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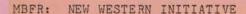
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TO ROUTINE CERTAIN MISSIONS AND DEPENDENT TERRITORIES GUIDANCE TELEGRAM NUMBER 149 OF 7 JULY



1. THE FOLLOWING MAY BE USED FREELY, PARTICULARLY THE SECOND SENTENCE OF PARA 6.

BACKGROUND

- 2. THE MBFR NEGOTIATIONS IN VIENNA, DESPITE EIGHT YEARS OF TALKS, STILL HOLD OUT NO PROSPECT OF REACHING AN AGREEMENT.
 THE MAIN OBSTACLE IS THE EAST'S CONTINUING UNWILLINGNESS:

 (A) TO COOPERATE IN THE RESOLUTION OF THE LONG-STANDING DISPUTE OVER THE SIZE OF EASTERN FORCES (NATO ESTIMATES THAT THERE ARE OVER 150,000 MORE EASTERN TROOPS IN THE AREA THAN ARE CONTAINED IN THE EAST'S TABLED FIGURES). THE EAST SAYS THAT THE WEST HAS GOT IT WRONG AND MUST ACCEPT THE EAST'S FIGURES, AND THAT THE WEST'S INSISTENCE ON PRIOR DATA AGREEMENT IS A DEVICE TO DELAY REACHING AGREEMENT. THE FIRST VIEW IS UNACCEPTABLE: THE SECOND SIMPLY UNTRUE.
- (B) TO ACKNOWLEDGE THAT AN AGREEMENT MUST INCLUDE ASSOCIATED VERIFICATION AND CONFIDENCE BUILDING MEASURES (AM), APPLICABLE TO BOTH SIDES, TO VERIFY NOT ONLY AGREED REDUCTIONS BUT ALSO SUBSEQUENT FORCE LIMITATIONS INVOLVING, AMONG OTHER THINGS, A DEGREE OF PERIODIC ON-SITE INSPECTION.

 EASTERN TACTICS
- 3. THE EAST HAS NOT RESPONDED EITHER FULLY OR CONSTRUCTIVELY TO THE ALLIANCE'S DECEMBER 1979 PROPOSALS ON AM, NOR REPLIED

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AT ALL TO ITS JULY 1981 PROPOSALS ON RESOLVING THE DATA DISPUTE. INSTEAD, IT TRIED TO SEIZE THE INITIATIVE BY TABLING A DRAFT 'PHASE I' AGREEMENT IN VIENNA ON 18 FEBRUARY. ALTHOUGH, PREDICTABLY, IT CONTAINS ELEMENTS OF ONE OR TWO LESS IMPORTANT WESTERN REQUIREMENTS, IT IS ESSENTIALLY A COMPILATION OF WELL-KNOWN EASTERN POSITIONS AND IGNORES ISSUES WHICH THE EAST KNOWS ARE CRUCIAL TO THE ALLIANCE, PRINCIPALLY DATA AND VERIFICATION. THE ALLIANCE APPROACH 1979-1982

- 4. THE PREVIOUS WESTERN APPROACH (DATING FROM DECEMBER 1979)
 INVOLVED ESSENTIALLY SYMBOLIC US AND SOVIET PHASE I REDUCTIONS
 (13,000 AND 30,000 TROOPS RESPECTIVELY) AND POSTPONED ANY
 COMMITMENT BY OTHER DIRECT PARTICIPANTS UNTIL LATER PHASE II
 NEGOTIATIONS. THE HOPE WAS THAT AN EARLY PHASE I AGREEMENT
 WOULD PROVIDE THE POLITICAL IMPETUS TOWARDS A MORE SIGNIFICANT
 AND COMPREHENSIVE PHASE II AGREEMENT. BUT PROGRESS HAS BEEN
 STYMIED BY CONTINUING DISAGREEMENT ON DATA AND THE SCOPE OF AM.
 THE NEW ALLIANCE INITIATIVE
- INVOLVING A SINGLE, STAGED AGREEMENT, WHICH WILL BE TABLED
 IN VIENNA ON 8 JULY IN THE FORM OF A DRAFT TREATY. IT COMPRISES
 THE SAME ESSENTIALLY SYMBOLIC US AND SOVIET REDUCTIONS IN
 STAGE 1 (1 YEAR FOR REDUCTIONS, 1 YEAR FOR VERIFICATION). BUT
 IT ALSO REQUIRES FIRM COMMITMENTS FROM ALL DIRECT PARTICIPANTS
 AT THE OUTSET TO TAKE A SIGNIFICANT SHARE IN ITS SIDE'S OVERALL
 REDUCTIONS OVER A 5 YEAR TIMETABLE TO REACH THE AGREED COMMON
 CEILING OF 900,000 GROUND AND AIR FORCES, SUBJECT ONLY TO STAGE 1
 REDUCTIONS BEING SATISFACTORILY VERIFIED. KEY WESTERN
 REQUIREMENTS (AGREED DATA, EFFECTIVE VERIFICATION, SPECIFIC
 SUB-LIMITS ON US AND SOVIET FORCES ONLY) STILL OBTAIN.
 WHAT IT MEANS
- 6. WE ARE UNDER NO ILLUSIONS THAT THIS NEW APPROACH WILL
 BE ANY EASIER TO NEGOTIATE THAN ITS PREDECESSOR. BUT BY TAKING
 A SIGNIFICANT STEP TOWARDS A MAJOR STATED EASTERN REQUIREMENT
 FIRM COMMITMENTS BY ALL PARTICIPANTS FROM THE OUTSET IT
 DEMONSTRATES ONCE AGAIN THE SERIOUSNESS OF THE ALLIANCE'S
 COMMITMENT TO REACHING AN EFFECTIVE AGREEMENT, INVOLVING

/SIGNIFICANT

SIGNIFICANT REDUCTIONS, IN CONVENTIONAL AS WELL AS NUCLEAR FORCES.

ADDITIONAL POINTS

- 7. (A) AN AGREED STARTING POINT IS ESSENTIAL TO ANY ARMS CONTROL AGREEMENT - IN THIS CASE, THE SIZE OF EACH SIDE'S FORCES IN THE REDUCTIONS AREA. ONLY THEN CAN EACH SIDE'S REDUCTIONS QUOTA BE DETERMINED, ONLY ON SUCH A BASIS CAN SUBSEQUENT COMPLIANCE WITH RESIDUAL CEILINGS BE PROPERLY VERIFIED.
- (B) EFFECTIVE VERIFICATION IS AT THE HEART OF THE MATTER IF AN AGREEMENT IS GENUINELY TO ENHANCE STABILITY AND STRENGTHEN SECURITY. THIS MUST INCLUDE PERIODIC ON-SITE INSPECTION ON THE BASIS OF AGREED GROUND RULES. SUCH VERIFICATION AND CONFIDENCE BUILDING MEASURES WOULD OF COURSE APPLY EQUALLY TO THE FORCES OF WESTERN DIRECT PARTICIPANTS.

PYM

BY TELEGRAPH

BERNE BUCHAREST SOFIA HELSINKI BUDAPEST WARSAW STOCKHOLM MOSCOW EAST BERLIN VIENNA PRAGUE UKMIS NEW YORK BELGRADE

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AND SAVING TO CERTAIN OTHER POSTS

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ADDITIONAL DISTRIBUTION GUIDANCE