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PM WASHINGTON 282228Z JUL 82
TO IMMEDIATE F C O
TELEGRAM NUMBER 2582 OF 28 JULY
AND TO MODUK (PERSONAL FOR PS/S OF S)



MY TELNO 281445Z TO MODUK PERSONAL FOR S OF S FOR DEFENCE AND TO F C O PERSONAL FOR PS/S OF S.

SIBERIAN PIPELINE: MR WEINBERGER'S LETTER

- 1. THIS NEW DEVELOPMENT COULD AFFECT HOW YOU WILL WANT TO HANDLE
 YOUR TALKS WITH MR SHULTZ. IT IS DISCOURAGING EVIDENCE OF HOW
 LITTLE THE EUROPEAN ARGUMENTS HAVE BEEN HOISTED IN BY THE PENTAGON.
- 2. PENTAGON OFFICIALS TELL US THAT WEINBERGER HAS NOT WRITTEN TO
 OTHER NATO DEFENCE MINISTERS IN THIS SENSE. THE LETTER WAS
 THE WORK OF IKLE AND PERLE. WEINBERGER HIMSELF MADE NO MENTION OF IT
 WHEN I SAW HIM LAST NIGHT WHICH SUGGESTS THAT HE DID NOT HIMSELF
 SEE IT AS A PARTICULARLY NEW DEPARTURE.
- 3. THE WEINBERGER LETTER TREATS THE ISSUE AS ONE OF WESTERN SECURITY AND POINTS TO THE REAL DANGER THAT THE PUBLIC TRANSATLANTIC ROW COULD WEAKEN THE ALLIANCE. STRIKINGLY, IT BARELY REFERS TO THE POLISH CONDITION ON WHICH PRESIDENT REAGAN INSISTED IN HIS DECISION OF 18 JULY. RATHER IT REVERTS TO THE ARGUMENTS ABOUT EUROPEAN DEPENDENCE ON SOVIET ENERGY AND HARD CURRENCY WHICH WERE PUT BY PRESIDENT REAGAN AT THE OTTAWA SUMMIT LAST YEAR. LAMBSDORFF, IN TODAY'S WASHINGTON POST, EXPLAINS WHY THE EUROPEANS NEVERTHELESS DECIDED TO GO AHEAD AND THIS WILL CATCH A FAIR DEGREE OF SYMPATHY HERE WHERE PRESS COMMENT SO FAR HAS BEEN BROADLY CRITICAL OF THE ADMINISTRATION. THE WEINBERGER LETTER WHICH SETS OUT THE HARD LINE SUCCINCTLY, IS NOT CLASSIFIED AND MAY WELL LEAK BEFORE LONG.
- 4. YOU AND SCHMIDT, AND EVEN CHEYSSON, HAVE PUBLICLY UNDERLINED THE IMPORTANCE OF KEEPING THIS DISPUTE IN PROPORTION. THAT WOULD BE THE RIGHT SPIRIT IN WHICH TO TAKE UP AND DEAL WITH WEINBERGER'S ARGUMENTS IN A CONSIDERED REPLY. I DOUBT IF THE AMERICANS REALISTIC—ALLY EXPECT EUROPEAN GOVERNMENTS TO GO INTO REVERSE AT SUCH A LATE STAGE, AND AFTER LONG CONSIDERATION OF ALL THE ARGUMENTS. SO THE PROBLEM IS ONE OF DAMAGE LIMITATION: THE LAST THING WE WANT IS FOR THIS AND OTHER ECONOMIC ROWS TO SPILL OVER INTO NEXT YEAR'S DISCUSSION IN THE ALLIANCE OF MISSILE DEPLOYMENT AND OTHER TICKLISH MATTERS.

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5. I AM SURE SHULTZ WILL WANT TO DISCUSS WITH YOU HOW ALL THIS CAN QUIETLY AND EFFECTIVELY BE BROUGHT BACK UNDER CONTROL. I LOOK FORWARD TO TALKING ABOUT THE TACTICS WHEN YOU ARRIVE TOMORROW, INCLUDING WHAT YOU SAY TO THE PRESS ABOUT IT.

HENDERSON

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