agreements with the Warsaw Pact to eliminate the capability for surprise attack and large-scale offensive action;

- to build through corresponding agreements a larger degree of mutual confidence on the basis of increased transparency and calculability of military behaviour.

GEHEIM

Nederlandse suggestie voor paragraaf over SNF-wapenbeheersing in het Comprehensive Concept.

A
4 8 / It is evident that NATO would gain substantial security benefits from a large reduction in the threat from the WTO's short-range land-based missile force. However, present Soviet overtures to negotiations clearly indicate the objective of broadening their scope to all American and other NATO nuclear weapons in Europe with a view to their complete elimination.

In the short term, therefore, arms control in the field of land-based missiles should be unilateral and applied by way of mutual self-restraint in defence planning. The Alliance will restructure its SNF-posture on the basis of the minimum requirements of its strategy and will unilaterally reduce its overall stockpile i.a. through a shift of emphasis from shorter to longer ranges. The WTO is to be challenged to translate its self-proclaimed doctrine of "sufficiency" into fact and to start reducing its overcapacity in SNF-missiles down to the Alliance's level. Such action would prepare the ground for initiating, in a further phase, negotiations on equal ceilings to even lower levels. Ceilings on such lower levels, providing for further mutual reductions but not elimination, could be considered in conjunction with the establishment of a conventional balance in Europe.

In the meantime the Alliance will assess (in the SCG) specific issues to be addressed in future negotiations such as the levels to be set, the items to be limited (launchers, missiles, complete systems), the problem posed by the dual capability of systems involved, verification and other relevant questions. "

/ B

THE TEXT FOR PARAGRAPH 49 IN CCWG (89) 4 (SECOND REVISE) OF THE SECTION IN CHAPTER 4 OF THE COMPREHENSIVE CONCEPT REPORT OF SUB-STRATEGIC NUCLEAR FORCES WOULD READ:

As a step toward implementing the Alliance's approach to further reducing the level of nuclear forces in Europe, we call upon the Soviet Union to eliminate unilaterally its current, massive advantage over NATO in ground-based nuclear missile systems deployed in Europe. NATO has engaged in a substantial programme of unilateral reductions in its stockpile of nuclear weapons, reducing its stockpile by over one-third to its lowest level in more than twenty years. A further reduction of up to one-third of NATO's current stockpile - including cutting in half the number of the shortest range systems - could occur in the context of restructuring and updating NATO's nuclear forces with systems of longer range. While maintaining our nuclear stockpile at the lowest level necessary for deterrence, we recognise that nuclear weapons, kept up to date with characteristics to perform their deterrent role credibly across the required spectrum of ranges, and taking into account the conventional and nuclear threat, will continue for the foreseeable future to make a unique and essential contribution to that deterrence. The Alliance therefore cannot accept calls for a negotiated 'third zero' elimination of such systems. Moreover, our priority remains to rectify the imbalance in conventional forces in Europe. If concrete results toward eliminating offensive capabilities are achieved in the conventional forces talks, NATO will be prepared to examine at that time further reductions in the level of nuclear forces.

CONFIDENTIAL

SNF MODERNISATION/ARMS CONTROL: ARGUMENTS AND ANSWERS

Modernisation

- LANCE replacement not needed until 1995 so no modernisation decision need now.

Accept no need to take decision to deploy now. Equally, important that we set modernisation programme on right road. NATO has an identified requirement for follow-on to LANCE (FOTL). Development work must begin next year. Therefore right for NATO to demonstrate clear commitment to FOTL programme. And our choice of words should reflect that. Decisions will be no easier in 1992 - will have given Russians additional 3 years for public relations gestures.

- Should decide on modernisation in light of arms control developments e.g CFE.

FOTL necessary regardless of other developments. Although there may be linkage between Warsaw Pact conventional forces and numbers of FOTL needed, conventional reductions will not obviate requirement for system. That is why Alliance has confirmed no third zero. Short range land-based missiles important element in flexible response: must therefore maintain Alliance capability in this area.

- Sends wrong signal about progress in East/West relations.

On the contrary. Nuclear deterrence provides a stable foundation for better East/West relations. Further improvements depend on both sides feeling secure. Russians know this. And they have shown no qualms over their modernisation programme. Must send right signal to Russians and public: that is, our willingness to maintain strong defences in order to prevent war in Europe.

- Interpreted by public as circumvention of INF Treaty.

NATO stands by letter of INF Treaty. That Treaty banned certain specific types of missiles. The parties agreed that was all they should ban. Hence Shevardnadze told Supreme Soviet Commission examining INF Treaty: "the Treaty itself does not limit nuclear and other systems which are not subject to its effect."

- No need for FOTL with range nearly four times that of LANCE.

No reason why NATO should not deploy most suitable system available which is consistent with Treaty obligations. Systems with longer-range emphasise the deterrence as opposed to warfighting role of our weapons.

- Russians have threatened that NATO modernisation will hinder CFE and that they will deploy new missile in retaliation or stop destroying SS-23s removed under INF Treaty.

They would, wouldn't they. Classic Soviet bully boy tactics. NATO cannot allow itself to give in to such intimidation. Pacta sunt servanda.

SNF Arms Control

- NATO can establish negotiating position with no third zero as precondition.

Not credible to seek Warsaw Pact reductions of well over 1,000 in return for a handful of NATO's short-range missile launchers. As negotiations dragged on Warsaw Pact would argue for third zero. Would also claim that only third zero (and not equal ceilings) could be verified. Could we walk away from the table without an agreement? Already some in Alliance unwilling to say unequivocally that third zero not acceptable. How could we sustain it under prolonged Soviet pressure?

- Public opinion will not allow us to exclude SNF from negotiations.

Have to make public understand that there is a irreducable level of forces below which NATO cannot afford to go. We have already cut our warhead stockpile by 35% since 1979. If others had been willing to take a firm modernisation decision we could have announced still larger cuts. Instead of which we are allowing the Russians who have made no major cuts in their theatre nuclear warheads, to make the running. Should challenge them firmly to reduce to our levels.

- Must negotiate because SNF systems threaten FRG alone.

Wrong to imply other Allies do not share nuclear burden. UK installations would be high on target list of Warsaw Pact. Facilities connected with our independent deterrent; US air bases; and key communications installations certainly make us vulnerable. About 68,000 UK servicemen in West Germany. Purpose of these weapons is to prevent war, not fight it.

- Soviet aim not denuclearisation of Europe.

Soviet aim clear from numerous sources. Warsaw Pact declaration on Tactical Nuclear Weapons in Europe (12 April) "stability and security in Europe cannot be ensured .... if tactical nuclear arms continue to exist on the European continent".

- NATO has already agreed to principle of negotiations in Reykjavik '87 and NATO Summit '88 communiques

Not so. Summit communique spoke of "tangible and verifiable reductions ... leading to equal ceilings". No mention of negotiations. Equal ceilings can be achieved by urging Warsaw Pact to reduce to our level.

SGCABX

ANNEX B

SOVIET SNF MODERNISATION

SNF MISSILES

General

- The Warsaw Pact has some 1500 triple-capable FROG, SS21 and SCUD rocket and missile launchers in Europe west of the Urals. This represents a massive 16:1 superiority over NATO.

- Soviet short-range nuclear missiles forces in the forward area have been substantially modernised in recent years.

Modernisation Programmes

- Replacement of the old and inaccurate FROG system with the much more advanced, highly accurate and longer range SS21 missile has already been largely completed with Soviet forces in the forward area. Altogether well over 200 SS21 launchers have been deployed since 1981, most of them with Soviet forces deployed close to NATO borders.

Age of LANCE compared with WP systems

- LANCE was introduced after many SCUDs and FROGs - but it is 10 years behind the SS21.

ARTILLERY

- The Warsaw Pact has also been replacing its nuclear-capable towed artillery systems in Eastern Europe with modernised self-propelled systems. These new systems provide much greater mobility and firepower.

- We cannot tell what proportion of Warsaw Pact artillery is designated for delivery of nuclear shells, but there are about 7,000 artillery tubes which have that capability.

DUAL CAPABLE AIRCRAFT

- There has been a continuous increase in the number of Warsaw Pact modern dual capable aircraft. Eg. number of FENCER light bombers has quadrupled to over 1,000 since the aircraft was first deployed in late 1970s; and the number of BACKFIRE bombers has more than tripled since 1980. The Soviet Union already has a variety of stand-off air-to-surface nuclear missiles, some with ranges up to several hundred km, for use with these aircraft.

KEY TEXTS ON SNF MODERNISATION/ARMS CONTROL

"[Foreign Ministers] 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.

We 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.

Extract from Communique of North Atlantic Council, Reykjavik, June 1987

"... for the foreseeable future there is no alternative to the Alliance strategy for the prevention of war. This 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."

1988 NATO Summit Declaration.

"In line with our step by step approach, under which decisions will be taken when necessary, we reviewed the programme of work which will ensure that NATO's nuclear forces across the spectrum of capabilities continue to provide an effective contribution to the Alliance deterrent strategy. We also expressed continued support for the efforts of member countries to meet requirements stemming from Montebello to maintain a credible nuclear deterrent posture",

NPG Communique, 20 April 1989.

Support for U.S. on FOTL.

"Ministers reaffirmed their continuing support, as expressed at Monterey, for US efforts to meet the identified requirement for a Follow-on To LANCE (FOTL) as a replacement for the current LANCE, in order to provide a basis for timely decisions on restructuring and future deployment options".

NPG Agreed Minute, October 1988.

"For the foreseeable future, NATO will continue to require effective, responsive and survivable SNF..... as a part of its nuclear forces in Europe. These SNF must be kept up to date where necessary....."

"NATO therefore requires a mixed SNF capability comprising both longer-range surface-to-surface missiles and nuclear artillery, with the emphasis on the former to reflect their greater flexibility and utility."

Extracts from conclusions of High Level Group Report on SNF endorsed by Defence Ministers in NPG, October 1988.

START AND DEFENCE AND SPACE NEGOTIATIONS

1. The Nuclear and Space Talks, which comprise negotiations on START and Defence and Space, have been in recess since November 1988 but are due to resume on 19 June.-

START

2. The US and Soviet Union have agreed a treaty framework which sets ceilings of 6000 on the number of strategic nuclear warheads permitted to each side and 1600 on the number of delivery systems. Sublimits covering the number of ballistic missile warheads and heavy ICBMs have also been agreed as have counting rules for most of the systems involved.

3. Although START is billed as an agreement reducing strategic nuclear weapons by 50% in fact the cuts will be considerably more modest. Because the agreed counting rules discount heavily free-fall bombs and short range attack missiles and because the reductions apply only to deployed missiles, the cuts will probably be less than 20% on each side. The real attraction of the agreement will lie in the constraints which it places on ICBMs and other fast flying systems which the US regard as unstable. There are still several issues of substance which will need to be resolved before an agreement can be concluded. Even assuming that good progress is made, an agreement is unlikely to be signed before the end of 1990.

DEFENCE AND SPACE

4. Although at the Washington Summit in December 1987 the US and Soviet Union agreed in principle to a treaty which would commit them not to exercise their right to withdraw from the ABM Treaty for a specific period of time, it has proved difficult to translate this formula into an agreement. The fundamental problem lies in agreeing what type of testing and development of mobile components of ABM systems is permitted by the Treaty. The US advocates a less restrictive line than the Soviet Union. The two sides also disagree on whether the ABM Treaty should continue after the non-withdrawal period.

CW NEGOTIATIONS

Agreement in principle has now been reached at the 40 nation Conference on Disarmament on much of the basic framework of a comprehensive convention banning CW, including the principle of on-site inspection. The details of the treaty so far negotiated (but still ad referendum to capitals) are contained in the 160 page "rolling text" of the draft convention.

Several crucial and complex areas remain unresolved including the details of verification. Three other key issues to be resolved are: the precise coverage of the convention (for example, whether toxic chemicals of biological origin (toxins) and herbicides and riot control agents should be specifically excluded); the constitution of the international implementing agency; and how to protect the legitimate commercial confidentiality of the civil chemical industry.

France has the chair of the negotiations during 1989, and the UK the role of Western co-ordinator. Little progress was made at this Spring's Session, at least in part because of the continuing US policy review. The UK continues to play a leading role and is an active and practising advocate of a more practical problem-solving approach to the outstanding issues.

Background

CONVENTIONAL ARMS CONTROL/CONFIDENCE-BUILDING

1. The second round of the CFE and CSBM negotiations, began in Vienna on 5 May and will end on 13 July. The atmosphere so far has been workmanlike. Recent Soviet acceptance of key Western principles - notably the elimination of disparities and parity at lower levels in key offensive equipment - has enhanced the prospect of an eventual agreement, though much hard bargaining lies ahead.

(a) CFE

2. The Alliance have proposed parity between the two blocs in key items of offensive equipment - tanks, artillery and armoured troop carriers - at levels around half total current holdings within the the Atlantic/Urals area: in addition the Alliance have called for limits on the armed forces of any individual country; and on the number of forces stationed outside national territory, together with supporting stabilising measures. The Alliance proposal also contained a series of sub-ceilings relating to different parts of the zone, designed to prevent the undue concentration of forces in any one area.

3. On 11 May Mr Gorbachev announced details of the Soviet response: he accepted Alliance figures for tanks (20,000 per side) and armoured troop carriers (28,000 per side); as well as the need for heavy cuts in artillery, though not quite to the levels the Alliance proposed (24,000 per side compared to Alliance's 16,500): these reductions would be reached by 1996/97. He also proposed limits on strike aircraft, combat helicopters and personnel down to levels which would be detrimental to Alliance security (they envisage for example, a 50% cut in NATO's aircraft holdings).

4. These proposals were formally tabled by the Warsaw Pact in Vienna on 18 May. On 23 May, the Warsaw Pact accepted two other Alliance principles: a limit on the equipment holdings of any individual country relative to the holdings of all 23; and equal ceilings on stationed forces: but in that WP figures for stationed forces almost certainly include equipment in active units and in storage, the ceilings they have proposed are lower than those the Alliance are likely to feel comfortable with. Potentially prejudicial too are the Warsaw Pact's proposals for sub-zones: an 'inner' zone (roughly equivalent to the central front); a 'forward' area, including the inner zone, but running north to south from Norway to Turkey on the western side: and a 'rear' area, consisting of the UK, France, Spain and Portugal. No equipment ceilings have (yet) been formally proposed in these areas. But contacts with WP delegations in Vienna suggest that these will be such as to oblige the Alliance to take the greater part of their reductions in the forward area. This could mean severe disruption of forward defence.

5. Since the tabling of the Warsaw Pact figures, the Americans have been exploring bilaterally with certain allies the possibility of an initiative at the Summit on aircraft, helicopters and personnel (US officials called on the Prime Minister on 24 May to explain the ideas to her and to hand over a message from President Bush (attached): on aircraft and helicopters this would involve cuts to 10-15% below current NATO levels. On manpower the US are proposing an equal ceiling on US and Soviet forces of 275,000 a side. Such measures are unlikely to have much presentational impact, given that they will be seen merely as an (inadequate) response to WP ideas. Nor are they likely to have Alliance-wide appeal: the French in particular are likely to react dismissively while others will have reservations about endorsing a hastily proposed US initiative, launched with minimal prior consultation. The proposal on manpower moreover introduces a bilateral, super-power dimension into the CFE which has hitherto been absent and which will not be helpful.

(b) CSBMs

6. Allied proposals concentrate on improvements to the Stockholm Document of 1986 for notification, observation, and on-site inspection of military activities to increase access as well as transparency of information. Key measures include a comprehensive exchange of data in armed forces, and on military procurement plans, random evaluation of garrisons. The Warsaw Pact proposals display common ground on the desire to improve Stockholm (though their measures are not as far-reaching as ours) but also include measures for air and naval confidence-building measures and for constraints (ie prohibitions and limitations) on large-scale military exercises that, from the parameters quoted in their paper, are specifically designed to hamper Alliance exercise of our reinforcement plans and on our land training requirements with little impact on themselves.

CFE: ALLIANCE/WP PROPOSALS FOR EQUAL CEILINGS: A COMPARATIVE TABLE

(a) Overall

	Alliance	WP
tanks	20,000	20,000
artillery	16,500	24,000
armoured troop carriers (ATCs)	28,000	28,000
tactical strike aircraft		1,500
combat helicopters		1,700
personnel		1,350,000

(b) Stationed forces

tanks	3,200	4,500
artillery	1,700	4,000
armoured troop carriers (ATCs)	6,000	7,500
tactical strike aircraft		350
combat helicopters		600
personnel		350,000

HM2AGU

NATO SUMMIT

USSR INTERNAL

Bull Points

- Gorbachev has unleashed process of far-reaching change. Even he does not know where it will end.

- But fundamental contradictions of Perestroika increasingly apparent: a popular revolution imposed from above; trying to unite genuine market forces with central planning; reconciling a functioning Supreme Soviet with the leading role of the Party.

- Gorbachev has so far shown remarkable political skill in out-manoeuvring opponents. Has shifted balance in both Politburo and Central Committee.

- 26 March elections essentially protest vote against old style Party and establishments. As Soviet people gain confidence and lost their fear, likely to pose increasing challenge to leadership.

- Volatility illustrated by nationality issue. Leadership have little to offer beyond ad hoc, holding response. Balts in particular will be watching events in Poland and Hungary closely.

- Significant improvements in human rights performance. But still long way to go: bloody suppression of demonstrations in Tbilisi; continuing detention of Karabakh Committee; long-term refuseniks.

- Economy in deep trouble: budget deficit (11% of GNP) poor 1988 harvest; reduced hard currency earnings; repressed inflation; 400 billion rouble overhang; wages rising twice

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as fast as production. Popular perception that queues are longer, shops emptier.

- Gorbachev's personal position secure for foreseeable future. No coherent alternative to perestroika.

- But patience of Soviet people not unlimited. Rising political expectations, declining economic prospects. Leadership cannot pursue reform indefinitely without genuine support from below. Public discontent likely to be major problem if results not apparent in next 2-3 years.

EAST EUROPE

- Period of great change and growing diversity - bloc no longer exists. Opportunities for West: ideology is dead, great E European appetite for Western ideas.

- Limits of Soviet tolerance unclear, but they clearly allow E Europeans considerable independence. Russians want stability, and maintenance of Warsaw Pact and CMEA.

- Area inherently unstable and economically retarded because Communist era has prevented adaptation to change in outside world, or within individual societies.

- West can make E Europe more stable area by encouraging evolutionary change, eg through contacts with Western political institutions.

- Warmly welcome evolution towards greater democracy in Hungary and Poland. Elections (even if not completely free) indispensable step on road to democracy.

- Hope that development of genuine Parliamentary systems in 1990s will lead to genuine and irreversible loss of power by the Communist elites.

- Poland and Hungary say they will need new resources if political reform is to prosper. West's response should be guided by need to avoid past mistakes and to avoid propping up obsolete industries. Best targets small and medium enterprises, especially in private sector. Transfer of know-how eg, management skills, more important than money.

- West's response to debt issue must continue to be based on IMF/Paris Club.

- Believe that countries so far untouched by perestroika (GDR, Czechoslovakia, Bulgaria) will follow, but West must insist on improved human rights. Romania sui generis.

- Yugoslavia needs to implement Markovic's new Government programme. Kosovo worrying: could have serious human rights implications.

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COPY DC

Foreign and Commonwealth Office

London SW1A 2AH

CONFIDENTIAL

25 May 1989

Dear Charles,

Prime Minister's Bilateral with Mr Özal: Brussels, May

The Prime Minister is to have a bilateral meeting with the Turkish Prime Minister, at Mr Özal's request, in the margins of the NATO summit. According to his message of 3 May (copy enclosed), Mr Özal wishes to talk about Cyprus; the latest political developments in Turkey; and Turkey's application for full membership of the EC. In addition, following the Prime Minister's message of 22 May, Mr Özal will no doubt wish to talk about visas.

On Cyprus, Mr Özal's message argues that Vassiliou's views negate the concepts of bizonality and political equality. He will no doubt develop this line. In reply the Prime Minister might take the following line:

- Grateful for your message. Note what you said about Vassiliou's position on bizonality and political equality.

- Accept the onus for progress remains with Vassiliou, in first instance.

- The latest indications reaching me are that Vassiliou is prepared for a deal on territory and freedoms of settlement, etc, which would put defined ceilings on Greek Cypriot settlement and property ownership in north and introduce other disincentives, in return for major territorial adjustments.

- If this is borne out, he is, in short, ready to give Denktash most of what he wants on bizonality and to sell it to his electorate.

- Believe therefore there may now be a real opportunity for bargaining. Urge you to press Denktash to negotiate flexibly.

- Neither side can get all they want in any negotiation. Important thing is to keep talking.

/(If raised)

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(If raised)

- See no possibility of early Cypriot accession to EC. Have told Vassiliou we believe an application should follow a settlement, not precede it.

- Will not give Russians entrée into Cyprus. But would not oppose Security Council statement (perhaps in name of current President) in support of Secretary-General's initiative.

On the latest political developments in Turkey, the Foreign Secretary recommends that the Prime Minister should merely listen to what Mr Özal has to say. Current factors include his party's very poor showing in the March municipal elections (they were beaten into third place and obtained only 22% of the vote); inflation, which peaked at over 80% (he has just agreed to a public sector wage settlement giving rises of 280% over two years); the succession to President Evren, who is due to retire in November (Mr Özal's own undeclared candidacy seems unlikely to be pursued in the light of the municipal election results).

When Mr Özal raises Turkey's EC application, the Prime Minister wish to make the following points:

- We understand that the Commission are expected to produce a report by the end of this year.

- When the time comes for member states to look at the Turkish application, we will give full weight to the long history of our bilateral relations and our many common interests.

- EC now focussing on completion of Single European Market; no enthusiasm within EC for considering enlargement substantively until after 1992.

On visas, Mr Özal is likely to express regret at the British government's decision. In reply, the Prime Minister may wish to make the following points:

- We greatly regret the decision. We had resisted pressure from our EC partners but flood of asylum seekers (over 800 since beginning of May) made the position impossible.

- Grateful for efforts Turkish authorities made to help stem the flow. Hope these efforts will continue. We also did our best with British Airways. But effect only marginal.

/- Sure

- Sure you agree on need for confidentiality if further build up of numbers to be avoided. In Turkey's own interests to avoid adverse publicity which large numbers of asylum seekers would attract.

- Doing all we can to put in place a visa operation that will involve minimum inconvenience and delay to genuine businessmen and visitors.

- We hope we can be ready before one month's notice expires on 22 June. Thus we would ask you to accept a shorter period of notice and let us proceed as soon as we are ready. Embassy will keep in touch with MFA about this.

If Mr Özal suggests that the French and German experience show visa regimes are ineffective, the Prime Minister may wish to point out that UK legislation enables airlines to be fined for carrying passengers without visas.

Defence Sales

Depending on Mr Özal's reaction on visas, the Prime Minister will wish to judge whether it is worth her pressing him on Defence Sales. If she does, she might make the following points:

- Reaffirm our willingness to help Turkey develop her industrial base through joint ventures.

- Was grateful for your letter in January, informing me that Marconi had been adjudged technical winners of military radio competition.

- Understand contract likely to be finalised by end-June. Will be milestone for bilateral cooperation, on which we must build.

- Disappointed your Air Force rejected Marconi's Zeus system for electronic warfare component of their F16s.

- As I told Mr Vuralhan in January, US Rapport system not even adopted by USAF. But Zeus is in our own new Harriers. Hope you will keep Zeus in mind.

Human Rights

The Prime Minister might attract criticism in Parliament if she saw Mr Özal without raising human rights. She might say:

- Know you are aware of continuing criticism in the press, Parliament and elsewhere of Turkey's record.

/- Sure

CONFIDENTIAL

- Sure your Government will ensure respect at all levels for human rights conventions to which Turkey is a party.

Other points Mr Özal may raise are aid for Iraq refugees (his disappointment at the West's failure to pledge more than $10 million to a UNHCR appeal) and Turkey/WEU (wish for additional contacts). On the former, the Prime Minister might say:

- Regret your decision not to cooperate with the UNHCR. We were ready to make another substantial contribution (in addition to the £250,000 donated last year).

- Urge you to reconsider your position. Donors clearly wish to see terms of an agreed aid programme.

- Once launched, UNCHR appeal would attract other donations, including private.

On Turkey/WEU, the Prime Minister might say:

- We are glad that, as Chairman of the WEU Ministerial Council, the Foreign Secretary was able to propose a consultation mechanism to keep Turkey abreast of developments.

- All WEU member states recognise Turkey's contribution to defence of Europe.

- But do not to expect an early response to your request for additional contacts, including the presence of your Defence Minister at WEU Ministerial dinners.

- Turkey's interest in joining will be kept under active review while WEU digests Spanish and Portuguese membership.

- Meanwhile Ministerial-level consultative mechanism will keep Turkey abreast of developments in WEU.

I am copying this letter to Colin Walters (Home Office), Jill Rutter (Chief Secretary's Office), Brian Hawtin (MOD), Murdo MacLean (Chief Whip's Office), Private Secretaries to Members of OD(E) and Trevor Woolley (Cabinet Office).

Yours ever,

Richard Gozney

(R H T Gozney)
Private Secretary

C D Powell Esq
10 Downing Street

CONFIDENTIAL

Copy.

Ankara, May 3, 1989

Dear Prime Minister,

I have the pleasure to acknowledge receipt of your latest message concerning your talks with the Greek Cypriot leader.

We continue to support the direct negotiating process under the Mission of good offices of the UN Secretary-General and we have not failed to encourage the Turkish Cypriot side to negotiate constructively.

We have watched very closely the discussion in Cyprus in March. We have also tried to see whether Mr. Vassiliou really meant what he had told you on bizonality and political equality. Our conclusion is that he has given no clear indication of his acceptance of these and other fundamental concepts. The views he has expressed so far in fact amount to the negation of these very concepts. I appreciate, however, the good effort you have made in this respect.

I am also looking forward to meeting with you in Brussels at the Nato Summit at the end of May when we may have a chance to talk about this and other issues. I should like to take up and comment on, for example, the latest political developments in my country and discuss with you the state of Turkey's application for full membership to the EC.

Kind regards.

Turgut Özal
Prime Minister of the Republic of Turkey

Rt. Hon.
Mrs. Margaret Thatcher
Prime Minsiter of the United Kingdom
of Great Britain and Northern Ireland

RESTRICTED

cc PC (2)

Foreign and Commonwealth Office

London SW1A 2AH

25 May 1989

Prime Minister

It would surely be absurd not to have such a briefing. CDP

Dear Charles,

NATO Summit Arrangements

In your letter of 24 May, you asked us to pass on to Dr Woerner the Prime Minister's wish to speak early in the first session of the Summit. This is now agreed: Dr Woerner will call on the Prime Minister straight after Presidents Mitterrand and Bush (assuming that they wish to exercise their prerogative as Heads of State).

Yes - but some of them don't want to know the facts

You also asked us (in a separate letter of the same date) to put to Dr Woerner the Prime Minister's view that SACEUR should be invited early in the Summit proceedings to give Heads of Government a military briefing. The Secretary General has told Sir Michael Alexander that he shares the Prime Minister's views that this would be useful. But he is not confident that others would agree to it, for both political and (particularly for the French) procedural reasons. He will, however, ensure that SACEUR, who will in any case be present, is suitably briefed to give such a briefing, and "does not exclude" arranging it later in the meeting. Dr Woerner hopes that we can agree to leave the question like that for the moment.

Yours ever

Richard Gozney

(R H T Gozney)
Private Secretary

C D Powell Esq
10 Downing Street

RESTRICTED

NATO : Summits PT3

PRIME MINISTER

cc Sir P Cradock
Mr Ingham

NATO SUMMIT

You attend the NATO Summit in Brussels on Monday and Tuesday next week.

Format

The format is very similar to last year, namely:

Day One	
0945	Formal opening
1000	Family photograph
1015-1215	First session
1230	Lunch with King Baudoin
1530-1800	Second session
2000	Heads of Government dinner (informal)
Day Two	
0900-1130	Third session
1300	Press conference

You also have bilaterals with Ozal and Mulroney to fit in.

Procedure

The Secretary-General plans a round of prepared statements by each Head of Delegation on the first day, and a more informal discussion on the second morning. You will probably speak third, after President Mitterrand and President Bush. The documents to be considered are a Declaration on the 40th Anniversary (the draft is still incomplete and inadequate): and the Comprehensive Concept (which is largely all right, except for the absence of any agreed passage on SNF). These documents will have to be finalised in the margins of, and no doubt at the Summit itself.

General Approach

You go into this Summit with a difficult task. It ought to be a triumphant occasion to mark 40 years of NATO's success in resisting Soviet encroachment. Instead, with the avid help of the western media, the Soviet Union is making NATO look flat-footed and unimaginative in its approach to arms control and better East/West relations. This has rattled other European members of NATO and to some extent the United States too. They are anxious, even desperate for initiatives. You are being cast in the role of the one who says no to everything. There is an attempt to portray you as an antideluvian adherent to outdated Cold War concepts, the main obstacle to a more open and forthcoming NATO response to new opportunities for improved relations, an implacable opponent of any new ideas or initiatives.

Your main task at the Summit will be to restore a more confident, balanced and cautious mood in NATO, without giving the impression of being negative or inflexible. The key will be to keep President Bush with you. That should not be too difficult: his recent speeches have reflected a sensible caution towards the Soviet Union. But he too is under considerable pressure to be more 'imaginative': your ability to keep him with you on the broad sweep of NATO's approach will depend on being reasonably positive and forthcoming on his specific ideas on Conventional Force Reductions and on SNF.

SNF

The SNF issue seems bound to dominate the dicussions. It is hard to see in advance quite how the problem is going to be resolved. My guess is that the debate will revolve round the latest American text, with the Germans trying to modify it in their direction, you applying the brakes and the Dutch trying to broker a compromise. Various other solutions will be canvassed:

- leaving the SNF issue aside altogether and agreeing the Comprehensive Concept without it. This is not satisfactory.

- setting up a NATO Working Group to consider the problem and work out a mandate for negotiations. Again an unsatisfactory outcome.

- reverting to the language of the 1988 Summit Declaration. A minimal solution, but could be least bad.

The tactics of the discussion will be difficult. All other NATO members accept the principle of SNF negotiations and differences exist only on the conditions to be met before such negotiations are held. Most could probably accept the American text but would prefer looser conditions for SNF negotiations. We shall be the only ones looking for tougher conditions. Your main task will be to hold the Americans to their text and prevent them from sliding into further concessions to the Germans. This will be difficult: the Americans will dislike being isolated with only us for company and will fear the domestic political consequences for the President of failure to reach agreement. The most likely concessions are: erosion of the link in the current American text between a decision to start SNF negotiations and tangible implementation of an agreement on conventional force reductions: and fudged language on a third zero.

While you will want to start by arguing against SNF negotiations altogether, you will have to decide at what point to move towards the American text, if only to pin them down to it and stop any erosion. You will also want to make clear early on that you will not agree the Comprehensive Concept without a satisfactory passage on SNF: and decide whether and at what point to propose reverting to the language of last year's Summit Declaration. While fighting as long as possible for a text which meets our requirement, you will want to avoid a situation where everyone else agrees except you, leaving you

the choice of blocking an outcome which the Americans and the others agree or having to climb down at the last minute. Hence the importance of staying as close as possible to the Americans (and getting the Foreign Secretary to shadow Jim Baker).

Other issues

The other main issues are likely to be:

- the overall tenor of NATO's assessment of developments in the Soviet Union and the prospects for East/West relations. Your speaking note is directed towards encouraging a more hard-headed and sceptical view than most will wish to accept. That is why you need to speak early. There is likely to be a tussle over the wording and balance of the 40th Anniversary Declaration.

- conventional arms control. President Bush will presumably launch his initiative in his opening speech, to which you will be the first to respond. This will not be an easy task. We await briefing from the experts. I suspect your instinctive caution will prove to be right: but for tactical reasons, related to keeping American support over SNF, you will not want to seem too negative. The Germans have already welcomed the Bush proposal.

Conclusion

At the end of the day, too much is at stake for NATO to contemplate failure. Exactly where the solution lie in the spectrum of possible outcomes will have political consequences here: too far towards the German position, and people will perceive it as NATO support for Labour's new defence policy and a major defeat for you. We therefore have a lot to fight for and only one, slightly unsure ally. You will need to work hard to keep President Bush alongside you.

But if we succeed in that, I am sure you can achive an outcome which maintains a cautious and sceptical approach towards the Soviet Union, as well as the necessary NATO commitment to strong defence and effective nuclear deterrence as the prerequisite for negotiations. In today's climate, that will be a considerable achievement.

I attach a folder with a number of briefs and background papers. Some of them are likely to evolve between now and Monday.

C.D.P.

Charles Powell

25 May 1989

(1)

PRIME MINISTER

NATO SUMMIT

The Opposition have said that they would like you to make a statement on the NATO Summit on Tuesday 6 June i.e. the first day after Parliament's return.

You made a statement after the 1988 and there seems to me every advantage in doing so again, so that you can show up Kinnock on defence. Agree?

CDP

Yes

Charles Powell

25 May 1989

MJ2DQM

2A(A-C)

EMBASSY OF THE UNITED STATES OF AMERICA

LONDON

May 25, 1989

Mr Lever
Mr Elworthy
Mr Catto

Dear Foreign Secretary:

The United States now believes that a wider Alliance effort will be required to resolve the SNF issue. Hence, Secretary Baker has asked that the attached points and U.S. position paper on SNF be provided to you and your counterparts in all NATO countries.

We still believe the best course is for the Germans to respond specifically to the attached position paper. Hence, we have not tabled it formally in the NAC. We would, of course, welcome your reaction.

Sincerely,

Henry E. Catto
Ambassador

Attachments:
SECRET

The Rt. Hon. Sir Geoffrey Howe, Q.C., M.P.,
Secretary of State for Foreign and
Commonwealth Affairs,
Foreign and Commonwealth Office,
London, SW1.

SECRET

B

Because of the importance of the upcoming Summit and the SNF issue, Secretary Baker wanted you to be aware of the latest results of our most recent exchanges with the FRG.

As you know, the U.S. has shown a great deal of flexibility to take account of German political concerns. We have sought to deal with our differences quietly and confidentially, as requested by Chancellor Kohl in January. Given German political concerns about the timing of an SNF modernization decision and the German electoral process, we have agreed to put off important modernization decisions. In view of the strong German public and parliamentary interest in SNF arms control negotiations, we have also stated our willingness to affirm now a commitment to future SNF negotiations. We now need to see similar flexibility from the Germans.

We have just completed an exchange of positions on SNF with the FRG, which began with Defense Minister Stoltenberg's visit last week.

On May 22, we received the FRG's reply to our counter-proposal. The German reply largely reiterated the position reflected in the paper which Stoltenberg gave us last week. Therefore, important differences remain.

Reaching agreement before the Summit almost certainly will require a broad Alliance effort. We hope you will be able to contribute to this effort.

At this stage, the U.S. sees some points of convergence: that NATO's priority is on conventional force reductions; that NATO should make a commitment in principle to future negotiations on SNF missiles; and that implementation of any negotiated reductions in SNF missiles should await full implementation of a CFE agreement.

In this connection, the most recent FRG statement of its position included the useful suggestion to include a paragraph reiterating the March 1988 Summit Declaration language on Alliance objectives in the conventional force negotiations.

We believe inclusion of this language would give emphasis to NATO's negotiating priority -- progress in conventional arms control in Europe. Thus, we have agreed to incorporate it in our text.

SECRET

The principal and critical difference seems to be the conditions under which SNF negotiations would commence. The U.S. believes that SNF negotiations should begin only after tangible implementation of an agreement on conventional force reductions. Also, we believe that the Comprehensive Concept must clearly rule out any "third zero" for these missile forces.

Moreover, although we are prepared to agree to defer an Alliance modernization decision on SNF missile forces, we believe NATO should affirm support for U.S. research and development on a Follow-On to Lance. This is important for American public and Congressional support.

We wish to reiterate points that are of cardinal importance to the U.S.:

-- There must be no third zero in these land-based missile systems.

-- Negotiations on SNF should not begin before tangible implementation of a CFE agreement.

-- Any negotiated reductions in SNF missile forces should not begin until completion of reductions mandated by a CFE agreement. This is important to ensure that the threat is reduced before our deterrent is reduced.

May 25, 1989

CONVENTIONAL ARMS CONTROL/CONFIDENCE-BUILDING

1. Two sets of negotiations, on conventional forces in Europe (CFE) between the 23 members of NATO and the Warsaw Pact, and on Confidence-Building Measures (CSBM's) betwen all 35 CSCE countries, began in Vienna on 6 March. Their terms of reference closely reflect Western proposals, particularly the focus on the need to eliminate the capability for surprise attack and offensive action. The atmosphere so far has been cordial and workmanlike. Recent Soviet acceptance of key Western principles - notably the elimination of disparities and parity at lower levels in key offensive equipment - has enhanced the prospect of an eventual agreement, though much hard bargaining lies ahead.

(a) CFE

2. The Alliance proposed (at the start of the talks) parity between the two blocs in certain items of offensive equipment - tanks, artillery and armoured troop carriers - at levels less than half total current holdings within the whole of the Atlantic and Urals area. (These were accompanied by proposals for limits on the armed forces of any individual country and on the number of forces stationed outside national territory plus supporting measures, for stability, verification and non-circumvention). On 11 May Gorbachev announced the detailed Soviet response to NATO's figures: the Warsaw Pact have accepted our figures for tanks (20,000 per side) and armoured troop carriers (28,000 per side), and have accepted heavy cuts in artillery, though not quite to the levels we wish (24,000 per side compared to our 16,500): reductions would take place over 6 years, with interim ceilings possibly being set in the meantime. However, they are presently insisting that strike aircraft, combat helicopters and personnel should be reduced concurrently, and have proposed levels detrimental to Alliance security (they envisage for example, a 50% cut in NATO's aircraft holdings).

3. Potentially prejudicial also are the Warsaw Pact's recent proposals for 3 zones - inner (roughly equivalent to the central front) North-South strip and rear (into which UK would fall) - which, depending on the equipment ceilings set for them, mean that NATO could face severe disruption of its forward defence arrangements. The Alliance's zonal proposal envisages 4 concentric circles, working inwards from the Atlantic to Urals area as a whole, to an inner zone of Benelux and FRG on the Western side, with a graduated set of sub-limits to focus on areas with the greatest concentration of forces.

4. On 23 May, in Vienna the Warsaw Pact accepted two other Alliance principles: a limit on the equipment holdings of any individual country relative to the holdings of all 23; and equal ceilings on stationed forces. The precise figures they have set are different to those of NATO, but potentially compatible.

(b) CSBMs

5. Allied proposals concentrate on improvements to the Stockholm Document of 1986 for notification, observation, and on-site inspection of military activities to increase access as well as transparency of information. Key measures include a comprehensive exchange of data in armed forces, and on military procurement plans, random evaluation of garrisons. The Warsaw Pact proposals display common ground on the desire to improve Stockholm (though their measures are not as far-reaching as ours) but also include measures for air and naval confidence-building measures and for constraints (ie prohibitions and limitations) on large-scale military exercises that, from the parameters quoted in their paper, are specifically designed to hamper Alliance exercise of our reinforcement plans and on our land training requirements with little impact on themselves.

24. V.

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TELNO 1458
OF 242102Z MAY 89
INFO IMMEDIATE UKDEL NATO, BONN, PARIS, MODUK, THE HAGUE

SIC
MODUK FOR DUS(P)
MIPT : SNF
FOLLOWING IS TEXT OF US POSITION PAPER DATED MAY 23
WHICH HAS BEEN HANDED TO THE GERMANS
QUOTE
1. THE ALLIANCE REAFFIRMS ITS POSITION THAT FOR THE FORESEEABLE 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 ARE NECESSARY IN EUROPE.
2. 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 SYSTEM TO CURRENT NATO LEVELS.
3. 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.
4. IN KEEPING WITH ITS ARMS CONTROL OBJECTIVES FORMULATED IN REYKJAVIK IN 1987 AND REAFFIRMED IN BRUSSELS IN 1988, THE ALLIANCE STATES THAT ITS HIGHEST PRIORITY IN NEGOTIATIONS WITH THE EAST IS REACHING AN AGREEMENT ON CONVENTIONAL FORCE REDUCTIONS WHICH WOULD ACHIEVE THE OBJECTIVES ABOVE. FOLLOWING TANGIBLE IMPLEMENTATION OF SUCH AN AGREEMENT, THE UNITED STATES, IN CONSULTATION WITH ITS ALLIES, IS PREPARED TO ENTER INTO NEGOTIATIONS TO REDUCE AMERICAN AND SOVIET LAND-BASED NUCLEAR MISSILE FORCES OF SHORTER RANGE TO EQUAL

AND VERIFIABLE LEVELS BELOW THE PRESENT LEVEL OF AMERICAN LAND-BASED NUCLEAR MISSILE FORCES - EXCLUDING A ZERO OPTION FOR THESE MISSILE FORCES. THE MEMBERS OF THE ALLIANCE PROCEED ON THE UNDERSTANDING THAT ANY NEGOTIATED REDUCTIONS IN THESE NUCLEAR MISSILE FORCES WILL NOT BEGIN UNTIL AFTER THE FULL IMPLEMENTATION OF THE RESULTS ACHIEVED IN THE NEGOTIATIONS ON CONVENTIONAL FORCES.

5. AS REGARDS THESE NUCLEAR MISSILE FORCES, 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. IN 1992, THE ALLIANCE WILL DECIDE IN THE LIGHT OF SECURITY DEVELOPMENTS ON THE INTRODUCTION OF A FOLLOW-ON SYSTEM FOR THE LANCE MISSILE INTO THE ALLIANCE AND HENCE ITS PRODUCTION AND DEPLOYMENT. THE ALLIANCE AFFIRMS THE DEVELOPMENT OF A FOLLOW-ON SYSTEM FOR THE LANCE SHORT-RANGE MISSILE. UNQUOTE

ACLAND

YYYY

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PS
PS/MR WALDEGRAVE

NO 10.
RESIDENT CLERK

NNNN

1. Do we need a major arms control initiative, given that we are still ahead of the Warsaw Pact in terms of CFE proposals?

2. Is 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?

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

4. Will it not be disruptive to re-open the Alliance understanding on aircraft?

5. 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)?

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

7. 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?

DO YOU WANT

TO ASK THEM

ABOUT THE STATE

OR PLAY

ON SNF ??

RESTRICTED

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

24 May 1989

NATO SUMMIT

I have consulted the Prime Minister about when she wants to speak on the first day at the NATO Summit. Her inclination is to come in early, possibly straight after Bush and Mitterrand, in order to try to set the tone for debate. I should be grateful if this could be put to Dr. Woerner. If there is any difficulty, could we pull a little rank discreetly, i.e. longest-serving NATO Head of Government. I think we should try to get the Prime Minister in ahead of Kohl.

(C. D. POWELL)

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

RESTRICTED

TEXT OF US POSITION PAPER OF 23 MAY

1. The Alliance reaffirms its position that for the foreseeable 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 are necessary in Europe.

2. 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 current NATO levels.

3. 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.

4. In keeping with its arms control objectives formulated in Reykjavik in 1987 and reaffirmed in Brussels in 1988, the Alliance states that its highest priority in negotiations with the East is reaching an agreement on conventional force reductions which would achieve the objectives above. Following tangible implementation of such an agreement, the United States, in consultation with its Allies, is prepared to enter into negotiations to reduce American and Soviet land-based nuclear missile forces of shorter range to equal and verifiable levels below the present level of American land-based nuclear missile forces - excluding a zero option for

these missile forces. The members of the Alliance proceed on the understanding that any negotiated reductions in these nuclear missile forces will not begin until after the full implementation of the results achieved in the negotiations on conventional forces.

5. As regards these nuclear missile forces, 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, in 1992, the Alliance will decide in the light of security developments on the introduction of a follow-on system for the LANCE missile into the Alliance and hence its production and deployment. The Alliance affirms the development of a follow-on system for the LANCE short-range missile.

Chemical?

Nuclear the only answer to chemical

The National Archives

DEPARTMENT/SERIES PREM 19 PIECE/ITEM 2778 (one piece/item number)	Date and sign
Extract details: Thatcher to Bush 23/5/89	
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Use black or blue pen to complete form.

Use the card for one piece or for each extract removed from a different place within a piece.

Enter the department and series,
eg. HO 405, J 82.

Enter the piece and item references, .
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Enter extract details if it is an extract rather than a whole piece.
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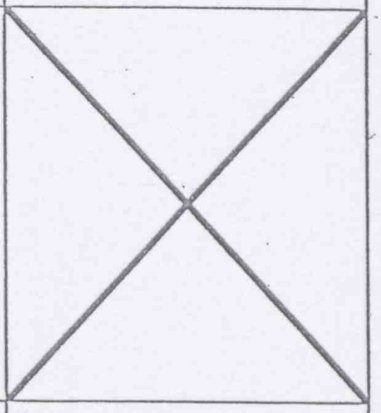
Extract details: Bush to Thatcher 23/5/84	
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(1)

PRIME MINISTER

NATO SUMMIT

We need to consider at what point you should speak in the debate at the NATO Summit.

At present, the Secretary-General intends to give the floor first to Presidents Mitterrand and Bush as Heads of State. The choices are:

- to come in straight after them;

- to leave your intervention until much later in the debate, so that - as the only real parliamentary performer - you can pick up points made in the debate;

- decide on the day in the light of the way the debate develops.

My own view is that you want to set the tone so far as possible and should therefore come in early. Agree?

CDP

C. D. POWELL

23 May 1989

Yes - but I imagine he will want to call Kohl first

PM3APE

Rin Minister

I have underlined the passage on SNF. You will wish to see.

CDN 21/5

TEXT OF PRESS BRIEFING BY
SECRETARY OF STATE JAMES BAKER AND
FRENCH FOREIGN MINISTER ROLAND DUMAS

ST. ANTHONY FRANCISCAN MONASTERY
KENNEBUNKPORT, MAINE

SATURDAY, MAY 20, 1989

STX

SEC. BAKER: Ladies and gentlemen, I have a short statement to make and then the Minister and I will be delighted to respond to your questions.

Let me start by saying that the President and President Mitterrand had excellent talks today. They thought that the West has seldom been in a stronger position. They discussed preparations for the NATO summit and they expected NATO's 40th anniversary to be a successful and forward-looking event.

The two Presidents stressed the absolute need to maintain nuclear deterrence in Europe and that we should concentrate now on conventional force negotiations.

They exchanged views on events in the Soviet Union and shared the hope that Mr. Gorbachev's reform efforts would succeed. The Presidents had an extended exchange on the West's approach to the changes going on in Eastern Europe and agreed that the West must be actively involved in promoting peaceful and economic change in that region.

They went over recent events in the Middle East peace process, particularly emphasizing their support for the Arab League's attempt to achieve a ceasefire in Lebanon.

Minister Dumas and I discussed the situation in Panama and condemned together General Noriega's attempt to steal the Panamanian election. We further stressed the need for Nicaragua -- the Sandinistas in Nicaragua to live up to their commitment to democratization.

And finally, the President and President Mitterrand naturally discussed the week's events in China and their hope that restraint would be the order of the day.

Now we'd be delighted to take your questions.

Q Mr. Secretary, you said on Wednesday, "We think negotiations on SNF are a mistake." Is that still your view?

SEC. BAKER: It's the view of our government that negotiations re a mistake unless there are significant conditions with respect thereto. We received a proposal yesterday from the German government through Minister Stoltenberg. We responded -- we received that proposal, I'm sorry, the day before yesterday. We responded to that proposal within, I think, a 24-hour period and gave the Minister a counterproposal, which he has taken back to the Federal Republic. And we have not as yet heard officially from the German government about whether or not the suggestions made in that counterproposal are acceptable.

Let me simply say that the President and President Mitterrand reviewed the general outlines of that proposal and found themselves -- and I think the Minister might want to speak to this as well -- in complete agreement.

FOR. MIN. DUMAS: Can I speak in French, please? It's easier for me.

SECRETARY BAKER: The Ambassador will be our interpreter, since we're missing --

FOR. MIN. DUMAS: We have examined this morning the problems that have been raised by the NATO meeting in Brussels at the end of the month. President Bush and my friend, Jim Baker, acquainted us with the proposition which was made to Mr. Stoltenberg yesterday. And we can conclude from all this that these proposals are very close to the position which had been taken by the President of the Republic in his very recent press conference in Paris.

Q Mr. Secretary, you spoke about significant conditions before entering into SNF talks. We've also heard, in background sessions from people, we've heard substantial progress in the conventional force talks being used as these significant conditions. Are you considering a high-level NATO commission to study this is in any way to define the terms yet?

SEC. BAKER: No.

Q Mr. Secretary, a White House statement today on the subject of China urges restraint, as you mentioned, and also -- in that statement, the US also hopes that a dialogue continues. My question is, isn't that an awfully weak statement, given the events of last week, the stakes involved, and what the students have risked?

SEC. BAKER: I don't really think so. The United States has expressed itself on a number of occasions in favor of freedom of speech and in favor of freedom of assembly. We've said that in fairly definitive terms. I don't think that's a weak statement.

Q You don't think we should be encouraging the students, sir?

SEC. BAKER: I think we should be expressing our support for freedom of speech, for democratization, and for freedom of assembly. And that's what we're doing. I do not think that we should in any way be seen to be somehow inciting to riot, and I think that we have to be appropriate in our response.

Q If I may follow up on the China situation. Is it your belief that what appears to be happening now within China in terms of the political fallout of all of this is increasing influence by the hard-liners, led by Premier Li Peng?

SEC. BAKER: I think it's premature probably, Frank, to reach that conclusion. It's a little bit unclear exactly what the situation is as between the hard-liners on the one hand and the -- those who profess to support more openness on the other. I think we simply have to wait and see. I do think it's fair to say that the situation is unclear and there is a certain degree of flux.

Q Mr. Secretary, did your discussions with Minister Stoltenberg in Washington yesterday produce an expectation that this matter will be resolved before the NATO summit, that Germany and the United States will come to some kind of an agreement on a formulation of NATO policy?

SEC. BAKER: I think it is fair to say that it has been our expressed hope and view and position that we would like to see it concluded before the summit, but not at the expense of our long-held principles respecting deterrence. I don't want to speak for the Minister, but I think that that would likewise be the French position.

Q Was that meant to suggest the Germans are still clinging to some kind of position that would place negotiations at too early a stage without the kind of progress you want to see in the conventional talks?

SEC. BAKER: The proposal that was submitted to us would certainly fall under the description which you've just given. We think that there must be -- we think that the conditions must be more significant and we think that they must be more clearly expressed and that there must be considerably more progress with respect to the completion and implementation of a conventional forces agreement.

Q Were you at all encouraged by the initial response to the US position?

SEC. BAKER: We have not had a response as yet to the piece of paper we delivered to them only late yesterday afternoon.

Q When do you expect a response, sir?

SEC. BAKER: I can't answer that beyond saying that we understand the German government is having internal meetings tomorrow morning, which will be late this evening or early in the morning Washington time. How about a question here for the Minister?

Q Well, sorry -- I wanted to ask Secretary Baker if -- (laughter) -- if you could be a bit more specific as the US proposal you've given to the Germans in terms of when you see the trigger for SNF? Must you have completion of a conventional force agreement before you start those talks or is it enough to be well on your way toward --

SEC. BAKER: I don't want to get into a negotiation right here in this press conference. We have given them the language and it will speak for itself. And I really don't want to get into that much detail about it.

Q On China, what can France and the United States be doing? Is there something which one can be doing?

FOR. MIN. DUMAS: As the Secretary of State said, it has been talked about -- China -- this morning, between both of us and also between the two Presidents. We conducted a study and analysis of the situation and we exchanged our conclusions. One can well see what the problem is which is posed to China today. But you will understand it -- too early to tell yet; wait and see. (Laughter)

Q Mr. Secretary, have you conferred with the British on your counterproposal and do you anticipate a problem there?

SEC. BAKER: Yes, we have consulted with the British and we don't anticipate a problem.

Q Mr. Secretary, with the communist world in such turmoil, there's been an undercurrent of criticism in the United States of the Bush administration. Senate Majority Leader Mitchell said the other day that there's been a lack of imagination in our response, particularly to Gorbachev. Could you respond to this criticism and tell us if President Bush has some ideas for how he intends to creatively manage the changes taking place in the East.

FFV

The ideas expressed by the President in his press conference go in that direction. Now, the specific point you raised -- and today we have been able to verify that the ideas put forward by the United States are very much on the same broad lines as what the French President said a couple of days ago, which means that, as you say in English, we definitely support them.

Q The question is, has, on the American side, anyone asked France to act as sort of a conciliator?

FOR. MIN. DUMAS: One can't say matters were expressed as clearly as that, but it's clear that the press conference given by the French President is an important factor in the ongoing discussion and has certainly been taken into account by the United States and Germany. And if the principles defined and the ideas expressed on that occasion have made it possible for the -- well, to bring the Alliance closer together in its own essence, then this would have been a successful enterprise.

Q Secretary Baker, do you have any concerns or does the Minister have any concerns that events in China could in some way backfire or damage US relations in China? I mean, is there concern about what's going on there in terms of the turmoil?

SEC. BAKER: I don't think that it's to the -- that it would be in the best interest of the United States for us to see significant instability in the People's Republic of China, just like I don't think it is in the best interest of the United States for us to see significant instability in the Soviet Union. At the same time, we support democracy, we support freedom of speech, and we support freedom of assembly.

Q Mr. Secretary, how do you respond to the fact that martial law has been declared over there --

SEC. BAKER: Well, the question with respect to press blackouts -- our response to that is that is regrettable. We wish that that had not been done. We continue to urge restraint in the situation overall.

Q You were just there a couple of months ago with the President, had discussions with the leadership. Did you anticipate anything like this? Do you -- have you and the President talked about what may have given rise to the massive demonstrations and great instability that we're seeing? How do you explain what's going on?

SEC. BAKER: I think, Owen, that reform has to proceed apace. This is just my own personal view. I think that it's important that political opening up and economic opening up proceed apace to the extent that that is possible. And what may be happening here is that the economic reforms in China got a little bit ahead of the political reforms.

Q If I could follow up, is it also possible that you start giving people a little freedom and they suddenly crave a lot more? Are we seeing that?

SEC. BAKER: I've said before that I think that certain things are -- certain processes are irreversible, that while we -- that we don't -- it's not our view that when you -- when people taste the fruits of freedom, it's not our view that you can reverse that process.

MR. FITZWATER: We're going to have to take a couple of final questions.

Q Does Mr. Dumas believe that the idea put forward last

week by President Bush, the "open sky" idea -- do you think that has any future in Europe?

FOR. MIN. DUMAS: It is certainly an idea that can have its place in measures designed to reduce tension. So I think it's an idea that should be placed in the context of overall disarmament.

Q Has President Mitterrand asked the United States to take a more aggressive or a different role in Lebanon?

SEC. BAKER: No. There was a substantial discussion of the problems of Lebanon between the two Presidents and, in fact, in the meetings that Minister Dumas and I had. I think it is correct to say that we both support the idea of an immediate ceasefire. We support the initiative of the Arab League. We support the withdrawal of all foreign forces from Lebanon. And we have great concern about what's going on there. We discussed at some length, and President Mitterrand discussed at some length, the fact that the United States and the Soviet Union, during the course of our ministerial last week in Moscow, were able to issue a joint statement with those same goals as the centerpiece of that statement.

Q Mr. Secretary, you said that instability in China would not be in the United States' interest. But what would be the consequences should the Chinese authorities crack down very harshly on these students --

SEC. BAKER: Well, that's a very hypothetical question, Frank, that you can obviously understand why I wouldn't respond to. Is that it, Marlin? Thank you.

Q Thank you.

.ETX

END

SECRET AND PERSONAL

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Copy only.

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

19 May 1989

SNF

Further to my letter of earlier this afternoon, I have now spoken to the Prime Minister and, on her instructions, been in touch again with Secretary Baker and General Scowcroft.

I told both Baker and Scowcroft that the Prime Minister was very perturbed by this turn of events. She had placed weight on the assurance we had received that the Americans regarded talk of negotiations as premature. She thought the American text would be regarded as evidence of weakness. She wondered where the bottom line would be. In addition, she believed that, once we conceded the principle of negotiations, it would be impossible to persuade the European members of NATO to agree to deploy a successor to LANCE. Without in any way endorsing the American text, she had two main comments on it. First, it should make opening of negotiations dependent upon a decision to deploy a successor to LANCE. The last sentence of paragraph 3 should be amended to read:

> "The members of the Alliance proceed on the understanding that any negotiations on Soviet and American land-based missile forces will be contingent upon a prior decision by the Alliance to deploy a follow-on system to LANCE; and also that any negotiated reduction ...".

It would also be better if the penultimate sentence of paragraph 5 were amended to read:

> "In 1992 the Alliance will decide on the numbers required for a follow-on system for the LANCE short-range missile and hence its production and deployment."

Second, the Prime Minister thought the text should add a further condition for negotiations, namely that there should be substantial reductions in Soviet SNF towards NATO levels. This should also be inserted in paragraph 3.

Secretary Baker took note of these points and promised to put them to the President (he was about to leave Washington to

b

join the President in Maine). He was dubious whether the Germans would accept them: indeed, he doubted they would accept the original American text. I said that the Prime Minister would regard it as breaking faith with us if the Americans were to weaken the text even further before she had been able to speak to the President. Her preference would be to argue it out at the Summit. Secretary Baker said that the Americans differed with us on this point, although they would take the issue to the Summit if they had to. We might just have to accept that there was a difference of view between the US and the UK on this whole question. I pointed out that the difference had emerged only in the last twenty-four hours because the United States was contemplating changing its position.

General Scowcroft's attitude was somewhat better. He said that personally he thought our proposed amendment (I only gave him the text of the first one) was an improvement and he would be prepared to commend it to the President. I also made the point to him about avoiding any further weakening of the text without giving the Prime Minister an opportunity to discuss the issue with the President. General Scowcroft said that the Americans did not intend to 'give away the store'. He could promise that we would not be left out of any further discussions with the Germans. I took this to mean only that we shall continue to be consulted by telephone.

I am enclosing copies of the American and German text for the sake of completeness.

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

CHARLES POWELL

Stephen Wall, Esq.,
Foreign and Commonwealth Office

GERMAN TEXT

1. The Alliance reaffirms its position that for the foreseeable 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 are necessary in Europe as well in the present circumstances.

2. 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 its capability in this field substantially. This would improve the chances of achieving results in negotiations.

3. In keeping with its arms control objectives formulated in Reykjavik in 1987 and reaffirmed in Brussels in 1988, the Alliance is prepared to enter into negotiations on American and Soviet land-based nuclear missiles of shorter range. The members of the Alliance proceed on the understanding that reductions to a level below the present Western SNF missile holdings will not be effected until after the implementation of results achieved in conventional negotiations.

A high level working group of the NATO Council will be set up:

- to specify the circumstances and conditions which will determine in the light of the declaration at Rekyavik in 1987 and Brussels in 1988 the date for the commencement of negotiations in conjunction with the establishment of a conventional balance and the global elimination of chemical weapons;

- to define the aim of the negotiations, including the verification mechanisms; and

- to work out the details of a negotiating mandate.

4. At the same time the Special Consultative Group will elaborate an option for the inclusion of nuclear artillery ammuntion with a view to establishing equal ceilings at a drastically reduced level.

5. In 1992, the Alliance will decide in the light of political and security policy developments, and especially taking into account the results of all disarmament negotiations, whether the introduction of a follow-on system for the LANCE missile into the Alliance and hence its production and deployment, will be necessary in 1996 or not. The development of a follow-on system for the Alliance short-range missile is a national decisioin of the United

States.

Crucial and decisive for the Alliance's decision in 1992 is whether it proves possible:

- to achieve a greater degree of security at a lower level of nuclear and conventional forces overall;

- to conclude binding agreements with the Warsaw Pact to eliminate the capability for surprise attack and large-scale offensive action;

- to build through corresponding agreements a larger degree of mutual confidence on the basis of increased transparency and calculability of military behaviour.

SRWBZV

[Proposed UK amendments in manuscript].

UNITED STATES TEXT

1. The Alliance reaffirms its position that for the foreseeable 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 are necessary in Europe.

2. 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 current NATO levels.

3. In keeping with its arms control objectives formulated in Reykjavik in 1987 and reaffirmed in Brussels in 1988, the Alliance states that its highest priority in negotiations with the East is reaching an agreement on conventional force reductions which will improve security by eliminating existing asymmetries. Following tangible implementation of such an agreement, the United States, in consultation with its Allies is prepared to enter into negotiations to reduce American and Soviet land-based nuclear missile forces of shorter range to equal and verifiable levels below the present levels of American land-based nuclear missile forces - - excluding a zero option. The members of the Alliance proceed on the understanding that any negotiated reduction in these nuclear missile forces will not begin until after the full implementation of the results achieved in the negotiations on conventional forces.

and action by the Soviet Union substantially to reduce its SNF towards NATO levels,

for land-based missile,

any negotiations on Soviet and American land-based missile forces will be contingent upon a prior decision by the Alliance to deploy a follow-on system to LANCE, and also

4. Delete.

5. As regards these nuclear missile forces, 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

on the numbers required for

conventional and nuclear - - with which the Alliance is faced. In 1992, the Alliance will decide [~~in the light of security~~ developments on the introduction of] a follow on system for the LANCE missile [into the Alliance] and hence its production and deployment. The Alliance affirm the development of a follow-on system for the LANCE short-range missile.

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YOUR TELNO 155 TO ANKARA : NATO SUMMIT : NETHERLANDS OBJECTIVES

SUMMARY

1. LUBBERS AND VAN DEN BROEK WILL ATTEND. THE DUTCH HOPE FOR A US/FRG COMPROMISE. VAN DEN BROEK DOES NOT RULE OUT THE DUTCH TAKING A LEAD AT THE SUMMIT MEETING BUT AT PRESENT SEES THE PRINCIPAL ROLE OF PREPARING FOR THE SUMMIT LYING WITH OTHERS.

DETAIL

2. I HAD AN OPPORTUNITY FOR A BRIEF WORD TODAY (18 MAY) WITH VAN DEN BROEK ABOUT THE DUTCH PREPARATIONS FOR THE SUMMIT. I ASKED WHETHER THE CARETAKER STATUES OF THE GOVERNMENT WOULD BE AN IMPEDIMENT TO A FIRM DUTCH POSITION IN BRUSSELS. HE SAID THAT THERE WAS A THEORETICAL PROBLEM IN THAT THE GOVERNMENT WAS SUPPOSED THE AVOID ANY CONTROVERSIAL AREAS. BUT PARLIAMENT RECOGNISED THAT THE GOVERNMENT COULD NOT OPT OUT OF INTERNATIONAL DISCUSSION. HE HAD DISCUSSED THIS WITH LUBBERS AND THEY HAD CONCLUDED THAT THEY WOULD BE JUSTIFIED IN CONTINUING THE ESTABLISHED LINE OF THE LUBBERS ADMINISTRATION. HENCE LUBBERS HAD CONTINUED HIS CONTACTS WITH US AND BONN AND WASHINGTON.

3. FOR THE MOMENT THE DUTCH WERE WAITING TO SEE THE OUTCOME OF STOLTENBERG'S VISIT TO WASHINGTON. THEY WERE UNCERTAIN WHETHER THERE WOULD BE ANY FURTHER DUTCH ROLE IN ADVANCE OF THE SUMMIT. VAN DEN BROEK IS HIMSELF LEAVING AFTER NEXT WEEK'S FOREIGN AFFAIRS COUNCIL TO ACCOMPANY QUEEN BEATRIX TO CHINA AND WILL BE COMING BACK IMMEDIATELY BEFORE THE SUMMIT FROM WHICH HE PLANS TO FLY ON DIRECT TO THE PARIS HUMAN DIMENSION CONFERENCE. HE ADDED ONLY THAT HE STILL VERY MUCH HOPED FOR A US/FRG COMPROMISE.

4. WIJNAENDTS (THE NETHERLANDS POLITICAL DIRECTOR) HAS SPOKEN TO ME IN SIMILAR TERMS. HE UNDERTOOK THAT THE DUTCH WOULD LET US KNOW IF THEY PROPOSE ANY FURTHER INTERVENTIONS BEFORE THE SUMMIT.

5. IN PUBLIC VAN DEN BROEK IS CONTINUING TO TAKE A ROBUST LINE OPPOSING A THIRD ZERO AND STRESSING THE NEED FOR MODERNIZATION AS PART OF A COMPREHENSIVE CONCEPT. HE SAID IN A SPEECH ON 16 MAY AT THE DINNER FOR THE VISITING POLISH FOREIGN MINISTER THAT TALKS BETWEEN NATO AND THE WARSAW PACT ''HAD NO REALISTIC BASIS AT PRESENT''. NATO HAD NOTHING TO OFFER GIVEN THE HUGE DISCREPANCIES BETWEEN THE TWO SIDES.

ARCHER

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SIC CFJ
YOUR TELNO 155 TO ANKARA (NOT TO MOSCOW) : NATO SUMMIT: FRENCH OBJECTIVES

SUMMARY

1. MITTERRAND AND DUMAS EXPECTED TO ATTEND. FRENCH HARD-HEADED ON WESTERN SECURITY BUT NOT KEY PLAYERS ON SNF. THEY HOPE FOR A US/FRG COMPROMISE, EG REITERATING 1988 SUMMIT COMMITMENT TO MODERNISATION WHERE NECESSARY AND PUTTING SNF NEGOTIATIONS ON BACK BURNER. IF NO COMPROMISE THEY WILL PROBABLY TRY TO SIT ON THE FENCE. MITTERRAND ALSO HAS TO HANDLE DOMESTIC SENSITIVITIES ABOUT FRANCE/NATO RELATIONS.

DETAIL

2. IT IS ASSUMED THAT PRESIDENT MITTERRAND, AS WELL AS DUMAS, WILL ATTEND THE SUMMIT. LASSUS, HEAD OF QUAI STRATIEGIC AND ALLIANCES DEPARTMENT, HAS TOLD US THAT THE ELYSEE HAVE NOT YET FORMALLY CONFIRMED HIS PARTICIPATION BUT HE IS SURE THAT HE WILL BE THERE. (THERE WERE DOMESTIC POLITICAL REASONS FOR MITTERRAND'S DECISION TO BREAK PAST PRACTICE AND ATTEND THE 1988 SUMMIT. GIVEN THAT PRECEDENT, I FIND IT INCONCEIVABLE THAT HE WOULD NOW DECLINE TO ATTEND.)

3. I BELIEVE THAT THE MAIN FRENCH OBJECTIVES ARE:

(I) TO AVOID DECISIONS WHICH WOULD ACCELERATE ANY TENDENCY TOWARDS A DE-NUCLEARISED EUROPE, OR WHICH WOULD CREATE PRESSURE ON FRANCE EVENTUALLY TO BRING HER OWN NUCLEAR WEAPONS INTO DISARMAMENT TALKS,

(II) TO AVOID DAMAGING DISAGREEMENT AMONGST THE ALLIES,

(III) TO PRESERVE THE OVER-RIDINGLY IMPORTANT FRENCH POLITICAL RELATIONSHIP WITH GERMANY, AND IN MITTERRAND'S CASE WITH KOHL HIMSELF.

SINCE THESE OBJECTIVES ARE DIFFICULT TO RECONCILE, I CANNOT PREDICT WITH CONFIDENCE HOW MITTERRAND WILL PLAY HIS HAND. NO FRENCH OFFICIAL CAN GIVE AN AUTHORITATIVE VIEW (NOT EVEN THE SECRETARY GENERAL OF THE ELYSEE WHEN I ASKED HIM YESTERDAY). MITTERRAND HIMSELF MAY CAST LIGHT AT HIS PRESS CONFERENCE ON 18 MAY.

4. IT IS CLEAR (NOT LEAST FROM THE CONSTRUCTIVE CONTRIBUTION OVER PAST MONTHS OF THE FRENCH DELEGATION IN BRUSSLES) THAT THE FRENCH WOULD LIKE THE SUMMIT TO SEND A MESSAGE OF ALLIANCE UNITY, OF FIRMNESS ON FUNDAMENTAL SECURITY INTERESTS AND OF WILLINGNESS TO EXPLORE THE NEW OPENINGS IN EAST/WEST RELATIONS, NOTABLY ARMS CONTROL OPPORTUNITIES. THEY REGRET THE SNF ARGUMENT AND HOPE THAT THE DAMAGE CAN BE MINIMISED. AS A NON-INTEGRATED NUCLEAR WEAPON STATE WHICH FORMALLY DOES NOT ADOPT FLEXIBLE RESPONSE AS A POLICY, THEY HAVE NOT BEEN CLOSELY INVOLVED IN ALLIANCE DISCUSSIONS OF THIS SUBJECT (THOUGH I BELIEVE THAT MITTERRAND HAS GRADUALLY COME TO SEE THE MERITS OF OUR POSITION). AS LATE AS 20 APRIL KOHL AND GENSCHER HAD LED THEM TO BELIEVE THAT COMPROMISE SATISFACTORY TO BONN, WASHINGTON AND LONDON WAS IN SIGHT. SINCE SUBSEQUENT GERMAN ANNOUNCEMENT MADE OUR DIFFERENCES A MATTER OF PUBLIC DEBATE, THE FRENCH HAVE STAYED ON THE SIDELINES. BUT THEY STILL BELIEVE A COMPROMISE IS WITHIN REACH.

5. ON LANCE MODERNISATION THE FRENCH HOPE THAT OPTIONS CAN BE LEFT OPEN, PERHAPS BY REPEATING THE 1988 SUMMIT COMMITMENT TO MODERNISATION WHERE NECESSARY (DUMAS REFERRED TO THIS COMMITMENT, WHICH HE DESCRIBED AS AN ALLIANCE DECISION, IN A CAREFULLY DRAFTED ANSWER TO A PARLIAMENTARY QUESTION ON 10 MAY.) ON SNF NEGOTIATIONS, THE FRENCH ARE FULLY AWARE OF THE DANGERS, BOTH FOR NATO SYSTEMS AND FOR FRENCH AND BRITISH NATIONAL SYSTEMS. NONETHELESS THEY WILL PROBABLY NOT INSIST ON A FORMAL RULING OUT OF SUCH NEGOTIATIONS: THEY DOUBT THAT WE CAN, OR SHOULD, PUSH THE GERMANS SO FAR. THEY WOULD PROBABLY BE HAPPY TO PUT OFF THE ARGUMENT BY REMITTING THE SUBJECT OF SNF NEGOTIATIONS TO FURTHER STUDY BY THE COUNCIL OR A WORKING GROUP. THEY COULD LIVE WITH NO REFERENCE TO A THIRD ZERO. THEY WOULD LIKE ALLIANCE DECISIONS AGAIN TO GIVE CLEAR PRIORITY TO THE CFE NEGOTIATIONS THEY COULD ALSO SUPPORT A CALL FOR SOVIET SNF REDUCTIONS TO MATCH PAST NATO REDUCTIONS AND PRESENT NATO LEVELS.

6. IF NO SUCH COMPROMISE IS IN SIGHT THE FRENCH WILL WANT TO SIT ON THE FENCE RATHER THAN SEEM TO GANG UP WITH THE OTHER NUCLEAR POWERS AGAINST THE GERMANS (WHICH THEY ASSUME WOULD ONLY FURTHER ALIENATE THE GERMANS). IN THESE CIRCUMSTANCES THEY WOULD WISH TO TRY TO INSULATE THEIR OWN SNF BY EMPHASISING ITS PURELY NATIONAL

PRE-STRATEGIC ROLE, DISTINCT FROM FLEXIBLE RESPONSE. SOME OF MITTERRAND'S ADVISERS MIGHT URGE HIM TO SPRING A SURPRISE CONCERNING THE FRENCH HADES MISSILE, BUT WE WOULD EXPECT COOLER HEADS TO CONTINUE TO PREVAIL.

7. A SUBSIDIARY FRENCH OBJECTIVE WILL BE TO AVOID ANY DOMESTIC IMPRESSION THAT MITTERRAND IS LEADING FRANCE BACK INTO THE INTEGRATED MILITARY STRUCTURE OR THAT HE IS PLAYING TOO MEEK A ROLE RELATIVE TO THE US PRESIDENT.

FERGUSSON

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ADDITIONAL 15

NATO

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10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

16 May 1989

NATO SUMMIT: THE DECLARATION AND THE COMPREHENSIVE CONCEPT

Thank you for your letter of 15 May enclosing the latest versions of the NATO Summit declaration and the comprehensive concept. The Prime Minister has been through these and is, I think, quite content with them subject to the all important point of achieving an adequate outcome on SNF.

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

CHARLES POWELL

Stephen Wall, Esq.,
Foreign and Commonwealth Office.

(2)

Prime Minister

You may like to see what these texts stand with a fortnight to go. They are not bad. But the crucial parts on SNF are still missing or unagreed.

Foreign and Commonwealth Office

London SW1A 2AH

15 May 1989

Dear Charles,

CDP 15/5

NATO Summit: The Declaration and the Comprehensive Concept

The Summit Declaration and the Comprehensive Concept will be the two public documents to issue from the NATO Summit. You might welcome a brief report on progress with both documents.

Summit Declaration

I wrote to you on 20 March on the Summit Declaration. Our delegation at NATO subsequently circulated the enclosed draft. The French and Americans, who have also circulated drafts, are close to our thinking. Others want to lay far greater emphasis on change in the Soviet Union and Eastern Europe, on the need for co-operation with the East in all fields, to underplay the Alliance's successes achieved as a result of firmness and strong defences (and indeed to make minimal references to the need to maintain adequate defences), and to include lengthy sections on global issues of little relevance to NATO (combatting poverty, improving the environment etc). The SNF issue has not featured in detailed discussion since it is being handled directly between capitals.

Successive drafts produced by the NATO international staff have reflected the views of the majority. Sir Michael Alexander has made clear to Herr Woerner that we will not accept a declaration on these lines. In discussion on 11 May, the US and French representatives made clear to other Allies that they would not accept it either. The US stressed that the Alliance's basic security tenets needed to be confirmed and its successful policies highlighted. If the Declaration did not do this, President Bush would return home with a defeat, without the ability to ask for the billions of dollars required to defend Europe, or to maintain a firm stance in arms control negotiations. The US wanted a forward looking declaration but one concentrating on deeds, not words.

After lengthy discussion, provisional agreement was reached to restructure the declaration on the lines sought by the UK, US and France: NATO's success over 40 years; recent changes brought about to a considerable extent by Alliance policies; the Alliance's long-term objectives; its programme in the medium-term future - covering the security framework and overcoming the division of Europe; global challenges (which would include regional questions); and the future of the Alliance.

If this agreement on the framework holds, we will at least have reached first base. But there will be considerable difficulties in ensuring balanced content within it: the German slide since last year has deprived us of the unity of the big four Allies which has in the past ensured acceptable texts. We will of course continue to stick close to the Americans and the French and to argue hard for the ideas in our own draft. But the text is unlikely to be finalised before the Summit.

Comprehensive Concept

The key passages in the Comprehensive Concept on SNF are, as in the case of the Summit Declaration, being dealt with between capitals. But the general tenor of the latest draft is good from our point of view. I enclose a copy. I would highlight the following points:

- The Introduction emphasizes NATO's first function as being to maintain adequate military strength and political solidarity.

- The chapter on East/West relations highlights progress on arms control, regional questions and in the human rights field, underlining that these successes have been largely inspired by the initiatives of the Alliance and that it is we who have drawn up the basic blue prints for East/West progress. It makes the balanced judgment that, while prospects for East/West relations are brighter than ever before, serious concerns remain (over the Soviet reform programme, in Eastern Europe, and in terms of the Soviet defence programme).

- The chapter on principles of Alliance security underlines the importance of the transatlantic link. It states that for the foreseeable future deterrence will require an appropriate mix of adequate and effective nuclear and conventional forces which

will continue to be kept up to date where necessary, and that only the nuclear element can confront an aggressor with an unacceptable risk. It states that theatre nuclear forces provide an essential political and military linkage between conventional and strategic forces and that they are not designed to compensate for conventional imbalances. Paragraphs which have yet to be accepted by Germany would emphasize the necessity of sub-strategic forces playing a credible role "across the required spectrum of ranges", and would state that particular attention is being given to systems of relatively longer-range - including air-launched and surface-to-surface missile systems. The substantial stockpile reductions, particularly for nuclear artillery, which updating of the systems would allow would also be emphasized. Other agreed paragraphs lay stress on the solidarity demonstrated by wide deployment of such forces and the recognition by the Allies that the removal of all nuclear weapons from Europe would critically undermine deterrence.

- The chapter on arms control helpfully states that arms control agreements are only possible where the negotiating partners share an interest in achieving a mutually satisfactory result. Guiding principles for arms control are elaborated (security, stability, verifiability). The Alliance's objectives in existing negotiations are described in standard terms. While the bulk of the section on SNF is still under discussion, an agreed paragraph of the text states that any move towards equal ceilings in US and Soviet land-based short-range missile systems must ensure that the Alliance retains a credible deterrence capability which is kept up to date where necessary.

- The concluding chapter emphasizes that decisions on arms control matters must fully reflect the Allies' requirements for defence and deterrence.

I am copying 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

[Circulated to NATO S.P.C. 21 April 1989]

NATO SUMMIT DECLARATION

1949-89: A Success Story

1. The North Atlantic Alliance is this year celebrating its 40th Anniversary. No multilateral Alliance in modern times has kept the peace so effectively and for so long. That the propects for the development of our values - security, freedom and prosperity - throughout the European continent and across the world are better than they have ever been is due in no small measure to the existence of our Alliance.

A Winning Formula

2. We have reviewed together the events of recent years. We are agreed that our policies have brought impressive results notably in East/West relations:

- the Soviet Union and some Eastern European countries are now pursuing the kind of domestic reforms we have long wanted to see;

- the human rights situation in the Soviet Union and several Eastern European countries has improved;

- freedom of travel and of information within Eastern countries and between East and West has grown;

- the 1986 Stockholm Agreement has contributed to greater openness, predictability and trust in military activities;

- the 1987 INF Agreement has removed a whole class of nuclear weapons;

- the overall relationship between East and West is now warmer and more constructive than it has been at any time since 1949.

3. It is therefore clear that our programme has been a historic success. But our primary purpose at this meeting has been to look forward rather than back, to agree our policy and goals for the future rather than to engage in self congratulation.

NATO CONFIDENTIAL

Our Programme For The Next Decade and Beyond

4. The formula which has made possible the achievements of the Alliance is well tried. It is as valid today as it has always been. From a firm foundation of strong defences and political solidarity we conduct the search for constructive dialogue and co-operation, including arms control. For the future, therefore, our overall aims will remain:-

- in security, to make military aggression in Europe or North America an option which no government could rationally contemplate or hope successfully to undertake; and through arms control, to continue to reduce forces to the lowest possible levels on both sides.

- politically, to guarantee the human rights of every individual and the principles of political and economic freedom of choice in every state, without which there can be no genuine and stable peace.

We have agreed the following programme, which we believe will point the way to a genuine and stable peace into the 21st century.

The maintenance of strength and unity

5. The lesson of history is that peace has to be worked for. It can never be taken for granted. We warmly welcome the changes in the East. But a strong and united NATO will remain as vital in the future as in the past. It provides a guarantee of security for our peoples and promotes stability in the East/West relationship by challenging the Soviet Union and the other members of the Warsaw Pact to deliver what we still seek in terms of force reductions, transparency, political evolution and predictability.

6. Our strategy for deterring war will continue to be based for the foreseeable future on an appropriate mix of adequate, effective and up to date nuclear and conventional forces, only the nuclear component of which can hold out the prospect of unacceptable risk. We will ensure the viability and credibility of all these forces. [Passage on SNF] We have confirmed our determination to continue our programme for improving our conventional [illegible] ??

An Expanded Atlantic Partnership

7. We will maintain the strength of the link across the Atlantic between the Alliance's European and North American partners. Each of us will assume a fair share of the risks, roles and responsibilities for our common defence. We will not allow the erection of new barriers between us - whether commercial, technological or political. There will be no fortress Europe in 1992. A strong, free and dynamic Europe remains vital to North America's security, just as the presence of substantial North American conventional and nuclear forces in Europe remains vital to the defence of Western Europe.

The Pursuit of Radical Arms Control

8. Arms control has always been an integral part of our security policy. It can take many forms. Some measures can best be implemented autonomously by individual governments or groups of governments. Others require international agreements of either a political or legal nature. Recent years have seen successes in a number of fields. The Stockholm and INF Agreements have been concluded: and negotiations are underway in the strategic nuclear, conventional and chemical fields with terms of reference which reflect Western goals. Unilateral measures have also been taken. Since 1979 NATO has reduced its holdings of nuclear warheads in Europe by 35%. The Soviet Union and its Allies have recently announced cuts in some elements of their ground and air forces which will redress to a welcome, albeit limited, extent the imbalances in these fields.

9. As described in the Comprehensive Concept of Arms Control and Disarmament published yesterday we will seek to exploit to the maximum opportunities for further progress in arms control. Where we can identify common objectives and realistic prospects for concrete and verifiable agreements on termse which would enhance our security we shall enter into negotiations to that end. Where we cannot we shall nonetheless, when taking our defence planning decisions, bear in

mind the security concerns of others. Our defence planning and our arms control policies must and will be coordinated. But in the final analysis we must base our defence planning on the realities of today, not on our hopes for tomorrow.

10. We express full support for the United States' objective of a START Treaty leading to 50% reduction in the superpowers' strategic forces. Substantial progress has already been achieved. We look forward to a timely, successful conclusion which will substantially enhance strategic stability.

11. The new negotiations in Vienna on conventional armed forces and on confidence building provide us with an opportunity to overcome problems which lie at the heart of European security, in particular the massive conventional superiority of the Warsaw Pact and the secrecy which continues to surround its military activities. The aim of the negotiations on conventional armed forces must be to eliminate the possibility of surprise attack and large scale offensive action. Our proposals on confidence building will, if accepted, lead to a regular exchange of detailed information on all forces in Europe and the creation of permanent machinery to verify that information. We welcome Warsaw Pact recognition of the need for improved transparency.

12. Chemical weapons are a world-wide problem. The only satisfactory solution is to negotiate a comprehensive, effectively verifiable ban. It is one of our priorities to resolve the remaining obstacles to a global convention. We welcome the Soviet intention to follow the example of the United States by starting the destruction this year of its stocks. In the light of the significant announcement by the United States that it is accelerating the withdrawal of its existing munitions from Europe, we look to the Soviet Union to reduce rapidly its chemical threat to Europe.

13. [SNF]

NATO CONFIDENTIAL

Overcoming the division of Europe: ending the Cold War

14. We welcome the changes in the Soviet Union and Eastern Europe and the enormous improvement in relations between East and West. We have worked for such an improvement for many years. We want to cooperate in all fields and to break down those barriers which continue to divide us. To increase common security, the process of overcoming the artificial division of Europe must be accelerated. To this end, we challenge the governments of the East to:

- permit people, ideas and goods to move freely in all directions
- permit genuine freedom of political choice.

Achievement of these goals would mark the end of the Cold War.

15. The Vienna CSCE Agreement provides the basis for this endeavour. It has set new human rights standards for Europe as a whole and has established a new mechanism to ensure that countries honour their commitments. We will not allow it to become just another piece of international paper. But recent developments in some countries show how far we still have to go to ensure that the human rights and fundamental freedoms of all the peoples of Europe are fully observed.

16. Any development worldwide which may affect our security interests is a legitimate matter for consultation and, where appropriate, coordination among us. We believe that our coordinated policies, combined with a more constructive Soviet approach, have helped towards settling many of the world's most dangerous and long-standing regional conflicts. East/West relations, so long a blight on these problems, now offer the chance to help in their resolution. The Soviet withdrawal from Afghanistan offers the chance for the Afghan people to determine their own future. Recent developments in Cambodia and Southern Africa are encouraging. Unprecedented East/West cooperation at the UN over the Iran/Iraq war has helped bring that conflict closer to a solution. There remains a long way to go in these and other areas, not least the Middle East. We intend to pursue dialogue with all countries concerned and to redouble our efforts in a reinvigorated United Nations, to secure peaceful, negotiated solutions.

Towards the Twenty-First Century

17. The beacons of personal and political freedom and economic success which flame in all the countries of our Alliance are lighting the way to a more peaceful world. They attract an increasing number of countries, including those of the East. We intend to keep the flame burning and lead the peoples of our planet to a better tomorrow.

UNITED KINGDOM PERMANENT REPRESENTATIVE
ON THE NORTH ATLANTIC COUNCIL
OTAN NATO
1110 BRUSSELS
TELEPHONE 2426775

12 April 1989

P J Goulden Esq CMG
AUSS
FCO

Dear John,

THE SUMMIT DECLARATION

1. I enclose a complete draft text of the Summit Declaration along the lines we have discussed. To make possible a view of the balance of the text as a whole I have included (paras 6, 13, 14 and 15) language on SNF modernisation of the kind I have been advocating. It seems to me to fit rather well - even if, in the light of the antics of the Belgian government and of the paralysis in Bonn (Teltschik's visit to Washington having been again postponed) the chances of achieving such language appear to be diminishing still further. I will let you have appropriately redrafted language for the Comprehensive Concept by the next bag.

2. Before he left for Washington on Tuesday, I gave the Secretary General a copy of the UK text - omitting, of course, all references to SNF. (I know from other conversations, incidentally, that he strongly favours the kind of approach suggested in the enclosure.) I have not shown the text, in whole or in part, to anyone else here. On the assumption (which may prove over-optimistic) that Wörner ensures the production by the International Staff of a text broadly compatible with ours, we can submit our ideas piecemeal or in combination with other delegations as the drafting process gets under way. I shall keep in particularly close touch with the French and the Americans.

Transparency

3. If one leaves aside SNF, the draft declaration seems to me to be uncomfortably short on substance or/and specificity. I fancy that others may revert to some of the ideas which you deleted from the draft I left with you

/last

last week. But, more importantly, I think we need to give more consideration to the question of transparency. As you know (my letter of 9 February and our numerous conversations) I hanker after the inclusion of one or more initiatives relating to verification. To this end, I have pursued the subject over the last couple of days with, among others, SACEUR (at Mons) and General Welch, Chief of the US Air Staff (at Ramstein). The results were, at least to me, surprising.

4. With SACEUR I discussed the idea of permanent East/West inspection machinery. He told me that he had had the matter studied in depth by his staff over the last six weeks or so. He favours the establishment of some kind of inspection centre in Western Europe (matched by one on the Eastern side) from which multinational teams of 8 - 10 men could rotate into and out of Warsaw Pact/ NATO countries in the CFE area on duty tours of a few months. During these tours the teams would operate in broadly the way the present liaison missions operate in the DDR but with perhaps increased access. The centre would be responsible for training, administration and logistic support. SACEUR believes that the implementation of such a proposal would be of considerable advatage to the West. He considers that, above all in the context of warning times, NATO needs arrangements along these lines: national technical means will never suffice. He also considers that pursuit of a proposal along these lines need not and indeed should not be dependent on progress with other aspects of the CFE/CSBM talks in Vienna.

5. With General Welch I raised the idea of an open skies initiative ie a proposal that aircraft on each side should, on notification, be entitled to over-fly the countries on the other side for inspection purposes. I stressed that any such proposal ought to include the continental United States. Welch, who appeared to be not in the least startled by this suggestion, said that he was all for it and that he was confident the JCS would favour it. He voiced his support, incidentally, in a meeting attended by all the Air Chiefs of the other central region countries (Belgium, Canada, FRG, Netherlands and the UK). None of them dissented. Peter Harding voiced his strong support and said that he would take it up with the Secretary of State for Defence on his return to London. Welch told John Kornblum after the meeting that he intended to pursue the issue when he

/gets

gets back to Washington later today. General Jungkurth (FRG) said that he saw no reason why such a proposal should not be acceptable, albeit perhaps not very popular, in the FRG.

6. I dare say that there will be second thoughts about all this once the Chiefs are exposed to the views of their advisers. None the less the reaction of the top professional soldiers and airmen was so strikingly different from that which we have experienced to similar ideas at working level in CSBM working groups (though I do not think an open skies proposal has ever been raised there) that it seems to me that matter should be pursued further. I see no point, in the time available, in doing this in eg the HLTF. Given the likely reactions of the French and the Turks (to name but two) we will need to generate political impetus very soon if anything is to be ready by the end of May.

7. Against this background you may like to consider whether the Secretary of State for Defence should not raise the issue with his American opposite number next week in the margins of the Nuclear Planning Group meeting here; and whether the Secretary of State should not send an appropriate message to Baker - who is, I understand, basically sympathetic. If the Americans were able to develop some enthusiasm for a transparency initiative - and in particular if they were able to include CONUS (though I am distinctly sceptical about the chances of Welch's initial reaction being confirmed) - it might still be possible to get somewhere in time for the Summit.

Yours ever

Michael.

Michael Alexander

cc: B R Hawtin Esq
PS/Secretary of State for Defence
R H T Gozney Esq, FCO
D Nicholls Esq CMG, DUS(P), MOD
B J P Fall Esq CMG, Washington
Sir C Mallaby KCMG, Bonn

/PS

PS

8. Since dictating the above, I have seen a copy of Bruce Cleghorn's teleletter of 10 April to Hugh Mortimer describing one US view on CFE verification. This of course confirms both the inherent difficulties of the subject and the confusion in Washington. It also confirms that the only way to get anywhere in the time available would be to start from the top down. We would not of course require detailed agreement in order to insert a few sentences in a Summit Declaration. We would merely need to be confident that we could secure a reasonable outcome to any negotiation resulting from acceptance by the other side of a NATO initiative. A joint verification experiment would be another, albeit more modest idea, to add to the two in the main body of this letter.

9. Finally, I should add that a number of my colleagues participated in the discussions described above and will be reporting accordingly to their capitals.

Time-tabled Version: (With SNF)

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5. The lesson of history is that peace has to be worked for. It can never be taken for granted. We warmly welcome the changes in the East. But a strong and united NATO will remain as vital in the future as in the past. It provides a guarantee of security for our peoples and promotes stability in the East/West relationship by challenging the Soviet Union and the other members of the Warsaw Pact to deliver what we still seek in terms of force reductions, transparency, political evolution and predictability.

6. Our strategy for deterring war will continue to be based for the foreseeable future on an appropriate mix of adequate, effective and up to date nuclear and conventional forces, only the nuclear component of which can hold out the

prospect of unacceptable risk. We will ensure the viability and credibility of all these forces. In this context we, the members of the integrated military structure, have expressed our support for the current US programmes to develop a surface to surface missile system of longer range to replace the ageing Lance system; and a stand-off air-launched missile to replace obsolescent free-fall bombs, with a view to the deployment of both in Europe in the mid-1990s. We recognise that final decisions on the procurement of such systems cannot be taken until development work is further advanced. We have confirmed our determination to continue our programme for improving our conventional forces.

SNF

An Expanded Atlantic Partnership

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significant announcement by the United States that it is accelerating the withdrawal of its existing munitions from Europe, we look to the Soviet Union to reduce rapidly its chemical threat to Europe.

13. In keeping with our commitment to retain only the minimum level of nuclear forces necessary to maintain the credibility of our strategy of deterrence, the Allies concerned are agreed that the updating of our sub-strategic nuclear systems, together with full implementation of the INF Treaty, would allow the overall stockpile in Europe to be reduced from 4600 to 2500 with reductions in all weapon categories, including a reduction of over 50% in the number of shortest range (nuclear artillery) systems and a reduction of 25% in the number of surface-to-surface missiles.

SNF

14. These reductions would mean that the Alliance had reduced its stockpile of nuclear weapons in Europe by two thirds since 1979, largely through unilateral steps. Such a figure far exceeds reductions made or announced by the WTO in the same period. We therefore invite the WTO to follow NATO's example. By reducing their overall holdings of sub-strategic weapons down to planned NATO levels, the leaders of the WTO could give practical substance to their frequently expressed desire to see reductions in the numbers of sub-strategic nuclear weapons deployed by both sides.

15. In particular, we invite the Soviet Union and her Allies to reduce straightaway their holdings of land-based missiles of shorter range to existing NATO levels and thus to remove the substantial advantage which they currently enjoy. The verified elimination of major asymmetries which exist in this area, together with major agreements in the CFE talks bringing significantly closer the establishment of a verified conventional balance in Europe, could provide scope for a negotiated further reduction to equal ceilings at a level above zero

Overcoming the division of Europe: ending the Cold War

16. We welcome the changes in the Soviet Union and Eastern Europe and the enormous improvement in relations between East and West. We have worked for

such an improvement for many years. We want to cooperate in all fields and to break down those barriers which continue to divide us. To increase common security, the process of overcoming the artificial division of Europe must be accelerated. To this end, we challenge the governments of the East to:

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17. The Vienna CSCE Agreement provides the basis for this endeavour. It has se new human rights standards for Europe as a whole and has established a new mechanism to ensure that countries honour their commitments. We will not allow it to become just another piece of international paper. But recent developments in some countries show how far we still have to go to ensure that the human rights and fundamental freedoms of all the peoples of Europe are fully observed.

18. Any development worldwide which may affect our security interests is a legitimate matter for consultation and, where appropriate, coordination among us. We believe that our coordinated policies, combined with a more constructive Soviet approach, have helped towards settling many of the world's most dangerous and long-standing regional conflicts. East/West relations, so long a blight on these problems, now offer the chance to help in their resolution. The Soviet withdrawal from Afghanistan offers the chance for the Afghan people to determine their own future. Recent developments in Cambodia and Southern Africa are encouraging. Unprecedented East/West cooperation at the UN over the Iran/Iraq war has helped bring that conflict closer to a solution. There remains a long way to go in these and other areas, not least the Middle East. We intend to pursue dialogue with all countries concerned and to redouble our efforts in a reinvigorated United Nations, to secure peaceful, negotiated solutions.

Towards the Twenty-First Century

19. The beacons of personal and political freedom and economic success which flame in all the countries of our Alliance are lighting the way to a more peaceful world. They attract an increasing number of countries, including those of the East. We intend to keep the flame burning and lead the peoples of our planet to a better tomorrow.

c/PC
(2)

Foreign and Commonwealth Office

London SW1A 2AH

15 May 1989

Dear Charles,

CDP
15/5

NATO Summit: Possible idea for the Declaration

We have been considering an idea of Sir Christopher Mallaby's that we should include a proposal in the NATO Summit Declaration for an East/West agreement relating to arrangements at the borders along the Iron Curtain.

The idea is that there should be an understanding, or political agreement, among the states concerned which would ban shooting at people trying to cross boundaries along the European divide, increase the number of crossing points, and ban the reintroduction of mines and automatic shooting devices. While the proposal would be put forward by the Alliance, it could be extended to cover all countries with borders with the Warsaw Pact countries, including for example Finland and Austria. As well as leading to some modest improvements in East/West frontier arrangements, it would also serve to add useful substance to the NATO Declaration.

Preliminary consultations with the relevant posts have revealed that the governments most concerned would be likely to respond positively. But the FRG would, of course, be the state most affected on the Western side and their reaction would be crucial. If they do not wish to pursue it, this will be the end of the matter. The Foreign Secretary mentioned it to Genscher during his visit here on 11 May, emphasising that it was an idea for discussion and not a British initiative. It will now be followed up in Bonn. If the Germans are well disposed, we would jointly consult the French and Americans before taking it forward within the Alliance as a whole.

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

Yours

(J S Wall)
Private Secretary

C D Powell Esq
10 Downing Street

CONFIDENTIAL

FILE KA-IAVI

dc PC

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

11 May 1989

NATO SUMMIT

If the NATO Summit on 29/30 May is to follow the pattern of last year's Summit, the Prime Minister will need to make a fairly substantial opening statement on the first day, dealing with the main issue of the Summit. We shall need to have this well in advance of the rest of the briefing, so that the Prime Minister can work on it. I should be grateful if you could let me have a draft by Friday 19 May, consulting MOD in the preparation of it.

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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10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

8 May 1989

Dear Richard,

NATO SUMMIT: BILATERALS

Thank you for your letter of 8 May suggesting the Prime Minister should have a bilateral with Mr. Ozal in the margins of the NATO summit. I am sure that she will be well content to have a bilateral. But it would not be a good idea to try to fit it in after the end of the final session, since the Prime Minister will want to do television interviews and a press conference straightaway. I suggest that we should instead go for a meeting in our office at the NATO headquarters at some point during the proceedings, possibly just before the opening of the second day's session.

Yours sincerely,

(C. D. POWELL)

Richard Gozney, Esq.,
Foreign and Commonwealth Office.

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Foreign and Commonwealth Office

London SW1A 2AH

8 May 1989

Dear Charles,

NATO Summit: Bilaterals

The Turks have told our Embassy in Ankara that Ozal wishes to arrange a short meeting with the Prime Minister in the margins of the NATO Summit on 29/30 May.

The main item of business which the Prime Minister might discuss in a bilateral with the Turkish Prime Minister would be the progress of the intercommunal talks in Cyprus. She promised President Vassiliou she would do this and warned Mr Ozal in her message of 13 March. The end of May is likely to be a critical period in the talks and so discussion with Mr Ozal would be well-timed. The Foreign Secretary therefore recommends that the Prime Minister should agree to the Turkish request.

Other items of business which might be mentioned are pressure within the EC for imposition of a visa regime for Turkey and the need for the Turks to curb the current flow of emigrants to the UK; and possible British participation in Turkish defence sector business, in particular a contract (worth £200 million eventually) for the supply of radios for the armed forces, for which Marconi are well placed.

If the Prime Minister is willing to see Ozal, the best procedure might be for the UK and Turkish Delegations at NATO to negotiate a convenient time and place. The programme for the Sumit is already quite full. One possibility might be a meeting over breakfast on the second day, 30 May. But it would be useful to know whether there is any flexibility in the Prime Minister's time of departure from Brussels, in case the Turks suggested a meeting immediately after the Summit ended.

No other requests for bilateral meetings with the Prime Minister have been received. Nor would we recommend seeking any.

Yours ever,

Richard Gozney

(R H T Gozney)
Private Secretary

C D Powell Esq
10 Downing Street

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R/pl time a copy of this to Mr Powell, No 10. 27/4

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FM ANKARA
TO ROUTINE FCO
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OF 270430Z APRIL 89
INFO ROUTINE UKDEL NATO, NICOSIA, ATHENS, UKMIS NEW YORK

FOR SED

NATO SUMMIT: BILATERAL WITH OZAL

1. DURING A CALL WITH BEAUMONT ON SENSOY, DIPLOMATIC ADVISER TO THE PRIME MINISTER, ON 25 APRIL, WE ASKED WHETHER THE TURKISH PRIME MINISTER PROPOSED TO REPLY TO MRS THATCHER'S MESSAGE OF 13 MARCH ON CYPRUS.

2. SENSOY SAID THAT OZAL INTENDED TO DISCUSS CYPRUS WITH THE PRIME MINISTER IN THE MARGINS OF THE NATO SUMMIT. ONLY THE DAY BEFORE OZAL HAD INSTRUCTED HIM TO TRY AND ARRANGE A SHORT MEETING WITH MRS THATCHER. IN ANSWER TO OUR QUESTION, SENSOY SAID HE THOUGHT CYPRUS WAS ONLY ONE OF A NUMBER OF TOPICS WHICH OZAL WOULD WISH TO RAISE WITH THE PRIME MINISTER.

3. GRATEFUL TO KNOW WHETHER THE PRIME MINISTER'S PROGRAMME WOULD ALLOW A MEETING AND IF SO, WHEN. (SENSOY TOLD US THAT BILATERALS HAD ALREADY BEEN ARRANGED WITH PAPANDREOU AND DELORS).

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FM WASHINGTON
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SIC
MODUK FOR DUS(P)
MIPT
BONN TELNO 420: SNF/NATO SUMMIT
1. FOLLOWING IS TEXT OF GERMAN PAPER WHICH WAS HANDED TO STATE DEPARTMENT (KIMMITT) EARLIER THIS MORNING. AS GIVEN TO US ORALLY.

QUOTE BEGINS
2. THE GOVERNMENT OF THE FRG ENDORSES THE ALLIANCE OBSERVATION THAT THERE IS AT PRESENT NO FORESEEABLE ALTERNATIVE TO THE CONCEPT OF PREVENTING WAR THROUGH DETERRENCE BASED ON AN APPROPRIATE MIX OF ADEQUATE AND EFFECTIVE CONVENTIONAL AND NUCLEAR FORCES. IN THE CASE OF NUCLEAR FORCES. LAND. SEA AND AIR BASED SYSTEMS ARE UNDER THE EXISTING CIRCUMSTANCES NEEDED IN EUROPE TOO.
3. THE DEVELOPMENT OF A FOLLOW-ON TO THE LANCE SHORT RANGE MISSILE IS A NATIONAL AMERICAN DECISION.
4. WITHIN THE FRAMEWORK OF THE COMPREHENSIVE CONCEPT OF ARMS CONTROL AND DISARMAMENT THE ALLIANCE WILL ISSUE A MANDATE FOR THE EARLY COMMENCEMENT OF NEGOTIATIONS ON SHORT RANGE NUCLEAR MISSILES AIMED AT ESTABLISHING EQUAL CEILINGS AT LOWER LEVELS AS DEFINED BY THE ALLIANCE AT REYKJAVIK IN 1987 AND IN BRUSSELS IN 1988.
4. FOR NUCLEAR ARTILLERY WARHEADS TOO A NEGOTIATING MANDATE WILL BE INCLUDED IN THE COMPREHENSIVE CONCEPT WITH A VIEW TO ATTAINING EQUAL CEILINGS AT RADICALLY LOWER LEVELS.
5. IN 1992 THE ALLIANCE WILL DECIDE IN THE LIGHT OF POLITICAL AND SECURITY DEVELOPMENTS AND ESPECIALLY THE RESULTS OF ALL DISARMAMENT NEGOTIATIONS ON WHETHER OR NOT IT IS NECESSARY TO INTRODUCE A FOLLOW-ON TO LANCE INTO THE ALLIANCE IN 1996 AND HENCE ON THE PRODUCTION AND DEPLOYMENT OF SUCH A SYSTEM.
6. THE DECISIVE AND CRUCIAL FACTORS IN THIS RESPECT WILL BE WHETHER IT PROVES POSSIBLE
- TO ACHIEVE GREATER SECURITY AT LOWER LEVELS OF NUCLEAR AND CONVENTIONAL FORCES IN GENERAL
- TO CONCLUDE BINDING AGREEMENTS WITH THE WARSAW PACT ON THE ELIMINATION OF THE CAPABILITY FOR LAUNCHING SURPRISE ATTACKS AND INITIATING LARGE SCALE OFFENSIVE ACTION
- TO ATTAIN THROUGH SUITABLE AGREEMENTS A HIGHER DEGREE OF MUTUAL TRUST ON ACCOUNT OF INCREASED TRANSPARENCY AND PREDICTABILITY OF MILITARY

220750

COMMENT

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TO FLASH FCO
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OF 211830Z APRIL 89
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BONN TELNO 420: SNF/NATO SUMMIT
SUMMARY
1. AMERICANS RECEIVE GERMAN TEXT WITH CONCERN ABOUT ITS CONTENTS. THEY INVITE OUR COMMENTS AND UNDERTAKE TO CONVEY THEM TO BAKER FOR THE MEETING WITH THE GERMANS ON MONDAY.
DETAIL
2. KIMMITT'S OFFICE HAVE TOLD US THAT THE GERMANS SAW HIM EARLIER THIS MORNING AND DELIVERED THEIR PAPER (TEXT IN MIFT). IN DOING SO. THEY SAID THAT THE PAPER WAS DESIGNED FOR CONSULTATION WITHIN THE ALLIANCE. KIMMITT HAD EMPHASISED THE IMPORTANCE THE AMERICANS ATTACHED TO ENSURING THAT THIS WAS INDEED THE CASE. THERE APPEARS NOT TO HAVE BEEN ANY SUBSTANTIVE DISCUSSION.
3. THE ANNOUNCEMENT IN BONN THAT GENSCHER AND STOLTENBERG WOULD BE VISITING WASHINGTON ON 24 APRIL CAME SIMULTANEOUSLY OR IMMEDIATELY AFTER THE CALL ON KIMMITT. THE GERMAN MINISTERS ARE EXPECTED TO ARRIVE AT AROUND 1030 AND LEAVE LATER IN THE AFTERNOON. THE AMERICANS HAVE ASSURED US THAT BAKER WILL HAVE THE POINTS IN OUR TEXT QUOTE AT HIS DISPOSAL UNQUOTE DURING THE CONSULTATIONS ON MONDAY. STATE DEPARTMENT HAVE UNDERTAKEN TO FEED IN ANY FURTHER POINTS THAT WE MIGHT WISH TO HAVE MADE AND HAVE ASKED FOR THEM AS SOON AS POSSIBLE.
4. INITIAL REACTIONS TO THE GERMAN TEXT ARE THAT IT COULD HARDLY HAVE BEEN WORSE IN VIEW OF THE REFERENCES TO FOTL BEING A NATIONAL AMERICAN DECISION. THE CALL FOR A MANDATE FOR EARLY NEGOTIATIONS. THE SPECIFIC TREATMENT OF ARTILLERY. THE REFERENCE TO QUOTE 1996 UNQUOTE AND THE IMPLICIT DISMISSAL OF UNILATERAL NATO REDUCTIONS AS A MEANS OF EASING THE ISSUE.
5. THE AMERICANS ALSO UNDERSTAND THAT DETAILS OF THE GERMAN PAPER MAY ALREADY BE LEAKING. ACCORDING TO KIMMITT'S OFFICE THEIR OWN PRESS GUIDANCE WILL BE BRIEF AND GENERALISED. TO THE EFFECT THAT THE SNF ISSUE IS A MATTER FOR ALLIANCE CONSULTATION. WE HAVE HOWEVER GIVEN THEM OUR OWN CONTINGENCY PRESS LINE. EXPLAINING THAT IF LEAKS DO OCCUR WE BELIEVE IT WILL BE NECESSARY TO MAKE OUR POSITION CLEAR AT THIS STAGE WHEN THE CONSULTATIONS HAVE YET TO TAKE PLACE.

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PS TO PRIME MINISTER
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MODUK FOR PS/SOFS, DUS(P), AUS(POL), SEC(NATO/UK)(P), DACU

NAC, 5 APRIL: NATO SUMMIT DECLARATION

SUMMARY

1. FIRST NAC DISCUSSION OF DECLARATION SHOWS FUNDAMENTAL DIFFERENCE OF APPROACH BETWEEN MAJORITY (LED BY FRG) WHO FAVOUR HIGHLIGHTING GROWING PROSPECTS FOR EAST/WEST DIALOGUE AND NEW AREAS FOR COLLECTIVE ACTION BY THE WEST, AND THREE NATIONS (UK, WITH US AND FRENCH SUPPORT) WHO WISH TO FOCUS ON THE TASKS OF NATO ITSELF AND RESTATE THE NEED FOR STRONG COLLECTIVE DEFENCE EVEN IN THE GORBACHEV ERA. DRAFTING LIKELY TO BE DIFFICULT.

DETAIL
2. OPENING DISCUSSION, THE SECRETARY-GENERAL SAID THAT THERE WAS ALREADY GENERAL AGREEMENT THAT THE DECLARATION SHOULD BE BROADLY BASED AND CHART A ROAD TOWARDS THE YEAR 2000. HE HAD CIRCULATED BASIC ELEMENTS IN A RECENT PAPER (FAXED TO SEC POL D). THERE WERE CHALLENGES AND OPPORTUNITIES IN EAST/WEST RELATIONS. THERE WAS A NEED TO BUILD ON THE ALLIANCE RECORD OF SUCCESS. AT THE 1988 SUMMIT NATO HAD REAFFIRMED ITS PRINCIPLES: IT WAS NOW NECESSARY TO LOOK MORE TO THE FUTURE. IN ORDER TO PRESENT A SENSE OF WESTERN INITIATIVE, ALLIES SHOULD ALSO CONSIDER MAKING CONCRETE PROPOSALS. THE COMPREHENSIVE CONCEPT WOULD BE ONE IMPORTANT ELEMENT OF THIS SUMMIT BUT SHOULD NOT BE ONLY ONE.

3. HANSEN (FRG), IN A LENGHTY INTERVENTION, SAID THE DECLARATION SHOULD BE COUCHED IN EYE-CATCHING EASY LANGUAGE. ARMS CONTROL SHOULD BE TO THE FORE. IT SHOULD STRESS THAT THE ALLIANCE'S POLICIES HAD MADE A CRUCIAL CONTRIBUTION TO PEACE IN THE LAST 40 YEARS. PROPSECTS FOR BETTER EAST/WEST RELATIONS, RENDERING RAPPROCHMENT IRREVERSIBLE, SHOULD BE HIGHLIGHTED. THERE SHOULD BE A CLEAR REPLY TO SHEVARDNADZE'S STATEMENTS ABOUT THE RUSTING OF THE IRON CURTAIN: IT MUST BE ACTIVELY DONE AWAY WITH. THE DECLARATION SHOULD ALSO

EMPHASIZE THE EUROPEAN PILLAR, US/EUROPEAN STRATEGIC UNITY AND THAT WESTERN EUROPEAN INTEGRATION WAS A EUROPEAN REPLY TO THE FUTURE GLOBAL CHALLENGES. IT SHOULD STRESS THAT DETENTE WAS A LONG-TERM PROCESS, THAT CSCE WAS THE BASIS FOR THIS AND STRESS THE OPPORTUNITIES FOR FORTHCOMING CSCE MEETINGS. IT SHOULD WELCOME THE CHANGES IN THE EAST, WITH CONFRONTATION BEING REPLACED BY COOPERATION AND IMPROVEMENTS IN HUMAN RIGHTS, EVEN THOUGH DIFFERENCES REMAINED BETWEEN THE TWO SYSTEMS. IT SHOULD STRESS THAT THE REFORM PROCESS HAD TAKEN ROOT IN EASTERN EUROPE 'ALTHOUGH TO AN UNEQUAL EXTENT', AND SET OUT A SCHEME OF EAST/WEST COOPERATION FOR ACTIVE PROMOTION OF SECURITY, DIALOGUE, PLURALISM, DEMOCRACY, CULTURE, ENVIRONMENT AND HUMAN CONTACTS. THERE SHOULD ALSO BE ATTENTION TO GLOBAL CHALLENGES, THE DEVELOPMENT OF THE THIRD WORLD, THE ENVIRONMENT (WHERE EAST AND WEST MUST POOL RESOURCES), TERRORISM AND DRUGS. THE OVERALL AIM SHOULD BE TO STRESS THAT NATO WAS READY FOR QUOTE SYSTEM TRANSCENDING COOPERATION UNQUOTE.

4. BEIRRING (DENMARK) URGED STRESS ON OPPORTUNITY AND DYNAMISM. THE SUMMIT SHOULD ADDRESS A BROAD AGENDA. IT SHOULD REITERATE THE IMPORTANCE OF HARMEL, CSCE, ARMS CONTROL AND EMERGING EUROPEAN UNITY AS A CONTRIBUTION TO THE OVERALL STRENGTH OF THE ALLIANCE. NATO HAD ORIGINALLY BEEN DEFENSIVE IN ORIGINS BUT ITS MAIN FUNCTION WOULD IN THE FUTURE BE MANAGING EAST/WEST RELATIONS. HE ADDED THAT HIS MINISTER FAVOURED A NEW HARMEL REPORT.

5. FULCI (ITALY) URGED A NEED TO GO BEYOND REITERATION OF ALLIANCE PRINCIPLES. THE ALLIANCE HAD MADE A MAJOR CONTRIBUTION TO 40 YEARS OF PEACE, BUT IN PRESENT CIRCUMSTANCES WE SHOULD HIGHLIGHT OUR DETERMINATION TO EXPLOIT ALL OPPORTUNITIES IN A FAR-SIGHTED AND OPEN-MINDED SPIRIT. AT PRESENT THERE WAS A FLURRY OF EAST-WEST BILATERAL DIPLOMATIC ACTIVITIES: THE ALLIANCE AS A WHOLE SHOULD NOT APPEAR TO BE DRAGGING ITS FEET. HE STRESSED THE IMPORTANCE OF THE THIRD DIMENSION AND RESERVED THE RIGHT TO OFFER MORE CONTRIBUTIONS IN THE LIGHT OF FURTHER DEVELOPMENTS.

6. KRISTVIK (NORWAY) SAID THE DECLARATION MUST RECOGNISE THAT WE WERE AT A HISTORIC CROSS-ROADS. IT SHOULD STATE CLEARLY OUR DETERMINATION TO CONTINUE CONSTRUCTIVE ENGAGEMENT AND COOPERATION TO REDUCE TENSION. IT SHOULD WELCOME REFORMS IN THE EAST AND SHOULD NOT DWELL ON THE PROBLEMS AND POSSIBILITIES OF FAILURE, RATHER STATING OUR WISH TO SEE THE REFORMS SUCCEED. HE AGREED THAT NATO SHOULD BE PRESENTED NOW AS A TOOL FOR MANAGING CHANGE, WITH DUE REGARD FOR THE INTERESTS OF, AND FOR CONSULTATION WITH, THE SMALLER MEMBERS. THE ENVIRONMENT SHOULD FEATURE PROMINENTLY IN EAST-WEST RELATIONS.

7. THUYSBAERT (BELGIUM) ENDORSED A POSITIVE TONE BUT CAUTIONED AGAINST TRYING TO SAY EVERYTHING. THE ALLIANCE SHOULD STRESS ITS WISH FOR DURABLE CHANGES BUT NOTE THAT THERE WERE UNCERTAINTIES AND EMPHASIZE THE NEED TO MAINTAIN OUR GUARD. IT SHOULD NOT CONCENTRATE EXCLUSIVELY ON THE EAST: IT WAS IMPORTANT TO TAKE ACCOUNT OF THE NEW U S ADMINISTRATION BURDENSHARING AND THE EUROPEAN DIMENSION.

8. DE HOOP SCHEFFER (NETHERLANDS) ALSO URGED A WELCOME FOR DEVELOPMENTS IN THE EAST. OTHER THEMES SHOULD BE TRANSATLANTIC SOLIDARITY AND THE EUROPEAN DIMENSION IN STRENGTHENING THE ALLIANCE. (HE ADDED THAT THERE WOULD BE NO FORTRESS EUROPE). ON THE SECRETARY GENERAL'S REQUEST FOR INITIATIVES, HE REMINDED COLLEAGUES THAT THE NETHERLANDS FOREIGN MINISTER HAD REFERRED AT THE LAST NAC TO DEVELOPMENTS IN EASTERN EUROPE TOWARDS GREATER DEMOCRATIC CONTROL OVER DEFENCE POLICIES. THE DUTCH WERE GIVING THOUGHT TO ORGANISING A SEMINAR OF PARLIAMENTARIANS FROM CSCE COUNTRIES ON THIS.

9. KEEL (U S) SAID THE DECLARATION SHOULD GO BEYOND RHETORIC INTO SUBSTANCE. IT HAD TO DEAL WITH WEST/WEST AS WELL AS EAST/WEST ISSUES. THE OPENING SECTION COULD REITERATE NATO'S SUCCESS, REAFFIRMING BASIC PRINCIPLES AND GOALS, STRESS THE NEED FOR DYNAMISM IN CHANGING TIMES AND LAY OUT THE ALLIANCES'S AGENDA FOR THE FUTURE. A SUBSEQUENT SECTION ON WEST/WEST COULD ANALYSE THE MANAGEMENT OF TRANSATLANTIC RELATIONS, STRESSING WILLINGNESS TO ENHANCE PARTNERSHIP, ADDRESS THE ISSUES OF 1992 AND THE NEED TO MAINTAIN COMMON DEFENCES THROUGH BURDENSHARING (ON WHICH THERE MIGHT BE A SPECIFIC REFERENCE TO RECENT ALLIANCE INITIATIVES). IN THE EAST/WEST SECTION THE DECLARATION SHOULD STRESS THE ALLIES' VISION OF OVERCOMING THE DIVISION OF EUROPE, PUTTING THE NATO ALTERNATIVE TO GORBACHEV'S COMMON EUROPEAN HOUSE. THE THEME COULD BE QUOTE FREEDOM WORKS UNQUOTE. THERE HAD BEEN PROGRESS IN THE EAST BUT THERE WAS A NEED TO POINT OUT THAT THE THREAT WAS BY ON MEANS OVER. THE ALLIES SHOULD CHALLENGE THE USSR TO INSTITUTIONALISE THESE CHANGES. FURTHER CHALLENGES COULD BE MADE TO THE EAST TO GIVE GENUINE POLITICAL AND ECONOMIC FREEDOM, TO TEAR DOWN THE BERLIN WALL, ALLOW FREE MOVEMENT OF PEOPLE AND GOODS, AND PROMOTE REAL MILITARY OPENNESS AND TRANSPARENCY: QUOTE PEACE THROUGH OPENNESS UNQUOTE.

10. OJEDA (SPAIN) WANTED A VERY SHORT DECLARATION AND WARNED AGAINST DUPLICATING THE COMPREHENSIVE CONCEPT. THE SUBSTANCE SHOULD CONCENTRATE ON DEVELOPMENTS IN THE EAST AND THE ALLIANCE RESPONSE. THERE NEED BE LITTLE ON GLOBAL CHALLENGES. THE COMPREHENSIVE CONCEPT WOULD DWELL ON DEFENCE AND SECURITY BUT THE DECLARATION SHOULD NOT

BE DEFENSIVE. IT SHOULD NOT BE THE QUOTE AGENDA UNTIL THE NEXT WAR UNQUOTE. ALLIES SHOULD STATE THEIR CONFIDENCE IN THE ALLIANCE AND NOT (NOT) POINT OUT THE REASONS FOR PRUDENCE, CAUTION AND UNCERTAINTIES. BURDENSHARING HAD NO PLACE IN THE DECLARATION: IT WAS AN INTERNAL FUNCTION OF THE ALLIANCE.

11. I SOUGHT TO INTRODUCE AND ELEMENT OF REALISM. THERE WAS A NEED TO DISTINGUISH BETWEEN THE ROLE OF NATO ITSELF AND THE ASPIRATIONS OF THE WEST AS A WHOLE. THE WEST DID NOT HAVE A PROBLEM OF IDENTITY AND SELF-JUSTIFICATION: NATO DID. THE MORE WE PRETENDED EAST/WEST PROBLEMS WERE SOLVED AND THE MORE OPTIMISTIC WE PROFESSED OURSELVES TO BE, THE MORE WE WOULD EXACERBATE THE PROBLEM OF EXPLAINING THE ROLE OF NATO. WE WOULD NOT SOLVE THIS PROBLEM BY HIDING NATO'S REAL FUNCTION BEHIND ROSY LANGAUGE, NOR BY SUPPOSING THAT THE ALLIANCE COULD TAKE ON ALL KINDS OF EXTRA FUNCTIONS. NATO WAS CONCERNED IN THE LAST ANALYSIS WITH DEFENCE AND SECURITY. OUR PROBLEM WAS TO REMIND THE WORLD THAT THIS UNEXCITING ROLE HAD A REAL REASON AND WAS STILL VALID TODAY. THE THREAT FROM THE EAST MIGHT BE DIMINISHING BUT ARGUABLY THE DANGERS WERE INCREASING. THE LONG-TERM PROSPECTS WERE GOOD, BUT THE OVERRIDING FACT WAS THAT AN OVERARMED NUCLEAR SUPERPOWER HAD EMBARKED DOWN A ROAD LEADING IN THE SHORTER TERM AT LEAST TO LESS, NOT MORE, STABILITY AND PREDICTABILITY. THE UK AUTHORITIES WOULD WANT TO SEE EARLY AND PLAIN LANGUAGE IN THE DECLARATION STATING WHY STRONG COLLECTIVE DEFENCE WAS NECESSARY IN THE GORBACHEV ERA AND WHY IT WAS LIKELY TO REMAIN NECESSARY FOR THE FORESEEABLE FUTURE. THIS WAS THE PRECONDITION FOR THE FORWARD-LOOKING LANGUAGE THAT SHOULD FOLLOW.

12. ON OTHER MATTERS I URGED THE NEED FOR SOME WELL WRITTEN LANGUAGE TO CATCH HEADLINES. WE SHOULD ALSO GIVE THOUGHT TO SPECIFIC CHALLENGES AND INITIATIVES TO THE EAST WHETHER ON ARMS CONTROL, HUMAN RIGHTS, OR THE BERLIN WALL. WE MIGHT CONSIDER DEFINING THE ENDING OF THE COLD WAR AND ASKING THE EAST TO RESPOND. I AGREED WITH KEEL ON THE VALUE OF AN INITIATIVE ON TRANSPARENCY. ON THE COMPREHENSIVE CONCEPT I SAID I ENVISAGED THAT THIS WOULD BE PUBLISHED AT THE END OF DAY 1 OF THE SUMMIT, WITH THE DECLARATION PUBLISHED ON DAY 2. IT WOULD BE IMPORTANT TO BEAR IN MIND THE INTERRELATIONSHIP BETWEEN THE TWO DOCUMENTS.

13. UNSAL (TURKEY) URGED CAUTIOUS OPTIMISM, WHILE STRESSING THAT WE COULD NOT BE CERTAIN THAT THE PROCESS OF CHANGE WOULD CONTINUE. HE AGREED WITH ME ON THE RISKS. THE DOCUMENT SHOULD UNDERLINE THE ESSENTIAL POLITICAL NATURE OF THE ALLIANCE, THE THIRD DIMENSION AND THE INDIVISIBILITY OF OUR SECURITY.

14. MALONE (CANADA) ARGUED FOR A SIGNIFICANTLY DIFFERENT APPORACH FROM LAST YEAR'S SUMMIT DECLARATION. THE CHALLENGE TO NATO NOW WAS LESS OF ENSURING THE CONTINUED EXISTENCE OF DEMOCRACY THAN OF ENCOURAGING EASTERN DEVELOPMENTS AND SHAPING A PEACEFUL AND PROSPEROUS FUTURE. WE SHOULD AVOID CASTING DOUBT ON THE POSSIBILITY OF GORBACHEV'S DEFEAT AND OVERSTRESSING THAT GORBACHEV'S INITIATIVES WERE OUR OWN. THIS DID NOT MEAN THAT WE SHOULD IGNORE THE DIVISION OF EUROPE AND THE SIZE OF SOVIET MILITARY FORCES. WE SHOULD ACKNOWLEDGE THAT COMPLETE CHANGES WOULD NOT TAKE PLACE OVERNIGHT. WE SHOULD STRESS ARMS CONTROL.

15. ROBIN (FRANCE) SAID THAT WHILST THE ALLIANCE WAS IN A CHANGING ENVIRONMENT THERE WAS NO NEED TO BEND OVER BACKWARDS TO JUSTIFY THE ALLIANCE'S ROLE TODAY. THERE WAS A DANGER ALSO OF SEEKING TO GIVE TASKS TO THE ALLIANCE FOR WHICH IT WAS NOT DESIGNED. THERE WAS NO NEED TO LOOK FOR NEW ROLES. IT WAS PERFORMING ITS MAIN TASKS WELL. THERE WAS NO NEED TO MODIFY OUR FUNDAMENTAL POLICIES. THIS SHOULD BE SAID CLEARLY. WE WOULD CONTINUE WITH OUR DEFENCE BECAUSE THE CHANGES IN THE EAST, WHILE WELCOME, DID NOT AFFECT THE STRATEGIC POSITION. ON DEVELOPMENTS IN THE WEST HE SAW LITTLE REASON TO REFER TO 1992: OTHER DEVELOPMENTS IN THE EC HAD NOT CAUSED PROBLEMS. ON BURDENSHARING AND CHALLENGING GORBACHEV HE WAS CAUTIOUS. ON THE LATTER HE WARNED THAT ALLIANCE WOULD HAVE TO CONSIDER WHETHER GORBACHEV MIGHT NOT MEET THE CHALLENGES WE LAID DOWN FOR HIM. IF HE DID WOULD THAT NOT IMPLY THAT THE ALLIANCE WAS NO LONGER NECESSARY?

16. VAZ PEREIRA (PORTUGAL) ARGUED THAT HARMEL WAS STILL THE BASIS FOR THE ALLIANCE. BUT THERE WAS A NEED TO LOOK AT THE GREAT CHANGES IN THE NEW WORLD WE WOULD BE FACING IN THE FUTURE. ARMS CONTROL WAS IMPORTANT, BUT THERE WAS A NEED TO STRESS THAT EAST/WEST DIFFERENCES WENT BEYOND THIS. BENEDIKTSSON (ICELAND) POINTED OUT THE IMPORTANCE OF THE EEC RELATIONSHIP WITH NON-EC EUROPEANS.

17. SUMMING UP DISCUSSION, THE SECRETARY GENERAL SAID THERE WAS MUCH IN COMMON BUT ALSO SOME FUNDAMENTAL DISAGREEMENTS. HE WOULD HOLD BACK HIS PERSONAL VIEWS ON WHAT HE HAD HEARD. THE IS WOULD BE ASKED TO PRODUCE A DRAFT SUMMIT DECLARATION ON THE BASIS OF THE DISCUSSION FOR CIRCULATION AS SOON AS POSSIBLE.

COMMENT

18. THE CALL FOR DOVEISH LANGUAGE WAS IF ANYTHING MORE PRONOUNCED THAN MIGHT HAVE BEEN PREDICTED. FEW SPEAKERS EVEN MENTIONED THE WORD DEFENCE IN THEIR INTERVENTIONS. IT IS NOT GOING TO BE EASY TO

ACHIEVE AN APPROPRIATE REITERATION OF THE NEED FOR STRONG COLLECTIVE DEFENCE. TODAY'S DISCUSSION HAD REINFORCED THE TACTICAL NECESSITY (WHICH WE SHALL PURSUE) OF OUR STARTING WITH A HIGH BID.

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MR GOULDEN
MR RATFORD

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10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

21 March 1989

NATO SUMMIT DECLARATION

Thank you for your letter of 20 March covering a first draft of a NATO Summit Declaration. I have not shown it to the Prime Minister at this stage: as you say, it is likely to be much amended. But I think she would want it to start, in this 40th Anniversary year, with a more resounding statement of our determination to maintain strong defences as the best basis for improved political relations. No doubt there will be attempts to water down such a commitment. At the least we ought to start with a high bid.

(CHARLES POWELL)

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

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cc PC.

Foreign and Commonwealth Office

London SW1A 2AH

20 March 1989

Dear Charles.

NATO Summit Declaration

The 1988 NATO Summit declaration, as well as its companion piece statement on conventional arms control, were based on British drafts. The NATO Council will soon start to discuss the declaration for this year's Summit: and Sir Michael Alexander has expressed the hope that we can again table an early draft which will form the basis of the eventual text.

We have, therefore, authorised him to circulate a draft, and to make some explanatory comments, as set out // in the enclosed two telegrams to UKDel NATO. The text does not include any language on SNF updating or the Comprehensive Concept, since it would be premature at this stage to offer language on either subject. And no doubt the wording of the rest of the declaration will be subject to considerable amendment before it reaches the point where it could appropriately be submitted to Heads of State/Government. But you may wish to be aware of the general shape and tenor of the text which we have in mind.

Yours.

Stephen Wall

(J S Wall)
Private Secretary

C D Powell Esq
10 Downing Street

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OUT TELEGRAM

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NATO SUMMIT DECLARATION

1. The 1988 NATO summit statements were based on British drafts. We claim no authors' rights in this area. But if you think it would be helpful we would be prepared to offer a first draft for this year's summit declaration as well. MIFT contains a text. You and Washington have discretion to show it to selected contacts in order to sound out the market.

2. The following commentary may be helpful:

- The draft commences by highlighting the unprecedented state of wellbeing of all countries of the Alliance, thanks in no small measure to the fact that NATO has kept the peace for 40 years.
- Paragraph 2 sets forward-looking aims for the Nineties in the security, political and economic fields, and paragraphs 3 and 4 make clear that we intend to seize all opportunities to promote them.
- Paragraphs 5 and 6 underline the enduring validity of the

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Catchword is given

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Alliance's security policies and strategy. The commitment is given that there will be no Fortress Europe in 1992.

- Paragraphs 7 and 8 not only highlight the fact that the East/West arms control agenda is a Western one, but also include the important concept that while the Alliance will enter into arms control negotiations where common objectives can be identified, arms control is not limited to negotiations and some measures can best be implemented unilaterally.
- Paragraphs 9-11 cover the three main arms control negotiations.
- Paragraph 12 deals with nuclear, CW and ballistic missile proliferation and injects the idea that for the first time the Alliance may be faced with a potential threat from more than just the Warsaw Pact.
- Paragraph 13 deals with regional conflicts in fairly standard terms.
- The peroration in paragraph 14 returns to some of the themes in paragraphs 1 and 2.
- Gaps have been left for appropriate references to SNF updating and the Comprehensive Concept. There seems little point in trying to offer language on these issues at this stage.

3. What our draft lacks is anything that could be called a newsworthy initiative. We have no suggestions to offer at this stage. But the Summit would be by far the best occasion to deploy an initiative designed to regain the high ground in the east-west PR campaign. You and Washington may therefore wish to sound out whether your contacts have any such suggestions.

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MIPT: NATO SUMMIT DECLARATION

1. Following is text:

BEGINS

1. Our Alliance is this year celebrating its 40th Anniversary. No multilateral Alliance in modern times has survived and kept the peace for so long. None of our states has ever enjoyed a higher level of material well being than they do today. The prospects for the development throughout the European continent of our values - security, freedom and prosperity - are better than ever before.

2. The formula for our success has been twofold: political solidarity and adequate military strength: and, on that basis, the search for constructive dialogue and cooperation, including arms control. We will carry that programme into the Nineties.

/// Our aims are:

// - in security, to make military aggression in Europe or North

/ America an option which no Government could rationally contemplate or ~~hope~~ successfully ~~to~~ undertake

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- politically, to guarantee the human rights of every individual and the principles of political and economic freedom of choice in every state, without which there can be no genuine and stable peace.

3. We welcome the changes in the Soviet Union and Eastern Europe and the enormous improvement in relations between East and West. We have worked for such an improvement for many years. We want to cooperate in all fields and to break down those barriers which continue to divide us, and to increase mutual security. The process of overcoming the artificial division of Europe must be accelerated. People, ideas and goods should be able to move freely in all directions as the Helsinki process calls for. This, together with ~~and~~ genuine freedom of political choice, and the abandonment of any attempt by the East to subvert Western democracy in the interest of world revolution, would mark the end of the Cold War.

4. The Vienna CSCE agreement has set new human rights standards for Europe as a whole and has established a new mechanism to ensure that countries honour their commitments. It must not become just another piece of international paper. Recent developments in some countries show how far there still is to go. We remain determined to secure full human rights and fundamental freedoms for all the peoples of Europe.

5. As we stated last year, our strategy for deterring war will continue to be based for the foreseeable future on an appropriate mix of adequate and effective nuclear and conventional forces, only the nuclear component of which can confront a potential aggressor with an unacceptable risk. We will ensure the viability and crediblity of all these forces. We have today confirmed our determination to continue our programme for improving our conventional forces. We have decided [SNF].

6. We will maintain the strength of the link across the Atlantic between the Alliance's European and North American partners. Each of us will assume a fair share of the ~~burden of~~ risks, roles

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and responsibilities for our common defence. We will not allow the erection of new barriers between us - whether commerical, technological or political. There will be no Fortress Europe in 1992. A STRONG, FREE AND DYNAMIC Europe remains vital to North America's security and the presence of substantial North American conventional and nuclear forces in Europe remains vital to the defence of Western Europe.

7. Arms control has always been an integral part of our security policy. It can take many forms. Some measures can best be implemented autonomously by individual governments or groups of governments. Others require international agreements of either a political or legal nature. Recent years have seen successes in a number of fields. The Stockholm and INF Agreements have been concluded; and negotiations are underway in the strategic nuclear, conventional and chemical fields with terms of reference which reflect Western goals. Unilateral measures have also been taken. Since 1979 NATO has reduced its holdings of nuclear warheads in Europe by 35 per cent. The Soviet Union and its allies have recently announced cuts in some elements of their ground and air forces which will redress to a welcome, albeit limited, extent the imbalances in these fields.

8. We will seek to exploit to the maximum opportunities for further progress in arms control. Where we can identify common objectives and realistic prospects for concrete and verifiable agreements on terms which would enhance our security we shall enter into negotiations to that end. Where we cannot we shall nonetheless, when taking our defence planning decisions, bear in mind the security concerns of others. Our defence planning and our arms control policies must and will be coordinated. But in the final analysis we must base our defence planning on the realities of today, not on our hopes for tomorrow.

[Comprehensive Concept]

9. We express full support for the United States' OBJECTIVE OF A ~~in the~~ START TREATY LEADING TO 50% REDUCTIONS in strategic forces. (THE SUPERPOWERS') ~~negotiations~~. Substantial progress has already been achieved.

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We look forward to a timely, successful conclusion which will substantially enhance strategic stability.

10. The new negotiations in Vienna on conventional armed forces and on confidence building provide us with an opportunity to overcome problems which lie at the heart of European security, in particular the massive conventional superiority of the Warsaw Pact and the secrecy which continues to surround its military activities. The aim of the negotiations on conventional armed forces must be to eliminate the possibility of surprise attack and large scale offensive action. Our proposals on confidence building will, if accepted, lead to a regular exchange of detailed information on all forces in Europe and the creation of permanent machinery to verify that information. We welcome Warsaw Pact recognition of the need for improved transparency.

11. Chemical weapons are a world-wide problem. The only satisfactory solution is to negotiate a comprehensive, effectively verifiable ban. It is one of our priorities to resolve the remaining obstacles to a global convention. We welcome the Soviet intention to follow the example of the United States by starting the destruction this year of its stocks. In the light of the significant announcement by the United States that it is accelerating the withdrawal of its existing munitions from Europe, we look to the Soviet Union to reduce rapidly its chemical threat to Europe.

12. Any development worldwide which may affect our security interests is a legitimate matter for consultation and, where appropriate, co-ordination among us. We cooperate closely to prevent the proliferation of nuclear and chemical weapons and ballistic missiles. For the first time since our Alliance was founded, we may be faced with a potential threat from more than the Warsaw Pact. We call on all nations to work together to limit the proliferation of these weapons systems.

13. The last year has seen remarkable progress towards settling

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many of the most dangerous and long-standing regional conflicts. East/West relations - long a blight on these problems - now offer the chance to help in their resolution. The withdrawal of Soviet forces from Afghanistan has been particularly welcome. We are also encouraged by developments in Southern Africa and over Cambodia. There remains a long way to go in these and other areas, not least the Middle East. We intend to pursue dialogue with all countries concerned, and to work in a re-invigorated United Nations, in the search for peaceful, negotiated solutions.

14. The beacons of personal and political freedom and economic success which flame in all the countries of our Alliance are lighting the way to a more peaceful world. They ~~are a pole of~~ attracti~~on~~ ~~to~~ an increasing number of countries, including those of the East. We intend to keep the flame burning and lead the peoples of our planet to a better tomorrow.

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10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

23 February 1989

NATO SUMMIT: DATES

Thank you for your letter of 22 February about the proposed dates of 29/30 May for the NATO Summit in Brussels. The dates are convenient for the Prime Minister and we have entered them in her diary.

CHARLES POWELL

R H T Gozney Esq
Foreign and Commonwealth Office

Charles
Dates are
in the diary
AP 23/2

CDP.

Foreign and Commonwealth Office

London SW1A 2AH

Amanda
Can we now
confirm
days?
CDP

22 February 1989

Dear Charles,

NATO Summit: Dates

The Prime Minister told Mr Baker, when he recently visited the UK, that we would favour a NATO Summit in May. Mr Baker's visits to other Allied capitals established general agreement with this proposition.

Dr Woerner has now proposed that the Summit be held on 29/30 May, in Brussels. It would supersede the North Atlantic Council meeting of Foreign Ministers scheduled for 8/9 June (in London). Eight Permanent Representatives (including the FRG) were able to say immediately, subject to confirmation by capitals, that these days would suit. Mr Baker is apparently happy with the dates, although President Bush's confirmation has still to be obtained. Only the Dutch saw difficulties with the dates.

The Foreign Secretary had intended to be in the Middle East during this period, but believes that if necessary he should postpone his visit, possibly to the period when the North Atlantic Council was to have taken place. I should be grateful to know whether the proposed dates would be convenient for the Prime Minister.

Yours ever,

Richard Gozney

(R H T Gozney)
Private Secretary

C D Powell Esq
10 Downing Street

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DATES OF NATO SUMMIT

1. THE SECRETARY GENERAL PROPOSED AT THE PERMREPS LUNCH TODAY THAT A NATO SUMMIT SHOULD BE HELD IN BRUSSELS ON 29/30 MAY NEXT. HE PROPOSED AT THE SAME TIME THAT THE NAC MEETING SCHEDULED FOR 8/9 JUNE IN LONDON SHOULD BE CANCELLED AND THAT THE MEETING OF THE DPC PRESENTLY SCHEDULED TO TAKE PLACE ON 25/26 MAY SHOULD BE HELD IN BRUSSELS ON THE DATES PREVIOUSLY RESERVED FOR THE LONDON MEETING. WORNER ASKED PERMREPS TO CHECK WITH CAPITALS AS TO THE ACCEPTABILITY OF THESE PROPOSALS. HE WOULD LIKE TO FINALISE HIS SUGGESTED PROGRAMME NEXT WEEK.

2. IN A PRELIMINARY TOUR DE TABLE THE REPRESENTATIVES OF THE FRG, DENMARK, CANADA, FRANCE, ITALY, NORWAY, GREECE, PORTUGAL AND ICELAND ALL SAID, SUBJECT TO CONFIRMATION BY THEIR AUTHORITIES, THAT THE DATES LOOKED MANAGEABLE. ROBIN (FRANCE) SAID THAT THE DATES SUGGESTED APPEARED TO BE AMONG THE VERY FEW THAT WOULD BE POSSIBLE FOR PRESIDENT MITTERRAND. THE U S REPRESENTATIVE DID NOT SPEAK BUT I KNOW THAT WORNER HAS BEEN IN TOUCH WITH THE U S DELEGATION.

3. I RESERVED YOUR POSITION AND THAT OF THE PRIME MINISTER. ONLY DE HOOP SCHEFFER (NETHERLANDS) SAID THAT THE DATES LOOKED REALLY AWKWARD. ON CURRENT PLANS VAN DEN BROEK WILL BE ACCOMPANYING THE QUEEN OF THE NETHERLANDS ON A STATE VISIT TO CHINA AT THE TIME. DE HOOP SCHEFFER, SOMEWHAT HALF-HEARTEDLY, SUGGESTED 1/2 JUNE OR THE WEEK OF 16 MAY AS ALTERNATIVES. ONE OR TWO OF MY COLLEAGUES SAID THESE DATES WOULD NOT BE POSSIBLE: NO-ONE SEEMED DISPOSED TO TREAT SERIOUSLY ANY DATES OTHER THAN THOSE PROPOSED BY THE SECRETARY GENERAL.

4. THERE WAS NO DISSENT WHEN THE SECRETARY GENERAL SAID THAT ALTHOUGH THE DATES OF THE SUMMIT COULD ONLY BE FINALISED NEXT WEEK HE PROPOSED TO PROCEED AT ONCE ON THE BASIS THAT THE NAC MEETING WOULD BE CANCELLED AND A DPC MEETING IN BRUSSELS SUBSTITUTED.

5. GRATEFUL FOR INSTRUCTIONS.

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ALEXANDER

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10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

13 December 1988

NATO SUMMIT

The Prime Minister and the Foreign Secretary had some discussion this evening of the timing of a possible NATO Summit. They speculated whether the new United States Administration would have thought through its policy sufficiently to attend a Summit as early as April or May, as Chancellor Kohl seemed to wish. Equally, there would be little chance of the President wanting to visit Europe twice in the summer which meant that a NATO Summit then would have to be very close in time to the Economic Summit in Paris, i.e. in mid-July. The Prime Minister added that she thought President Bush would probably not want to make London his first stop in Europe. Indeed, he might initially want to free himself from us a bit, at least until there was trouble, when he would find that the British were the only ones he could really rely on.

CHARLES POWELL

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

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You should be aware of this: unhelpful CDS 7/12.

NATO SUMMIT

1. TODAY'S WASHINGTON POST CARRIES AN ARTICLE BY JIM HOAGLAND ARGUING DISOBLIGINGLY AGAINST A JUNE SUMMIT IN LONDON AND IN FAVOUR OF AN EARLIER MEETING WITH WASHINGTON AS THE VENUE.

2. HOAGLAND SAYS THAT PRESIDENT-ELECT BUSH WAS CAREFUL TO AVOID GIVING A COMMITMENT TO THE PRIME MINISTER WHEN SHE RAISED IT WITH HIM HERE LAST MONTH QUOTE SAYING ONLY THAT IT WAS AN IDEA TO BE CONSIDERED. UNQUOTE. HE INTERPRETS BUSH'S MOTIVES AS NOT WANTING TO OFFEND OTHER ALLIES BY RE-ESTABLISHING SO QUICKLY THE QUOTE EXTRA SPECIAL RELATIONSHIP UNQUOTE AND WISHING TO AVOID ENTERING THE NATO SPOTLIGHT WITH THE PRIME MINISTER AS THE QUOTE HOOP-HOLDING RINGMASTER UNATUOTE.

3. HOAGLAND'S PIECE SEEMS TOO WELL INFORMED TO BE MERE SPECULATION AND IS LIKELY TO HAVE BEEN INSPIRED FROM WITHIN THE ADMINISTRATION. THE FINGER OF SUSPICION POINTS AT THE EUROPEAN BUREAU OF STATE DEPARTMENT,

4. WE DO NOT SUGGEST THAT THIS IS INDICATIVE OF A FIRM POSITION, WHETHER ON THE PART OF THE ADMINISTRATION AS A WHOLE OR OF BUSH HIMSELF ABOUT EITHER THE TIMING OR THE VENUE OF A SUMMIT. THERE IS NOT, FOR EXAMPLE, ANY OFFICIAL DECISION AGAINST LONDON. NOR PRESUMABLY WOULD WE WISH TO REMAIN INFLEXIBLE ON ALL ASPECTS OF THE ISSUE, GIVEN FOR EXAMPLE THE GERMAN CONSTRAINTS ON TIMING RAISED IN BONN TELNO. 1235. AND THE FINAL DECISIONS WILL BE A MATTER FOR CONSENSUS IN THE ALLIANCE AS A WHOLE, NOT JUST A POSITION TAKEN BY WASHINGTON ALONE. BUT THE ARTICLE DOES SERVE AS A REMINDER WHEN ADVANCING OUR POSITION THAT NOT ALL VIEWS HERE ARE FAVOURABLE.

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