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SUBJECT

cc Master

also copy in Foreign Policy
Strategy on Foreign: April 1983

10 DOWNING STREET

From the Private Secretary

12 September 1983

Dear Brian,

POLICY ON ARMS CONTROL AND DISARMAMENT

On 9 September the Prime Minister held a meeting at Chequers to review our policy in the field of arms control and disarmament. A list of those who attended is enclosed. The meeting had before it papers on (a) Arms Control: The Strategic Agenda; (b) Western Defence Strategy; (c) Nuclear and Conventional Force Arms Control; and (d) Multilateral Arms Control and Disarmament.

The purpose of this letter is to record the conclusions which were reached.

The question of whether it would be right at some stage to agree that the British strategic nuclear deterrent should be taken account of in arms control negotiations was discussed at length. It was noted that pressure was growing among our allies for us to find some way of doing so but it was by no means certain that they had thought through the implications.

It was clear that we must continue to resist the Soviet argument that the British and French strategic deterrents should be included in the INF negotiations. The question was rather whether there would be a case at some stage for including them in the START negotiations. At present the number of British (and French) strategic nuclear warheads was extremely small in relation to the known holdings of the super-powers. But decisions in the near future on Trident D5 procurement would be likely to result in due course in a significant increase in the Western holding of strategic warheads. This would lend more plausibility to the Soviet argument that the British and French deterrents were a major factor for them.

A key factor in determining whether there was any scope for taking account of the British deterrent in START was our estimate of the irreducible minimum holding of strategic nuclear weapons necessary to deter the Soviet Union. It was clear that the present Polaris deterrent could not be reduced. Officials were at present considering what the irreducible minimum would be in the Trident era in relation to the increased Soviet capability which we should then face. This would to some extent depend on eventual Ministerial decisions on the targetting of Trident.

/ It was recalled

It was recalled that while Polaris was indeed a weapon for use by the United Kingdom in a situation of last resort, it was also assigned to SACEUR who had the power to use it in situations short of last resort. This was one reason why some of our allies saw substance in the Soviet argument that the British deterrent should be included in negotiations. There was a need to find some way of making our position more plausible to our allies.

But great care was necessary. Any suggestion that the United Kingdom should participate in negotiations about strategic arms implied that we were willing to consider reducing our deterrent. Alternatively, it implied that the United States would emerge from such negotiations in a position of less than parity with the Soviet Union (and this was unrealistic since such an agreement would probably not be accepted by the US Congress).

①
B/F
It was agreed that there could be no question of making any move towards including our deterrent in arms control negotiations without the most thorough prior consultations with the United States. But whether any such move should be made depended on the outcome of the current work on the concept of the irreducible minimum. The Ministry of Defence were asked to consider how quickly that work could be completed (the current target of spring, 1983 was felt to be too distant) and to report.

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B/F
Since it was clear that at least for the time being there could be no question of changing our present position, further thought needed to be given to the handling of public opinion on this question. The Foreign and Commonwealth Office were asked to consider urgently, together with the Ministry of Defence, and to report.

The task of the Alliance in retaining the support of public opinion could be greatly aided if current work resulted in an announcement in the autumn of a decision significantly to reduce the Alliance's holdings of battlefield nuclear weapons.

③
B/F
The present state of the MBFR negotiations was described and it was noted that Germany appeared to wish to make a significant departure from the West's position of insisting on agreement on data before reductions could be agreed. We had it in mind to make an alternative proposal which would avoid the dangers of the German proposal. This should be considered by Ministers (and the Prime Minister wishes to see the text).

④
B/F
Concern was expressed about the threat posed by Soviet chemical weapons holdings. The Secretary of State for Defence said that he proposed to put a paper to the Prime Minister about this matter.

⑤
B/F
In conclusion, the Prime Minister asked the Secretary to the Cabinet:

- (a) to circulate shortly a draft agenda of issues in the field of arms control and disarmament which Ministers would need to consider in the next three months;

/(b)

- (b) to recommend how those issues might best be considered by Ministers;
- (c) to arrange for preparation by officials of the issues to be discussed.

I am copying this letter to Richard Mottram (Ministry of Defence) and Richard Hatfield (Cabinet Office).

Yours ever

Bob Cole.

Brian Fall, Esq.,
Foreign and Commonwealth Office.

Prime Minister

Rt. Hon. Sir Geoffrey Howe, MP

Rt. Hon. Baroness Young

Mr. Richard Luce, MP

Sir Antony Acland

Sir Julian Bullard

Mr. Bryan Cartledge

Rt. Hon. Michael Heseltine, MP

Mr. John Stanley, MP

Sir Clive Whitmore

Field Marshal Sir Edwin Bramall

Mr. John Blelloch

Sir Robert Armstrong

Mr. David Goodall

Mr. J.M. Mackintosh

Sir Anthony Parsons

Mr. Robin Butler

Mr. John Coles

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MBFR: 30TH ROUND (16 MAY - 21 JULY 1981)

Head of Delegation to MBFR at Vienna to the Secretary of State
for Foreign and Commonwealth AffairsDA
31/2

SUMMARY

1. The East has tabled in draft agreement form its proposal of 17 February providing for reductions to parity at 900,000 ground and air forces. The draft agreement contains verification measures reminiscent of those in the West's July 1982 proposals, but ignores the need for data agreement. It also maintains the East's hard line on other issues of importance to the West (paragraphs 1-4).
2. As circumscribed, the verification measures would be ineffective. There is striking imprecision about the reduction process. The emphasis on the achievement of parity would give the Russians the chance to take asymmetrical reductions, but the West would have to trust the Russians for three years meanwhile. We should highlight such unacceptable features (paragraphs 5-8).
3. The West has not responded formally to the draft agreement. There is opinion in the Ad Hoc Group favouring a "flexible" response in the search for progress in conventional disarmament in the period before installation of Pershing II and Cruise missiles. But others in the Group favour a more robust reply indicating clearly where the East's offer must be improved (paragraph 9-14).
4. The Americans have told the Russians they are prepared to be flexible, but have had no response. The FRG and the UK have prepared options for trilateral consideration. Agreement on a text and a programme for tabling will need Alliance endorsement and will take time. Meanwhile, pressure for significant revision of the Western stand is likely to increase (paragraph 15-18).
5. Diluting the West's requirements could lead to the "toothless" kind of agreement the East favours, conveying international recognition of its military predominance in Central Europe. The West is divided over how best to try and exact the terms we require by taking advantage of the East's interest in such an agreement. Some concessions could be exacted from the East if we maintain the pressure (paragraphs 19-20).

Vienna
1 August 1983

Sir,

BACKGROUND

1. In my report on the last Round, the 29th, I referred to the statement in the Warsaw Pact's 5th of January Declaration in Prague that all the conditions existed for working out an MBFR

agreement quickly. The East had followed this by the tabling in Vienna on the 17th of February of a three-part proposal involving small-scale initial US and Soviet withdrawals outside any treaty framework: a "political" commitment to a subsequent freeze on the forces and armaments of all participants; and eventual reductions, the size of which each side would decide for itself, to parity at 900,000 ground and air forces.

2. The proposal on reductions to parity was accompanied by an offer to consider the question of mutually acceptable verification of the final ceiling on condition that the West agreed to the "principle" of the Eastern approach - to forgo any interest in resolving the crucial data question, and leave reduction amounts unstated. In the Western view the East has about 235,000 more men than it admits in Central Europe, and thus would have to accept large asymmetrical reductions if it were to reach parity. This is not a matter that can be ignored.

LATEST EASTERN PROPOSAL

3. On the 23rd of June the East tabled the proposal on reductions to parity in draft treaty form, indicating that the sides should undertake binding obligations to reach parity in three years. Although the West had not accepted the "principle" of the East's approach, the East has come forward with certain verification measures - reminiscent of elements in the Western draft treaty of the 8th of July 1982. For example that national technical means of intelligence should not be interfered with, that maintenance of final ceiling figures should be guaranteed by permanent exit/entry points and exchanges of information, and that there should be authorisation of on-site inspection - albeit on circumscribed terms like those in the Soviet draft Convention on Chemical Weapons tabled at the UN General Assembly on the 18th June 1982. There is provision for each side to invite representatives from the other to observe certain reductions, and for a Joint Commission to consider questions of compliance with agreement obligations. The East has also adopted the Western formulation that each party to the Agreement with major formations in the area should implement a significant share of reductions to parity.

4. But the East has maintained its previous stand - contrary to Western interests - opposing temporary exceptions to final ceilings (for reinforcement exercises or other purposes) and requiring the inclusion of a sub-ceiling on air force manpower, and armament reductions. It has categorised the West's July 1982 draft treaty as incapable of serving as the basis for an agreement, and as having been overtaken by Eastern proposals.

ASSESSMENT OF THE LATEST PROPOSAL

5. The Eastern moves on verification are welcome: the provision for permanent entry/exit points, and acceptance of the principle of on-site inspection have long been sought by the West. But as defined the moves are inadequate. Permanent exit/entry points would only begin to function after establishment of the final ceiling, and would provide no assurance that troops who should previously have left had done so; the right is affirmed for each side to refuse an inspection request from the other (although in response to Western questioning the East has said that it "believes" that requests would normally be met). Further, an invitation to send observers during the reduction process would be at the discretion of the side withdrawing or reducing forces, and would apply only for contingents of "the most substantial size". There would be no exchanges of information to show what was happening during this period; furthermore the Joint Commission would have no powers to resolve disputes, being empowered only to make reference in its minutes to opinions reached by consensus - an unlikely event. All of this falls far short of acceptable verification.

6. Lack of precision about the reduction process is a striking feature of the whole approach. The East has not responded to Western questions about the extent of observation and hence of

knowledge that would be achievable; evidently neither reduction amounts nor the schedule of reductions to parity would be specified, and there would be no serious effort to provide for cooperative verification of reductions. This is in line with the overall Eastern approach, placing the emphasis on the end result - achievement of parity.

7. The approach would offer a way out for the Russians if they were minded to accept the asymmetrical reductions necessary to reach parity but wanted to avoid being pilloried for having lied about the East's previous strength. But it would involve the West's agreeing to trust the East for the entire 3-year reduction period, although there are currently no grounds for believing that the East intends to undertake asymmetrical reductions of the necessary size; on the contrary the East contends that approximate parity now exists. My view is the straightforward one, that the imprecision of the references to reductions is accounted for by the East's determination to preserve its present superiority in conventional force levels (and that the draft agreement's terms are intended to make this palatable to the West).

8. I therefore see the East's proposal as an audacious move, intended to put paid once for all to the Western concept of an agreement, as exemplified in our July 1982 draft text: a staged reduction and limitation process, with effective verification measures operating on the basis of agreed data from the start. But the East's acknowledgement of the need for observation of reductions and limitations and of the principle of on-site inspection - however circumscribed - represent critical concessions from which we should derive benefit in the negotiations and in public. Our attack should be focussed on the incompatibility between the means proposed and the acknowledged ends; the East's replies will be a touchstone of Eastern willingness to come to a reasonable accommodation.

ARGUMENT ABOUT THE PROPER WESTERN RESPONSE

9. During the Round Western negotiators in Vienna have continued to point out unacceptable features of the first two parts of the East's 17th of February proposal. They have contented themselves, about the East's draft agreement, by saying that this was being carefully studied, and have taken the opportunity to reiterate our essential requirements for a viable agreement as exemplified in our July 1982 text. A report to the North Atlantic Council (NAC) by the Ad Hoc Group (AHG), the West's steering group, has highlighted the draft agreement's shortcomings. But the AHG is divided over how to proceed.

10. Certain colleagues believe that the East may be signalling serious interest in a mutually acceptable outcome and that the negotiations have reached a turning point. The report, which the NAC accepted, therefore proposed that there should be an evaluation of the Western position. The colleagues to whom I refer, favour the West's responding to the East's proposal by tabling fresh terms of our own. Otherwise, in this view, we shall remain tactically at a disadvantage at a period when there is much public interest in arms' control negotiations.

11. My Netherlands' colleague is the main protagonist for the view that to encourage the East to improve its verification terms we should show "flexibility". This is generally taken to mean that the West should no longer require agreement on data from the outset (partly as an earnest of Eastern preparedness to implement any agreement and partly because it would be easier to enforce an agreement based on it) but should postpone this until later when it might be possible to create an agreed data base as a result of verified limitations. He would also like our side to be prepared now to concede other, less important, elements on which we have previously insisted.

12. An important underlying consideration for him and others is that their governments would find it helpful in the controversy over the installation of Pershing II and Cruise missiles to be able to

point to progress in Vienna as the result of Western moves. My German colleague takes a similar line; despite being well aware of the unsatisfactory nature of the East's proposal, he is concerned in case the West incurs the criticism that we are no more interested in disarmament than the Russians are. He would like to respond with a major gesture of some sort. The Americans sympathise with the German predicament and would like to help. My US colleague, who is an activist, is keen to explore alternative solutions to the long-standing deadlock (although I am unclear how far his view coincides with those of the upper reaches of the US Administration); sceptical of Eastern motives, he nonetheless believes that further Eastern movement over verification, which could, indeed, have ramifications outside MBFR, might be achievable provided that the West first showed "flexibility". The balance of opinion in the AHG has tilted towards the view that Western insistence on agreement on initial data, however reasonable, should be dispensed with in the search for a worth-while Soviet response.

13. The contrary view, in which I have been supported by my Italian, Belgian, Turkish and Greek colleagues (out of an AHG complement of twelve) is that there is no immediate requirement for the West to make a major move which could risk compromising some of our security objectives - although we could well, on a contingency basis, consider the terms of an agreement that we could live with and which might be advanced at some time in future. Meantime there is scope for pursuing elements in the East's proposal in our own interest.

14. In a reasoned reply to the proposal we could welcome its positive aspects, but should point up its inadequacies - indicating clearly how the East should remedy them if it has an interest in an agreement to which the West could subscribe. We owe the East a reply, and it is unlikely that anything more elaborate than the foregoing could secure Alliance agreement by September when the next Round begins. Some of my colleagues are unduly impressed by Soviet protestations that nothing more should be expected of the East since "the ball is in the West's court". In my view there is no need for our side to match the East - draft agreement for draft agreement. More fundamentally, the argument is a dangerous one that steps should be taken in MBFR with an eye to the position created by INF; the issues in Vienna are too important for Europe's future to be handled as an adjunct of problems elsewhere.

US-SOVIET CONTACT

15. A factor in the equation known only in broad terms to the AHG as a whole, although suspicions have been aroused that only half the story has been told, is that the US has already conveyed to the Russians its preparedness to be flexible. On the 18th of June the US Secretary of State after consultations with the trilateral allies (ourselves and the FRG) informed the Soviet Ambassador in Washington that the Americans might be prepared to consider implementing initial reductions without prior agreement on data - provided that the Russians accepted our verification package. There has been no reply, although the Russians know that the Americans do not consider the East's 23rd of June draft Agreement to be an adequate response. It would be sensible to await an indication of Soviet views before making any major Western move. I should add that when the Americans suggested making their approach to the Russians it emerged that they had no clear idea of how to follow up an Eastern response if this were positive, although several ideas are currently under consideration in Washington.

FRG OPTION

16. Meanwhile the Germans have submitted for trilateral consideration a scheme approved at a high level in Bonn - and of whose existence the Russians already seem to know - providing for initial US/Soviet reductions followed by a general numerical "freeze" without prior data agreement.

The Germans propose to rely on verification of the "freeze" to secure data agreement prior to later reductions to parity. The UK has argued that the German option goes too far, as it abandons the requirement for initial data agreement in the West's July 1982 proposal in circumstances where there would be a real risk of nothing more being offered in return than a discussion about verification procedures. It provides the Russians with a chance to withdraw troops without acknowledgement; but the outcome could be to confirm existing disparities in force levels, thereby setting the scene for a renewal of data disagreement in circumstances where the Russians would have no incentive to move further.

UK ALTERNATIVE

17. The UK has therefore circulated for trilateral consideration a more cautious proposal which concentrates on large and observed asymmetrical Soviet and US initial reductions followed by a requirement for agreed residual ceilings, including sub-ceilings on US and Soviet forces, to provide the main data base for later obligations. Although postponing data agreement until after initial reductions involves certain risks, we could live with it provided that the later obligations were sufficiently tautly drawn. Our alternative is safer for the West than the German option, but the establishment of a clear link between initial reductions and the achievement of parity will not be easy; and the alternative might not be attractive enough to the Russians for it to be negotiable with them.

PROSPECT

18. How these and other ideas may coalesce to form an agreed response to the East will firstly be for trilateral decision during the Recess, and the outcome will require Alliance endorsement. All this and agreement on a programme for tabling will take time. Meanwhile agitation may increase for an early and significant revision of the West's position, as installation of Pershing II and Cruise missiles draws near and on the assumption that the negotiations in INF and START fail to progress much. Some colleagues also have in mind that convening a Conference on Confidence and Security-Building Measures and Disarmament in Europe would be likely to divert attention and effort from MBFR, and that the present may be the last chance for MBFR to seize an initiative; this does not seem to me to be a crucial factor.

19. I do not suspect any colleagues of wishing to undermine the Western negotiating position - and there are built-in obstacles in Brussels and in capitals against excessive zeal for an agreement. But paring down our requirements could lead to moving closer to the kind of agreement without "teeth" that the Russians have been pursuing from the start: one that would secure international recognition for the current Central European military imbalance in Soviet favour - incidentally giving the Russians a droit de regard over the West German armed forces and complicating American reinforcement capability.

20. The stakes for the Soviet Union are high, therefore, and it would make sense for the Russians to be prepared to concede more in pursuit of them. We can take advantage of this - while not for a moment ignoring Soviet objectives. At issue in the West is the most effective means of doing so. In my view an improvement on the Eastern verification position could be expected in response to Western pressure and if we resisted calls to adopt a fall-back position. We could then face the Russians with the need for a data move.

21. A more detailed report on the Round is being sent separately to the foreign and Commonwealth Office.

22. I am sending copies of this Despatch to Her Majesty's Representatives in NATO and Warsaw Pact capitals; at Vienna, Helsinki, Stockholm, Berne, Belgrade, Tokyo and Peking, to the United Kingdom Permanent Representative to the North Atlantic Council at Brussels, the United Kingdom Permanent Representative to the United Nations at New York, the Leader of the United Kingdom Delegation to the Committee on Disarmament at Geneva, and the Leader of the United Kingdom Delegation to the CSCE Review Meeting at Madrid.

I am, Sir,
Yours faithfully

A M Simons