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PART 16

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Arms Control and the Effect on Nuclear Arms

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Comprehensive Test Ban

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Part 1: May 1979
Part 16: July 1988

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PART 16 ends:-

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PART 17 begins:-

CDP to PM 3.3.90

SECRET AND PERSONAL

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Foreign and Commonwealth Office

London SW1A 2AH

27 February 1990

CDP
28/2.

Dear Charles

Force Reductions in Germany

Thank you for your letter of 31 January. I have also seen a copy of your letter of 5 February to Simon Webb. You may find it useful to have the attached background note which describes our commitments under the Modified Brussels Treaty, and gives an account of previous reductions we have made to our force levels.

The note suggests that if we wished to withdraw some of our forces from Germany under the terms of a CFE Treaty, securing the necessary re-interpretation of our WEU Treaty commitment would be in effect a formality. A unilateral withdrawal outside the CFE framework would be a different matter. In the latter case there would be two options: either to seek the concurrence of our WED partners to a re-interpretation; or to propose a revision of the Treaty itself. Such a revision could entail, inter alia, the abolition, or scaling down, of the British undertaking to maintain a certain level of forces on the mainland of Europe; or the incorporation of this undertaking into a wider set of European commitments about minimum force levels.

I am copying this letter to Simon Webb (MOD).

Yours ever

(R H T Gozney)
Private Secretary

C D Powell Esq
10 Downing Street

SECRET AND PERSONAL

B

THE MODIFIED BRUSSELS TREATY OF 1954:
IMPLICATIONS FOR BRITISH FORCE LEVELS

1. The Brussels Treaty of 1948 (on Economic, Social and Cultural Consultation and Collective Self-Defence) was modified in 1954 to accommodate the accession of Italy and the FRG. This followed the collapse of plans for a European Defence Community (EDC). The EDC had been envisaged as a security organisation involving all Western European countries, with France and the FRG as its principal members, and was intended to provide a framework outside NATO for the West German and Italian contribution to the defence of Europe. The UK declined to be involved in it; and eventually the idea was rejected in 1954 by the French Assembly, principally on the grounds that only a larger international grouping could provide adequate safeguards against German military resurgence. On enlargement, the Brussels Treaty Organisation was renamed Western European Union.

2. The revised treaty established maximum force levels for all the parties on the mainland of Europe; and specific restrictions on the size and nature of the armed forces of Germany. But uniquely in the case of the UK it also involved a minimum obligation under the items / of Article VI of Protocol II (full text enclosed), whereby the British Government undertook to "continue to maintain on the mainland of Europe, including Germany, the effective strength of the United Kingdom forces which are now assigned to the Supreme Allied Commander, Europe, that is to say four divisions, and the Second Tactical Air Force, or other such forces as the Supreme Allied Commander, Europe, regards as having equivalent fighting capacity".

3. The same Article specifies two circumstancs, one general and one particular, under which this undertaking would not apply. These are:-

a. if the majority of the contracting parties, taking into account the views of SACEUR, do not object;

b. if the UK faces an acute overseas emergency.

4. In addition, in the event of strain on the UK's external

finances, the UK may ask the North Atlantic Council to review the financial conditions under which her continental forces are maintained. This last provision, while not amounting to a ground for reduction in our troop commitment on a strict reading of Article VI, was in practice used when we lowered our force levels in Germany in 1958.

5. At the time of signing of the Modified Brussels Treaty our continental force levels were 77,000 troops in BAOR and the Second Tactical Air Force. In February 1957 the UK sought on economic grounds to reduce the level from 77,000 to 55,000 and to reduce the Second Tactical Air Force from 466 to 216 aircraft. The procedure adopted in line with Article VI of Protcol II was to inform our WEU partners in advance, to inform SACEUR so that he could express his views, and to seek the WEU Council's acquiescence. SACEUR recommended changes and it was agreed that we could reduce the level of troops to 63,500. In December 1957 we proposed a further reduction for balance of payment reasons and the Council acquiesced in January 1958 in our withdrawing another 8,500 to a new total of 55,000.

6. In August 1966 the UK made a statement to the WEU Council on foreign exchange costs and warned that further reductions might be necessary. After SACEUR had given his views the WEU Council acquiesced in December 1967 to our proposal of May that year that we should re-deploy one brigade group and one helicopter squadron. The brigade was withdrawn but subsequently returned to Germany following a review of policy by the newly elected Government in 1970. Since then our commitment under the Treaty has been interpreted as being to maintain in Germany 55,000 soldiers plus RAF(Germany). (SACEUR and the WEU Council have also accepted the present arrangement by which, under certain conditions, units temporarily withdrawn from BAOR to serve in Northern Ireland are regarded as still being on strength of UK forces in Germany.)

7. If we wished further to reduce the strength of our stationed forces in Germany, it would be open to us to follow a similar procedure to that used in the past, ie not to seek to re-negotiate the Treaty, but merely to seek the acquiescence of SACEUR and of our

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partly because parts of it are anyway now out of date. There is no great enthusiasm for setting any date for this task; and a fear, on the part of some governments, of opening Pandora's box. But it would be open to us, if we so chose, to use this undertaking to press for specific changes to the UK's unique commitment in respect of minimum force levels on the mainland of Europe.

10. Such changes could take one of two forms. Either

(a) the lowering of the level, or complete abolition, of the UK's undertaking;

or

(b) its embodiment, at whatever level we judged, in a set of commitments obliging each member of the WEU to maintain certain minimum force levels unless and until their reduction was warranted as a result of a new arms control agreement.

11. We sounded out our WEU partners early last year about the possibility of some informal gesture along the lines of (b) above in the context of the discussions on how to follow up the WEU's Platform on European Security adopted at The Hague in November 1987. The reaction was not encouraging. In the changed circumstances our partners might be more inclined to undertake commitments of this kind. Some will argue that assurances of minimum force levels are out of keeping with the spirit of the times. Others may sense that if the United States is to be held to a durable floor as regards its forces in Europe, then some formal commitment by the Europeans to maintain their defences would be a valuable adjunct.

12. The WEU treaty also contains a legal commitment by the German government never to produce or acquire nuclear, biological or chemical weapons; as well as certain prohibitions on the types of equipment which the German armed forces are allowed to deploy. In any revision of the treaty it would be important to retain the prohibition on nuclear, biological and chemical weapons. There might also be value, as part of a wider politico-military settlement in Europe geared to securing international acceptance of German

WEU partners in its re-interpretation to permit lower force levels than the current 55,000 troops of BAOR and the aircraft of RAF(Germany). If the reductions concerned stemmed from a Conventional Forces in Europe (CFE) Treaty and were part of a package of reductions agreed within the Alliance then consultation within the WEU would be in effect a formality. All the countries concerned, and SACEUR, would already have endorsed the principle of such reductions through their participation in the CFE talks and in the Alliance's internal deliberations on the apportionment of cuts. (The process of internal Alliance consultation, particularly with SACEUR, may itself need careful handling, if we wish to take our CFE cuts through force-levels reductions as well as the disposal of old equipment.)

8. The situation would be different if we were to wish to undertake reductions in our forces in Germany in advance of, or over and above, those directly accruing to us from a CFE Treaty. Our Allies would be puzzled by such a move on our part in advance of a CFE agreement which would run counter to - and undermine - the line which British Ministers have consistently and strongly taken hitherto in opposing unilateral reductions by NATO. Their reaction would depend on the circumstances at the time and on the reasons we gave for our proposed withdrawal. But if we pointed to the significant reduction which has occurred in the threat facing the Alliance and remained committed to reinforcement of our in-place presence in a period of tension then it is unlikely that many of our partners would withhold their concurrence: particularly if as seems likely some of them were themselves contemplating major force reductions and restructuring. Unless we could provide a convincing military rationale linked to a reduced threat and changing warning time, SACEUR might, however, demur: not least since we would be unable to adduce either economic difficulties or an overseas emergency as a justification.

9. If however we were contemplating withdrawals on a major scale, then it might be in our interest not to seek simply to re-interpret our treaty commitment but rather to amend the treaty itself. The members of the WEU are committed to a revision of the treaty at some stage, partly as a result of the accession of Spain and Portugal and

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unificiation, in using a revised WEU treaty to establish more specific, and constraining, limitations on the force levels of a united Germany's armed forces.

ARTICLE VI

Her Majesty The Queen of the United Kingdom of Great Britain and Northern Ireland will continue to maintain on the mainland of Europe, including Germany, the effective strength of the United Kingdom forces which are now assigned to the Supreme Allied Commander, Europe, that is to say four divisions and the Second Tactical Air Force, or such other forces as the Supreme Allied Commander, Europe, regards as having equivalent fighting capacity. She undertakes not to withdraw these forces against the wishes of the majority of the High Contracting Parties who should take their decision in the knowledge of the views of the Supreme Allied Commander, Europe. This undertaking shall not, however, bind her in the event of an acute overseas emergency. If the maintenance of the United Kingdom forces on the mainland of Europe throws at any time too great a strain on the external finances of the United Kingdom, she will, through Her Government in the United Kingdom of Great Britain and Northern Ireland, invite the North Atlantic Council to review the financial conditions on which the United Kingdom formations are maintained.

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CC/PC (2)

Foreign and Commonwealth Office

London SW1A 2AH

CONFIDENTIAL

19 February 1990

Dear Charles,

Reductions in US Forces in Europe

The Prime Minister asked the Foreign Secretary recently whether equipment left behind in Europe by departing US forces could be used by British troops.

The implications for equipment of the latest US proposals on force reductions are by no means certain. But the US will leave some equipment stored in Europe, for use by their reinforcing troops, and will have to dispose of some equipment, either by destruction or by transferring it to Allies.

The Americans, like all Allies, will aim to dispose of their most out-dated equipment first, and they are unlikely to get rid of anything which would improve our present holdings. In the case of tanks, for example, they will concentrate on reducing their complement of M60s, the older generation of tank which still forms half their fleet. This compares unfavourably with both Chieftain and Challenger, but would be a good exchange for some of the tanks held by other Allies.

A number of countries, including the poorer ones on the Southern flank such as Turkey, are likely to be interested in any equipment the US is able to "cascade" down to them following the CFE treaty. SACEUR'S priority will be to see that the poorer, less well-equipped countries benefit from this process, in the wider interests of the Alliance.

This reply has been agreed with the Defence Secretary and a copy goes to Simon Webb (MOD).

Yours ever,

Richard Gozney

(R H T Gozney)
Private Secretary

C D Powell Esq
10 Downing Street

CONFIDENTIAL

Arms Control

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FM WASHINGTON
TO PRIORITY FCO
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AND TO PRIORITY UKDEL NATO, NATO POSTS

US FORCES LEVELS

1. WHEN I WAS SEEING SUNUNU AND SCOWCROFT SEPARATELY ABOUT ANOTHER MATTER, I SAID TO BOTH THAT WE WERE VERY PLEASED THAT THE PRESIDENT HAD STUCK FIRMLY TO HIS PROPOSALS OF 195,000 TROOPS IN THE CENTRAL ZONE, WITH 30,000 ELSEWHERE. IT WAS VERY SATISFACTORY THAT THE SOVIET UNION HAD NOW ACCEPTED THESE FIGURES IN OTTAWA. THE PRESIDENT HAD BEEN RIGHT TO INSIST ON HIS FIGURES.
2. SUNUNU SAID THAT IT WAS INDEED A GOOD OUTCOME. SCOWCROFT SAID THAT HE THOUGHT IT WOULD ALSO HELP WITH CONGRESS. THE ADMINISTRATION WOULD NOW BE ABLE TO SAY THAT THE PRESIDENT'S PROPOSALS HAD BEEN ACCEPTED BOTH BY THE NATO ALLIANCE AND BY THE SOVIET UNION, AND SHOULD NOT BE TAMPERED WITH. I SAID THAT IT WAS INDEED A GREAT RELIEF THAT WE NOW HAD A FIRM FIGURE ON WHICH TO BASE MILITARY PLANNING AND DISPOSITIONS FOR THE FUTURE. WE WERE KEEN TO START ON SUCH CONSULTATIONS WITH THOSE CONCERNED IN THE DEPARTMENT OF DEFENSE.

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CFE: BUSH PROPOSAL ON PERSONNEL

SUMMARY

1. SOVIET RESPONSE TO BUSH PROPOSAL LIKELY TO STRENGTHEN HIS HAND AGAINST THOSE CLAMOURING FOR FURTHER CUTS. COMES AT AN OPPORTUNE TIME, WITH JCS SUPPORT FOR THE QUOTE FLOOR UNQUOTE APPARENTLY WAVERING.

2. NEGATIVE SOVIET RESPONSE ON AIRCRAFT.

DETAIL

3. THE NSC HAVE YET TO RECEIVE A DEFINITIVE REPORT OF THE OUTCOME OF THE BAKER/GORBACHEV MEETING IN MOSCOW ON 9 FEBRUARY. BUT WE UNDERSTAND THAT KANTER HAS TELEPHONED HIS COLLEAGUES TO CONFIRM PRESS REPORTS TO THE EFFECT THAT GORBACHEV HAD ACCEPTED A CEILING OF EITHER 195,000 OR 225,000 STATIONED US AND SOVIET FORCES, BUT ONLY IN THE ATTU ZONE AS A WHOLE AS OPPOSED TO A CENTRAL REGION.

4. ON THE ASSUMPTION THAT THE GORBACHEV RESPONSE IS AS INITIALLY REPORTED, IT IS LIKELY TO PROVIDE SOME COMFORT FOR THE PRESIDENT IN HIS EFFORTS TO ESTABLISH HIS PROPOSAL OF 31 JANUARY AS A QUOTE FLOOR FOR THE FORESEEABLE FUTURE UNQUOTE. WE KNOW FROM CONTACTS WITH THE AGENCIES THAT THE WORKING ASSUMPTION, RIGHT UP UNTIL THE BAKER/GORBACHEV MEETING, WAS THAT THE RUSSIANS COULD WELL INCREASE THE PRESSURE ON THE ADMINISTRATION TO SHOW MORE FLEXIBILITY BY PROPOSING A CEILING OF 160,000 MY TELNO 330. THERE WILL STILL BE THE PROBLEM OF LINKAGE ARISING FROM THE GORBACHEV RESPONSE, BUT THAT IS AN ISSUE OF LESSER MAGNITUDE AND IMMEDIACY.

5. THE SOVIET RESPONSE CAME AT AN OPPORTUNE TIME FOR THE ADMINISTRATION. THE AMERICAN MANPOWER PROPOSAL WAS SIZED ON THE BASIS OF A POLITICAL JUDGEMENT RATHER THAN A PRIMARILY MILITARY ONE - AS SCOWCROFT TOLD US LAST WEEK. ON 7 FEBRUARY, THE JOINT

ONE - AS SCOWCROFT TOLD US LAST WEEK. ON 7 FEBRUARY, THE JOINT CHIEFS MET TO FILL IN THE MILITARY DETAIL AND CONSIDER THE DISPOSITION OF US FORCES IN EUROPE IN THE LIGHT OF THE PRESIDENTIAL INITIATIVE. WE UNDERSTAND THAT AT THAT MEETING THE CHIEFS UNDERLINED THEIR SUPPORT FOR MOVING TO ONE CORPS IN EUROPE AND RESISTED SACEUR'S ADVICE THAT THE REDUCTIONS BE TAKEN BY THINNING OUT THE PRESENT TWO CORPS. MORE IMPORTANT, HOWEVER, WE UNDERSTAND THAT THERE WAS MUCH TALK OF THE NEED TO GO BELOW 195,000 ON THE GROUNDS THAT THIS POLITICALLY DRIVEN LEVEL MADE LITTLE SENSE MILITARILY PROBABLY TOO SMALL FOR TRADITIONAL FORWARD DEFENCE, PERHAPS TOO UNWIELDLY FOR ANY ALTERNATIVE STRATEGIES. NEWS OF THIS WAVERING BY THE JCS HAS NOT YET REACHED THE PRESS. NOR WE ASSUME, HAS IT GOT UP TO CAPITOL HILL, WHERE IMMEDIATE USE WOULD BE MADE OF SUCH AMMUNITION. AND WE HAVE BEEN REASSURED BY THE NSC THAT THE PRESIDENT STANDS BEHIND HIS PROPOSAL AS A FLOOR. BUT THE PRESSURE TO GO LOWER IS PALPABLE, AND SEEMINGLY FROM WITHIN AS WELL AS FROM OUTSIDE.

6. THE INITIAL REPORT FROM MOSCOW ON CFE AIRCRAFT WAS LESS ENCOURAGING. KANTER REPORTED THAT GORBACHEV HAD REJECTED THE WESTERN PROPOSAL QUOTE NO BASIS FOR DISCUSSION UNQUOTE AND HAD CALLED FOR A CEILING OF 7,700 AIRCRAFT FOR THE EASTERN SIDE.

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CFE: BUSH PROPOSAL ON PERSONNEL

SUMMARY

1. RUMOURS OF LIKELY SOVIET RESPONSE TO BUSH CFE PROPOSAL ON PERSONNEL (INVOLVING MUTUAL US/SOVIET REDUCTIONS DOWN TO 160,000).

2. SACEUR TESTIFIES TO SENATE ARMED SERVICES COMMITTEE THAT HE RECOMMENDED A HIGHER CEILING/FLOOR TO THE PRESIDENT IN JANUARY.

DETAIL

3. IN THE LAST TWENTY FOUR HOURS, THE WASHINGTON POST AND CNN HAVE BEEN WORKING ON A STORY TO THE EFFECT THAT SHEVARDNADZE WILL BE PROPOSING MUTUAL US/SOVIET REDUCTIONS AT CFE DOWN TO A CEILING OF 160,000 STATIONED TROOPS IN EUROPE DURING HIS MEETINGS WITH BAKER IN MOSCOW ON 8/9 FEBRUARY. WE UNDERSTAND FROM THE NSC THAT THE POSSIBILITY OF SUCH A SOVIET INITIATIVE WAS DISCUSSED AT A MEETING WITH KANTER PRIOR TO HIS DEPARTURE LATE ON 6 FEBRUARY AND THAT NSC OFFICIALS WERE AT THE TIME INCLINED TO GIVE THE STORY SOME CREDENCE.

4. THE IDEA OF A PROPOSAL FOR MUTUAL US/SOVIET REDUCTIONS DOWN TO 160,000 HAS BEEN AROUND SINCE THE TIME OF THE MILITARY DOCTRINE SEMINAR IN VIENNA IN MID-JANUARY (UKDEL VIENNA TELNO 16 REFERS). WE UNDERSTAND THAT THE PROSPECT OF A HIGH LEVEL SOVIET PROPOSAL ON THESE LINES WAS IN FACT ONE OF THE REASONS UNDERLYING THE PRESIDENTIAL CFE INITIATIVE NNOUNCED ON 31 JANUARY. ALTHOUGH WE KNOW OF NO RECENT SIGNALS FROM THE RUSSIANS TO THE AMERICANS, THE WHITE HOUSE PRESS OFFICE HAS BEEN GIVEN A CONTINGENCY LINE (AND WILL STAND PAT ON THE LEVELS IN THE PRESIDENT'S PROPOSAL AND EMPHASISE THE SUGGESTED DE-LINKAGE OF US AND SOVIET FORCE LEVELS IN EUROPE).

5. MEANWHILE THE SENATE ARMED SERVICES COMMITTEE IS CONTINUING ITS SCRUTINY OF THE ADMINISTRATION'S DEFENCE POLICIES. THE FIRST TWO WITNESSES (CHENEY AND POWELL) HELD FIRMLY TO THE PRESSIDENTIAL LINE (OUR TELNO 298). ON 7 FEBRUARY, SACEUR, (THE NEXT KEY WITNESS) WAS QUESTIONED CLOSELY ON HIS CONTRIBUTION TO THE

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PRESIDENT'S CFE INITIATIVE. HE ADMITTED THAT HE HAD RECOMMENDED IN FAVOUR OF LOWER REDUCTIONS (QUOTE I DON'T THINK IT IS TALKING OUT OF SCHOOL TO SAY THAT MY RECOMMENDATIONS WERE HIGHER (THAN 195,000) UNQUOTE). BUT HE MAINTAINED THE ADMINISTRATION LINE ON THE LEVEL BEING A FLOOR (QUOTE AN ABSOLUTE BOTTOM LINE UNQUOTE) EVEN TO THE POINT OF USING THE PHRASE QUOTE FOR THE FORSEEABLE FUTURE UNQUOTE. (TEXT OF GALVIN'S OPENING STATEMENT FOLLOWS BY BAG).

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10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

5 February 1990

Dear Stephen,

FYLINGDALES

Thank you for your letter of 5 February about the Foreign Secretary's exchanges with Secretary Baker on Fylingdales. I have consulted the Prime Minister about this. She agrees that we have an interest in being cooperative with the Americans, and that we should therefore raise no objection to the proposed visit by a Russian team to Fylingdales. When the proposal is made to the Russians, we should underline that Fylingdales is Treaty-compliant, and the visit is being arranged in exchange for American visits to similarly Treaty-compliant sites. We should also make the other points suggested in the last paragraph of your letter.

I am copying this letter to Simon Webb (Ministry of Defence) and Sonia Phippard (Cabinet Office).

Yours sincerely,

(C. D. POWELL)

Stephen Wall, Esq.,
Foreign and Commonwealth Office.

SECRET

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SECRET

30(A-B) cc/c

Foreign and Commonwealth Office

London SW1A 2AH

5 February 1990

Dear Charles,

Fylingdales

When the Foreign Secretary saw Secretary Baker on 29 January, Mr Baker said that when he visited Moscow on 7-8 February he would like to tell the Russians that they could send a team to visit the radar installation at Fylingdales in the UK and at Thule in Greenland about whose compliance with the 1972 Anti-Ballistic Missile Treaty the Soviet Union has raised concerns. Mr Baker explained that the Russians had eaten so much humble pie over the Krasnoyarsk radar (which Shevardnadze had admitted on 29 October was a breach of the ABM Treaty despite years of protestations by the Russians to the contrary) that he felt the US Administration had to do this.

At Krasnoyarsk, the issue in question was one of fact: whether the site was a ballistic missile early warning station or a space tracking facility. The argument over Fylingdales and Thule is one of Treaty interpretation. Although the exact nature of the Russians' concern has never been clear, they appear to contend that the text of the ABM Treaty does not permit the modernisation, rather than the continued operation, of those radar stations on the periphery of US and Soviet territory which existed before 1972, and which the ABM Treaty specifically authorised. A further question which may be in their minds is the potential of the modernised facility for a battle management role in an ABM system. A site visit would be irrelevant to such a question since it is a matter of software and communication links rather than buildings. But it is a point the Russians might raise in demanding a visit.

Mr Baker raised Fylingdales with the then Foreign Secretary during his visit to New York in September 1989. We subsequently sought a US assurance that we would be properly consulted if there was any question of the US changing their position. (I enclose, for example, Washington telno 2839, paragraph 8 of which records Mr Waldegrave's exchange with Bartholomew on this point.) The way in which they have now informed us of their intention is hardly the best example of consultation. Nonetheless, the Foreign Secretary does not see that we have strong reasons for opposing the Americans on this. There are no British national interests at stake. Journalists regularly go to Fylingdales and there is nothing there of which we need feel embarrassed or secretive. The access we get to the information provided by Fylingdales is important. We have an interest in being as cooperative as possible with the Americans in matters relating to the facility.

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In conveying our agreement, we propose to remind the Americans that, since Fylingdales is an RAF station on British territory, arrangements for access to it lie in the hands of the British Government. Details of any visit must be coordinated with us. This should be made clear to the Russians when the invitation is conveyed.

I am copying this letter to Simon Webb (MOD) and Sonia Phippard (Cabinet Office).

Yours

(J S Wall)
Private Secretary

C D Powell Esq
10 Downing Street

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MDHIAN 2446

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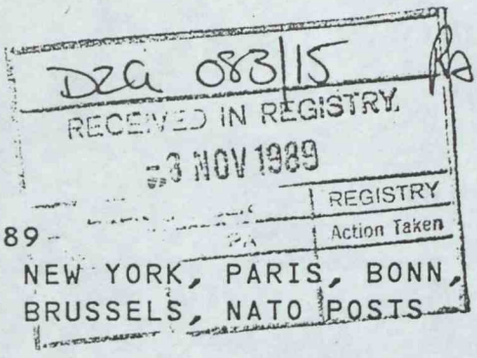

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MR WALDEGRAVE'S MEETING WITH BARTHOLOMEW : 30 OCTOBER

SUMMARY

1. BARTHOLOMEW IN CONFIDENT AND COOPERATIVE MOOD, SHOWING PARTICULAR SENSITIVITY TO UK/FRENCH CONCERNS IN CFE AND ROBUST ON HOLDING THE LINE OVER FOLLOW-ON NEGOTIATIONS OR ARBITRARY FORCE CUTS.

DETAIL

2. MR WALDEGRAVE HAD AN EXTENDED DISCUSSION OVER LUNCH WITH BARTHOLOMEW (STATE DEPARTMENT UNDER SECRETARY FOR SECURITY AND ARMS CONTROL). DISCUSSION COVERED US/SOVIET RELATIONS, EASTERN EUROPE AND INDIVIDUAL NEGOTIATIONS, CONCENTRATING ON CFE.

US/SOVIET

3. BARTHOLOMEW SAID THAT CURRENT MEDIA COMMENT ABOUT DIFFERENCES WITHIN THE ADMINISTRATION ON HANDLING RELATIONS WITH THE SOVIET UNION WAS EXAGGERATED. THERE WERE NO DISAGREEMENTS ON POLICY, ONLY ON TACTICS AND EMPHASIS. IN ANY CASE, AND BY CONTRAST WITH THE PERIOD BEFORE THE NATO SUMMIT WHEN THE ADMINISTRATION WAS ACCUSED OF VACCILATION, EVEN THE CRITICS NOW CONCEDED THAT IT WAS ON THE RIGHT TRACK.

EASTERN EUROPE

4. MR WALDEGRAVE SAID THAT DURING HIS VISIT A YEAR AGO, KISSINGER HAD BEEN WIDELY UNPOPULAR FOR HIS SUGGESTIONS ON HOW TO MANAGE CHANGE TO EASTERN EUROPE, BUT IT NOW SEEMED THAT THEY WERE BEING TAKEN UP IN PRACTICE, ALBEIT IMPLICITLY. BARTHOLOMEW AGREED. THE BEST WAY OF ACHIEVING THE POLITICAL AND ECONOMIC CHANGE WE WANTED IN HUNGARY, POLAND ETC, WAS BY PROVIDING THE SECURITY REASSURANCE THAT BOTH SIDES WOULD TRY TO STAY WITHIN EXISTING ALLIANCES AND STRUCTURES MEANWHILE. THIS ALSO INCLUDED NO WIDENING OF EC MEMBERSHIP. HE SHARED THE VIEW THAT THE GERMANS COULD BE TRUSTED TO HANDLE THEIR PARTICULARLY SENSITIVE PROBLEMS. USE OF THE WORD QUOTE REUNIFICATION UNQUOTE SHOULD BE AVOIDED BY THE REST OF US.

CFE

5. MR WALDEGRAVE STRESSED THE IMPORTANCE OF NOT MISUNDERSTANDING THE UK'S PURPOSE IN TAKING A FIRM LINE OVER

VARIOUS POINTS IN ELABORATING THE WESTERN POSITION. WE WERE FULLY COMMITTED TO THE NEGOTIATION, AND THERE WAS NO QUESTION OF FOOT-DRAGGING. BUT SINCE EUROPEANS WOULD HAVE THEIR TOTAL FORCES CONSTRAINED BY THE AGREEMENT - UNLIKE THE US OR THE SOVIET UNION - WE HAD A PARTICULAR SECURITY INTEREST IN GETTING IT RIGHT. BARTHOLOMEW FULLY AGREED. DESPITE THE POLITICAL PRESSURES, WE NEEDED A GOOD AGREEMENT NOT JUST A QUICK ONE. THERE WAS INCREASING RECOGNITION WITHIN THE ADMINISTRATION THAT CFE COULD NOT BE HANDLED AS IF IT WERE ANOTHER START OR INF NEGOTIATION. THIS HAD BEEN DISCUSSED EARLIER IN THE DAY WITH BAKER: HE AND BARTHOLOMEW HAD VIED TO BE FIRST IN SAYING THAT IT WOULD BE ESSENTIAL, PARTICULARLY IN VIEW OF THE RATIFICATION DEBATES THAT WOULD TAKE PLACE THROUGHOUT THE ALLIANCE, FOR THE AGREEMENT TO BEAR THE STAMP QUOTE MADE IN EUROPE UNQUOTE AND NOT IN AMERICA.

6. BARTHOLOMEW CONCEDED THAT THERE WERE POWERFUL PRESSURES AT WORK TO BOTH ANTICIPATE CFE REDUCTIONS AND TO LOOK BEYOND THAT TO FURTHER ARMS REDUCTION NEGOTIATIONS. THE PRESSURES ON THE US'S OWN DEFENCE BUDGET DID NOT HELP. BUT THESE PRESSURES COULD BE RESISTED. THOSE WHO WANTED TO BE MORE AMBITIOUS NEEDED TO BE REMINDED - AS HE TRIED TO DO SO AT EVERY OPPORTUNITY -

THAT THEY SHOULD FOCUS MORE CLEARLY ON THE EXISTING OBJECTIVE, ACHIEVEMENT OF WHICH WOULD AMOUNT TO A REVOLUTION IN THE EAST-WEST BALANCE AND REDUCTION OF SOVIET MILITARY POWER. THE ADMINISTRATION HAD NOT COME TO A FIRM POSITION ON WHAT IT SHOULD PRESS FOR AS ITS OWN SHARE OF CFE REDUCTIONS. IT SHOULD NOT BE ASSUMED THAT THE US WOULD WANT TO TAKE MORE THAN ITS EQUAL PROPORTION, IN ORDER TO SHOW THAT BURDENSHARING WAS NOT MADE WORSE AS A RESULT. PRESSURES IN CONGRESS TO MOVE FASTER HAD EASED SINCE BUSH'S CFE INITIATIVE AND ASPIN FOR EXAMPLE HAD CHANGED HIS TUNE. BARTHOLOMEW ALSO FAVOURED THE VIEW (PUT FORWARD BY HIS SPECIAL ASSISTANT WHO WAS ALSO PRESENT) THAT NATIONAL FORCE ENTITLEMENTS POST CFE SHOULD BE SEEN AS FLOORS, NOT CEILINGS, PROVIDING ALLIES WITH ARGUMENTS TO KEEP WAIVERERS UP TO THE MARK.

7. MR WALDEGRAVE EXPRESSED CONCERN AT PROPOSALS TO DIVIDE CFE INTO PHASES IN ODER TO GET AN EARLY RESULT OR TO MODIFY POSITIONS, EG ON AIRCRAFT. BARTHOLOMEW SAID THAT HE WAS COMFORTABLE WITH THE EXISTING PROPOSAL AND WE SHOULD STICK WITH IT. THE FACT THAT THE EAST HAD ALREADY COME A CONSIDERABLE WAY TO MEETING US WAS GOOD REASON TO ENCOURAGE THEM TO MOVE FURTHER. NOR WOULD THE US CONCEDE THE INCLUSION OF THEIR CARRIER-BASED AIRCRAFT. IN THE MARITIME CONTEXT

GENERALLY, THEY HAD BEEN ENCOURAGED THAT SHEVARDNADZE'S PROPOSAL TO INCLUDE SLCM IN A WIDER NAVAL ARMS CONTROL NEGOTIATION HAD NOT BEEN PURSUED BY THE SOVIET START NEGOTIATORS IN GENEVA.

OTHER NEGOTIATIONS

8. MR WALDEGRAVE RAISED CW AND STRESSED OUR INTEREST IN MAINTAINING CONTINUING CLOSE CONTACT WITH THE ADMINISTRATION OVER US/SOVIET EXCHANGES, PARTICULARLY OVER THE SOVIET STOCKPILE AND HOW THE US WENT ABOUT ESTABLISHING THE FACTS ABOUT ITS TRUE SIZE. BARTHOLOMEW SAID THAT THE POINT WAS WELL TAKEN. MR WALDEGRAVE ALSO REGISTERED UK CONCERN OVER THE SOVIET REFERENCES TO FYLINGDALES IN THE CONTEXT OF THEIR ADMISSION ON KRASNOYARSK. BARTHOLOMEW SAID THAT IT WAS BY NO MEANS CLEAR THAT THE ADMINISTRATION WOULD FEEL THE NEED TO SERIOUSLY CONTEMPLATE THE POSSIBILITY OF A SOVIET VISIT TO FYLINGDALES. (THERE WAS NO QUESTION IN ANY CASE OF A QUOTE INSPECTION UNQUOTE.) BUT IF DISCUSSION MOVED IN THAT DIRECTION HE WOULD ENSURE THAT WE WERE CONSULTED EARLY ON.

ACLAND

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MR J WESTON
MR GOULDEN
MR RATFORD

ADDITIONAL 16

ARMS CONTROL CONVENTIONAL

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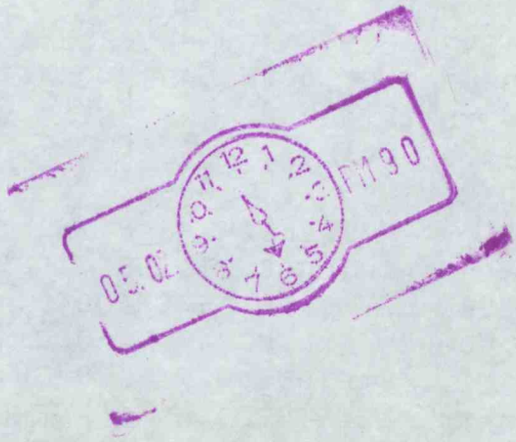
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SECRET AND STRICTLY PERSONAL

File

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10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

5 February 1990

Dear Simon.

DEFENCE

I have noticed a definite evolution in the Prime Minister's thinking on reductions in British Forces in Germany, since the discussion at the Chequers seminar on 27 January. While her attitude at that time was fairly cautious, she now talks increasingly in terms both of securing our full share of reductions from the current CFE negotiations, and of preparing for early negotiations to revise the Brussels Treaty to permit further (and possibly unilateral) reductions. This latter step depends, of course, on two factors: first the further evolution of East/West discussions, and second our having a clear plan for our future defence posture, on the lines discussed at Chequers. But there has been perceptibly greater urgency in the Prime Minister's comments about the need to plan for and achieve reductions.

I hope this will help you in carrying through the further work commissioned at Chequers.

I am copying this letter on the same strictly personal basis to Stephen Wall (Foreign and Commonwealth Office).

Yours sincerely,

C. D. POWELL

Simon Webb, Esq.,
Ministry of Defence.

SECRET AND STRICTLY PERSONAL

28(A-B)

SECRET

PRIME MINISTER

FYLINGDALES

The American Ambassador came to see me today on the subject of Fylingdales.

You will remember that the Russians finally cracked on the Krasnoyarsk radar, admitted that it was a violation of the ABM Treaty and agreed to dismantle it. But at the same time they said that they should be allowed to make a brief inspection visit to Thule and Fylingdales. We and the Americans have argued that there is no equivalence between Krasnoyarsk and Thule/Fylingdales and therefore no real case for a visit. Nonetheless the Americans are keen to finally tie up this problem, as part of their efforts to tidy up the problems in the way of a START agreement, and Baker would like to try to settle it with Shevardnadze next week.

The Americans intend to propose, therefore, that the Russians can visit Thule and Fylingdales provided the Americans can in return visit two comparable and Treaty-compliant Soviet radar stations. That would establish reciprocity. The Danish government have already agreed to this and the Americans are now looking to us to endorse it. They cannot of course agree a Fylingdales visit without our consent.

I understand that the Defence Secretary is being consulted this weekend and is likely to agree. I do not think the Russians would actually discover anything on a visit to Fylingdales which they do not know already. More importantly, this whole issue is related to completing the START agreement: and we are looking to the Americans to go on protecting our interests in the START negotiations, above all over Trident. I think we should help them on this.

Provided that the Defence Secretary and Foreign Secretary have no objection to a Soviet visit, agree to let it go ahead? And so long as it is on the basis of Treaty-compliant systems. Yes

I attach the telegram which the American Ambassador brought me.

C.D.P.

(C. D. POWELL)

2 February 1990

a:\foreign\Fylingdales (srw)

SECRET

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TAGS: FARM, UK

SUBJECT: FOLLOW-UP REQUEST ON FYLINGDALES

1. (SECRET - ENTIRE TEXT.)

2. IN THEIR MEETINGS HERE THIS WEEK, SECRETARY BAKER RAISED WITH FOREIGN SECRETARY HURD THE QUESTION OF A SOVIET VISIT TO FYLINGDALES. THE SECRETARY PLANS TO PURSUE THE FYLINGDALES QUESTION WITH SHEVARDNADZE IN MOSCOW. HURD'S REPLY WAS NON-COMMITTAL, BUT LEFT THE CLEAR IMPRESSION THAT THIS QUESTION WOULD HAVE TO BE DECIDED AT NUMBER TEN.

3. THE SECRETARY WOULD LIKE TO BE ABLE TO RESOLVE THIS ISSUE AT NEXT WEEK'S MOSCOW MINISTERIAL, BUT ONLY ON THE BASIS OF APPROPRIATE ALLIED CONSULTATIONS. ACCORDINGLY, YOU SHOULD APPROACH CHARLES POWELL IN STRICTEST CONFIDENCE AND MAKE THE POINTS BELOW:

4. BEGIN POINTS.

THE SOVIET DECISION TO ELIMINATE THE KRASNOYARSK RADAR VIOLATION OF THE ABM TREATY WAS A WELCOME BUT LONG-OVERDUE STEP.

BUT SHEVARDNADZE ASKED IN WYOMING FOR A VISIT TO THULE AND FYLINGDALES. AS YOU MAY KNOW, THE DANISH GOVERNMENT HAS PUBLICLY SAID IT WOULD NOT OBJECT TO SUCH A VISIT.

WE COMPLETELY REJECT ANY EQUIVALENCE BETWEEN KRASNOYARSK AND THULE/FYLINGDALES. BUT WE ALSO NEED TO GET THIS ISSUE BEHIND US.

CLEARLY WE WOULD NOT WANT THIS TOPIC TO SURFACE IN THE START END-GAME. THUS, THE SECRETARY WOULD LIKE TO BE IN A POSITION TO SOLVE IT IN MOSCOW.

THE SECRETARY WOULD TELL SHEVARDNADZE THAT, AS A MEANS OF DEFINITIVELY BRINGING THIS TO AN END, WE COULD ACCEPT AN ARRANGEMENT IN WHICH THE SOVIETS WOULD VISIT THULE AND FYLINGDALES IN EXCHANGE FOR WHICH THE U.S. WOULD VISIT TWO

COMPARABLE (AND TREATY-COMPLIANT) SOVIET RADARS -- NOT RPT NOT KRASNOYARSK.

WE HAVE NOTHING TO HIDE AT FYLINGDALES, AND WE WILL BE ALERT TO ANY ATTEMPTS TO MAKE MISCHIEF. BUT WE HAVE EVERY REASON TO BELIEVE THE SOVIETS VERY MUCH WANT A START AGREEMENT AND ARE NOT TRYING TO MAKE IT HARDER TO GET ONE.

THE SECRETARY RAISED THIS WITH SECRETARY HURD EARLIER THIS WEEK. MR. HURD INDICATED THAT HMG WOULD CONSIDER IT. WITH THE MOSCOW MINISTERIAL RAPIDLY APPROACHING, WE WOULD GREATLY APPRECIATE IT IF THE SECRETARY'S REQUEST COULD BE CONSIDERED BY THE MOST SENIOR LEVELS OF HMG.

WE SEE THIS AS A LOW-COST, LOW-RISK WAY TO PUT TO REST AN ISSUE THAT SHOULD NEVER HAVE ARISEN. WE HOPE WE CAN COUNT ON YOUR SUPPORT.

BAKER
BT
#2856

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SIC ECA/EME

MY TELNO 128 : PRESIDENT BUSH'S CFE PROPOSALS

SUMMARY
1. FRENCH PUBLIC REACTIONS POSITIVE. PRIVATE WORRIES.

DETAIL
2. VEDRINE (ELYSEE SPOKESMAN) SAID THAT FRANCE APPROVED PRESIDENT BUSH'S PROPOSAL FOR A SUBSTANTIAL REDUCTION OF US AND SOVIET FORCES STATIONED IN CENTRAL EUROPE: THE PROPOSALS CAME AT AN OPPORTUNE MOMENT: DEVELOPMENTS IN EASTERN EUROPE MADE IT NECESSARY TO ACCELERATE THE VIENNA CFE NEGOTIATIONS SO AS TO SETTLE AS SOON AS POSSIBLE THE SECURITY OF TOMORROW'S EUROPE ON A BALANCE OF FORCES AT THE LOWEST POSSIBLE LEVEL.

3. DUMAS DESCRIBED THE NEW PROPOSAL AS AN IMPORTANT STEP ON THE ROAD TO DISARMAMENT. BUSH HAD FIXED AN OBJECTIVE WHICH TOOK INTO ACCOUNT BOTH THE DESIRE FOR DISARMAMENT AND THE EUROPEANS' SECURITY INTERESTS. HE HAD TAKEN NOTE OF THE POSITIVE DEVELOPMENTS IN EASTERN EUROPE, AT A TIME WHEN THE POLICY OF BLOCS WAS GIVING WAYS TO NEW RELATIONS OF COOPERATION AND SOLIDARITY: DUMAS WAS PLEASE THAT THE US WERE TAKEN THEIR FULL PLACE IN THIS IRREVEERSIBLE HISTORICAL MOVEMENT.

4. PRIVATELY FRENCH OFFICIALS AT THE ELYSEE, MINISTRY OF DEFENCE AND QUAI HAVE TOLD US THAT THEY REGRET THE LACK OF PROPER CONSULTATION OVER THE US PROPOSAL: THEY SEE ITS TACTICAL ADVANTAGES, BUT ARE CONCERNED ABOUT THE PROSPECTS OF FURTHER SYMMETRICAL REDUCTIONS LEADING ULTIMATELY TO A ZERO OPTION ON BOTH SOVIET AND US STATIONED MANPOWER. WHILE WISHING TO AVOID ANY IMPRESSION, PARTICULARLY IN FRG OPINION, THAT FRANCE IS HOSTILE TO FURTHER CONVENTIONAL ARMS CONTROL, THEY SHARE OUR OPPOSITION TO ANY HASTY QUOTE CFE II UNQUOTE ON THE SAME BASIS AS THE PRESENT VIENNA NEGOTIATIONS.

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NAD	MR GOULDEN
WED	MR RATFORD
SED	MR LING

ADDITIONAL 16

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Foreign and Commonwealth Office

London SW1A 2AH

SECRET

31 January 1990

Dear Charles,

US Manpower Cuts in Europe: Public Line

We have now heard that President Bush will present the proposal for US manpower cuts in Europe in his State of the Union address this evening (2100 Washington time) in terms of a revision to the Alliance negotiating position in the CFE negotiations. This sets a ceiling on US and Soviet stationed forces in Europe. It is currently 275,000. It looks on the Americans will propose that the Treaty should provide for a ceiling of 195,000 in the Central Zone for both US and Soviet stationed forces. (The President may or may not also refer to the figure of 225,000 each for US and Soviet stationed forces in Europe as a whole.)

/ We have prepared a press line, copy enclosed.

The Foreign Secretary believes that we should keep in close touch with the French and Germans. We therefore propose to instruct our Embassies in Paris and Bonn to feed in to senior contacts in the Elysée and the Chancellor's Office the enclosed points as an indication of the line we will be taking in public. We would ask them to let us know of any other points they intend to cover. The aim would not be to agree any common statement, but to achieve as much of a common response as possible on the part of the three major European allies.

I am copying this letter to Simon Webb (MOD) and Sonia Phippard (Cabinet Office).

Yours ever

Richard Gozney

(R H T Gozney)
Private Secretary

C D Powell Esq
10 Downing Street

SECRET

GUIDELINES FOR PUBLIC RESPONSE TO US PROPOSAL FOR PERSONNEL CUTS

1. Support President Bush's proposal. Agree that changes in Eastern Europe since NATO's May 1989 inititative make it logical to look at deeper reductions in US and Soviet stationed forces in Europe.

2. Figures chosen by Americans (225,000 in Atlantic to Urals Area, 195,000 in Central Zone) look right. Gives welcome impetus to efforts to reduce conventional force levels in Europe.

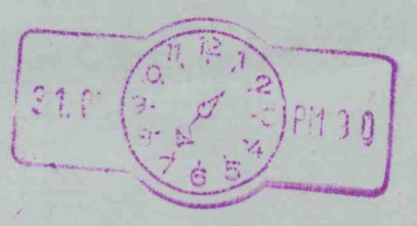
3. Important that the Americans coordinate changes in their force levels with the CFE negotiations. Glad that they have done so.

4. Welcome President Bush's assurance that, for the US, the proposed new ceiling will also be a floor below which the US will not reduce its forces in the foreseeable future. For the European allies, a strong and viable US presence remains essential to their security.

5. [If asked] A change in the level of US and Soviet stationed forces implies no change in the Alliance's determination that other stationed forces should be excluded from the CFE negotiations.

<u>Where we consulted in advance?</u>

6. Yes. We have known for some time that US were considering their future force levels in Europe. Confirm that details were discusssed with us in advance at the highest level.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10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

31 January 1990

US MANPOWER CUTS IN EUROPE: PUBLIC LINE

Thank you for your letter of 31 January about the line to take with the press on the proposal which the President will take later tonight for a further reduction in US and Soviet stationed forces in Europe.

The Prime Minister was not entirely content with it and prefers a shorter version which I enclose. We intend to use this with the press and other media from early tomorrow morning.

I am copying this letter and enclosure to Simon Webb (Ministry of Defence) and Sonia Phippard (Cabinet Office).

C. D. POWELL

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

SECRET

LINE FOR THE PRESS

We support President Bush's proposals for further reductions in US and Soviet stationed forces in Europe, as part of the agreement being negotiated in Vienna.

The proposals were discussed with us in advance and we indicated our support.

The US spends a higher proportion of its national income on defence than any other major European country and naturally wants to make some reductions.

We attach great importance to President Bush's assurance that the new figure will be a floor, and that no more reductions are envisaged. This will ensure a continued strong American presence in Europe.

31 January 1990

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10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

31 January 1990

CFE

The Foreign Secretary reported to the Prime Minister this evening on his discussions in Washington on the American proposal for further reductions in US and Soviet stationed forces, which the President would make in his State of the Union address later this evening. It was clear that the proposal had been devised by a very restricted circle of people and had not been worked out in any detail. There had been considerable confusion in Washington whether the proposal would be part of the next CFE negotiations or simply a marker for a subsequent round of negotiations. The Defence Secretary would no doubt be able to report more fully on the details on his return from Washington.

The Prime Minister and the Foreign Secretary agreed that we must react promptly and positively to the President's announcement. A text for this should be agreed tonight, so that we could make sure the Government's views were carried on early morning broadcasts on 1 February. The Foreign Secretary said he would be sending over the text very shortly. I have subsequently sent you a revised version.

The Prime Minister and the Foreign Secretary also agreed that the American announcement was bound to lead to further Parliamentary and public interest in plans for our own forces in Germany. The Chequers meeting on 27 January had commissioned work on this. It was becoming clear that we would have to give more urgency to this work. It might before long be necessary to give notice of our intention to open negotiations under the Brussels Treaty for a reduction of our forces in Germany. But before doing that, we should need to have a clear idea of what we intended to do with them. It would be necessary to discuss this promptly with the Defence Secretary on his return from Washington.

I am copying this letter to Simon Webb (Ministry of Defence).

CHARLES POWELL

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

SECRET AND PERSONAL

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FM WASHINGTON
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OF 312100Z JANUARY 90
AND TO DESKBY 312100Z MODUK
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UKDEL NATO, PARIS, BONN, MOSCOW, PERSONAL FOR AMBASSADORS
MODUK FOR CDS AND RESIDENT CLERK

LEVELS OF US FORCES IN EUROPE

SUMMARY

1. SCOWCROFT DESCRIBES ADMINISTRATION'S NEW CFE MANPOWER PROPOSAL IN THE FORM TO BE ANNOUNCED BY THE PRESIDENT. GORBACHEV ALREADY INFORMED BY BUSH WHO IS ENCOURAGED BY THE INITIAL REACTION. IMPORTANCE OF CAREFUL PRESENTATION OF THE PROPOSAL STRESSED BY THE DEFENCE SECRETARY.

DETAIL

2. MR KING SAW SCOWCROFT (ACCOMPANIED BY GATES AND BLACKWILL) ON 31 JANUARY ON THE LAST DAY OF HIS VISIT TO WASHINGTON. THE DISCUSSION WAS DEVOTED ALMOST ENTIRELY TO THE ADMINISTRATION'S NEW PROPOSALS FOR US/SOVIET STATIONED FORCES IN CFE.

3. MR KING BEGAN BY REFERRING TO THE ARTICLE IN THE FINANCIAL TIMES OF 31 JANUARY, REPORTING THE EAGLEBURGER/GATES MISSION TO EUROPE AND PREDICTING THAT THE PRESIDENT WOULD ANNOUNCE PROPOSALS FOR FURTHER US/SOVIET FORCE CUTS IN HIS STATE OF THE UNION ADDRESS. THE DEFENCE SECRETARY EXPRESSED CONCERN ABOUT THE LEAK AND IN PARTICULAR ABOUT ANY IMPLICATION THAT THIS MIGHT HAVE BEEN DELIBERATELY ENGINEERED BY HMG SOURCES. THIS WAS OF COURSE NOT THE CASE AND HE WAS HIMSELF PERSONALLY VERY UPSET THAT IT SHOULD HAVE OCCURRED IN A BRITISH PAPER, ALTHOUGH HE HAD NO EVIDENCE THAT IT HAD COME FROM BRITISH SOURCES. SCOWCROFT SAID THAT HE HAD NOT HIMSELF INTENDED TO RAISE THE MATTER BUT THAT HE WAS MOST GRATEFUL FOR WHAT MR KING HAD SAID. HE WAS PHILOSOPHICAL ABOUT THE ARTICLE AND WAS INDEED SURPRISED THAT THE STORY HAD BEEN KEPT UNDER WRAPS UNTIL THE DAY WHEN IT WAS TO BE PUBLICLY ANNOUNCED ANYWAY.

4. MR KING ASKED HOW THE PROPOSED NEW LIMIT FOR STATIONED MANPOWER WAS TO BE LINKED TO CFE. WE WERE CONCERNED THAT THE PROPOSAL SHOULD FORM PART OF THE PRESENT CFE NEGOTIATION RATHER THAN BEING LINKED TO A QUOTE CFE II OR CFE PLUS UNQUOTE. SCOWCROFT SAID THAT THERE HAD INDEED BEEN DIFFERENCES WITHIN THE US ADMINISTRATION ON THIS QUESTION OF HANDLING IN RELATION TO CFE BUT THAT IT HAD BEEN CLEARLY DECIDED TO FOLD IT INTO THE EXISTING NEGOTIATION. THIS WOULD BE DONE BY AMENDING THE RELEVANT ARTICLE WHICH REFERRED AT PRESENT TO 275,000. THE PRESIDENT HAD CLEARLY AGREED TO THIS PROVIDED IT DID NOT DELAY OR UPSET THE CURRENT CFE NEGOTIATIONS.

5. SCOWCROFT WENT ON TO SAY THAT THE PROPOSAL WOULD BE EXPRESSED IN TERMS OF A 195,000 US/SOVIET STATIONED MANPOWER FIGURE IN THE CENTRAL ZONE. THIS APPROACH HAD THREE ADVANTAGES. IT WOULD BREAK THE LINK BETWEEN US AND SOVIET STATIONED MANPOWER LEVELS BECAUSE, WHEN ACCOUNT WAS TAKEN OF US STATIONED MANPOWER OUTSIDE THE CENTRAL ZONE, THE COMPARISON WOULD NOW BE 225,000 FOR THE UNITED STATES AND 195,000 FOR THE USSR (THE ASSUMPTION BEING THAT EVEN IF THE RUSSIANS COULD RETAIN 195,000 IN THE CENTRAL ZONE, THEY WOULD CERTAINLY NOT BE ABLE TO TAKE ADVANTAGE OF THE EXTRA 30,000 ANYWHERE ELSE IN EASTERN EUROPE). SECONDLY IT WAS VITAL TO BUILD A FLOOR IN US LEVELS WHICH ENABLED THE ADMINISTRATION TO GET AHEAD OF PRESSURES, IN CONGRESS AND INTERNATIONALLY, FOR MORE RADICAL REDUCTIONS. FOR THIS REASON, THE PRESENTATION WOULD EMPHASISE THE LOWER FIGURE OF 195,000. THIRDLY IT WAS IMPORTANT TO RESPOND TO EAST EUROPEAN CONCERNS THAT THE EXISTING US PROPOSAL FOR STATIONED FORCES WOULD LEGITIMISE A MUCH GREATER SOVIET TROOP PRESENCE IN EUROPE THAN WOULD OTHERWISE BE POLITICALLY POSSIBLE FOR THEM TO SUSTAIN. THE RESPONSES OF THE FRENCH, GERMANS AND ITALIANS TO THIS APPROACH HAD BEEN POSITIVE.

6. THIS HAD NOW BEEN PUT TO GORBACHEV BY THE PRESIDENT WHO HAD SPOKEN TO HIM ON THE TELEPHONE A FEW HOURS EARLIER. GORBACHEV HAD BEEN NON-COMMITTAL ON THE DETAIL BUT HAD REACTED WARMLY TO THE SPIRIT OF THE PROPOSAL AND THE PRESIDENT HAD BEEN HEARTENED BY THIS RESPONSE. THE PRESIDENT HAD ALSO REFERRED TO STORIES ABOUT GORBACHEV'S POSITION, TO WHICH GORBACHEV HAD RESPONDED LIGHT-HEARTEDLY. THE AMERICANS SUSPECTED THAT, WHEN BAKER WAS IN MOSCOW, THE RUSSIANS MIGHT WELL COME BACK WITH A PROPOSAL FOR A LOWER NUMBER THAN 195,000. THEY MIGHT TAKE A FURTHER RUN AT OTHER STATIONED FORCES BUT THE AMERICANS DOUBTED WHETHER THE POINT WOULD BE PRESSED.

7. ON PUBLIC HANDLING, BLACKWILL SAID THAT THE AMERICANS HOPED THAT THE EUROPEAN ALLIES WOULD JOIN THEM IN PRESENTING THE PROPOSAL FOR US STATIONED MANPOWER AS BEING INDEPENDENT OF SOVIET NUMBERS IN EASTERN EUROPE. FOR GEOPOLITICAL REASONS, THERE WAS A STRONG AND DEFENSIBLE CASE FOR A CONTINUING US PRESENCE REGARDLESS OF SOVIET FORCE LEVELS. THE DEFENCE SECRETARY AGREED. HE EMPHASISED HOW IMPORTANT IT WAS FOR THE US ADMINISTRATION SUCCESSFULLY TO PUT ACROSS THE COMPLEXITIES OF THEIR NEW PROPOSAL SO THAT THE RELATIONSHIP BETWEEN THE FIGURES OF 275,000, 225,000 AND 195,000 WAS CLEARLY UNDERSTOOD. HE EXPLAINED THAT, WITHIN THE BRITISH GOVERNMENT, THERE HAD BEEN SOME INITIAL CONFUSION OVER THESE RELATIONSHIPS WHICH HAD LED US TO ASSUME THAT THE SHIFT IN THE US POSITION WAS GREATER THAN WAS INTENDED. SCOWCROFT SAID THAT ALTHOUGH THE PRESIDENT'S ADDRESS HAD TO BE KEPT SHORT ON THIS ISSUE, THERE WOULD BE AN ACCOMPANYING BRIEFING THAT WOULD SET OUT THE FIGURE WORK AND THE RATIONALE FOR THE NEW POSITION.

8. SCOWCROFT CONFIRMED THAT THE US WERE ENVISAGING A PRESENCE ON THE GROUND IN EUROPE OF EFFECTIVELY ONE CORPS - TWO DIVISIONS, PLUS BITS. HE BELIEVED THAT THIS REPRESENTED A REASONABLE FORCE TO BE PROVIDED ON A PERMANENT BASIS FOR ALMOST ALL FORESEEABLE CIRCUMSTANCES.

ACLAND

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DEDIP
FM WASHINGTON
TO DESKBY 300800Z FCO
TELNO 230
OF 300140Z JANUARY 90
INFO IMMEDIATE BONN, PARIS, UKDEL NATO

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FROM PRIVATE SECRETARY

MIPT: [redacted]

1. THE SECRETARY OF STATE RAISED THE US PROPOSED TROOP CUTS [redacted]. HE HAD HEARD THE PRIME MINISTER'S SIDE OF THE CONVERSATION WITH PRESIDENT BUSH AT THE WEEKEND AND HAD SEEN A PRELIMINARY ACCOUNT OF THE EAGLEBURGER/GATES MEETING WITH THE PRIME MINISTER THAT MORNING.
2. [redacted] IT WAS A COMPLICATED PROBLEM, WITH RAMIFICATIONS BEYOND EUROPE, EG IN THE AMERICAN HEMISPHERE.
3. THE SECRETARY OF STATE SAID EVERYBODY UNDERSTOOD THAT. THE [redacted] WE NEEDED TO WORK THROUGH TOGETHER HOW IT WAS TO BE PLAYED [redacted]. THE PRESIDENT AGREED. IT WOULD BE [redacted] WE WERE NOT TALKING ABOUT EXACT NUMBERS. SUPPOSE THE SOVIET UNION SAID: WE'RE NOT PLANNING TO BE THE FIRST TO OPT OUT? EVEN SINCE THE CHANGES WHICH THE ALLIANCE HAD PLANNED AT LAST MAY'S SUMMIT, THE UNTHINKABLE HAD HAPPENED. WE COULD NOT BASE TODAY'S DECISIONS ON WHAT THE WORLD HAD BEEN LIKE THEN. THE SECRETARY OF STATE INTERJECTED THAT WE SHOULD ALSO DISCUSS HOW MILITARY STRENGTHS RELATED TO TRADITIONAL DOCTRINES. [redacted] BUSH AGREED THAT WE SHOULD DISCUSS DOCTRINES AND INDEED [redacted] IT WAS HIS INTENTION [redacted] THAT THE NEW US FIGURE SHOULD LAST FOR THE FORESEEABLE FUTURE. HE [redacted] BUT WITHIN TWO WEEKS THE BRITISH AMBASSADOR IN WASHINGTON WOULD BE REPORTING THAT CONGRESS WAS TRYING TO DO SOMETHING ELSE. CONGRESS WOULD HAVE THEIR OWN IDEAS. EVERY CONGRESSMAN WHO RESISTED CUTS IN HIS OWN DISTRICT NONETHELESS WANTED DEFENCE CUTS OVERALL. [redacted] AND HE THOUGHT IT WOULD [redacted]

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AGREED (DESCRIBING SOME OF THE FAMILIAR PROBLEMS FACING US FORCES IN GERMANY - LOW FLYING, GROUND MANOEUVRES, ETC).

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7. ON THE MECHANICS OF CONSULTATION, SCOWCROFT SAID THAT EAGLEBURGER AND GATES WERE VISITING PARIS, BONN AND ROME AS WELL AS LONDON. OTHER NATO ALLIES WOULD RECEIVE A MESSAGE FROM THE PRESIDENT OVERNIGHT ON TUESDAY. THE AMERICANS WOULD MAKE A STATEMENT IN THE NAC ON WEDNESDAY. THE AMERICANS WOULD PUT THEIR PROPOSAL TO THE SOVIET UNION ON WEDNESDAY, IN ADVANCE OF THE PRESIDENT'S SPEECH.

8. FCO PLEASE ADVANCE TO PS/NO.10

ACLAND

SECRET AND PERSONAL
DEDIP
FM WASHINGTON
TO DESKBY 300800Z FCO
TELNO 228
OF 300130Z JANUARY 90
INFO IMMEDIATE BONN, PARIS, UKDEL NATO

FROM PRIVATE SECRETARY
SECRETARY OF STATES MEETING WITH SECRETARY BAKER: CFE
SUMMARY
1. BAKER CONFIRMS THAT FIGURE OF 225,000 FOR US FORCES IS INTENDED TO BE A FLOOR. [illegible] BE DISBANDED. US FIGURE NOT (NOT) INTENDED AS A SUBSTITUTE FOR FIGURE OF 275,000 IN CFE1. BAKER SEEKS OUR VIEW ON WHETHER FIGURES SHOULD BE PURSUED BILATERALLY OR AS PART OF ONGOING CFE PROCESS.

DETAIL
2. THE SECRETARY OF STATE MET BAKER ALONE BEFORE THE WIDER DISCUSSIONS. THE SECRETARY OF STATE SAID THAT WE HAD BEEN SOMEWHAT TAKEN ABACK BY PRESIDENT BUSH'S PHONE CALL. HE HAD STRESSED AT THE ACCOUNT OF THE EAGLEBURGER/GATES MEETING WITH THE PRIME MINISTER THIS MORNING, WE WANTED TO ESTABLISH THAT THE NEW US FIGURE OF 225,000 TROOPS WAS A FLOOR. BAKER REPLIED THAT THAT WAS INDEED THE INTENTION. IN DISCUSSING THE PROPOSAL, SOME IN THE ADMINISTRATION HAD URGED THAT IT SHOULD BE PLAYED AS SIMPLY ALTERING THE EXISTING FIGURE OF 275,000 TO 225,000. [illegible] URGED A DIFFERENT COURSE, IE THAT THE NEW FIGURE WAS SOMETHING TO BE DISCUSSED WITH THE RUSSIANS AFTER [illegible] CONDITIONAL ON THE SUCCESSFUL OUTCOME OF CFE1. [illegible] THIS WOULD BE HELPFUL BOTH IN CONGRESS AND FOR THE UK IN ESTABLISHING A CLEAR AND ORDERED PATTERN.
3. BAKER SAID HE WOULD WELCOME OUR VIEW ON WHETHER THE PROPOSAL SHOULD BE DISCUSSED BILATERALLY WITH THE SOVIET UNION OR IN CFE. HE KNEW WE HAD SOME RESERVATIONS ABOUT THE NOTION OF A CFE2. THE SECRETARY OF STATE SAID THAT BAKERS DESCRIPTION OF OUR POSITION ON CFE2 REFLECTED WHAT WE HAD SAID AT AN EARLIER STAGE. IF THE PROPOSAL WAS DEALT WITH IN A CFE PLUS WOULD THAT NOT MAKE CFE1 LOOK ARTIFICIAL? BAKER DID NOT THINK SO. THE LOWER FIGURE WOULD HOLD FOR LONGER IF IT WAS PART OF A SEQUENCE. THE SECRETARY OF STATE UNDERTOOK TO CONSIDER THIS POINT AND GIVE A REPLY QUICKLY.
4. BAKER SAID THAT TROOPS WITHDRAWN UNDER THE NEW PROPOSALS WOULD HAVE TO BE DISBANDED ON BOTH SIDES: IN THE SOVIET CASE SO THAT THEY COULD NOT BE PUT BACK INTO EUROPE.
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ACLAND

SECRET

DEDIP

FM WASHINGTON

TO DESKBY 300800Z FCO

TELNO 230

OF 300140Z JANUARY 90

INFO IMMEDIATE BONN, PARIS, UKDEL NATO

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FROM PRIVATE SECRETARY

MIPT: SECRETARY OF STATE'S MEETING WITH PRESIDENT BUSH: CFE

1. THE SECRETARY OF STATE RAISED THE US PROPOSED TROOP CUTS WHEN HE MET PRESIDENT BUSH THIS AFTERNOON. HE HAD HEARD THE PRIME MINISTER'S SIDE OF THE CONVERSATION WITH PRESIDENT BUSH AT THE WEEKEND AND HAD SEEN A PRELIMINARY ACCOUNT OF THE EAGLEBURGER/GATES MEETING WITH THE PRIME MINISTER THAT MORNING.

2. THE PRESIDENT SAID HE TOO HAD HAD AN ACCOUNT OF THE MEETING WITH THE PRIME MINISTER. WITH SO MUCH CHANGE GOING ON, WE MUST SEIZE EVERY OPPORTUNITY TO MAKE THINGS BETTER FOR THE WEST. THAT INVOLVED MAKING JUDGEMENTS ABOUT THE SOVIET UNION. WE HAD TO WEIGH HOW TO ENHANCE THE PROSPECTS FOR PEACE IN EUROPE AS WELL AS DOMESTIC POLITICS AT HOME. IT WAS A COMPLICATED PROBLEM, WITH RAMIFICATIONS BEYOND EUROPE, EG IN THE AMERICAN HEMISPHERE.

3. THE SECRETARY OF STATE SAID EVERYBODY UNDERSTOOD THAT. THE QUESTION WAS HOW FIRM A FLOOR THE AMERICAN PROPOSAL WAS LIKELY TO BE. WE NEEDED TO WORK THROUGH TOGETHER HOW IT WAS TO BE PLAYED VIS-A-VIS THE SOVIET UNION. THE PRESIDENT AGREED. IT WOULD BE USEFUL TO HAVE DISCUSSIONS, INCLUDING ON HYPOTHESES. SUPPOSE WE WERE NOT TALKING ABOUT EQUAL NUMBERS? SUPPOSE THE SOVIET UNION SAID: WE'RE NOT WANTED, WE'RE TAKING OFF? EVEN SINCE THE CHANGES WHICH THE ALLIANCE HAD PLANNED AT LAST MAY'S SUMMIT, THE UNTHINKABLE HAD HAPPENED. WE COULD NOT BASE TODAY'S DECISIONS ON WHAT THE WORLD HAD BEEN LIKE THEN. THE SECRETARY OF STATE INTERJECTED THAT WE SHOULD ALSO DISCUSS HOW MILITARY STRENGTHS RELATED TO TRADITIONAL DOCTRINES. DID THE PRESIDENT THINK THAT THE NEW AMERICAN TROOP FIGURE WOULD HOLD FOR THE FORESEEABLE FUTURE?

BUSH AGREED THAT WE SHOULD DISCUSS DOCTRINES AND INDEED WHETHER DOCTRINES NEEDED TO CHANGE. IT WAS HIS INTENTION THAT THE NEW US FIGURE SHOULD LAST FOR THE FORESEEABLE FUTURE. HE THOUGHT HE WOULD SUCCEED. BUT WITHIN TWO WEEKS THE BRITISH AMBASSADOR IN WASHINGTON WOULD BE REPORTING THAT CONGRESS WAS TRYING TO DO SOMETHING ELSE. CONGRESS WOULD HAVE THEIR OWN IDEAS. EVERY CONGRESSMAN WHO RESISTED CUTS IN HIS OWN DISTRICT NONETHELESS WANTED DEFENCE CUTS OVERALL. HE HOPED HIS PROPOSAL WOULD HOLD AND HE THOUGHT IT WOULD, BUT HE COULD NOT GUARANTEE IT.

4. BAKER POINTED OUT THAT THERE WOULD BE SUBSTANTIAL CUTS IN DOMESTIC BASES UNDER THE PROPOSAL BEING ANNOUNCED TODAY. CONGRESS WOULD WANT TO KEEP DOMESTIC BASES OPEN AT THE COST OF MORE BASE CLOSURES ABROAD. BUSH SAID HE IMAGINED THAT THIS PRESSURE FOR DEFENCE AT LOWER LEVELS WAS THE SAME IN ALL COUNTRIES. THE SECRETARY OF STATE SAID THAT SETTING A FLOOR WOULD HELP PREVENT AN UNSTRUCTURED RUSH TO REDUCE FORCES ON THE PART OF OTHER ALLIES. OPINION IN BRITAIN WOULD START TO FOCUS ON OUR OWN FORCES IN GERMANY, WHO WERE THERE UNDER A TREATY OBLIGATION. THIS WAS ONE REASON WHY IT WAS IMPORTANT THAT THE NEW AMERICAN FIGURE FOR STATIONED FORCES SHOULD BE A CLEAR FLOOR. BUSH SAID HE COULD NOT SAY THAT THERE WOULD BE NO PRESSURES FOR MORE CUTS TWO YEARS FROM NOW. IT WAS EVEN POSSIBLE THAT, IN THE LIGHT OF DEVELOPMENTS, WE WOULD ALL WANT SOMETHING DIFFERENT. WHAT WAS THE DOMESTIC POSITION IN BRITAIN ON DEFENCE ISSUES? THE SECRETARY OF STATE SAID THAT PRESSURE WOULD DOUBTLESS COME, PRIMARILY ON THE EXPENDITURE SIDE, THOUGH IT WAS ALREADY BECOMING MORE DIFFICULT FOR OUR TROOPS IN GERMANY TO OPERATE. BUSH AGREED (DESCRIBING SOME OF THE FAMILIAR PROBLEMS FACING US FORCES IN GERMANY - LOW FLYING, GROUND MANOEUVRES, ETC).

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ACLAND

SECRET AND PERSONAL
DEDIP
FM WASHINGTON
TO DESKBY 300800Z FCO
TELNO 228
OF 300130Z JANUARY 90
INFO IMMEDIATE BONN, PARIS, UKDEL NATO

FROM PRIVATE SECRETARY
SECRETARY OF STATES MEETING WITH SECRETARY BAKER: CFE
SUMMARY

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ACLAND

CONFIDENTIAL

MINISTRY OF DEFENCE
MAIN BUILDING WHITEHALL LONDON SW1A 2HB
Telephone 01-218 2111/3

MO 7/4D

30th January 1990

Dear Charles,

SEMINAR ON MILITARY DOCTRINE

The Secretary of State thought that the Prime Minister might be interested to read the attached internal minute from Vice Chief of Defence Staff summarising his impressions following the CSCE Seminar on Military Doctrine, and in particular the comments of the Swedish and Finnish Chiefs of Defence on Soviet options in the Baltic States (paragraph 3(c)), and from the East German Chief of Defence on the political prospects for his country (paragraph 3(f)).

I am copying this letter and its enclosure to Richard Gozney (FCO).

Yours sincerely,

John Colston.

(J P COLSTON)
Private Secretary

Charles Powell Esq
10 Downing Street

CONFIDENTIAL

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RESTRICTED
FM WASHINGTON
TO IMMEDIATE FCO
TELNO 226
OF 292315Z JANUARY 90
INFO IMMEDIATE MODUK, UKDEL NATO, BONN, PARIS, ROME, MOSCOW
INFO PRIORITY OTHER NATO CAPITALS, MANILA, SEOUL

SIC

US DEFENCE BUDGET : FY 91

SUMMARY

1. CHENEY PRESENTS FY91 DEFENCE BUDGET. NO MAJOR SURPRISES, WITH STRUCTURAL CHANGES AND PROGRAMME CUTS (LARGELY A REPRISE OF FY90) MUCH AS EXPECTED. USD 295.1 BN AUTHORITY BID REPRESENTS 2.6 PERCENT REDUCTION FROM FY90, ADJUSTED FOR INFLATION. REAL DECLINE OF 2 PERCENT PER ANNUM PROJECTED TO FY95. THE THEME WAS QUOTE SHAPE THE BUDGET TO THE NEW REALITIES UNQUOTE. CONCURRENT ANNOUNCEMENT OF CLOSURE/CUTBACK AT SIXTY-NINE US BASES (FOURTEEN OVERSEAS), INCLUDING THREE IN THE UK (FAIRFORD, WEATHERSFIELD, GREENHAM COMMON). DESPITE ROBUST SUPPORT FOR ALLIANCE COMMITMENTS, CHENEY SPECULATED OPENLY ABOUT THE PROSPECTS FOR RADICAL CUTS AND THE NEED TO REVISE CURRENT PLANS (INCLUDING FOR REINFORCEMENT) SHOULD CURRENT TRENDS PERSIST.

DETAIL

2. ON 29 JANUARY, DEFENCE SECRETARY CHENEY UNVEILED THE ADMINISTRATION'S DEFENCE BUDGET FOR FY91, TOGETHER WITH THE PROJECTED BUDGET AUTHORITY BIDS FOR FY92 TO 95 INCLUSIVE (DETAILS FAXED TO DEPARTMENT). THERE WERE FEW SURPRISES, IN THAT THE BUDGET AUTHORITY FIGURE OF USD 295.1 BN (A 2.6 PERCENT REDUCTION FROM THE FY90 LEVEL ADJUSTED FOR INFLATION) HAD BEEN WIDELY REPORTED SINCE THE BEGINNING OF THE YEAR. THE PROPOSED FORCE STRUCTURE CHANGES ARE MODEST AND UNSURPRISING, CONCENTRATING ON CONVENTIONAL AS OPPOSED TO STRATEGIC FORCES. THEY INCLUDE THE ELIMINATION OF TWO DIVISIONS BASED IN THE CONTINENTAL UNITED STATES, THE RETIREMENT OF TWO BATTLESHIPS (AND THE COMMENCEMENT OF PLANNING FOR THE RETIREMENT OF TWO NUCLEAR CRUISERS), THE DEACTIVATION OF FIVE SSN'S ADDITIONAL TO THE THREE PROPOSED IN FY90 AND THE RETIREMENT OR DEACTIVATION OF FURTHER MINUTEMAN II BALLISTIC MISSILES,

FOURTEEN MARINE CORPS ARTILLERY BATTERIES AND FOURTEEN B-52S (AS DIRECTED BY CONGRESS DURING FY90). THE PROPOSED PROGRAMME CUTS ARE SIMILARLY UNSPECTACULAR, INVOLVING THE TERMINATION OF A NUMBER OF PROGRAMMES TARGETTED BY CHENEY IN HIS FY90 BID (V-22, F-14D, AHIP, PHOENIX ETC) AS WELL AS THE APACHE HELICOPTER, MAVERICK, SEA LANCE AND THE M-1 TANK (CLOSING THE DETROIT PRODUCTION LINE IN SEPTEMBER 1991 AND THE OTHER LINE IN MARCH 1993.)

3. THE FORWARD PROJECTIONS FOR BUDGET AUTHORITY FROM FY92 TO 94 INCLUSIVE PROPOSED A 2 PERCENT REAL REDUCTION PER ANNUM IN DEFENCE SPENDING, WHICH BY FY95 WILL RESULT IN A CUMULATIVE TEN YEAR REAL DECLINE OF 22 PERCENT AND A GROSS REDUCTION FROM THE PRESIDENT'S ORIGINAL FIVE YEAR PLAN OF APRIL 1989 OF SOME USD 167 BN. IN AN ATTEMPT TO COUNTER THE INEVITABLE CHORUS OF DEMANDS FOR DEEPER CUTS, CHENEY'S PRESENTATION POINTS OUT THAT, ON THESE PLANS, DEFENCE OUTLAYS BY 1995 WILL OCCUPY A LOWER SHARE OF FEDERAL EXPENDITURE OR GNP THAN AT ANY TIME OVER THE PAST 50 YEARS. IN FY91 ARMY AND AIR FORCE PROJECTED STRENGTHS WILL BE AT THEIR LOWEST LEVEL SINCE 1950. IT IS ALSO EVIDENT FROM THE FIGURES THAT BY FAR THE GREATEST CUT IS IN THE AREA OF EQUIPMENT PROCUREMENT - DOWN OVER THE PERIOD SINCE 1985 BY 50 PERCENT IN REAL TERMS AND SINCE FY90 BY 9 PERCENT.

4. THE PROJECTED DECLINE IN US DEFENCE SPENDING IS SET IN THE CONTEXT OF A QUOTE CHANGING GLOBAL SECURITY ENVIRONMENT UNQUOTE. CHENEY CALLED UPON CONGRESS TO ALLOW HIM TO QUOTE CUT IN AN INTELLIGENT FASHION - BUILD DOWN GRADUALLY UNQUOTE. HE SAID THAT HE HAD COMMISSIONED A REVIEW OF THE FOUR MAJOR AIRCRAFT PROGRAMMES (B-2, ATF, A-12, C-17) AND WOULD MAKE RECOMMENDATIONS TO CONGRESS IN DUE COURSE. CHENEY SAID THAT THE ANNOUNCED REDUCTIONS REPRESENTED AN ATTEMPT TO QUOTE SHAPE THE BUDGET TO THE NEW REALITIES UNQUOTE. BUT IT DID NOT SIGNIFY AN ABANDONMENT OF THE TRADITIONAL US DEFENCE STRATEGY, QUOTE THAT DOESN'T MAKE ANY SENSE AT ALL UNQUOTE. NEVERTHELESS, HE SAID THAT THE LIKELIHOOD OF A WARSAW PACT ATTACK WAS QUOTE OBVIOUSLY FAIRLY REMOTE UNQUOTE AND SPECULATED THAT IN FIVE YEARS THE RUSSIAN TROOP PRESENCE COULD BE FOR THE MOST PART OUT OF EASTERN EUROPE. THE QUESTION AND ANSWER SESSION WAS ALSO LACED LIBERALLY WITH REFERENCES TO THE POSSIBILITY OF FURTHER SIGNIFICANT PROGRAMME CUTS, BASE CLOSURES AND REVISION OF DEFENCE PLANS SHOULD CURRENT TRENDS CONTINUE.

5. CHENEY CONCURRENTLY ANNOUNCED THAT THE ADMINISTRATION WOULD BE REQUESTING FUNDS TO FINANCE THE CLOSURE OF, OR CUTBACKS IN, SOME SIXTY-NINE US BASES WORLDWIDE. OF THESE, FIFTY-FIVE ARE IN THE CONTINENTAL UNITED STATES (WITH CALIFORNIA (ELEVEN CLOSURES, TWO REALIGNMENTS) AND TEXAS (FOUR CLOSURES, FOUR REALIGNMENTS) BEING THE HARDEST HIT. THE FOURTEEN OVERSEAS BASES ARE SPREAD ACROSS THE UK (WEATHERSFIELD, FAIRFORD, GREENHAM COMMON), TURKEY (ERHAC, ESKISEHIR), GREECE (HELLENIKON, NEA MAKRI), THE FRG (ZWEIBRUCKEN), ITALY (COMISO), SOUTH KOREA (KWANG JU, SUWON, TAEGU) AND THE PHILIPPINES (SAN MIGUEL) AND BERMUDA. THIS PACKAGE, FOLLOWING ON FROM THE EIGHTY-SIX BASE CUT OF 1989, IS LIKELY TO GENERATE A GOOD DEAL OF HEAT AND NOT MUCH LIGHT ON THE HILL, ALTHOUGH THE INITIAL REACTIONS FROM THE SENATE COMMITTEES AT LEAST WERE CONSTRUCTIVE.

6. THE PRESENTATION DID NOT ADDRESS THE QUESTION OF MANPOWER CUTS IN EUROPE. THE ONLY SIGNIFICANT EXPLICIT CHANGE IS THE DISBANDMENT OF THE 38,000 TROOPS (THE TWO DIVISIONS) IN THE US. NEVERTHELESS CHENEY SAID IN RESPONSE TO QUESTIONS QUOTE THE KIND OF PACKAGE WE'VE GOT HERE IS POSSIBLE ONLY IF WE CAN MAKE THE ASSUMPTION THAT WE'LL BE ABLE TO GO BEYOND CFE TO LOWER LEVELS THAN ARE CURRENTLY BEING NEGOTIATED UNQUOTE.

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MY TELNO 23: STATIONING OF BELGIAN TROOPS IN FEDERAL REPUBLIC

SUMMARY

1. DEFENCE MINISTER'S VISIT TO MOSCOW POSTPONED. THE FOREIGN MINISTER HAS CRITICISED COEME'S COMMENTS ON POSSIBLE TROOP WITHDRAWALS FROM GERMANY.

DETAIL

2. THE BELGIAN DEFENCE MINISTER ANNOUNCED ON 26 JANUARY THAT HIS VISIT TO MOSCOW HAD BEEN POSTPONED AT SOVIET REQUEST BECAUSE GENERAL YAZOV WAS IN BAKU AND HIS OTHER PROPOSED INTERLOCUTORS WERE BUSY WITH PREPARATIONS FOR THE NEXT MEETING OF CENTRAL COMMITTEE. THE VISIT HAS BEEN RESCHEDULED FOR 7 TO 12 FEBRUARY.

3. THE PRIME MINISTER TOLD THE PRESS ON 26 JANUARY THAT THE STUDIES TO BE CARRIED OUT BY THE DEFENCE STAFF INTO THE IMPLICATIONS OF A POSSIBLE WITHDRAWAL OF BELGIAN TROOPS FROM THE FEDERAL REPUBLIC WERE A NECESSARY PREPARATION FOR POSSIBLE FUTURE DECISIONS BY NATO AS A RESULT OF ARMS CONTROL NEGOTIATIONS. BUT EYSKENS (WHO WAS IN JORDAN WHEN COEME'S INTERVIEW APPEARED) TOLD THE PRESS ON HIS RETURN THAT COEME HAD NOT CONSULTED HIM BEFORE MAKING HIS STATEMENT. EYSKENS SAID THAT COEME'S STATEMENT HAD BEEN PREMATURE, AS WAS THE ANNOUNCEMENT OF A STUDY OF THE SCENARIOS IN WHICH WITHDRAWALS MIGHT TAKE PLACE, AS IT GAVE THE IMPRESSION THAT BELGIUM WAS PREJUDGING THE RESULTS OF THE VIENNA ARMS CONTROL NEGOTIATIONS. THERE WOULD NEED TO BE A FULL DISCUSSION INSIDE THE GOVERNMENT AND CONSULTATION WITH THE ALLIES BEFORE ANY DECISION WAS TAKEN.

COMMENT

4. COEME'S INTERVIEW WAS A NOT UNUSUAL EXAMPLE OF THE EXPRESSION OF PERSONAL OR PARTY VIEWS BY BELGIAN MINISTERS IN ADVANCE OF CONSIDERATION OF AN ISSUE WITHIN THE COALITION. COEME CLAIMS HOWEVER TO HAVE ASKED MARTENS TO STRESS ON 26 JANUARY THE PURELY EXPLORATORY NATURE OF THE STUDY HE HAS COMMISSIONED, IN ORDER TO CORRECT MISUNDERSTANDINGS ABROAD AND WITHIN BELGIUM. EYSKENS HAS NOW JOINED IN, PLACING MUCH GREATER EMPHASIS ON COLLECTIVE DECISION MAKING AND CFE.

5. HALF THE BELGIAN FORCES STATIONED IN THE FRG ARE LOCATED EITHER ON OR WEST OF THE RHINE (IE ABOUT ONE HOUR FROM BELGIUM). THE OTHER HALF ARE STATIONED WELL FORWARD. PRESENT NATO PLANS PROVIDE FOR MOVING THE REMAINDER OF THE BELGIAN CORPS TO THEIR FORWARD AREA WITHIN 24 HOURS OF AN ORDER TO MOVE. THE BELGIAN PRESS, IN COMMENTING ON COEME'S REMARKS HAS DRAWN ATTENTION TO THE DUTCH MODEL, WITH THE MAJORITY OF DUTCH TROOPS EARMARKED FOR NORTHAG NORMALLY STATIONED IN THE NETHERLANDS.

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SUBJECT codeword

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

29 January 1990

Dear Richard,

CFE

The Prime Minister had a meeting this morning with Mr. Larry Eagleburger (Under Secretary in the US Department of State), Mr. Gates (Deputy National Security Adviser to the President) and General Butler, to follow up the President's telephone call to her on 27 January about the new proposal which the United States proposes to table in the CFE negotiations. The Defence Secretary was also present.

Mr. Eagleburger said that the President had already given the Prime Minister the main details of the proposal, which he proposed to announce in his State of the Union Address on 31 January. In this he would propose that United States and Soviet stationed forces in the central zone should be reduced to 195,000. He wanted to stress that the figure applied only to the central zone: the total for US forces in the Atlantic to Urals area would be 225,000. So far as US forces were concerned, this figure should be seen as a floor below which the United States would not go for the foreseeable future. But for the Soviets it should be regarded as a ceiling, and the assumption was that they would have to make further reductions. The President would make clear that, from now on, the linkage between US and Soviet reductions should be broken. The President did not intend that his proposals should in any way slow down the CFE negotiations, which the US still hoped to complete this year. Nor would it affect equipment levelsin Europe, only manpower.

Mr. Eagleburger continued that the President wanted to find a level of forces which would enable the United States to maintain a strong and viable position in NATO Europe for the long term. He was concerned that the situation in Eastern Europe and the Soviet Union was moving so fast, with a real danger to stability. He was also worried that pressure for German reunification would add to instability and lead to calls for even greater cuts in forces. At the same time, it was becoming increasingly difficult in political terms to sustain the present level of US forces in Europe as perceptions of the Soviet threat declined. Congress was daily spending the peace dividend. The only way to forestall demands for much greater force reductions

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was for the Administration itself to make an early move. The statement which would be made today on closure of US bases overseas should be seen in the same light. The President had instructed him to explain this background to the Prime Minister and to relay her views and comments.

The Prime Minister said that she was grateful to Mr. Eagleburger and his colleagues for coming. Whatever she might say to them later in the discussion, she wanted them to know that the United Kingdom would support the proposal publicly. We were that sort of people. We could not have the United States and United Kingdom divided on a matter of this importance. But having made that basic point she was going to have her say. Europe was entering a very risky and dangerous period. Times of great risk were not the time to cut forces. There was a real risk that the US action would precipitate further cuts by less stalwart members of NATO. Moreover, the President had given a clear commitment after Malta to consult with the United States' allies about these matters. This was not consultation, it was take it or leave it, and it was the second time it had happened. An Alliance ought to agree matters like this: it was painfully obvious that we were just being told. The point which really concerned her was that the further reductions were being made piecemeal, without any overall political or strategic assessment. It was absolutely vital to carry out such an assessment, and the United States and United Kingdom should do it together, taking account not only of the changes in the Soviet Union and Eastern Europe but also of the implications of German reunification. Whatever others in Europe might do, she did not want to reduce the United Kingdom's defence spending. But, depending on what happened in NATO, we might need to reduce the amount we spent in Germany.

The Prime Minister continued that she welcomed the President's intention to make this new figure for US troops a floor below which the United States did not intend to go. That was crucially important and she hoped it would be stated explicitly in his State of the Union Address. She would not want to see Mr. Eagleberger and his colleagues back here in six months or one year's time. She assumed that by making these reductions now, the United States would not see a need for a second round of CFE negotiations. There were a number of other points she wished to make. The military implications of the American proposals would need to be worked out in NATO before they were tabled in the CFE negotiations. (Mr. Eagleburger interjected that there was no doubt about that.) There should be an end to linkage between US and Soviet reductions, since the Soviet Union would clearly have no alternative to reduce its forces further. We needed to know whether the forces which would be withdrawn under the President's proposal would be demobilised. We also needed to know what would happen to their equipment. Finally, it would be helpful to have more details about exactly which units would be withdrawn.

General Butler said that the President's proposal envisaged that the forces withdrawn from the central zone would be demobilised: that was the virtue of proposing the reductions in the CFE negotiations. If the Russians just made unilateral reductions, they would be under no obligation to disband the forces withdrawn. Equipment would not be withdrawn. Rather it would be used to enhance pre-positioned stocks or be made available to other members of the Alliance. Since the bulk of

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the equipment was modern, this would enable other allies to discard outdated equipment. The equipment ceilings which NATO had proposed in the CFE negotiations would stand. As regards the US forces to be withdrawn, it was more important to focus on what would remain, and that would be 'better than a Corps.' So far as possible the forces withdrawn would come out in units, so as to minimise the need for reorganisation. The aviation assets to be withdrawn would be those which were relatively less effective and would certainly not amount to as many as eleven squadrons. There would be consultation with the Allies on the nature of the aircraft to be withdrawn.

Mr. Eagleburger said that he and his colleagues would be going on to Paris, Bonn and Rome. The Prime Minister said that they should bring Chancellor Kohl to accept that the new proposal for US stationed forces was the last word on the subject of reductions, and to state categorically that the FRG would not ask for any further reductions in US forces or nuclear weapons in Germany. The way to turn this new proposal to our advantage was to underline on every possible occasion that this would be the last reduction for the foreseeable future, so that we could go forward on a sure basis. It was vital that NATO should hold together in the dangerous period ahead and this would only be possible if Germany continued to accept stationed forces and nuclear weapons. At the same time, she hoped that Mr. Eagleburger would stress to the President the importance of an overall game plan, which would take all these matters into account and to which we would all hold fast. Mr. Gates said that the President's problem was that, if the Soviet Union made further unilateral withdrawals, this would create irresistible pressures in Congress and elsewhere for the US to reduce its forces. His current proposal was a way of avoiding even deeper reductions later, and would allow the United States to retain significant forces on the central front. The Prime Minister said that she understood from this that the President's proposal subsumed any further reductions which may have been contemplated, either in a CFE2 or as a result of German reunification. The Defence Secretary asked whether the Americans believe that forward defence would still be possible with these reduced forces. General Butler said that SACEUR believe that it was. We had to remember that the Soviet Union would be required to reduce its forces by some 400,000 under these new proposals.

The Prime Minister summed up that the main point she wished relayed to the President was that he must make clear that his proposal was the last reduction which the United States envisaged for the foreseeable future. The details should be negotiated through NATO. The United States and the United Kingdom should sit down to work out together a political and strategic assessment of all these matters and, if possible, agree a joint strategy.

I am copying this letter to Simon Webb (Ministry of Defence) and Sonia Phippard (Cabinet Office).

Yours ever,

(CHARLES POWELL)

Richard Gozney, Esq.,
Foreign and Commonwealth Office.

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10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

bc: PC
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29 January 1990

PRIME MINISTER'S MEETING WITH MR EAGLEBURGER AND MR GATES

You may like to have a quick summary of the main points to emerge from this meeting, to telegraph to Washington. I will let you have a full record later in the day.

The Americans produced some useful clarifications of the President's proposals:

- the 195,000 figure for US and Soviet stationed forces would apply to the Central Zone. The total for US forces in Europe would be 225,000.

- the President was determined that this was a floor below which the US would not go for the foreseeable future. He wanted the US to maintain a strong and viable position in Europe for the long term.

- they would also propose to break the link between US and Soviet reductions from this point on. The Soviets should - and would probably have to - reduce further.

- the proposal concerned only manpower and not equipment. Most of the equipment would stay, some in pre-positioned stock, some for redistribution to other allies. The Allied proposals for equipment ceilings in the CFE negotiations would stand.

- the manpower reductions would amount in effect to one Army Corps. But the airforce reductions would be significantly less than eleven squadrons.

- the US would immediately consult in NATO about the military implications of its proposal. General Boyd-Carpenter would be welcome to obtain the JCS assessment in Washington.

The Prime Minister said that:

- we would support the US publicly, because that is the way we are.

- but we had major reservations about the lack of consultation and the military implications of the US proposal.

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- Britain and the US should get together to make a full political and strategic assessment of all these developments. We could not have piece-meal cuts.

- the President should state explicitly that the new figure was a floor below which he would not go. It subsumed any further reductions, either in a CFE II or as a result of German reunification.

- Chancellor Kohl should be asked to accept categorically that the FRG would not ask for any further reductions in US forces or nuclear weapons in Germany.

- the key was to make absolutely clear that this would be the last reduction in US forces for the foreseeable future. This must be stated on every possible occasion.

I am copying this letter to Simon Webb (Ministry of Defence) and Sonia Phippard (Cabinet Office).

C. D. POWELL

Richard Gozney, Esq.
Foreign and Commonealth Office

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UKDEL NATO (PERSONAL FOR SIR MICHAEL ALEXANDER)

MODUK (FOR PS AND DUS(P))

CABINET OFFICE FOR PS NO.10

NEW US PROPOSAL ON PERSONNEL IN CFE

1. PRESIDENT BUSH TELEPHONED THE PRIME MINISTER ON THE AFTERNOON OF 27 JANUARY, HAVING TRIED UNSUCCESSFULLY TO CONTACT HER ON THE PREVIOUS DAY, TO INFORM HER THAT HE INTENDED TO PROPOSE IN HIS STATE OF THE UNION MESSAGE ON 31 JANUARY THAT US AND SOVIET STATIONED FORCES IN EUROPE SHOULD BE REDUCED TO 195,000 (INSTEAD OF 275,000). HIS RATIONALE FOR THIS CHANGE WAS THAT THE SITUATION IN EUROPE HAD ALTERED RADICALLY SINCE THE 275,000 PROPOSAL HAD BEEN MADE IN MAY 1989: THAT THE RUSSIANS HAD SIGNALLED AN INTEREST IN REDUCING US AND SOVIET STATIONED FORCE LEVELS WELL BELOW 275,000: THAT HE NEEDED TO STAY AHEAD OF THE SOVIET UNION ON THIS ISSUE: AND THAT HE WANTED TO PRE-EMPT PRESSURES FROM CONGRESS ABOUT THE PEACE DIVIDEND. THE REVISED PROPOSAL HAD BEEN DISCUSSED WITH GENERAL GALVIN AS WELL AS THE JOINT CHIEFS OF STAFF. HE WAS CONFIDENT THAT IT WAS MILITARILY VALID: IT WOULD ENABLE NATO TO SUSTAIN THE STRATEGY OF FLEXIBLE RESPONSE (HE DID NOT MENTION FORWARD DEFENCE). HIS AIM WAS TO ESTABLISH 'A LEVEL OF FORCES WITH WHICH THE US COULD GO FORWARD'.

2. PRESIDENT BUSH SAID THAT HE HAD JUST SPOKEN TO MITTERRAND AND KOHL, WHO HAD SAID THAT THEY WOULD BE SUPPORTIVE. HE OFFERED TO SEND GATES AND EAGLEBURGER TO EXPLAIN THE DETAILS OF THE PROPOSAL TO THE PRIME MINISTER. THIS HAS NOW BEEN ARRANGED FOR 29 JANUARY AT 9.45. GATES AND EAGLEBURGER ALSO PLAN TO GO ON TO PARIS, BONN AND ROME. THERE ARE NO INDICATIONS THAT OTHER EUROPEANS ARE BEING INFORMED AT THIS STAGE.

3. MY TWO IFTS CONTAIN:

(I) A VERY INITIAL ASSESSMENT BY FCO AND MOD OFFICIALS OF THE NEW PROPOSAL:

(II) A LINE DISCUSSED WITH PS NO 10 ON WHICH IT IS SUGGESTED MINISTERS MIGHT BASE THEMSELVES WHEN SPEAKING TO SENIOR MEMBERS OF THE ADMINISTRATION IN WASHINGTON AND LONDON IN THE NEXT THREE DAYS.

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MIPTs: NEW US PROPOSALS ON PERSONNEL IN CFE

POINTS TO MAKE

CONSULTATION

1. Grateful for notification. Recognise time pressures on Administration. But this is not the right way to consult between close allies on a development which profoundly affects the security of all of us.

2. However we disguise the fact, it will be obvious to our publics that there has been no opportunity for real consultation (c.f. the CFE proposals in late May 1989). It will not be easy to square this with Baker's Berlin proposals, on which we are actively trying to build, for a more intimate consultative relationship between the US and Western Europe. (Bush's comment after Malta about deeper cuts: "I'm going to cross each bridge when we come to it, and the first bridge is to

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accomplish the reductions that I proposed in the CFE agreement. Then we will quietly, if we get that locked up, and we can take further steps, I would do it in consultation with our allies, and then be unafraid to make proposals to the Soviets. But I'm not going to go into a hypothesis at this time, until we move our bureaucracy forward and the allied bureaucracy forward as best we can to get the rapid agreement on the proposal that's on the table.")

OVERALL MESSAGE

3. The scale of cuts proposed will give the wrong signal: that the change in the Soviet threat is irreversible; and that, instead of making step by step adjustments, NATO can now afford to make a quantum reduction in its defences. There is surely a risk of feeding the appetite for further cuts in stationed forces.

4. Unless the proposal is carefully qualified there is a risk that, along with the base closures to be announced on 29 January, it will weaken European confidence in the US commitment to the alliance.

5. This move will certainly make it harder to sustain defence efforts in Europe. Not only in Belgium, Netherlands and Germany but also in the UK. The question whether there should also be a peace dividend for the UK is likely to become an increasing political issue.

6. You will no doubt wish to take account of these risks when presenting the proposal.

MILITARY IMPACT

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7. We cannot assess the military impact until we know how the proposed reduction would be implemented. Presumably SACEUR and the Joint Chiefs of Staff will also need to carry out a detailed and thorough appraisal before they are in a position to judge whether NATO strategy will remain viable (even assuming no knock-on effect in Western Europe).

8. The points on which we would welcome early clarification are:

(i) How would a reduction of 110,000 servicemen be implemented: is the plan to take the Army reductions by removing one of the two corps? How many additional fighter squadrons would go?

(ii) What impact on the rest of NATO's forces, especially in CENTAG? What adjustments does the US envisage in forward defence and flexible response?

(iii) How will US personnel cuts be made compatible with the much more modest cuts envisaged for equipment in CFE? Does the US plan to take the lion's share of the cuts and to use up virtually the whole of the alliance's allowance for stored equipment in the central zone. Even on this basis, we wonder how it will be possible for NATO to use the full entitlements already proposed in Vienna? Do you envisage NATO tabling yet lower ceilings for equipment?

(iv) Will the 110,000 servicemen be disbanded, as we will presumably insist in the case of Soviet forces withdrawan from Eastern Europe? Will the associated equipment be destroyed, as proposed by NATO under President Bush's May initiative? If so, what corresponding improvements are planned to enhance the US air and sea reinforcement capability?

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UK PUBLIC RESPONSE.

9. Despite our concern about this move and the hurried way in which it is being made, we share your interest in minimising its adverse effect on alliance cohesion and morale. We are therefore prepared to support this proposal in public on the assumption that we have a shared view of where we now stand? Are we right to assume that:

(i) The proposed reduction to 195,000 is part of a strategy to put the US defence budget on a sustainable basis and to set levels which can be maintained for the mid-90s? (President Bush implied this to the PM).

(ii) You will not be proposing further reductions in US or other Western stationed forces after the current CFE negotiations - even if the Soviet Union feels the need to cut well below 195,000 and if it is argued (e.g. by the Germans or Russians) that further cuts are needed to facilitate German reunification.

(iii) Attention will be given to ensuring that the US has the necessary reinforcement capability, so that we can take advantage of the improved warning time to make good the gaps which will result in central Europe.

(iv) The proposal for stationed forces will remain a strictly bilateral one: it will not be extended to other stationed forces, even notionally (for example through a sufficiency rule that no country may station more than, say, 200,000 forces outside its territory in the ATTU area).

(v) The US proposal would be reviewed if Soviet intentions and the security situation in Europe were to change.

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FOLLOW UP

9. We propose an urgent joint strategic and political assessment of the consequences of developments in the Soviet Union and Eastern Europe for NATO strategy as well as the implications of German reunification. We have done some work on this in London, though the new proposal affects the picture significantly. We would like to send a small team of officials to Washington soon to begin what we envisage will be a continuing and strictly bilateral dialogue.

10. In minimising the damage to alliance solidarity, it is obviously important that the European allies should give their timely support to the proposal. You may have ideas for achieving this. One possible option is that we could prepare the ground for this, on a strictly held basis, at a meeting of WEU Political Directors, on 30 January. This could prepare a draft which any one of us could table in the North Atlantic Council, without acknowledging its WEU parentage, as a basis for a statement by all the allies, possibly on 2 February.

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MIPTS: NEW US PROPOSALS ON PERSONNEL IN CFE

POINTS TO MAKE

CONSULTATION
1. GRATEFUL FOR NOTIFICATION. RECOGNISE TIME PRESSURES ON ADMINISTRATION. BUT THIS IS NOT THE RIGHT WAY TO CONSULT BETWEEN CLOSE ALLIES ON A DEVELOPMENT WHICH PROFOUNDLY AFFECTS THE SECURITY OF ALL OF US.

2. HOWEVER WE DISGUISE THE FACT, IT WILL BE OBVIOUS TO OUR PUBLICS THAT THERE HAS BEEN NO OPPORTUNITY FOR REAL CONSULTATION (C.F. THE CFE PROPOSALS IN LATE MAY 1989). IT WILL NOT BE EASY TO SQUARE THIS WITH BAKER'S BERLIN PROPOSALS, ON WHICH WE ARE ACTIVELY TRYING TO BUILD, FOR A MORE INTIMATE CONSULTATIVE RELATIONSHIP BETWEEN THE US AND WESTERN EUROPE. (BUSH'S COMMENT AFTER MALTA ABOUT DEEPER CUTS: 'I'M GOING TO CROSS EACH BRIDGE WHEN WE COME TO IT, AND THE FIRST BRIDGE IS TO ACCOMPLISH THE REDUCTIONS THAT I PROPOSED IN THE CFE AGREEMENT. THEN, IF WE GET THAT LOCKED UP, WE CAN TAKE FURTHER STEPS. I WOULD DO IT IN CONSULTATION WITH OUR ALLIES, AND THEN BE UNAFRAID TO MAKE PROPOSALS TO THE SOVIETS. BUT I'M NOT GOING TO GO INTO A HYPOTHESIS AT THIS TIME, UNTIL WE MOVE OUR BUREAUCRACY FORWARD AND THE ALLIED BUREAUCRACY FORWARD AS BEST WE CAN TO GET THE RAPID AGREEMENT ON THE PROPOSAL THAT'S ON THE TABLE.')

OVERALL MESSAGE
3. THE SCALE OF CUTS PROPOSED WILL GIVE THE WRONG SIGNAL: THAT THE CHANGE IN THE SOVIET THREAT IS IRREVERSIBLE: AND THAT, INSTEAD OF MAKING STEP BY STEP ADJUSTMENTS, NATO CAN NOW AFFORD TO MAKE A QUANTUM REDUCTION IN ITS DEFENCES. THERE IS SURELY A RISK OF FEEDING THE APPETITE FOR FURTHER CUTS IN STATIONED FORCES.

4. UNLESS THE PROPOSAL IS CAREFULLY QUALIFIED, THERE IS A RISK THAT, ALONG WITH THE BASE CLOSURES TO BE ANNOUNCED ON 29 JANUARY, IT WILL WEAKEN EUROPEAN CONFIDENCE IN THE US COMMITMENT TO THE ALLIANCE.

5. THIS MOVE WILL CERTAINLY MAKE IT HARDER TO SUSTAIN DEFENCE EFFORTS IN EUROPE: NOT ONLY IN BELGIUM, NETHERLANDS AND GERMANY BUT ALSO IN THE UK. THE QUESTION WHETHER THERE SHOULD ALSO BE A PEACE DIVIDEND FOR THE UK IS LIKELY TO BECOME AN INCREASING POLITICAL ISSUE.

6. YOU WILL NO DOUBT WISH TO TAKE ACCOUNT OF THESE RISKS WHEN PRESENTING THE PROPOSAL.

MILITARY IMPACT
7. WE CANNOT ASSESS THE MILITARY IMPACT UNTIL WE KNOW HOW THE PROPOSED REDUCTION WOULD BE IMPLEMENTED. PRESUMABLY SACEUR AND THE JOINT CHIEFS OF STAFF WILL ALSO NEED TO CARRY OUT A DETAILED AND THOROUGH APPRAISAL BEFORE THEY ARE IN A POSITION TO JUDGE WHETHER NATO STRATEGY WILL REMAIN VIABLE (EVEN ASSUMING NO KNOCK-ON EFFECT IN WESTERN EUROPE).

8. THE POINTS ON WHICH WE WOULD WELCOME EARLY CLARIFICATION ARE:

(I) HOW WOULD A MANPOWER REDUCTION OF 110,000 BE IMPLEMENTED: IS THE PLAN TO TAKE THE ARMY REDUCTIONS BY REMOVING ONE OF THE TWO US CORPS? HOW MANY ADDITIONAL FIGHTER SQUADRONS WOULD GO?

(II) WHAT WILL BE THE IMPACT ON THE REST OF NATO'S FORCES, ESPECIALLY IN CENTAG? WHAT ADJUSTMENTS DOES THE US ENVISAGE IN FORWARD DEFENCE AND FLEXIBLE RESPONSE?

(III) HOW WILL US PERSONNEL CUTS BE MADE COMPATIBLE WITH THE MUCH MORE MODEST CUTS ENVISAGED FOR EQUIPMENT IN CFE? DOES THE US PLAN TO TAKE THE LION'S SHARE OF THE CUTS AND TO USE UP VIRTUALLY THE WHOLE OF THE ALLIANCE'S ALLOWANCE FOR STORED EQUIPMENT IN THE CENTRAL ZONE? EVEN ON THIS BASIS, WE WONDER HOW IT WILL BE POSSIBLE FOR NATO TO FILL THE FULL ENTITLEMENTS ALREADY PROPOSED IN VIENNA. DO YOU ENVISAGE NATO TABLING YET LOWER CEILINGS FOR EQUIPMENT?

(IV) WILL THE 110,000 BE DISBANDED, AS WE WILL PRESUMABLY INSIST IN THE CASE OF SOVIET FORCES WITHDRAWN FROM EASTERN EUROPE? WILL THE ASSOCIATED EQUIPMENT BE DESTROYED, AS PROPOSED BY NATO UNDER PRESIDENT BUSH'S MAY INITIATIVE? IF SO, WHAT CORRESPONDING IMPROVEMENTS ARE PLANNED TO ENHANCE THE US AIR AND SEA REINFORCEMENT CAPABILITY?

UK PUBLIC RESPONSE.

9. DESPITE OUR CONCERN ABOUT THIS MOVE AND THE HURRIED WAY IN WHICH IT IS BEING MADE, WE SHARE YOUR INTEREST IN MINIMISING ITS ADVERSE EFFECT ON ALLIANCE COHESION AND MORALE. WE ARE THEREFORE PREPARED TO SUPPORT THIS PROPOSAL IN PUBLIC ON THE ASSUMPTION THAT WE HAVE A SHARED VIEW OF WHERE WE NOW STAND. ARE WE RIGHT TO ASSUME THAT:

(I) THE PROPOSED REDUCTION TO 195,000 IS PART OF A STRATEGY TO PUT THE US DEFENCE BUDGET ON A SUSTAINABLE BASIS AND TO SET LEVELS WHICH CAN BE MAINTAINED FOR THE MID-90S? (PRESIDENT BUSH IMPLIED THIS TO THE PM).

(II) YOU WILL NOT BE PROPOSING FURTHER REDUCTIONS IN US OR OTHER WESTERN STATIONED FORCES AFTER THE CURRENT CFE NEGOTIATIONS - EVEN IF THE SOVIET UNION FEELS THE NEED TO CUT WELL BELOW 195,000 AND IF IT IS ARGUED (E.G. BY THE GERMANS OR RUSSIANS) THAT FURTHER CUTS ARE NEEDED TO FACILITATE GERMAN REUNIFICATION.

(III) ATTENTION WILL BE GIVEN TO ENSURING THAT THE US HAS THE NECESSARY REINFORCEMENT CAPABALITY, SO THAT WE CAN TAKE ADVANTAGE OF THE IMPROVED WARNING TIME TO MAKE GOOD THE GAPS WHICH WILL RESULT IN CENTRAL EUROPE.

(IV) THE PROPOSAL FOR STATIONED FORCES WILL REMAIN A STRICTLY BILATERAL ONE: IT WILL NOT BE EXTENDED TO OTHER STATIONED FORCES, EVEN NOTIONALLY (FOR EXAMPLE THROUGH A SUFFICIENCY RULE THAT NO COUNTRY MAY STATION MORE THAN, SAY, 200,000 FORCES OUTSIDE ITS TERRITORY IN THE ATTU AREA).

(V) THE US PROPOSAL WOULD BE REVIEWED IF SOVIET INTENTIONS AND THE SECURITY SITUATION IN EUROPE WERE TO CHANGE.

FOLLOW UP

10. WE PROPOSE AN URGENT JOINT STRATEGIC AND POLITICAL ASSESSMENT OF THE CONSEQUENCES OF DEVELOPMENTS IN THE SOVIET UNION AND EASTERN EUROPE FOR NATO STRATEGY AS WELL AS THE IMPLICATIONS OF GERMAN REUNIFICATION. WE HAVE DONE SOME WORK ON THIS IN LONDON, THOUGH THE NEW PROPOSAL AFFECTS THE PICTURE SIGNIFICANTLY. WE WOULD LIKE TO SEND A SMALL TEAM OF OFFICIALS TO WASHINGTON SOON TO BEGIN WHAT WE ENVISAGE WILL BE A CONTINUING AND STRICTLY BILATERAL DIALOGUE.

11. IN MINIMISING THE DAMAGE TO ALLIANCE SOLIDARITY, IT IS OBVIOUSLY IMPORTANT THAT THE EUROPEAN ALLIES SHOULD GIVE THEIR TIMELY SUPPORT TO THE PROPOSAL. YOU MAY HAVE IDEAS FOR ACHIEVING THIS. ONE POSSIBLE OPTION IS THAT WE COULD PREPARE THE GROUND FOR THIS, ON A STRICTLY HELD BASIS, AT A MEETING OF WEU POLITICAL DIRECTORS, ON 30 JANUARY. THIS COULD PREPARE A DRAFT WHICH ANY ONE OF US COULD TABLE IN THE NORTH ATLANTIC COUNCIL, WITHOUT ACKNOWLEDGING ITS WEU PARENTAGE, AS A BASIS FOR A STATEMENT BY ALL THE ALLIES, POSSIBLY ON 2 FEBRUARY.

HURD

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CONFIDENTIAL
[redacted]DIP
PM UKDEL NATO
TO IMMEDIATE FCO
TELNO 029
OF 281221Z JANUARY 90

15(a)

FOLLOWING FOR RESIDENT CLERK
PLEASE PASS PERSONAL FOR WESTON AND POWELL (NO 10)

MY CONVERSATIONS WITH POWELL AND WESTON YESTERDAY:
U S FORCE LEVELS IN EUROPE

1. THE AMERICAN DECISION TO SEEK LARGER CUTS IN THEIR FORCES IN THIS YEAR'S CFE NEGOTIATION IS NOT ENTIRELY UNEXPECTED. ITS TIMING MIGHT, ON REFLECTION, HAVE BEEN FORESEEN. BUT THE SCALE OF THE CUTS (A FURTHER 25 PERCENT OR MORE) IS DRAMATIC AND THE HANDLING OF THE DECISION (OF MAY 1989) LEAVES MUCH TO BE DESIRED.

2. I HOPE WE WILL REGISTER OUR UNHAPPINESS ABOUT THE WAY THE UK HAS ONCE MORE BEEN BOUNCED ON A MATTER CENTRAL TO OUR SECURITY. THERE HAVE BEEN NUMEROUS BILATERAL U S/UK CONTACTS IN RECENT WEEKS (AND EVEN DAYS) BUT NOTHING - SO FAR AS I AM AWARE - HAS BEEN SAID ABOUT A PLAN WHICH HAS PRESUMABLY BEEN IN GESTATION IN THE NSC AND IN BAKER'S OFFICE SINCE THE NEW YEAR. IF THE AMERICANS WANT US TO WORK TOGETHER WITH THEM IN SEEKING TO IMPOSE SOME SORT OF DIRECTION ON EVENTS (AS I BELIEVE THEY DO) THEY WILL HAVE TO BE PREPARED TO TAKE US INTO THEIR CONFIDENCE EARLIER. THIS POINT SHOULD BE PUT TO THEM FORCEABLY AT THE POLITICAL LEVEL.

3. WE ARE NONETHELESS CLEARLY FACED WITH A DECISION. IT HAS, I UNDERSTAND, BEEN ACCEPTED BY THE TWO OTHER MAJOR ALLIES. SACEUR HAS SPENT MUCH OF THE LAST 10 DAYS IN WASHINGTON AND WILL CERTAINLY HAVE BEEN CONSULTED (ONE MIGHT SEEK CONFIRMATION OF THIS). ALTHOUGH HIS RELATIONS WITH THE U S AUTHORITIES HAVE BEEN UNDER SOME STRAIN RECENTLY, I DO NOT THINK HE WILL SEEK TO DISTANCE HIMSELF FROM THE NEW U S POSITION. (GALVIN, INCIDENTALLY, SEEMS TO BE HAVING SOME DIFFICULTY IN COPING WITH THE CONFLICTING DEMANDS OF HIS NATO-U S POSTS. IT WOULD BE NO GREAT SURPRISE IF HE WERE TO GO SOONER RATHER THAN LATER.)

4. I ASSUME THE U S ADMINISTRATION SAW ITSELF AS CONFRONTING SEVERAL PROBLEMS. ONE CAN ONLY SPECULATE ABOUT THEIR RESPECTIVE IMPORTANCE BUT THEY MUST HAVE INCLUDED:
(A) THE OVERALL BUDGETARY PROBLEM:
(B) CONGRESSIONAL PRESSURE (NUNN HAS BEEN TALKING OF GOING DONW TO A FIGURE OF 220,000 OR LESS) - NO DOUBT INTENSIFIED BY THE ADMINISTRATION'S PLANS TO CLOSE NUMEROUS MILITARY BASES IN THE CONTINENTAL UNITED STATES:
(C) THE NEED TO RESPOND 'IMAGINATIVELY' TO EVENTS IN EASTERN EUROPE (SEE RECENT PRESS COMMENTS ON THE PRESIDENT'S FIRST YEAR IN OFFICE AND THE BACKGROUND TO THE MAY 89 INITIATIVE):
(D) A FEAR (PERHAPS INTELLIGENCE TO THE EFFECT) THAT GORBACHEV MIGHT PRE-EMPT WASHINGTON AND PROPOSE LOWER NUMBERS LEAVING THE AMERICANS WITH NO OPTION BUT TO FOLLOW ON BEHIND: SPECIFICALLY, IN THIS CONTEXT,

(E) THE NEED TO ENSURE THAT BAKER WAS NOT UP-STAGED BY SHEVARDNADZE IN MOSCOW NEXT WEEK:

(F) A DESIRE, IN AMERICAN PARLANCE, TO 'GET AHEAD OF THE CURVE'. HENCE THE SIZE OF THE JUMP. THE 275,000 FIGURE WOULD NOT, ON PRESENT FORM, HAVE SURVIVED FOR MUCH LONGER. WASHINGTON HAS EVIDENTLY TAKEN THE VIEW THAT IT IS BETTER TO SEEK TO NEGOTIATE A SUBSTANTIALLY LOWER FIGRUE THAN TO HAVE REDUCTIONS HAPPEN UNILATERALLY AND PIECEMEAL. - this is perceived

5. THIS DECISION IS PLAINLY NOT GOING TO BE REVIEWED. IT WILL HAVE CONSIDERABLE REPERCUSSIONS. HAVING STRESSED THE POINT IN PARA 2 ABOVE, WE SHOULD THEREFORE IN MY VIEW TELL THE AMERICANS THAT THERE WILL BE NO PUBLIC RECRIMINATION AND THAT WE WISH TO WORK WITH THEM TO MAKE SENSE OF THE NEW POSITION - IN VIENNA AND ELSEWHERE.

6. TO THAT END WE SHOULD SEEK:

(A) AN ASSURANCE THAT THE NEW CEILING WILL BE PRESENTED PUBLICLY AS ALSO BEING SOME KIND OF BOTTOM LINE IE A FORCE LEVEL WHICH THE ADMINISTRATION REGARDS AS LIKELY TO REMAIN VALID FOR SEVERAL YEARS AND WHICH IT WILL BE PREPARED TO DEFEND DURING THAT PERIOD AGAINST CONGRESSIONAL AND OTHER PRESSURE FOR FURTHER REDUCTIONS:

(B) AN ASSURANCE THAT THE REDUCTIONS IN U S FORCE LEVELS, IF IMPLEMENTED, WILL CONCENTRATE ON TAIL RATHER THAN TEETH AND THAT, AS AN ABSOLUTE MINIMUM, A CORPS COMPRISING TWO FULLY COMBAT CAPABLE ARMY DIVISIONS WILL BE RETAINED ON THE CENTRAL FRONT. WE SHOULD ENQUIRE WHETHER THE DIVISIONAL STRUCTURES AND MANPOWER OF THE UNITS TO BE WITHDRAWN TO THE U S WOULD BE MAINTAINED (PREFERABLE) OR DISBANDED:

(C) AN ASSURANCE THAT THE REDUCTIONS, IF AGREED, WILL BE IMPLEMENTED IN A CONTROLLED AND PROGRESSIVE MANNER IN THE LIGHT OF THE PREVAILING INTERNAL SITUATION AND OF SOVIET IMPLEMENTATION. (IT MIGHT NOT BE WISE TO TIE U S IMPLEMENTATION TOO RIGIDLY TO THAT OF THE OTHER SIDE SINCE SOVIET FORCES MAY, IN THE EVENT, GO PRECIPITATIVELY):

(D) EARLY CLARIFICATION OF U S INTENTIONS ABOUT FURTHER CONVENTIONAL ARMS CONTROL NEGOTIATIONS IN EUROPE. GIVEN THAT WASHINGTON IS NOW ROLLING INTO THE PRESENT CFE NEGOTIATION THE SORT OF FIGURES THAT WERE BEING TALKED ABOUT FOR A FURTHER NEGOTIATION, DO THEY ENVISAGE A PAUSE ONCE AGREEMENT HAS BEEN REACHED OR SOME NEW KIND OF NEGOTIATION?

(E) AN ASSURANCE THAT THE AMERICANS WILL INCLUDE IN AN ANNOUNCEMENT OF THE REDUCTIONS A DECLARATION OF THEIR INTENTION TO SUSTAIN, IF NOT ENHANCE, THEIR FORCE GENERATION AND REINFORCEMENT CAPABILITY:

(F) CLARIFICATION OF U S IDEAS ABOUT THE FATE OF THE CONSIDERABLE QUANTITIES OF EQUIPMENT WHICH WILL PRESUMABLY BECOME AVAILABLE. IT WILL BE IMPORTANT TO ENSURE THAT CEILINGS OF TLI EQUIPMENT, INCLUDED THAT IN MONITORED STORAGE, ARE PRESERVED.

7. GIVEN THE SCALE OF THE REDUCTIONS ON THE OTHER SIDE, THE NEW U S FIGURE NEED (UNDERLINE NEED) NOT LEAVE THE ALLIANCE IN AN UNTENABLE POSITION. BUT THE GREAT RISK, OBVIOUSLY, IS THAT THIS LATEST ANNOUNCEMENT COMING ON TOP OF THE PARALLEL U S ANNOUNCEMENT ABOUT BASE CLOSURES AND OF LAST THURSDAY'S STATEMENTS ABOUT DUTCH AND BELGIAN PLANS - WILL TRIGGER OFF AN UNCONTROLLED DASH FOR THE EXITS ON THE PART OF THE EUROPEANS. WE AND THE AMERICANS HAVE A COMMON INTEREST IN HAVING IT MADE CLEAR ON WEDNESDAY THAT THE SITUATION IN EASTERN EUROPE AND THE SOVIET UNION CONTAINS MANY, PERHAPS GROWING, RISKS AND THAT THE AMERICAN DRAW DOWN PLACES INCREASED, NOT DIMINISHED, RESPONSIBILITY ON THE SHOULDERS OF THE EUROPEANS - NOTABLY ON THE GERMANS IN CENTAG. ALTHOUGH THIS LATTER PROPOSITION WILL BE DIFFICULT TO SUSTAIN, SINCE EUROPEAN GOVERNMENTS WILL BE UNDER INTENSE PRESSURE TO MAKE MATCHING CUTS, IT IS THE CASE. WHILE I DO NOT HAVE FIGURES AVAILABLE, IT WOULD, I SUPPOSE, BE THEORETICALLY POSSIBLE IN THE NEW SITUATION FOR THE ALLIANCE TO MEET THE REQUIREMENTS OF THE CFE TREATY AS NOW ENVISAGED WHILE MOST OF THE EUROPEANS TOOK ONLY VERY SMALL REDUCTIONS - IF ANY.

8. THE PRESIDENT'S STATEMENT WILL, IN A SENSE, TAKE US INTO UNCHARTERED WATERS. IT IS THE SORT OF EVENT WHICH OUGHT TO RECEIVE A JOINT EUROPEAN RESPONSE. IT IS A PITY THEREFORE THAT TUESDAY'S WEU MEETING PRECEDES THE U S ANNOUNCEMENT. NONE THE LESS, AND DESPITE THE EVIDENT DIFFICULTIES, THERE IS PERHAPS A CASE FOR THE UK TO TRY TO TAKE THE LEAD - WHETHER HERE IN BRUSSELS OR ELSEWHERE - IN COORDINATING AN APPROPRIATE REACTION.

9. (FOR WESTON) GRATEFUL IF YOU WOULD GIVE THIS TELEGRAM ANY FURTHER DISTRIBUTION (EG TO THE MOD OR THE SECRETARY OF STATE'S PARTY) WHICH YOU JUDGE APPROPRIATE.

ALEXANDER

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[redacted] 14(a-d)

SECRET PERSONAL DESKBY 282300Z

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SECRET
PERSONAL
FM FCO
TO DESKBY 282300Z WASHINGTON (PERSONAL FOR AMBASSADOR)
TELNO
OF 281200Z JANUARY 90
AND TO IMMEDIATE UKDEL NATO (PERSONAL FOR SIR MICHAEL ALEXANDER)
AND PERSONAL FOR PS/FOREIGN AND DEFENCE SECRETARIES
AND TO MODUK FOR PS AND DUS(P)
MIPT: NEW US PROPOSAL ON PERSONNEL IN CFE

ASSESSMENT

1. This move is another illustration of the tendency of the Bush Administration to try to steal the opposition's thunder, domestically and internationally, by taking decisions secretively in a very small circle, thus incidentally presenting the allies with minimal notice and no opportunity for genuine consultation. But the figure of 195,000 is not surprising given the range of options which we knew were being analysed in the Pentagon. As Washington has been reporting for some time, it has been widely assumed that US stationed forces would have to be cut substantially below 275,000 if the European theatre was to make a significant contribution towards the savings target of roughly $150 billion over projected plans for the next four years. (A pro rata US share of cuts currently on the table would yield savings of only $1.6 to $2.9 billion p.a. by 1994: the new proposal would raise this to perhaps $5.1 billion - please protect.)

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MR GOULDEN

SECRET PERSONAL DESKBY 282300Z

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2. It is not possible to assess the military implications until we know how the Administration propose to implement the cut of 110,000 which is now proposed. The main questions to which we need early answers from the Americans are set out in paragraph 8 of MIFT. We would hope that there will be scope to mitigate the military as well as the political consequences through consultations. But we have indications (which cannot be quoted) that a reduction to 200,000 would involve the following cuts in the US force structure in Europe:

	US Army	US Air Force	Manpower
Baseline	$4^2/_3$ div	32 TFS	305,000
New proposal	-1 corps	-11 TFS	200,000

Tactical Fighter Squadrons.

3. In tactical terms, it is hard to quarrel with President Bush's assessment that it makes better sense to put all US cuts on the table in the current CFE negotiations than to stick at 275,000 now in the hope of being able to go much further in follow on negotiations. It may not be feasible or desirable to hold bloc to bloc CFE style negotiations after 1990. In any case it is not in our interests to go on negotiating on the basis of symmetry between US and Soviet forces, given that the latter are likely to fall well below 195,000 in the next few years. Insofar as this move reduces the pressure later on to negotiate about Western stationed force levels in the context of German reunification, it could serve an important British interest.

4. The risk, mentioned by President Bush, of being undercut by Soviet proposals has been a very real one. The Russians have nothing to lose by such a move. It would merely reflect changes which Gorbachev will be forced to make anyway after the GDR elections in May. From Gorbachev's point of view, it is better

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to withdraw his forces on a basis negotiated with the US than to reduce below the negotiated ceiling under pressure from the Czechs, Hungarians and eventually East Germans. Similarly from President Bush's viewpoint, it is better in tactical terms to propose a lower ceiling than to respond yet again to Soviet initiatives.

5. It looks as though the Congressional angle, though mentioned last by President Bush, is the driving force behind this new proposal. If the 1991 defence spending cuts are seen as inadquate - or if they are seen to bite harder on defence spending on the US than abroad there is a genuine risk that Congress will impose deeper spending cuts on the Administration, possibly specifying in some detail where they should be taken overseas. This is very much the message which we have had from US Congressmen passing through London in recent weeks.

5. Depending on the details of how the cuts will be implemented, the acceptability of this proposal hinges crucially on whether President Bush can realistically expect to hold US forces in Europe at the level of 195,000 in the face of future pressures to go further from Congress, the Soviet Union and probably the Germans. This argues for our trying to pin the Administration to as clear as possible a commitment on this score (see paragraph 9 of MIFT). In terms of Anglo-American relations, our response also needs to take account of the fact that Mitterrand and Kohl have reacted with understanding, no doubt aware as we are of the Congressional and negotiating pressures on the Administration. They are probably as irritated as we are by the lack of effective consultation. It would be helpful if we could persuade them to register this clearly with the Americans since, if we do not make our concerns clear on this occasion, we will be poorly placed to complain when

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confronted by similar examples of the Bush Administration's modus operandi (e.g. on CW or across the range of transatlantic economic issues).

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13(a)

PRIME MINISTER

CFE

You asked for more information on the point about equipment, in the brief for the meeting with Eagleburger and Gates.

There are two aspects:

- central store. The current provisions are for some equipment to be held in front-line units and some in store. If the Americans are now going to reduce their forces so substantially, they are likely to mop up all NATO's allowance for equipment in store (the central store for tanks is to be 4,000 of which the Americans would anyway have 3,000);

- whether it would be possible for NATO to "use its full entitlement" agreed in Vienna. The point here is that the scale of American reductions now envisaged mean that they would take up all the equipment reductions, leaving none for anyone else. Indeed once the American reductions are made, the rest of NATO might actually find it hard even to reach the permissable ceilings for equipment agreed in Vienna (let alone made reductions themselves). That is why we need to ask whether the Americans envisage lower equipment ceilings than those so far agreed.

CDP

CHARLES POWELL
28 JANUARY 1990

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(a-c)

PRIME MINISTER

MEETING WITH MR. EAGLEBURGER AND MR. GATES

Mr. Eagleburger and Mr. Gates are coming to see you at 0945 tomorrow morning to discuss the new American proposal to reduce US and Soviet stationed forces to 195,000, of which President Bush informed you on Saturday afternoon. The Defence Secretary will also be present: he leaves for Washington later in the day.

I have discussed the implications of the American proposal during the day with the Foreign and Commonwealth Office and Ministry of Defence. We have put together the assessment which you will find in the folder, together with suggested points to make, both for your meeting with Eagleburger and Gates and for the Foreign Secretary when he sees American officials in Washington tomorrow. I have also obtained Michael Alexander's views (again you will find them in the folder).

It is very hard to judge the military signficance of the American proposal until we know how they intend to implement the cut of 110,000 which is now proposed. We expect they will remove 1 Army corps and about 11 tactical Fighter Squadrons. The President claimed to you that SACEUR had agreed that cuts on this scale would still enable NATO to sustain flexible response and forward defence. We shall find it difficult to gainsay that view. But a great deal is unclear. What adjustments do the Americans envisage making in forward defence and flexible response as a result of these further reductions? What about the equipment? Does it mean that the Americans will use up all the CFE equipment cuts, leaving none for anyone else? Or do they now intend to propose lower ceilings for equipment in the CFE negotiations? Are the 110,000 servicemen to be disbanded or merely withdrawn? Until we know the answers to questions like these we cannot really judge the military consequences. But the overall acceptability of the proposal will depend on two crucial points: first, whether the Americans believe they can now hold their forces at this new level for several years ahead: and second, what improvements they intend to make to their reinforcement capability.

On the political front, the lack of real consultation is very worrying and contrasts badly with some of the public commitments which President Bush has given, for instance what he said after Malta (you will find the text in the points to make). There is a real risk that, when taken with the US base closures already being announced, this new proposal will set off a rush for the exits by a number of other NATO countries. All that said, your instinct yesterday that there is no point in a public row must be right. We shall need to bite our tongues and support the proposal; but the more quotable assurances that we can get from the Americans before the proposal is made public, the easier it will be for us to give our support. We presume that the Americans will no longer see so much urgency about subsequent CFE negotiations, if they are taking such a large reduction in the present negotiations. (And you might remind your visitors that the 'compensation' we sought and were promised for the INF agreement in terms of additional SLCMs and dual-capable aircraft for SACEUR have still not been provided.)

The points which you might like to make to your visitors tomorrow are therefore:

- you are grateful to them for coming: there is a lot to explain, and the time limit is even shorter than the last occasion on which they sprang a surprise proposal on us. It will be obvious to everyone that there has been no proper consultation and this is a great pity - particularly in the light of US statements;

- we are worried that the scale of cuts proposed will give the wrong signal and suggest that we are being hustled into piecemeal reductions, without any proper strategic assessment. The risk that other members of NATO will follow suit will be increased and it will be harder to sustain Europe's defence effort. Indeed we may ourselves now need to think about the continued stationing of so many of our forces on the continent of Europe;

- we need far more details about how the cuts will be implemented before we can make a judgement of the military

consequences. Presumably there will be a proper military appraisal by NATO. Is it the intention to remove a whole Army Corps? How many Fighter Squadrons will go? What about the equipment? Will the US propose lower ceilings for equipment in the CFE negotiations? Will the forces be disbanded? We would hope at least that the Americans would keep 2 fully combat-capable army divisions on the Central Front. We hope too that they will take steps to strengthen their reinforcement capability;

- we do not want to make matters worse by creating the impression of dissension within the Alliance. We shall with reluctance support the proposal. But it will make our task much easier if we can have a quotable assurance that the US will now hold the line at 195,000 for several years and not go any lower: and that the United States will not propose any further cuts in US or other stationed forces after the current CFE negotiations. Even if the Russians have to reduce their stationed forces in Eastern Europe, there will be no need for the US to make corresponding cuts.

- the time has come for Britain and the US to sit down and try to reach a common strategic and political assessment of the implications of the changes in Eastern Europe for NATO strategy, as well as the consequences of German reunification and how a re-united Germany could be accommodated within NATO. You have asked the Foreign Secretary to propose this in Washington and we are ready to send a team of senior officials over at very short notice.

C.D.P.

CHARLES POWELL
28 JANUARY 1990

P.S. You ought to watch to Eagleburger our disappointment with US performance over Vietnamese Boat People.
C.D.P.

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SUBJECT cc Member

11(a-d)

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

27 January 1990

Dear Simon,

CFE: PRIME MINISTER'S TALK WITH PRESIDENT BUSH

President Bush telephoned the Prime Minister this afternoon to inform her of a proposal concerning the CFE negotiations which he proposed to put forward in his State of the Union message on 31 January, namely that US and Soviet stationed forces in the Central Zone should be reduced to 195,000 (instead of 275,000).

The President said he would like to inform the Prime Minister of a proposal which he intended to put forward shortly concerning the CFE negotiations. He was despatching Mr. Eagleburger and Mr. Gates almost immediately to European capitals to explain the details. The United States had received signals of Soviet interest in reducing US and Soviet stationed forces below the level of 275,000 at present envisaged. There had been hints in this sense to General Powell during the recent meeting of defence chiefs in Vienna. This put the US on the spot. They had to be out in front on this issue. They could not be in a position of insisting on a higher level of forces than the Russians wanted, otherwise they would be blamed by the East Europeans for giving the Russians an excuse to stay on. United States military experts had done a detailed study of the possibilities and had concluded that a ceiling of 195,000 for US and Soviet stationed forces in the Central Zone would still leave US forces at a significant level, which would enable NATO to sustain a strategy of flexible response. Other US forces in Europe outside the Zone would not of course be affected. The intention would be to table this proposal in the CFE negotiations. It was still the United States' aim to see these completed later this year.

The President continued that there was much domestic politics in this. There were some very unrealistic views in Congress and euphoria about an expected $60 billion peace dividend. That was absurd. But he wanted to get out in front and avoid charges that the Administration was oblivious to the changes which were taking place in the Soviet Union and Eastern Europe. Eagleburger and Gates would be able to explain the details very early next week, and he planned to make the announcement in his State of the Union message on 31 January. He wanted to underline that the United States simply could not hold the existing level of 275,000, given the likelihood that the Russians would propose further reductions. He recognised that he

was springing a bit of a surprise but would welcome the Prime Minister's preliminary views.

The Prime Minister said she could well understand why the Soviet Union would want to make further reductions. They were going to have to withdraw forces from Eastern Europe anyway and probably needed more at home to cope with their problems with the nationalities. There was obvious advantage for them in securing an equivalent reduction by the United States. In the Soviet case, the troops would presumably be withdrawn from the Central Zone but not demobilised. The President said that his understanding was that they would also be demobilised. He saw it as part of a negotiated process which would lead to an actual reduction in forces. The Prime Minister continued that what worried her most was that it would look as though NATO was being hustled into making piecemeal changes and retreating from agreed positions, without any proper assessment of the consequences. She was in no position to judge exactly what these further reductions would mean in military terms. But she could not believe there would be no effect. How was NATO supposed to assess this before 31 January? We also had to take into account the implications of likely German reunification for NATO: there had, as yet, been no fundamental political or strategic assessment within NATO of the consequences of this. She had just been discussing some of these issues with her colleagues and senior advisers, and there had been agreement on the overriding importance of maintaining NATO with adequate troops and nuclear weapons. It would look very bad to future generations if we rushed into piecemeal changes without weighing the consequences for NATO's defence strategy. She would gladly see Eagleburger and Gates next week and was grateful to the President for seeing the Foreign Secretary, who would be able to bring him up to date on our own deliberations. She wanted to underline the dangers which she saw in piecemeal reductions.

The President said that he agreed in principle with this. But the fact was that, since the 275,000 level had been set, very major changes had taken place in the Soviet Union and Eastern Europe. His aim was to reach a level of US forces which could be sustained. He was convinced that the new proposal was militarily valid: it had been talked through with General Galvin as well as the Joint Chiefs of Staff. He would be happy to share the military assessment with our experts. He did not believe it would be perceived as the piecemeal dismantling of NATO, but rather as an intelligent change which could be sustained. Congress was a major problem for the Administration. What he was now proposing was a level of forces with which the United States could go forward and avoid any unravelling NATO. The Prime Minister and he needed to talk about the German question. He also looked forward to seeing the Foreign Secretary next week. The President added that he had just spoken to President Mitterrand about the new proposal: he had also raised the German reunification aspect, but would be supportive on the proposed reductions. Chancellor Kohl was also supportive.

The Prime Minister agreed that there had been dramatic changes: but it was too early to say whether they were irreversible. We must not run down our defences or make piecemeal reductions which could put security at risk. She had

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talked to President Mitterrand in some detail the preceeding weekend about German reunification and their thinking was very close. None of us had any idea yet how the reunited Germany would fit into NATO. What disturbed her most of all was that one unilaterally-decided reduction in NATO forces could lead to others and NATO itself would begin to fall apart. The President said that his aim was precisely to avoid this. He wanted to find a level which he could stick at. There was great pressure in Congress for further reductions: he would be telling them where we had to stop. He looked forward to discussing the problem further with the Foreign Secretary next week and was grateful for the Prime Minister's willingness to see Eagleburger and Gates.

The Prime Minister said that she was glad that the President had got over his problems with Congress over China. The President said that new problems were on the way. The Prime Minister said she knew the President was worried about the elections in Nicaragua. The President said that he was very worried. There were all kinds of examples where the opposition was not being given proper access to the media, or allowed to hold rallies. It was also desparately short of funds. Anything which the Conservative Party could do to help them would be most welcome.

Follow-up

The Prime Minister discussed this conversation with the Foreign Secretary immediately afterwards. Both are alarmed at the implications of such a unilateral move by the United States, both in terms of its impact on NATO's strategy and the risk that it will only encourage other NATO members to rush ahead with unco-ordinated force reductions. Equally, there seemed no realistic prospect of persuading the Americans to delay, let alone change their minds. Nothing would be gained from a public row. Their decision strengthened the pressures on us to consider urgently the future disposition of our own forces in Germany, along the lines which had been discussed earlier in the day.

Meanwhile, the Prime Minister would like some very urgent work done to assess the military implications of the American proposal and the wider consequences for NATO, so that she has detailed arguments to put to Eagleburger and Gates on Monday or Tuesday. The Foreign Secretary will similarly need to be briefed before his visit to Washington. I fear this will necessitate some work over the weekend and you will wish to inform urgently those in the MOD and Foreign Office principally concerned (I have already spoken to Richard Mottram and John Weston). The Prime Minister would also like Sir Michael Alexander to be informed of the new proposal, and his views obtained as part of this exercise.

For the slightly longer term, we shall need to consider how to take forward the Prime Minister's proposal that Britain and the United States should conduct a proper strategic and political assessment of the consequences of developments in the Soviet Union and Eastern Europe for NATO strategy, as well as the implications of German reunification. It may be appropriate to send a team of senior officials to Washington for this purpose.

The Foreign Secretary will need advice on this before his own meetings there next week.

Finally, for the sake of completeness, I should record that the President first tried to telephone the Prime Minister to discuss this last night, ie. before he spoke to Kohl and Mitterrand, but we asked for the call to be postponed until after this morning's meeting.

I am copying this letter to Stephen Wall (Foreign and Commonwealth Office) and Len Appleyard (Cabinet Office).

yours ever,

Charles Powell

CHARLES POWELL

PS The American Ambassador has now been in touch and we have arranged that Eagleburger and Gates will see the Prime Minister at 9.45 on Monday, 29 January. That means we shall need to get briefing by tomorrow night.

Simon Webb, Esq.,
Ministry of Defence

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THE US POLITICO-MILITARY SCENE

SUMMARY

1. AN OVERVIEW OF THE US ADMINISTRATION'S CURRENT APPROACH TO POLITICO-MILITARY ISSUES BEFORE YOU AND THE DEFENCE SECRETARY VISIT WASHINGTON.

DETAIL

2. OVER THE PAST YEAR, THE ADMINISTRATION HAS DEVELOPED A CLEAR, IF BASIC, SENSE OF THE EUROPEAN SETTLMENT IT WOULD LIKE: REMOVAL OF SOVIET TROOPS FROM EASTERN EUROPE: GERMAN UNIFICATION ON WESTERN TERMS AND WITHIN NATO: AND A CONTINUING AMERICAN PRESENCE IN EUROPE, SUSTAINED LESS THROUGH MILITARY STRUCTURES AND MORE BY POLITICAL AND ECONOMIC ONES. THE PRESIDENT'S ARMS CONTROL INITIATIVES AT THE 1989 SPRING NATO SUMMIT TOGETHER WITH THE REASSURANCES PROVIDED TO GORBACHEV IN MALTA AND THE POSITIONS TAKEN AT THE END OF LAST YEAR ON FUTURE EUROPEAN ARCHITECTURE AND THE GERMAN QUESTION HAVE DONE MUCH TO QUIETEN EARLIER DOMESTIC CRITICISM THAT THE ADMINISTRATION WAS RESPONDING INADEQUATELY TO EVENTS.

3. BUT THOUGH THE MEDIUM-TERM VISION MAY BE CLEAR, BUSH, BAKER AND SCOWCROFT HAVE BEEN FEELING THEIR WAY TOWARDS IT PRAGMATICALLY AND THROUGH SEEKING EVOLUTIONARY CHANGE:

(A) THE PROPOSALS FOR A NEW EUROPEAN ARCHITECTURE INVOLVE ADAPTATION OF EXISTING INSTITUTIONS RATHER THAN CREATION OF NEW ONES. A CONTINUING ROLE FOR THE ALLIANCE FEATURES PROMINENTLY, ALONGSIDE A CAUTIOUS APPROACH TO THE DEVELOPMENT OF CSCE (AND TO A CSCE SUMMIT IN 1990) AND

STRONGER US/EC LINKS. THESE STRUCTURES ARE SEEN NOT IN TERMS OF US WITHDRAWAL FROM EUROPE BUT AS PROVIDING THE UNITED STATES WITH A 'TRIAD OF ACCESS' OVER THE LONG HAUL. THEY ARE ALSO EXPRESSED AS BROAD OBJECTIVES RATHER THAN BLUEPRINTS, PARTLY BECAUSE THE ADMINISTRATION IS UNDECIDED ITSELF ABOUT THE DETAIL, AND PARTLY BECAUSE IT GENUINELY HOPES TO ELICIT A EUROPEAN INPUT.

(B) ON ARMS CONTROL, THERE IS A SIMILARLY CAUTIOUS APPROACH. WORK TOWARDS A START TREATY, THOUGH NOW ACCELERATED, IS BASED ON THE EXISTING STRUCTURE AND NOT ON THE MORE RADICAL IDEAS PUT FORWARD FOR DEEPER STRATEGIC CUTS OR SPECIFIC BANS ON MIRVED LAND-BASED SYSTEMS AS ADVOCATED, INTER-ALIA, BY SCOWCROFT. ON CFE AND CW, PROGRESS IS BRISK BUT NOT INCAUTIOUS: THE US APPROACH TO VERIFICATION POLICY ON THE FORMER AND PRESERVATION OF A BINARY CW PROGRAMME ON THE LATTER, ILLUSTRATE THE SECURITY CONSIDERATIONS WHICH CONTINUE TO UNDERPIN THE ADMINISTRATION'S POSTURE. THERE IS ALSO A SLOW STEP BY STEP APPROACH TO NUCLEAR TESTING, WITH A DISTINCT PAUSE INTENDED AFTER CONCLUSION OF THE TWO VERIFICATION PROTOCOLS NOW COMING TO FRUITION.

(C) ON DEFENCE SPENDING AND FORCE LEVELS IN EUROPE, THERE HAS BEEN A STEADYING OF LATE, AFTER WILD TALK OF RADICAL CUTS AND AN UNCERTAIN PERFORMANCE BY CHENEY IN NOVEMBER. THERE REMAINS THE PROSPECT OF CUTS OF AT LEAST DOLLARS 150 BN FROM PREVIOUSLY PLANNED LEVELS OVER THE, NEXT FOUR FINANCIAL YEARS AND PLANS INVOLVING REDUCTIONS IN US FORCE LEVELS IN EUROPE TO AROUND 200,000 MEN BY THE MIDDLE OF THE DECADE. BUT THE ADMINISTRATION IS LIKELY TO OPT FOR A RELATIVELY CAUTIOUS PLAN FOR FY91, WITH BUDGET REDUCTIONS OF AROUND 2 PERCENT IN REAL TERMS PER YEAR AND NO MAJOR CONVENTIONAL FORCE CHANGES IN EUROPE OUTSIDE OF CFE.

4. THE PRESSURES ARE NONETHELESS NOW MOUNTING ON THE ADMINISTRATION TO MOVE FURTHER, MORE QUICKLY. DEVELOPMENTS IN EASTERN EUROPE AND THE GERMANYS ARE EXERTING A POWERFUL INFLUENCE ON CONGRESS. BEYOND THE IMMEDIATE PROBLEM OF THE BUDGET DEFICIT, THE DEFENCE BUDGET IS UNDER ATTACK BY DEMOCRATS DEMANDING THAT THE UNITED STATES SHOULD MOVE TO THE FRONT OF THE QUEUE FOR THE PEACE DIVIDEND. THE HOUSE RESOLUTION FOR FY91 CALLS FOR CUTS OF OVER 10 PERCENT. INSTEAD OF SUPPORTING THE ADMINISTRATION'S PREFERENCE FOR RETAINING A SECURITY MARGIN AGAINST THE

POSSIBILITY THAT CURRENT SOVIET POLICY COULD BE CHECKED OR REVERSED, THERE IS A RISING PUBLIC CHORUS FOR DEEP REDUCTIONS IN US AND SOVIET CONVENTIONAL AND NUCLEAR FORCES IN EUROPE WHILE THE GOING IS GOOD.

5. THE ADMINISTRATION IS ALREADY FINDING IT DIFFICULT TO OPPOSE RADICAL DEFENCE CUTS ON THE BASIS OF ALLIANCE COMMITMENTS ALONE, WHEN THE WARSAW PACT THREAT AND ASSUMPTIONS ABOUT MILITARY WARNING TIME ARE THEMSELVES BEING DOWNGRADED. ON 24 JANUARY THE PRESIDENT HINTED AT THE WAY THE WIND MAY BE BLOWING - AT LEAST IN TERMS OF PUBLIC RATIONALE FOR DEFENCE - WHEN HE REFERRED TO THE NEED FOR THE MILITARY POSTURE TO BE QUOTE MORE GEARED TO GLOBAL CONTINGENCIES OUTSIDE OF EUROPE, WHILE CONTINUING TO MEET OUR INESCAPABLE RESPONSIBILITY TO NATO UNQUOTE.

6. THESE PRESSURES WILL BE EVIDENT WHEN YOU AND THE DEFENCE SECRETARY VISIT WASHINGTON. THE SENATE ARMED SERVICES COMMITTEE HAS ALREADY EMBARKED ON A SERIES OF HEARINGS IN ANTICIPATION OF THE UNVEILING OF THE ADMINISTRATION'S DEFENCE BUDGET FOR FY91. THE ADMINISTRATION WILL ALSO BE GEARING ITSELF UP FOR DISCUSSION OF ARMS CONTROL PRIORITIES AT THE BAKER/SHEVARDNADZE MEETING AND AT THE OPEN SKIES CONFERENCE IN OTTAWA. IN THESE CIRCUMSTANCES YOUR VISITS COME AT AN OPPORTUNE MOMENT TO ENGAGE THE ADMINISTRATION ON THE NEXUS OF SECURITY ISSUES SURROUNDING THE MANAGEMENT OF THE TRANSITION:

(A) THE FORCE LEVELS TO BE SOUGHT IN EUROPE IN THE PERIOD TO 1995 AND THE US COMPONENT WITHIN IT,

(B) THE PUBLIC RATIONALE TO JUSTIFY THE ALLIANCE'S CONTINUING MILITARY ROLE AND DEFENCE STRUCTURE,

(C) THE DEVELOPMENT OF OTHER COMPLEMENTARY STRUCTURES - POLITICAL ROLES FOR THE ALLIANCE AND THE SPEED AND DIRECTION OF CSCE EVOLUTION.

(D) THE ROLE OF ARMS CONTROL: WHILE THE ADMINISTRATION WILL ENVISAGE MORE NOT LESS, IT IS NOT CLEAR THAT THIS SHOULD BE ACHIEVED THROUGH NEGOTIATIONS STRUCTURED IN THE SAME WAY AS AT PRESENT: IN PARTICULAR A CFE 2, UNLESS ORGANISED DIFFERENTLY COULD RISK EITHER THE CODIFICATION OF THE SOVIET PRESENCE IN EUROPE OR THE ELIMINATION OF MOST OR ALL QUOTE STATIONED FORCES UNQUOTE.

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MR GOULDEN
MR BEAMISH
MR RATFORD
MR LING

ADDITIONAL 16

ARMS CONTROL CONVENTIONAL

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For the attention of Mr Powell

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AMBASSADOR R. JAMES WOOLSEY

R. James Woolsey was sworn in as U.S. Representative to the Negotiation on Conventional Armed Forces in Europe (CFE), with the rank of Ambassador, on November 6, 1989. He brings two decades of experience in U.S. security affairs to the job, including service under four Administrations, with the Senate Armed Services Committee, and in negotiations at the Strategic Arms Limitation Talks (SALT I), Strategic Arms Reduction Talks (START) and Nuclear and Space Talks (NST).

Ambassador Woolsey was born in Tulsa, Oklahoma in 1941. He was educated at Stanford University, and was a Rhodes Scholar at St. John's College, Oxford, before receiving his LL. B from Yale University in 1968. Upon graduation, he served in the U.S. Army for two years.

While in the Army, Ambassador Woolsey was appointed Advisor to the U.S. Delegation to the SALT talks, working in both Helsinki and Vienna until 1970. He joined the National Security Council staff that same year. He was then named General Counsel of the Senate Armed Services Committee, a position he held until 1973. Between 1977-1979 he served in the Carter Administration as Under Secretary of the Navy. He was a Delegate at Large to the START and then the NST Talks in Geneva, 1983-86.

In addition, he has served on a number of Presidential Commissions, including the President's Commission on Strategic Forces (1983), the President's Blue Ribbon Commission on Defense Management (1985-86) and the President's Commission on Federal Ethics Law Reform (1989). He is a frequent contributor of articles on defense and foreign policy to major publications, such as The Washington Post and Foreign Affairs Quarterly. He edited Nuclear Arms: Ethics, Strategy, Politics (ICS Press) in 1984.

Ambassador Woolsey was a partner of the law firm Shea and Gardner, Washington, D.C. 1979-89.. He is married to Suzanne Haley Woolsey and has three sons.

Prime Minister

This is the excerpt from Douglas Hurd's speech. It is clear after the reference to "ploughshares into tractors" does not refer specifically to UK defence spending – even so, it is not the right signal. CDN 22/1

In the arms control field, important tasks lie ahead for NATO. Success in conventional arms control will remain a high priority.

In the first instance, this means doing everything we can to meet the target of a successful conclusion this year to the CFE talks in Vienna.

NATO has been setting the pace in these negotiations. Britain has played an active role. Progress has been good so far, but we are not yet home and dry. Hard work is still needed on vital issues such as verification.

NATO and Warsaw Pact Foreign Ministers will be able to discuss the negotiations next month, at the Ottawa meeting of CSCE countries to discuss the US "Open Skies" initiative.

Let me just remind you what an enormous prize a CFE agreement will be.

First, it will mean the biggest reduction in conventional forces in Europe since the post-war demobilisations. NATO's bold proposals envisage 50% cuts in tanks and artillery, and the withdrawal of over 300,000 Soviet troops stationed in Eastern Europe.

Second, asymmetrical cuts will achieve a balance of forces. The Russians never really demobilised after 1945. But a CFE agreement will eliminate the Warsaw Pact's large conventional superiority, together with its destabilising potential.

Third, NATO has proposed arrangements which mean that remaining forces will be deployed in a less threatening way. Both sides will feel more secure.

Fourth, all the forces removed under the proposed agreement will be demobilised or destroyed. That is remarkable. Only the 1988 INF agreement has ever attempted to do anything similar. "Swords into ploughshares" is a cliche. But here we are literally talking about turning tanks into tractors.

So there is everything to play for. After the agreement is reached, it will have to be implemented. There will be an important new role for NATO in coordinating the verification of new arms control agreements. That too will require time and effort. Meanwhile new arms control priorities will probably be emerging. In short, whether you look at the political or the arms control dimension, NATO has a full, important and relevant agenda for the future.

Developing the role of the Europeans in NATO, the European pillar of the Alliance, will demand our attention over the coming year.

As European integration gathers pace, so it will be all the more important for the European allies to make a full contribution to the common defence. This work is all the more significant at a time of great change and potential instability.

Today the Prime Minister is in Paris to take forward our ideas in her discussions with President Mitterrand.

Conservative ideas and approaches are more valuable than ever before in today's Europe. Societies are evolving from models which never worked, towards systems we know can succeed. We know how parliamentary government has to be soundly based on a myriad of free institutions. We have recent experience of how to bring in the private sector to enrich an economy which had become arid and sterile under the shadow of the state. At the same time, the uncertainty associated with these changes requires steady nerves. Recovery will be tough. We need new thinking about how best to safeguard our own security, and European stability.

(1)

10 DOWNING STREET

Prime Minister

These are the papers on the US Defence Cuts, which you discussed with the Defence Secretary. You may like to see them, in case the President mentions. CDP 25/7

Foreign and Commonwealth Office

London SW1A 2AH

25 January 1990

Dear Charles,

US Defence Budget Cuts

We understand that President Bush may telephone the Prime Minister towards the end of the week, to discuss East/West relations and security policy. One of the issues he may raise is US force reductions in Europe. He may want to tell the Prime Minister how the US defence cuts will be presented in the 1991 Budget statement. This will be sent to Congress on 26 or 29 January; either the President himself or Mr Cheney will probably comment in a press conference. The President will be well aware of our concerns.

Final decisions on defence cuts have not yet been taken. There are indications that these will not be as radical as some earlier speculation suggested. The Administration may not wish to reveal all its intentions at this stage, in an attempt to avoid being forced to make even larger cuts by Congress subsequently during the latter's deliberations on the budget, which will last at least until October. But the budget will probably be cut by at least 2% a year in real terms; there are likely to be force reductions and base closures at home and overseas, as well as programme adjustments and efficiency measures. US troops in Europe might be cut by as much as 70,000, undercutting the current Western CFE proposal of 275,000 US (and Soviet) stationed troops.

One area almost certain to be affected by the cuts will be US bases in the UK. Informal conversations in Washington and with Third Air Force in the UK suggest that there will be no follow-on mission for RAF Greenham Common after the missiles depart in 1991; that the USAF Civil Engineering Squadron at RAF Wethersfield will be withdrawn in 1991 and the base closed; and that the tanker aircraft at RAF Fairford will be withdrawn by October 1990 with the base being reduced to stand-by status (ie maintenance only in peacetime). Separately, the US Air Force have written to the Chief of Air Staff to say that they intend to withdraw 12 F16 aircraft from RAF Bentwaters in March this year. This will probably not be included in the budget statement. The US Defence Secretary is due to write to Mr King once the line on

bases has been decided. But the letter is unlikely to issue until 25 January.

In speaking to the President, the Prime Minister might make the following points:

- Understand your need to control the US budget. What matters is that it is clear to everyone that the US transatlantic commitment - including substantial forces in Europe - remains as strong as ever.

- Important that US force cuts should be carefully tailored to a CFE agreement. If you decide that the number of US forces in Europe will have to go below 275,000, then these further reductions should be negotiated in CFE on the basis of a common US/Soviet manpower ceiling. Would also hope that the US share of Western CFE equipment reductions would be calculated to include any further cuts you may wish to make over the next couple of years. Presentationally, too, it is important to link cuts to CFE. We want our negotiating hand with the Russians to stay strong. And we do not want a poor example to be set to those Europeans eager to make substantial cuts in their own spending, or to the Canadians.

- We appreciate that the planned reductions at US bases in the UK will minimise the withdrawal of US combat forces. We shall of course want to announce the reductions at the same time as you do so in Washington. We realise that you are still taking the final decisions. But we should be most grateful if Mr Cheney could ensure that his message to Mr King arrives in time for a simultaneous announcement to be made.

- We would be grateful for an assurance that cuts will not have an adverse impact on the UK Trident programme.

I am copying this letter to Simon Webb (MOD) and Sonia Phippard (Cabinet Office).

Yours,
Stephen Wall

(J S Wall)
Private Secretary

C D Powell Esq
10 Downing Street

VCDS 1095/2/1

23 Jan 90

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CSCE SEMINAR IN VIENNA ON MILITARY DOCTRINE 15-19 JANUARY 1990

1. Following my attendance with CDS on 16 January at the opening session of the CSCE Seminar in Vienna on Military Doctrine, I presented the United Kingdom's formal contribution on 18 January and took part in subsequent plenary discussions as well as a number of bilaterals. You may find it helpful to have a brief report on my impressions of matters arising later in the week after CDS had returned to the UK.

2. You have seen a copy of the presentation script which I delivered on 18 January setting out the basis of the United Kingdom's Military Doctrine and its relationship with our security policy on which it is based. Both privately and in open forum it was generally well received because it attempted to focus on the realities of military capabilities rather than declared political intentions, which formed the basis of several of the WTO presentations.

A PS(C)/1

3. Other matters of interest that arose either in or out of the plenary sessions included:

a. The FRG presentation which laid surprising emphasis on the need to maintain stationed forces in NATO, including nuclear weapons. I was told by a member of the FRG delegation that the text had been personally approved by Herr Genscher. I have heard subsequently that Herr Genscher did not clear the text!

b. The constant assertion by the Soviet Union and, to a lesser extent Poland, that the West had failed to recognise their declared change in political intentions and to sustain only defensive strategies and doctrines in future. In a similar vein they repeatedly claimed that we had not taken sufficient account of their unilateral force reductions. With strong support from the United States and Italy I addressed in discussion the issue of intentions versus capabilities, as well as the large TLE asymmetries that are likely to remain after the WTO unilateral reductions have been implemented.

c. My separate bilaterals with CHOD Sweden, (General Gustafsson) and CHOD (Designate) Finland (Vice Admiral Klenberg). The latter saw no non-military solution open to the USSR for resolving the problem of the Baltic States, though I avoided pressing him too hard about possible scenarios. CHOD Sweden thought Gorbachev had to find a peaceful solution, but as he believed he would also have to retain his military bases in the Baltic States he could not suggest how this might be achieved in practice. Subsequently the deputy Swedish Ambassador let us know privately that he disagreed with his CHOD in that he now saw no peaceful resolution of the problem of the Baltic States.

d. The different lines adopted by the non Soviet Warsaw Pact Nations (NSWP) at the Seminar. Both Czechoslovakia and Hungary distanced themselves markedly from the Soviet line including their future membership of the WTO, whereas the other NSWP delegations who spoke (GDR, Poland, Romania, Bulgaria) did not now appear to see the imminent dissolution of the WTO as necessarily being in their national interests. No doubt the prospect of German reunification is causing a major rethink in this area, particularly with regard to stationed forces. In the margins of CDS's lunch for General Moiseev, the Soviet Ambassador gave me his private view that the whole question of stationed manpower would now have to be set to one side in this round of CFE.

A PS(C)/1

e. The private view of the US Ambassador was that, in order to conclude CFE Treaty signature before its whole structure was overtaken by events in Eastern Europe, it may be necessary to set aside for later consideration some of the more complex issues outstanding eg a TLE category covering helicopters. He also privately foresaw that after a CFE Treaty had been signed this year there would be overwhelming demands for further major US force reductions in Europe. I see here a major problem of managing effectively our own orderly reductions in Europe if, as soon as we have laid plans on the basis of the CFE agreement and SACEUR's advice, we move immediately to further rounds of additional and disproportionate US reductions for which we have not allowed in the first place.

f. The dinner which I hosted on the evening of 18 January for military representatives from Italy, FRG, DDR and Poland revealed clearly the lack of 'd'accord', amounting almost to animosity, between DDR and Poland. The DDR CHOD (Lieutenant General Gratz) volunteered to me his personal view of likely events following the forthcoming East German elections. He felt that these elections would lead to a non-communist government lasting perhaps only 6 months as it became increasingly unpopular and ineffective in dealing with the growing economic difficulties in DDR until it was eventually overwhelmed. Thereafter he predicted a referendum in the DDR which would give an overwhelming mandate for reunification with the FRG. As he was sitting in close company with Major General Nauman from the FRG, I refrained from pressing Lieutenant General Gratz on his perceptions of the role and alignment of DDR military forces in such a scenario.

4. I am particularly grateful to all those who helped prepare for this Seminar on Military Doctrine. I believe we should now await the tangible results of this session before considering further seminars of this sort.

VCDS

A PS(C)/1

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R 15/1 (2)

MINISTRY OF DEFENCE
MAIN BUILDING WHITEHALL LONDON SW1A 2HB
Telephone 01-218 2111/3

Prime Minister

MO 13/5/26/2L

16 January 1990

You asked to see the brief for the Military Doctrine seminar in Vienna. I have read it through, but see no need for you to do so. It certainly gives away no secrets. It is more likely to give our enemies a headache or send them to sleep!

Dear Charles,

Thank you for your letter of earlier today about the Military Doctrine Seminar at Vienna. I am enclosing a draft of General Vincent's brief for the conference, though it may be adapted to take account of the contributions by others - particularly from the Eastern side - who speak before him.

We are exploring whether General Powell could call in London on his way back to the United States. A copy goes to Richard Gozney (FCO) and Tim Sutton (Lord President's office).

Yours sincerely

Simon Webb

(S WEBB)
Private Secretary

I agree!

CDP 16/1

Charles Powell Esq
10 Downing Street

CONFIDENTIAL

PRESENTATION ON AGENDA ITEM 2 OF THE CSBM SEMINAR ON MILITARY DOCTRINE

1. I welcome the opportunity to speak at this remarkable and historic Seminar which is a manifestation, if ever there was one, of the growing understanding that is now developing between those of us who committed ourselves at Helsinki to the cause of peace. Understanding is born of openness so, naturally, I am pleased to have the opportunity to explain United Kingdom perceptions in the important area of security policy and military doctrine.

2. I intentionally place these terms - security policy and military doctrine - in that order as doing so signifies the relative importance we attach to them in the United Kingdom. We have heard a great deal already about the meaning of the term doctrine, and I do not intend to go over old ground or dwell more than necessary on definitions. But for clarity I should explain our use and understanding of the terms security policy and military doctrine in the United Kingdom. Security policy is a crucial component of my country's foreign policy. And the British Government is accountable to a democratically elected Parliament

for our security objectives, as it is in other policy areas.

3. The need to feel secure is a basic human need. At the national level security is achieved by the development of positive relations with other countries through diplomatic and other means underpinned by a national defence policy. In democratic societies there is inevitably, and rightly, strong and open competition for available resources between domestic needs, such as health and education, and other programmes, such as defence or foreign aid. There is often a natural individual preference towards domestic needs because these appear to have a more direct influence on personal benefits and circumstances. So our Government has an important responsibility for formulating our security policy and ensuring that it receives the priority needed relative to other programmes. Once our security policy has been determined, we develop the associated military strategy needed to apply it in a manner that is consistent with the resources available for defence purposes. Within the Ministry of Defence these matters are formulated jointly by civilian and military staffs but it is Ministers, accountable to Parliament, who give their approval or decide on any changes needed.

Similarly, the United Kingdom Government is ultimately responsible to an informed electorate whose adverse reaction to a Defence, or any other Policy, which lacks credibility or costs too much can contribute to a Government's failure to remain in office.

4. So, in the United Kingdom, it is the concept of our security policy and its supporting strategy that is paramount. Doctrine is developed later to support that strategy and is subordinate to it. In a sentence, for us doctrine is what is taught, not what is decreed. At the highest level, which we term military doctrine, it represents our understanding of our approach to warfare and its prevention in order to provide the foundation for its practical application. At theatre level, we concern ourselves with operational doctrine, which imparts both understanding and direction relevant to that theatre; while,at the tactical level, our doctrine seeks to ensure that commanders at all levels have a common foundation on which to base their training and plans and, if needed, their conduct of military operations. But some flexibility in the interpretation and application of our military doctrine is essential, for Armed Forces have to be able to

resolve complex tasks, often in unpredictable and hazardous circumstances. Success in military operations, whatever their nature or purpose, requires the ability to adapt rapidly to change and to endure chaotic conditions. Thus, military doctrine must primarily seek to influence the way in which officers and NCOs think. It has authority, but should be regarded as neither infallible nor dogmatic. And its formulation and evolution is a dynamic process which, although based on the hard-won experience gained in military operations, must respond to other factors such as evolving technology, the changing threat and the availability of resources, so that it can be adapted to changing conditions and requirements.

5. If our doctrine is to be credible it must address, in a manner that convinces ourselves and our publics, three fundamental questions: Why we have armed forces; the nature and legitimacy of their tasks; and the basis for achieving success in those tasks. And in these changing times, it is important that we can all continue to answer these questions convincingly. So perhaps I can best illustrate our military doctrine against the background of our security policy by dwelling a little further on

these 3 questions.

Why We Have Armed Forces

6. First, why we have armed forces. The aim of British Defence Policy is to ensure the security of the nation and to keep it free to pursue, by just and peaceful means, its legitimate interests and activities at home and abroad. The prime responsibility of our democratically elected Government is to maintain the stability, freedom and territorial integrity of the UK and its dependent territories. This in turn depends to a large extent for us on the maintenance of peace and stability in Europe although, of course, we have much wider geo-strategic interests and responsibilities. Our defence needs are inevitably linked to the scale and nature of the perceived threats to our national interests together with an assessment of the risks of those threats actually materialising. Our primary aim must be to ensure that nations or other agencies posing such potential threats to our security interests are deterred from using or

threatening the use of force as an instrument of policy. But security for one nation or Alliance cannot be maintained on terms that inevitably mean insecurity for others. Despite recent and welcome developments, the WTO's enormous military capability still lies at the root of our anxieties for the security of Western Europe because it exceeds by any reasonable norms the scale and types of forces needed for purely defensive purposes. And this in turn has been an important determinant of our security policy in recent years and the strategy that has been developed to sustain it.

7. Of course, we acknowledge and welcome what we hear of the changing nature of Soviet doctrine, but we still owe it to our own people to ensure their security by a careful evaluation of potential threats, based on a realistic assessment of military capabilities, not just declared political intentions. And we then have to establish an appropriate security posture taking account also of broader international relationships and responsibilities. The UK cannot in human or resource terms achieve its security alone, and no doubt similar considerations and constraints apply in the case of our Alliance partners to a greater or lesser

extent. The main foundation of the United Kingdom's security for the foreseeable future therefore continues to lie in membership of the North Atlantic Treaty Organisation. As a member of that Alliance we share its objectives for the prevention of war through a policy of collective deterrence combined with a willingness to seek through negotiation with other nations to maintain our security in future at lower force levels and by more peaceful means.

The Nature of The Task

8. Now to the nature of the task. Again our deterrent strategy is linked to that of NATO. Forward defence, a shared commitment to the defence of NATO territory at its borders, but without threatening the territory of others, is our defence. To respond to any attack in a way which is most appropriate at the time is the only effective counter to both the threat and reality of unprovoked aggression. Virtually all of the UK's armed forces are committed to NATO's realization of this strategy within 4

main roles to which we accord equal importance: the provision of strategic and sub-strategic nuclear forces as the ultimate basis of deterrence; the direct defence of the United Kingdom; the forward defence of the European mainland; and the provision of maritime forces in the Eastern Atlantic and Channel areas.

9. Owing to its unique geo-strategic position in the Atlantic and its proximity to mainland Europe, the air, sea and land defence of the United Kingdom itself make an important contribution to NATO as a whole. No less important is the demonstration of our commitment to forward defence by our ground and air forces stationed in Central Europe, and through our naval and air forces committed to forward maritime operations. This commitment is further enhanced by our specialist reinforcement forces which nationally or in concert with our allies make a unique contribution to some aspects of forward defence.

10. But our concern for the preservation of peace and stability is not confined to the mainland of Europe and the North Atlantic. Every nation has a right to pursue its legitimate trade and

cultural interests world-wide and a responsibility to meet its national obligations in this respect. For the United Kingdom our overseas garrisons make an important contribution to the security and stability of our dependent territories. Their other tasks include peacekeeping, disaster relief and attending to other contingencies that may occur at home or outside the NATO area, including the provision of military aid to civil authorities and to the civil power for other purposes.

The Basis for Success

11. What is necessary for armed forces to succeed in the tasks I have described lies at the root of the policy and doctrinal debate for us. At the key level of our security policy, we measure success by maintaining our freedom and territorial integrity as economically as possible while avoiding war. Our primary task is to deter war and our force posture - alongside that of our Allies - is decided accordingly. Should deterrence ever fail because of the miscalculation of an

adversary, our aim would be to restore territorial integrity - on an Alliance-wide basis - as quickly as possible and with the use of the appropriate force needed.

12. NATO strategy in the Central Region of Europe and the United Kingdom's role there demonstrate these principles clearly. Our objective would be to absorb and defeat an enemy deploying forces which have developed tactics for creating and exploiting deep penetrations. Since NATO is a defensive alliance, the initiative would lie with an aggressor who, if possessed of overall superiority, could apply pressure across the whole front, whilst retaining the ability to concentrate overwhelming superiority at selected points. To counter this, we would seek to hold vital ground, to control penetrations elsewhere using reserves to mount counter attacks in order to maintain the cohesion of our forward defensive positions. This concept places great emphasis on the joint land/air battle. Air forces would, if necessary, help to check and contain the enemy advance until our land forces had fully deployed. Thereafter, their tasks would be: countering the enemy's air effort, delaying and disrupting their follow-on forces and supporting our own counter

actions, all with the sole objective of ejecting the aggressor from NATO soil to restore the 'status quo ante bellum'.

13. There is no question of these forces being designed to conduct rapid, forward movement beyond the NATO area. We lack the force levels and the logistic support necessary to sustain such offensive action. Clear manifestations of our defensive strategy are such indicators as; the limited size of United Kingdom forces, their deterrent and defensive deployment options, the lack of any large warstocks sited forward to support offensive operations, and well established operational concepts specifically optimised to contain and eject armoured forces and their supporting elements.

14. At sea, our policy within NATO further reflects this defensive posture, where our forces are deployed to contain the forces of a potential aggressor and to protect our sea lines of communication with our Allies on the North American continent. Our experience in two world wars this century has demonstrated the vital importance of our maritime capability to our defence and ultimate survival.

15. We are, of course, directly concerned with all aspects of the defence of the United Kingdom, but this too has a wider perspective. Our geo-strategic position gives us a special role in the successful conduct of NATO operations. In the event of an attack on NATO, we serve as a major base for reinforcements to the European theatre, and we provide support for those formations which would operate from the United Kingdom, including specialist reinforcement forces. We are thus committed not just to our own defence, but to defending and supporting our allies operating through and from our own territory, in addition to our own forces deployed forward from United kingdom bases.

16. At the doctrinal level, we approach the question of success not in terms of a simplistic comparison between so-called "offensive/defensive" doctrines, but by the criterion of military cost-effectiveness to achieve our limited aims. For the credibility of a "defensive" doctrine is only convincing if it is matched by an appropriately limited military capability. Obviously, changes in capability take time to implement, so some caution in making judgements in this area is needed. And, if it

is conceived in a credible and logical manner, we will accept the the significance of a defensive doctrine as we will the role of the offensive within a convincing overall defensive strategy. And it is in this latter category - the legitimate application of offensive operations within a genuinely defensive strategic framework - that I believe we need greater understanding between all of us and where we could usefully pursue the discussions in this Seminar.

17. So the United Kingdom's security policy, and our military doctrine which supports it, are entirely consistent with a defensive Alliance strategy which has consistently made it quite clear - and repeated it recently in its Comprehensive Concept - that it threatens no other nation. The fundamental objective of the Alliance is deterrence and its 16 sovereign nations are dedicated solely to the collective defence of their own and each others' territory and their democratic values. This is made possible by making clear its determination to respond to any attack in a manner that seems most appropriate at the time, but it is also combined with a constant readiness for dialogue in

order to seek a growth in confidence through better understanding of the sort now being manifested in this seminar. This defensive posture requires effective forces of the sort the UK contributes to all elements of NATO's military capabilities and to all 3 NATO commands. For the foreseeable future we believe that nuclear weapons will continue to provide an essential element of our deterrent strategy. Although strong conventional forces will also remain an important component, history unfortunately shows that they cannot on their own prevent war; for only nuclear weapons present a potential aggressor with the prospect of intolerable consequences should he seek to seize the sovereign territory of another nation. And the simple fact is that nuclear weapons cannot simply be dis-invented. Who amongst us would feel secure with their removal when proliferation beyond Europe remains an issue? But this is not to say that the United Kingdom will not support reductions of nuclear arsenals to lower levels when conditions are right; nor should we forget the lead taken by the NATO Alliance in such reductions when, since 1979, we have eliminated more than a third of our stockpile in Europe.

18. The Alliance to which we belong has ensured peace in Europe for over 40 years and we are clear that our policy and doctrine in combination has fulfilled the security needs of our own population. We recognise, and welcome, the wishes of others in Europe for change that will produce for them more personal freedom in a secure environment. The process of change can itself produce dangers if it is not carefully managed and supported by confidence building measures. And the process of arms reduction could also create risks if at any stage it resulted in a misguided perception that war itself had once again become a feasible and rational option. For arms control itself cannot create greater stability which depends ..... The task for us all therefore is to scale-down our forces in ways which will maintain stability during the process of transition and lead eventually to a more secure environment at lower levels of forces in Europe.

19. This is no small challenge, and while we are greatly encouraged by the developments of the past year, there is still far to go. The United Kingdom's defence policy, and the strategy and doctrine which support it are, we believe, rightly matched to

present circumstances. But they are inherently flexible, and as events unfold, so our strategy and doctrine will evolve in response to positive evidence of changes in the military/technical doctrines of others that genuinely match declared changes in national policies. Let us hope that this gathering will promote these much needed developments towards a safer world.

file to
c: Vienna

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

16 January 1990

Thank you for your letter of 15 January about the seminar to discuss Military Doctrine which is to be held in Vienna between 16 January and 5 February. The Prime Minister has expressed interest in seeing our main brief for the meeting, and I should be grateful if you could let me have it in the course of today. She has also enquired whether General Powell would like to call into No.10 to see her on his way to or from the United States. I am not sure whether he is already in Vienna, but would be grateful if you could arrange for the invitation to be extended to him (always assuming a convenient date can be found).

I am copying this letter to Richard Gozney (Foreign and Commonwealth Office) and Tim Sutton (Lord President's Office).

C.D. POWELL

Simon Webb, Esq.,
Ministry of Defence.

010

Prime Minister (2) CC/C

CDP 15/1

MINISTRY OF DEFENCE
MAIN BUILDING WHITEHALL LONDON SW1A 2HB

Telephone 01-218 2111/3

MO 13/5/26/2L

15 January 1990

① Would General Powell like to call in to No.10 on his way back to the U.S?

② May I see the points we propose to put forward? MC

Dear Charles,

Amongst the NATO proposals tabled in Vienna last March for the Confidence and Security Building Measures (CSBM) negotiations between the 35 nations of the CSCE was the suggestion of a seminar to discuss Military Doctrine. Agreement was reached with the Warsaw Pact that this should be held in Vienna between 16th January and 5th February.

There will be high level military attendance in the first four days. For the UK, the Chief of the Defence Staff will attend the opening of the seminar; the Vice-Chief of Defence Staff will also be present then, and will give the main UK presentation on 18th January. General Powell, Chairman of the Joint Chiefs of Staff, is attending for the US, and we expect Chiefs of Staff to represent other nations, including the Soviet Union.

Although there have been a number of bilateral contacts between Eastern and Western military since the withdrawal from Afghanistan, this seminar will be an unprecedented gathering of senior military men not just from NATO and the Warsaw Pact, but also from the Neutral and Non-aligned nations. For this reason, there is likely to be considerable public interest in it. As his US and Soviet colleagues will be holding a Press Conference on the opening day, the Defence Secretary has agreed that Sir David Craig should do so too.

The seminar itself, and the various opportunities for bilateral contacts which will arise, will be useful in putting forward our own thinking, and teasing out ambiguities and weaknesses in the Soviet position. Our representatives will probe their asserted move to a "defensive" doctrine, but will be careful that the seminar does not become purely a propaganda platform for the Eastern bloc. We shall want to consider, in the light of the outcome, whether any further meetings of this kind would be useful.

I am sending a copy of this letter to Richard Gozney (Foreign and Commonwealth Office) and Diana Goldsworthy (Lord President).

Yours sincerely

Simon Webb

(S WEBB)
Private Secretary

Charles Powell Esq
10 Downing Street

(2)

10 DOWNING STREET

Prime Minister

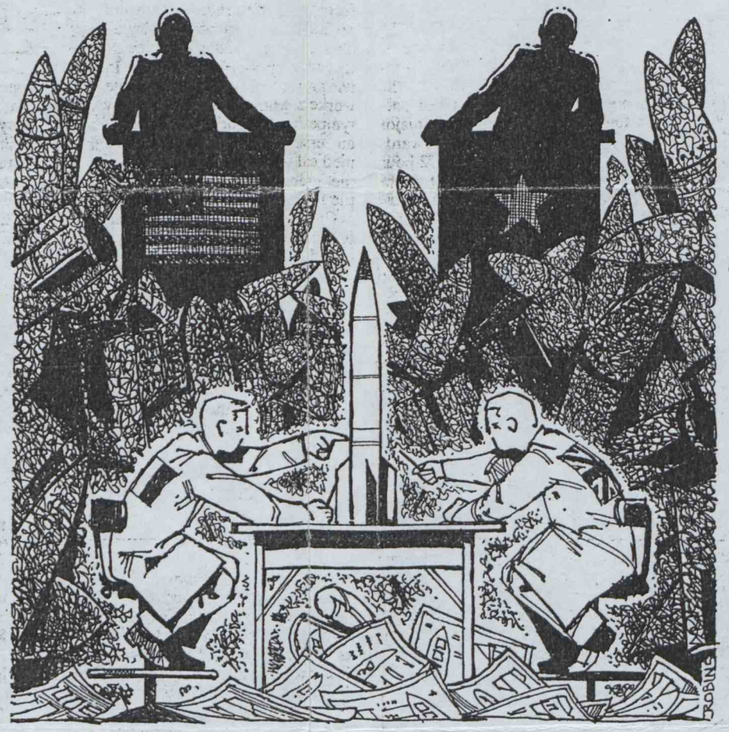
You may like to read this article by the sensible (French) Director of the Institute of Strategic Studies. He came to your Chequers seminar in September.

CD 20/1

"INDEPENDENT"

Defending Europe without Uncle Sam

François Heisbourg considers how Britain and France should meet their new military role after a year during which revolution has reshaped the strategic map of the continent



BRITISH and French policies in the nuclear arena cannot remain static while the post-war order is undergoing a process of revolutionary change. The dismantling of the Berlin Wall and the reopening of the German question herald the beginning of the end of the post-war political order in Europe.

Simultaneously, sustained progress is being made in Vienna towards a treaty on conventional forces in Europe: therefore, 1990 could signal an era where Western Europe would no longer face an unacceptably large array of Soviet military might.

Parity of conventional forces would become a reality instead of a promise, with a buffer of erstwhile Soviet allies separating Russia from Western Europe. This combination of political upheaval in Central Europe and arms control breakthroughs will not eliminate the requirement for an adequate defence, but adequacy will be achievable at much lower levels of forces and weaponry.

In the new Europe, defences would represent an insurance policy, to ward against the residual military risks which could result from political instability in the USSR as well as to face conflicts outside Europe. Uncertainty about future events in the USSR, and their potential repercussions in Europe will also continue to make nuclear deterrence a necessary component of the European strategic landscape if the risks of instability are kept at manageable levels. So long as any potential inter-state conflict in Europe will entail even a minimal element of nuclear risk, war will remain unthinkable between the nations of Europe and the Soviet Union. Nothing deters like nuclear deterrence.

A defence policy has to be built for the long-haul, and that includes its nuclear aspects. Any sensible nuclear policy will continue to require options with a reasonable possibility of not triggering a massive strategic exchange. However, a much smaller number of theatre nuclear weapons will be required in a post-CFE Europe devoid of massive troop concentrations and where conventional forces are numerically equal: instead of some 4,000 tactical nuclear weapons, Nato could then probably make do with fewer than 1,000. Similar reductions could be implemented by the Soviet Union.

A large number of the West's nuclear weapons in Europe should be American, to ensure coupling between the two banks of the Atlantic, as is the case today. However, the United Kingdom and France, which already possess limited sub-strategic nuclear forces, will have a more important role to play, in view of the reduction of the United States' military presence in Europe.

The future shape and role of these French and British sub-strategic nuclear forces need to be considered in the light of technical, doctrinal and strategic requirements:

☐ The United Kingdom will need to replace its national WE 177 nuclear free-fall bombs (which currently equip the Royal Air Force's aircraft) with an airborne missile before the end of the Nineties. The bombs are not only ageing physically, but the capability to fly them to their putative targets with any degree of certainty diminishes as air defences improve.

☐ With the emergence of the new democracies in Eastern Europe, doctrines which involve a strong possibility of nuclear strikes on these countries' territory will become difficult to justify. In the future therefore, French and British sub-strategic nuclear weapons should have the technical capability of reaching the territory of the other European nuclear power, the USSR, rather than that of the new democracies alone.

☐ The United States' reduced military presence in Europe will compel the Western European countries to carry a greater share of the burden in ensuring overall deterrence: in the nuclear field, this will be done effectively if London and Paris pool their resources.

Therefore, logic dictates that France and Britain should develop an airborne missile jointly to reach beyond Eastern Europe. The French and the British Ministries of Defence have discussed this since 1987. What has changed is the political climate resulting from the new strategic landscape: in London as in Paris, politicians are in favour of an Anglo-French air-to-surface missile. The two governments are allocating limited sums of money in order to compare various options.

Obstacles still hinder a joint project. First of all the question of cost: an Anglo-French missile would cost significantly more than the one which the Americans would wish to sell, the SRAM-2. American requirements are quantitatively larger than those of the UK since more than 1,600 SRAM-2s have been requested by the US Air Force. Paris and London would probably need to order only a fifth or so of that number. Therefore, unit costs for a European missile will be higher. Furthermore, the Americans would probably not require Britain to pay research and development (R & D) costs.

However, the strategic and political merits of an Anglo-French missile outweigh the financial penalties inherent in the absence of R & D recoupment and a short production run. Even assuming such a cost-premium, an Anglo-French venture would cost only a small fraction of programmes such as Trident or the European Fighter Aircraft. An extended version of the current French ASMP airborne missile or a new Anglo-French system should have a range between 500 and 1000 kilometres to give a sufficient stand-off capability to the carrier planes. The necessary propulsion and guidance systems are within the two countries' grasp.

Differences in nuclear doctrine need to be taken into account. France's doctrine is predicated traditionally on a massive nuclear warning-shot, entailing the simultaneous launching of all pre-strategic nuclear weapons, whereas Britain's is more conservative, based on the flexible response concept and relying on smaller, more selective warning strikes.

However, changing circumstances could lead to a convergence of these doctrines: the basic requirement is that an aggressor must be left in no doubt that this is indeed a warning shot against his territory, rather than the beginning of a strategic nuclear exchange. Therefore, a warning-shot should not be massive, even if it is desirable that it should both be clear in its intent and remain a once-and-for-all gesture.

There are other potential problems resulting from the attitude of other countries. The Soviets could denounce an Anglo-French project as a violation of the INF Treaty of 1987, which bans all intermediate-range ground-launched nuclear missiles. However, neither France nor the UK are parties to this strictly bilateral Treaty, nor are airborne missiles mentioned in the Treaty — indeed both US and Soviet bombers continue to carry such missiles.

The Soviets could broaden their objection, since they have traditionally pressed for the complete elimination of nuclear weapons in Europe. However, there are signs that Moscow is gradually moving towards the acceptance of a form of minimum deterrence in Europe. This is entirely logical: Soviet force planners, who would no longer enjoy military superiority, will appreciate that some nuclear weapons are infinitely more stabilising than none in a situation of conventional force parity.

Fears that an Anglo-French missile could harm the US-UK special relationship have been exaggerated. It could have a positive effect on US-European relations. Washington and Paris have, according to two authors*, entertained much closer relations in the nuclear field than had been supposed. If they are right, there need be no significant difficulties with Washington, provided the White House and the Senate were informed at the relevant political levels of British and French intentions. Indeed, it would be surprising if such soundings had not already taken place. Washington would have a positive interest in encouraging such a course for burden-sharing reasons, with Western Europe taking a greater responsibility in its defence. Furthermore, an Anglo-French airborne missile deployed in Europe could have the attraction of facilitating the deployment of the American SRAM-2 on US aircraft in Europe: if one type of airborne missile proves politically acceptable, so should the other.

More generally, the Bush Administration has been encouraging, rather than discouraging, greater Western European unity, as a means to provide a reliable organising factor in the emerging "post-post-war" European order: Franco-British nuclear co-operation in close consultation with the other West European countries, notably West Germany, would provide a basis for such unity in the strategic arena.

Therefore, the strategic and political bottom-line militates in favour of a decision, sometime in 1990, for an Anglo-French airborne missile to be deployed before the end of the Nineties. Such a step would enhance Western Europe's capability to guarantee its security. Furthermore, an Anglo-French pre-strategic deterrent would contribute to strategic stability rather than detract from it, provided it were procured in small numbers and for war prevention.

At a time when the old order in Europe is disintegrating, France and Britain have nothing to lose, and much to gain, by providing a solid strategic anchor within a strengthened European Community and a changing Atlantic Alliance.

* Richard Ullman, The Covert French Connection, FOREIGN POLICY, No. 75 (Summer 1989). M McGeorge Bundy, Danger and Survival, Random House, New York, 1988 (page 602, para 2).

The author is Director of the International Institute for Strategic Studies. These are his personal views.

18 December 1989

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To: **The Private Office of the Secretary General**
Mr Christopher Donnelly
Sovietologist in Residence
FAX: 011-32-2-728-4666

CDP
24/i

From: Richard A. Pawloski
GDFW, POB 748, MZ 2630
Fort Worth, Texas 76101
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Subj: **CAN NATO DO MORE WITH LESS**

Enclosed is a more complete investigation into the subject. Very Best Wishes.....Ski

CAN NATO DO MORE WITH LESS? (Version Final)

1. It is generally held that NATO cannot sustain serious force structure cuts without loosing a substantial amount of its "cutting edge" combat capability, whereas many Soviet Military Specialists contend that the Warsaw Pact can actually benefit from such reductions. Warsaw Pact Soviet and East European National Military Forces, which have continuously built-up at an excessive pace for the last decade, can now become "leaner" and "meaner" by building-down into a totally modernized force structure replacing the numerous "old" with lesser "new" and improved fourth generation machines. Most importantly, the Soviets have also gained some important "Glaznost Mileage" out of this effort after it was presented by Gorbachev as a cornerstone to his conventional arms reductions initiatives.

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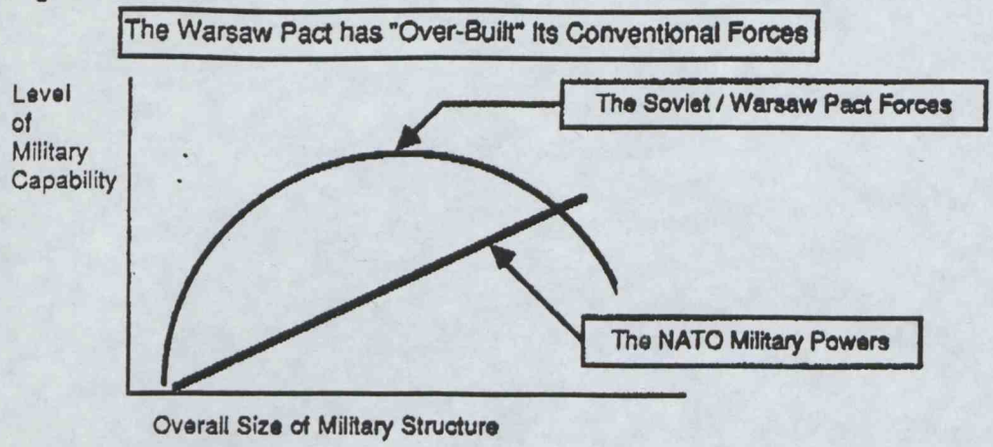
The following simple concept graph has been used to explain this effect.

Figure 1:



2. The graph attempts to show that the Warsaw Pact Build-up was continued beyond anything that was required to meet even their own public projections for a NATO/Pact Military Balance. As a parabolic plot, the build-up completely passed some optimal point and continued to saturate the Soviet Armed Forces with weapons and material. Simply, the Soviet military-industrial output overcame their capacity to assemble, train, and deploy the manpower to run it all. Together with the impending economic disaster facing the Russian homeland these vast military expenditures had to get the attention of the Gorbachev economists. The Soviet press has mentioned many examples where the excessive buildup has caused waste and strain on their logistics system and created undue shortages in the civilian sector. At first the excesses were favorably recognized by the General Staff as providing the high level of spares and replacement equipment necessary to continue a relentless attack against the high-tech and fortified nuclear NATO. But under Gorbachev, it became a prime example of how over-inflated military needs robbed the Soviet economy of any chance to improve. But once the Soviet Government insisted upon cuts in the percentage of national resources going to the Defense Industries, two important priorities were insisted upon by the General Staff:

a. the fire power of the senior level unit must improve or stay the

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same despite numerical reductions, especially in artillery and aviation branches

b. the individual soldier's capacity to fight must be improved

They were in fact starting to "doing more with less" by streamlining organizations and replacing old equipment with new and better. As the right hand side of the curve was "reducing" forces it was in fact rising up the capability scale, heading back to that optimal point.

3. The full details on this new "leaner" and "meaner" Warsaw Pact force structure will be addressed elsewhere. This paper will attempt to apply Soviet thinking on possible approaches to NATO Force Structure reductions, focusing on airpower, giving insight to the question..... **"Can NATO, in fact, sustain cuts of force structure without sufferring a significant loss in war fighting capability, and could there perhaps be some overall warfighting benefits from such actions.....maybe even a leaner & meaner NATO?"**

4. In NATO, the military leadership has continually characterized their military capability as being basically "linear", which is essentially correct. If you add some you would expect to get more capability, take it away and you get worse. But it is not that simple, especially since the ratio of NATO "tail" to "tooth" is around 50% it generally is a bit higher for the migrating Americans and British but less for the resident nationals. Soviet ratios have always been around 15% and even with newer advanced weapon systems replacing the old, the ratio should not exceed 25% So the Russian commander in the Pact today treats his reductions in force as an equal cut in personnel and/or equipment from all of his units which is compensated for in combat power by improvements from replacement equipment and weapons. That is, less numbers of MiG-29's would re-equip a fighter regiment of MiG-23 Flogger's which then results in a net increase in overall combat capability.

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5. With present day NATO forces it is true that "reductions" really mean "less", but force "upgrades" do not necessarily mean "more". The later is for two main reason: first of all, it takes a disproportionate number of support and "rear-area" personnel to compensate for every new unit or weapon system introduced, and secondly, when new systems arrive their is never enough associated ammunition (especially the precision guided types) or training to make them live up to their expected growth in combat factors. On the opposite end of the spectrum during pull-outs or stand-downs of front line "cutting edge" units their warfighting potential is rarely picked up by other units in the rear because the NATO "tail" (by definition) is not prepared to offer it. In aviation this produces a unique NATO dilemma, with a relatively high percentage of in-place State of the Art aircraft, newer models do not add that much increased combat capability simply because the advanced weaponry required to make the improved systems more lethal are never available in Theater at the numbers required that would make the difference. Also, most support is concentrated in the seven USAFE main bases. In short, there may be too many aircraft for the allocated weapons, too much "fat" (that is too much of the wrong stuff) in the support system to be either survivable or tactically functional, and too much saturation at the aerodromes by virtue of all the other factors to make the combat turn or "surge" capability one worth betting on consistently.

6. The NATO aviation "tail" is a unique and strange beast, and we are not just talking about numbers of men; it is the "right kit" necessary to provide a wartime sortie generation capability that is the focus of this discussion. Perhaps after closer inspection it might be possible to exchange some of the less combat-productive "fat" in the "tail" for some of the Warsaw Pact's "cutting edge" with the **right negotiating strategy**. The benefit is obvious. Since NATO could not survive with out its airpower the national air forces become its most sensitive and indispensable resource. Preserving them as a combat force multiplier needs to be a key concern for the arms

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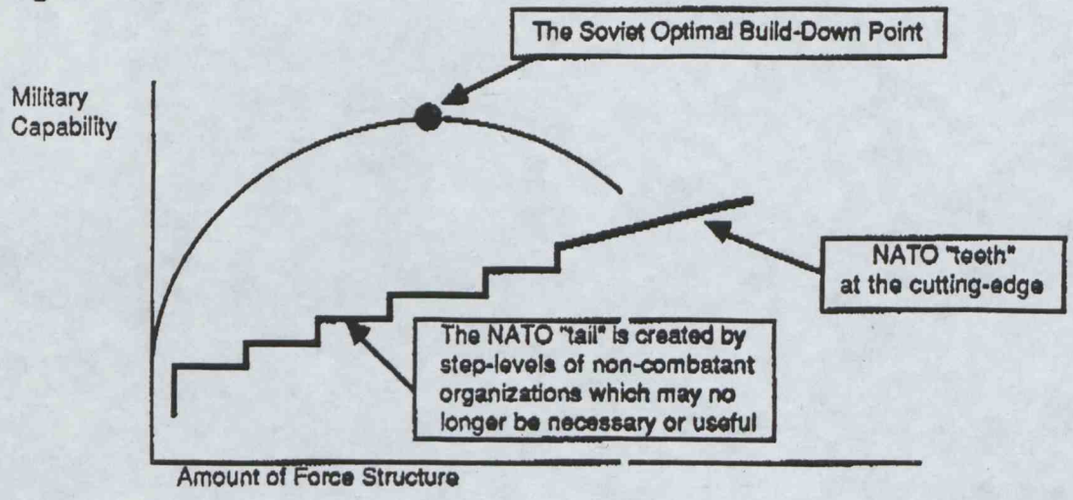
negotiators. **Figure 2** shows a modification of **Figure 1,** in that the "linear" NATO characterization actually is realized as a "step-function" that represents the vast amounts of excessive support given to various stages of the support "tail" which greatly offsets the proportionately smaller share of the available "teeth".

Figure 2:



7. Let's examine the "nature" of the "tail" for NATO airpower. Regardless of what is dreamed or invented, improvements in tactical aviation fall under one of three general categories, listed in their historic priority.

a. Mission Enhancements:

better aircraft, avionics, and subsystems with all the "better mousetrap" stuff

b. Survivability Upgrades:

defensive systems, aircraft hardening, SEAD & Suppression equipment, pods, chaf/flare dispensors, etc.

c. Sustainability Improvements:

the "gear down" maintenance, spares, logistics support, shelters, facilities, ground survivability, etc.

In the past these categories have never been treated with equal importance and today we are forced to live with the results of those decisions, the

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worst example being the almost total lack of standardization and interoperability at different NATO air bases. Now we do realize that much of that problem is due to the fact that airbase facilities come under national perogatives but in the overall, it has greatly multiplied the necessary kit and in part helped to produce the step function graph. Most aviation money gets spent on "mission enhancement" projects which excite the high technology drivers that is poured into improvements. There have been over 30,000 modifications to the basic F-16, mostly directed at mission enhancements since the aircraft first entered service. But all of this money and effort has not directly resulted in more sorties, yet it has created hundreds of new pieces of support kit and the legions of support personnel attempting to make it all work have not declined. The US build-up during the Regan Era has not been given good grades by the "reformer" groups supporting the US Congress. Billions were spent but there was no real changes in numbers, although production rates were kept up and a new generation of fighters were introduced. The end result, however, was that the price of each unit rose enough to absorb the windfall of budget and the average age of the force structure remainded the same. So we enter this new era of "reductions" with no significant improvement in numbers of aircraft or the sophisticated weapons that go with them and with a force structure that is still almost as old. In addition to this, the ground support kit expanded in numbers, complexity, cost, and requirements for its own care. This "kit" also was designed to make the weapon system ineffective without it, in otherwords, there was very little done to create "manual" backup for austere durability.

8. From an American standpoint, so numerous are these potential enhancements and so complex the implementation of the electronics being introduced, that the desired 95% availability demanded by the USAF and the 100% demanded by the US tax payer is rarely, if ever, achieved. The F-16C production line is almost 15 aircraft behind schedule with little hope of catching up, the F-18's service life is being re-assessed to half its original value, the F-15 electronic warfare package is a decade overdue and still

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behind schedule while becoming cost prohibitive, and so on. Likewise for the British, Tornado ADV radar "upgrades" are merely reaching basic specifications levels demanded five years ago and the European advanced fighter engine performance expectations for Rafale and EFA aircraft will never reach their desired levels. The 80-85% availability achieved by the best NATO air units (discounting the unusually high unavailability rates that occur due to European peacetime safety regulations) is considered very good indeed, others can barely reach 50% during unstressed periods. The general reasons for these shortfalls can be attributed to the frequent malfunctions in complex electronics, shortages of trained pilots, untrained ground crews, limited numbers of weapons in stocks and available for training, bases that are saturated with everything else but combat personnel and aircraft, airspace and training range availability, etc. Most squadrons cannot disperse properly, especially to austere areas, and have little capability to continue operations while under attack or harrassment. So before we even worry about force reductions we have to first understand that NATO exists in a saturated environment of more "useless" tail and unusable resources than "effective" teeth, and our first job is to at least sort it all out before blindly giving up our best guns and jets at the negotiating table with the Soviets.

9. Part of this problem is too many aircraft and too little of the right support at each base. Now it might seem sacrilegious to think that less aircraft are better, and it is, but NATO bases are not Heathrow, Frankfurt, or Kennedy. The average base becomes easily saturated after a couple of squadrons move in. There are also not enough shelters to go around. Warrior Preparation Center exercises contiuously show that it takes at least 1.5 hours to turn a jet on a NATO base regardless of how strong it's 10 minute combat turn potential is. You simply can't get back to the end of the runway. There is then some optimal numbers of NATO aircraft that can effectively serve in the available base structure. Once that is established, all of the remaining aircraft can be candidates for "force reductions" or "theater removal", or both. That is, in the current negotiations there is a

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lot of mention being made to "territorial boundries" that breakup the NATO and WarPact dimensions. Placing NATO jets in temporary storage in the Azores might be one approach that we are getting to. NATO commanders want lots of aircraft to be available, but most NATO air forces have been hard pressed to keep their entire fleets operable. What the commanders really want is **sorties**, and what this new approach should focus on is high rates of sorties from reduced numbers of aircraft with more efficient and survivable support, more weapons, better trained maintenance men, better sheltering, more efficient overall combat turns, and less congestion at the ramp. Cycle the jets, burn them out quickly, then replace them in theater with complete spare machines. It is in fact a Soviet concept even though there are signs now that they can't maintain a consistent effort at it because of difficulties with new more complex systems. We should try to beat them at their own game, but don't give it away at the table until we fully understand what it can and cannot offer us.

10. Much of NATO's ground support equipment (GSE) is poorly organized and has a low survivability due to the over-saturation of the airfields and facilities. Few bases can shelter their GSE and and many store wing tanks and suspension racks in the open. Few of the hardened shelters that are available are "self-sufficient" thus making the equipment and personnel sharing requirements key to the vulnerability problem. Fuel stocks are located in just a few locations, all of them obvious and easily targeted. Something as simple as foam-filled tires to prevent flat-tires has just recently been given serious thought. It has been standard in the VVS for years. The re-vitalized Soviet air campaign against NATO airbases will employ desant activities and long range Tactical Ballistic Missiles (TBM's) with conventional munitions to continuously disrupt airbase operations in conjunction with dedicated strike packages arriving along penetration corridors that push through the NATO SAM belts and are escorted to counter NATO fighters. If war comes, it is in the Soviet doctrine that NATO bases will be the number one priority of the Western TV's Air Campaign. NATO admits that it will be, for all intents and purposes, still at their main

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bases. The second step in looking at a better way to approach the arms talks will be to get the bases in order. Harden them totally, reduce congestion and make the "gear down" environment survivable for aircraft, men, and GSE. Low support budgets can start driving the long denied interoperability ideas, simply through common sense and cost savings. But believe it not there is not a coordinated NATO office for such activities because of the national perrogatives.

11. There are very good reasons for suggesting that reduced numbers of aircraft might be quite acceptable, without negative effects on combat power, if the sortie rates are actually increased and as long as the spares, ordnance, support, maintenance personnel, battle damage repair teams, etc. are not compromised. Pilots must also be recruited and trained along lines of expected sorties and once and for all, get rid of all their un-necessary duties and let them fly. This also means that the flying environment must be modernized to take on the load of new, yet guaranteed sorties. Also, NATO pilots, who are not proficient in operating off of "minimum operating strips" (MOS), which are remaining runway lengths resultant from battle damage, must also start learning how to take those risks in the sortie generation learning curve, as well as those that stretch the performance envelope.

12. Some mileage could be gained in this area if we think about what is termed "pigeon-holeing", and the Dutch are a good example. They have F-16's at Goose Bay (Canada), Tucson (Arizona), and several on the road around Europe at various execises. Most of them are never "counted" in the NATO on-hand force structure bean count. This should be encouraged and more aircraft should be sent to the Northwest and Southwest US to enjoy the open space, realistic environments, and offer a financial payback to the American economy. The Dutch example in Tucson has made this precedent. We can also utilize Turkey, Morocco, and the Mediterranean facilities more. Pull 10-15% actively out of the NATO theater at all times. They are all one sortie from home. Work this into the "formulas", the Soviets have

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the same concept in their mobilization of Western USSR Military Districts.

13. It should be possible to think that the (72) F-16C's at Hahn could be replaced with (36) F-16A/B's that are more compatible with the North European Air Forces, yet all modernized at the "MLU" (mid-life-update) standard. An additional (36) aircraft could be stationed at "out of theater" training sites and some could even be in "combat storage" at Rota, Spain, (or somewhere else) which for this discussion might represent an "out of theater" location. The (36) at Hahn fly four turns a day whether they need it or not. When check cycles or major breaks occur the jets are flown or shipped out of the NATO Theater. A fresh jet replaces each one and it will inherit the in-theater tail number and IFF squawk. Soviet referees confirm the switch. The reduced numbers at Hahn could now all be sheltered as well as the fuel trucks and support equipment. The British external-tank storage racks internal to the shelters at Bruggen could be adapted as an example to bring the external tanks inside the shelters. The German ordnance build up and transport example could modernizes the external-stores handling program. Dutch bomb trailers could become standard along with a new AGPU ground cart that replaces (11) pieces of kit or the onboard aux-power unit (APU). Micro-video cameras might enable shelter debriefs, and personnel are made more survivable from FAE (fuel air explosion) explosions while base security mobilizes with less restrictions against Spetznes problems. And so on it could go.

14. Most NATO aircraft in their current form are perfectly capable of coping with this extra rate of usage if the support and spares are there. But eventually new airframes will be required, and that is a fact the defense industry will want to hear. But it will be a slow rate of new aircraft, and budgets will like that. Along with the new aircraft there will be many rebuilds in the same production line for "zero-hour" refurbishing and subtle upgrading. This will keep the price of new aircraft lower and that will make the tax payers happy. Again, this is a Russian concept, but we can do it better. F-16's can easily fly 4-5 sorties per day. US Navy TOPGUN and

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Adversary versions do it regularly, but they have increased support kits. Currently most F-16 wings fly 1-2 sorties per aircraft per week, and in Europe, weather and politics has cut that even further. Guaranteed sorties can project the tactical life of each aircraft, and like the Soviets, a certain war-rate could be forever preserved by pulling out the aircraft for zero-timing just as they reach that magic number. Since we will come to use the same standard, one that the Soviets invented and trust, "peace" initiatives could be made later-on that further negotiate away these "preserved" war hours. Therefore NATO could adapt the Soviet system of high sortie rates, low base maintenance, rapid replacement, zero-timing rear-area refurbishment to at least place the Soviets on the same track with NATO. But through the Western technology edge, we should do it better with the proper emphasis.

15. Reducing the aircraft numbers in front-line units will in effect bring up the "sustainability factor" referred to above, making it take parity with mission enhancements and survivability upgrades. Fewer units in-theater to protect means that even fuel trucks and spare parts could be house in shelters, and new shelters today have become very cost prohibitive. A 30 to 50% force reduction of USAF aircraft could realistically not suffer from sortie loss if only "young" machines and proper support were guaranteed. EURO/NATO air forces could easily "pigeon-hole" 10% of their force structure and reduce the remaining by another 20% if the same maintenance and support standards are introduced. Having the Americans emphasize only like-types, i.e., F-16A/B aircraft versus F-16C/D's will force the technology transfer issue of the A/B-MLU and Blk-50 C/D equivalence. Missionized machines should be the forte of the Americans since each will represent an above-normal capability that will eventually be negotiated and should remain non-universal and distinct. Examples being Lantrin, whereas austere night-attack for the F-16A/B could remain universal. Given five years and several refurbishings, the universal night attack could equal the Lantrin capability that should have been negotiated ou of theater.

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16. With all of this in mind, NATO would do well to define aircraft in the following categories for possible arms-negotiations, with allocations focused on "densities" of assets at certain distances from the Inner German Border (IGB). Each "zone" would have only so many of each class of aircraft, appropriately identified by tail number and squawk. Classes are verified by continuous inspection via on-site, satellite, AWACS, or MAINSTAY. Jets are always in "types".

TYPE I: Fighter, Fighter-Bomber, Interceptor-Conversion, Escort Fighter, or multi-role fighter all with equivalent value. Suspension and payload capabilities certified. Full air-to-ground and air-to-air capability.

Examples: F-16 A/B/C/D Series
F-15 A/B/C/D/E Series
Tornado Attack Variants
MiG-29 Fulcrum Series

TYPE II: Fighter-Interceptor, or Pure-Interceptor with provisions for only BVR/WVR air-to-air ordnance. External fuel tanks could be a negotiated item. Number, size, jettisonable, etc., but peacetime safety would make it difficult to enforce.

Examples: Su-27 Flanker Series
MiG-31 Foxhound Series
Tornado ADV

TYPE III: Strike-Bomber, all-weather attack, nuclear capable with any and all BVR weapons capability removed. Also all un-manned lethal platforms.

Examples: F-111
Su-24 Fencer
Tu-26 Backfire

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TYPE IV: Reconnaissance, Intelligence Collection, Electronic Warfare Support, Command & Control, and all non lethal platforms, manned and unmanned.

Examples: SR-71
AWACS
ESM equipped Bombers

17. Theater dimensions will generate "Zone" boundries with the below example for reference:

IGB.....180 km (100 nm).....350 km (200 nm).....550 km (300 nm).....725 km (400 nm)

Zone 1	Zone 2	Zone 3	Zone 4
no Types	Type I	Type II/IV	Type III

Note: Zones are in air related units, therefore nautical miles (nm) is best utilized

18. This would allow NATO to make some very appealing force reductions and possible take the "PR" high ground for a change. In substance it would improve short term and long term capabilities in words and actions that are understandable to the Soviets. Furthermore, it is the opinion of many closely involved with NATO airpower that there are significant savings to be made by reducing the current waste and excessive numbers of support staff, dependents, and "extras" who provide no real combat value to the NATO front line forces. By comparison to Soviet manning levels, NATO air forces are grossly overstaffed with an excesive proportion of senior officers in administrative duties not related to increasing mission effectiveness, survivability, or sustainability. If comparisons are made with the Israeli or Pakistani defense forces, who use similiar NATO equipment and have been successful in modern wars against Soviet equipment, the disparity in staffing levels is even more marked. If staff reductions resulted in significant savings, as they undoubtedly would, then more resources could perhaps be spent on supplying high technology fixes to survivability and sustainability problems. These are specifically acute in

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some European air forces. Also, staff reductions directly effect positive moral in the younger officers and could possibly aid in the critical retention problems by offerring more traditional leadership opportunities to those in command. There is no excuse for any NATO squadron to be staffed with several LtCol ranking officers, or any wing to have a dozen Colonel level officers, none of which who have combat experience or are graduates of an advanced weapons course or provide a daily boost to the combat readiness to the units.

19. Furthermore, reductions could be used to create a greater degree of standardization throughout NATO and France. Currently, three Tornado air forces utilize very different maintenance support equipment and procedures. Many NATO aircraft cannot be combat turned at neighboring air bases. A common support baseline or kit could have economic benefits in the Europe of EEC-2. It could represent a new initiative towards better economic utilization of the alliance.

20. Military institutions are notoriously resistant to change in peacetime. But this is an era of "violent peace" characterized by arms agreements that will force change. We must get ahead of this challange and not continue to react to Soviet initiatives which are solely introduced for their own benefit. It no longer seems unrealistic to suggest that NATO develop standard baselines and commonality in:

a. ground support equipment
b. weapons build up, transport, loading, and suspension
c. training and operational procedures from basic flying to fighter weapons instructor IP training
d. staff and rank structures, limited at each level, and enforced on NATO and the Warsaw Pact, and set at wartime levels, rather than current "fat-manning" evident in NATO but not in the Warsaw Pact. Each rank will be identifiable to both sides.
e. any NATO air wing should be able to deploy to any NATO airbase and turn their aircraft

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f. NATO should require a realistic dispersal capability for at least 50% of its force structure, focused on economic benefits for areas where operating sites are located

g. NATO should utilize French air bases more to create the depth necessary for air defense operations and additional divert sites

h. NATO aircraft should be required to utilize both US and French air-to-air missiles, air-to-ground ordnance, ECM pods, chaff, flares, and servicing consumables.

21. Experience with NATO fighter weapons exercises has created the below "top ten" list of tactical priorities in modern Central European threat environments. Invest time and effort into these areas could improve immediately the combat quality of NATO aircraft. Surprisingly, many are not hampered by technical difficulties but are victims of the competitive bureaucracies.

(1) Positive identification of targets on the ground and in the air. Without it the sortie is wasted and the aircraft/pilot are at great risk.

(2) Ground Survivability and Sustainability in the Forward Area

(3) Unjammed and Secure Communications and Data Link which enables exotic tactics, intelligence inputs, high value SA, and mutual support at extended ranges, all essential in the Central Region.

(4) Survival at Low Altitudes from the improved Regimental Air Defense Resources (2S6, Dog Ear, SA-14/16, etc.)

(5) Denial of BVR (beyond visual range) attacks by advanced Red Fighters

(6) Comprehensive Mission Planning and Intelligence Fusion

(7) Advanced BVR/WVR Missiles to counter Soviet new systems

(8) Low Drag, Low Signature ordnance and suspension system

(9) Accurate, covert, target first pass acquisition, track, and kill

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with great accuracy.

(10) Reduced pilot Task Loading and better training

22. This results in a combined 3x10 Matrix of NATO's Air Requirements: the "x" shows where the key issue most influences operations. Sustainability effects only around 30% of the "planning" or "thinking" about tactical air operations in NATO, but it dominates whether or not any of the missions will get off. It has been addressed, but not with a synergistic overview. When audited there are hundreds of pieces to count and thousands of people to look at, but what do they all mean to pumping out wartime sorties and can they work from each others establishments or work shops is another story. If we need to "cut" forces, perhaps the "modernization" of this cadre might well serve as the first chop before any of the real "cutting edge" gets wasted.

NATO PRIORITIES VERSUS MODERNIZATION CATEGORIES

The Top Ten Requirements Issues in TACAIR	Mission Enhancements	Survivability Upgrades (gear-up)	Sustainability Improvements (gear-down)
Positive ID	X	X	
Sustainability	X	X	X
Comm & DL	X	X	
Low Alt S&V	X	X	
Denial of BVR	X	X	
Mission Planning	X	X	X
New BVR/WVR	X	X	
Low Drag/LO ord/racks	X	X	X
covert attack	X	X	
reduced task loading	X	X	

23. The fact that in the future everything will be negotiable should not scare us. It is the way we evaluate the combat worth of each system that must be changed. We presently have only bad habits in these areas. Perestroyka is actually the excuse that Western reformers needed to improve our kit and

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get rid of dead wood. But first, we must work out what we can really cut and what we don't want to even address. Peace brings along with it a revitalization of the scio-economic and scio-political aspects of societies not just the constant focus on military capabilities. During the next decade, NATO will require the strongest and most visionary leadership. It will test the Alliance in every way, but at the same time it will prevail.

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10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

8 December 1989

Dear Richard,

START: UK INTERESTS

Thank you for your letter of 7 December about the American intention to set out for the Russians, in the START negotiations, the scope of US/UK co-operation on Trident.

The Prime Minister is content that the Americans should make the informal statement which they propose, with the amendments suggested in your letter.

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

Yours sincerely,

(C.D.POWELL)

Richard Gozney, Esq.,
Foreign and Commonwealth Office.

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Richard Gozney, Esq.,
Foreign and Commonwealth Office.

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Foreign and Commonwealth Office

London SW1A 2AH

7 December 1989

Dear Charles,

START: UK Interests

I enclose copies of Washington telnos 3154 and 3155 which record the wish of the Americans to make in the START negotiations an informal statement to the Russians which sets out the scope of US/UK cooperation on Trident. Because the current round of negotiations in Geneva will finish this weekend, the Americans propose to do this on 8 or 9 December.

The statement, which is designed to protect US/UK collaboration over Trident from any Soviet claim that our collaboration is inconsistent with the START agreement, arises from an enquiry by the Soviet negotiators into the extent of US obligations towards the UK. Washington telno 3155 gives the text to which the Americans intend to speak. This text would be the basis of a formal statement which the Americans would read into the record during the next round of negotiations.

It is not surprising that the Russians have raised this issue. We cannot exclude that they are fishing for some way of constraining Anglo-American nuclear cooperation or or making mischief in START. But the chief US START negotiator, Ambassador Burt, assesses that the Russians are simply "trying to clear away subsidiary detail" in order to improve the chances of an early START agreement. It is his judgement that the Soviet negotiator, Nazarkin, would take the US statement back to Moscow with a view to preparing the ground for the Soviet side to accept the formal US statement, when it is made, without a fuss. Burt is a hard-nosed negotiator who is committed to defending UK nuclear interests in START. We have no reason to question his judgement that this is the right tactic to handle an issue which must be faced sooner or later.

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The Foreign Secretary believes that we should agree to the action which the Americans propose. The proposed statement meets our requirements by recording the United Kingdom's right to test and deploy Trident without regard to the agreement between the US and the Soviet Union that Trident will be deployed with a maximum of 8 warheads. It also records that US obligations under START will not prevent them from providing us with support and missile test range facilities, including the storage and processing of non-deployed missiles at Kings Bay.

We intend, however, to propose to the United States a number of minor amendments which are designed to make clear that:

- the UK's right to maintain an independent nuclear deterrent is not dependent on the goodwill of the US but is our legal and sovereign right;
- the Trident programme is part of a broader pattern of US/UK cooperation on nuclear issues;
- the provision by the US of support facilities for Trident has the status of an obligation under the terms of a US/UK agreement.

Accordingly, the first four sentences of the US statement would read:

"The United Kingdom has the legal and sovereign right to maintain an independent nuclear deterrent; the United States attaches great importance to this right."

"We are committed to a broad pattern of close cooperation with the UK in maintaining and modernising that capability. This includes, with regard to strategic weapons systems, agreement by the US to sell the United Kingdom the Trident II weapons system, under the provisions of a longstanding bilateral agreement."

"Under this agreement the US will also provide to the UK continuing support for this weapons system including the use of US SLBM support and missile test range facilities."

If we agree to a US statement along the lines proposed, we must recognise that it may focus Soviet attention sooner than would otherwise have happened on the possibility that the United

/Kingdom

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Kingdom will deploy and perhaps test on US ranges a missile with more warheads than would be permitted to the United States. It is possible that the Russians will make a fuss. They might try to prevent flight testing of Trident on US ranges with more than 8 re-entry vehicles. They might also demand that all US missiles should be attributed as carrying 12 warheads because that is the number of re-entry vehicles which will be carried by UK missiles. The United States therefore have an important national interest in clearing the ground in good time rather than facing these issues in the START endgame when they could become a highly visible obstacle to the conclusion of an agreement. We share this interest, since we do not want a problem associated with the UK to become one of the last obstacles in what could be a rushed and fraught final phase of START. The US proposal makes sense from our point of view, therefore, irrespective of whether the Russians intend to cooperate, as Burt believes, or not.

I am copying this letter to Brian Hawtin (MOD) and to Sonia Phippard (Cabinet Office).

Yours ever,

Richard Gozney

(R H T Gozney)
Private Secretary

C D Powell Esq
10 Downing Street

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OUR TELNO 3124 : START : UK INTERESTS

SUMMARY

1. US DEMARCHE ON UNILATERAL STATEMENT AS PREDICTED. ON SUBSTANCE, THEY PROPOSE A SLIGHTLY EXPANDED TEXT, DESIGNED TO FURTHER PROTECT UK INTERESTS. ON TACTICS, THEY STICK TO THEIR GUNS OVER A TWO-PHASE APPROACH AND ARGUE STRONGLY FOR AUTHORITY TO ALLOW BURT TO MAKE THESE POINTS INFORMALLY TO NAZARKIN ON 8 DECEMBER. INSTRUCTIONS REQUIRED.

DETAIL

2. AS FORESHADOWED IN TUR MILLER (OSD) ASKED US TO CALL ON 5 DECEMBER AND MADE THE ADMINISTRATION'S PROPOSAL ON THE CONTENT AND HANDLING OF A UNILATERAL STATEMENT DESIGNED TO PROTECT UK INTERESTS. HE WAS ACCOMPANIED BY BROWN (POL MIL BUREAU, STATE) AND MADE IT CLEAR THAT THERE WAS INTER-AGENCY AGREEMENT AT OFFICIAL LEVEL ON THE SUBJECT.

3. AS REGARDS THE CONTENT OF THE STATEMENT, MILLER HANDED OVER AN EXPANDED VERSION OF THAT PROVIDED ON 28 NOVEMBER (OUR TELNO 3067). FULL TEXT IN MIFT. HE EXPLAINED THAT THE INTER-AGENCY GROUP HAD CONSIDERED IT ADVISABLE TO ADD THE REFERENCE TO COOPERATION IN MAINTAINING AND MODERNISING THE UK DETERRENT SINCE THIS IMPLIED AN INDEFINITE OPEN-ENDED COMMITMENT WHICH WAS IN LINE WITH PUBLISHED STATEMENTS AT THE HIGHEST LEVEL. THE REFERENCE TO KING'S BAY HAD BEEN ADDED TO MEET CONCERNS WHICH WE RAISED INFORMALLY HERE IN VIEW OF THE REGIME ON NON-DEPLOYED MISSILES WHICH MAY BE RE-EMERGING.

4. AS REGARDS TACTICS, MILLER EXPRESSED CONCERN WHEN WE REITERATED THAT MINISTERS NEEDED TO BE CONSULTED AND THAT, ON THE FACE OF IT, IT WAS NOT EVIDENT TO US THAT A TWO-PHASE APPROACH WAS THE BEST WAY OF DEALING WITH THE MATTER. AFTER AN ATTEMPT TO BROW-BEAT (ON GROUNDS THAT WE WERE ENTITLED TO DISCUSS CONTENT BUT NOT TACTICS) MILLER CALMED DOWN AND EXPLAINED THE RATIONALE

IN DETAIL.
5. HE SAID THAT BURT HAD ESTABLISHED A GOOD RAPPORT WITH NAZARKIN. HE WAS CONVINCED THAT THE BEST WAY OF HANDLING TRICKY ITEMS WAS TO PROVIDE THE RUSSIAN NEGOTIATOR WITH AN INFORMAL PREVIEW BEFORE THE END OF A ROUND. THIS GAVE HIM TIME TO SOFTEN UP OPINION IN MOSCOW DURING THE RECESS, THEREBY INCREASING THE PROSPECTS OF TROUBLE-FREE ACCEPTANCE WHEN THE SUBJECT WAS BROACHED FORMALLY. CONVERSELY, MILLER ARGUED, NAZARKIN MIGHT SMELL A RAT IF THERE WAS NO REPLY TO HNHE END OF THE
ROUND AND MOSCOW MIGHT CONCLUDE THAT THERE WERE POSSIBLE US/UK DIFFERENCES WORTH TRYING TO EXPLOIT.
6. BOTH MILLER AND BROWN EMPHASISED IN RESPONSE TO QUESTIONS THAT BURT WOULD CATEGORICALLY NOT GO BEYOND THE TERMS OF ANY LANGUAGE AGREED BETWEEN US. THEY ALSO CONCEDED THAT THE DRAFT TEXT WHICH THEY WERE NOW PROPOSING WOULD PROBABLY BE THE SAME AS THAT WHICH MIGHT BE READ INTO THE RECORD LATER ON. ASKED WHETHER THERE WAS ANY DIFFERENCE IN TERMS OF THE NEGOTIATING RECORD BETWEEN STATEMENTS MADE DURING TWO ON TWO MEETINGS AND THOSE IN FORMAL SESSION THEY SAID THAT CONGRESS AT LEAST WOULD REGARD BOTH AS VALID. ALTHOUGH ALTHOUGH THE LATTER WOULD TAKE PRECEDENCE OVER THE FORMER.
7. WE EXPLAINED AGAIN WHY IT MIGHT NOT PROVE POSSIBLE TO RESPOND IN TIME FOR ANYTHING TO BE SAID ON 8 DECEMBER. MILLER AND BROWN THOUGHT THAT IF ABSOLUTELY NECESSARY, BURT COULD CONTACT NAZARKIN ON 9 DECEMBER, BUT THAT WAS THE ABSOLUTE DEADLINE.
8. GRATEFUL FOR EARLY INSTRUCTIONS.

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MIPT : START : UK INTERESTS

1. FOLLOWING ARE PROPOSED TALKING POINTS FOR AMBASSADOR BURT ON UK TRIDENT PROGRAMME :
QUOTE
THE UNITED STATES ATTACHES GREAT IMPORTANCE TO THE LEGAL AND SOVEREIGN RIGHT OF THE UNITED KINGDOM TO MAINTAIN AN INDEPENDENT NUCLEAR DETERRENT.
WE ARE COMMITTED TO CLOSE COOPERATION WITH THE UK IN MAINTAINING AND MODERNIZING THAT CAPABILITY.
UNDER THE PROVISIONS OF A LONGSTANDING BILATERAL AGREEMENT THE US HAS AGREED TO SELL THE UNITED KINGDOM THE TRIDENT II WEAPONS SYSTEM.
CONTINUING SUPPORT FOR THESE MISSILES AND SYSTEMS WILL BE PROVIDED TO THE UK INCLUDING THE USE OF US SLBM SUPPORT AND MISSILE TEST RANGE FACILITIES. STORAGE AND PROCESSING OF ALL NON-DEPLOYED TRIDENT II MISSILES FOR THE UK WILL BE PROVIDED AT KINGS BAY, GEORGIA IN THE UNITED STATES.
AS A SOVEREIGN NATION, THE UNITED KINGDOM HAS THE RIGHT TO TEST AND DEPLOY THE TRIDENT II MISSILE WITH ANY WARHEAD CONFIGURATION THE UK DEEMS APPROPRIATE. THIS WOULD NOT AFFECT THE NUMBER OF ACCOUNTABLE WARHEADS ATTRIBUTED TO THE US TRIDENT II MISSILE UNDER START.
MOREOVER, THE UNITED STATES WISHES TO MAKE CLEAR THAT THE UNITED KINGDOM'S EXERCISE OF ITS SOVEREIGN RIGHT TO CONDUCT TRIDENT II MISSILES TESTS OR DEPLOYMENT ACTIVITY IN NO WAY CONSTITUTES CIRCUMVENTION OF ANY PROVISIONS CONTAINED IN THE START TREATY.
IN THIS REGARD, UNITED KINGDOM UTILIZATION OF ANY US SLBM TEST RANGE AND ASSOCIATED FACILITIES, INCLUDING MAINTENANCE FACILITIES, TO SUPPORT UNITED KINGDOM TRIDENT II FLIGHT TESTS AND DEPLOYMENT ARE CONSISTENT WITH THE EXERCISE OF UK SOVEREIGNTY AND WITH UNITED STATES OBLIGATIONS UNDER THE START

TREATY.
UNQUOTE.

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PS/SIR J FRETWELL
MR J WESTON
MR GOULDEN
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MODUK FOR SEC (NATO/UK)(P) AND DACU
CONVENTIONAL ARMS CONTROL : THE MALTA SUMMIT

1. WHITE HOUSE STATEMENT EXTRACTS AS FOLLOWS:
QUOTE. OVER THE WEEKEND, PRESIDENT BUSH MET AT CAMP DAVID WITH PRIME MINISTER THATCHER, AND ON SATURDAY HE MET WITH HIS TOP NATIONAL SECURITY AND BUDGET ADVISORS CONCERNING MILITARY EXPENDITURES IN THE YEARS AHEAD. IN THAT CONTEXT, THERE ARE STORIES TODAY WHICH DESCRIBE POSSIBLE TROOP CUTS IN EUROPE AS A RESULT OF SOVIET FORCE STRUCTURE CHANGES. LET ME GIVE YOU A LITTLE PERSPECTIVE FOR CONSIDERING THOSE STORIES.
FIRST, THE UNITED STATES HAS PROPOSED, AND NATO HAS PRESENTED IN THE CONVENTIONAL FORCE TALKS IN VIENNA, A REDUCTION OF US AND SOVIET TROOPS TO A LEVEL OF 275,000. THIS MEANS CUTTING SOVIET FORCES BY NEARLY 300,000 AND US FORCES BY NEARLY 30,000.
AS THE UNITED STATES CONSIDERS FUTURE RESOURCES NEEDS, PRESDENT BUSH MUST CONSIDER THEM WITHIN THE CONTEXT OF ONGOING ARMS CONTROL TALKS AND OUR BUDGETARY CONSTRAINTS. CERTAINLY, THE TWO PRESIDENTS IN MALTA WILL TALK ABOUT ARMS CONTROL AND MILITARY FORCE STRUTURE. THOSE DISCUSSIONS WILL BEAR ON FUTURE DECISIONS ABOUT CHANGES IN OUR OWN MILITARY POSTURE.
IN PREPARATION FOR THOSE TALKS, AND AS PART OF OUR BUDGET PROCESS, THE PRESIDENT AND HIS TOP ADVISORS ARE CONSIDERING A WIDE RANGE OF MILITARY OPTIONS THAT INVOLVE A NUMBER OF DIFFERENT FORCE LEVELS AND A NUMBER OF DIFFERENT ESTIMATES OF BUDGETARY REDUCTIONS. WE WILL NOT CONFIRM NOR DENY ANY OF THE STORIES THAT MAY EMERGE CONCERNING SPECIFIC BUDGETARY OR MILITARY CAPABILITIES. IT IS IMPORTANT TO REMEMBER THAT ANY CHANGE IN OUR CONVENTIONAL FORCES POSITION WOULD ONLY BE TAKEN IN CONSULTATION WITH OUR ALLIES.
THE GOAL OF THE CONVENTIONAL FORCES IN EUROPE NEGOTIATIONS, LIKE THE PURPOSE OF US AND OTHER NATO FORCES IN EUROPE, IT TO STRENGTHEN STABILITY AND REDUCE THE RISK OF WAR. FURTHER

REDUCTIONS IN SOVIET FORCES FACING NATO WOULD SERVE THAT GOAL. WE NATURALLY WOULD WELCOME ANY SUCH DEVELOPMENT AND WANT TO DO WHAT WE CAN TO ENCOURAGE IT. IT IS ONLY LOGICAL THAT SUBSTANTIAL FUTHER REDUCTIONS IN SOVIET FORCES WOULD LEAD TO CHANGES IN NATO'S MILITARY POSTURE, BUT THEY CANNOT SUBSTITUTE FOR THE CFE PROCESS WHICH IS ONE OF STRUCTURED NEGOTIATIONS LEADING TO FORMAL AGREEMENTS, MUTUAL OBLIGATIONS, AND EFFECTIVE VERIFICATION. UNQUOTE.

QUOTE. HIS DISCUSSION WITH THE (EUROPEAN) LEADERS FOCUSSES ON THEIR IMPRESSIONS OF WHAT'S HAPPENING IN EASTERN EUORPE, THEY ARE MORE GENERAL IN TERMS OF REVIEWING THE STATUS OF NATO, POSSIBLE CHANGES IN THE NATO-WARSAW PACT RELATIONSHIP, AND CHANGES IN THE SOVIET UNION. HE HAS NOT BEEN DISCUSSING SPECIFIC TROOP LEVELS WITH THESE LEADERS. NOW THAT DOESN'T - AS I SAID, THERE ARE - AS THE PRESIDENT CONSIDERS THE BUDGET, AS HE CONSIDERS ALL OF THE OPTIONS THAT MIGHT BE AVAILABLE TO US AS A RESULT OF A REDUCTION IN SOVIET FORCE STRENGTH, THERE ARE ALL KINDS OF NUMBERS FLOATING AROUND AND ARE THE BASIS FOR DISCUSSION, BUT THAT'S NOT THE FOCUS OF HIS DISCUSSION WITH THE ALLIES. UNQUOTE.

QUOTE. (QUESTION FROM THE PRESS) UNDERSTOOD. BUT OF THE OPTIONS THAT HE IS CONSIDERING, DOES HE PLAN TO TAKE ONE OF THEM TO MALTA?

FITZWALTER : HE PLANS TO TAKE THEM ALL TO MALTA. THE PRESIDENT WILL HAVE IN HIS MIND ALL OF THE OPTIONS THAT ARE AVAILABLE TO HIM. THE PRESIDENT WANTS TO BE IN A POSITION TO DISCUSS THE SITUATION WITH THE SOVIET LEADER, TO BE RESPONSIVE, AND TO BE IN A POSITION TO THEN GO TO OUR ALLIES AND SAY: QUOTE HERE IS WHAT OUR DISCUSSION PRODUCED. HERE ARE HIS IDEAS, HERE ARE MY IDEAS, NOW WHERE DO YOU THINK WE MIGHT WANT TO GO? UNQUOTE.

UNQUOTE.

QUOTE. WELL, THERE AGAIN WE JUST DON'T WANT TO SPECULATE ON WHAT'S POSSIBLE AND WHAT ISN'T, BECAUSE ANY SPECULATION ONLY BUILDS EXPECTATIONS DOWN ONE MINE OR ANOTHER OR ONE ROAD OR ANOTHER THAT MAY NOT BE THE COURSE IT TAKES. THESE ARE UNSTRUCTURED TALKS. THE PRESIDENT WANTS THEM OPEN TO IDEAS AND SUGGESTIONS BY BOTH THE SOVIET LEADER AND BY HIMSELF, AND SO WE DON'T WANT TO ENGAGE IN SPECULATION THAT SAYS THIS IS SOMETHING HE WILL TAKE TO THE ALLIES, OR HE WON'T, OR THAT'S THE TIMETABLE. IT MAY NOT BE AT ALL. UNQUOTE

QUOTE. WE'VE RULED OUT ARMS CONTROL NEGOTIATIONS LEADING TO SPECIFIC AGREEMENTS, BUT THAT'S SOMETHING QUOTE DIFFERENT THAN DISCUSSIONS OF MILITARY FORCE STRENGTH, MILITARY POSTURE CHANGES AS A RESULT OF CHANGES IN EASTERN EUROPE, OF POSSIBLE

ARMS CONTROL ACCOMPLISHMENTS UNDER THE START - THE ONGOING START AGREEMENTS AND UNDER CFE. BUT WE STILL DO NOT EXPECT TO NEGOTIATE, WILL NOT NEGOTIATE SPECIFIC ARMS CONTROL AGREEMENTS. UNQOUTE
QUOTE. THEY WILL HAVE IDEAS AND WILL DISCUSS THESE ISSUES, BUT AS I SAID, IT WILL BE WITHIN THE CONSTRAINTS, WITHIN THE FRAMEWORK OF THE CFE TALKS AND THE START NEGOTIATIONS. UNQUOTE
QUOTE. WE'RE OPERATING ON THE ASSUMPTION THAT THERE ARE A LOT OF DRAMATIC EVENTS HAPPENING IN EASTERN EUROPE THAT WILL BE THE BASIS FOR DISCUSSION, AND THEY WILL HAVE A LOT OF RAMIFICATIONS FOR THE WARSAW PACT AND NATO FORCES, AND WE WANT TO BE PREPARED TO DISCUSS THOSE. UNQOUTE
QUOTE. I'M SAYING THAT THESE THINGS ARE ALL OPEN TO DISCUSSION AND CERTAINLY THE PRESIDENT WILL HAVE IDEAS AND WILL ENTERTAIN IDEAS ON THIS ISSUE. BUT WE ARE NOT WILLING TO SPECULATE IN ADVANCE HOW THOSE DISCUSSIONS WILL GO. UNQOUTE

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ADDITIONAL 16

ARMS CONTROL CONVENTIONAL

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The National Archives

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CFE

Foreign and Commonwealth Office

London SW1A 2AH

(2)

9 November 1989

Prime Minister

To be aware

CDP 9/11

Dear Charles,

Conventional Forces in Europe (CFE) Talks: Treaty

You should know that Allied negotiators at the CFE talks in Vienna, the fourth round of which resumed today, were likely to table a draft treaty within the next couple of days.

I enclose a copy of the text. It encapsulates in treaty language form the proposals which the Allies put forward on 9 March at the outset of the talks and on 13 July following the initiative taken at the NATO Summit; as well as certain of the objectives set out in other agreed Allied documents such as the Comprehensive Concept report. It does not contain any new proposals.

The only really contentious issue which arose during the discussions within NATO of the treaty text was that of how to reconcile the collective obligations of the treaty with the individual responsibilities of the 23 signatory states. This was eventually resolved on the basis of a formula which we ourselves proposed. Its effect is that the distribution of national entitlements within the various ceilings is the autonomous responsibility of each alliance and can be adjusted by that alliance at any time; but the entitlements once agreed, or changed, have to be notified and adhered to.

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

CONFIDENTIAL

ANNEX to
HLTF(89)114(Final)

DRAFT TREATY ON CONVENTIONAL ARMED FORCES IN EUROPE

The Kingdom of Belgium, the People's Republic of Bulgaria, Canada, the Czechoslovak Socialist Republic, the Kingdom of Denmark, France, the German Democratic Republic, the Federal Republic of Germany, the Hellenic Republic, the Republic of Hungary, the Republic of Iceland, the Italian Republic, the Grand Duchy of Luxembourg, the Kingdom of the Netherlands, the Kingdom of Norway, the Polish People's Republic, the Portuguese Republic, the Socialist Republic of Romania, the Kingdom of Spain, the Republic of Turkey, the Union of Soviet Socialist Republics, the United Kingdom of Great Britain and Northern Ireland, and the United States of America, hereinafter referred to as the Parties,

Striving to establish a new pattern of relations among the Parties in which military confrontation is replaced by co-operation and peaceful competition and to contribute thereby to overcoming the division of Europe,

Recalling that their negotiation of this Treaty has been conducted within the framework of the CSCE (Conference on Security and Co-operation in Europe) process,

Guided by the Mandate for Negotiation on Conventional Armed Forces in Europe of January 19, 1989,

Committed to the objectives of establishing a secure and stable balance of conventional armed forces in Europe at lower levels than heretofore, of eliminating disparities prejudicial to stability and security, and of eliminating, as a matter of high priority, the capability for launching surprise attack and for initiating large-scale offensive action in Europe,

Seeking in pursuit of these objectives to ensure that, within the area of application of this Treaty, the Parties' aggregate conventional armaments in key weapons categories are reduced to and thereafter do not exceed, except as permitted by the Treaty, the limits of 40,000 main battle tanks, 33,000 artillery pieces, 56,000 armoured troop carriers, 11,400 combat aircraft and 3,800 combat helicopters, and also to ensure that these limitations are reinforced by appropriate verification, notification, consultation, and related measures designed to strengthen stability and security in Europe,

Willing in the longer term, and in light of the implementation of this Treaty, to contemplate further steps to enhance stability and security in Europe, such as further reductions or limitations of conventional armaments and equipment, and the restructuring of armed forces to enhance defensive capabilities and further to reduce offensive capabilities,

Recalling their obligation to refrain in their mutual relations, as well as in their international relations in general, from the threat or use of force against the territorial integrity or political independence of any state or in any other manner inconsistent with the purposes of the United Nations,

Have agreed as follows:

Article I

The Parties shall carry out the obligations set forth in this Treaty in accordance with its provisions. This Treaty includes an Annex on existing types of conventional armaments, an Annex with maps of the area of application, a Protocol establishing and maintaining a data base, a Protocol on inspection with an Annex on privileges and immunities, and a Protocol on destruction, all of which form an integral part of the Treaty.

Article II

1. For the purposes of this Treaty:

(a) The term "each group of Parties" means two groups of states, one group consisting of the Kingdom of Belgium, Canada, the Kingdom of Denmark, France, the Federal Republic of Germany, the Hellenic Republic, the Republic of Iceland, the Italian Republic, the Grand Duchy of Luxembourg, the Kingdom of the Netherlands, the Kingdom of Norway, the Portuguese Republic, the Kingdom of Spain, the Republic of Turkey, the United Kingdom of Great Britain and Northern Ireland, and the United States of America; and the other group consisting of the People's Republic of Bulgaria, the Czechoslovak Socialist Republic, the German Democratic Republic, the Republic of Hungary, the Polish People's Republic, the Socialist Republic of Romania, and the Union of Soviet Socialist Republics.

(b) The term "area of application" means the European land area from the Atlantic Ocean to the Ural Mountains which includes the territory of the Kingdom of Belgium, the People's Republic of Bulgaria, the Czechoslovak Socialist Republic, the Kingdom of Denmark including the Faroe Islands, France, the German Democratic Republic, the Federal Republic of Germany, the Hellenic Republic, the Republic of Hungary, the Republic of Iceland, the Italian Republic, the Grand Duchy of Luxembourg, the Kingdom of the Netherlands, the Kingdom of Norway including Svalbard, the Polish People's Republic, the Portuguese Republic including the islands of the Azores and Madeira, the Socialist Republic of Romania, the Kingdom of Spain including the Canary Islands, that part of the Republic of Turkey comprising the territory north and west of a line extending from the point of intersection of the Turkish border with the 39th Parallel to Muradiye, Patnos, Karayazi, Tekman, Kemaliye, Feke, Ceyhan, Dogankent, and Gözne, and thence to the sea, the United Kingdom of Great Britain and Northern Ireland, and that part of the territory of the Union of Soviet Socialist Republics west of the Ural Mountains, the Ural River, and the Caspian Sea, as well as Franz Josef Land and Novaya Zemlya.

(c) The term "conventional armed forces" means ...

(d) The term "conventional armaments" means ...

(e) The term "active units" means ...

(f) The term "main battle tank" means a self-propelled armoured combat vehicle capable of heavy firepower, primarily of a high muzzle velocity... main gun necessary to engage armoured and other targets and high cross-country mobility, and providing a high level of self-protection. Such armoured vehicles serve as the principal weapon systems of ground-force tank formations. Main battle tanks currently in the armed forces of the participants include armoured all-tracked combat vehicles weighing at least... metric tonnes.

(g) The term "artillery" comprises large calibre systems capable of engaging ground targets by delivering primarily indirect fire, namely guns, howitzers, artillery pieces combining the characteristics of guns and howitzers, mortars, and multiple launch rocket systems. Such artillery systems provide the essential indirect fire support to combined arms formations. In addition, any future large calibre direct fire system which has a secondary effective indirect fire capability will be counted

against the artillery ceilings. Large calibre artillery systems are considered to be artillery systems with a calibre of 100 mm and above.

(h) The term "armoured troop carrier" (ATC) means a self-propelled vehicle with light armour and cross-country capability, designed for the transportation of combat troops. It is normally armed with an organic, mounted cannon or machine gun, and sometimes an anti-tank missile launcher. ATCs include Armoured Infantry Fighting Vehicles. An Armoured Infantry Fighting Vehicle (AIFV) is an ATC with an organic cannon and is designed to provide the capability for troops to deliver fire from inside the vehicle under armoured protection. Such AIFVs serve as the principal weapon system of armoured infantry or mechanized formations.

(i) The term "combat aircraft" means a fixed-wing or swing-wing aircraft, permanently land-based, of a type initially constructed or later converted to drop bombs, deliver air-to-air or air-to-surface missiles, fire guns/cannons, or employ any other weapons of destruction. Any permanently land-based version/variant of these aircraft which has been modified to perform another military function is also included. An aircraft type should not, however, be included unless a combat variant of the type concerned exists within the ATTU area in the armed forces of a member state of the same treaty of alliance to which the participating owning the aircraft belongs.

(j) The term "combat helicopter" means a permanently land-based, rotary-wing aircraft constructed or later converted to employ air-to-air or air-to-surface ordnance such as guns, cannons, rockets, bombs, missiles, or any other weapons of destruction. Any permanently land-based version or variant of these helicopters which has been modified to perform another military function is also included. A helicopter type should not, however, be included unless a combat variant of the type concerned exists within the ATTU area in the armed forces of a member state of the same treaty of alliance to which the participating state owning the aircraft belongs.

[Further definitions to be developed.]

2. The existing types of conventional armaments subject to this Treaty are listed in the Annex to this Treaty on existing types of conventional armaments. This list shall be periodically updated.

Article III [Counting Rules]

[To be developed.]

Article IV

Each Party shall limit and, as necessary, reduce its main battle tanks, artillery pieces, armoured troop carriers, combat aircraft, and combat helicopters so that, ... years after entry into force of this Treaty and thereafter, the numbers within the area of application for each Party do not exceed:

(a) 12,000 main battle tanks;

(b) 10,000 artillery pieces;

(c) 16,800 armoured troop carriers;

(d) 3,420 combat aircraft; and

(e) 1,140 combat helicopters.

Article V

Each Party shall limit, and, as necessary, reduce its main battle tanks, artillery pieces, and armoured troop carriers so that, ... years after entry into force of this Treaty and thereafter, for the group of Parties to which it belongs the aggregate numbers in active units stationed outside of the respective national territories of those units and stationed within the area of application do not exceed:

(a) 3,200 main battle tanks;

(b) 1,700 artillery pieces; and

(c) 6,000 armoured troop carriers.

Article VI

1. Each Party shall limit and, as necessary, reduce its main battle tanks, artillery pieces, armoured troop carriers, combat aircraft, and combat helicopters so that, ... years after entry into force of this Treaty and thereafter, for the group of Parties to which it belongs the aggregate numbers within the area of application do not exceed:

(a) 20,000 main battle tanks;

(b) 16,500 artillery pieces;

(c) 28,000 armoured troop carriers, of which no more than 12,000 shall be armoured infantry fighting vehicles;

(d) 5,700 combat aircraft; and

(e) 1,900 combat helicopters.

2. Each Party shall limit and, as necessary, reduce its main battle tanks, artillery pieces, and armoured troop carriers so that, ... years after entry into force of this Treaty and thereafter, for the group of parties to which it belongs the aggregate numbers in active units in the area consisting of the Kingdom of Belgium, the Czechoslovak Socialist Republic, the Kingdom of Denmark including the Faroe Islands, France, the German Democratic Republic, the Federal Republic of Germany, the Republic of Hungary, the Italian Republic, the Grand Duchy of Luxembourg, the Kingdom of the Netherlands, the Polish People's Republic, the Portuguese Republic including the islands of the Azores and Madeira, the Kingdom of Spain including the Canary Islands, the United Kingdom of Great Britain and Northern Ireland, and that part of the territory of the Union of Soviet Socialist Republics west of the Ural Mountains comprising the Baltic, Byelorussian, Carpathian, Moscow, and Volga-Ural military districts do not exceed:

(a) 11,300 main battle tanks;

(b) 9,000 artillery pieces; and

(c) 20,000 armoured troop carriers.

3. Each Party shall limit and, as necessary, reduce its main battle tanks, artillery pieces, and armoured troop carriers so that, ... years after entry into force of this Treaty and thereafter, for the group of parties to which it belongs the aggregate numbers in active units in the area consisting of the Kingdom of Belgium, the Czechoslovak Socialist Republic, the Kingdom of Denmark including the Faroe Islands, France, the German Democratic Republic, the Federal Republic of Germany, the Republic of Hungary, the Italian Republic, the Grand Duchy of Luxembourg, the Kingdom of the Netherlands, the Polish People's Republics, the United Kingdom of Great Britain and Northern Ireland, and that part of the territory of the Union of Soviet Socialist Republics comprising the Baltic, Byelorussian, and Carpathian military districts do not exceed:

(a) 10,300 main battle tanks;

(b) 7,600 artillery pieces; and

(c) 18,000 armoured troop carriers.

4. Each Party shall limit and, as necessary, reduce its main battle tanks, artillery pieces, and armoured troop carriers, so that, ... years after entry into force of this Treaty and thereafter, for the group of Parties to which it belongs the aggregate numbers in active units in the area consisting of the Kingdom of Belgium, the Czechoslovak Socialist Republic, the German Democratic Republic, the Federal Republic of Germany, the Grand Duchy of Luxembourg, the Kingdom of the Netherlands, and the Polish People's Republic do not exceed:

(a) 8,000 main battle tanks;

(b) 4,500 artillery pieces; and

(c) 11,000 armoured troop carriers.

[5. Placeholder for: possible provisions for safeguarding against destabilization as a result of redeployments in any sub-region under the regional differentiation scheme in order to ensure that the security of each Party is not affected adversely at any stage.]

Article VII

1. The United States of America and the Union of Soviet Socialist Republics shall limit their ground and air force personnel stationed outside of their national territory and within the area of application so that, ... years after entry into force of this Treaty and thereafter, the aggregate number of such personnel for each of them does not exceed 275,000.

2. The reductions provided for in paragraph 1 of this Article shall be implemented by demobilizing personnel.

Article VIII

[Placeholder for: provision for temporarily exceeding the numerical limitations under this Treaty, for example for military exercises.]

Article IX

1. In order to ensure that the limits under Articles V and VI are complied with, each Party shall not exceed the maximum levels which it has previously agreed within its group for its holdings in treaty-limited equipment in accordance with paragraphs 2 or 4, as appropriate, of this Article and which it has notified under paragraphs 3 or 4 of this Article.

2. It shall be the responsibility solely of the Parties belonging to the same group to ensure that the maximum levels of holdings notified under paragraphs 3 and 4 of this Article, taken together as appropriate, do not exceed the limits under Articles V and VI.

3. Upon signature of the Treaty, each Party shall notify to all other Parties the maximum levels which shall apply to its holdings of main battle tanks, armoured troop carriers, artillery pieces, combat aircraft and combat helicopters. In respect of each such items, the aggregate maximum levels of holdings of each group resulting from the individual notifications of all the Parties belonging to that group shall not exceed the limits set out in Articles V and VI. A notification under this paragraph shall be binding on the notifying Party until a new notification is made under paragraph 4 of this Article.

4. Any Party may notify a change in the maximum levels which apply to its holdings of any or all of the types of conventional armament limited by this Treaty. But if such a change would, on the basis of the maximum levels of holdings notified under this paragraph or paragraph 3 of this Article by other Parties belonging to the same group, result in the limits for each group of Parties in Articles V and VI being exceeded, then it must be accompanied by the notification of a change in the maximum levels of holdings applying to one or more other parties belonging to the same group so as to ensure continued respect for the limits set out in Articles V and VI.

Article X [Stabilizing Measures]

[To be developed.]

Article XI

1. The Parties shall provide the notifications required by this Article according to the categories of data contained in the Protocol establishing and maintaining a data base.

2. The Parties shall provide the notifications required by this Article in accordance with the procedures set forth in Article XVII of this Treaty.

3. Upon entry into force of this Treaty and thereafter, each Party shall provide the following notifications to the other Parties:

[Details to be developed for data exchange as well as further details to be developed for notifications.]

Article XII

1. The reductions to achieve the numerical limitations set forth in Articles IV, V and VI of this Treaty shall be accomplished by means of destruction. The conventional armaments subject to destruction in accordance with the obligations of this Treaty are main battle tanks, artillery pieces, armoured troop carriers, combat aircraft, and combat helicopters.

2. All destruction of equipment above agreed limits shall be notified and be subject to on-site monitorings without quotas or right of refusal and to other measures to be specified.

Article XIII [Verification Provisions]

[To be developed.]

Article XIV

1. For the purpose of ensuring verification of compliance with the provisions of this Treaty, each Party shall have the right to use, in addition to the procedures included in Article XIII, national technical means of verification at its disposal in a manner consistent with generally recognized principles of international law.

2. A Party shall not interfere with the carrying out of any inspection or monitoring activity provided for in Article XIII of this Treaty, with the national technical means of verification of another Party operating in accordance with paragraph 1 of this Article, or with any other agreed measure of verification.

3. A Party shall not use concealment measures that impede verification of compliance with the provisions of this Treaty by any inspection or monitoring activity provided for in Article XIII of this Treaty or by national technical means of verification. The obligation not to use concealment measures does not apply to cover or concealment practices associated with normal training, maintenance, or operations.

4. For the purpose of enhancing observation by national technical means of verification, each Party shall implement co-operative measures. Such measures shall include: [to be developed].

Article XV

1. Subject to the provisions of this Treaty, main battle tanks, artillery pieces, armoured troop carriers, combat aircraft and combat helicopters may be replaced within the area of application.

300 UKDEL NATO BRUSSELS '89 11- 8 19:47 PAGE 02

2. Subject to the provisions of this Treaty, such equipment may be modernized within the area of application.

3. [To be considered: Provision concerning new technologies.]

Article XVI

1. To promote the objectives and implementation of the provisions of this Treaty, the Parties establish a Joint Consultative Group in the framework of which they will resolve ambiguities, address questions of compliance as well as promote the Treaty's viability. [To be developed]

Article XVII

The Parties shall use ... to:

(a) exchange data and provide notifications as required by paragraphs ... of Articles ... of this Treaty;

[Further details to be developed.]

Article XVIII

1. This Treaty shall be of unlimited duration.

2. Each Party shall, in exercising its national sovereignty, have the right to withdraw from this Treaty if it decides that extraordinary events related to the subject matter of this Treaty have jeopardized its supreme interests. A Party intending to withdraw shall give notice of its decision to withdraw to the depositary(ies), as well as to all other Parties, three months in advance of its withdrawal. Such notice shall include a statement of the extraordinary events the Party regards as having jeopardized its supreme interests.

3. Each Party shall, in particular, in exercising its national sovereignty, have the right to withdraw from this Treaty if another Party were to increase its holdings in main battle tanks, artillery pieces, armoured troop carriers, combat aircraft, or combat helicopters, as defined in Article II of this Treaty, which are outside the scope of the limitations of this Treaty, in such proportions as to pose an obvious threat to the balance of forces within the zone of application.

4. In the event that a Party gives notice of its decision to withdraw from this Treaty, a conference of all of the other parties shall be convened not more than ... days after receipt of such notice by the depositary(ies) in order to consider the effect of the withdrawal on this Treaty.

Article XIX

1. Any Party may propose amendments to this Treaty or to its Annexes or Protocols. The text of proposed amendments shall be submitted to the depositary(ies), which shall circulate them to all Parties. Thereupon, if requested to do so by five or more of the Parties, the depositary(ies) shall convene a conference to consider such amendments.

2. An amendment to this Treaty must be approved by all Parties to the Treaty. An amendment so approved shall enter into force in accordance with the procedures set forth in Article XX governing entry into force of this Treaty.

3. As provided for in Article XVI, the Joint Consultative Group may agree upon such implementing and other measures as may be necessary to improve the viability and effectiveness of this Treaty. Such measures shall not be deemed amendments to this Treaty.

4. Five years after entry into force of this Treaty, and at five-year intervals thereafter, the Parties shall together conduct a review of the operation of this Treaty, unless requested to do so sooner by five or more of the Parties.

Article XX

1. This Treaty, including the Annexes and Protocols referred to in Article I, all of which form an integral part hereof, shall be subject to ratification in accordance with the constitutional procedures of each Party. Instruments of ratification shall be deposited with ..., hereby designated the depositary(ies).

2. This Treaty shall enter into force ... days after instruments of ratification have been deposited by the Kingdom of Belgium, the People's Republic of Bulgaria, Canada, the Czechoslovak Socialist Republic, the Kingdom of Denmark, France, the German Democratic Republic, the Federal Republic of Germany,

the Hellenic Republic, the Republic of Hungary, the Republic of Iceland, the Italian Republic, the Grand Duchy of Luxembourg, the Kingdom of the Netherlands, the Kingdom of Norway, the Polish People's Republic, the Portuguese Republic, the Socialist Republic of Romania, the Kingdom of Spain, the Republic of Turkey, the Union of Soviet Socialist Republics, the United Kingdom of Great Britain and Northern Ireland, and the United States of America.

3. The depositary(ies) shall promptly inform all Parties of the date of deposit of each instrument of ratification, the date of entry into force of this Treaty, and the date of receipt of any requests for convening a conference or other notices.

Article XXI

1. This Treaty, of which the English, French, German, Italian, Russian, and Spanish texts are each equally authentic, shall be deposited in the archives of the depositary(ies).

2. This Treaty shall be registered by the depositary(ies) pursuant to Article 102 of the Charter of the United Nations.

[Final Provisions]

In witness whereof the undersigned, duly authorized, have signed this Treaty.

Done in _____ at _____ on _____, 19__

09.11.
PM89

CONFIDENTIAL

Foreign and Commonwealth Office

London SW1A 2AH

29 September 1989

Prime Minister

I think this takes a slightly too charitable view of the Americans' performance.

Dear Charles, CDP 29/9.

attached

Arms Control

I have seen a copy of your letter of 28 September to Richard Gozney. The impression that has come across in talks which the Foreign Secretary has had with Secretary Baker this week was that the Americans are closely clearly pleased with the progress made at Wyoming but there is no sense of euphoria about an early START agreement. Indeed, Baker was quite specific that the timetable of negotiations should not be tied to next year's US/Soviet Summit.

The Foreign Secretary raised Fylingdales with Baker and was reassured in terms that the US would consult us. He said that he had told Shevardnadze very clearly that Fylingdales predated, and was therefore not covered by, the ABM Treaty but his own preliminary view was that, since we had nothing to hide, we might challenge the Russians to visit Fylingdales to see if they could substantiate their queries. But Baker acknowledged that he was not up to speed on the technicalities and the issue would clearly have to be looked at thoroughly before any reply is made to the Russians. The Foreign Secretary also made it clear in interviews that Fylingdales pre-dated the ABM Treaty.

On the question of the stationed forces of European allies, the Americans have made clear in a briefing of NATO Allies in Washington that they accept that French, Belgian and British forces cannot be included in the ceiling. In talking to Secretary Baker, the Foreign Secretary reinforced the Prime Minister's message to the US Government on this point.

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

Yours ever,

Richard Gozney

pp (J S Wall)
Private Secretary

C D Powell Esq
10 Downing Street

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file a:\Foreign arms control.Sks

bc: PC

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

28 September 1989

Dear Richard,

ARMS CONTROL

The Prime Minister has read UKMIS New York telegram no. 1335 regarding the Foreign Secretary's talk with Secretary Baker. She finds some of it very worrying, displaying over-anxiety on the part of the Americans to reach agreements. They seem to be skating over the very real difficulty which remains over the Soviet position on linkage between a START Agreement and observance of the ABM Treaty, as explained to her by Mr. Gorbachev in Moscow. Their position on Fylingdales and Thule is far from robust, and she is not at all happy with the way in which the Americans are proposing Soviet inspection of Fylingdales without any consultation with us. Nor is it clear how firmly they have rebutted the Soviet attempt to include the stationed forces of European allies within the overall ceiling for stationed forces under the CFE Agreement. The Prime Minister thinks we have a lot of work to do to stiffen American positions on some of these issues.

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

yours sincerely,

(C. D. POWELL)

Richard Gozney, Esq.,
Foreign and Commonwealth Office.

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TO IMMEDIATE FCO
TELNO 1335
OF 270420Z SEPTEMBER 89
INFO IMMEDIATE NATO POSTS, MOSCOW, BUDAPEST, WARSAW

FROM PRIVATE SECRETARY
SECRETARY OF STATE'S MEETING WITH THE US SECRETARY OF STATE

SUMMARY

1. BAKER OPTIMISTIC ABOUT PROGRESS ON START BUT RELUCTANT TO SET A TARGET DATE FOR AGREEMENT. BELIEVES RUSSIANS MOVING IN US DIRECTION ON SLCMS. FEARS THAT, IN THE FACE OF RUSSIAN TACTICS ON SNF, IT WILL BE DIFFICULT TO HOLD THE ALLIANCE TO NO THIRD ZERO. AMERICANS DO NOT SEE A SERIOUS THREAT TO TRIDENT FUNDING BUT WELCOME EMBASSY LOBBYING ON THE HILL. BAKER SURPRISINGLY SYMPATHETIC TOWARDS SOVIET MEMBERSHIP OF INTERNATIONAL FINANCIAL INSTITUTIONS. BAKER MAKES A TOUGH PITCH ON THE EC BROADCASTING DIRECTIVE, THREATENING RETALIATION AGAINST BRITISH PROGRAMMES IF THE DIRECTIVE IS ADOPTED.

DETAIL

2. THE SECRETARY OF STATE HAD A 40-MINUTE MEETING WITH JIM BAKER IN NEW YORK TODAY. THE DISCUSSION ON THE BROADCASTING DIRECTIVE IS REPORTED SEPARATELY. FOLLOWING WERE THE OTHER ISSUES DISCUSSED.

ARMS CONTROL

3. BAKER SAID THE WYOMING MEETING HAD MADE PROGRESS ACROSS THE BOARD. NEXT YEAR'S SUMMIT WOULD GIVE FURTHER IMPETUS. THE RUSSIANS WERE COMING IN THE AMERICAN DIRECTION, NOT LEAST BECAUSE THE AMERICANS HAD HUNG TOUGH ON SDI AND SLCMS. IT LOOKED AS IF THE RUSSIANS MIGHT BE PREPARED TO TAKE SLCMS OUT OF START BUT THEY WERE ASKING FOR A SEPARATE NEGOTIATION ON NAVAL ARMAMENTS AS A QUID PRO QUO. BAKER IMPLIED THAT THE AMERICANS DID NOT LIKE THIS IDEA BUT HAD NOT REACHED A FINAL VIEW ON HOW TO HANDLE IT.

4. BAKER SAID THERE HAD BEEN LITTLE IN SHEVARDNADZE'S SPEECH THAT HE HAD NOT PREVIOUSLY SURFACED IN PRIVATE. BAKER THEN CORRECTED HIMSELF TO SAY THAT THERE WAS ONE EXCEPTION, NAMELY THE SOVIET PROPOSAL FOR A MORATORIUM ON THE PRODUCTION OF FISSIONABLE MATERIAL. THE PRIME MINISTER HAD BEEN VERY ROBUST ON THAT WHEN GORBACHEV HAD FIRST PROPOSED IT IN LONDON. THE AMERICANS HAD MADE CLEAR THAT THE PROPOSAL WAS QUITE UNACCEPTABLE, GIVEN THE ENORMOUS RESERVES WHICH

THE SOVIET UNION COULD CONTINUE TO DRAW ON.

5. SHEVARDNADE HAD RESPONDED POSITIVELY TO THE PRESIDENT'S CW INITIATIVE AND HAD NOT TRIED TO TRUMP THE AMERICAN CARD. THE AMERICANS TOOK THE SOVIET CLAIM TO HAVE STOPPED CW PRODUCTION WITH A PINCH OF SALT. MAYBE THEY HAD STOPPED PRODUCTION FOR A FEW DAYS BEFORE THE GENERAL ASSEMBLY SPEECH. BAKER SAID THAT THE AMERICANS INTENDED TO IMPLEMENT THEIR PROMISED 80 PERCENT REDUCTION RIGHTAWAY. THAT WOULD BE FOLLOWED BY THE 98 PERCENT REDUCTION ON THE CONDITIONS SET OUT BY THE PRESIDENT. THE REMAINING 2 PERCENT OF AMERICAN CW WOULD BE DISMANTLED WHEN ALL CW-CAPABLE COUNTRIES WERE WILING TO AGREE TO A CW CONVENTION. THE REMAINING STAGES OF NEGOTIATION WOULD BE VERY DIFFICULT BUT THE PRESENT SITUATION, WITH THE PROSPECT OF FURTHER PROLIFERATION, WAS MUCH MORE DISTURBING. THE AMERICANS CONTINUED TO BELIEVE THAT THE SOVIET UNION WAS NOT TELLING THE TRUTH ABOUT THE SIZE OF ITS CW STOCKPILE BUT THE AGREEMENT THEY HAD REACHED ON DATA EXCHANGE, WHILE NOT NECESSARILY WHOLLY RELIABLE, WOULD GIVE THEM A BASIS FOR MORE PERSISTENT ENQUIRY.

6. BAKER SAID THAT HE HAD ASKED SHEVARDNADZE WHEN THE RUSSIANS WOULD START TO DISMANTLE KRASNOYARSK. SHEVARDNADZE HAD REPLIED THAT THE DECISION TO DISMANTLE WAS TAKEN BUT THEY WOULD NOW HAVE TO CONSIDER THE TIMING. ON FYLINGDALES AND THULE, BAKER HAD MADE CLEAR THAT, IN THE AMERICAN VIEW, THERE WAS NO BREACH OF THE ABM TREATY. HOWEVER, IN THE INTERESTS OF PROGRESS ON DELINKING SDI FROM START, HE HAD AGREED TO TAKE A LOOK. THE AMERICANS WOULD CONSULT THE BRITISH. HE HIMSELF WAS NOT UP ON THE TECHNICALITIES BUT, SINCE THE ALLIANCE WAS ALWAYS MAKING THE CASE FOR OPENNESS, THERE WERE ATTRACTIONS IN SAYING TO THE RUSSIANS: THE BURDEN OF PROOF IS ON YOU, GO AND HAVE A LOOK AND LET US KNOW WHAT YOU FIND. THE SECRETARY OF STATE COMMENTED THAT WE NEEDED TO KNOW WHAT CONSTITUTED A VIOLATION OF THE ABM TREATY. BAKER, WHO SEEMED SENSITIVE TO CRITICISM ON THIS POINT, SAID THAT IT WAS NOT SOMETHING WE NEED WORRY ABOUT TOO MUCH. THE START TREATY WOULD HAVE A SIX-MONTH CANCELLATION CLAUSE. THE AMERICANS HAD BEEN TELLING THE SOVIETS TO DELINK SDI FROM START. NOW THE SOVIETS HAD DONE SO, SOME WERE HESITATING TO POCKET THE CONCESSION. THE US COMMITMENT TO THE SDI PROGRAMME REMAINED. IF THERE WAS NO DEFENCE AND SPACE TREATY, THE US WOULD BE FREE TO RESEARCH, TEST AND DEPLOY.

7. BAKER SAID THAT SHEVARDNADZE HAD PUBLICLY EXPRESSED THE VIEW THAT THE START TREATY WOULD BE READY FOR SIGNATURE BY THE SUMMIT. BAKER THOUGHT THAT WAS A MISTAKE FORM THE STANDPOINT OF BOTH SIDES. IT WAS A MISTAKE TO TIE YOURSELF TO DEADLINES WHICH THEN EXERTED

PRESSURE ON THE NEGOTIATIONS.

CFE

8. IN REPLY TO A QUESTION FROM THE SECRETARY OF STATE, BAKER SAID THE ALLIANCE SHOULD STICK TO THE TIMETABLE SET OUT BY THE PRESIDENT AT THE NATO SUMMIT EVEN THOUGH SOVIET PRESSURE TO INCLUDE FRENCH, BELGIAN AND BRITISH FORCES WITHIN THE CEILING FOR STATIONED FORCES IN EUROPE, AND DIFFICULTIES OVER AIRCRAFT, WOULD MAKE THE NEGOTIATION QUITE PROBLEMATIC. HE EXPRESSED APPRECIATION FOR THE INTRA-ALLIANCE DISCUSSIONS WHICH HAD LED TO THE TABLING OF OUR PROPOSALS. HE RECOGNISED THAT THE REMAINING ISSUES ON VERIFICATION, INCLUDING OF PRODUCTION AND THE MOVEMENT OF EQUIPMENT, POSED SUBSTANTIVE PROBLEMS FOR US AND OTHERS.

9. BAKER AND ZOELLICK BOTH COMMENTED ON THE SUGGESTION MADE BY GORBACHEV TO THE PRIME MINISTER AND REPEATED BY SHEVARDNADZE, THAT THE RUSSIANS WOULD RESPOND TO THE OPENING OF SNF TALKS BY MAKING UNILATERAL CUTS AND WOULD CONSIDER EQUAL LIMITS ABOVE ZERO AS A FIRST STEP. BOTH THOUGHT THIS WOULD EXERCISE A POWERFUL INFLUENCE OVER THE FRG AND THAT IT WOULD BE VERY DIFFICULT TO HOLD THE LINE ON NO THIRD ZERO IN THE APPROACH TO THE GERMAN ELECTIONS. THE SECRETARY OF STATE THOUGHT THERE MIGHT BE A POTENTIALLY USEFUL GREY AREA IN THE FACT THAT, UNDER THE AGREEMENT REACHED AT THE NATO SUMMIT, IMPLEMENTATION OF CFE HAD TO BE COMPLETE BEFORE ANY SNF REDUCTIONS COULD TAKE EFFECT.

10. BAKER SAID THE ALLIANCE WOULD HAVE TO TAKE A POSITION ON THE SOVIET PROPOSAL FOR A SUMMIT TO SIGN A CFE AGREEMENT. BAKER'S OFF-THE-CUFF RESPONSE WHEN SHEVARDNADZE HAD RAISED THE IDEA HAD BEEN TO SAY THAT WE SHOULD SEE THE DETAILS OF THE SOVIET RESPONSE TO THE ALLIED PROPOSALS BEFORE DISCUSSING DATES FOR CONCLUDING MEETINGS AND THE LEVEL AT WHICH THEY SHOULD BE HELD.

TRIDENT

11. THE SECRETARY OF STATE EXPRESSED OUR CONCERN ABOUT CONGRESSIONAL ATTITUDES TO THE FUNDING OF TRIDENT. BAKER, WHO APPEARED UNSIGHTED, REFERRED THE QUESTION TO KIMMETT. KIMMETT THOUGHT THAT IT WAS A CLASSIC EXAMPLE OF THE AUTHORISING AND APPROPRIATIONS COMMITTEES IN BOTH HOUSE AND SENATE POSITIONING THEMSELVES IN THE BUDGET PROCESS. THE SECRETARY OF STATE SAID THAT, IF THERE WAS ANY USEFUL BRIEFING OUR EMBASSY COULD DO, WE WOULD BE HAPPY TO DO IT. BOTH BAKER AND KIMMETT WELCOMED THIS. THE CONGRESSIONAL COMMITTEES HAD LOOKED AT THE ISSUE PURELY IN PROCUREMENT TERMS. THE MORE THEY WERE MADE AWARE OF THE

INTERNATIONAL IMPLICATIONS, THE BETTER.

HUNGARY/SOVIET UNION

12. THE SECRETARY OF STATE DESCRIBED HIS MEETING WITH THE HUNGARIAN FOREIGN MINISTER (UKMIS TELNO 1308). BAKER SAID THAT, FROM HIS CONTACTS WITH HORN, HE UNDERSTOOD THE LATTER TO HAVE THREE CONCERNS:

- HE WANTED MORE WESTERN ECONOMIC ASSISTANCE TO HUNGARY.
- HE WANTED A HIGHER LEVEL OF TECHNOLOGY TRANSFER TO HUNGARY.
- HE THOUGHT THAT, IF WE WERE SERIOUS ABOUT PERESTROIKA, THE WEST SHOULD COME OFF ITS OBJECTIONS TO THE SOVIET UNION PARTICIPATING IN INTERNATIONAL FINANCIAL INSTITUTIONS. HORN HAD ARGUED THAT THE RUSSIANS SIMPLY DID NOT KNOW HOW TO MODERNISE THEIR ECONOMY. THEY WERE LOOKING FOR PRACTICAL HELP, NOT TO SCORE POLITICAL POINTS. BAKER SAID THAT HE HAD NOT HEARD THAT ARGUMENT BEFORE, BUT LOGICALLY, HAD FOUND IT QUITE PERSUASIVE. SHEVARDNADZE'S GENERAL ASSEMBLY SPEECH HAD BEEN THE MOST UNEQUIVOCAL SOVIET BID TO JOIN THE FINANCIAL INSTITUTIONS YET MADE. THE SECRETARY OF STATE SAID THAT, AS FAR AS HUNGARY WAS CONCERNED, HORN HAD SEEMED CONFIDENT THAT THE COMMUNIST PARTY WOULD BE A PARTNER IN A POST-ELECTION COALITION. THEY WERE VERY EDGY, HOWEVER, BECAUSE THEY FEARED THAT HUNGARY WOULD LOSE OUT IN THE COMPETITION FOR WESTERN ASSISTANCE BY COMPARISON WITH POLAND. BAKER SAID THIS WAS CERTAINLY NOT THE INTENTION.

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UNGA 44: GENERAL DEBATE, 26 SEPTEMBER:
SPEECH BY SOVIET FOREIGN MINISTER: ARMS CONTROL PROPOSALS

1. IN HIS SPEECH ON 26 SEPTEMBER SHEVARDNADZE MADE THE FOLLOWING PROPOSALS ON ARMS CONTROL.

CHEMICAL WEAPONS

2. SHEVARDNADZE WELCOMED THE PROPOSALS ON CHEMICAL WEAPONS (CW) MADE BY BUSH IN HIS ADDRESS ON 25 SEPTEMBER AS CONSISTENT WITH SOVIET INITIATIVES. THE SOVIET UNION WAS READY TO GO FURTHER AND ASSUME MUTUAL OBLIGATIONS WITH THE UNITED STATES, PRIOR TO THE CONCLUSION OF A MULTILATERAL CONVENTION:

(A) TO CEASE CW PRODUCTION, AS THE SOVIET UNION HAD ALREADY DONE: THIS REFERRED ALSO TO BINARY WEAPONS:

(B) ON A BILATERAL BASIS, RADICALLY TO REDUCE OR COMPLETELY TO DESTROY SOVIET AND U S CW, AS A STEP TOWARD THE GLOBAL DESTRUCTION OF CW:

(C) TO RENOUNCE CW USE UNDER ANY CIRCUMSTANCES:

(D) TO INSTITUTE RIGOROUS VERIFICATION OF THE CESSATION OF PRODUCTION OF CW AGENTS.

NUCLEAR WEAPONS

3. NUCLEAR WEAPONS WERE DANGEROUS NOT ONLY BECAUSE OF THEIR DESTRUCTIVE POWER BUT ALSO BECAUSE THEY WIDENED THE CHASM BETWEEN NATIONAL AND UNIVERSAL INTERESTS. ONLY THEIR COMPLETE ELIMINATION WOULD HELP TO ATTAIN REAL SECURITY. THE ADVOCATES OF NUCLEAR DETERRENCE DID NOT BELIEVE THIS TO BE POSSIBLE IN THE FORESEEABLE FUTURE, BUT RESPONDED WITH THE CONCEPT OF MINIMAL NUCLEAR DETERRENCE. THIS WAS A STEP FORWARD, IF ONLY A TIMID ONE. THE SOVIET UNION PROPOSED THAT THE QUESTION OF DEFINITION AND CAPABILITIES BE DISCUSSED AT A MEETING OF REPRESENTATIVES OF THE NUCLEAR POWERS AND OF STATES WHERE NUCLEAR WEAPONS WERE STATIONED.

4. SHEVARDNADZE ALSO PROPOSED:

(I) A MULTILATERAL AGREEMENT BY ALL NUCLEAR POWERS TO REDUCE THE RISK OF NUCLEAR WAR. THE PERMANENT MEMBERS OF THE SECURITY

COUNCIL COULD WORK THIS OUT:

(II) ON NUCLEAR TESTING, THE SOVIET UNION WAS READY TO REINSTATE ITS MORATORIUM IF THE U S RECIPROCATED. CONCRETE DISCUSSIONS ON A COMPLETE TEST BAN SHOULD BEGIN AT THE CONFERENCE ON DISARMAMENT. AS ONE WAY TOWARDS SUCH A BAN, THE SOVIET UNION WAS CONSIDERING THE POSSIBILITY OF EXTENDING THE 1963 TREATY TO COVER UNDERGROUND NUCLEAR EXPLOSIONS:

(III) ALL NUCLEAR POWERS, ESPECIALLY THE U S, SHOULD WORK TOWARDS AN AGREEMENT ON THE CESSATION AND PROHIBITION OF THE PRODUCTION OF FISSIONABLE MATERIAL FOR WEAPONS PURPOSES. THE EXPERIENCE OF APPLYING IAEA SAFEGUARDS COULD PROVE USEFUL IN VERIFYING COMPLIANCE. THE SOVIET UNION WAS READY TO PLACE ONE OF THE REACTORS IT WAS SHUTTING DOWN UNDER IAEA CONTROL.

NAVAL FORCES

5. LEAVING NAVAL FORCES OUTSIDE THE PROCESS OF REDUCING ARMED FORCES AND ARMAMENTS WOULD BE HARMFUL TO UNIVERSAL SECURITY. THE INTERESTED PARTIES, ESPECIALLY THE MAJOR NAVAL POWERS, COULD CONSULT ON THE MECHANISM AND OBJECTIVES OF FUTURE NEGOTIATIONS AND HOW TO MOVE TOWARDS THEM STEP BY STEP.

TACTICAL NUCLEAR WEAPONS

6. DEVELOPMENTS IN EUROPE WARRANTED THE URGENT START OF TALKS ON TACTICAL NUCLEAR WEAPONS. MUTUALLY ACCEPTABLE SOLUTIONS COULD BE SOUGHT IN DISCUSSION BETWEEN THE SOVIET UNION, U S, U K, FRANCE AND THOSE STATES WHERE THESE WEAPONS WERE STATIONED. IF NATO AGREED TO THIS, THE SOVIET UNION WOULD MAKE FURTHER UNILATERAL CUTS IN ITS TACTICAL NUCLEAR WEAPONS IN EUROPE.

MISSILE PROLIFERATION

7. THE PROBLEM OF MISSILE PROLIFERATION WAS RIPE FOR MULTILATERAL DISCUSSION. SHEVARDNADZE ADVOCATED A TWO-PRONGED APPROACH, TO PRECLUDE THE PROLIFERATION OF COMBAT MISSILES BUT NOT TO IMPINGE ON THE LEGITIMATE INTERESTS OF COUNTRIES IN GAINING PEACEFUL ACCESS TO OUTER SPACE.

PREVENTION OF WAR

8. FOLLOWING AGREEMENT WITH THE U S ON PREVENTING DANGEROUS MILITARY ACTIVITIES, AND AGREEMENT WITH THE U S, U K, FRG AND FRANCE ON THE PREVENTION OF INCIDENTS ON THE HIGH SEAS, THE SOVIET UNION AND CHINA HAD AGREED TO START TALKS SHORTLY ON ENDING THEIR MILITARY STAND OFF. THE SOVIET UNION HOPED THAT OTHER STATES WOULD FOLLOW SUIT.

9. IN CONCLUDING THIS SECTION OF HIS SPEECH, SHEVARDNADZE REAFFIRMED THAT THE SOVIET UNION'S ULTIMATE GOAL WAS TO HAVE NO SOVIET SOLDIER OUTSIDE THE COUNTRY. BUT HE CONDEMNED ITS CONTINUED ENCIRCLEMENT WITH MILITARY BASES. IN WELCOMING BUSH'S OPEN SKIES PROPOSAL, HE CALLED FOR THE OPENING UP OF THE LAND, THE WATERS AND OUTER SPACE.

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ARMS CONTROL CHEMICAL WEAPONS

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UNGA 44: GENERAL DEBATE, 26 SEPTEMBER:
SPEECH BY SOVIET FOREIGN MINISTER

SUMMARY

1. SHEVARDNADZE CALLS FOR THE HARMONISATION OF NATIONAL AND UNIVERSAL INTERESTS. HE HOLDS OUT THE HOPE OF MAJOR PROGRESS TOWARDS A START TREATY BY NEXT SUMMER, AND MAKES A NUMBER OF ARMS CONTROL PROPOSALS (SEE MIFT). TEXT FAXED TO UND.

DETAIL

2. THE SOVIET FOREIGN MINISTER NOTED THAT THIS CENTURY HAD BEEN MARKED BY MANIFESTATIONS OF NATIONAL ENERGY. IN EXAGGERATED FORM, THIS COULD RESULT IN AGGRESSION. DOMESTIC AND INTER-ETHNIC STRIFE COULD BE INTERNATIONALLY DE-STABILISING, AS IN THE CASE OF LEBANON. IT WAS OFTEN EASIER TO RESOLVE THE EXTERNAL ISSUES IN A SETTLEMENT THAN TO WORK OUT ITS INTERNAL CONDITIONS, AS IN AFGHANISTAN AND CAMBODIA.

3. THE PROBLEM OF HARMONISING UNIVERSAL AND NATIONAL INTERESTS HAD TO BE ADDRESSED. EVERY NATION WAS FREE TO CHOOSE THE WAYS AND MEANS OF ITS OWN DEVELOPMENT, BUT NOT AT THE EXPENSE OF OTHERS. NOT ALL MEANS WERE GOOD FOR ATTAINING EVEN THE MOST NOBLE ENDS. THE INTERNATIONAL COMMUNITY CONDEMNED AND OUTLAWED TERRORISM. VIOLENCE BY THE STATE AGAINST ITS OWN PEOPLE, OR VIOLENCE ON NATIONAL, ETHNIC OR RELIGIOUS GROUNDS, HAD TO BE RULED OUT. FASCISM, WHICH STARTED WORLD WAR II, WAS THE UGLIEST FORM OF NATIONALISM. IT HAD INVOLVED REVANCHISM. THIS WAS APPEARING ONCE AGAIN AND WAS SEEKING TO REVISE AND DESTROY THE POST-WAR REALITIES IN EUROPE. THOSE WHO WITTINGLY OR UNWITTINGLY ENCOURAGED THIS SHOULD BE WARNED. THERE WERE NO RIGHTS WITHOUT RESPONSIBILITIES, EITHER FOR THE INDIVIDUAL OR THE STATE.

US/SOVIET RELATIONS

4. SHEVARDNADZE SAID THAT THE IMPORTANCE OF THE US/SOVIET DIALOGUE TRANSCENDED THE FRONTIERS OF THE TWO STATES. HIS RECENT TALKS WITH BUSH AND BAKER DEMONSTRATED THE INCREASED AWARENESS OF BOTH SIDES OF

THE NEED TO CO-OPERATE FOR THE BENEFIT OF MANKIND, AND THE GROWING CONFIDENCE THAT SUCH CO-OPERATION WAS POSSIBLE. THE AGREEMENT TO HOLD A SUMMIT DEMONSTRATED THAT THE TWO SIDES HAD MOVED QUITE FAR AHEAD IN SOLVING A NUMBER OF MAJOR BILATERAL AND INTERNATIONAL PROBLEMS. EXTRAORDINARY EFFORTS AT THE HIGHEST LEVEL WOULD BE NEEDED TO CONCLUDE THE TREATIES UNDER DISCUSSION. IN THE SOVIET VIEW, BY THE TIME OF THE SUMMIT THE TWO SIDES MIGHT HAVE PASSED THE LAST TURN ON THE ROAD TO A TREATY REDUCING STRATEGIC OFFENSIVE ARMS. THE PROTOCOLS TO THE 1974 AND 1976 TREATIES ON NUCLEAR EXPLOSIONS COULD ALSO BE SIGNED THEN. SHEVARDNADZE WENT ON TO MAKE A NUMBER OF ARMS CONTROL PROPOSALS (SEE MIFT).

REGIONAL ISSUES

5. WHILE NOTING THE GENEVA ACCORDS ON AFGHANISTAN, THE INDEPENDENCE PROCESS IN NAMIBIA, THE TERMINATION OF HOSTILITIES BETWEEN IRAN AND IRAQ AND THE CONSTRUCTIVE DYNAMICS IN THE DIALOGUE ON CAMBODIA, SHEVARDNADZE COMMENTED THAT THESE POSITIVE TRENDS HAD NOT BECOME IRREVERSIBLE.

ECONOMIC ISSUES

6. SHEVARDNADZE SAID THAT A FEW CONTINUED TO DICTATE TO MANY THE TERMS OF THEIR ECONOMIC EXISTENCE. THIS WOULD LEAD TO CATASTROPHE. THE FLOW OF CAPITAL FROM POOR TO RICH, IN TERMS OF DEBT SERVICING, COULD NOT CONTINUE. STATES SHOULD WORK TOGETHER ON CONVERTING MILITARY TO CIVILIAN PRODUCTION.

7. ENVIRONMENTAL CONSERVATION REQUIRED URGENT GLOBAL DECISIONS AT THE VERY HIGHEST LEVEL AND THE INTERNATIONALISATION OF EFFORTS THROUGH THE UN, BY CONSOLIDATING ITS LEADING ENVIRONMENTAL BRANCH. THIS WAS A MAJOR COMPONENT OF INTERNATIONAL SECURITY. SECURITY COUNCIL INVOLVEMENT WOULD BE NEEDED, TO SOLVE PROBLEMS AND ENSURE TRANSPARENCY AND INTERNATIONAL MONITORING. SHEVARDNADZE CALLED FOR THE UN CONFERENCE ON ENVIRONMENT AND DEVELOPMENT IN 1992 TO BE HELD AT THE LEVEL OF HEADS OF STATE OR GOVERNMENT.

8. THE SOVIET UNION HAD PROGRAMMES TO SPEED UP THE INTEGRATION OF ITS ECONOMY INTO THE WORLD ECONOMY ON AN EQUAL AND MUTUALLY BENEFICIAL BASIS, MODERN INTERNATIONAL DIVISION OF LABOUR AND INTERNATIONAL EXCHANGES IN SCIENCE AND TECHNOLOGY. TO THAT END IT WISHED TO PARTICIPATE IN THE WORK OF INTERNATIONAL ECONOMIC ORGANISATIONS AND TO ESTABLISH CONTACTS WITH THE IMF AND THE WORLD BANK, BEING CONVINCED THAT CO-OPERATION WITH THEM, AS WITH GATT AND FAO, WOULD BE USEFUL FOR THE COMMUNITY AS A WHOLE.

THE FUTURE OF SOCIALISM

9. NATIONS' CHOICE SHOULD NOT BE OVERRIDEN BY FORCE, AND STABILITY COULD NOT BE ACHIEVED BY THREATENING ITS USE, BY INTERVENTIONS, BLOCKADES OR OTHER SACTIONS. IT WAS NO SECRET THAT THE SOVIET UNION WAS NOT ENTHUSIASTIC ABOUT THE POLISH COMMUNISTS' ELECTION SETBACK: IT WISHED THEM TO OVERCOME THE CRISIS. NEVERTHELESS, IT SAW NOTHING THREATENING IN A COALITION GOVERNMENT FORMED IN ACCORDANCE WITH THE WILL OF THE POLISH PEOPLE. THE SOVIET UNION WISHED IT SUCCESS AND PROMISED TO CO-OPERATE MOST ACTIVELY. WHY WERE OTHERS SO INTOLERANT AS REGARDS, SAY, CUBA? NOR SHOULD THE APPOINTMENT OF A COMMUNIST AS A HEAD OF A WESTERN GOVERNMENT BE EXCLUDED.

10. THE SOVIET UNION WAS BUILDING A NEW MODEL OF SOCIALISM. AS A CONCEPT, THIS WAS NOT A SPENT FORCE. THE SOVIET PEOPLE'S DETERMINATION TO MAKE PERESTROIKA IRREVERSIBLE WAS MATCHED BY THEIR BELIEF IN VICTORY, A CONFIDENCE GROUNDED IN THE DEMOCRATIC INSTITUTIONS WHICH WERE READY TO ASSERT THEIR GENUINE AND FULL AUTHORITY.

COMMENT

11. PLACED AS IT WAS IN THE CONTEXT OF GORBACHEV'S PREVIOUS STATEMENTS ON THE ROLE OF THE UN, THIS SPEECH WAS IN THE MOULD THAT WE HAVE COME TO EXPECT. ONCE AGAIN SHEVARDNADZE OFFERED A NUMBER OF NEW PROPOSALS, THIS TIME ALL IN THE DISARMEMENT FIELD. THERE WAS A MARKED LACK OF SPECIFICS ON OTHER MATTERS ON THE UN AGENDA (EXCEPT IN THE PASSAGE ON THE ENVIRONMENT, WITH ITS REASSERTION OF A ROLE FOR THE SECURITY COUNCIL). BUT OVERALL THIS WAS A COMPETENT AND CONFIDENT PERFORMANCE. — too facile by far ms

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UKMIS NEW YORK FOR SECRETARY OF STATE'S PARTY
OUR TELNO 2499: BAKER/SHEVARDNADZE MEETING
SUMMARY

1. STATE DEPARTMENT CHARACTERISE MEETING AS EXCEEDING EXPECTATIONS IN TERMS OF SUBSTANCE COVERED AND PROSPECTS FOR THE FUTURE. THE SOVIET MOVE ON ABM AND DEFENCE AND SPACE ISSUES SEEN AS THE MOST STRIKING DEVELOPMENT, OPENING THE POSSIBILITY FOR RAPID PROGRESS ON START. BUT MAJOR STEPS ON CW AND NUCLEAR TESTING AND A PRODUCTIVE OUTCOME ACROSS THE BOARD. RUSSIANS NOW REASSURED OF US DESIRE TO MAKE PROGRESS ON EAST/WEST ARMS CONTROL AND BILATERAL RELATIONS. PERSONAL RAPPORT DEVELOPING BETWEEN THE TWO MINISTERS.

DETAIL

2. KIMMITT, BARTHOLOMEW AND VERSHBOW BRIEFED NATO AMBASSADORS PLUS AUSTRALIA, JAPAN AND KOREA ON 25 SEPTEMBER ON THE OUTCOME OF THE MINISTERIAL MEETINGS ON 22/23 SEPTEMBER.

GENERAL

3. THEY SAID THAT IT HAD BEEN A PRACTICAL DEMONSTRATION OF THE PRESIDENT'S AIM TO QUOTE MOVE BETWEEN CONTAINMENT UNQUOTE. IT HAD BEEN A SUCCESS IN TERMS OF WHAT HAD BEEN ACCOMPLISHED AS WELL AS AUGURING WELL FOR THE FUTURE OPENNESS AND INFORMALITY HAD BEEN FOSTERED BY THE WYOMING LOCATION AND FLEXIBLE FORMAT. THE WHOLE AGENDA HAD BEEN REVIEWED IN FULL AND FUTURE WORK DEFINED. JOINT STATEMENTS FROM SUCH MEETINGS WERE GENERALLY OF LITTLE VALUE BUT ON THIS OCCASION THE TEXT (TUR) GAVE A COMPREHENSIVE AND EXPLICIT ACCOUNT. THE RESULT HAD BEEN MADE POSSIBLE BY THE LETTERS FROM THE TWO LEADERS (BEGINNING WITH BUSH'S IN JUNE) TOGETHER WITH GIVE AND TAKE DURING THE MEETINGS THEMSELVES. THE AMERICANS HAD ENTERTAINED MISGIVINGS ABOUT HOLDING WORKING GROUPS BEFORE THE MINISTERIAL, BUT IN THE EVENT THIS HAD ALSO BEEN HELPFUL.

ARMS CONTROL

4. BARTHOLOMEW SAID THAT THE NEW SOVIET APPROACH ON ABM, SPACE AND START HAD PRODUCED THE MOST IMPORTANT RESULT. SHEVARDNADZE HAD TOLD BAKER EXPLICITLY THAT THE SOVIET UNION WAS PREPARED TO DROP THE LINKAGE BETWEEN START AND THE DEFENCE AND

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SPACE AGREEMENT. HE MADE IT CLEAR THAT THEY WISHED THIS TO BE REGARDED AS A POSITIVE DEVELOPMENT AND BAKER HAD AGREED THAT IT WAS. BY BREAKING THE LINKAGE IT OUGHT NOW TO BE POSSIBLE TO CLEAR THE WAY TO MORE RAPID PROGRESS ON START IN THE FIRST HALF OF NEXT YEAR THAN HAD PREVIOUSLY SEEMED POSSIBLE. BARTHOLOMEW THOUGHT THAT A START AGREEMENT BY THE TIME OF THE SUMMIT, WAS NO LONGER INCONCEIVABLE, THIS WOULD NOT BE EASY AND THE US DID NOT WANT TO SADDLE ITSELF WITH SUCH A DEADLINE

5. AT THE SAME TIME THE RUSSIANS HAD SAID THAT THEY WOULD REGARD ANY VIOLATION OF THE ABM TREATY AS GROUNDS TO WITHDRAW FROM A START AGREEMENT. THEY HAD ALSO PROPOSED AN AGREEMENT (EG AS A PROTOCOL TO THE ABM TREATY) LISTING THOSE ACTIVITIES WHICH WERE PERMITTED AND PROHIBITED. THE US FOUND THIS ASPECT NO MORE ATTRACTIVE THAN THEY HAD IN 1987 WHEN IT WAS FIRST RAISED, BUT THEY HAD UNDERTAKEN TO STUDY IT ON ITS OWN MERITS. BAKER HAD ALSO MADE IT CLEAR THAT THE US REMAINED COMMITTED TO THE SDI PROGRAMME, WITH THE INTENTION OF DEPLOYMENT WHEN READY.

6. QUESTIONED ON THE SOVIET DECISION TO DISMANTLE KRASNOYARSK, BARTHOLOMEW SAID THAT THE AMERICANS WERE SATISFIED THAT THIS WAS UNCONDITIONAL AND WAS NOT LINKED TO THE CONCERNS EXPRESSED ABOUT RADARS AT FYLINGDALES AND THULE. THE TWO POINTS HAD BEEN MADE AS UNRELATED SENTENCES IN GORBACHEV'S LETTER AND IT WAS THE RUSSIAN SIDE WHICH HAD PROPOSED SEPARATE PARAGRAPHS ON EACH IN THE JOINT STATEMENTS. THE AMERICANS DID NOT HAVE ANYTHING SPECIFIC IN MIND TO SATISFY SOVIET CONCERNS ABOUT THE RADARS (THOUGH SHEVARDNADZE HAD BROACHED THE IDEA OF VISITS) THEY SUSPECT THAT THIS POINT WOULD QUIETLY FALL AWAY.

7. AS REGARDS OTHER ISSUES IN START (MOBILES, SLCM, ALCM) BARTHOLOMEW DESCRIBED THE POSITION AS IN TUR, ADDING MORE DETAIL ON THE SOVIET PROPOSAL ON ALCMS: THIS INVOLVED ACCEPTING THE US POSITION THAT SOME HEAVY BOMBERS SHOULD BE DESIGNATED AS CONVENTIONAL-ONLY AND EXCLUDED FROM THE TREATY, BUT THIS WAS TIED TO AN APPROACH ON RANGE AND COUNTING RULES WHICH CONTINUED TO BE UNACCEPTABLE. QUESTIONED ABOUT SLCM, AND WHETHER THE RESPONSE TO THE SOVIET PROPOSAL REPRESENTED ANY GREATER WILLINGNESS TO CONSIDER ASPECTS OF NAVAL ARMS CONTROL, BARTHOLOMEW SAID THAT THIS WAS EMPHATICALLY NOT THE CASE.

8. ON NUCLEAR TESTING, BARTHOLOMEW SAID THAT THE QUOTE BREAKTHROUGH UNQUOTE COVERED VERIFICATION METHODS, ACCEPTANCE OF US-PROPOSED LEVELS FOR VERIFICATION (50 KT AND 35 KT) AND AGREEMENT THAT THE MINIMUM NUMBER OF TESTS WOULD BE MONITORED EACH YEAR, IRRESPECTIVE OF YIELD. TALKS WOULD RESUME IN GENEVA ON 2 OCTOBER IN THE EXPECTATION THAT WORK ON THE PROTOCOLS COULD BE COMPLETED VERY QUICKLY IN THE FIRST PART OF 1990.

9. ON CFE, BAKER HAD NOTED THE PROPOSAL TO PROVIDE IMPETUS FOR EARLY AGREEMENT THROUGH MEETINGS OF FOREIGN MINISTERS AND A SUMMIT, BUT HAD SAID THAT AN ALLIANCE-WIDE VIEW WOULD HAVE TO BE TAKEN AND HAD EXPRESSED THE OPINION THAT IT WOULD BE PREMATURE TO THINK OF SUCH ARRANGEMENTS. SHEVARDNADZE HAD PROMOTED THE SOVIET PROPOSAL TO EXCLUDE ONLY 1800 COMBAT AIRCRAFT, NEEDED FOR HOMELAND DEFENCE AND SAID THAT A SEPARATE SUB LIMIT OF THAT CATEGORY OF AIRCRAFT COULD BE CONSIDERED. BAKER SAID THAT THE MOVE IN THE RIGHT DIRECTION WAS APPRECIATED BUT THAT EXCLUSION OF ANY AIRCRAFT POSED UNACCEPTABLE PROBLEMS OF VERIFICATION, GIVEN INHERENT FLEXIBILITY. SHEVARDNADZE HAD NOT HOWEVER SOUGHT SORT TO LINK THE QUESTION OF AIRCRAFT WITH MANPOWER LIMITS, AS HAD BEEN SOVIET TACTICS IN THE SUB GROUPS.

10. OPEN SKIES. KARPOV'S COMMENTS ON THIS HAD SHOWN THAT SOVIET THINKING WAS AT VARIANCE WITH THE US APPROACH, BUT IT WAS CLEAR FROM THE MINISTERIAL DISCUSSION THAT THERE WAS CONSIDERABLE FLEXIBILITY AND THAT THIS WAS THE BEGINNING, AS THEY HAD PUT IT, OF A HEALTHY PROCESS.

11. PROLIFERATION. BAKER HAD STILL MADE MOST OF THE RUNNING ON THIS, ALTHOUGH SHEVARDNADZE HAD SUGGESTED ACTION ON SPECIFIC CASES OF NUCLEAR PROLIFERATION. HE HAD ALSO SEEMED MORE ENGAGED ON THE SUBJECT OF MISSILE PROLIFERATION THAN HAD BEEN EVIDENT IN THE PAST AND HAD AGREED TO BILATERAL DISCUSSIONS BY EXPERTS IN DECEMBER.

REGIONAL ISSUES

12. KIMMITT SAID THAT DISCUSSION HAD FOCUSSED ON CENTRAL AMERICA, AFGHANISTAN LEBANON AND CAMBODIA. OTHER SUBJECTS INCLUDING AFRICA, AND THE MIDDLE EAST HAD OCCUPIED LESS TIME, DESPITE THEIR IMPORTANCE. ON CENTRAL AMERICA, SHEVARDNADZE HAD SAID SIGNIFICANTLY THAT THE SOVIET UNION REFRAINED FROM SUPPLYING ARMS TO NICARAGUA, EITHER DIRECT OR THROUGH CUBA, AND WOULD AGREE NOT TO SUPPORT DESTABILISATION IN THE REGION. ON AFGHANISTAN, SHEVARDNADZE HAD GIVEN A DETAILED EXPLANATION OF NAJIBULLAH'S PROPOSALS FOR A SETTLEMENT, WHILE THE AMERICANS HAD EMPHASISED THAT REMOVAL OF NAJIBULLAH WAS THE ONE FACTOR WHICH UNIFIED ALL OPPOSITION GROUPS. READY AGREEMENT HAD BEEN REACHED ON LEBANON, HENCE THE SEPARATE JOINT STATEMENT. ON THE MIDDLE EAST, SHEVARDNADZE HAD MAINTAINED THAT THE ISRAELI ELECTION PLAN WAS ONLY ONE OF A NUMBER OF OPTIONS AND HARPED ON THE ALTERNATIVE IDEA OF A PEACE CONFERENCE. ON CAMBODIA, THE RUSSIAN SIDE HAD POINTED TO THE VIETNAMESE WITHDRAWAL THIS WEEK AND HAD SUGGESTED A FREEZE AND MORATORIUM ON ALL ARMS SHIPMENTS. BAKER HAD EXPLAINED FRANKLY HIS DISAPPOINTMENT THAT THE PARIS CONFERENCE HAD FAILED TO ACHIEVE FULL SUCCESS, BECAUSE OF THE VIETNAMESE AND

THE PRK. HE HAD OUTLINED HIS AIM TO CARRY MATTERS FORWARD WITH ASEAN FOREIGN MINISTERS AT UNGA. THE AMERICANS HAD RAISED THE RUSSIAN ARMS SUPPLY RELATIONSHIP WITH IRAN, BUT HAD GOT NO CHANGE FROM SHEVARENADZE. THEY HAD ALSO PRESSED OVER NORTH KOREA AND THE NPT. ALTHOUGH SHEVARDNADZE HAD PRESENTED THE NORTH KOREAN POINT OF VIEW HE HAD ALSO INDICATED THAT HE WOULD TAKE UP THE ISSUE WITH THEM AGAIN.

TRANSNATIONAL ISSUES

13. KIMMITT SAID THAT BAKER HAD FELT THAT ALTHOUGH THIS WAS A NEWLY DEVELOPING AREA WITH THE RUSSIANS, HE HAD SUCCEEDED IN SECURING SHEVARDNADZE'S SERIOUS INTEREST AS WAS SHOWN BY THE NUMBER OF ISSUES COVERED IN THE JOINT STATEMENT. SHEVARDNADZE HAD BEEN ESPECIALLY INTERESTED IN ENVIRONMENTAL ISSUES AND HAD EMPHASISED HIS WISH FOR CLOSE COORDINATION AND COOPERATION IN THE RUN UP TO THE 1992 CONFERENCE. HE RAISED A NUMBER OF PARTICULAR TOPICS, SOME WHERE WORK WAS ALSO ENVISAGED WITH THE CHINESE. SHEVARDNADZE HAD SUGGESTED THE EXPANSION OF THE UN TO COUNTER TERRORISM, AND THAT THE AMERICANS HAD EXPRESSED THEIR PREFERENCE FOR PROGRESS THROUGH BILATERAL ARRANGEMENTS. SHEVARDNADZE HAD ALSO SHOWN INTEREST IN DRUGS AND SUGGESTED THAT THE FOCUS SHOULD MOVE AWAY FROM TRAFFICKING AND TOWARDS THE DEMAND SIDE: THE AMERICANS HAD WONDERED WHETHER THIS WAS A REFERENCE TO A GROWING PROBLEM WITHIN THE SOVIET UNION.

HUMAN RIGHTS

14. VERSHBOW SAID THAT BAKER HAD STRESSED THE FUNDAMENTAL IMPORTANCE WHICH THE US CONTINUED TO ATTACH TO THIS AREA, FOR BOTH THE BILATERAL RELATIONSHIPS AND THE SUCCESS OF A SUMMIT NEXT YEAR. WHILE RECOGNISING THE PROGRESS THAT HAD TAKEN PLACE, HE HAD THEREFORE PRESSED A NUMBER OF ISSUES, INCLUDING A NEW LIST OF UNRESOLVED REFUSINIK CASES. THE SOVIET CLAIM THAT 220 OF THE 537 EXISTING CASES HAD BEEN RESOLVED, WOULD BE FOLLOWED UP. THERE HAD BEEN SOME DISCUSSION ON NEW LAWS ON IMMIGRATION AND FREEDOM OF CONSCIENCE, WHERE THERE SEEMED TO BE SOME SOVIET UNCERTAINTY ABOUT TIMING OF IMPLEMENTATION, CLAIMING THE NEW QUOTE SEMI-INDEPENDENT UNQUOTE ROLE OF THE SUPREME SOVIET. BAKER HAD MADE IT CLEAR THAT THE JACKSON VANIK WAIVER WAS STILL LINKED TO PROGRESS IN THIS AREA.

15. A JOINT PROGRAMME ON NEW HUMAN RIGHTS AREAS WAS DEVELOPED, COVERING SUCH ISSUES AS THE ROLE OF LAW, DEVELOPMENT OF INSTITUTIONS TO SAFEGUARD HUMAN RIGHTS, THE ROLE OF PSYCHIATRY, PROBLEMS OF THE AGED, THE PHYSICALLY DISABLED AND SAFETY ISSUES. A SEPARATE STATEMENT HAD ALMOST BEEN AGREED ON THE SUBJECT BUT THE RUSSIANS HAD BACKED OFF AT THE LAST MOMENT.

ECONOMIC ISSUES

16. VERSHBOW SAID THAT THIS HAD TAKEN PLACE OUTSIDE THE FORMAL AGENDA AND WAS BETWEEN SENIOR OFFICIALS ONLY. NEVERTHELESS THE RUSSIANS SEEMED TO HAVE FOUND THE EXCHANGES VERY USEFUL. DISCUSSION HAD FOCUSSED THIS TIME ON THE PROBLEM OF THE ROUBLE AND THE LACK OF A RATIONAL PRICE STRUCTURE. THE US HAD DESCRIBED ITS EXPERIENCES IN MANAGING MONEY SUPPLY. IT WAS AGREED THAT SUCH EXCHANGES WOULD BECOME A REGULAR FEATURE OF THE BILATERALS.
17. VERSHBOW SAID THAT SOVIET INTERNAL PROBLEMS AND DEVELOPMENTS IN EASTERN EUROPE HAD BEEN THE PRINCIPAL SUBJECTS IN THE DISCUSSIONS BETWEEN BAKER AND SHEVARDNADZE DURING THEIR FLIGHT TO WYOMING AND IN ONE SESSION THERE. BUT NO OFFICALS HAD BEEN PRESENT.

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OUR TELNO 2480: BAKER/SHEVARDNADZE MEETING: JOINT STATEMENT SUMMARY

1. LONG AND COMPREHENSIVE JOINT STATEMENT ISSUED AT THE END OF THE WYOMING TALKS. PROGRESS REGISTERED ON A NUMBER OF ARMS CONTROL ISSUES. SUMMIT IN FIRST HALF OF 1990. SEPARATE JOINT STATEMENTS ON CHEMICAL WEAPONS AND LEBANON.

DETAIL

2. AT THE END OF THEIR MEETING IN WYOMING ON 23 SEPTEMBER, BAKER AND SHEVARDNADZE ISSUED A LONG JOINT STATEMENT ON THEIR TALKS. COPY FOLLOWS BY FAX TO FCO AND UKMIS NEW YORK, TOGETHER WITH THE SEPARATE STATEMENTS ON CW AND LEBANON.

3. MAIN POINTS AS FOLLOWS

I) SUMMIT. QUOTE THE SIDES AGREED THAT THE NEXT US/SOVIET SUMMIT MEETING WILL TAKE PLACE IN THE US IN THE LATE SPRING-EARLY SUMMER OF 1990 UNQUOTE

II) ABM. QUOTE THE SOVIET SIDE INTRODUCED A NEW APPROACH AIMED AT RESOLVING THIS SIGNIFICANT ISSUE. BOTH SIDES AGREE THAT THE SOVIET APPROACH OPENS THE WAY TO ACHIEVING AND IMPLEMENTING A START TREATY WITHOUT REACHING A DEFENCE AND SPACE AGREEMENT. THE SIDES AGREED TO DROP THE APPROACH OF A NON-WITHDRAWAL COMMITMENT WHILE CONTINUING TO DISCUSS WAYS TO ENSURE PREDICTABILITY IN THE DEVELOPMENT OF THE US-SOVIET STRATEGIC RELATIONSHIP ... UNQUOTE.

III) KRASNOYARSK. QUOTE THE SOVIET SIDE STATED THAT, GUIDED BY ITS LONG STANDING GOAL OF STRENGTHENING THE ABM TREATY REGIME, IT HAD DECIDED TO COMPLETELY DISMANTLE THE KRASNOYARSK RADAR STATION ... AT THE SAME TIME, THE SOVIET SIDE STRESSED AGAIN THE NECESSITY OF REMOVING ITS CONCERNS ABOUT THE US RADAR STATIONS IN GREENLAND AND GREAT BRITAIN. THE US SIDE PROMISED TO CONSIDER THESE CONCERNS IN CONSULTATION WITH ITS ALLIES UNQUOTE.

IV) START. QUOTE THE SECRETARY ANNOUNCED THAT THE US SIDE WAS WITHDRAWING ITS PROPOSAL TO BAN MOBILE ICBMS IN START, CONTINGENT ON THE FUNDING BY THE US CONGRESS OF US MOBILE ICBMS

... THE TWO SIDES AGREED ON THE NEED FURTHER TO DEVELOP PROVISIONS FOR EFFECTIVE VERIFICATION FOR LIMITS ON MOBILE ICBMS. IN THIS CONNECTION, THEY ALSO REACHED AGREEMENT ON ADDITIONAL ELEMENTS OF COMMON GROUND REGARDING THE VERIFICATION OF MOBILE ICBMS.

V) ALCMS. QUOTE THE SOVIET SIDE PUT FORWARD A NEW IDEA CONCERNING ITS APPROACH ON HOW TO DEAL WITH ALCMS AND HEAVY BOMBERS UNQUOTE.

VI) SLCMS. QUOTE THE SOVIET SIDE RAISED THE POSSIBILITY OF DEALING WITH SLCMS IN A BROADER NAVAL ARMS CONTEXT ... THE SOVIET SIDE APPEALED TO THE AMERICAN SIDE TO CONCENTRATE ON VERIFICATION AND SAID THAT IN THE CONTEXT OF A VERIFICATION SYSTEM FOR SLCMS, THESE WEAPONS COULD BE LIMITED OUTSIDE THE TEXT OF A START TREATY ON THE BASIS OF RECIPROCAL OBLIGATIONS ... THE US SIDE FOR ITS PART EMPHASISED ITS DOUBTS ABOUT THE FEASIBILITY OF A WORKABLE VERIFICATION SYSTEM FOR SLCMS UNQUOTE.

VII) VERIFICATION AND STABILITY MEASURES. THE TWO SIDES QUOTE SIGNED AN AGREEMENT ENCOURAGING THE DEVELOPMENT OF SUCH MEASURES AND OUTLINING PRINCIPLES FOR IMPLEMENTING THEM. THEY ALSO COMPLETED AN AGREEMENT ON THE ADVANCED NOTIFICATION OF MAJOR STRATEGIC EXERCISES UNQUOTE.

VIII) COUNTING RULES. QUOTE THE SIDES AGREED THAT, FOR PURPOSES OF THE 1600 START LIMIT, BALLISTIC MISSILES WILL BE DEFINED IN TERMS OF MISSILES AND THEIR ASSOCIATED LAUNCHERS UNQUOTE.

IX) CW. MOU ON BILATERAL VERIFICATION EXPERIMENT AND DATA EXCHANGE SIGNED. SEPARATE JOINT STATEMENT GIVING FURTHER DETAILS AND COVERING CW PROLIFERATION. AT SUBSEQUENT PRESS CONFERENCE BAKER ADDED THAT PRESIDENT BUSH WOULD USE HIS UNGA SPEECH ON 25 SEPTEMBER TO QUOTE OFFER A NEW INITIATIVE TO BRING THE WORLD CLOSER TO A BAN ON CHEMICAL WEAPONS UNQUOTE.

X) NUCLEAR TESTING. THE TWO SIDES QUOTE REACHED AGREEMENT TO INCORPROATE HYDRODYNAMIC AND SEISMIC MONITORING, AS WELL AS ON-SITE INSPECTION, INTO THE VERIFICATION PROTOCOL FOR THE TTBT UNQUOTE. EACH SIDE TO HAVE THE RIGHT TO MAKE ON-SITE MEASUREMENTS OF 2 TESTS PER YEAR FOR THE FIRST 5 YEARS AND ONE PER YEAR THEREAFTER.

XI) OPEN SKIES. THE TWO SIDES QUOTE AGREED IN PRINCIPLE UNQUOTE TO PRESIDENT BUSH'S CONCEPT.

XII) CENTRAL AMERICA. QUOTE WHILE NOTING THEIR DIFFERENCES ON CERTAIN QUESTIONS, INCLUDING THE LEVEL OF ARMS FLOW TO THE REGION UNQUOTE THE TWO SIDES CALLED ON ALL INTERESTED PARTIES TO SUPPORT ESQUIPULAS.

XIII) AFGHANISTAN. AGREEMENT ON THE NEED FOR A POLITICAL SETTLEMENT, NATIONAL RECONCILIATION AND A TRANSITION PERIOD, ALTHOUGH THEIR APPROACHES DIFFER OVER HOW TO TRANSLATE THESE PRINCIPLES INTO REALITY.
XIV) MIDDLE EAST. AN EXCHANGE OF VIEWS ON ARAB/ISRAEL. SEPARATE JOINT STATEMENT ON LEBANON REAFFIRMING STRONG SUPPORT FOR THE ARAB LEAGUE PLAN AND TRI-PARTITE COMMITTEE. CONDEMNATION OF THE TAKING OF HOSTAGES.
XV) CAMBODIA. AGREEMENT ON NEED FOR COMPREHENSIVE POLITICAL SETTLEMENT AND CONTINUATION OF THE NEGOTIATION PROCESS. QUOTE AT THIS STAGE THEY FEEL IT IS MOST IMPORTANT TO MAKE EFFORTS TO AVOID THE INTENSIFICATION OF THE CIVIL WAR AND THE RETURN OF THE POL POT REGIME UNQUOTE.
XVI) HUMAN RIGHTS. DISCUSSION OF A BROAD RANGE OF ISSUES, INCLUDING INDIVIDUAL CASES. AGREEMENT TO WORK TO MOVE FORWARD ON A RANGE OF PROGRAMMES TO PROMOTE BETTER UNDERSTANDING OF EACH OTHERS INSTITUTIONS, LEGISLATURE AND PRACTICES.
XVII) BILATERAL ISSUES. AGREEMENT SIGNED ON MUTUAL VISITS BETWEEN INHABITANTS OF THE BERING STRAITS REGION AND ESTABLISHMENT OF A BERING STRAITS REGIONAL COMMISSION. JOINT STATEMENT SIGNED ON UNIFORM INTERPRETATION OF RULES GOVERNING INNOCENT PASSAGE THROUGH TERRITORIAL WATERS. WORKING PAPER ENDORSED ON PROPOSALS FOR EXTENDING JURISDICTION OF THE ICJ: AGREEMENT TO APPROACH THE 3 OTHER PERMANENT MEMBERS TO DISCUSS THIS QUESTION.
XVIII) TRANSNATIONAL ISSUES. DISCUSSION OF NARCOTICS AND TERRORISM. AGREEMENT TO CONSULT AND COOPERATE ON INCREASING THE EFFECTIVENESS OF THE UN.
XIX) ECONOMIC ISSUES. QUOTE A DETAILED DISCUSSION TOOK PLACE INCLUDING WITH THE PARTICIPATION OF EXPERTS, ON A RANGE OF ECONOMIC QUESTIONS. IT WAS AGREED THAT THESE USEFUL DISCUSSIONS WILL BE CONTINUED.

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MY TELNO 133: CFE: REVIEW OF WEEK 18-22 SEPTEMBER 1989

SUMMARY

1. WEST TABLED ON 21 SEPTEMBER IMPORTANT PROPOSALS ON THE EXCHANGE OF INFORMATION, STABILISATION MEASURES, VERIFICATION AND NON-CIRCUMVENTION. EAST WELCOMED MOVE BUT AVOIDED COMMENT ON SUBSTANCE.

2. AGREEMENT CLOSE ON DEFINITION FOR ARTILLERY. BUT NO MOVEMENT ON DEFINITIONS FOR THE FIVE OTHER CATEGORIES (TANKS, ARMOURED TROOP CARRIERS, COMBAT HELICOPTERS, COMBAT AIRCRAFT AND PERSONNEL).

3. EAST LIKELY TO TABLE SOON REVISED POSITION ON COMBAT AIRCRAFT, LIMITING THE NUMBER OF SO-CALLED AIR DEFENCE AIRCRAFT TO BE EXCLUDED AND PROPOSING A CEILING SIGNIFICANTLY CLOSER TO THAT PROPOSED BY THE WEST.

DETAIL

PLENARY (21 SEPTEMBER)

4. CANADA TABLED FURTHER, SUBSTANTIAL WESTERN PROPOSALS ON THE EXCHANGE OF INFORMATION, STABILISING MEASURES, VERIFICATION AND NON-CIRCUMVENTION (MY TELNO 137). THESE ARE SUMMARISED IN MIFT.

5. THE FRG, FRANCE, UK, ITALY AND GREECE SPOKE IN SUPPORT OF THE WESTERN PACKAGE. SOVIET AND CZECHOSLOVAK SPEAKERS GAVE IT A SOMEWHAT GRUDGING WELCOME. KONARSKI (POLAND) WAS MORE FORTHCOMING, ACKNOWLEDGING THAT THE WEST HAD MADE AN EFFORT TO MEET EASTERN SECURITY CONCERNS.

6. IN THE ONLY SUBSTANTIVE EASTERN INTERVENTION, VASILIEV (SOVIET UNION) CRITICISED THE WEST'S APPROACH TO THE STORAGE OF ARMAMENTS. STICKING TO HIS PREPARED STATEMENT AND IGNORING THE LATEST WESTERN IDEAS ON STORAGE, VASILIEV ARGUED THAT WESTERN UNWILLINGNESS TO APPLY REGIONAL SUB-CEILINGS TO STORAGE WOULD ALLOW THE CONCENTRATION OF ARMAMENTS IN CENTRAL EUROPE AND THUS CREATE A NEW THREAT TO EUROPEAN STABILITY.

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WORKING GROUPS

7. IN WORKING GROUP A ON 19 SEPTEMBER THE EAST TABLED A REVISED DEFINITION COVERING ALL COMBAT ARMOURED VEHICLES (OTHER THAN TANKS), ABANDONING THEIR EARLIER TEXT WHICH INCORPORATED DEFINITIONS FOR SUB-CATEGORIES SUCH AS RECONNAISSANCE VEHICLES. THIS WAS IN LINE WITH THEIR REVISED, AND EQUALLY BROAD, TANK DEFINITION TABLED ON 14 SEPTEMBER. (COMMENT: THE NET EFFECT OF THESE MOVES WOULD BE TO BRING WITHIN THE SCOPE OF THE NEGOTIATION ALL ARMOURED VEHICLES CARRYING SOME FORM OF ARMAMENT. IT IS NOT CLEAR WHETHER THE EAST HAVE SERIOUSLY CALCULATED THE IMPLICATIONS FOR THEIR HOLDINGS OF ARMOURED COMBAT VEHICLES OF COMBINING SUCH A BROAD DEFINITION WITH A CEILING OF 28,000.)

8. IN DISCUSSION OF PERSONNEL, THE US EXPLAINED HOW THE WEST'S DEFINITION OF US AND SOVIET STATIONED PERSONNEL WOULD BE APPLIED. EASTERN SPEAKERS BERATED WESTERN UNWILLINGNESS TO EXTEND THE PERSONNEL CATEGORY TO COVER ALL STATIONED PERSONNEL.

9. ON 21 SEPTEMBER, THE WEST TABLED A REVISED DEFINITION FOR ARTILLERY DESIGNED TO EXCLUDE ANTI-TANK GUNS AND RECOILLESS RIFLES BY FOCUSSING ON THE CAPABILITY FOR ''EFFECTIVE'' INDIRECT FIRE. HOWEVER, NATO DELEGATIONS (HOBBLED BY TURKEY) WERE UNABLE TO STATE CATEGORICALLY THAT THE WARSAW PACT T-12 ANTI-TANK GUN WOULD BE EXCLUDED. THEY WERE THUS UNABLE TO ANSWER EFFECTIVELY EASTERN CHARGES THAT WESTERN INSISTENCE ON THE CONCEPT OF ''EFFECTIVE'' INDIRECT FIRE WAS AN ATTEMPT TO CAPTURE THE T-12 ''BY THE BACK DOOR''. (COMMENT: CONTINUING TURKISH OBDURACY IS LIKELY TO DELAY AGREEMENT WITH THE EAST ON A TEXT FOR SOME TIME YET. THIS IS PARTICULARLY UNFORTUNATE BECAUSE THE WARSAW PACT ARE CLEARLY ANXIOUS TO MOVE FORWARD. EASTERN EUROPEAN DELEGATIONS HAVE INDICATED THAT THEY HAVE LITTLE DIFFICULTY WITH OUR TEXT BUT CANNOT ACCEPT IT UNTIL THE T-12 ISSUE IS SETTLED.)

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MEETING TO EXCHANGE INFORMATION WITH THE NEUTRAL AND NON-ALIGNED

10. THE FIRST MEETING OF THIS ROUND TO EXCHANGE INFORMATION WITH OTHER CSCE PARTICIPATING STATES TOOK PLACE ON 19 SEPTEMBER. KLESTIL (SECRETARY-GENERAL OF THE AUSTRIAN MFA) SET AUSTRIAN SECURITY POLICY IN THE CONTEXT OF HER PERMANENT NEUTRALITY. NEUTRAL AND NON-ALIGNED SPEAKERS WELCOMED PROGRESS IN THE CFE. EKEUS (SWEDEN) UNDERLINED THE IMPORTANCE IN NORTHERN EUROPE OF LIGHT, AIR PORTABLE ARMAMENTS: AN INTERVENTION KONARSKI (POLAND) EXPLOITED TO PLUG THE EASTERN CASE FOR THE INCLUSION OF LIGHT TANKS.

ALLIANCE COORDINATION

11. DURIN DISCUSSION OF ARRANGEMENTS FOR THE TABLING OF THE NEW WESTERN PROPOSALS, FRANGOULIS (GREECE) SPOKE ON INSTRUCTIONS IN TERMS MARKEDLY HARSHER THAN THOSE USED BY HIS COLLEAGUE IN THE HLTF (PARA 3 OF UKDEL NATO TELNO 292): THE PROBLEMS WHICH HAD ARISEN DURING DISCUSSION OF THE NEW PROPOSALS HAD BEEN DEFERRED RATHER THAN RESOLVED. GREECE MIGHT AGAIN HAVE TO EXPRESS ITS RESERVATIONS IF OTHER ALLIES DID NOT TAKE SUFFICIENT ACCOUNT OF HER CONCERNS. THE NEW PACKAGE WAS ONLY A PROPOSAL AND THEREFORE NOT BINDING. THIS STATEMENT IMMEDIATELY DREW A SHARP TURKISH PROTEST.

WARSAW PACT INTENTIONS

12. EASTERN EUROPEAN DELEGATIONS HAVE TOLD US THAT THE WARSAW PACT IS LIKELY TO TABLE SOON A REVISED PROPOSAL ON COMBAT AIRCRAFT, ON THE LINES OF THE IDEAS APPARENTLY PUT TO THE AMERICANS THIS WEEK IN WASHINGTON. THE DEFINITION OF AIRCRAFT TO BE INCLUDED WOULD BE EXPANDED TO ENCOMPASS FORWARD-BASED INTERCEPTORS, AS WELL AS OTHER COMBAT AIRCRAFT. THUS THE AIRCRAFT TO BE EXCLUDED WOULD BE LIMITED, MORE NARROWLY THAN IN THE PAST, TO INTERCEPTORS ASSIGNED TO AIR DEFENCE FORCES. THE CEILING FOR COMBAT AIRCRAFT WOULD BE INCREASED TO 4,700, A FIGURE MUCH CLOSER TO THAT PROPOSED BY THE WEST. OUR CONTACTS HAVE MADE IT CLEAR THAT THE SOVIET WISH TO EXCLUDE AIR DEFENCE INTERCEPTORS IS NOT (NOT) SUPPORTED UNANIMOUSLY BY THE WARSAW PACT.

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COMMENT

13. THE ATMOSPHERE THIS WEEK HAS BEEN ONE OF EXPECTANCY, PENDING THE OUTCOME OF THE BAKER-SHEVARDNADZE MEETING IN WYOMING AND THE T ABLING OF THE NEW WESTERN PACKAGE. IN PRIVATE, WARSAW PACT CONTACTS ACKNOWLEDGE THAT THE PRESENTATION OF THESE PROPOSALS NOW (AND THEIR DEPTH) WILL HELP SIGNIFICANTLY TO MAINTAIN THE MOMENTUM OF THE NEGOTIATIONS.

14. MUCH OF THE SUBSTANCE OF THE WESTERN IDEAS ON THE EXCHANGE OF I NFORMATION AND VERIFICATION IS LIKELY TO PROVE ACCEPTABLE TO THE EAST. HOWEVER, INITIAL CONTACTS INDICATE THAT THE SOVIET UNION MAY HAVE PROBLEMS IN PARTICULAR WITH THE VERIFICATION OF DATA BETWEEN SIGNATURE AND RATIFICATION OF A TREATY. THE LEVEL OF DISAGGREGATION OF DATA IS ALSO LIKELY TO PROVE DIFFICULT. SO TOO, WILL THE WEST'S IDEAS ON MONITORED STORAGE, DESPITE OUR ATTEMPT TO MEET EASTERN CONCERNS BY BRINGING WITHIN THE STORAGE MEASURE WARSAW PACT LOW-STRENGTH FORMATIONS.

CONFIDENTIAL

15. WORK ON DEFINITIONS FOR THE FIVE ARMAMENTS CATEGORIES IS UNLIKELY TO SHOW MUCH MOVEMENT IN THE NEAR FUTURE, NOTWITHSTANDING THE WISH OF BOTH SIDES TO MAKE PROGRESS THIS ROUND. AGREEMENT ON A DEFINITION FOR ARTILLERY IS CLOSE, BUT STALLED BY TURKEY. THE WEST IS IN SOME DISARRAY OVER THE DEFINITION FOR TANKS AND ARMOURED COMBAT VEHICLES (A SUBJECT ON WHICH WE ARE TELEGRAPHING SEPARATELY). AND THE DIFFERENCE BETWEEN THE TWO SIDES ON THE DEFINITIONS FOR COMBAT HELICOPTERS ANMD COMBAT AIRCRAFT ARE ONLY LIKELY TO BE SOLVED IN THE LONGER TERM AND FOLLOWING CONTACTS AT A HIGH POLITICAL LEVEL.

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FCO PLEASE PASS SAVINGS

CONFIDENTIAL

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End of Message 014 2215082 SEP

Storing Message

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SECRET
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TO DESKBY 221800Z MOSCOW
TELNO 1299
OF 221115Z SEPT 89

FOLLOWING PERSONAL FOR PRIVATE SECRETARY TO PRIME MINISTER

WASHINGTON TELNO 4 TO TOKYO: CHEMICAL WEAPONS: MESSAGE FROM PRESIDENT BUSH TO PRIME MINISTER

1. THE PRESIDENT'S STATEMENT THAT HIS PROPOSALS IN NO WAY IMPLY HIS ACCEPTANCE OF SOVIET FIGURES WELCOME CONFIRMATION OF THE ASSURANCE THE FOREIGN SECRETARY OBTAINED FROM BAKER LAST WEEK. HIS INITIATIVE APPEARS INTENDED TO SEIZE THE HIGH GROUND IN PUBLIC TERMS, EVEN THOUGH ONE OF THE IDEAS TO BE ANNOUNCED IN HIS UN SPEECH ONLY THE THIRD (REDUCTIONS TO 20 PERCENT OF CURRENT STOCKPILE AHEAD OF A CONVENTION) IS COMPLETELY NEW. THE OTHER TWO (DESTRUCTION OF NEARLY ALL STOCKS BY YEAR 8 OF A CONVENTION AND TOTAL ELIMINATION WITHIN 10 YEARS) ARE ELABORATIONS OF POSITIONS ALEADY BROADLY AGREED BETWEEN THE US AND SOVIET UNION AND REFLECTED IN THE DRAFT CONVENTION TEXT. BUT ALL THREE IDEAS APPEAR DISTINCT FROM THE ELEMENTS OF THE CW PACKAGE BEING DISCUSSED IN WYOMING (DATA EXCHANGE AND INSPECTIONS, CHALLENGE INSPECTION PROCEDURES,AND AGREEMENT ON ORDER OF CW DESTRUCTION).

2. AS THE PRESIDENT HAS INFORMED SHEVARDNADZE OF HIS THREE PROPOSALS (THOUGH IT IS NOT CLEAR IF HE TOLD HIM HE WOULD ANNOUNCE THEM AT THE UNITED NATIONS) THERE IS NO REASON FOR THE PRIME MINISTER TO HIDE FROM GORBACHEV THE FACT THAT THE PRESIDENT HAS ALSO BRIEFED HER.
SHE COULD SAY THAT ALL THESE PROPOSALS WOULD HAVE OUR WHOLEHEARTED SUPPORT.

3. OUR FURTHER COMMENTS ARE:

(A) DESTRUCTION OF 98 PERCENT OF US CURRENT CHEMICAL WEAPONS STOCKPILE WITHIN 8 YEARS OF ENTRY INTO FORCE OF A CHEMICAL WEAPONS CONVENTION PROVIDED THE SOVIET UNION IS ONE OF THE PARTIES. THE UNITED STATES AND THE SOVIETS AGREED IN THEIR RECENT BILATERALS A FORMULA BY WHICH THEIR CW STOCKS COULD BE REDUCED TO PARITY WITHIN 8 YEARS AFTER ENTRY INTO FORCE OF A CWC. THE FIGURE OF 98 PERCENT IS NEW TO US BUT MAY WELL BE COMPATIBLE WITH THE AGREED FORMULA. DESTRUCTION OF THE UNITARY STOCKPILE WAS IN ANY EVENT A CONDITION OF THE SENATE'S AGREEMENT TO THE BINARY PROGRAMME.

(B) TOTAL ELIMINATION OF US STOCKPILE WITHIN 10 YEARS AFTER ENTRY INTO FORCE OF THE CONVENTION. THE DRAFT CONVENTION REQUIRES TOTAL ELIMINATION OF ALL CHEMICAL WEAPONS STOCKPILES WITHIN 10 YEARS AFTER ENTRY INTO FORCE. THE RIDER (QUOTE PROVIDED ALL CHEMICAL WEAPONS-CAPABLE STATES BECOME PARTIES TO THE CONVENTION BY THE EIGHTH YEAR OR WITHIN TWO YEARS OF THE TIME WHEN ALL CHEMICAL WEAPON-CAPABLE STATES HAD BECOME PARTIES WHICHEVER IS THE LATER UNQUOTE) IS A COMMONSENSE PRECAUTION.

(C) REDUCTION OF US STOCKPILES TO LESS THAN 20 PERCENT OF CURRENT LEVELS PROVIDED THE SOVIET UNION AGREES TO REDUCE ITS STOCKPILE TO THE SAME LEVEL AS THE NEGOTIATIONS CONTINUE. THIS IS A NEW PROPOSAL. IT IMPLIES THE SOLUTION OF OUTSTANDING VERIFICATION PROBLEMS AND THEIR BILATERAL IMPLEMENTATION AHEAD OF A CONVENTION. IT ALSO SUGGESTS THAT THE US WANT REDUCTIONS TO EQUAL LEVELS, RATHER THAN EQUAL PERCENTAGE CUTS.

4. IT HAS NOT BEEN POSSIBLE IN THE TIME AVAILABLE TODAY TO CLEAR THESE COMMENTS WITH MOD.

MAJOR

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End of Message 035 2218372 SEP

Storing Message

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SECRET
D E D I P
FM FCO
TO DESKBY 221800Z MOSCOW
TELNO 1298
OF 221300Z SEPTEMBER 89

FOLLOWING PERSONAL FOR PRIVATE SECRETARY TO PRIME MINISTER

WASHINGTON TELNO 3 TO TOKYO: MESSAGE FROM PRESIDENT BUSH:
STRATEGIC AND CONVENTIONAL ARMS CONTROL
1. ALTHOUGH THE PROPOSALS CONTAINED IN GORBACHEV'S LETTER TO PRESIDENT BUSH WILL REQUIRE DETAILED EXAMINATION, THEY CLEARLY CONTAIN SOME WELCOME ELEMENTS.
STRATEGIC
2. GORBACHEV'S UNDERTAKING TO DISMANTLE THE KRASNOYARSK RADAR IS PARTICULARLY WELCOME IF THERE ARE NO STRINGS ATTACHED. THE AMERICANS HAVE LONG MAINTAINED THAT THIS INSTALLATION IS A BREACH OF THE 1972 ANTI-BALLISTIC MISSILE (ABM) TREATY. IT HAS BECOME A POTENT SYMBOL, PARTICULARLY IN THE EYES OF CONGRESS, OF SOVIET UNTRUSTWORTHINESS ON ARMS CONTROL. THE US HAS SAID THAT IT COULD NOT SIGN A START AGREEMENT UNTIL THE KRASNOYARSK ISSUE HAS BEEN RESOLVED.
3. WE JUDGE FROM PRESIDENT BUSH'S MESSAGE THAT GORBACHEV'S EXPECTATION THAT THE US WILL RECIPROCATE BY MEETING SOVIET CONCERNS REGARDING THE US RADARS AT FYLINGDALES AND THULE IS NOT/NOT A PRE-CONDITION FOR THE DISMANTLEMENT OF KRASNOYARSK. IN THE PAST, SOVIET COMPLAINTS THAT FYLINGDALES AND THULE ARE IN BREACH OF THE ABM TREATY HAVE BEEN MUTED AND DEPLOYED PRIMARILY AS A COUNTERWEIGHT TO US CRITICISM OF KRASNOYARSK. THERE IS NO NEED FOR THE PRIME MINISTER TO RAISE THIS WITH MR GORBACHEV HIMSELF. IF, HOWEVER, GORBACHEV DOES SO THE PRIME MINISTER MAY WISH TO SAY THAT WE ARE SATISFIED THAT THE PROPOSED MODERNISATION OF THE EARLY WARNING RADAR AT RAF FYLINGDALES IS FULLY IN ACCORDANCE WITH US OBLIGATIONS UNDER THE ABM TREATY. THE ARTICLE OF THE ABM TREATY (ARTICLE VIB) WHICH REGULATES DEPLOYMENT OF SUCH BALLISTIC MISSILE EARLY WARNING RADARS OBLIGES THE PARTIES NOT TO DEPLOY SUCH RADARS 'IN THE FUTURE' EXCEPT AT CERTAIN LOCATIONS. THE FYLINGDALES SITE WAS IN EXISTENCE BEFORE THE ABM TREATY WAS SIGNED AND IS NOT THEREFORE COVERED IN OUR VIEW BY THESE CONSTRAINTS. WE HAVE NEVER ACCEPTED THE SOVIET ARGUMENT THAT THE (ALBEIT EXTENSIVE WORK TO BE DONE AT FYLINGDALES AMOUNTS TO MORE THAN MODERNISATION OF THE EXISTING RADAR.
4. THE SUGGESTION THAT THE RUSSIANS ARE WILLING TO DROP THEIR INSISTENCE ON A FIXED PERIOD OF NON-WITHDRAWAL FROM THE ABM TREATY IS PUZZLING, NOT LEAST BECAUSE THERE WAS US/SOVIET AGREEMENT AT THE WASHINGTON SUMMIT IN 1987 THAT NON-WITHDRAWAL FROM THE ABM TREATY 'FOR A SPECIFIED PERIOD OF TIME' WOULD BE PART OF A DEFENCE AND SPACE AGREEMENT. IN ANY EVENT, THE LATEST RUSSIAN PROPOSAL DOES NOT REMOVE OTHER OBSTACLES TO A DEFENCE AND SPACE AGREEMENT SUCH AS THE QUESTION OF HOW MUCH TESTING AND DEVELOPMENT OF SPACE-BASED ABM SYSTEMS IS PERMITTED UNDER THE ABM TREATY. GORBACHEV'S AGREEMENT TO WORK WITH THE US ON A PACKAGE OF START VERIFICATION AND STABILITY MEASURES IS A MODEST STEP, BUT THE PROPOSAL THAT ALL SYSTEMS LIMITED IN START WOULD BE SUBJECT TO THESE MEASURES MAY CAUSE THE US DIFFICULTY (THEIR PROPOSALS HAVE SO FAR EXTENDED ONLY TO ICBMS AND SEA-LAUNCHED BALLISTIC MISSILES NOT TO BOMBER AIRCRAFT OR TO AIR- OR SEA-LAUNCHED CRUISE MISSILES).
CONVENTIONAL
5. IT IS ENCOURAGING THAT MR GORBACHEV NOW CONSIDERS THAT A CFE AGREEMENT IS POSSIBLE NEXT YEAR, LIKEWISE THAT THE RUSSIANS APPEAR TO BE MOVING TOWARDS OUR POSITION ON AIRCRAFT: BUT IF THIS MEANS THEY STILL WANT TO EXCLUDE SOME OF THEIR AIRCRAFT ON THE GROUNDS OF THEIR 'DEFENSIVE' ROLE, THEN THIS WILL NOT SATISFY US (SEE PRIME MINISTER'S BRIEF). WITH REGARD TO MINISTERIAL MEETINGS, A SUMMIT LATE IN 1990 TO SIGN A CFE TREATY WOULD SEEM APPROPRIATE. THERE IS A PRECEDENT IN THAT THE HELSINKI FINAL ACT

OF THE CSCE WAS SIGNED AT SUMMIT LEVEL. IT IS LESS EASY TO SEE THE UTILITY OF INTERMEDIATE MINISTERIAL MEETINGS TO PUSH THINGS FORWARD (A FAMILIAR GORBACHEV REFRAIN). MUCH OF WHAT HAS TO BE NEGOTIATED IN VIENNA IS DETAILED AND TECHNICAL. WHAT IS REQUIRED AT PRESENT IS NOT MINISTERIAL IMPETUS BUT A DETAILED AND SERIOUS WARSAW PACT RESPONSE TO THE PROPOSALS WE PUT FORWARD ON 13 JULY AND 21 SEPTEMBER.

MAJOR

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End of Message 034 221830Z SEP

Storing Message

E.R.

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SECRET DEDIP TELEGRAM TO FCO

IMMEDIATE DESK BY 220700Z

FOLLOWING FOR PRIVATE SECRETARY FROM CHARLES POWELL

filed as DEFENCE

You presumably have access to Washington tels. nos. 3 and 4 to Tokyo conveying the texts of President Bush's two messages to the Prime Minister about her meeting with Gorbachev. Any comments or suggestions on a line to take with Gorbachev, should be telegraphed to me as soon as possible (either in flight or on arrival in Moscow).

CDP

CDP
22.9.89

The National Archives

DEPARTMENT/SERIES PREM 19 PIECE/ITEM 2929 (one piece/item number)	Date and sign
Extract details: Letter Bush to Thatcher 22/9/89 CF.166Aii/89) [2 copies, 1 typed, 1 teleprinted]	X
CLOSED UNDER FOI EXEMPTION	
RETAINED UNDER SECTION 3(4) OF THE PUBLIC RECORDS ACT 1958	
TEMPORARILY RETAINED	30/11/16
MISSING AT TRANSFER	
NUMBER NOT USED	
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DOCUMENT PUT IN PLACE (TNA USE ONLY)	

Instructions for completion of Dummy Card

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, .
eg. 28, 1079, 84/1, 107/3

Enter extract details if it is an extract rather than a whole piece.
This should be an indication of what the extract is,
eg. Folio 28, Indictment 840079, E107, Letter dated 22/11/1995.
Do not enter details of why the extract is sensitive.

If closed under the FOI Act, enter the FOI exemption numbers applying to the closure, eg. 27(1), 40(2).

Sign and date next to the reason why the record is not available to the public ie. Closed under FOI exemption; Retained under section 3(4) of the Public Records Act 1958; Temporarily retained; Missing at transfer or Number not used.

CONFIDENTIAL

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CONFIDENTIAL
DD 221700Z MOSCO
FM WASHI TO MOSCO
221630Z SEP
GRS 157

CONFIDENTIAL
FM WASHINGTON
TO DESKBY 221700Z MOSCOW
TELNO 3
OF 221630Z SEPTEMBER 89
INFO DESKBY 221700Z FCO

FOLLOWING FOR PRIME MINISTER'S PARTY
MY TELNO 2480 TO FCO: PRESIDENT BUSH'S MEETING WITH SHEVARDNADZE: TIMING OF A SUMMIT

1. SCOWCROFT WAS A LITTLE MORE SPECIFIC ABOUT THE LIKELY TIMING OF A SUMMIT IN THE COURSE OF A TELEPHONE CALL WITH THE MINISTER EARLY ON 22 SEPTEMBER.

2. SCOWCROFT SAID THAT HE HOPED IT WOULD EMERGE FROM WYOMING THAT THE SUMMIT WOULD BE IN THE FIRST HALF OF 1990.

3. SCOWCROFT CLEARLY WANTED US TO HAVE AS ACCURATE A PICTURE AS POSSIBLE IN ADVANCE OF THE PRIME MINISTER'S DISCUSSIONS IN MOSCOW. THE PRESS HERE ARE ALREADY SPECULATING THAT THE SUMMIT WILL BE IN 1990, ON THE BASIS OF SOME OFF-THE-CUFF REMARKS BY THE PRESIDENT LAST NIGHT. BUT SCOWCROFT'S COMMENT IS MORE SPECIFIC THAN ANYTHING THAT HAS SO FAR BEEN SAID IN PUBLIC, AND THE SUBSTANCE NEEDS TO BE TREATED IN CONFIDENCE UNTIL A PUBLIC STATEMENT IS MADE.

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CONFIDENTIAL

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End of Message 021 221651Z SEP

The National Archives

DEPARTMENT/SERIES PREM 19 PIECE/ITEM 2929 (one piece/item number)	Date and sign
Extract details: Letter Bush to Thatcher 22/9/89 (T.166Ai/89) – 2 copies, 1 typed, 1 telle printed.	X
CLOSED UNDER FOI EXEMPTION	
RETAINED UNDER SECTION 3(4) OF THE PUBLIC RECORDS ACT 1958	
TEMPORARILY RETAINED	RS 30/11/16
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DOCUMENT PUT IN PLACE (TNA USE ONLY)	

Instructions for completion of Dummy Card

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, .
eg. 28, 1079, 84/1, 107/3

Enter extract details if it is an extract rather than a whole piece.
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eg. Folio 28, Indictment 840079, E107, Letter dated 22/11/1995.
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Sign and date next to the reason why the record is not available to the public ie. Closed under FOI exemption; Retained under section 3(4) of the Public Records Act 1958; Temporarily retained; Missing at transfer or Number not used.

UNCLASSIFIED
FM WASHINGTON
TO DESKBY 220800Z FCO
TELNO 2480
OF 212330Z SEPTEMBER 89
INFO DESKBY 221000Z TOKYO
INFO IMMEDIATE CANBERRA, MODUK, MOSCOW, UKMIS GENEVA, UKDEL NATO
INFO IMMEDIATE BONN, PARIS

You might like to show this to Vice-President Quayle.
CDN

TOKYO FOR PRIME MINISTER'S PARTY
CANBERRA FOR UK DELEGATION TO GICCW

OUR TELNO 2467: PRESIDENT BUSH'S MEETING WITH SHEVARDNADZE
SUMMARY
1. IN PUBLIC COMMENTS AFTER PRESIDENT BUSH'S MEETING WITH SHEVARDNADZE, BAKER INDICATES THAT GORBACHEV'S LETTER TO BUSH IS DETAILED AND COMPREHENSIVE, AND HINTS THAT IT CONTAINS NEW PROPOSALS ON ARMS CONTROL. SOME DISCUSSION OF A SUMMIT: ANNOUNCEMENT LIKELY AT WYOMING ON THE TIMING.

DETAIL
2. PRESIDENT BUSH MET FOR ABOUT 90 MINUTES WITH SHEVARDNADZE AT THE WHITE HOUSE ON 21 SEPTEMBER. LATER BOTH BAKER AND (MORE BRIEFLY) SHEVARDNADZE SPOKE TO THE PRESS.
3. BAKER OPENED HIS PRESS CONFERENCE WITH THE FOLLOWING PREPARED STATEMENT:
QUOTE THE DISCUSSION IN THE MEETING FOCUSED ON FIVE TOPICS: FIRST, A SUMMIT: SECOND, RECENT INTERNAL EVENTS IN THE SOVIET UNION: THIRD, REGIONAL CONFLICTS AROUND THE WORLD: FOURTH, HUMAN RIGHTS: AND FIFTH, THE LETTER ON ARMS CONTROL WHICH SHEVARDNADZE DELIVERED FROM PRESIDENT GORBACHEV TO PRESIDENT BUSH.

WITH RESPECT TO A SUMMIT, LET ME SIMPLY SAY THAT THERE WAS A FULL DISCUSSION OF A SUMMIT, AND WE HOPE TO HAVE A GENERAL TIMEFRAME FOR A SUMMIT WHICH WE COULD ANNOUNCE DURING THE TIME THAT WE'RE IN WYOMING.

PRESIDENT GORBACHEV'S LETTER IS A REPLY TO A LETTER THAT PRESIDENT BUSH SENT HIM THREE MONTHS AGO. IN PRESIDENT BUSH'S LETTER, HE COMMUNICATED HIS DESIRE TO MAKE PROGRESS ON OUR FULL ARMS CONTROL AGENDA. HIS LETTER ALSO COVERED THE KEY PRINCIPLES THAT PRESIDENT BUSH THOUGHT SHOULD GUIDE US IN PURSUING STRATEGIC ARMS CONTROL. THE PRESIDENT WROTE OF THE NEED TO REDUCE THE RISK OF WAR THROUGH ENHANCING STRATEGIC STABILITY, ESPECIALLY WORKING QUOTE IN THESE NEGOTIATIONS TO REMOVE ANY INCENTIVE TO ATTACK FIRST UNQUOTE. IN LINE WITH THIS, THE PRESIDENT ALSO WROTE, QUOTE WE MUST WORK TO ENSURE THAT THE FORCES THAT REMAIN AFTER AN AGREEMENT ARE SURVIVABLE UNQUOTE.

IN RESPONSE, THE GORBACHEV LETTER COVERS THE RANGE OF ARMS CONTROL ISSUES. IT IS A DETAILED AND TECHNICAL REPLY. OUR EXPERTS ARE STUDYING ITS CONTENTS SERIOUSLY, AND WE EXPECT TO BE DISCUSSING THAT LETTER IN SOME DETAIL IN WYOMING.
PRESIDENT GORBACHEV SHARES PRESIDENT BUSH'S CONCERN WITH INCREASING STRATEGIC STABILITY AND ENSURING SURVIVABILITY. HE ALSO AGREES WITH PRESIDENT BUSH'S EMPHASIS ON IMPROVED VERIFICATION MEASURES. AND IN WYOMING WE HOPE TO MAKE SUBSTANTIAL PROGRESS ON THE VERIFICATION AND STABILITY MEASURES WHICH WE PROPOSED FOR START IN JUNE.

PRESIDENT GORBACHEV ALSO AGREES WITH PRESIDENT BUSH THAT WE MUST MOVE FORWARD TO BAN CHEMICAL WEAPONS FROM THE FACE OF THE EARTH. IN THIS REGARD, THE MEMORANDUM OF UNDERSTANDING, WHICH WE HOPE TO CONCLUDE IN WYOMING ON EXCHANGE OF CHEMICAL WEAPONS DATA, REPRESENTS A SERIOUS STEP FORWARD.

I THINK THE LETTER GENERALLY REPRESENTS A POSITIVE RESPONSE TO PRESIDENT BUSH'S LETTER. WE BELIEVE THAT WHILE THE NEGOTIATIONS ARE COMPLEX AND MANY DIFFICULT ISSUES STILL HAVE TO BE RESOLVED, WE'RE VERY HOPEFUL THAT REAL PROGRESS WILL CONTINUE TO BE MADE ON THE FULL RANGE OF OUR ARMS CONTROL AGENDA UNQUOTE.

4. PRESSED ON THE ARMS CONTROL CONTENT OF THE GORBACHEV LETTER, BAKER ADDED:

QUOTE THE LETTER IS VERY DETAILED AND IT IS ALSO VERY TECHNICAL, AND IT DOES COVER THE FULL RANGE OF ARMS CONTROL ISSUES ALL THE WAY FROM CHEMICAL AND QUOTE OPEN SKIES UNQUOTE TO START AND NUCLEAR TESTING AND CONVENTIONAL. IT'S A FAIRLY LONG LETTER ... I THINK IT'S GOING TO REQUIRE A BIT MORE ANALYSIS, BUT WE WILL BE DISCUSSING THAT IN DETAIL WITH THEM IN WYOMING. LET ME SIMPLY SAY THAT THE LETTER IN SOME INSTANCES RESTATES LONG HELD SOVIET POSITIONS. IN SOME INSTANCES, IT PUTS A NEW TWIST ON THOSE POSITIONS UNQUOTE.

5. AS REGARDS US ARMS CONTROL PROPOSALS, BAKER CONFINED HIMSELF TO THE POINTS MADE IN HIS EARLIER PRESS CONFERENCE (OUR TELNO 2457).

6. IN RESPONSE TO FURTHER QUESTIONS, BAKER SAID THAT THE FOLLOWING POINTS HAD ALSO BEEN DISCUSSED AT THE MEETING WITH BUSH:

I) SOVIET INTERNAL. BUSH HAD RESTATED HIS COMMITMENT TO THE SUCCESS OF PERESTROIKA: INDICTED THAT HE THOUGHT THAT THE SOVIET AUTHORITIES HAD RESPONDED VERY RESPONSIBLY AND IN A MEASURED WAY TO THE CHANGES TAKING PLACE BOTH IN THE SOVIET UNION AND IN EASTERN EUROPE: AND HOPED THAT THIS APPROACH WOULD CONTINUE.

II) ECONOMIC ISSUES. THERE WAS A FULL DISCUSSION OF THE ECONOMIC SITUATION IN THE SOVIET UNION. QUOTE THEY DIDN'T LOOK FOR AN ECONOMIC ASSISTANCE PACKAGE BUT TECHNICAL ADVICE WITH RESPECT TO THEIR ECONOMY UNQUOTE.

III) REGIONAL ISSUES. NICARAGUA (PARTICULARLY SOVIET ARMS SHIPMENTS) AND AFGHANISTAN DISCUSSED. OTHER ISSUES TO BE PURSUED AT WYOMING.

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UNCLASSIFIED
FM COI LONDON
TO IMMEDIATE ANKARA
TELNO RETRACT 026
OF 211342Z SEPTEMBER 89.
AND TO IMMEDIATE COI INFORMATION ITEM ADDRESSEES

FOLLOWING IS AN EXTRACT FROM FCO NEWS CONFERENCE AT 1230 HOURS ON THURSDAY 21 SEPTEMBER 1989

STATEMENT BY FOREIGN SECRETARY

CFE: NEW ALLIANCE PROPOSALS

''THE WEST IS TODAY TAKING A FURTHER IMPORTANT STEP TOWARDS AN AGREEMENT ON MAJOR REDUCTIONS IN THE NUMBERS OF TANKS AND TROOPS IN EUROPE.

IF OUR PROPOSALS ARE ACCEPTED WE SHALL BE ABLE TO

- MONITOR MUCH MORE CLOSELY THE WARSAW PACT FORCES LEFT BEHIND, (AFTER THE REDUCTIONS OF 20,000 TANKS ALREADY AGREED IN PRINCIPLE.)

- MONITOR THE EQUIPMENT HELD BY THE REDUCED WARSAW PACT FORCES AND IDENTIFY ANY CHANGE IN THEIR STATE OF READINESS.

- KNOW QUICKLY IF THEY EVER CALL UP THEIR RESERVES OR PLAN CERTAIN EXERCISES.

- REDUCE THE RISK OF THE SOVIET UNION BUILDING UP FORCES ON THE OTHER SIDE OF THE URALS, OUTSIDE EUROPE AND THEREFORE OUTSIDE THE AREA TO BE COVERED BY THE ARMS CONTROL AGREEMENT.

PESSIMISTS HAVE BEEN SAYING THAT THE WEST COULD NOT SUSTAIN THE MOMENTUM WITH WHICH WE STARTED THESE NEGOTIATIONS. OUR PROPOSALS SHOW THEY WERE WRONG.

I HOPE THAT THESE PROPOSALS WILL OPEN THE WAY TO AN AGREEMENT.''

ENDS SPOKESMAN

COI LONDON

CKLNAN 6826

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CONFIDENTIAL
FM WASHINGTON
TO IMMEDIATE FCO
TELNO 2467
OF 2Ø2314Z SEPTEMBER 89
INFO IMMEDIATE MODUK, MOSCOW, UKDEL NATO, BONN, PARIS
INFO IMMEDIATE UKMIS GENEVA, TOKYO, CANBERRA

TOKYO FOR PRIME MINISTER'S PARTY
CANBERRA FOR UK DELEGATION TO GICCW

MY TELNO 2457: BAKER/SHEVARDNADZE MEETING: WORKING GROUP MEETINGS: 18/19 SEPTEMBER

SUMMARY

1. SOLID, IF UNSPECTACULAR PROGRESS, ACROSS THE BOARD ON THE FIVE POINT AGENDA. NUMBER OF BILATERAL DOCUMENTS LIKELY TO BE READY FOR SIGNATURE AT WYOMING, MOST OF THEM OF MINOR SIGNIFICANCE. RUSSIANS BUSINESSLIKE THROUGHOUT, WITH LITTLE OR NO POSTURING. ARMS CONTROL DOMINATED BY CW, START, NUCLEAR TESTING, CFE. REGIONAL ISSUES BY NICARAGUA, AFGHANISTAN, CAMBODIA. GENERAL SENSE THAT SHEVARDNADZE (AND PERHAPS EVEN BAKER) HAS YET MORE UP HIS SLEEVE.

DETAIL

2. THE PREPARATIONS FOR THE BAKER/SHEVARDNADZE BILATERAL MEETING IN JACKSON HOLE, WYOMING FROM 22-23 SEPTEMBER ARE NOW IN FULL SWING. US AND SOVIET WORKING GROUPS, COVERING THE FULL RANGE OF THE FIVE PART BILATERAL AGENDA, MET IN WASHINGTON ON 18/19 SEPTEMBER. WE HAVE BEEN GIVEN (IN THE STRICTEST CONFIDENCE) THE FOLLOWING BRIEFING BY THE STATE DEPARTMENT,

3. ARMS CONTROL

BARTHOLOMEW LED FOR THE US, GRINEVSKY FOR THE USSR (THIS LATE SUBSTITUTION FOR KARPOV HAS SPARKED OFFICIAL AND PRESS SPECULATION THAT KARPOV IS WORKING ON FRESH PROPOSALS FOR SHEVARDNADZE TO BRING PERSONALLY). THE WORKING GROUP COVERED SIX MAIN ISSUES, START, CW, NUCLEAR TESTING, CFE, OPEN SKIES AND PROLIFERATION. ON THE FIRST THREE ISSUES, SUB-GROUPS WERE FORMED:

A) ON START, THERE IS NOW THE PROSPECT OF AT LEAST ONE, AND POSSIBLE THREE, DOCUMENTS, BEING READY FOR MINISTERIAL BLESSING IN WYOMING. AN AGREEMENT ON THE NOTIFICATION OF STRATEGIC EXERCISES IS VIRTUALLY COMPLETE. AN UMBRELLA AGREEMENT ON VERIFICATION AND STABILITY, WHICH ESSENTIALLY BLESSED THE FAVOURED US APPROACH OF VERIFICATION EXPERIMENTS PRIOR TO CONCLUSION OF A TREATY, IS SIMILARLY CLOSE TO BEING TIED UP. AND THERE IS STILL TALK OF AN AGREEMENT BANNING TELEMETRY ENCRYPTION (ALTHOUGH THE CHANCES OF THIS HAVE DECREASED DURING THE COURSE OF START SUB-GROUP DISCUSSIONS WHICH CARRIED OVER INTO 20 SEPTEMBER). THERE WAS ALSO SOME DISCUSSION OF MOBILE MISSILES (TUR) AND SHORT TIME OF FLIGHT (STOF - OTHERWISE KNOWS AS DEPRESSED TRAJECTORY) MISSILES. ALCMS DID NOT FEATURE (THE ADMINISTRATION IS STILL WRESTLING WITH THE POSSIBILITIES FOR RANGE AND ATRRIBUTION RULE CHANGES).

B) ON CW, THERE REMAIN TWO OBSTACLES IN THE WAY OF AN MOU ON VERIFIED INFORMATION EXCHANGE (THE MEANS OF FORMULATING AGGREGATE DATA ON CW STOCKPILES, AND THE TIMING OF THE PHASE ONE EXCHANGE (INVOLVING US STOCKS IN GERMANY)). BOTH ARE EXPECTED TO BE SWEPT AWAY IN TIME FOR WYOMING. THE RUSSIANS HAVE ALSO PUT FORWARD A JOINT STATEMENT ON CW WHICH HAS BEEN AGREED SAVE FOR ONE BRACKETED SENTENCE. THIS TALKS IN TERMS OF CONCLUDING A CW CONVENTION BY 1990/91. THE US SIDE HAS APPARENTLY SAID THAT EITHER THE SENTENCE GOES, OR THERE WILL BE NO JOINT STATEMENT (AND EXPECT THAT THE RUSSIANS WILL DELETE THE SENTENCE).

C) ON NUCLEAR TESTING, THE EXCHANGES WERE APPARENTLY PREDICTABLE. IT IS STILL NOT ENTIRELY CLEAR WHETHER AGREEMENT ON THE TTBT VERIFICATION PROTOCOL WILL BE REACHED AT WYOMING, CERTAIN ISSUES ARE BEING REFERRED UP FOR MINISTERIAL DECISION.

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HUMAN RIGHTS

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COMMENT

CONFIDENTIAL
FM WASHINGTON
TO IMMEDIATE FCO
TELNO 2467
OF 202314Z SEPTEMBER 89
INFO IMMEDIATE MODUK, MOSCOW, UKDEL NATO, BONN, PARIS
INFO IMMEDIATE UKMIS GENEVA, TOKYO, CANBERRA

TOKYO FOR PRIME MINISTER'S PARTY
CANBERRA FOR UK DELEGATION TO GICCW

MY TELNO 2457: BAKER/SHEVARDNADZE MEETING: WORKING GROUP MEETINGS: 18/19 SEPTEMBER

SUMMARY

1. SOLID, IF UNSPECTACULAR PROGRESS, ACROSS THE BOARD ON THE FIVE POINT AGENDA. NUMBER OF BILATERAL DOCUMENTS LIKELY TO BE READY FOR SIGNATURE AT WYOMING, MOST OF THEM OF MINOR SIGNIFICANCE. RUSSIANS BUSINESSLIKE THROUGHOUT, WITH LITTLE OR NO POSTURING. ARMS CONTROL DOMINATED BY CW, START, NUCLEAR TESTING, CFE. REGIONAL ISSUES BY NICARAGUA, AFGHANISTAN, CAMBODIA. GENERAL SENSE THAT SHEVARDNADZE (AND PERHAPS EVEN BAKER) HAS YET MORE UP HIS SLEEVE.

DETAIL

2. THE PREPARATIONS FOR THE BAKER/SHEVARDNADZE BILATERAL MEETING IN JACKSON HOLE, WYOMING FROM 22-23 SEPTEMBER ARE NOW IN FULL SWING. US AND SOVIET WORKING GROUPS, COVERING THE FULL RANGE OF THE FIVE PART BILATERAL AGENDA, MET IN WASHINGTON ON 18/19 SEPTEMBER. WE HAVE BEEN GIVEN (IN THE STRICTEST CONFIDENCE) THE FOLLOWING BRIEFING BY THE STATE DEPARTMENT.

3. ARMS CONTROL

BARTHOLOMEW LED FOR THE US, GRINEVSKY FOR THE USSR (THIS LATE SUBSTITUTION FOR KARPOV HAS SPARKED OFFICIAL AND PRESS SPECULATION THAT KARPOV IS WORKING ON FRESH PROPOSALS FOR SHEVARDNADZE TO BRING PERSONALLY). THE WORKING GROUP COVERED SIX MAIN ISSUES, START, CW, NUCLEAR TESTING, CFE, OPEN SKIES AND PROLIFERATION. ON THE FIRST THREE ISSUES, SUB-GROUPS WERE FORMED:

A) ON START, THERE IS NOW THE PROSPECT OF AT LEAST ONE, AND POSSIBLE THREE, DOCUMENTS, BEING READY FOR MINISTERIAL BLESSING IN WYOMING. AN AGREEMENT ON THE NOTIFICATION OF STRATEGIC EXERCISES IS VIRTUALLY COMPLETE. AN UMBRELLA AGREEMENT ON VERIFICATION AND STABILITY, WHICH ESSENTIALLY BLESSED THE FAVOURED US APPROACH OF VERIFICATION EXPERIMENTS PRIOR TO CONCLUSION OF A TREATY, IS SIMILARLY CLOSE TO BEING TIED UP. AND THERE IS STILL TALK OF AN AGREEMENT BANNING TELEMETRY ENCRYPTION (ALTHOUGH THE CHANCES OF THIS HAVE DECREASED DURING THE COURSE OF START SUB-GROUP DISCUSSIONS WHICH CARRIED OVER INTO 20 SEPTEMBER). THERE WAS ALSO SOME DISCUSSION OF MOBILE MISSILES (TUR) AND SHORT TIME OF FLIGHT (STOF - OTHERWISE KNOWS AS DEPRESSED TRAJECTORY) MISSILES. ALCMS DID NOT FEATURE (THE

ADMINISTRATION IS STILL WRESTLING WITH THE POSSIBILITIES FOR RANGE AND ATRRIBUTION RULE CHANGES).

B) ON CW, THERE REMAIN TWO OBSTACLES IN THE WAY OF AN MOU ON VERIFIED INFORMATION EXCHANGE (THE MEANS OF FORMULATING AGGREGATE DATA ON CW STOCKPILES, AND THE TIMING OF THE PHASE ONE EXCHANGE (INVOLVING US STOCKS IN GERMANY)). BOTH ARE EXPECTED TO BE SWEPT AWAY IN TIME FOR WYOMING. THE RUSSIANS HAVE ALSO PUT FORWARD A JOINT STATEMENT ON CW WHICH HAS BEEN AGREED SAVE FOR ONE BRACKETED SENTENCE. THIS TALKS IN TERMS OF CONCLUDING A CW CONVENTION BY 1990/91. THE US SIDE HAS APPARENTLY SAID THAT EITHER THE SENTENCE GOES, OR THERE WILL BE NO JOINT STATEMENT (AND EXPECT THAT THE RUSSIANS WILL DELETE THE SENTENCE).

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ADVANCE 9
.ARMS CONTROL: NUCLEAR 1
MR GOULDEN 1
HD/SEC POL D 1
MR GASS SEC POL D 1
HD/NAD 1
HD/SOVIET D 1
HD/ACDD 1
HD/DEFENCE D 1
RESIDENT CLERK 1
MAIN 130
.ARMS CONTROL: NUCLEAR 1
LIMITED 6
SEC POL D 6
ACDD 7
DEFENCE 4
SOVIET 5
CSCE UNIT 4
EED 6
NAD 4
SOVIET DEPT 5
WED 9
SED 7
PLANNERS 3
SEND 7
NEWS 9
PUSD 26
RESEARCH 1
LEGAL ADVISERS 6
PS 7
PS/LORD BRABAZON 1
PS/MR WALDEGRAVE 1
PS/PUS 1
PS/SIR J FRETWELL 1
MR J WESTON 1
MR GOULDEN 1
MR RATFORD 1
ADDITIONAL 20
ARMS CONTROL NUCLEAR 20
[MCLACHLAN]

UNCLASSIFIED
FM WASHINGTON
TO IMMEDIATE
TELNO 2457
OD 200
INFO
INFO

BAKER/SHEVARDNADZE:

19 SEPTEMBER

FOREIGN AIN POINTS MADE ON ARMS CONTROL AS FOLLOWS:

A) NUCLEAR TESTING: QUOTE
TO BREAK THE
TWO TESTING

B) CHEMICAL WEAPONS: QUOTE WE HAVE I THINK A REASONABLE SHOT AT
AN AGREEMENT
WOULD INVOLVE TWO-STAGE EXCHANGE OF INFORMATION ON LOCATION
AND QUANTITIES OF UNITED STATES AND SOVIET STOCKS, AS WELL AS
REGIME

C) START: QUOTE WE
OF VERIFICATION AND STABILISATION
START TO BE A MAJOR SUBJECT IN THE ARMS CONTROL LETTER THAT
MINISTER
TO START
WE WILL LIFT OUR BAN ON MOBILE ICBMS IN START
CONGRESSIONAL FUNDING OF
INSTRUCTION
APPROPRIATE
EFF

D) FE: QUOTE I CAN NOW INFORM YOU THAT ALLIED REPRESENTATIVES
MEE
CONCRETE PROPOSALS ON VERIFICATION INFORMATION EXCHANGE AND
STABILISING MEASURES IN THE
WILL TABLE

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MDHIAN 6286

UNCLASSIFIED
FM WASHINGTON
TO IMMEDIATE FCO
TELNO 2457
OD 200010Z SEPTEMBER 89
INFO IMMEDIATE MODUK, MOSCOW, UKDEL NATO, BONN, PARIS
INFO IMMEDIATE UKMIS GENEVA

BAKER/SHEVARDNADZE: PRIVATE

1. BAKER MADE A SHORT STATEMENT AND ANSWERED PRESS QUESTIONS ON 19 SEPTEMBER ABOUT HIS FORTHCOMING MEETING WITH THE SOVIET FOREIGN MINISTER. HIS POINTS WERE ON ARMS CONTROL, AS FOLLOWS:

A) NUCLEAR TESTING: QUOTE ... WE WILL BE PUTTING PROPOSALS DESIGNED TO BREAK THE 15 YEAR DEADLOCK ON TESTING [illegible] WHICH COULD FREE UP TWO TESTING TREATIES FOR RATIFICATION NEXT YEAR UNQUOTE.

B) CHEMICAL WEAPONS: QUOTE WE HAVE I THINK A REASONABLE SHOT AT AN AGREEMENT TO EXCHANGE DATA ON CHEMICAL STOCKS ... () ... THIS WOULD INVOLVE A TWO-STAGE EXCHANGE OF INFORMATION ON LOCATIONS AND QUANTITIES OF UNITED STATES AND SOVIET STOCKS AS WELL AS A REGIME OF INSPECTIONS TO CONFIRM THE DATA UNQUOTE.

C) START: QUOTE WE LOOK FORWARD TO A POSITIVE SOVIET RESPONSE TO OUR VERIFICATION AND STABILISATION INITIATIVES ... I ALSO EXPECT START TO BE A MAJOR SUBJECT IN THE ARMS CONTROL LETTER THAT MINISTER SHEVARDNADZE HAS SAID THAT HE WOULD BRING ... HOWEVER, TO START THE BALL ROLLING THIS WEEK, I AM ANNOUNCING TODAY THAT WE WILL LIFT OUR BAN ON MOBILE ICBMS IN START, CONTINGENT UPON CONGRESSIONAL FUNDING OF OUR MOBILE ICBMS. WE WILL BE INSTRUCTING OUR START NEGOTIATORS IN GENEVA TO WORK OUT THE APPROPRIATE DETAILS OF LIMITS TO BE APPLIED TO MOBILE ICBMS AND EFFECTIVE VERIFICATION MEASURES UNQUOTE.

D) CFE: QUOTE I CAN NOW INFORM YOU THAT ALLIED REPRESENTATIVES MEETING IN BRUSSELS TODAY HAVE REACHED AGREEMENT ON TABLING CONCRETE PROPOSALS ON VERIFICATION INFORMATION EXCHANGE AND STABILISING MEASURES IN THE CFE NEGOTIATIONS IN VIENNA. THEY WILL TABLE THESE TOMORROW UNQUOTE.

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MDLIAN 1868

Prime Minister

CAB
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SECRET
FM PARIS
TO PRIORITY FCO
TELNO 1056
OF 081504Z AUGUST 89
INFO ROUTINE WASHINGTON, BONN, UKDEL NATO, MOSCOW, MOD UK

SIC EME
MOD UK FOR DACU.
Conference on Disarmament in Europe
CDE: STOCKHOLM DOCUMENT : INSPECTION REQUEST

1. DESAZARS, HEAD OF QUAI DISARMAMENT DEPARTMENT, TOLD US TODAY, IN STRICT CONFIDENCE, THAT FRANCE INTENDED TO NOTIFY THE SOVIET UNION ON ABOUT 17 AUGUST OF ITS INTENTION, IN ACCORDANCE WITH THE PROVISIONS OF THE STOCKHOLM DOCUMENT, TO INSPECT A SOVIET MILITARY EXERCISE DUE TO TAKE PLACE IN BYELORUSSIA 15-22 AUGUST. THIS WOULD BE THE FIRST SUCH FRENCH INSPECTION. FRANCE WAS GIVING ADVANCE NOTICE TO THE US AND FRG ALSO.

2. COMMENT. THIS IS VIRTUALLY AN INVITATION TO US TO FEED IN TO THE FRENCH AUTHORITIES ANY POINTS WHICH INTEREST US ABOUT THE SOVIET EXERCISE. THERE WOULD BE ADVANTAGE IN TERMS OF ANGLO - FRENCH DEFENCE RELATIONS IN OUR GIVING THE FRENCH INSPECTORS SOME BRITISH IMPUT.

THIS IS A COPY. THE ORIGINAL IS RETAINED UNDER SECTION 3(4) OF THE PUBLIC RECORDS ACT

LLEWELLYN SMITH

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DISTRIBUTION 145

MAIN 126

.ARMS CONTROL: NUCLEAR
LIMITED
SEC POL D
ACDD
DEFENCE
SOVIET
CSCE UNIT
EED
NEWS
PUSD
RESEARCH
LEGAL ADVISERS
PS
PS/MRS CHALKER
PS/LORD BRABAZON
PS/MR WALDEGRAVE

PRO 11732
MDLIA 1868

NAD
WED
SED
PLANNERS
SEND

PS/PUS
PS/SIR J FRETWELL
MR J WESTON
MR GOULDEN
MR RATFORD

ADDITIONAL 19

ARMS CONTROL NUCLEAR

NNNN

The National Archives

DEPARTMENT/SERIES PREM 19 PIECE/ITEM 2929 (one piece/item number)	Date and sign
Extract details: Cradock to Powell 24/7/89	
CLOSED UNDER FOI EXEMPTION	
RETAINED UNDER SECTION 3(4) OF THE PUBLIC RECORDS ACT 1958	30/11/16
TEMPORARILY RETAINED	
MISSING AT TRANSFER	
NUMBER NOT USED	
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DOCUMENT PUT IN PLACE (TNA USE ONLY)	

Instructions for completion of Dummy Card

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, .
eg. 28, 1079, 84/1, 107/3

Enter extract details if it is an extract rather than a whole piece.
This should be an indication of what the extract is,
eg. Folio 28, Indictment 840079, E107, Letter dated 22/11/1995.
Do not enter details of why the extract is sensitive.

If closed under the FOI Act, enter the FOI exemption numbers applying to the closure, eg. 27(1), 40(2).

Sign and date next to the reason why the record is not available to the public ie. Closed under FOI exemption; Retained under section 3(4) of the Public Records Act 1958; Temporarily retained; Missing at transfer or Number not used.

TPR

(2)

cpc

CONFIDENTIAL

Prime Minister

FCS/89/037

Agreement reached on UK NATO negotiating position on aircraft, helicopters & stationed manpower. Our Dual Capable Aircraft are not affected. CDP 12/7

PRIME MINISTER

mrb

Conventional Arms Control

flat

1. In my minute of 1 July I undertook to report this week on the work in the Alliance on fleshing out the details of the NATO Summit's conventional arms control initiative.

2. An agreement was reached designed to allow Allied negotiators to present, at the final plenary session of the current negotiating round on 13 July, a revised proposal incorporating the additional elements discussed at the Summit, namely aircraft, helicopters and US and Soviet stationed manpower. (It is not yet clear whether the Turks will allow this to happen. They have a problem over helicopters.) The revised proposal will contain, in the case of aircraft and helicopters, a proposed definition; a list of the systems which would be covered by that definition on the Western side, and a figure for a common NATO/Warsaw Pact ceiling. A complete text of / the revised proposal is in UKDEL NATO telno 234 attached.

/3.

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3. This agreement was reached only with considerable difficulty, partly because of the technical complexity of the issues involved and partly because of the disinclination of the United States to take sufficiently seriously the potential impact of some forms of definition on the forces and procurement plans of their European Allies. Its main features are as follows.

Aircraft

4. Aircraft are defined according to their type rather than individual performance characteristics. This reflects the US view that it is not feasible to devise a verification regime which could distinguish between two aircraft of the same type, one of which was actually combat capable and one of which was not. We insisted however that aircraft types will be included in our proposal only if a combat variant of them exists within Europe. This means that all of our Hawk aircraft will be included even though only some of them are actually combat capable. Our Jet Provost and Tucano training aircraft will not count as combat aircraft for the purposes of the CFE talks, even though combat versions of them exist in the third world.

5. The effect of this definition is that, if reductions are taken on a pro rata basis, the UK would have to cut 160 of its own aircraft (15% of our current total of 1,075). It should be possible to find reductions of

/these

these numbers without any impact upon our Tornado force. The resultant ceiling which the Allies will propose (5,700) is high (particularly compared with the Warsaw Pact proposals of a ceiling of 1,500 strike aircraft only). But conceptually the notion of including all aircraft which are capable of firing guns or missiles or dropping bombs is perfectly sound. And the impact on Warsaw Pact aircraft will still be very substantial - a cut of around 9,000 compared with NATO's own of about 1,000.

Helicopters

6. The definition which has been agreed is in line with our preference for limiting attack helicopters (ie those built to fire missiles, guns and drop bombs) rather than those built for transporting troops. The UK has a number of variants of attack helicopters which we use for other purposes (logistics and reconnaissance) which will also be covered by the definition. But this will give us flexibility to alter the balance of our helicopter forces in the future in favour of attack helicopters should we wish to do so.

7. Future procurement plans posed particular problems. A number of Allies, who have no attack helicopters at the moment, are planning to buy them in significant numbers in the years ahead; and a formula had to be found which did not put a strait-jacket on these plans. This was

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done by taking account in the proposed ceiling of firm contracts for helicopters which will be introduced into service up until the middle of 1990. The resultant figure for the ceiling (1,900) is thus, like that for aircraft, high but it will involve heavy cuts in Warsaw Pact helicopters.

Non-circumvention

8. As foreseen in paragraph 9 of my minute of 1 July the Americans were resistant to any formulation in the revised proposal which referred specifically to the need to constrain equipment holdings of parties to the agreement outside the Atlantic to the Urals area. British officials explained that this was an issue of considerable importance for the UK; and drew attention to your observation at the time of the NATO Summit itself that Soviet aircraft East of the Urals could be back in Europe within a matter of hours. The Americans eventually - and reluctantly - agreed to an intra-Alliance understanding that the question of potentially de-stabilising developments in Soviet forces East of the Urals would need to be addressed, taking account of the need to avoid any scope for Soviet interference with Western forces outside the area.

/Comment

Comment

9. It is clear that the Americans had done no real staff work on the details of the proposal before President Bush endorsed it. They had given little thought to the technical complexities involved in aircraft and helicopters in arms control limitation; and when they came to address the issues they did so from a purely American perspective. They were slow to realise that their European Allies cannot afford to throw all their training aircraft into the negotiation (the Americans themselves do all their training, and keep all their training aircraft, in the United States). They ignored the fact that several of their European Allies had force improvement plans, all of which had been agreed in NATO, for attack helicopters. And they failed to recognise that, looking to the future, we cannot conclude a regional arms control agreement which wholly neglects Soviet forces East of the Urals.

10. Secondly, and perhaps more significantly, there was a tendency by the American bureaucracy to dismiss references to those potential difficulties as niggling and as incompatible with maintaining the political momentum of the President's initiative. The Americans tend to believe that US leadership of the Alliance on this issue means simply knocking European heads together and imposing their own will. Moreover, the more secretive nature of decision-taking in Washington under

/the

the new Administration means that it is more difficult now than it used to be to ensure that our concerns and views are heeded before US positions are established. Only the French and we were really ready to press for changes to the formulae favoured by the United States. That we were in the end able to reach agreements which satsified everyone will, I hope, have shown the Americans that their Allies are as committed as they to achieving success in the CFE talks; but that careful analysis of the security implications of any proposal is required before it is put forward.

11. Nonetheless the agreement which was reached in Brussels is, in my judgement, satisfactory; and I see no reason to take issue with it. Presenting it at the final plenary meeting of the current round will maintain the momentum of the Summit initiative and will give the Russians something to reflect upon during the recess. It also shows that the Allies are committed to trying to implement the timetable proposed at the Summit; and are able to revolve problems internally without excessive delay.

12. I am copying this minute to the Defence Secretary and the Cabinet Secretary.

(GEOFFREY HOWE)

Foreign and Commonwealth Office
12 July 1989

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PART ONE OF TWO PARTS

CONVENTIONAL ARMS CONTROL: HLTF, 7 JULY: MIPT

NEGOTIATIONS ON CONVENTIONAL ARMED FORCES IN EUROPE

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

OBJECTIVES
1. THE AGREED OBJECTIVES OF THESE NEGOTIATIONS ARE:

- THE ESTABLISHMENT OF A SECURE AND STABLE BALANCE OF CONVENTIONAL FORCES AT LOWER LEVELS SEMICOLON

- THE ELIMINATION OF DISPARITIES PREJUDICIAL TO STABILITY AND SECURITY SEMICOLON

- THE ELMINIATION, AS A MATTER OF HIGH PRIORITY, OF THE CAPABILITY FOR LAUNCHING SURPRISE ATTACK AND FOR INITIATING LARGE-SCALE OFFENSIVE ACTION.

2. THROUGH THE PROPOSALS SET OUT BELOW THE DELEGATIONS OF BELGIUM, CANADA, DENMARK, FRANCE, THE FEDERAL REPUBLIC OF GERMANY, GREECE, ICELAND, ITALY, LUXEMBOURG, THE NETHERLANDS, NORWAY, PORTUGAL, SPAIN, TURKEY, THE UNITED KINGDOM AND THE UNITED STATES SEEM TO ESTABLISH A SITUATION IN WHICH SURPRISE ATTACK AND LARGE-SCALE

OFFENSIVE ACTION ARE NO LONGER CREDIBLE OPTIONS. WE PURSUE THIS AIM ON THE BASIS OF EQUAL RESPECT FOR THE SECURITY INTERESTS OF ALL. OUR PROPOSALS MAKE UP A COHERENT WHOLE AND ARE INTENDED TO BE APPLIED SIMULTANEOUSLY AND IN THEIR TOTALITY IN THE AREA OF APPLICATION, AS DEFINED IN THE MANDATE.

RATIONALE

3. THE RATIONALE FOR OUR PROPOSALS IS AS FOLLOWS:

- THE PRESENT CONCENTRATION OF FORCES IN THE AREA FROM THE ATLANTIC TO THE URALS IS THE HIGHEST EVER KNOWN IN PEACE-TIME AND REPRESENTS THE GREATEST DESTRUCTIVE POTENTIAL EVER ASSEMBLED. OVERALL LEVELS OF FORCES, PARTICULARLY THOSE RELEVANT TO SURPRISE ATTACK AND OFFENSIVE ACTION SUCH AS TANKS, ARTILLERY AND ARMOURED TROOP CARRIERS, MUST THEREFORE BE RADICALLY REDUCED. IT IS THE SUBSTANTIAL DISPARITY IN THE NUMBERS OF THESE SYSTEMS, ALL CAPABLE OF RAPID MOBILITY AND HIGH FIREPOWER, WHICH MOST THREATENS STABILITY IN EUROPE. THESE SYSTEMS ARE ALSO CENTRAL TO THE SEIZING AND HOLDING OF TERRITORY, THE PRIME AIM OF ANY AGGRESSOR SEMICOLON

- NO ONE COUNTRY SHOULD BE PERMITTED TO DOMINATE EUROPE BY FORCE OF ARMS: NO PARTICIPANT SHOULD THEREFORE POSSESS MORE THAN A FIXED PROPORTION OF THE TOTAL HOLDINGS OF ALL PARTICIPANTS IN EACH CATEORY OF ARMAMENTS, COMMENSURATE WITH ITS NEEDS FOR SELF DEFENCE SEMICOLON

- ADDRESSING THE OVERALL NUMBER AND NATIONALITY OF FORCES WILL NOT BY ITSELF AFFECT THE STATIONING OF ARMAMENTS OUTSIDE NATIONAL BORDERS: ADDITIONAL LIMITS WILL ALSO BE NEEDED ON CERTAIN FORCES STATIONED ON OTHER COUNTRIES' TERRITORY SEMICOLON

- WE NEED TO FOCUS ON BOTH THE LEVELS OF ARMAMENTS AND STATE OF READINESS OF FORCES IN THOSE AREAS WHERE THE CONCENTRATION OF SUCH FORCES IS GREATEST, AS WELL AS TO PREVENT REDEPLOYMENT OF GROUND FORCES WITHDRAWN FROM ONE PART OF THE AREA OF APPLICATION TO ANOTHER. IT WILL THEREFORE BE NECESSARY TO APPLY A SERIES OF INTERLOCKING SUB-LIMITS COVERING FORCES THROUGHOUT THE AREA, TOGETHER WITH FURTHER LIMITS ON ARMAMENTS IN ACTIVE UNITS.

- IT WAS DECIDED AT THE MEETING OF ALLIANCE HEADS OF STATE AND GOVERNMENT IN BRUSSELS ON 29TH/30TH MAY 1989 THAT AIRCRAFT AND HELICOPTERS SHOULD ALSO BE REDUCED BECAUSE OF THEIR RELEVANCE TO THE CONVENTIONAL BALANCE. WE ENVISAGE APPROPRIATE MEASURES OF VERIFICATION AND NON-CURCUMVENTION TAKING ACCOUNT OF THE PARTICULAR

CHARACTERISTICS OF THESE WEAPONS SYSTEMS SEMICOLON

- THE SUMMIT MEETING IN BRUSSELS ON 29TH/30TH MAY 1989 ALSO DECIDED TO SUPPLEMENT THESE PROVISIONS WITH AN EQUAL CEILING ON U S AND SOVIET GROUND AND AIR FORCES STATIONED IN EUROPE OUTSIDE THEIR NATIONAL TERRITORY. SUCH A MEASURE REFLECTS THE PARTICULAR RESPONSIBILITIES OF TWO MAJOR POWERS IN THE REDUCTION OF MILITARY CONFRONTATION AND THE BUILDING OF MUTUAL CONFIDENCE IN EUROPE ON A BASIS OF MUTUAL EQUALITY, AS WELL AS THE FACT THAT THESE TWO COUNTRIES MAINTAIN SUBSTANTIAL FORCES OUTSIDE THE ZONE OF APPLICATION.

PROPOSALS

CHAPTER I: LIMITATION ON MAJOR WEAPONS SYSTEMS

A. GROUND FORCES

OUR PROPOSALS ON GROUND FORCES HAVE BEEN MADE PUBLIC ON 6TH MARCH IN VIENNA. THOSE BATTLE TANKS, ARTILLERY PIECES AND ATCS WITHDRAWN FROM SERVICE IN ORDER TO ACHIEVE COMPLIANCE WITH THE RULES PROPOSED IN MARCH SHALL BE DESTROYED, IN ACCORDANCE WITH PROCEDURES TO BE AGREED.

B. AIR ASSETS

RULE A: OVERALL LIMIT

THE OVERALL TOTAL OF COMBAT AIRCRAFT AND HELICOPTERS WILL AT NO TIME EXCEED:

COMBAT AIRCRAFT: 11,000

HELICOPTERS: 3,800

NOTE: ATTACHED AT ANNEX II ARE DEFINITIONS AND LISTS OF TYPES ON WHICH THESE CEILINGS ARE BASED.

RULE B: SUFFICIENCY

NO ONE COUNTRY MAY RETAIN MORE THAN 30 PERCENT OF THE OVERALL LIMITS IN THESE TWO CATEGORIES, I.E.

COMBAT AIRCRAFT: 3,420

HELICOPTERS: 1,140

RULE C: SUB-LIMITS

WITHIN THE AREA OF APPLICATION DELINEATED UNDER RULE 4(1), EACH GROUP OF COUNTRIES BELONGING TO THE SAME TREATY OF ALLIANCE SHALL NOT EXCEED THE FOLLOWING LEVELS:

COMBAT AIRCRAFT: 5,700

HELICOPTERS: 1,900

RULE D: DISPOSITION OF REDUCED WEAPONS SYSTEMS

THOSE AIRCRAFT AND HELICOPTERS WITHDRAWN FROM SERVICE IN ORDER TO ACHIEVE COMPLIANCE WITH RULES A TO C ABOVE SHALL BE DESTROYED IN ACCORDANCE WITH PROCEDURES TO BE AGREED.

CHAPTER II: LIMITS ON U S AND SOVIET GROUND AND AIR FORCE MANPOWER STATIONED IN EUROPE OUTSIDE NATIONAL TERRITORY

THE UNITED STATES AND SOVIET UNION SHALL NOT STATION OUTSIDE THEIR NATIONAL TERRITORY WITHIN EUROPE FROM THE ATLANTIC TO THE URALS MORE THAN, IN EACH CASE, 275,000 GROUND AND AIR FORCE MANPOWER.

THE UNITED STATES AND SOVIET UNION UNITS WITHDRAWN FROM SERVICE IN ORDER TO ACHIEVE COMPLIANCE WITH THIS LIMIT SHALL BE DEMOBILIZED.

CHAPTER III: MEASURES OF INFORMATION EXCHANGE, STABILIZATION, VERIFICATION AND NON-CIRCUMVENTION

IN ADDITION, THERE WILL, AS AN INTEGRAL PART OF THE AGREEMENT, BE A NEED FOR FURTHER MEASURES OF INFORMATION EXCHANGE, STABILIZATION, VERIFICATION AND NON-CIRCUMVENTION.

A. INFORMATION EXCHANGE

EACH YEAR HOLDINGS OF MAIN BATTLE TANKS, ARMOURED TROOP CARRIERS, ARTILLERY PIECES, COMBAT AIRCRAFT AND HELICOPTERS WILL BE NOTIFIED, DISAGGREGATED DOWN TO BATTALION/SQUADRON LEVEL. THIS MEASURE WILL ALSO APPLY TO PERSONNEL IN BOTH COMBAT AND SUPPORTING

UNITS. ANY CHANGE OF NOTIFIED UNIT STRUCTURES ABOVE BATTALION/SQUADRON LEVEL, OR ANY MEASURE RESULTING IN AN INCREASE OF PERSONNEL STRENGTH IN SUCH UNITS OR IN AGGREGATE PERSONNEL LEVELS, WILL BE SUBJECT TO NOTIFICATION ON A BASIS TO BE DETERMINED IN THE COURSE OF THE NEGOTIATIONS.

B. STABILIZING MEASURES

WE SHALL SHORTLY PRESENT PROPOSALS DESIGNED TO BUTTRESS THE RESULTING REDUCTIONS IN FORCE LEVELS IN THE ATTU AREA. THESE WILL INCLUDE MEASURES OF OPENNESS AND CONSTRAINT APPLIED TO THE DEPLOYMENT, MOVEMENT, STORAGE AND LEVELS OF READINESS OF CONVENTIONAL ARMED FORCES, INCLUDING THEIR ARMAMENTS AND EQUIPMENT. THERE WILL ALSO NEED TO BE PROVISION FOR TEMPORARILY EXCEEDING THE LIMITS SET OUT IN CHAPTERS I AND II, INTER ALIA, FOR PRE-NOTIFIED EXERCISES.

C. MEASURES OF VERIFICATION

WE SHALL ALSO PROPOSE VERIFICATION ARRANGEMENTS DESIGNED TO PROVIDE ASSURANCE OF COMPLIANCE WITH THE AGREED PROVISIONS.

D. NON-CIRCUMVENTION PROVISIONS

WE WILL PROPOSE PROVISIONS WHICH WILL ENSURE THAT ACTIONS OF THE PARTIES DO NOT CIRCUMVENT THE AGREEMENT AND DO NOT HAVE ADVERSE SECURITY IMPLICATIONS FOR ANY PARTICIPANTS.

CHAPTER IV: THE LONGER TERM

IN THE LONGER TERM, AND IN THE LIGHT OF THE IMPLEMENTATION OF THE ABOVE MEASURES, WE WOULD BE WILLING TO CONTEMPLATE FURTHER STEPS TO ENHANCE STABILITY AND SECURITY IN EUROPE, SUCH AS:

- FURTHER REDUCTIONS OR LIMITATIONS OF CONVENTIONAL ARMAMENTS AND EQUIPMENT SEMICOLON

- THE RESTRUCTURING OF ARMED FORCES TO ENHANCE DEFENSIVE CAPABILITIES AND FURTHER TO REDUCE OFFENSIVE CAPABILITIES.

INTRA-ALLIANCE UNDERSTANDINGS

1. IT IS AGREED THAT THE REFERENCE IN THE REVISED ALLIED PROPOSALS TO NON-CIRCUMVENTION COVER, INTER ALIA, THE REQUIREMENT TO ADDRESS

IN SOME APPROPRIATE WAY THE QUESTION OF POTENTIALLY DE-STABILIZING DEVELOPMENTS IN SOVIET FORCES EAST OF THE URALS, TAKING INTO ACCOUNT THE NEED TO AVOID ANY SCOPE FOR SOVIET INTERFERENCE WITH WESTERN FORCES OUTSIDE THE AREA.

2. THE INTRA-ALLIANCE UNDERSTANDINGS APPLICABLE TO THE PROPOSAL TABLED ON 9TH MARCH 1989 RELATING TO PROCUREMENT AND APPORTIONMENT OF WEAPON SYSTEMS ARE EXTENDED TO INCLUDE AIRCRAFT AND HELICOPTERS. IN PARTICULAR:

(A) THE NUMBERS PUT FORWARD FOR THESE TYPES OF WEAPONS ARE NOT INTENDED TO PRECLUDE ONGOING OR FORTHCOMING RE-EQUIPMENT AND MODERNIZATION PROGRAMMES OF INDIVIDUAL ALLIES, ESPECIALLY IN THOSE CASES OF IDENTIFIED CRITICAL DEFICIENCIES.

(B) IN ACCORDANCE WITH THE PRINCIPLE OF UNDIMINISHED SECURITY OF EACH AND EVERY ALLY, IT IS AGREED THAT THE ALLOCATION OF ENTITLEMENTS WITHIN THE CEILINGS AGREED FOR AIRCRAFT AND HELICOPTERS IN THE CFE NEGOTIATIONS WILL BE A MATTER FOR DISCUSSION AMONG ALL THE ALLIES, TAKING INTO ACCOUNT PROCUREMENT PROGRAMMES PLANNED BY SOME ALLIES, AND WILL HAVE TO BE AGREED BY CONSENSUS AMONG THEM.

ALEXANDER

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PART TWO OF TWO PARTS

DEFINITIONS AND LISTS TO SUPPORT PROPOSED CEILINGS

1. DEFINITION OF COMBAT AIRCRAFT

FOR THE PURPOSE OF THE CFE NEGOTIATION, A COMBAT AIRCRAFT IS A FIXED-WING OR SWING-WING AIRCRFT PERMANENTLY LAND-BASED OF A TYPE INITIALLY CONSTRUCTED OR LATER CONVERTED TO DROP BOMBS, DELIVER AIR-TO-AIR OR AIR-TO-SURFACE MISSILES, FIRE GUNS/CANNONS, OR EMPLOY ANY OTHER WEAPONS OF DESTRUCTION UNLESS OTHERWISE AGREED. ANY PERMANENTLY LAND-BASED VERSION OR VARIANT OF THESE AIRCRAFT WHICH HAS BEEN MODIFIED TO PERFORM ANOTHER MILIARY FUNCTION IS ALSO INCLUDED. AN AIRCRFAT TYPE SHOULD NOT, HOWEVER, BE INCLUDED UNLESS A COMBAT VARIANT OF THE TYPE CONCERNED EXISTS WITHIN THE ATTU AREA IN THE ARMED FORCES OF A MEMBER STATE OF THE SAME TREATY OF ALLIANCE TO WHICH THE PARTICIPATING STATE OWNING THE AIRCRAFT BELONGS.

2. AIRCRFT TYPE LIST

F-4	A-7	MIRAGE IV
F-5	A-10	MIRAGE F-1
F-15	ALPHA JET	MIRAGE III
F-16	FOUGA	MIRAGE 5
F-18	HARRIER	MIRAGE 2000
F-84	TORNADO	F-35 DRAKEN
F-104	LIGHTNING	HAWK
F-111	JAGUAR	T-2
PD-808	MB-326	T-38
BUCCANEER	MB-339	TO33

CANBERRA	HUNTER	NIMROD
GARDIAN	G-91	S-2
P-3	HU-16 ALBATROSS	ATLANTIC
	T-37	CASA-101
	AM-X	

3. DEFINITION OF HELICOPTERS

FOR THE PURPOSES OF THE CFE NEGOTIATION, COMBAT HELICOPTERS ARE PERMANENTLY LAND-BASED, ROTARY WING AIRCRAFT CONSTRUCTED OR LATER CONVERTED TO EMPLOY AIR-TO-AIR OR AIR-TO-SURFACE ORDNANCE SUCH AS GUNS, CANNONS, ROCKETS, BOMBS, MISSILES, OR ANY OTHER WEAPONS OF DESTRUCTION. ANY PERMANENTLY LAND-BASED VERSION OR VARIANT OF THESE HELICOPTERS WHICH HAVE BEEN MODIFIED TO PERFORM ANOTHER MILITARY FUNCTION ARE ALSO INCLUDED. A HELICOPTER TYPE SHOULD NOT, HOWEVER, BE INCLUDED UNLESS A COMBAT VARIANT OF THE TYPE CONCERNED EXISTS WITHIN THE ATTU AREA IN THE ARMED FORCES OF A MEMBER STATE OF THE SAME TREATY OF ALLIANCE TO WHICH THE PARTICIPATING STATE OWNING THE AIRCRAFT BELONGS.

4. HELICOPTER TYPE LIST

CH-136 KIOWA	AH-1 COBRA
GAZELLE	AH-64 APACHE
PAH-1	A-109
BO-105	AB-206
A-109	SCOUT
A-129 MANGUSTA	ECUREUIL
OH-58A	SEA KING
LYNX	WESSEX
	A-109/11 AGUSTA

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Prime Minister
CST 5/7.

FROM: CHIEF SECRETARY
DATE: 5 July 1989

PRIME MINISTER

CONVENTIONAL ARMS CONTROL IN EUROPE

I have read with interest the minutes from the Defence Secretary (29 June) and Foreign and Commonwealth Secretary (1 July).

2 There are important issues to be addressed about the nature of an arms control agreement that would best serve our national interests, and the implications for how we interpret NATO's doctrine of forward defence if conventional arms control is successfully negotiated and implemented. I am sure, for example, that the Foreign Secretary's concern about Warsaw Pact aircraft stationed East of the Urals is very important. And I welcome the work which the Defence Secretary has set in hand to study our concepts of operations and our ability to model and study all the ideas which are within the Western approach.

3 The Defence Secretary has suggested an OD discussion before the recess. If that is possible there are a few points which I believe it will be important for us to discuss alongside the issues highlighted in recent minuting, and I thought it would be helpful to set them out in this minute.

4 The Foreign Secretary's minute responds to my letter about how we will address the sharing of CFE cuts within the NATO alliance. I agree that, as he says, no ally can expect preferential treatment and each will need to make its fair contribution. I suggested in my letter of 20 June that we should argue within the alliance for at least the same percentage benefit for the United Kingdom as the NATO average. I also quite take his point that we should not necessarily take this reduction pro-rata across all the types of equipment concerned; the distribution must involve a judgement about where our military interests lie.

5 I am concerned that we cannot be confident that no ally will anticipate implementation of a CFE agreement by making unilateral cuts meanwhile. There is even some danger that the UK, and perhaps France, will be the only countries not to do so.

6 The Defence Secretary refers to the need in the taxpayer's interest to continue to be as flexible as possible, in particular in the phasing of batch orders and the control of rates of financial commitment to procurement. I would go slightly further and say it would be prudent to have at least a contingency plan for procurement in the event of success in the negotiations. This is not simply a matter of the weapons directly covered by the negotiations. It is also necessary to take account of the impact on other weapons, especially our very substantial investments in developing and procuring anti-armour weaponry to meet the present Warsaw pact armour threat. If, as the Foreign Secretary says, a first stage settlement may well be implemented by 1993 we need the maximum flexibility now, as the lead times for such equipment can easily extend well over 4 years.

7 I am not sure that we should reject the option of ceilings on UK stationed manpower out of hand. Over the next decade the Armed Services will be facing a demographic trough which will limit their ability to recruit, particularly in certain skilled areas. With labour shortages in the economy as a whole, I would not welcome either the pay rates that might be needed to attract appropriate people into the Armed Services or the consequent exacerbated shortages in the civil economy. In addition, as I have already mentioned, our Forces in Germany impose a heavy cost on the balance of payments. I hope, therefore, that we could reconsider the case for reducing numbers, particularly as they may anyway be hard to avoid.

8 I am copying this minute to the Foreign Secretary, the Defence Secretary and to Sir Robin Butler.

John M.

JOHN MAJOR

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PM/89/035

PRIME MINISTER

Conventional Arms Control in Europe

1. I have seen the correspondence on this subject resting with the Defence Secretary's minute to you of 29 June.

2. The details of the proposals which the Alliance will table following the Bush initiative are still being worked out in Brussels. The central question is how to define helicopters and aircraft, from which the numerical proposals for 15% cuts will flow. On aircraft, the problem is that the Americans want a definition which would capture all those Warsaw Pact training aircraft which they consider combat capable: but their preferred text would capture large numbers of European (including British) training aircraft as well - and hence produce an inflated ceiling. On helicopters, the technical issues are even more complex and there is still no consensus among the Allies about how narrow or broad a definition we should set.

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3. There is a fair prospect that the definitions will be settled by 13 July, in which case our proposals could be put to the Warsaw Pact before the end of the current negotiating session in Vienna. There is very strong pressure from the Americans, supported by virtually all the allies, to achieve this since it would help to show that the Alliance is pressing on ahead energetically on the Bush timetable. I will report next week on how the proposals are shaping up.

4. The Defence Secretary and I are convinced that we must ensure that our proposals are sound. But equally we need to beware of suspicions which exist in Washington that we are foot-dragging. Our line in Brussels has been that we will do our utmost to agree the definitions by 13 July, since it makes sense to let the Warsaw Pact work on them during the summer recess; but that we must make sure that our definitions are robust and militarily sensible. I also share the Defence Secretary's view that the preparation of proposals on reductions must not become detached from work on the other essential elements in our CFE position - verification and stabilising measures. We have already made clear to the other allies that, if proposals for cuts are tabled by 13 July, this will be on the understanding that proposals on the other two elements will be ready for presentation in Vienna by the opening of the next session of 7 September.

/5.

5. It is clear from discussions in Brussels that the US and other allies (as well as SHAPE) share the Defence Secretary's assessment that our present CFE proposals are fully compatible with NATO's current strategy. This would not necessarily be true of a follow-on, CFE II, agreement, involving deeper cuts, especially if it included heavy US reductions or tighter limits on forces deployed in the FRG. It will of course take at least until 1993 to implement a first CFE agreement. And it is important that this phase should be used, as far as possible, to correct existing maldeployments and other shortcomings in NATO's present structure. For the longer term, we should not become hooked on the view that there is only one way of applying the strategy of forward defence: it may well be possible - with massive Soviet cuts, tight stabilising measures and greater mobility on our side - to defend Western Europe effectively and eventually more economically with forces below the 85-95% levels envisaged in our present proposals. I therefore welcome the fact that the Defence Secretary has already commissioned an analysis on a contingency basis,of the impact of deeper cuts on our strategy.

6. Meanwhile, my judgement is that NATO strategy is more likely to be affected in the coming years by factors other than CFE, in particular defence budget pressures, especially in the US, and the risk that it will not be possible to deploy a Lance successor in the FRG.

/7.

7. There are also several CFE issues which, though not part of our proposals, will certainly arise in the negotiations and could affect our strategy. The Soviet Union, for example, is certain to press for limits on stationed aircraft and helicopters and on all (rather than just US) stationed manpower. As part of the current preparatory work in Brussels we are trying to agree a sound rationale for rejecting such ideas. But it is one of the innate defects of the Bush proposals, as we noted at the time, that they do not fit happily into the framework which the Alliance tabled in Vienna in March.

8. As the Defence Secretary and Chief Secretary note, the apportionment of CFE cuts is likely to be one of the most difficult aspects of a CFE agreement. It will be particularly hard to reconcile the military interests of the Alliance with the political wishes of each individual ally to take cuts where they are most convenient. That is why we did well, at the last Defence Planning Committee, to secure agreement that the defence planning side of NATO should contribute advice on this subject. A straight pro rata cut in each category will probably not make military or political sense, especially if the US needs, for burden sharing reasons, to take a larger share. The line which we have been taking in Brussels is that no ally can expect preferential treatment and that each will have to be ready to make its fair aggregate contribution to the cuts. We are also urging, as the Defence Secretary suggests, that allies should not anticipate the implementation of a CFE agreement by making unilateral cuts meanwhile.

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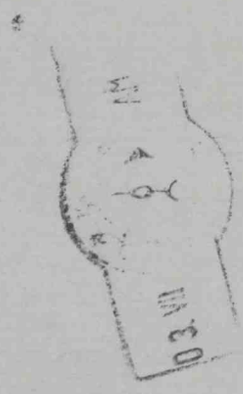
9. There is one further point which I should make because it is liable to cause the Americans some difficulty. This is the question whether it is acceptable to limit aircraft in the Atlantic to the Urals area without taking any account of Soviet aircraft east of the Urals. The French have already said that they would want some parallel measures to prevent a massive build-up of Soviet airpower east of the Urals. The problem for the Americans is that this could be done only at the price of similar measures applying to the United States and US bases elsewhere. We will need to take account of this sensitivity. But I do not think that our public opinion would be comfortable with limitations on all aircraft in Europe without any constraints on Soviet aircraft out of the area. The precise measures which might apply are now being studied in the FCO and MOD. We do not need at this stage to specify what they should be. But I think it is important, before the new proposals are cleared, that we should register in Brussels - after forewarning the Americans - that the problem of Soviet aircraft out of the area will need to be covered in some way or other.

10. I am sending copies of this minute to the Secretary of State for Defence, the Chief Secretary and Sir Robin Butler.

(GEOFFREY HOWE)

Foreign and Commonwealth Office
1 July 1989

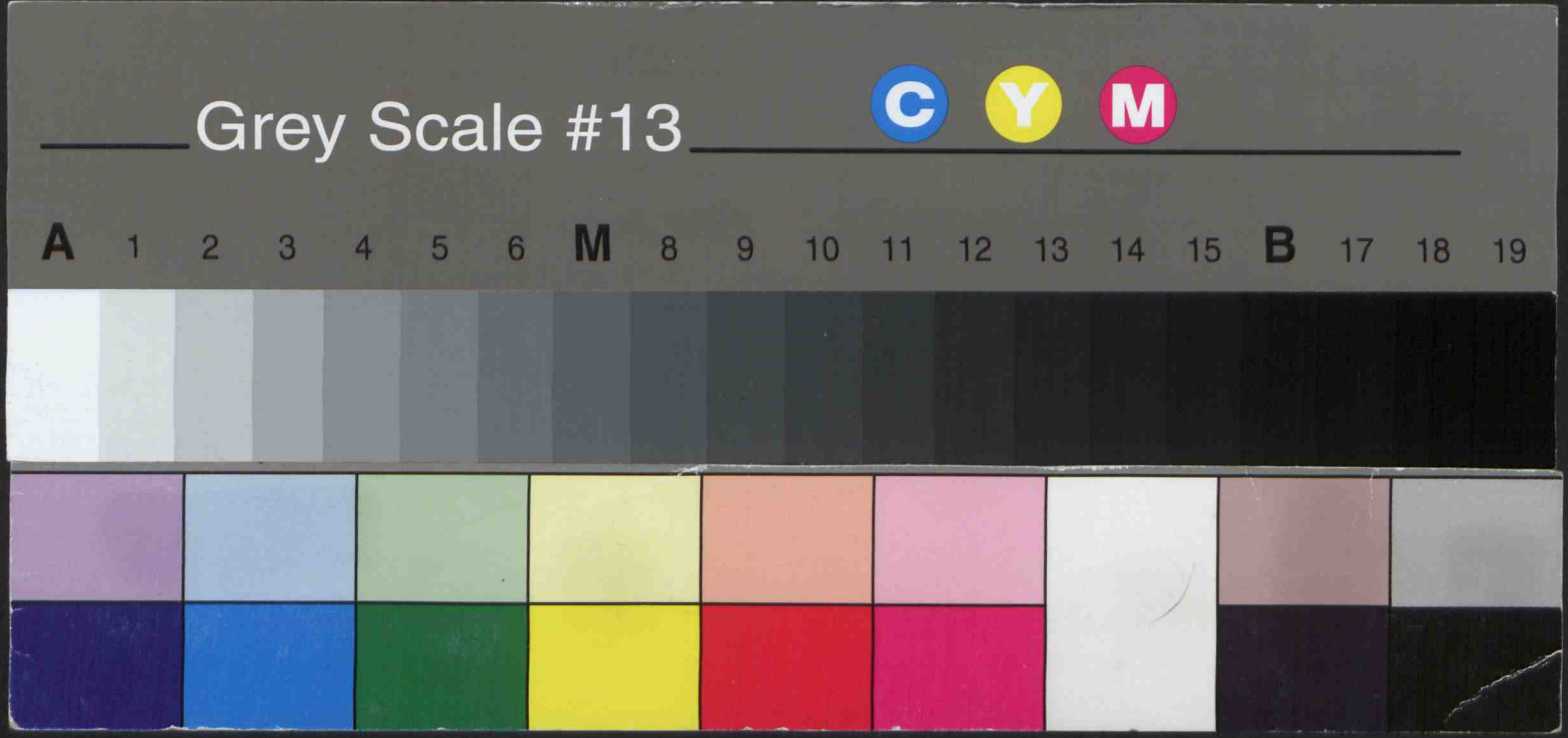


PART 15 en

SS/mod to Pm 29.6.89

PART 16 begins:-

FCS to Pm 1.7.89


Grey Scale #13
C
Y
M
A 1 2 3 4 5 6 M 8 9 10 11 12 13 14 15 B 17 18 19