

SECRET

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Visit to UK by Mr Shevardnadze,
Soviet foreign Minister

SOVIET UNION

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3005

June 1986

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Prime Minister

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TO DESKBY 040730Z FCO
TELNO 13
OF 032337Z JANUARY 90
INFO PRIORITY MOSCOW

Shevardnadze reading a lot ~~to~~
much into your December talks. Baker
will have been briefed on the lines of the
attached

SM

YOUR TELNO. 1714 TO MOSCOW OF 20 DECEMBER: SHEVARDNADZE'S VISIT
TO LONDON, 19 DECEMBER

1. THE ASSISTANT SECRETARY FOR EUROPEAN AFFAIRS TOLD ME BAKER
HAD BEEN STRUCK BY TWO PASSAGES IN A RECENT LETTER FROM
SHEVARDNADZE WHICH REFERRED TO HIS TALKS IN LONDON. THESE
SEEMED TO RUN COUNTER TO WHAT THE AMERICANS UNDERSTOOD TO BE OUR
POSITIONS:

(A) SHEVARDNADZE SAID HE UNDERSTOOD THE PRIME MINISTER TO
BE IN FAVOUR OF CONVENING AN ALL-EUROPEAN SUMMIT IN 1990
PROVIDED IT WAS CAREFULLY PREPARED AND RESULTED IN THE
PRODUCTION OF AN APPROPRIATE POLITICAL DOCUMENT.

(B) SHEVARDNADZE ALSO TOLD BAKER HE THOUGHT MUTUAL
UNDERSTANDING HAD BEEN ACHIEVED AS TO THE RIGHT MECHANISM FOR A
DIALOGUE ON EUROPEAN AFFAIRS, INCLUDING USING EXISTING
AGREEMENTS SUCH AS THE QUADRIPARTITE AGREEMENT ON BERLIN AND
CSCE. HE HAD NO OBJECTION TO QUOTE MRS THATCHER'S IDEA UNQUOTE
OF HOLDING PRIVATE WORKING MEETINGS OF THE BIG FOUR ON QUESTIONS
BEYOND BERLIN SHOULD THAT PROVE NECESSARY.

2. BAKER WILL BE SEEING THE PRESIDENT ON THE AFTERNOON OF 4
JANUARY TO DISCUSS US POLICIES. HE WOULD FIND IT USEFUL TO HAVE
ANY COMMENTS OR CLARIFICATION YOU MIGHT HAVE BY THEN. I HAVE
SAID BOTH QUOTATIONS SEEMED TO GO BEYOND WHAT I HAD UNDERSTOOD
TO BE OUR POSITION, BUT THERE WAS OF COURSE ALWAYS A POSSIBILITY
OF MISUNDERSTANDING ((A) ABOVE COULD BE AN EXTRAPOLATION FROM
THE EXCHANGE RECORDED IN PARAGRAPH 9 OF YOUR TELEGRAM UNDER
REFERENCE. IT IS HARDER TO SQUARE (B) WITH THE TONE OF
PARAGRAPH 10).

3. I HAVE TOLD SEITZ I WILL DO MY BEST TO GET HIM YOUR COMMENTS
IN TIME FOR BAKER'S MEETING WITH THE PRESIDENT.

WOOD

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OUT TELEGRAM

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11	YOUR TELNO 13: SHEVARDNADZE'S VISIT TO LONDON, 19 DECEMBER
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13	1. The points made by the Prime Minister are accurately
14	summarised in our telno 1714 to Moscow.
15	
16	2. The Prime Minister introduced discussion of a CSCE Summit by
17	speaking about the rapidity of developments in Eastern Europe.
18	She pointed out that, to an extent, governments were not in
19	control and events were being dictated by people on the streets.
20	In these circumstances it was very important to keep existing
21	structures and alliances. That gave a background of stability,
22	against which we could feel our way forward. The Prime Minister
23	went on to say that, in this context, she had been interested by
24	the Soviet proposal for a Summit meeting of the Helsinki
25	countries. In her view, any such meeting must be prepared in
26	detail and a communique negotiated in advance. It was important
27	not to rush into these things: there was a risk that a hasty
28	decision could lead to changes to existing structures which
29	would actually increase instability.



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Catchword: **3.**

MAIN

File number HB1/AAP	Dept SOVIET	Drafted by (Block capitals) GOWAN	Telephone no 2420
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ADDITIONAL

Authorised for despatch by: Initials **[Signature]** Date/time **4/1**

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3. In response Shevardnadze agreed that a CSCE meeting should not be an end in itself. Mr Gorbachev's idea was that completion of the CFE talks would be an opportunity for all heads of government to meet and discuss the next phase of reductions in Europe. This would be much more difficult and sensitive. Of course heads of government would only be asked to set guidelines.

4. The exchange on mechanisms for a dialogue on European affairs was not as described by Shevardnadze. The Prime Minister said that the Soviet intention to call a four- power meeting at Ambassadorial level had been timely and very effective in drawing attention to four- power responsibilities. She thought it right to keep the meetings at Ambassadorial or deputy level. To escalate them to the level of Foreign Ministers might only aggravate nationalist feelings in Germany, although she would not discount the possibility of discreet four- power Ministerial contacts in the margins of other meetings if the need arose.

5. It seems that Shevardnadze has put his own construction on the two points raised by the Americans. On both issues there was a clear distinction between the points made by the Prime Minister and Shevardnadze's approach.

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Catchword



10 DOWNING STREET
LONDON SW1A 2AA

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THE PRIME MINISTER

22 December 1989

Dear Mr. Shevardnadze,

It was very kind of you to give me the beautiful blue-and-white vase during your visit to London. It is most handsome and gives us great pleasure. Thank you very much.

I found our meeting very helpful and am most grateful to you for coming to London. I hope you will remain in close touch with us.

With every good wish for Christmas and the New Year,

Yours sincerely

Margaret Thatcher

His Excellency Mr E.A. Shevardnadze

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P1-file

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FOREIGN AFFAIRS COUNCIL: 18 DECEMBER: EC DINNER WITH SHEVARDNADZE

SUMMARY

1. SHEVARDNADZE PRESSED FOR CSCE 35 SUMMIT NEXT YEAR, TO SIGN CFE AGREEMENT, CONSIDER NEXT STEPS ON DISARMAMENT, DISCUSS MEASURES TO CHECK INSTABILITY AND CREATE STABILITY SITUATION) IN EUROPE, AND (PERHAPS) USE HELSINKI MECHANISM FOR NEW PURPOSES. PROPOSAL FAVOURED BY GENSCHER (PUBLICLY), AND BY DUMAS (IN PRIVATE).

DETAIL

2. DURING THE DINNER THIS EVENING BETWEEN SHEVARDNADZE AND EC FOREIGN MINISTERS, AFTER THE SIGNATURE OF THE EC/SOVIET AGREEMENT, GENSCHER (FRG) SPOKE OF THE VALUE OF HOLDING ANOTHER SUMMIT OF THE CSCE 35 HEADS OF GOVERNMENT NEXT YEAR. TOWARDS THE END OF DINNER SHEVARDNADZE REVERTED TO THIS THEME AND ASKED FOR THE VIEWS OF EC MINISTERS. YOU AND FERNANDESA-ORDONEZ (SPAIN) ASKED WHAT THE AGENDA FOR SUCH A MEETING WOULD BE.

3. SHEVARDNADZE IDENTIFIED THREE ITEMS, PLUS ONE POSSIBLE:

(I) THE SIGNATURE OF A CFE AGREEMENT.

(II) CONSIDERATION OF THE NEXT STEPS ON DISARMAMENT - EMPHASIS WAS STILL NEEDED ON THE REDUCTION OF ARMAMENTS, WHICH PRESENTED HUGE PROBLEMS FOR BOTH DEVELOPED AND DEVELOPING ECONOMIES, NOT EXCLUDING THE US.

(III) DISCUSSION OF MEASURES NEEDED, IN THE PRESENT SITUATION IN EUROPE, TO CHECK INSTABILITY AND CREATE NEW STABILITY.

(IV) (PERHAPS) REFELECTION ON WAYS OF USING THE HELSINKI MECHANISM, WHICH HAD ALREADY SHOWN ITS VALUE, TO SOLVE NEW PROBLEMS THROUGHOUT THE WORLD. SHEVARDNADZDE WAS READY TO DISCUSS SUCH IDEAS WITH HIS OWN COLLEAGUES PROVIDED THAT COMMUNITY MINISTERS SAW VALUE

IN THEM AS WELL.

4. DUMAS (PRESIDENCY) COMMENTED THAT AT THE ST MARTIN MEETING PRESIDENT BUSH HAD NOTED THAT GORBACHEV HAD RAISED THE IDEA OF A CSCE SUMMIT NEXT YEAR WHILE ON HIS VISIT TO ROME, BUT HAD NOT REFERRED TO IT IN MALTA. THE FRENCH VIEW WAS THAT SUCH A PROPOSAL NEEDED FURTHER CLARIFICATION. VAN DEN BROEK (NETHERLANDS) ASKED WHETHER SHEVARNDNADZE WAS PROPOSING THAT THE 1992 CSCE CONFERENCE BE BROUGHT FORWARD.

5. SHEVARDNADZE DENIED THIS. HE THOUGHT HOWEVER THAT IT WAS REASONABLE TO FORESEE A MEETING OF THE 35 HEADS OF GOVERNMENT EVERY TWO YEARS. THEY MIGHT ALSO REACH A PARTIAL AGREEMENT ON CONFIDENCE-BUILDING MEASURES DURING THEIR DISCUSSIONS ON CFE. IN ANY CASE IT WAS CRUCIAL TO HAVE SUCH HIGH-LEVEL POLITICAL DISCUSSIONS REGULARLY, AND IN THE SOVIET VIEW IT WOULD BE RIPE TO HOLD THEM NEXT YEAR.

6. PRIOR TO DINNER DUMAS HAD TOLD YOU PRIVATELY THAT HE HIMSELF FAVOURED SUCH A MEETING OF THE 35 NEXT YEAR, WHICH IN ANY CASE HE SAW AS INEVITABLE. MITTERRAND ALSO FAVOURED THE IDEA, AND THOUGHT ON THE BASIS OF ST MARTIN THAT BAKER WAS KEENER THAN BUSH.

7. IT WAS CLEAR FROM SHEVARDNADZE'S PRESENTATION THIS EVENING THAT THERE ARE AT LEAST THREE SOVIET SOVIET AIMS IN PRESSING FOR SUCH A MEETING NEXT YEAR:

(A) TO PUSH THE WEST FASTER DOWN THE DISARMAMENT PATH, AND TO CLAW BACK RESOURCES DEVOTED AT PRESENT TO ARMAMENTS.

(B) TO CONSTRAIN FURTHER MOVES TOWARDS REUNIFICATION ON THE PART OF BOTH GERMANIES.

(C) TO PROVIDE A NEW PLATFORM FOR GORBACHEV'S INTERNATIONAL ACTIVITIES.

7. SEE MIFT (NOT TO ALL).

HANNAY

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Foreign and Commonwealth Office

London SW1A 2AH

19 December 1989

Dear Charles,

Visit of Mr Shevardnadze

In your letter of 18 December, you asked for briefing about two additional points which Mr Shevardnadze intended to raise today with the Prime Minister.

Four Power Discussions

Mr Shevardnadze may propose that the scope of the Four Power talks should be expanded to cover the German question as a whole. As far as the Allies are concerned, the talks are about Berlin. We cannot stop the Russians raising other issues, as Kochemasov did on 11 December, but we do no more than take note. This position was agreed in advance with the West Germans, who attach importance to it. The fact of the Four Power meeting has, in itself, been a salutary reminder to the FRG of the need to consult and carry the other Western Allies along at each stage. It has been useful that the Russians were able to let off steam at the Ambassadors' meeting. But none of the four Western Allies would want explicitly to agree with the Russians to discuss wider questions in the Four Power forum. This would imply that the Four Powers were seeking to control events over the heads of the Germans and would risk undermining the Western position. The Russians have an interest in playing the four Western Allies off against each other. If asked, the Prime Minister might say (in addition to the points in our earlier letter):

- the Four Power talks in Berlin are about our responsibilities for the city. We are ready to listen to your other concerns but we do not think it right to engage in wider discussion in this forum. We agree that we should keep fully in touch, making use of the other ministerial and official channels available.

Visit to Berlin

We agree that there would be difficulties about a meeting with Modrow in East Berlin. The Russians may well be making mischief by suggesting it. Baker met Modrow in Potsdam, in the GDR. That apart, there is a case for supporting Modrow, whose legitimacy rests almost entirely on his continuing popularity, in order to promote stability in the difficult period before the elections planned for next May. We have been considering whether a visit quite soon by the Foreign Secretary would be the right way of doing this. President



b

Mitterrand's visit was set up earlier this year, well in advance of the present crisis.

Assistance to the GDR

The West Germans have also suggested to us that it would be most helpful if we could refute any Soviet criticism to the effect that the FRG had given a diktat by making economic assistance to the GDR conditional upon irreversible change in the GDR's basic political and economic system (the third of Kohl's ten points). If Mr Shevardnadze raises this, the Prime Minister might take the line that common language in both the Strasbourg and NATO Declarations reflects the Western position that aid to the newly-liberalising countries of Eastern Europe is conditional on their progress towards pluralistic democratic reform. It is a high priority for the FRG and all of us to ensure stability in the GDR.

Yours,
Stephen Wall

(J S Wall)
Private Secretary

C D Powell Esq
10 Downing Street

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file SAN

SUBJECT CC MASTER



10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

3(a-f)

19 December 1989

PRIME MINISTER'S MEETING WITH THE SOVIET FOREIGN MINISTER

The Prime Minister had a two hour talk this evening with the Soviet Foreign Minister. Mr Shevardnadze was accompanied by the Soviet Ambassador and Mr Krasnov. The Foreign Secretary was also present.

Introduction

The Prime Minister welcomed Mr Shevardnadze, saying that there was a lot to talk about. Events were moving very fast. She had just read his speech earlier in the day in Brussels, which dealt with a number of the most important issues. She wanted to say again that the great changes we were witnessing in Eastern Europe would not have happened without Mr Gorbachev. She asked Mr Shevardnadze to convey her warm regards to him and Mrs Gorbachev.

Mr Shevardnadze said that Mr Gorbachev had been very keen for him to come to London and meet the Prime Minister at what was a crucial moment of great responsibility. Both Mr and Mrs Gorbachev had asked him to give the Prime Minister their best regards and say how much they were looking forward to her visit in June. That would be a very important event. The Prime Minister's dialogue with Mr Gorbachev was a very special one, indeed unique in its profound analysis of the problems and issues we all faced.

Mr Shevardnadze's visit to Brussels

Mr Shevardnadze continued that he would like to give his impressions of his meeting with EC Foreign Ministers and his visit to NATO. With the EC, he had signed an important agreement on economic and commercial relations, which should lead to a considerable increase in co-operation. He had enjoyed his dinner with the Twelve Foreign Ministers. Indeed, he was beginning to regard himself as the Thirteenth member. He had also been very pleased with his discussions at NATO. His visit had been a unique occasion, and he had been moved almost to tears by the warmth of the reception he had received from the staff at NATO Headquarters. It had all been very different from the Soviet idea of what NATO was like. It was this which had led him

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to say at his press conference that he was confident the Cold War was over. b

Mr. Shevardnadze continued that he and the Secretary-General had agreed that NATO and the Warsaw Pact could be important instruments for stability. Until recently, people had talked of disbanding Alliances. That might still be a prospect, but for now they were very necessary. He had also agreed with the Secretary-General that there was a good prospect of completing the CFE negotiations next year. He had found support, too, for discussion of military doctrines between NATO and the Warsaw Pact. He had proposed that this might be at the level of Chiefs of Staff. In reply to the Prime Minister's question whether he envisaged only a technical discussion or a much broader re-assessment of military strategy on both sides in the light of the reductions which would flow from CFE, Mr Shevardnadze indicated that he had more of the former in mind. Each side needed to understand the other's military thinking and the nature and purposes of the military equipment which it held. This was an essential first step to eliminating equipment which would give either side an offensive capability.

Developments in Eastern Europe

The Prime Minister said that she wanted to develop a broader thought. Change in the Soviet Union had touched off a chain reaction in Eastern Europe. None of us quite knew where it would lead. To an extent, governments were not in control. Events were being dictated by people on the streets. In these circumstances, it was very important to keep existing structures and Alliances. That gave the background of stability against which we could feel our way forward. In this context, she had been interested by the Soviet proposal for a Summit meeting of Helsinki countries. In her view, any such meeting must be prepared in detail and a communiqué negotiated in advance. One should never rush into these things, but always bear in mind how others might see the purpose of such a meeting. There was a risk that you could end up with changes to existing structures which would actually increase instability. Mr Shevardnadze agreed that a CSCE meeting should not be an end in itself. Mr Gorbachev's idea was that completion of the CFE talks would be an opportunity for all heads of government to meet and discuss the next phase of reductions in Europe. This would be much more difficult and sensitive. Of course, heads of government would only be asked to set guidelines.

The Prime Minister said that it would take a time to implement a CFE agreement and we should not rush into further reductions. NATO would want to retain a mix of conventional and nuclear weapons at sufficient levels to deter attack from anywhere. Mr Shevardnadze said that nuclear weapons were a separate issue. He knew the Prime Minister's approach and philosophy about them. She wanted a minimum nuclear deterrent to continue to exist. The Soviet Union had been thinking a good deal about this, and they had no objection to beginning talks on the basis of the Prime Minister's position. If NATO wanted to agree on minimum deterrence, the Soviet Union was ready for this, although the levels should be lower than at present. Any

movement towards abolition of nuclear weapons should be step by step. But the task of the Vienna negotiations was more to reduce conventional weapons. A CSCE Summit should discuss that, as well as the general European situation and the problem of assuring stability. In a brief exchange on the timing of a possible CSCE Summit, Mr. Shevardnadze observed that there were still difficult problems to be resolved in the CFE negotiations, which could take the greater part of next year to settle.

Mr. Shevardnadze said that the leaders of East Germany, Czechoslovakia and Bulgaria should have started on reforms two years ago. If they had done that there would have been no detonation, no turmoil. Mr. Gorbachev had tried to persuade them of this. His motto was, when we act too late, we lose. Poland had been different. There, it was the economy which was the trouble. The Soviet Union welcomed Western help and support. But the assistance which the Soviet Union itself gave was substantial and should not be over-looked. The Prime Minister asked how the Soviet Union would deal with requests for the removal of Soviet troops from Czechoslovakia. Mr. Shevardnadze said the situation in Czechoslovakia and Hungary was very different. The Soviet Union had already reduced its forces in Hungary very substantially and was perfectly ready to negotiate about those in Czechoslovakia. His prediction was that some Soviet forces would remain there but most would withdraw. The Prime Minister commented on the good impression made by the Hungarian Prime Minister, Mr. Nemeth. Mr. Shevardnadze agreed that he was an intelligent, bold and courageous person. He expected him to remain in place. Hungary's prospects had been made easier by the fact that reform had already been started years ago by Kadar. He himself recalled going to Hungary more than 15 years ago to study Hungarian reforms.

The German question

The Prime Minister said this led on to the German question. Her line, which she thought was shared by most West European leaders, was that the most important thing was to get democracy and economic reform within existing borders. That in itself was a massive task. We could not deny the principle of self-determination to which we had all subscribed at one time or another. But Mr Shevardnadze would have seen how the communiqué of the Strasbourg European Council had hedged this about with references to existing Alliances and Treaties, the 4-Power arrangements for Berlin and the Helsinki Final Act. Mr Shevardnadze's speech had been on similar lines, talking of self-determination within existing borders. She knew from her talk with him in September that Mr Gorbachev was worried about the possibility of German reunification and she understood that. It was sometimes necessary to remind our German friends that the rest of us had sensitivities too.

Mr Shevardnadze said that Mr Gorbachev had informed him fully of his talks with the Prime Minister. The Soviet Union did indeed have grave anxieties and concerns in relation to the German problem. Of course there were problems elsewhere in Eastern Europe too. He did not rule out the possibility of disorder in Poland. For the time being the government had the

situation under control, with the support of the church, Solidarity and the communist party - a veritable consensus. But if the very drastic austerity programme really began to bite, half a million people could be thrown out of work. No one could rule out the possibility of demonstrations, and one Polish politician had even suggested to him there could be a military coup in some circumstances. But the problem of East Germany was different. It was one of national feeling, indeed chauvinism, which could lead to destabilisation. This was being aggravated by some in West Germany. In particular, the third of Chancellor Kohl's ten points had been a provocation, demanding change in East Germany's political and economic system and virtual subordination to the FRG. Just as worrying was the failure to accept the eastern borders of Germany and do anything to clarify the judgment of the constitutional court. Politicians passed from the scene, but judgments remained.

The Prime Minister said that the basic text in these matters must be the Helsinki Final Act and we should all go on saying that. We must encourage those on both sides who spoke for stability and security. The whole issue was highly sensitive in West Germany because of the approaching elections. But the main risk seemed to come from the East German side. If the East German economy continued to deteriorate, people might just conclude that the easiest way to restore prosperity was by joining the FRG. We needed to slow down this sort of process. One attraction of a CSCE Summit ahead of the German elections next year would be to enhance the consensus in Europe in favour of maintaining present borders. Mr Shevardnadze agreed that it would be important to re-confirm Helsinki principles and protect stability. Nonetheless, the situation was potentially alarming. What would happen if the GDR suddenly voted for reunification? What would come next? The Soviet Union had forces in East Germany but it was unthinkable that they would shoot. He had posed seven questions about German reunification in his speech. No one had yet provided satisfactory answers. What would happen to the Warsaw Pact and NATO if reunification took place? What would become of 4-Power responsibility for Berlin? What would be the consequences for the whole structure of Europe?

The Prime Minister agreed that these matters needed to be thought through. But our whole tactic had to be to avoid that situation arising suddenly and unexpectedly. This was one reason why she objected to people saying that reunification was inevitable. We had to go on putting the case for maintaining stability and security and for taking things very steadily. We were not doing too badly so far. Mr Shevardnadze agreed with the Prime Minister that a CSCE Summit next year could have an important sobering-up effect on the Germans. But we should also think about other possible steps in the context of the Four-Power arrangements. The recent meeting of Ambassadors had been a useful signal. Although he had not yet discussed this with others, he wondered whether the time had not come to re-establish such meetings on a regular basis. If the situation became more tense it might even be necessary for Foreign Ministers to meet. He would like the Prime Minister's views. He thought that Mr. Gorbachev would also write to President Bush about it.

The Prime Minister said that the Soviet initiative to call a 4-Power meeting at Ambassador level had been very timely and very effective in drawing attention to Four-Power responsibilities. She thought it right to keep the meetings at Ambassador or Deputy level. To escalate them to the level of Foreign Ministers might only aggravate nationalist feelings in Germany, although she would not discount the possibility of discreet Four-Power Ministerial contacts in the margins of other meetings if the need arose. Her fear was that if opposition to German reunification was too obvious it would only provoke the Germans rather than slow them down. Ambassadors should continue to meet, but we should not move to a higher level for now. But of course we should watch the situation very carefully and be prepared to consult at any time. Another argument which she found very effective was to say that nothing must be done which risked undermining Mr Gorbachev's position, because this would put the reforms in Eastern Europe in jeopardy. We must not let a period of greater friendship unleash greater friction.

Mr Shevardnadze came back to the point that the situation in East Germany was different from that elsewhere in Eastern Europe because of the factor of nationalist feeling. He very much agreed that Britain and the Soviet Union should keep in touch. Chancellor Kohl's visit to East Germany was a worry. He wanted to tell the Prime Minister in confidence that Mr Gorbachev had sent a special letter to Chancellor Kohl yesterday, with a categorical request to use his influence to prevent destabilisation. The Prime Minister said this would have had a considerable impact on Chancellor Kohl. She agreed that the two governments should keep in close touch and said that Mr Shevardnadze could always come by if he was passing close to London. There was a greater need for diplomacy than ever before.

Mr Shevardnadze referred to discussion of European issues at the US/Soviet Summit in Malta. It had been agreed to have a fuller discussion when the two Presidents met next summer. He wanted to draw attention to the very important statement which Mr Gorbachev had made in Malta when he had said: "We no longer regard the United States as our adversary." The Prime Minister said that we agreed with the United States in supporting observer status for the Soviet Union in the GATT. She thought there was still widespread misunderstanding in socialist countries of how the capitalist system worked. The more contacts there could be in the economic area the better.

Situation in the Soviet Union

Mr Shevardnadze said he would like to say a word about developments in the Soviet Union. Mr Gorbachev had wanted him to say again to the Prime Minister how much her support for his policies of reform was appreciated. The Soviet Union was going through a very difficult period. Existing structures had operated for decades. Changing minds and attitudes was very difficult. People outside the Soviet Union said there must be price reform. It was easy to say, but millions would suffer if there was, and there could be a social explosion. It had to be done step by step and by persuasion. But he genuinely felt that there was now a change of mentality. The Prime Minister said

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that Mr Gorbachev had achieved a fantastic amount since 1984. Speaking from experience, she could say that the first ten years were the worst. Mr Shevardnadze said that people wanted immediate results. That simply was not possible. Some very difficult decisions had to be taken. Some people in the West painted a dire picture of the Soviet Union, predicting even a total collapse. That was well beyond the bounds of reality. The great thing was that changes were in train which could not be reversed. The Prime Minister urged Mr Shevardnadze not to be daunted. Greater freedom of speech always led to louder complaints. She was confident that Mr Gorbachev would get through. He was a remarkable personality. Mr Shevardnadze commented that, although he would not say it if Mr Gorbachev was present, the Soviet Union was lucky to have such a man at this juncture.

The Prime Minister and Mr Shevardnadze discussed briefly the line they would take in speaking to the press. You will have received the transcripts of this. The Prime Minister concluded by repeating our invitation to Mr Ryzhkov to visit Britain next year and our condolences on the death of Dr Sakharov.

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

CHARLES POWELL

Stephen Wall Esq
Foreign and Commonwealth Office

1907

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COMMENT:

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FOLLOWING FROM PRIVATE SECRETARY:

SUMMARY

1. LENGTHY SHEVARDADNZE EXPOSITION OF SITUATION IN SOVIET UNION AND EASTERN EUROPE. FOCUS ON ADMITTED ECONOMIC PROBLEMS BUT OPTIMISTIC ABOUT FUTURE. UNDERLINED IMPORTANCE OF SOVIET STATEMENT AT MALATA THAT U.S. NO LONGER REGARDED AS ENEMIES. BUT DISAPPOINTED AT U.S. RESPONSE. WELCOMED ANOTHER WITH THE EC.

DETAIL

2. IN ADDITION TO THE PITCH HE MADE IN FAVOUR OF A CSCE SUMIT IN 1990 (SEE MY FIRST IPT) SHEVARNADZE DESCRIBED THE SITUATION IN THE SOVIET UNION AND EASTERN EUROPE..

3. SHEVARDNADZE NOTED THERE HAD BEEN HEATED DISCUSSIONS IN THE SUPREME SOVIET. IT WAS ONLY THE START OF A LONG PROCESS, AND REQUIRED MANY NEW LAWS (SUCH AS A NEW LAW ON PROPERTY). THE ESTABLISHMENT OF A NEW LEGAL FRAMEWORK WAS THE CRUCIAL FIRST STEP TO THE WHOLE SOVIET REFORM PROGRAMME. 1990 WOULD BE THE FIRST YEAR WHEN SOME RESULTS FROM THE REFORM PROGRAMME MIGHT BE SEEN.

4. THE KEY WAS THE ESTABLISHMENT OF HEALTHY FINANCES. WHICH MEANT REDUCING THE BUDGET DEFICIT FROM 120 BILLION ROUBLES TO 60 BILLION ROUBLES. (HE SAID THERE MIGHT BE A LARGE MEASURE OF ERROR IN THESE FIGURES.) THE SOVIET UNION INTENDED TO INCREASE GREATLY THE PRODUCTION OF CONSUMER GOODS. THEY WERE AIMING FOR A 5 PER CENT INCREASE IN 1990 OVER THE LEVEL OF 1989.

5. THE PRESSURES CREATED BY THE ISSUES OF THE NATIONALITIES HAD BECOME PENT UP OVER SEVERAL DECADES. IN THEORY, THE REQUESTS OF THE REPUBLICS COULD ALREADY BE MET UNDER THE TERMS OF THE CONSTITUTION. IN PRACTICE, TENSIONS WERE WIDESPREAD, AND FEELINGS ESPECIALLY STRONG IN THE BALTIC STATES AND THE CAUCASUS. THERE WERE NOW SIGNS OF IMPROVEMENTS. FOR EXAMPLE IN TBILISI, WHERE COOLER HEADS PREVAILED. THE REGIONAL PARTY CONGRESSES WOULD BE IMPORTANT. NO-ONE IN THE SOVIET UNION REMAINED PASSIVE: EVERYONE WAS PARTICIPATING.

6. EASTERN EUROPE
SHEVARDNADZE SAID THAT THE EASTERN EUROPEANS HAD STARTED THEIR DEMOCRATISATION VERY LATE. ESPECIALLY THE GDR. (THE SOVIET UNION HAD REALISED THIS BUT HAD LONG SINCE STOPPED TRYING TO DICTATE EVENTS IN EASTERN EUROPE.) IF THE GDR GOVERNMENT HAD STARTED REFORMS JUST 18 MONTHS EARLIER, THEY WOULD HAVE BEEN RELATIVELY PAINLESS.

7. THE POLISH ECONOMY FACED THE GREATEST DIFFICULTIES, BUT THE

COALITION GOVERNMENT WERE TAKING THE RIGHT DECISIONS, EVEN THOUGH THEY WERE BOUND TO LEAD TO UNEMPLOYMENT.

8. HE HAD STUDIED CAREFULLY THE CONCLUSIONS ON EASTERN EUROPE OF THE NATO SUMMIT AND EUROPEAN COUNCIL. SOME WERE CONTROVERSIAL BUT ON THE WHOLE HE THOUGHT THE ASSESSMENTS HAD BEEN CORRECT. BUT THERE HAD BEEN NO RESPONSE TO WHAT THE SOVIET GOVERNMENT HAD REGARDED AS A CRUCIAL STATEMENT BY THEM AND (OVER WHICH THERE HAD BEEN LONG DELIBERATION IN A DOZEN OR SO MEETINGS). NAMELY THAT THE SOVIET UNION DID NOT REGARD THE UNITED STATES AS AN ENEMY. HE ASKED WHY THIS WAS SO. THE WESTERN RESPONSE TO THAT STATEMENT SHOULD GUIDE SOVIET MILITARY DOCTRINE.

9. VAN DEN BROEK SAID THAT THE ALLIANCE HAD ALWAYS BEEN DEFENSIVE. ALTHOUGH PERHAPS PROPAGANDA HAD EXAGGERATED THINGS ON BOTH SIDES.

10. GENSCHER THOUGHT IT WAS TIME TO USE HELSINKI PROCESS TO MOVE TO REAL COOPERATIVE VENTURES BETWEEN EAST AND WEST. THE RELEVANT PROVISIONS OF THE FINALS ACT OUGHT TO BE ON THE AGENDA FOR WHAT SHOULD BE A DECISIVE MEETING IN 1990.

11. ELLEMANN-JENSEN SAID HE RESPECTED THE DIGNITY OF THOSE IN EASTERN EUROPE WHO HAD BEEN STRIVING FOR FREEDOM FOR MANY YEARS, (IN CONTRAST WITH DELAY BY THE GDR OVER JUST THE LAST 18 MONTHS).

12. THE SECRETARY OF STATE THOUGHT THAT WESTERN PUBLIC OPINION WAS USED TO NATO AND THE WARSAW PACT. PARLIAMENTS, TOO, FELT COMFORTABLE WITH THEM. BOTH ORGANISATIONS WOULD CHANGE BUT THE PACE OF CHANGE WOULD BE IMPORTANT. THE SOVIET UNION SHOULD REALISE THAT THE COMMUNITY HAD NEVER SOUGHT UNANIMITY AT EVERY TURN. THERE HAD BEEN MANY SPORADIC ARGUMENTS: BUT THE HABIT OF WORKING TOGETHER WAS STRONG AND THE COMMUNITY HAD FELT STRONG ENOUGH TO EXTEND A HELPING HAND, THROUGH THE GROUP OF 24, TO THE EASTERN EUROPEANS.

13. FOR DUMAS ACTS, NOT DECLARATIONS, COUNTED. HE THOUGHT IT IMPORTANT THAT DISARMAMENT AGREEMENTS WERE REACHED IN 1990. EYSKENS SAID THAT COUNTRIES WHICH FOR MANY YEARS HAD BEEN ENEMIES IN STABILITY SHOULD NOT BECOME FRIENDS IN INSTABILITY. HE WAS ALSO CONCERNED THAT THE RECENT RYZHKOV SPEECH HAD SUGGESTED THE PURSUIT OF ONLY PARTIAL ECONOMIC REFORM IN THE SOVIET UNION.

14. SHEVARDNADZE RETURNED TO THE SOVIET STATEMENT ABOUT THE SOVIET UNION NOT REGARDING THE UNITED STATES AS AN ENEMY, WHICH HAD BEEN THE OUTCOME OF LONG DELIBERATIONS IN MOSCOW. RADICAL STEPS SHOULD RESULT FROM REMOVING A PROBABLE ADVERSARY. HE LOOKED FOR A HEAVY REDUCTION IN ARMS EXPENDITURE, ESPECIALLY AS LARGE PARTS OF THE WORLD (THOUGH NOT EASTERN EUROPE OR THE SOVIET UNION THEMSELVES) WER SUFFERING FROM FAMINE AND COULD ONLY BE HELPED IF MONEY WERE SO RELEASED.

15. SHEVARDNADZE DESCRIBED THE MEETING AS EXTREMELY USEFUL AND THE ATMOSPHERE AS MUCH BETTER THAN AT THE LAST MEETING WITH EC FOREIGN MINISTERS. IN NEW YORK IN SEPTEMBER. HE LOOKED FORWARD TO ANOTHER SUCH MEETING IN THE NEAR FUTURE.

HANNAY

YYYY



Foreign and Commonwealth Office

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London SW1A 2AH

18 December 1989

Dear Charles,

CDP 19/11

Meeting with Mr Shevardnadze: 19 December

Mr Shevardnadze will be calling on the Prime Minister at 1700 hrs on Tuesday 19 December. He will be coming from Brussels, where he will have taken part in the signing ceremony of the EC-Soviet Trade and Cooperation Agreement. He will also have had a meeting with the NATO Secretary General, Dr Wörner.

The meeting will be dominated by Eastern Europe. Mr Shevardnadze will want to discuss managing change without damaging Soviet or Western security. He may also wish to raise arms control issues, particularly prospects for a CFE agreement in 1990.

In addition the Prime Minister, who may like to open with condolences over Sakharov, may wish briefly to review bilateral relations, which will have been covered in more detail by the Foreign Secretary. She could also briefly raise famine in Ethiopia; Central America; and Afghanistan. More detailed regional discussions will be on the agenda when the Foreign Secretary visits Moscow in the spring. The Prime Minister will also no doubt be interested to hear Mr Shevardnadze's views on the Soviet internal scene.

GDR/Berlin/German Question

The Russians label Kohl's Ten Point Plan as interference (Point Three makes economic aid dependent on reform). They are concerned about instability in the GDR. They intended the meeting of the four Ambassadors in Berlin as a signal to the FRG: TASS mischievously reported that the Western Ambassadors had also complained about Kohl's plan during the Berlin meeting. In practice, the meeting succeeded in reminding the FRG of the need to consult the Berlin Allies and to proceed with caution, and allowed the Russians to let off steam. The Berlin Group Ministerial talks on 13 December concluded that further Four-Power Ambassadorial talks should take place periodically, when the need arose. The Allies would stick to the Berlin agenda but could not prevent the Russians from ranging more widely. The Prime Minister might draw on the following points:

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- Welcome reforms taking place in GDR.
- We note your worries about the pace of events. Can assure you we have no interest in promoting instability. On the contrary.
- Need for peaceful adaptation consistent with the Helsinki Final Act. That is the essence of Strasbourg formula - which FRG of course fully subscribes to.
- Note your views on German unity. Consistent with Helsinki, believe we should all respect the right of the people in the GDR to free self-determination.
- Useful discussion by four Ambassadors in Berlin. Welcome Ambassador Kochemasov's positive remarks about Berlin Initiative. We are considering how best to follow up. We do not rule out further meetings at that level to talk about Berlin-related matters.

Eastern Europe

The Russians seem less concerned about events in the rest of Eastern Europe. Anti-Soviet sentiment has not surfaced widely. These countries are less central to Soviet security. The Polish and Hungarian governments and opposition movements are mindful of Soviet sensitivities. But this could change in the heat of forthcoming election campaigns.

The Prime Minister might like to say

- Welcome Soviet recognition that these countries must go their own way if their economic health is to be restored.
- Encouraged that change so far, though rapid, has been wholly peaceful. Tribute to moderation and good sense all round.
- Hope fledgling democracies will not be undermined by advocates of "old thinking" in these countries.
- Recognise enormous difficulty of achieving transformation of whole society and economy. Admire courage of Polish and Hungarian leaders. Hope others will act with similar determination.
- Recent high-level meetings have underscored West's willingness to provide massive help to promote stability and prosperity of these countries, which is in interest of the whole of Europe. Hope Soviet Union will also do what it can to ease economic burden on Eastern Europe.

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EC/GATT/Soviet Union

On relations between the EC and the Soviet Union, and on wider East-West economic relations, the Prime Minister could draw on the following points:

- Trade and Cooperation Agreement important first step in EC/USSR relations. Glad agreement reached so quickly.
- Agreement recognises your commitment to introduce economic reforms. We welcome this. Hope it will prove possible to liberalise EC quantitative restrictions speedily. This will depend on speed of your restructuring.

GATT/Soviet Union [if raised]

- Glad European Council agreed in principle to support observer status.
- Full membership will take time - and further economic reform.

CSCE

The Soviet proposal for a 1990 CSCE Summit is in line with their overall view that the CSCE is the best pan-European framework within which to discuss the construction of a stable new order in Europe as a whole. However, other than explaining that in calling such a Summit they have no intention of advancing the 1992 Helsinki Follow-up Meeting or of disrupting the current programmes of intersessional meetings, the Russians appear not to have developed the proposal. They may be receptive to ideas from others. Austria, the host of CFE and CSBM talks, has just offered to host a CSCE Summit meeting to discuss further prospects for CSCE cooperation, to follow immediately after signature (by the 23) of a CFE agreement.

At last week's NATO ministerial there was agreement that we should not simply sign up to an unprepared meeting. The North Atlantic Council communique of 15 December said: "The Allies will be considering in the period ahead the usefulness and possible accomplishments of a CSCE meeting at a political level prior to the Helsinki Follow-Up Meeting in 1992. A successful meeting would require careful preparation and clarity as to its intended purpose and goals."

As appropriate the Prime Minister could draw on the following:

- We have noted Gorbachev's proposal for a CSCE Summit in 1990. We need to clarify objectives: what are main Soviet concerns? Would this be combined with signature of CFE

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agreement and perhaps also a CSBM package? What other specific objectives? How would a 1990 Summit relate to the 1992 Helsinki Follow-up Meeting?

- A Summit should be carefully prepared. On timing, late 1990 would presumably be appropriate, if, as seems logical, Summit to be related to CFE Treaty signature.
- How do you see CSCE role evolving in the new Europe?

CFE/Chemical Weapons

The Soviet performance in CFE has been generally non-confrontational and workmanlike, with no sign of the declaratory approach they showed at MBFR. The Russians have had to contend with a more vociferous Warsaw Pact keen to speak out to protect perceived national interests. But Gorbachev confirmed at the Malta Summit Russian commitment to signature of a CFE Treaty in 1990. The Prime Minister might welcome this; confirm that we too are ready to meet the challenge; but emphasise that quality must not be sacrificed for speed.

The Prime Minister might also use the opportunity to restate our firm views on two issues on which Eastern objectives remain far from ours:

- While they have moved towards the West's proposed ceiling for combat aircraft (5,700 a side), they still want exclusion of some of their air defence interceptors, to compensate for the fact that neither US strategic bombers nor carrier-borne aircraft are covered by CFE. The Prime Minister might say that there is no justification for exclusion of air defence aircraft: we have air defence needs too, but are not seeking exclusions for them, because aircraft cannot be categorised so precisely.
- They want all stationed personnel included in the manpower ceiling. They have proposed a counter ceiling of 300,000 a side in response to the West's 275,000 each for US and Soviet personnel. (No other Warsaw Pact country has stationed forces; France and the UK have the largest Western stationed forces apart from the US.) The Prime Minister made clear to Mr Gorbachev in September that there could be no question of UK personnel being included. She might confirm that our position has not changed.

If Mr Shevardnadze raises CW, the Prime Minister might welcome the extensive US/Soviet bilateral contacts on CW issues in recent months. We hope these will help to resolve some of the outstanding problems (data, verification) relevant to the Geneva multilateral negotiations.

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Anglo-Soviet Relations

Bilateral relations are very good. The Prime Minister will wish to acknowledge Mr Gorbachev's critical role in the transformation of Anglo-Soviet and East/West relations in recent years, and to make clear our strong political support for perestroika. We and all our allies wish to do everything possible to ensure that the process continues and succeeds (as we believe it must). We are already making a concrete contribution by providing training and expertise, but would be happy to consider other ways in which we could help if the Russians have suggestions to make.

The only area of bilateral difficulty is espionage/expulsions/ceilings. But at talks between officials on 11 December, the Russians were a good deal more constructive than previously and put forward proposals which seem likely to avert the Soviet threat to impose a ceiling on British personnel in Moscow. There is therefore no need for the Prime Minister to raise this issue, although Shevardnadze may conceivably touch on it.

The Prime Minister may like to draw on the following bilateral points, which the Foreign Secretary will be covering in detail in his own meeting with Shevardnadze:

- Relations better than ever. Welcome this opportunity to continue high-level dialogue.
- Expecting high-level Supreme Soviet delegation early next year. Hope Mr Ryzhkov will also be able to take up his invitation before too long.
- Busy programme of outward visits. Much looking forward to my own from 7 to 10 June (for talks with Mr Gorbachev, to visit 'Britain in Kiev' and to open the British school in Armenia).
- Upsurge in direct contacts between individuals/organisations in our two countries particularly important in breaking down barriers.
- Bilateral trade still not fulfilling potential: attach great importance to proposed British Trade Centre in Moscow - would be a symbol of improving relationship.
- Welcome very major improvements in human rights situation in last 2-3 years, but still subject of real public/parliamentary concern in UK. Key is to enshrine recent changes in law.

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Soviet Internal

Gorbachev remains strikingly buoyant and self-confident. He is clearly the only Soviet leader capable of dominating both the Party and the new Supreme Soviet. However, developments both within the Soviet Union and in Eastern Europe more widely must be causing him growing concern. The Soviet economy is near to crisis and the nationality problem looks totally intractable. Gorbachev's critics, at least, see the situation spinning out of control, with the security and integrity of their country increasingly in jeopardy - and they are making their views known in public. The possibility of the Soviet Union actually falling apart in the next 5-10 years can no longer be ruled out.

Against this background the Prime Minister will wish to hear how Shevardnadze sees the situation. She might like to touch on: _____

- Recent statements by eg Deputy Prime Minister Abalkin suggest a coherent programme of reform is developing. But also that no significant improvements in living standards before the mid-1990s (if then) and a tough few years ahead: risk that popular support for perestroika will evaporate?
- How to square increasing decentralisation and regional autonomy with clear possibility of popular will for independence in some republics.
- Is the CPSU likely to go the same way as parties in Eastern Europe? Pluralism surely inevitable.
- Do the military resent their reduced status and the conventional cuts introduced by Mr Gorbachev; would they accept eg the idea of a smaller professional army?
- Does growing Russian nationalism (with its yearning for discipline and strong central control) pose a real threat to perestroika?

Ethiopia

We should use these meetings to urge the Russians, once again, to press the Ethiopians on food relief. We know the Russians have stressed the seriousness of the situation; but the Ethiopian Government have not yet responded, and the matter is urgent.

- Deeply concerned at new famine in Ethiopia. Harder to tackle than 1984/85, since worst-hit areas are under rebel control. Cross-border operations can meet only a small part of the need. Bulk of the feeding has to be done from

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government side. Urgent need to persuade Ethiopians to allow access. President Moi announced on 12 December that Mengistu had agreed to corridors of peace; but Foreign Ministry in Addis Ababa say matter still under urgent consideration.

- Grateful to you for urging the Ethiopians to allow access for food supplies across the lines. Recognise their stubbornness. But millions of lives may be at stake unless problem soon resolved.
- No long-term solution to Ethiopia's plight unless government pursues more sensible economic policies. They need perestroika.
- Peace process inches forward. Need for all interested parties to keep up the pressure on government and rebels to negotiate seriously, and be flexible.

Central America

At Malta, President Bush appears to have accepted Gorbachev's word that the Russians were not providing military support to Nicaragua or to the FMLN in Salvador, but asked that they use more "muscle" on Cuba and Nicaragua than hitherto. The Russians claim to be doing all they can, eg during Shevardnadze's visit to Nicaragua in October. Our information confirms that the Russians have stopped supplying lethal equipment to Nicaragua. The SAM 7 missiles recently passed from Nicaragua to the FMLN in El Salvador were manufactured in North Korea. Soviet diplomats in London have been very active trying to convince us of their wish to play a positive role, with the United States, in contributing to peace in the region. In discussion, the Prime Minister might say:

- The Declaration issued at the conclusion of the recent Central American Summit included a welcome endorsement of President Cristiani's democratically elected Government and a call on the FMLN to stop using violence. It is disappointing that Ortega has since reaffirmed his support for the FMLN.
- Prospects for an early end to the fighting in El Salvador are therefore not encouraging. FMLN appear to have no shortage of military supplies. Soviet economic aid to Nicaragua surely gives them the leverage to insist on an end to this stoking of the flames in El Salvador.
- Cuba looks increasingly isolated in rejecting reform and sticking to old policies of exporting revolution. Cannot Russians induce them to support peace process in Central America?

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Afghanistan

Afghanistan was discussed at the Malta summit, when Gorbachev restated familiar proposals calling for "negative symmetry", a ceasefire, and a power-sharing arrangement between the PDPA regime and the mujahideen. The Americans took some encouragement from the Russians' agreement to their point that a detailed plan for a transition of power would be needed. Shevardnadze's meeting with the ex-King, Zahir Shah, during Gorbachev's visit to Rome apparently broke no new ground. According to his adviser's account to us, Zahir Shah insisted he would not deal with Najibullah or the PDPA regime. The Prime Minister might:

- emphasise Najibullah must step down
- ask about the meeting with Zahir Shah.

Jane,
Stephen Wall

(J S Wall)
Private Secretary

C D Powell Esq
10 Downing Street

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PRIME MINISTER

2(a-d)

MEETING WITH THE SOVIET FOREIGN MINISTER

You are to see Mr. Shevardnadze at 1700 tomorrow afternoon for 1½/2 hours. He will have had an hour with the Foreign Secretary first. Mr. Hurd has asked to attend the meeting with you as well. With interpreters we are likely to number eight: you might therefore like to have the meeting in the Cabinet Room (and the photographs in the front hall).

Shevardnadze will earlier have been in Brussels where he will have signed a trade agreement between the Soviet Union and the EC and visited NATO HQ to meet the Secretary-General: the first-ever formal contact between the Soviet Union and NATO.

It is difficult to assess how far the Soviet leadership is master of events as opposed to being swept along by them. Gorbachev seems to have willed change in Eastern Europe, but whether he expected it to be so rapid and far-reaching must be open to question. The Czechs go to Moscow on Wednesday to ask for the removal of Soviet troops. The Hungarians are bound to follow suit (there have already been substantial reductions in Soviet forces there). The Bulgarian Communist party is giving up its hold on power. Now there is trouble in Romania, which we all heartily hope will lead to the removal of Ceausescu. Within the Soviet Union itself, the economy continues to deteriorate and Ryzhkov's latest measures are a step back from reform. The prospects are that non-Communists and supporters of autonomy or independence will win next spring's local elections in the Baltic Republics. Laws on private property seem to have been suspended or slowed down. The leading role of the Communist party under Article 6 of the Soviet Constitution has been called into question by a substantial number of delegates to the People's Congress (although formal debate has been avoided for now). At the recent Central Committee meeting there were signs of opposition to Gorbachev from some regional party leaders (perhaps

acting as stalking-horses for others in the leadership): Gorbachev is reported, at one point, to have threatened resignation. In short, Gorbachev et al are going through a very difficult time, with the Soviet glacis in Eastern Europe dissolving before their eyes and nothing concrete to show for perestroika at home.

In all this ferment, the issue of German reunification must loom large, although curiously there seems to have been rather little public or press comment in the Soviet Union. Yet we have had several reports of increasingly strident criticism in private from Gorbachev (to President Mitterrand and to Genscher for example). Gorbachev will certainly recall your own talk in September and will probably regard you as his foremost ally against German reunification. He will certainly have briefed Shevardnadze on the conversation, and he is likely to be looking for further support from you. There is a difficult balance to be struck. We don't want to be seen as overt opponents of German reunification at any price, because that risks driving the Germans to the view that they have to leave NATO to find reunification. What we need to do is construct an effective brake on the process, and that will require increasing but not too obvious co-operation between the Soviet Union, Britain and France.

Against this background, there is quite a lot of ground to cover in the meeting.

You might like to start by referring to Dr. Sakharov's death and the loss it represents to the Soviet Union. You might also refer to the anniversary of the Armenian earthquake.

This would lead on asking him to give an account of developments in the Soviet Union since your meeting with Gorbachev in September. You will want to quiz him about the economy and Ryzhkov's latest measures: the nationalities: the progress of reform of the emigration law: the prospects for various forms of property ownership. You will want to use this part of the conversation to express our continuing strong support for what

Gorbachev is trying to achieve and our disposition to help. We are also ready to support steps to help the integration of the Soviet Union into the world economy.

I think you might at this point add that you found it very useful to be able to drop in informally to Mr. Gorbachev in September, without protocol. You are always ready to talk if he feels it would be useful. Your next scheduled meeting is in June. But with events moving so rapidly, he may feel that a talk before then would be helpful. You are not pressing: you just want him to know that you are always ready to make a flying visit at a week-end or some other time if he would find that useful. You are not much of a one for talking on the telephone.

That would open up the subject of Eastern Europe. You will want to distil for him the results of recent meetings in the West: the 18 November meeting in Paris: the European Council in Strasbourg: the OECD meeting: the NATO Foreign Ministers. We are ready to provide practical help for reform in Eastern Europe. But we are not seeking to take advantage of current difficulties: and we strongly endorse the need for structures which will provide stability and security during this time of rapid change.

We are also ready to continue with arms control negotiations. But we must not be over-ambitious. CFE I is an enormous undertaking. It will take time to implement. We need to retain adequate forces for deterrence on both sides, including American forces in Europe. In a way, NATO is the best guarantee of Soviet security. So let's move steadily in this area, bearing in mind that the changes in Eastern Europe - and the unexpected developments they may bring in their train e.g. clashes between different national groups - will be easier to manage if both sides feel secure.

On German re-unification you will not want to hide our concerns, but emphasise the efforts which you have been making to slow things down. The Strasbourg Communique qualified the right of self-determination heavily: and we are very ready to participate in further Four-power meetings on Berlin. A greater degree of

caution is evident in West German statements on the subject. But it is going to continue to need very careful handling. Overt opposition is only likely to inflame opinion in West Germany and drive them more rapidly towards reunification, outside the constraints of NATO and EC. It is bound to be the main issue in the German elections next year. You want Britain and the Soviet Union - and France which shares our doubts - to consult closely at every stage to restrain any head-long rush to reunification. Preserving the existing structure of Alliances, as well as adequate defence including nuclear weapons, will have an essential role in this.

For this reason among others, the Soviet Union would be well-advised to rethink its attitude on nuclear weapons in Europe and to accept the need for maintaining some SNF - although at lower levels - on both sides. Such a balance should strengthen the arguments for preserving the structure of the two Alliances, and reduce the risk that West Germany will be tempted to leave NATO. It is also - and this is an additional bonus - the best guarantee against Germany seeking nuclear weapons of its own.

You might also discuss the Soviet proposal for a CSCE meeting next year. We are cautious about this. Such meetings are worthwhile only on the basis of careful preparation. The Americans have made some interesting proposals on how the CSCE process might be made more effective e.g. support for free elections, use of the economic basket to encourage market-related measures etc. We see no great advantage in a meeting just for the sake of it.

You might also make clear that we remain uneasy about Soviet claims on their chemical warfare capability. Our calculations continue to come up with higher quantities of CW than those to which the Russians admit. The discrepancy makes it the harder to embark on negotiations with confidence.

There are quite a number of regional issues you could also mention if there is time, although they are of lower priority: relations with China, Central America, Southern Africa, Middle

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East. I hope Shevardnadze will not raise the question of Embassy ceilings. You and Gorbachev agreed in September that this should be settled at lower level, and Heads of Government need not discuss it again.

Finally you might remind him of the outstanding invitation to Mr. Ryzhkov to visit the United Kingdom, which we hope he will take up.

A fuller note by the FCO is in the folder, together with the notes of your last meetings with Gorbachev and Shevardnadze.

C.D.P

C. D. POWELL

18 December 1989

c:\foreign\shev (kk)

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10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

18 December 1989

Dear Stephen.

VISIT OF MR SHEVARDNADZE

While I was at the Soviet Embassy with the Prime Minister this afternoon for the Armenian Awards ceremony, I was taken aside by Mr Krasnov, who said he had come from Moscow to prepare for Shevardnadze's visit. Shevardnadze wanted the Prime Minister to be aware in advance of two points which he was intending to raise. These were:

He would like to discuss with her arrangements for activating the 4-Power mechanism in Berlin and making more use of it. I said that we had already activated the mechanism and agreement had been reached to continue contacts. I was not sure what further aspects Mr Shevardnadze would wish to discuss. Mr Krasnov was not very clear on the point, saying only that the Russians would like to see the scope of 4-Power exchanges extended. This whole business of reunification was very difficult for Mr Gorbachev in domestic terms, bearing in mind what the Soviet Union had suffered at the hands of Germany.

The second matter was the possibility of the Prime Minister paying an early visit to Berlin, in the course of which she might cross over to East Berlin to meet Mr Modrow, rather on the lines that Secretary Baker had just done. Mr Gorbachev thought this could be very useful in present circumstances. I said that I would report this, but there were obvious difficulties about a meeting in East Berlin itself. My own view is that we need to proceed rather cautiously on this.

I should be grateful if you could let me have any necessary additional briefing on these two points.

Charles Powell
CHARLES POWELL

Stephen Wall Esq
Foreign and Commonwealth Office

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SHEVARDNADZE'S VISIT TO UK: INTERVIEW IN IZVESTIYA

1. IZVESTIYA OF 17 DECEMBER PRINTED AN INTERVIEW WITH SHEVARDNADZE CONDUCTED BY A TASS CORRESPONDENT. MOST OF THE INTERVIEW WAS DEVOTED TO DISCUSSING SHEVRADNADZE'S VISIT TO BRUSSELS, BUT HIS CONCLUDING REMARKS LOOKED FORWARD TO HIS VISIT TO THE UK.

2. ASKED WHY HE HAD UNEXPECTEDLY ADDED UK TO HIS ITINERARY, SHEVARDNADZE REPLIED: 'POLITICAL AND DIPLOMATIC CONTACTS HAVE NOW BECOME MUCH LIVELIER THAN A FEW YEARS AGO. CURRENT DEMANDS AND A NEW LEVEL OF MUTUAL UNDERSTANDING HAVE MADE THIS NECESSARY. OUR DIALOGUE WITH GREAT BRITAIN HAS A HIGHLY DYNAMIC AND CLOSE CHARACTER. THE MEETINGS BETWEEN MR GORBACHEV AND MRS THATCHER HAVE A SPECIAL ROLE IN THIS. THE REASONS FOR THIS ARE NOT DIFFICULT TO EXPLAIN. BRITAIN'S ROLE IN EUROPE AND THE WORLD IS WELL KNOWN. I WILL POINT OUT ONLY THAT THE SOVIET UNION AND GREAT BRITAIN, TOGETHER WITH THE USA AND FRANCE, BEAR A PARTICULAR RESPONSIBILITY FOR PEACE AND STABILITY IN EUROPE AS A RESULT OF THE QUADRIPARTITE DISCUSSIONS DURING THE WAR AND POST-WAR PERIODS. I AM LOOKING FORWARD TO FULL AND CONSTRUCTIVE TALKS WITH MRS THATCHER, AND ALSO TO ESTABLISHING GOOD BUSINESSLIKE COTACTS WITH MY COLLEAGUE IN THE MINISTRY OF FOREIGN AFFAIRS, MR HURD. I AM SPEAKING ABOUT THIS WITH CONFIDENCE BECAUSE THE SPHERE IN WHICH OUR TWO COUNTRIES ARE TAKING A COMMON APPROACH TO WORLD AFFAIRS HAS WIDENED APPRECIABLY IN RECENT YEARS'.

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DA

PRIME MINISTER

SHEVARDNADZE

Mr. Gorbachev is very keen for Shevardnadze to come to see you next week. The only day he could manage is Tuesday afternoon after Questions. He has to be back in Moscow that night to receive the new Czechoslovak Prime Minister the following day.

The time which would suit him best is 1545 but you already have an hour with The Prince of Wales then. We therefore intend to suggest to Shevardnadze a meeting at 1700 which would last an hour and a half or so, from which he would go straight to the airport.

The Foreign Secretary would also want to be present and would return early from the EC meeting in Brussels to attend.

Can we go ahead on this basis please? — *RM agreed*

DA

RP. (C.D. POWELL)

15 December 1989

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10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

15 December 1989

VISIT OF THE SOVIET FOREIGN MINISTER

This is to bring you up-to-date with action on the visit of the Soviet Foreign Minister next week.

Bill
The Soviet Ambassador came to see me this morning to say that Mr Gorbachev was very keen for this visit to take place. Mr Shevardnadze could travel to London on the afternoon of Tuesday 19 December, after his visit to Brussels, but had to return to Moscow that night for a visit by the new Czechoslovak Prime Minister the next day. He would be available for talks from about 1500. I explained the Prime Minister could not in any event be available until after Questions and that she had an engagement which it would be very difficult to move immediately thereafter. It was unlikely, therefore, that the meeting could start until 1700.

I have subsequently put this to the Prime Minister who has agreed that we should offer a meeting starting at 1700 and I am so informing the Soviet Ambassador. The Prime Minister agrees that the Foreign Secretary should be present but would not want to extend participation beyond that. We shall be seeking similar restraint on the Soviet side.

Bill
You will want to put in hand appropriate arrangements for transport and security. It occurs to me that we ought to offer a helicopter to Mr Shevardnadze and his immediate party back from Wellington Barracks to Heathrow so that his take-off for Moscow is not unduly delayed. I should be grateful if consideration could be given to this. I am sure the Prime Minister would very much like to have Richard Pollock to interpret if he is available.

Charles Powell

Richard Gozney Esq
Foreign and Commonwealth Office

CONFIDENTIAL

SOVIET UNION: Rels. PT

Ph. file
CA.

Prime Minister,

Your proposal to meet ~~with~~ Mr. Shevardnadze in London was considered by Mr. Gorbachev. Mr. Gorbachev has instructed me to convey to you the following.

Mr. Gorbachev welcomes your initiative. Frankly speaking we also had an intention to exchange views with Britain's leadership at this important phase of the development of events in Europe. We believe that the continuation of the dialogue between our two countries is important and timely. That is why we accept your invitation with gratitude.

About the timing of the visit. In view of the fact that on December 20 the visit to Moscow of the Prime Minister and Minister of Foreign Affairs of Czechoslovakia is planned and on December 21 1989 a visit of the Foreign Minister of Mongolia is taking place, not to mention the second Congress of the USSR People's Deputies, we propose that the meeting be held in the second half of the day on December 19, 1989. Mr. Shevardnadze could come to London so as to begin the talks with you at 3 p.m.

He could depart for Moscow immediately after the completion of the talks.



10 DOWNING STREET

THE PRIME MINISTER

15 July 1986

Dear Mr. Shevardnadze,

I found our talk yesterday afternoon most useful. Please thank General Secretary Gorbachev both for his message - to which I shall reply - and for his invitation to me to visit the Soviet Union. I accept this with pleasure and look forward to discussing dates in due course. May I also thank you for the magnificent chess set, which I was delighted to receive.

I hope that you enjoyed your visit to our country and send you my best wishes,

Yours sincerely
Margaret Thatcher

Mr. Eduard Shevardnadze

BM

~~Charles~~

Sat clo

USSR Embassy

May this please be
addressed to the
Minister, presumably
to the USSR Embassy
here.

15/7

Guard A. SHEVARDNADZE

*Member of the Politbureau,
CPSU Central Committee,
Minister for Foreign Affairs of the USSR*

DENIS THORNTON
10 DOWNING STREET

OF

15 July

My dear Minister,

May I thank you
most warmly for the
kind and generous
gift you have sent
to me and much
appreciated.

I hope that you
have had an enjoyable

and the evening visit.

With thanks and
best wishes for a
safe journey home.

Yours sincerely,

David Theobald

FILE
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CAJ



bc: PC

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

14 July 1986

Dear Tony,

PRIME MINISTER'S MEETING WITH
THE SOVIET FOREIGN MINISTER
MONDAY 14 JULY, 1500

I enclose a record of the Prime Minister's meeting this afternoon with the Soviet Foreign Minister.

I am copying this letter and enclosure to John Howe (Ministry of Defence) and to Michael Stark (Cabinet Office).

Yours sincerely
Charles Powell

CHARLES POWELL

A. C. Galsworthy, Esq., C.M.G.,
Foreign and Commonwealth Office

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SUBJECT CC MASTER

RECORD OF A MEETING BETWEEN

THE PRIME MINISTER AND THE SOVIET FOREIGN MINISTER

AT 10 DOWNING STREET ON MONDAY 14 JULY AT 1500

Present:

The Prime Minister
The Foreign and Commonwealth Secretary
HM Ambassador, Moscow
Mr. C. D. Powell
Mr. K. A. Bishop

Mr. Shevardnadze
The Soviet Ambassador
Mr. N. N. Uspensky
Mr. S. P. Tarasenko
Mr. G. P. Gusarov

* * * * *

The Prime Minister welcomed Mr. Shevardnadze and enquired after Mr. Gorbachev. Mr Shevardnadze expressed gratitude for the hospitality extended to him and thanked the Prime Minister for finding time to see him so soon after her return from Canada. He had talked to Mr. Gorbachev shortly before his departure. Mr. Gorbachev had asked him to give the Prime Minister his cordial greetings. He had warm recollections of his own visit to the United Kingdom and his meetings with the Prime Minister. These had made an impression more widely within the Soviet Union. Mr. Gorbachev wanted to stress the importance he attached to the dialogue which he had established with the Prime Minister in 1984 and his readiness to continue it. Mr. Gorbachev had also asked him to hand over a message (text enclosed with this record).

The Prime Minister asked Mr. Shevardnadze to thank Mr. Gorbachev for the message. She would study it carefully and reply. She too looked forward to continuing the dialogue in due course. Mr. Shevardnadze pointed out that the message contained an invitation to the Prime Minister to pay an official visit to the Soviet Union. The Prime Minister said that she was grateful to Mr. Gorbachev for the invitation. She believed such a visit could be helpful and she would like to undertake it at a moment which both sides judged propitious.

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EAST/WEST RELATIONS AND ARMS CONTROL

Mr. Shevardnadze said that Mr. Gorbachev's message summarised developments since the United States/Soviet Summit in Geneva and expressed his readiness to hold a further Summit provided agreement could be reached on certain important issues. The message urged the Prime Minister to take an active role in preparations for a further Summit. It also set out the Soviet position in the Geneva arms control talks and described the various steps which the Soviet Union was taking, both internally and in its foreign policy, to remove the accumulation of mistrust built up over tens of years.

The Prime Minister recalled the basis on which she had told Mr. Gorbachev that discussions between the United Kingdom and the Soviet Union could bear fruit. They should be held on the basis of mutual respect, with the aim of securing a balance of armaments. Respect and balance together gave security, which was vital to both sides. In addition, all governments wanted to be able to spend more money on raising living standards and less on arms. We also wanted to avoid another war in Europe. Discussions took place on the basis of membership of our respective alliances. But they must also encompass wider world issues, with the aim of ensuring that local conflicts did not escalate.

The Prime Minister agreed that it was important to hold a further Summit between President Reagan and Mr. Gorbachev and that some concrete result should emerge from that meeting. The aim should be to bring the arms control negotiations in Geneva to the stage where practical results could be announced when the Summit took place. The last meeting had been useful in dispelling some of the suspicion and mistrust which characterised East-West relations. Now it was time to take a further step forward.

The Prime Minister continued that one area in which we believed early progress should be made was chemical weapons. Lord Whitelaw had reported on his discussions with Mr. Gorbachev and it seemed that the Soviet Union too was ready for progress in this field. It was important to take an early step forward since use of such weapons was becoming more common, for instance in the war between Iran and Iraq.

Another area for early progress was INF. Soviet and American proposals were on the table and there should be intensive negotiations to work out an agreement. We would also like to see progress in the Strategic Arms Reduction Talks.

The Prime Minister recalled that she had made clear publicly that, in a world where there was little enforceable international law, it was very important for the great powers to keep to their arms control treaties. This applied in particular to the ABM Treaty and to SALT I and II. She was aware that the Soviet Union had proposed an extension of the period of notice for withdrawal from the ABM Treaty. She understood the reasoning behind this, in that it would give greater predictability about the possible deployment of new weapons. The precise period of any extension would no doubt be a subject for negotiation. Britain had also expressed the view that SALT II should continue to be upheld. The United States had told us that they had raised their concerns about Soviet non-compliance with that agreement many times in the Standing Consultative Commission but without any satisfactory result. Both sides should comply with the Treaty and be seen to do so.

Mr. Shevardnadze said that he agreed with virtually everything that the Prime Minister had said, and in particular with her remarks about the responsibilities which all parties had under the various arms control agreements. Of course there was a global East-West relationship, but this was a very general concept. In practice it relied upon dialogue between individual states. The United Kingdom/Soviet relationship had an important role to play in resolving general East-West problems. Both sides had been ready to put aside their differences and work together in the past, in times of great danger. He approved the Prime Minister's general approach to East-West relations, with its stress on learning to live together. This corresponded to Soviet thinking. The Soviet Union had established plans to improve living standards and build socialist democracy. But they could be implemented successfully only if there was peace. This was why, in his statement of 15 January, Mr. Gorbachev had spelled out proposals for the step by step removal of the nuclear menace. A large number of other more specific arms control proposals had also been made.

Mr. Shevardnadze continued that the Soviet/United States relationship was obviously of central importance. The Soviet Union was sincere in its wish for better relations. The Summit meeting in Geneva had been an important step. Unfortunately, subsequent events gave rise to considerable concern. The Soviet side had taken decisions to suspend nuclear tests unilaterally, to freeze the deployment of intermediate nuclear weapons in Europe and not to launch ASAT. The United States had, in contrast, taken no positive steps. Instead it had decided not to abide by SALT I and II. This was cause for profound concern. The SALT agreements were "treaties for eternity" and must be preserved until better agreements could be put in their place. Of hardly less concern were American statements asking for a revision of the ABM Treaty. When people intended to undermine a Treaty they started to look for justifications, in this case by talking of Soviet superiority in space research and alleged violations of SALT. The Standing Consultative Commission had indeed discussed alleged violations of the SALT agreements fully but had not found proof of any serious non-compliance by the Soviet Union either on the encryption of telemetry or the development of the SS25. It had also been claimed that the new Krasnoyarsk radar was a violation of the ABM Treaty. This was not the case. The main function of Krasnoyarsk when completed would be to track objects in space. The United States for its part was building new radar stations outside its national territory, both in Greenland and in the United Kingdom. This was why the Soviet union had suggested freezing the construction both of Krasnoyarsk and of the similar stations in Greenland and at Fylingdales. The Soviet Union remained ready to take that decision.

The Prime Minister said that she would like to make some additional points on arms control. First, extension of the period of notice of withdrawal from the ABM Treaty strengthened the need for satisfactory arrangements to ensure compliance. Second, the United Kingdom would retain its independent nuclear deterrent and would modernise it. Failure to do so would mean disarming by obsolescence. The same applied to Fylingdales which pre-dated the ABM Treaty and must be modernised. Third, the United Kingdom was playing a part in research on strategic defence. The Soviet Union was no doubt also undertaking research. Indeed its reputation in the field of lasers was outstanding. Neither side could stop such research because there was

no means of verification. But if there was to be any question of deploying ballistic missile defence, that would be a matter for negotiation under the ABM Treaty. Finally, she wanted to stress the United Kingdom's interest in reducing conventional arms, particularly in the MBFR talks in Vienna.

Mr. Shevardnadze said that the Soviet Union had put forward proposals in Geneva on space defence which took into account earlier United States proposals. Now they had proposed a compromise covering INF, START and space. The Soviet Union had never denied that it was carrying out fundamental research into space defence. Indeed such research must be carried out. But it was essential to make a clear distinction between research on the one hand and development and production on the other. On INF, the Prime Minister would know that the United Kingdom's nuclear weapons were not the subject of negotiation between the Soviet Union and the United States. However, the Soviet proposal that there should be no quantitative increase in the British and French nuclear arsenals was a legitimate one.

The Prime Minister said that she and Mr. Shevardnadze could not enter detailed negotiations. But she could say that President Reagan was very anxious for a further Summit and wanted progress in the Geneva talks. She hoped there would be a Summit by the end of 1986.

Mr. Shevardnadze asked what more the Soviet Union had to do to convince the United States of its sincerity. They had already made important concessions. The Prime Minister said that the recent Soviet proposals had aroused considerable interest in Washington. They were being seriously considered and a reply was being prepared. She would report to President Reagan the terms in which Mr. Shevardnadze had raised these matters with her.

HUMAN RIGHTS

The Prime Minister said that she wished to raise a matter which Mr. Shevardnadze might find difficult. She would try to do so in a constructive way. It was a matter which went to the heart of relations between Britain and the Soviet Union. We found it difficult to understand why a country refused to let some of its people leave. There were three particular cases which she would cite: those of Ida

Nudel, Irina Ratushinskaya and Dr. Sakharov. We were also concerned more generally with the position of Soviet Jewry which was constantly raised in Parliament. She was aware that the Soviet Union regarded these an internal matters. Nonetheless it seemed to her that the Soviet Union could considerably improve its international standing by allowing such people to leave the Soviet Union.

Mr. Shevardnadze said that, on the right of nationalities including people of Jewish origin to leave the Soviet Union, every country had its own laws and customs. Soviet laws provided both for visits abroad and for emigration. The process was going on all the time. 279,000 people of Jewish religion had emigrated from the Soviet Union in recent times. This was not in response to appeals from outside but through the normal process of application within the Soviet Union. Soviet representatives were constantly being handed lists of names. That was perfectly legitimate. But there were specific cases where it was not possible to reach a positive decision. These were particularly where the security of the country was concerned. There were similar rules in the United Kingdom. Some cases concerned criminals who were serving prison terms. These problems called for objective and calm consideration. Where decisions were possible, the Soviet Union would make them.

The Prime Minister said that it would be very helpful if the Soviet authorities could do more in this area. She found herself constantly pressed to take action with the Soviet authorities and always made a point of saying that it was best to do so quietly. In the present instance, she would say publicly that she had raised the matter with Mr. Shevardnadze but not go beyond that. The Foreign Secretary recalled that there were two distinct categories of people involved: bilateral cases involving family reunions, of which we had handed over a list of 7 cases some weeks ago, and wider human rights cases including Soviet Jewry. Mr. Shevardnadze said that the Prime Minister should say that she had raised the problem and that he had explained the Soviet position, saying that legitimate representations would be considered. Mr. Zamyatin said that frequently cases raised concerned people who had been condemned by the courts and were serving prison terms. This applied to Irina Ratushinskaya. The Soviet authorities could no more over-rule the verdict of a court than could

the British Government. It would be better if such cases were eliminated from the lists submitted to the Soviet authorities.

TERRORISM

The Prime Minister said that it was important that governments should co-operate to deal with state-sponsored terrorism, and should not sell arms to countries which practised it. Mr. Shevardnadze said that the attitude of the Soviet leadership had been expressed publicly in speeches at the 27th Party Congress. Of course the struggle against terrorism was necessary and the Soviet Union was prepared to play an appropriate part. It did not wish to evade discussion. He suggested that the two foreign ministries should have direct consultations to explain their respective positions.

The Prime Minister recalled that she had also mentioned the question of supply of arms. Mr. Shevardnadze said that Libya was an independent country and was perfectly entitled to obtain arms. He recalled that aggression had been practised against Libya with the moral support of the United Kingdom. This could be equated with state terrorism. The Prime Minister said that we had seen murder on our streets carried out by people acting on the instructions of Colonel Qaddafi. If Qaddafi believed that he could get away with such behaviour, he would go on to kill other innocent people. She knew that Soviet diplomats had also been victims of terrorism. Even the Soviet Union seemed to find Qaddafi difficult to deal with.

Mr. Shevardnadze said that he did not want to act as a lawyer for Colonel Qaddafi. But there was no proof of the Libyan leader's involvement in terrorism. Moreover, there were a number of governments which were very odious such as those of South Africa and Chile. The West should not apply double standards. Why did it not organise an offensive against South Africa? The Prime Minister said that no other country had proclaimed its intention to employ terrorism and then carried it out in the same way as Libya. Mr. Shevardnadze said that South Africa had attacked neighbouring states. All manifestations of state terrorism should be condemned. He repeated his proposal for contact between experts on this problem.

AFGHANISTAN

The Prime Minister said that the Geneva Summit had awakened hopes for Soviet withdrawal from Afghanistan. She wondered whether there had been any subsequent development in Soviet intentions.

Mr. Shevardnadze said that he was glad that the Prime Minister distinguished between terrorism and the problem of Afghanistan. The Prime Minister said that the problem of Afghanistan was that it was an occupied country. Mr. Shevardnadze said that was her opinion. Afghanistan was a very acute problem, of more concern to people in the Soviet Union than in the United States and Britain. The Soviet Union was not looking for any advantages in Afghanistan. A process of normalisation was in train and would be brought to its logical conclusion, provided that it was not hampered by outside forces. He was sure that the United Kingdom would want to contribute to a peaceful settlement. Talks were also going on and a time table had been produced for the withdrawal of Soviet troops. He did not rule out unilateral steps by the Soviet Union in that respect. But the Soviet Union could not leave without guarantees of non-interference. The people of Afghanistan had their own system of government. Afghanistan should be a non-aligned, neutral country and a good neighbour to the Soviet Union and other countries. The Prime Minister said that the Afghans were sturdy fighters and would not be governed by anyone outside their territory. They would want their own form of government, chosen by them alone. Mr. Shevardnadze said that there were no difference between him and the Prime Minister on this last point.

CHERNOBYL

The Prime Minister said that we welcomed the prospect of discussion in the IAEA on nuclear safety. We had heard of the outstanding bravery shown by those who had to cope with the disaster at Chernobyl. This had made a great impression. Mr. Shevardnadze expressed gratitude for the help received from the United Kingdom in dealing with the Chernobyl accident. The lessons of Chernobyl were lessons for everyone. The IAEA offered a good avenue for developing co-operation between governments. The paper put in by the Foreign Office dealing with compensation had caused concern to the Soviet authorities.

However they had replied and the matter was closed. The Foreign Secretary said that there had been an exchange of notes. The United Kingdom had taken the precautionary step of entering a possible claim and the Soviet Union had replied. Both documents were on the table.

The Prime Minister, in conclusion, said that it was important that such discussions between the United Kingdom and the Soviet Union be frank and not limited to repetition of established positions.

Mr. Shevardnadze said that he had tried to avoid controversial subjects on his first visit to the United Kingdom and to focus on positive aspects. He had found the discussion very useful. The Prime Minister asked Mr. Shevardnadze to convey her best wishes to Mr. Gorbachev.

The meeting ended at 1700.

C.D.P.

Charles Powell

14 July 1986

PRIME MINISTER

THE RT.HON.MARGARET THATCHER, M.P.

Dear Mrs.Thatcher,

As I recall clearly, in our meetings and in the exchange of letters between us you have made the point that it has been a long time since the Minister for Foreign Affairs of the USSR visited Britain and that there has thus been a pause in the contacts between our two countries. I am pleased that E.A.Shevardnadze's visit to your country is now under way, and should like in a confidential manner to reinforce the political dialogue developing between us with remarks on what we in Moscow see as the ways of solving the priority problems of reducing the nuclear threat and enhancing international security.

Leaders of many countries in the world have welcomed the positive opportunities opened up by the Soviet-American Summit meeting in November 1985. The Soviet side has actively got down to work for the realization of those opportunities in the interests of creating a healthier international environment, curbing the nuclear arms race and establishing an all-embracing system of international security. Let me say frankly, however, that no breakthrough, or even a change for the better in the international situation, is yet apparent. It is rather the opposite--the situation has become even more complicated. We can differ in our assessments as to why this is happening, but

Mrs.Margaret THATCHER,
Prime Minister of the
United Kingdom of
Great Britain and
Northern Ireland

L o n d o n

the fact itself does not seem to be in doubt.

I recall vividly what you have said about the importance of a Soviet-American summit meeting. For our part, we have been telling President Reagan honestly and openly that we regard a new meeting with the US President as possible, that we favour dialogue with Washington and are not shutting the door for it. Of course, what is required for this is an atmosphere that would open up prospects for reaching real agreements. As we see it, Great Britain could help to ensure that a new Soviet-American meeting is a constructive one and does not become a disappointment for the Americans, for Europe, or for ourselves. We would welcome steps that you would find it appropriate to take in this regard. I believe that, given the nature of British-American relations, the British leadership have arguments they could put on the scales in this matter, which is important to all of us.

We firmly believe that the USSR and Great Britain, given their influence and role in Europe, could also work bilaterally to inject dynamism in the search for ways to curtail the arms race. As I understand from the exchange of letters between us, this is not inconsistent with the intentions of the British side.

The British side is aware of the proposals we have submitted at the Soviet-American talks in Geneva, which suggest ways to disentangle the problems regarding medium-range nuclear systems in Europe. Naturally, Britain's national armaments are not the subject of those negotiations. We do not infringe on Britain's status as a nuclear power, addressing only the quantitative parameters, so that, in the context of reductions in appropriate

Soviet and US weapons, there should be no increase in the nuclear threat to us from US allies. I am convinced that the British leadership could give a practical and substantial impetus to solving the problem of medium-range missiles in Europe. We are ready for direct one-to-one discussions with the British side on matters involved here. One could also consider, if there is interest on your part, the possibility of subsequent reciprocal stage-by-stage and equivalent reductions of the Soviet Union's and Britain's nuclear arsenals under reliable control.

From discussions I have had with you and your colleagues I recall the British side's attention to the questions of conventional arms in Europe. We understand such attention as concern for national security in a situation when the historical destinies of all countries in this continent are closely interlinked. You are aware of the substance of the proposals put forward in the Appeal addressed by the states parties to the Warsaw Treaty to the member states of NATO. Let me just mention that, in our view, Britain has an opportunity of making its own substantial contribution in this area at the Vienna talks and, primarily, at Stockholm. These and other questions could be made the subject of a specific exchange of views between us.

I think that, in light of the decisions adopted by the June Plenary Meeting of the Central Committee of the Communist Party of the Soviet Union, increasing numbers of people in the West-- on the Thames, on the Potomac, and in other capitals--are becoming convinced that we intend firmly to follow the course set by

the 27th CPSU Congress--to attain a real breakthrough in domestic affairs, to strive for a radical turn for the better in world affairs, for removing the suspicions and apprehensions that have been piling up for decades and for strengthening mutual understanding and trust.

Agreeing on practical steps to ensure such a turn in world affairs is seen by us as the principal goal of our exchange of views with the British leadership.

I am confident that your discussions with E.A. Shevardnadze will be held in precisely such a spirit.

We welcome the interest you have expressed in continuing direct dialogue. I am pleased to convey to you, on behalf of the Soviet leadership, an invitation to pay an official visit to the USSR. Meetings in Moscow will undoubtedly enable us to continue to actively search for and realize the possibilities of interaction between the USSR and Great Britain to strengthen international security.

Respectfully yours,

M. GORBACHEV

July 10, 1986

PRIME MINISTER

MEETING WITH SHEVARDNADZE

You have one and a half hours for this meeting. But that's only 45 minutes with interpretation. You will have to be selective in what you try to cover. The main issues for you to raise are:

i) Arms Control. You are convinced that President Reagan wants significant arms control agreements and is taking the Soviet proposals in Geneva very seriously. The President is far more likely than any likely successor to get arms control agreements through the Senate. The Soviet Union should therefore aim for an early Summit, paving the way for substantial agreements on arms control in 1987.

We should like to see early progress on Chemical weapons - on which a new UK initiative on challenge inspection is to be tabled tomorrow - and on INF. But if the Russians are serious on INF, they must drop their attempts to constrain modernisation of the British deterrent. We shall not accept disarmament by progressive obsolescence. The Alliance is absolutely firm on this.

You welcome Soviet readiness to discuss ABM Treaty issues, which may provide a way forward. But the Soviet Union should be under no illusion about being able to stop permissible research on SDI by the United States. We are disappointed by recent Soviet proposals on START, which show less interest in really deep reductions.

ii) Human Rights. You will want to stress the depth of concern here about this issue, and the benefits for wider relations which would result from better compliance with human rights' commitments. The current level of Jewish emigration is very disappointing. Particular cases to mention (and which are most frequently raised with you) are:

- Ida Nudel (The symbol of Jewish refuseniks. She is in internal exile for demonstrating in support of her right to leave).
- Dr. Sakharov. (At the least he should be allowed to return to Moscow).
- Irina Ratushinskaya. (A Ukrainian poetess who is gravely ill. Much parliamentary interest).

iii) Falkland Fisheries. The Russians are negotiating a fisheries agreement with Argentina. You will want to let him know very firmly that we expect the Russians not to act in a way prejudicial to our interests - i.e. that any agreement will not purport to deal with waters which the Falklands are entitled to claim.

iv) Afghanistan. Difficult to envisage significant improvement in East/West relations without Soviet withdrawal from Afghanistan. Wishes of Afghan people must be respected.

v) Middle East. We are not opposed in principle to an international conference or preparatory meeting of UN Security Council members as recently proposed again by the Russians, but don't see it as very practicable at this stage. Meanwhile you hope that the Russians will encourage countries like Syria, Libya and North Korea not to go on supplying arms to Iran.

vi) Chernobyl. You could welcome Gorbachev's proposals for co-operation on nuclear safety.

vii) Terrorism. You might take him to task on Soviet support for Libya. And sound him out on whether the Soviet Union is interested in bilateral expert talks on problems of international terrorism.

viii) Your possible visit. Depending on how the talk goes, and on whether he raises the subject, you may want to say that

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you look forward to an opportunity to continue your discussions with Mr. Gorbachev in due course.

C.D.P.

C.D. POWELL
14 July 1986

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TELNO 1835
OF 112126Z JULY 86
INFO IMMEDIATE MOSCOW
INFO ROUTINE BONN, PARIS, UKDEL NATO

SOVIET FOREIGN MINISTER'S VISIT TO LONDON, 14-15 JULY

SUMMARY

1. UNCERTAINTY ON SUMMIT DATES LIKELY TO CONTINUE UNTIL US RESPOND (POSSIBLY LATER THIS MONTH) TO SOVIET PROPOSALS AT GENEVA. SHULTZ/SHEVARDNADZE MEETING PROBABLY IN SEPTEMBER. OTHER ASPECTS OF US/SOVIET RELATIONS MIXED, WITH HUMAN RIGHTS A BLACK SPOT. SOME THOUGHTS ON POINTS TO STRESS WITH SHEVARDNADZE.

DETAIL

2. THE LAST SIX MONTHS HAVE BEEN FRUSTRATING FOR THOSE HERE WHO WANT TO SEE PROGRESS IN THE US/SOVIET RELATIONSHIP. ALTHOUGH THERE NOW SEEM TO BE SIGNS OF MOVEMENT AT GENEVA, THE AMERICANS HAVE SO FAR FAILED TO RE-ENGAGE THE RUSSIANS IN A MINISTERIAL DIALOGUE. THEY ARE RESIGNED TO THE FACT THAT THERE WILL ALMOST CERTAINLY NOT BE A SHULTZ/SHEVARDNADZE ENCOUNTER UNTIL THE REGULAR SEPTEMBER MEETING IN THE MARGINS OF THE UNGA. THAT WILL LEAVE PRECIOUS LITTLE TIME FOR THE NECESSARY SPADEWORK, IF THERE IS TO BE A SUCCESSFUL SUMMIT IN 1986. ON THE TIMING, IT IS NOW GENERALLY AGREED THAT GORBACHEV WILL NOT SET A DATE FOR THE SUMMIT UNTIL HE HAS A CLEARER IDEA OF WHAT BUSINESS IT MIGHT TRANSACT, AND IN PARTICULAR UNTIL HE HAS SEEN THE PRESIDENT'S RESPONSE TO HIS GENEVA PROPOSALS.

3. THERE IS STILL ALL TO PLAY FOR HERE ON THE SUBSTANCE AND TIMING OF THE PRESIDENT'S REPLY. AN INFLUENTIAL BODY OF OPINION WITHIN THE ADMINISTRATION BELIEVES THAT THE NEW SOVIET PROPOSALS AT GENEVA INDICATE SOME SOVIET WILLINGNESS TO GET DOWN TO BUSINESS THERE. IT IS CLEAR THAT THE PRESIDENT AT THE VERY LEAST WANTS TO SEE THAT PROPOSITION FULLY TESTED. BUT THE OLD DIVISIONS REMAIN, AND THE SCEPTICS LED BY WEINBERGER CONTINUE TO GENERATE UNCERTAINTY ABOUT HOW THE ADMINISTRATION WILL RESPOND. THE DEVELOPMENT OF OPTIONS IS NOW UNDERWAY. THE KEY QUESTION OF COURSE IS WHETHER THE US SHOULD SIGNAL AT THIS STAGE ANY WILLINGNESS TO ACCEPT CONSTRAINTS ON SDI AS PART OF AN AGREEMENT ON SIGNIFICANT REDUCTIONS IN OFFENSIVE NUCLEAR FORCES. THERE ARE SIGNS THAT THE WHITE HOUSE WOULD LIKE TO PRESS THE DEBATE TO A CONCLUSION SOON: BUT EVEN SO IT MAY BE THE END OF JULY OR LATER BEFORE THE PRESIDENT TAKES DECISIONS AND HIS RESPONSE CAN BE GIVEN.

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4. MANY HERE BELIEVE THAT GORBACHEV MUST ALSO BE CALCULATING THAT IF HE ACCEPTS A SUMMIT DATE IN NOVEMBER/DECEMBER HE WOULD RISK BEING HERE JUST BEFORE, OR JUST AFTER, THE MOMENT AT WHICH THE US EXCEEDS THE SALT II LIMITS. THAT WOULD PRESUMABLY BE VERY DAMAGING FOR HIM AT HOME, AND HE WILL THEREFORE NEED REASSURANCE IN ADVANCE EITHER THAT THE US WILL NOT BREACH THE CEILING, OR THAT THE ISSUE WILL BY THEN BE IRRELEVANT BECAUSE OF PROGRESS TOWARDS A NEW FRAMEWORK OF RESTRAINT AT GENEVA.

5. FOR ALL THESE REASONS, THE UNCERTAINTY OVER THE SUMMIT IS LIKELY TO ENDURE FOR SOME TIME YET. BUT MOST OF OUR SENIOR CONTACTS STILL BELIEVE THAT THE PRESIDENT AND GORBACHEV WILL STICK TO THEIR AGREEMENT TO MEET IN THE US IN 1986.

6. MEANWHILE OTHER ASPECTS OF THE US/SOVIET RELATIONSHIP PRESENT A MIXED PICTURE:

(I) ON THE POSITIVE SIDE, IT IS CLEAR THAT THE ADMINISTRATION WANT TO REACH AN AGREEMENT IN THE CDE BEFORE 19 SEPTEMBER AND ARE INCREASINGLY HOPEFUL THAT THIS WILL BE POSSIBLE. THE RECENT AGREEMENT ON A US/SOVIET DIALOGUE WITHOUT PRECONDITIONS ON NUCLEAR TESTING ISSUES COULD TURN OUT TO BE A SIGNIFICANT DEVELOPMENT. BILATERAL TALKS HAVE BEEN HELD AS AGREED AT GENEVA ON REGIONAL ISSUES, RISK REDUCTION CENTRES AND FUSION RESEARCH (THOUGH WITHOUT MUCH MEETING OF MINDS).

(II) ON THE NEGATIVE SIDE, THE RUSSIANS HAVE BEEN DRAGGING THEIR FEET ON STUDENT EXCHANGES AND THE OPENING OF A US CONSULATE IN KIEV. AND HUMAN RIGHTS ARE A BLACK SPOT. JEWISH EMIGRATION IS AT ITS LOWEST LEVEL SINCE THE 1960'S, AND THE INTENSIFIED CLAMP-DOWN ON JEWISH DISSIDENTS IN THE SOVIET UNION HAS BEEN WIDELY REPORTED HERE. DOBRYNIN AT LEAST MUST BE AWARE THAT THERE WILL NEED TO BE A MAJOR IMPROVEMENT IN THE SOVIET HUMAN RIGHTS PERFORMANCE IF A GORBACHEV VISIT TO THE US IS NOT TO BE MARRED BY HUGE DEMONSTRATIONS.

7. AGAINST THIS BACKGROUND, I BELIEVE IT WOULD BE ESPECIALLY VALUABLE (AND VERY WELCOME HERE) IF YOU COULD PUT OVER THREE MESSAGES TO SHEVARDNADZE NEXT WEEK:

(I) CONSULTATION WITH THE AMERICANS IN THE ALLIANCE ON ALL THE MAJOR ISSUES INCLUDING ARMS CONTROL IS EXCELLENT. THE EUROPEAN ALLIES ARE FULLY SATISFIED WITH THESE CONSULTATIONS. THERE IS NO FUTURE IN WEDGE-DRIVING.

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/ (ii)

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(II) THE PRESIDENT AND HIS ADMINISTRATION ARE TAKING THE NEW SOVIET PROPOSALS AT GENEVA VERY SERIOUSLY. THERE ARE AS ALWAYS DIFFERING VIEWS IN WASHINGTON ON HOW TO RESPOND. BUT THE PRESIDENT HAS SPOKEN OF A POSSIBLE TURNING POINT IN GENEVA AND WE ARE CONVINCED OF HIS DETERMINATION TO HAMMER OUT SIGNIFICANT ARMS CONTROL AGREEMENTS DURING HIS TERM IN OFFICE. AND HE IS FAR BETTER PLACED TO GET SUCH AGREEMENTS THROUGH THE SENATE THAN ANY LIKELY SUCCESSOR.

(III) THERE IS NOT MUCH TIME LEFT, AND THE RUSSIANS SHOULD GET BACK INTO THE NEGOTIATING PROCESS QUICKLY. IF AGREEMENTS ARE TO BE RATIFIED BEFORE THE PRESIDENT LEAVES OFFICE, THEY MUST BE REACHED BEFORE THE END OF 1987. THE IMPETUS MUST THEREFORE BE GIVEN BEFORE THE END OF 1986. HENCE THE IMPORTANCE OF A SUMMIT THIS YEAR.

WRIGHT

EAST WEST & US/SOVIET RELATIONS

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Foreign and Commonwealth Office

London SW1A 2AH

11 July 1986

Dear Charles,

Shevardnadze Visit: Call on the Prime Minister

Since sending you briefing for the Prime Minister for her meeting with Mr Shevardnadze, there have been developments connected with the proposed Soviet/Argentine agreement on Falkland Islands Fisheries and Mr Gorbachev's proposal for a conference on the Middle East of which the Prime Minister should be aware.

Middle East

We suggest that, if Shevardnadze raises this during his call, the Prime Minister should say that we are not in principle opposed to an international conference or a preparatory meeting of the Permanent members of their Security Council. But we doubt the practicality of such an idea at this stage: a conference is only useful if the parties themselves are determined to make it work.

Falkland Islands Fisheries

Since March, the Russians have been negotiating a bilateral fisheries agreement with Argentina. We have pressed for an assurance that any agreement will not purport to apply to waters the Falkland Islands are entitled to claim. No clear assurance has been forthcoming. The Foreign Secretary will raise this with Mr Shevardnadze, and thinks it important for the Prime Minister also to let him know she is concerned that the Russians should not act in a way prejudicial to our interests.

Yours ever

(Signature)

(R N Culshaw)
Private Secretary

11 July 1986

C D Powell Esq
No 10 Downing St

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From the Private Secretary

11 July 1986

SHEVARDNADZE VISIT: PARTICIPATION IN TALKS AT NO. 10

Thank you for your letter of 10 July. We can agree the following participation:

Prime Minister
Foreign Secretary
Sir Bryan Cartledge
Mr. Powell
Interpreter

Mr. Shevardnadze
Mr. Zamyatin
Mr. Uspensky
Mr. Stepanov
Interpreter

Charles Powell

Robert Culshaw, Esq.,
Foreign and Commonwealth Office.

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SOVIET FOREIGN MINISTER'S VISIT TO LONDON: BACKGROUND

1. THIS TELEGRAM UP-DATES, IN ADVANCE OF SHEVARDNADZE'S VISIT, ASSESSMENTS OF THE MAN, THE PRIORITIES OF THE SOVIET LEADERSHIP AND SOVIET OBJECTIVES FOR THE VISIT.

SHEVARDNADZE

2. WITH DOBRYNIN HOME FROM WASHINGTON, THERE HAS BEEN SPECULATION ON SHEVARDNADZE'S ROLE AND EVEN HIS FUTURE. SOME THOUGHT THAT HE WOULD LEAVE THE MFA AND SUCCEED GROMYKO IN THE PRESIDENCY. MOST OBSERVERS SAW SHEVARDNADZE AS UNCERTAIN IN HIS JOB AND AS NOT HAVING ESTABLISHED A STYLE NOR EVEN MUCH OF A PRESENCE. THIS IS STILL TRUE. BUT A PATTERN IS EMERGING OF A STRONGER CENTRAL COMMITTEE MECHANISM UNDER DOBRYNIN RESPONSIBLE FOR POLICY MAKING, AND OF A MORE OPEN, FLEXIBLE AND IMAGE-CONSCIOUS MFA UNDER SHEVARDNADZE, RESPONSIBLE FOR POLICY PRESENTATION AND IMPLEMENTATION. AS YOU ALREADY KNOW, SHEVARDNADZE HIMSELF IS AN INTELLIGENT AND SERIOUS INTERLOCUTOR AND A GOOD LISTENER. POINTS MADE TO HIM WILL REGISTER AND WILL BE PASSED ON. BUT HE IS NOT NECESSARILY THE BEST SOURCE OF UP-TO-DATE INSIGHTS INTO GORBACHEV'S THINKING ON FOREIGN POLICY.

SOVIET PRIORITIES

3. GORBACHEV'S TOP PRIORITY IS THE RESTRUCTURING AND INVIGORATION OF THE ECONOMY. RECENT SPEECHES BY BOTH HIM AND RYZHKOV HAVE CARRIED UNDERTONES OF FRUSTRATION WITH THE DIFFICULTIES OF GETTING THE REFORM PROCESS OFF THE LAUNCHING PAD. GROWTH RATES (AND TARGETS) ARE UP SINCE THE CONGRESS BUT THERE IS NO SIGN OF THE BREAK-THROUGH WHICH GORBACHEV IS HOPING FOR. LOW OIL PRICES HAVE REDUCED IMPORT POSSIBILITIES. THE PRIORITIES ARE NOW SELF-GENERATED TECHNOLOGICAL ADVANCE AND INTENSIFIED COOPERATION WITH CMEA PARTNERS. GORBACHEV'S ECONOMIC OBJECTIVES COULD BE MORE VIGOROUSLY PURSUED AGAINST A BACKGROUND OF A DEMONSTRABLE SHIFT TOWARDS STABILITY IN EAST-WEST RELATIONS AND, IN PARTICULAR, OF A LESS ACCIDENT-PRONE US/SOVIET RELATIONSHIP.

4. GORBACHEV'S OWN POSITION IS APPARENTLY SECURE AND HAS NOT, INTERNALLY AT LEAST, BEEN AFFECTED BY CHERNOBYL. BUT THE SLOW PACE OF ECONOMIC REFORM AND OF SOME LONG-ANTICIPATED LEADERSHIP CHANGES

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(E.G. KUNAIEV) SHOW THAT THERE ARE LIMITS TO HIS FREEDOM OF ACTION. HIS POLICY OF ENCOURAGING MORE OPENNESS ('GLASNOST') IN SOVIET SOCIETY HAS GATHERED MOMENTUM AND PRODUCED SOME DRAMATIC RESULTS, NOTABLE AT THE RECENT CONGRESSES OF THE CINEMATOGRAPHERS AND WRITERS' UNIONS. THE CONSERVATIVES ARE CLEARLY APPREHENSIVE THAT IT COULD GET OUT OF CONTROL. GORBACHEV WILL WISH TO ENSURE THAT IT DOES NOT: HERE AGAIN, HE NEEDS THE REINFORCEMENT OF HIS PERSONAL AUTHORITY WHICH CREDIT FOR STABILISING THE SUPER-POWER RELATIONSHIP WOULD BRING.

5. GORBACHEV THEREFORE NEEDS TO SECURE AT LEAST A SMALL STEP FORWARD IN ARMS CONTROL NEGOTIATIONS WITH THE AMERICANS. HE CANNOT TRAVEL HOPEFULLY TO A SECOND SUMMIT, LEAST OF ALL IN WASHINGTON, AND RETURN WITH NO MORE THAN KIND WORDS. IN THE SHORT TERM, GORBACHEV NEEDS A 'FIX' IN EAST/WEST RELATIONS, WHICH CAN BE INFLATED BY PROPAGANDA AS REQUIRED BUT WHICH CAN SERVE BOTH TO CURB THE UNEASE OF THE MILITARY AND TO REASSURE THE POPULATION THAT INTERNAL CHANGES ARE TAKING PLACE AGAINST A MORE STABLE INTERNATIONAL BACKGROUND. HE NEEDS A RESULT MORE THAN HE NEEDS A SUMMIT AND WILL, I SUSPECT, BE READY TO LET THE TIMING SLIP INTO 1987 IF NECESSARY UNTIL THERE IS A PROSPECT OF A REAL, EVEN IF MODEST, TROPHY TO BRING HOME.

SOVIET/US RELATIONS

7. THESE ARE REplete WITH CONTRADICTIONS AND DILEMMAS:

- (A) FUNDAMENTAL HOSTILITY VERSUS THE NEED TO DO BUSINESS
- (B) THE NEED TO REACH AGREEMENT VERSUS THE NEED NOT TO SEEM WEAK
- (C) INTEREST IN WEDGE-DRIVING BETWEEN EUROPE AND THE US VERSUS THE NEED TO KEEP CHANNELS OPEN AND NOT MAKE AGREEMENT MORE DIFFICULT.
- (D) THE DILEMMA OF WHETHER TO DO BUSINESS WITH REAGAN OR TO WAIT FOR A MORE FLEXIBLE SUCCESSOR.

8. RUSSIANS SEEM GENUINELY PUZZLED AND CONCERNED BY UNPREDICTABLE BUT LARGELY NEGATIVE SIGNALS FROM WASHINGTON. THEY BELIEVE THAT IN THE PLETHORA OF THEIR PROPOSALS, AND IN THEIR PRIVATE IF NOT IN THEIR PUBLIC NEGOTIATING POSITION, THERE IS QUITE ENOUGH TO GET SUBSTANTIVE DISCUSSION STARTED. SHEVARDNADZE WILL HOPE TO GAIN, DURING HIS VISIT, INSIGHTS INTO US ATTITUDES AND INTENTIONS; AND HE WILL WISH TO USE IT TO CONVEY TO WASHINGTON, THROUGH YOU, MOSCOW'S OWN CONCERNS. THE CURRENT SOVIET FOCUS ON THE EUROPEAN DIMENSION OF EAST/WEST RELATIONS AND ARMS CONTROL (MITTERRAND AND GENSCHER ARE IN MOSCOW THIS WEEK) IS MORE THAN WEDGE-DRIVING AND PROPAGANDA: IT IS ALSO DETERMINED BY THE BELIEF THAT WESTERN EUROPE UNDERSTANDS BOTH SOVIET AND US PERCEPTIONS AND CAN PLAY A KEY ROLE IN PERSUADING THE US TO GET DOWN TO SERIOUS NEGOTIATION.

-/ANGLO

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9. THE POST-EXPULSIONS FREEZE IS NOW WELL BEHIND US ALTHOUGH SOME POTENTIAL VISA AND CEILING IRRITANTS REMAIN. THERE HAS BEEN A FAST BUILD-UP THIS YEAR OF HIGH LEVEL EXCHANGES. THE CULTURAL EXCHANGE PROGRAMME, WITH A LONGER LEAD TIME, ALSO LOOKS GOOD. TRADE, HOWEVER, IS STAGNANT AND NEEDS A PUSH - AT LEAST, A PURPOSEFUL FOLLOW-UP TO THE WALKER AND MURAKHOVSKY VISITS. THERE HAS BEEN LITTLE PROGRESS ON HUMAN RIGHTS AND FAMILY REUNIFICATION, WHICH AFFECT UK PERCEPTIONS OF THE SOVIET UNION AND OUR ABILITY TO DEVELOP RELATIONS FURTHER.

SOVIET OBJECTIVES FOR THE VISIT

10. I FULLY ENDORSE THE DEPARTMENT'S SUMMARY, IN THE STEERING BRIEF, OF SOVIET (AND UK) OBJECTIVES FOR THE VISIT. THE VISIT GIVES SHEVARDNADZE AN OPPORTUNITY DIRECTLY TO PROMOTE SOVIET POLICIES AND INITIATIVES AND TO CONVEY THE SERIOUSNESS OF SOVIET INTENTIONS TO BRITISH PUBLIC OPINION. HE WILL TAKE THIS FIRST POST-CONGRESS OPPORTUNITY TO PRESENT A NEW IMAGE OF THE SOVIET UNION ON THE MOVE. SOVIET PREOCCUPATION WITH "IMAGE" (REPORTEDLY A MAJOR THEME IN GORBACHEV'S ADDRESS TO SOVIET AMBASSADORS AND THE MFA IN MAY) COULD PROVIDE YOU WITH A USEFUL LEVER WITH WHICH TO OPEN UP HUMAN RIGHTS ISSUES.

CONCLUSION

11. SHEVARDNADZE'S VISIT TO LONDON IS THUS LIKELY TO MARK A SIGNIFICANT STAGE IN THE APPROACH MARCH TO A SUMMIT. IT WILL SET THE SEAL ON THE RETURN TO NORMALITY IN UK/SOVIET RELATIONS AFTER THE TURBULENCE OF LAST AUTUMN. IF IT HELPS TO OPEN THE WAY FOR A VISIT TO MOSCOW BY THE PRIME MINISTER WITHIN THE NEXT TWELVE MONTHS, AS THE NEXT LOGICAL STAGE IN OUR BILATERAL DIALOGUE, THAT TOO WILL BE A VALUABLE OUTCOME.

CARTLEDGE

EAST WEST & US/SOVIET RELATIONS

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Foreign and Commonwealth Office

London SW1A 2AH

10 July 1986

Dear Charles

Arms Control: Prime Minister's Talks with Shevardnadze,
14 July

/ I enclose, as requested in your letter of 1 July, a note setting out the main details of the most recent Soviet arms control proposals, together with the most recent US proposals and an indication of what, in the light of our existing knowledge, might be a "tolerable result", although clearly it would be premature to settle on our bottom line now. Owing to his absence abroad, I have not been able to seek the Foreign Secretary's views on this note, but it has been cleared with Mr Renton and MOD Ministers. If Sir Geoffrey Howe has further comments, I shall of course ensure that you are made aware of these.

I am sending copies of this letter to John Howe and Christopher Mallaby.

Yours ever

(R N Culshaw)
Private Secretary

C D Powell Esq
PS/10 Downing Street

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EAST-WEST ARMS CONTROL : SUMMARY OF MAIN POINTS AT ISSUE

<u>START</u>	<u>INF</u>	<u>Space/Defence</u>	<u>Linkages</u>	<u>Chemical</u>	<u>Conventional</u>
1. Definition of systems to be covered	1. Extent of US deployments in Europe	1. Future of ABMT	1. Degree to which agreements can be concluded separately, or must depend on progress/agreement in other areas	1. Stringency of challenge inspection regime	1. Special treatment for Central Front in Europe
2. Treatment of new systems	2. Treatment of Asian systems on each side	2. Definitions of ambiguities		2. Limits on civil industry	2. Extent of verification
3. Handling of long-range cruise missiles heavy bombers.	3. Verification	3. Extent of systems to continue to be banned		3. Initial declaration of stocks	3. Inclusion of equipment/material.
4. Aggregation of separate systems	4. Third-country forces	4. Degree of permissible research		4. Constitution of international body.	4. Precise geographical limits.
5. Verification	5. Collateral constraints on shorter-range systems.	5. Current compliance.			
6. Throwweight					
7. Mobile ICBMs.					

I. START

<u>Subject</u>	<u>Soviet Proposals</u> <u>June 1986</u>	<u>Soviet Proposals</u> <u>1 Oct 1985</u>	<u>US Proposals</u> <u>1 Nov 1985</u>	<u>UK Views</u>
Strategic Nuclear Delivery Vehicles (SNDVs)	1,600 ICBM, SLBM, heavy bombers and SLCM launchers	1,680 US) ICBM) SLBM 1,250 Sov) bombers (but US total to include FBS and LRINF).	1,250-1,450 ICBM/SLBM 350 heavy bombers = 1,800 total	Seeking deepest reductions possible. Soviet June proposals step backward in that respect. Agree on need to capture SS18 and SS19 force. Some aggregation of SNDV totals may be necessary.
Warheads/"Nuclear Charges"	a) 6,000 if US accept <u>all</u> space/defence proposals b) 8,000 if only 29 May proposals (ABMT) agreed.	6,000	4,500 ballistic missile warheads + 1,500 ALCMs.	BM warheads and bomber weapons not to be equated.
Warheads Sub-Limits	a) 3,600 b) 4,800 on any one leg of triad (as above)	3,600 on any one leg	3,000 ICBM re-entry vehicles (RVs)	Need to constrain Soviet ICBM warhead numbers.
New Types/Modernisation	Ban <u>or</u> limits on SNDVs not flight-tested at date of agreement.	Ban on all new types.	Ban on new heavy ICBMs and mobile ICBMs.	Need to maintain UK ability to deploy Trident D5, and prevent any relevant constraints therefore on US programmes. US position on mobiles may require adjustment.
Cruise Missiles (CM)	Ban on all CM on surface ships; limits on SLCM- carrying submarines. Long range ALCMs permitted.	Ban on all CMs over 600 km range.	No limits on SLCMs, some (see above) on ALCMs	Some constraints on SLCMs could be acceptable, if verifiable.
Throwweight (TW)	None.	None	50% Soviet reduction	Reduce 3:1 Soviet advantage.

II. INF (Note: all proposals below remain on table)

<u>Soviet INF proposals</u> <u>of 15 January</u> <u>(subsequently tabled</u> <u>at Geneva)</u>	<u>Soviet "interim" proposals</u> <u>of 14 October 1985</u>	<u>US proposals</u> <u>24 February 1986</u>	<u>US "interim" proposals</u> <u>of 1 November 1985</u>	<u>UK View</u>
---	--	--	--	----------------

Destruction of all US-Soviet medium-range ballistic missiles in Europe by 1993. UK and France not to increase; US not to transfer missiles.

Two further stages leading to elimination of all nuclear weapons by 2000.

Verification to include on-site inspection (OSI)

- US to freeze as of 1 Dec 1985 and Soviet Union to continue its freeze.
- Then US reductions over 18 months to 100-120 cruise (GLCM) - no Pershing II.
- SS20s in Europe reduced to total of US GLCMs plus number of UK/French warheads.
- Freeze on SS20 in Asia.
- Finally, no US deployments, Russian forces limited to UK/French levels.

US/Soviet Union to reduce to 140 LRINF launchers by end 1987; proportionate Soviet reductions in Asia.

Further reductions of 50% in Europe and Asia by end 1988.

Zero globally by end 1989.

SRINF constraints.

Forces of third countries excluded.

Detailed verification.

- Equal global limits on LRINF warheads.
- US cap of 140 PII/GLCM launchers in Europe
- SS20s launchers in range of Europe reduced to 140.
- proportionate reductions (ie about 50%) in SS20s in Soviet Asia.
- SRINF constraints.
- Forces of third countries excluded.

- Global limit on warheads.

- Support for both US proposals (nonetheless misgivings about zero-zero). Need global solution.
- Insistence on exclusion of third country forces (Soviet "compensation" and no increase/no transfer demands unacceptable) and safeguards against circumvention through constraints in SRINF (notably SS22 and SS23).
 - Adequate verification (but need to scrutinise details affecting UK territory), for LRINF plus collateral constraints on shorter-range systems.

III. Space/Defence Basket

<u>Soviet June Proposals</u>	<u>Previous Soviet Position</u>	<u>US Position</u>	<u>UK View</u>	
1. <u>ABM Treaty</u>	a) no withdrawal commitment for 15-20 years b) clarification of terms in ABM Treaty(eg. component, prototype)	No previous proposals, but Treaty seen as immutable. Not prepared to engage in dialogue on offensive/defensive relationship.	Seeking discussion of offensive/defensive relationship with view to co-operative transition to more defence-oriented strategic regime.	Want Treaty clarified/strengthened. Means of resolving problem of offensive/defensive relationship. If Soviet proposals handled correctly, could be positive step. Bit need for caution about extent of Soviet movement, and more details.
2. <u>BMD Research</u>	Limited to level of laboratory research, with perhaps some constraints even on that.	Soviet BMD permissible, but "purposeful" US SDI not, since intended as first stage in development of new ABM system. Verification to monitor compliance with Treaty obligations. i.e. no research designed to exceed Treaty limits.	SDI not negotiable. Conducted within restrictive interpretation of ABM Treaty, though broader justified. Commitment to discuss with Allies stages beyond research and discuss/negotiate with Soviet Union. No Soviet veto on deployments. "Open laboratories" to verify compliance of SDI with treaty obligations.	Restrictive interpretation of Treaty crucial. Soviet proposal may be acceptable if permits US research only.
3. <u>ASATs</u>	Total ban	Total Ban	Total ban not acceptable. Claims ready to seek ASAT limitations, but no evidence of this.	Some limits acceptable (eg, high altitude), provided verifiable.
4. <u>Offensive Use of Defensive Weapons</u>	Ban on space-based systems capable of attacking targets on earth/in air. But now exclude space-based systems capable of attacking space targets and land-based systems.	Ban on "space-strike weapons" defined as weapons based in space intended to attack objects in space, air or on earth; and weapons - wherever based - intended to attack space objects.	Ban on space-strike-weapons unacceptable as constraint on SDI.	Soviet exclusion of space weapons interesting. But might be re-included through Treaty re-definitions.

IV. Linkages

(i) US proposals envisage no formal linkages. That is UK preference.

(ii) Soviet proposals of May/June for cuts in strategic systems envisage:

(a) 30% cuts

achieved under the following conditions

- ABMT 15 year no-withdrawal commitment and* clarification of terms;
- Agreed definition on permissible research;*
- No increase in US forward-based systems (missiles and aircraft) including relevant carrier-based aircraft;
- elimination of LRINF in Europe;*
- no deployment of LRINF anywhere in world within range of Soviet Union where not already deployed.

Comment: concessions on BMD research and the willingness to discuss ABM Treaty issues is balanced by re-introduction of link with the INF talks, and unacceptable conditions on latter. But those elements marked * still unclear.

(b) 50% cuts

achieved under the following conditions

- all the above, except that the Soviet Union would drop its concession on forward-based systems;
- plus: ban on ASATs
ban on offensive use of defensive weapons.

Comment: Soviet Union has increased conditionality for a 50% reduction.

(iii) Existing Soviet INF proposals still contain conditions on "no-increase" in third country systems, plus a ban on transfer of US strategic and medium-range missiles to other countries. Soviet Union has portrayed dropping of no-modernisation condition for 3rd country forces as major concession. No-transfer provision obviously directed primarily at the UK, and wholly unacceptable.

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V. CHEMICAL WEAPONS

<u>Subject</u>	<u>Soviet/Socialist</u> <u>Position</u>	<u>US/Western</u> <u>Position</u>	<u>UK</u> <u>Position</u>
<u>Areas of Agreement</u> (in principle)	<ol style="list-style-type: none"> Ban on all aspects of CW. Existing stocks/production facilities to be destroyed over 10 years. Each state permitted one facility for defensive research. Routine verification of destruction of stocks/production facilities; research facility; and (recently) civil industry. Need for organisation to implement CW Convention. 		
<u>Other Areas:</u>			
Verification	<ol style="list-style-type: none"> No verification of accuracy of initial stockpile declarations. Accept <u>challenge</u> inspection in principle but with right of refusal; and procedural and timing arrangements which would make challenge an ineffective deterrent. 	<p>Inspection of weapons stocks, "on agreed basis" to confirm accuracy.</p> <p>"Anytime/Anywhere" inspection on challenge at 24 hours notice. No rights of refusal of access.</p>	<p>Current Western position may be unnecessarily stringent.</p> <p>Stringent challenge inspection regime essential. New UK proposal envisages limited right of refusal i.e no ultimate right of inspection. If inspection refused, a state must satisfy its challenge by other means and within a tight timescale.</p>
Organisation	<ol style="list-style-type: none"> Main authority to rest with weak Consultative Committee. 	<p>Main authority to rest with strong Executive Council.</p>	<p>Western position based on UK ideas.</p>

VI. Conventional Arms Control

<u>Soviet Proposals</u>	<u>Western Proposals</u>	<u>UK View</u>
(a) <u>CDE</u> : Agreement that includes	Agreement that includes	Agreement that includes
1) Treaty on Non Use of Force	Reaffirmation of Principle of Non Use of Force	Reaffirmation of Principle of Non Use of Force
ii) Prior Notification of Independent Air Activities	Prior Notification of Ground and functionally related Naval and Air activities only.	Prior Notification of similar Activities only as in Western proposal ^a
iii) Prior Notification of Ground Manoeuvres above 18,000 men	Prior Notification of Ground Activities above 6,000 men	Prior Notification of Ground Activities above 10,000 men.
iv) Observation of some, but not all, notifiable activities	Mandatory observation of all notifiable activities	Mandatory observation of all notifiable activities
v) Verification through National Technical Means plus consultations	Verification through National Technical Means plus on-site inspection without right of refusal.	Verification through National Technical Means plus on-site inspection without right of refusal.
vi) Annual Calendar of notifiable activities	Annual Calendar of notifiable activities	Annual Calendar of notifiable activities
vii) Limits on size of military exercises	-	No limits on size of military exercises
<hr/>		
(b) <u>MBFR</u> : Time limited agreement involving 6,500 / 11,500 US/Soviet reductions, followed by a three year No-Increase commitment. Verification on basis of exchanges of gross manpower totals plus limited on-site inspections on basis of well-substantiated requests with right of refusal.	Time limited agreement on lines of Soviet proposal, but with 5,000/11,500 US/Soviet reductions. Verification on basis of exchanges of breakdown of manpower down to battalion (with locations) plus 30 mandatory on-site inspections per side per year.	Time limited agreement with limited, asymmetrical US/Soviet reductions. Verification as in current Western proposal.
Objective already agreed by all is parity at 900,000 troops in the reductions zone.		
<hr/>		
(c) <u>Budapest Appeal</u> :	Reductions from Atlantic to Urals of 100-150,000 men in one to two years, with subsequent reductions to 25% of totals by early 1990s. Armaments of withdrawn troops dismantled or stored on national territories, including tactical nuclear weapons up to 1,000 km range.	Reductions that take account of particular Western security requirements on the Central Front. Nuclear Weapons to be excluded. NATO Task Force on new initiative to report by December.

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Foreign and Commonwealth Office

London SW1A 2AH

10 July 1986

Dear Charles

Shevardnadze Visit: Participation at Number 10

We have told the Soviet Embassy that the Prime Minister wishes her meeting with Mr Shevardnadze to be as restricted as possible, and that this means on their side that Shevardnadze should be accompanied by no more than the Ambassador, one other as note taker, and interpreter. (Your letter of 8 July.)

They are making a fuss about this, and have insisted, on instructions, that we put to you the request that they should have one other present. They would like their team to be:

Mr Shevardnadze
Mr Zamyatin
Mr N N Uspensky (Head of 2nd European Dept, MFA)
Mr T G Stepanov (Assistant to Mr Shevardnadze)
Mr E P Gusarov (Interpreter)

We have given them no reason to believe that this will be acceptable to the Prime Minister. But they evidently attach considerable importance to it. I should be grateful to know whether the request is acceptable.

Yours ever

(R N Culshaw)
Private Secretary

C D Powell Esq
PS/10 Downing Street

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bc. PC

10 DOWNING STREET

From the Private Secretary

8 July 1986

Dear Mr.,

VISIT OF THE SOVIET FOREIGN MINISTER:
CALL ON THE PRIME MINISTER: 14 JULY

Thank you for your letter of 7 July about the arrangements for Mr. Shevardnadze's call on the Prime Minister on 14 July. I agree that the Prime Minister should focus on the relatively limited number of issues suggested in your letter. The Prime Minister would like attendance at the talks to be as limited as possible. She will therefore be accompanied by the Foreign Secretary and HM Ambassador, and agrees that Mr. Shevardnadze should have the Soviet Ambassador and Mr. Uspensky. It is probably better to have two interpreters. I will take a note.

BF / It will be essential for us to have the briefs in No.10 by 1300 hours on Friday 11 July so that we can take them for the Prime Minister to read on the way to or return from Vancouver.

Yours sincerely,

Charles Powell

Colin Budd, Esq.,
Foreign and Commonwealth Office.

Ovo

COP



Foreign and Commonwealth Office

London SW1A 2AH

7 July 1986

Prime Minister

Contact with proposed list of subjects (on page 2) for your talk? # COP 7/7.

Dear Charles,

Visit of Soviet Foreign Minister:

Call on Prime Minister on 14 July (1500-1630)

I enclose a copy of the draft programme. By the time Mr Shevardnadze makes his call on the Prime Minister he will already have had a session of talks with the Foreign Secretary at Chevening on the morning of 14 July. We expect this to concentrate on arms control and disarmament matters plus human rights and CSCE. He will have a further session with Sir Geoffrey the following day which will concentrate on regional and bilateral issues.

After the second session of talks, on 15 July, Sir Geoffrey and Mr Shevardnadze will be signing three agreements:

- on Prevention of Incidents at Sea (very much on the lines of the American-Soviet agreement of 1972);
- on the settlement of Anglo-Soviet Claims (liquidating a 70 year old problem: it is important for Stock Exchange reasons that no news of this should emerge until the day of signature);
- and on economic cooperation (they will sign the long-term programme of economic and industrial cooperation which was initialled at the Anglo-Soviet Joint Economic Commission in February).

These 3 agreements add up to a worthwhile package which will show that we have been making progress in a number of different areas of bilateral activity.

/Mr Shevardnadze



Mr Shevardnadze will be present for Prime Minister's questions in the House on 15 July.

Sir Geoffrey suggests that the Prime Minister should focus on a limited number of questions: the central issue of East/West relations, including arms control and the Summit process; human rights (including Jewish emigration), Afghanistan, international terrorism/Libya and Chernobyl, in order to show how Soviet behaviour undermines public confidence in Soviet intentions; the Middle East; and Southern Africa. She may also wish to float with Shevardnadze (if he does not come armed with a message of invitation from Gorbachev) the possibility of her visiting Moscow. We will provide briefing accordingly.

Sir Geoffrey suggests that he should be accompanied at the talks by Sir Bryan Cartledge and Mr Derek Thomas.

Mr Tony Bishop of the Foreign and Commonwealth Office Research Department will be interpreting at Sir Geoffrey's talks. We propose that he should interpret for the Prime Minister too.

The Russians have told us provisionally that they would like Mr Shevardnadze to be accompanied by the Soviet Ambassador, the Head of the 2nd European Department of the MFA (Mr Uspensky), and an interpreter. (But they have added that they would be prepared to rely on our interpreter if necessary.)

I should be grateful for confirmation that you are content with the above arrangements.

Yours ever,
Colin Budd

(C R Budd)
Private Secretary

C D Powell Esq
No 10 Downing St

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VISIT OF MR SHEVARDNADZE, 13/16 JULY 1986

DRAFT PROGRAMME

Sunday, 13 July:

1830 Arrive by private aircraft. Met by Mr Renton and Mr Llewellyn Smith.

Monday, 14 July:

0930-1200 Talks with Secretary of State, at Chevening.

1230 Working lunch at Chevening.

1500 - 1630 Talks with Prime Minister at No.10

1850 for 1900 Cosi fan Tutte, Covent Garden, with supper during interval, hosted by Secretary of State and Lady Howe.

Tuesday, 15 July:

0900-1130 Talks with Secretary of State, Lancaster House

1135 Signature of Agreements:

Photocall:

Coupe de Champagne, Lancaster House

Press conference by Mr Shevardnadze at the Soviet Embassy.

1315 Lunch hosted by Mr and Mrs Shevardnadze at Soviet Embassy

1500 Attend Prime Minister's Questions.

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SHEVARDNADZE'S VISIT TO LONDON

1. WHEN I CALLED ON SHEVARDNADZE ON 13 JUNE TO HAND OVER THE PRIME MINISTER'S REPLY TO GORBACHEV'S MESSAGE ABOUT CHERNOBYL, SHEVARDNADZE TOOK THE INITIATIVE IN RAISING THE SUBJECT OF FUTURE BILATERAL EXCHANGES. REFERRING TO MURAKHOVSKY'S FORTHCOMING VISIT, SHEVARDNADZE SAID THAT IT SHOULD BE BORNE IN MIND THAT IN ADDITION TO HIS AGRICULTURAL AND INDUSTRIAL INTERESTS, MURAKHOVSKY WAS BOTH A DEPUTY OF THE SUPREME SOVIET AND ALSO A MEMBER OF THE PARTY LEADERSHIP; HIS MEETINGS WITH REPRESENTATIVES OF THE BRITISH GOVERNMENT WOULD THEREFORE BE OF PARTICULAR VALUE. (SHEVARDNADZE WAS CLEARLY CONVEYING THE HOPE THAT MURAKHOVSKY WOULD BE RECEIVED AT A SUITABLY SENIOR POLITICAL LEVEL).

2. SHEVARDNADZE WENT ON TO SAY THAT IT HAD BEEN DECIDED ON THE PREVIOUS DAY THAT HE SHOULD ACCEPT THE DATES OFFERED BY THE BRITISH SIDE FOR HIS OWN VISIT TO LONDON, NAMELY 14/15 JULY. IF IT WOULD CREATE NO DIFFICULTY HE WOULD LIKE TO ARRIVE IN LONDON ON SUNDAY, 13 JULY AND RETURN TO MOSCOW ON 16 JULY. I SAID THAT I WAS SURE THAT THIS NEWS WOULD BE VERY WELL RECEIVED IN LONDON. I HOPED THAT HE WOULD LET US KNOW SOON OF ANY PARTICULAR WISHES HE MIGHT HAVE REGARDING HIS PROGRAMME. I ASKED IF MRS SHEVARDNADZE WOULD ACCOMPANY HIM, TO WHICH HE REPLIED THAT THIS WAS STILL THE SUBJECT OF A DIFFERENT NEGOTIATION.

3. I SHOULD BE GRATEFUL FOR VERY EARLY CONFIRMATION THAT THE PROPOSED TIMING IS STILL ACCEPTABLE AND FOR ADVANCE NOTICE OF ANY PRESS ANNOUNCEMENT WHICH MAY BE MADE IN LONDON ABOUT THE VISIT.

CARTLEDGE

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NED
ACDD
DEFENCE D.
PLANNING STAFF
RESEARCH D.
NEWS D.
INFO D.
PS
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10 DOWNING STREET

Prime Minister

The Russians

approached us today
to negotiate dates
for Shevardnadze

to come here in

July. Probably 14/15

July.

CDP
2/6.



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