



PM/85/73

THE PRIME MINISTER

MBFR

1. On the instructions of the Defence Secretary and myself, our officials have been engaged in a review of Western policy at MBFR, over which negotiations have made no significant progress after twelve years. It soon became clear that decisions over the place of MBFR in the wider scheme of Conventional Arms Control should only take place when the outcome of the first stage of the Stockholm Conference on Disarmament (CDE I) was known, and when the current NATO Military Committee Study of the Military Implications of an MBFR agreement had been completed. As a result, efforts were concentrated on what to do between now and the Vienna CSCE follow-up meeting in November 1986, to which CDE I reports.

2. The last Western proposal at MBFR was tabled in April 1984. A hastily concocted initiative, reluctantly agreed to by the European allies, it was a good example of how political pressure for activity across the Atlantic can distort the Alliance decision-making process. The annex on verification was never tabled (owing to major disagreements on details); the Benelux countries were offended by the lack of prior consultation; and

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CMB

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Prime Minister
Agree that the
Foreign Secretary
should approach the
Americans to try
to get MBFR
negotiations re-launched,
on the basis of minimal
amendments to the latest

Soviet
proposals?
CMB
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significant frictions~~x~~ arose between ourselves and the Germans because of German misconceptions about our previous contacts with the Americans. The initiative was never seriously considered by the East and, on 14 February of this year, they tabled a new proposal, for an interim agreement lasting three years, comprising initial US and Soviet withdrawals (13,000/20,000 troops) from the reductions zone followed by a collective and national no-increase commitment. In putting forward this initiative, the East made it clear that either comprehensive proposals (involving reductions down to the agreed level of parity at 900,000/700,000 (Ground and Air Forces/Ground Forces)) or any insisting upon data agreement before initial reductions were unnegotiable.

3. Officials therefore began to look at options for a possible Western response, with a view to restoring our previously close relationship with the Germans on MBFR and to denying the East the initiative at the talks. Michael Alexander, with whom I discussed this when I visited Vienna on 14/15 May, has played an important part in elaborating our package and fully supports its present shape. UK/FRG exchanges have now led to agreement at Ministerial level in both London and Bonn on the UK's preferred option; that of minimal amendments to the latest Eastern text to take account of Western security interests. I attach a copy of the Eastern text, incorporating the amendments we would propose. We have also reached agreement with the Germans

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on verification: a breakthrough which will almost certainly lead to an Alliance-wide consensus.

4. Building on the Eastern text would have a number of significant advantages. It would be easier to negotiate in Brussels than a completely new initiative. And, the verification problem having already been resolved, it ought to be feasible to table the counter-proposal before the end of the year. It would present the East with unpalatable choices regarding its previous duplicity on force levels. It makes the presentationally (but not militarily) important concession of postponing prior agreed data to future, and major reductions. And it would force the East, were it to reject its own text (albeit amended) to justify its continuing intransigence in the face of the removal of the two obstacles claimed by them to have been blocking progress up to now.

5. The chances of the East accepting such a proposal are slim. The verification package, up to three times as intrusive (in terms, for instance, of frequency of inspection) as anything previously tabled, would be liable to expose significant variations from data filed after initial reductions. There would in any case be reluctance over setting intrusive verification precedents for other arms control negotiations. From the West's point of view the main risks are that 13,000 US troops would go home across the Atlantic; and the East might cheat without being found out via the verification



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package, though these risks are common to any MBFR proposal. Having taken the advice of the Chiefs of Staff, the Defence Secretary and I are satisfied that these risk are relatively small, and worth taking.

6. The next step is to approach the Americans, the other member of the trilateral group that has traditionally set the lines of Western policy on MBFR. This I intend to do, if you are content, in the margins of the Helsinki Anniversary Meeting at the end of this month. The internal US review of MBFR is still some way from completion; precious little attention is being given to conventional arms control now that the Geneva talks are underway and the Department of Defense are known to be opposed to doing anything in MBFR. The prospects for moving them are consequently doubtful - and it may not be worth expending much capital on the effort. But an approach now will remind them that MBFR remains of importance to the European direct participants, and that any repeat of the 1984 performance can only harm Alliance management.

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7. I am copying this minute to the Secretary of State for Defence.

A handwritten signature in dark ink, appearing to be 'G. Howe', written in a cursive style.

GEOFFREY HOWE

Foreign and Commonwealth Office
25 July, 1985

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