



Foreign and Commonwealth Office

Prime Minister

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You asked for a note
on this.

21 September, 1983

A.S.C. 23/1

John Stan.

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MBFR

One of the subjects which cropped up in Ministerial discussion on 9 September was the MBFR negotiations in Vienna and I understand that the Prime Minister expressed a wish to be brought up-to-date with developments. The following amplifies the information already contained in the background to the Prime Minister's brief for Washington.

The Prime Minister will already be aware from the briefing papers for Chequers that the central reason for the deadlock in MBFR has been the refusal of the East to admit its existing force superiority in Central Europe. Without agreement on initial force strengths, it has not been possible to agree on the numbers for each side's reductions to the acknowledged goal of parity of 900,000 ground and air forces. This year the East has made new initiatives during February and June which in effect propose that the impasse over initial force strengths should be side-stepped, each side deciding for itself the numbers for its necessary reductions: in return for this, the East offers to go some way to meet Western requirements on verification and has for example already conceded in principle that verification measures should include permanent exit/entry points with observers and on-site inspection.

In the light of these developments the Allied negotiators in Vienna (whose report is enclosed with this letter for your information in case the Prime Minister asks for a more detailed account) have recommended to the North Atlantic Council that the West now needs to evaluate its position. So far no clear view among the Allies has emerged. Some feel (including the energetic and intelligent US chief negotiator in Vienna) that the West should seek actively to exploit apparent Soviet flexibility over verification (particularly because of its wider significance for other arms control negotiations); and that we should offer an inducement in the form of a less rigid Western position on initial force strengths, at least in so far as quantified US and Soviet preliminary force reductions are concerned. This was indeed the sense of Secretary Shultz's bilateral probe addressed to the Russians via Ambassador Dobrynin in June. There is also some feeling among the Germans that a Western counter-move in MBFR could be politically useful in helping the Federal Government through its public debate on INF this autumn.



As against that, it is obviously important that the Alliance do nothing to jeopardise key negotiating principles and security interests and that we should not offer moves which the West might subsequently regret or take Soviet statements at face value without cast iron guarantees that the West would be able to monitor events and verify compliance.

Until it was postponed at US request following the recent KAL incident, the UK had intended hosting a trilateral meeting with the Germans and Americans to concert our positions before wider NATO consultation and resumed MBFR negotiations in Vienna next month. For this purpose the UK had circulated a discussion paper, with the endorsement of FCO and MOD Ministers, incorporating the following key elements:

- (a) If the Russians would agree to remove 60,000 Soviet troops (against a US reduction of 25,000) on a formal, quantified and observable basis as a first step, we would not insist on explicit prior agreement about the starting level of overall Soviet forces in the reductions area.
- (b) But the Russians would also have to agree at the outset on numerical ceilings, to be reached after these initial reductions, which would be verified by Western measures already tabled. The Soviet ceilings would be set at a level below the figure obtained simply by subtracting 60,000 from what we know to be their present force level. Establishing whether or not this ceiling had been reached by the Russians would tell us whether they had begun to take additional 'surreptitious' reductions of the kind necessary ultimately to eliminate their ground and air force superiority. If they had not, Soviet bad faith would have been confirmed, but at least we would have gained the removal of 60,000 Soviet troops, (albeit at the cost of some US reductions).
- (c) All further formal reductions by the Russians and other Eastern participants would have to be on the basis of comprehensive data on initial force strengths fully agreed beforehand, together with the full Western requirement on verification.

The purpose of this limited idea was to head off less watertight proposals such as the Germans and even some Americans are known to have been tinkering with; and to provide a means by which Soviet good faith could be tested (if, as is perhaps improbable, they were to accept our proposal), before the process went any further. We also had in mind here that the concept of initial US and Soviet token reductions has been a feature of earlier proposals in

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MBFR, from the West as well as from the East. If opinion in Washington were to be strongly influenced by German thinking for political reasons; and if the Americans really wished to offer to withdraw some US forces from Germany as part of an initial US/Soviet agreement, there is probably not much HMG could do to prevent it. As always therefore, the UK aim in MBFR is essentially damage limitation.

It remains to be seen however whether matters will reach this point. There is as yet no consensus in Washington as to whether a new move is required in Vienna, although we know that Secretary Shultz had earlier expressed personal interest in this. The KAL incident and the sour atmosphere of the Shultz/Gromyko meeting in Madrid have cooled enthusiasm in Washington. If and when the process of trilateral consultation resumes, the Foreign and Commonwealth Secretary proposes to instruct the UK officials concerned to be guided by the considerations set out in summary form above. Any possible move which survive preliminary trilateral discussion among officials would of course then need to be referred further to Ministers.

I am copying this letter to Richard Mottram (MOD) and to David Goodall (Cabinet Office).

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Private Secretary

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AD HOC GROUP REPORT TO THE NAC
ON THE JUNE 23 EASTERN DRAFT AGREEMENT

Introduction

1. On June 23, 1983, the East tabled a new draft agreement. The draft embodies the Eastern proposal of February 17, 1983, for reductions to equal collective levels with each side determining the size of its own reductions. The other two proposals presented by the East on February 17 -- for the reduction of US and Soviet forces by mutual example and for a freeze on the forces of all direct participants -- remain on the table.
2. By formalizing only one of the three elements of the February 17 set of proposals, the East has highlighted the fact that the other two elements are to be non-contractual political commitments, outside a treaty framework. Eastern representatives have explained that all three elements represent an integral, consistent scheme, which could be considered and agreed in parallel or individually. In addition to showing this procedural flexibility, Eastern representatives in bilateral contacts have characterized their new draft as a negotiating document which has not been tabled on a take-it-or-leave-it basis. The East has again contended that the sides should now be able to conclude an agreement within one year.
3. This report assesses the main features of the new Eastern draft agreement and discusses Eastern tactics.

It concludes with an overall evaluation of the Eastern move and describes how the Group will handle this development until the end of the round.

Assessment

4. In tabling this draft agreement, the East has replaced its February 1982 draft, which focussed on initial US/Soviet reductions, with one which focusses on reduction of the forces of all direct participants to parity. The new draft incorporates in detailed treaty form an earlier Eastern undertaking for achieving parity in military manpower at the level of 900,000 men, with ceilings of 700,000 on ground force manpower and 200,000 on air force manpower. It proposes parity be reached in one stage in three years rather than the four-stage, seven-year process proposed in the Western draft treaty.

5. The new Eastern draft falls short of meeting a number of requirements in the Western draft treaty:

- It excludes agreement on initial data prior to reductions;
- It does not specify reduction amounts nor the schedule of reductions;
- It fails to provide for adequate cooperative verification of the reductions to parity;
- While it provides for a package of measures for verifying adherence to the common ceilings, most of these measures are inadequate.

The East acknowledges that its draft does not contain the first three points above, but it maintains that these omissions were necessary in order to get around the data impasse. The East argues that since agreement on initial data is not possible, reduction amounts cannot be specified and that if the reductions process were fully verified under these conditions, the data dispute would only continue. The East claims that it has now provided adequate measures to verify the fact that substantial reductions are being taken and ceilings respected.

6. On the other hand, the draft agreement appears to be an effort to take into account a number of Western concerns:

- It is an ostensible commitment by the East to enter into binding obligations to reach parity in the size of Eastern and Western forces in Central Europe within a specified time frame;
- It provides that, on a voluntary basis, each side will invite observers of the other side at reductions/withdrawals of the most substantial contingents of indigenous/non-indigenous forces.
- It endorses the concept of non-interference with national technical means.

- It suggests a more intrusive set of verification measures, including the permanent exit/entry points with observers, and also the possibility, provided the requested side agrees, of some form of on-site inspection, but only to monitor compliance with ceilings once reductions have been completed.
- It adopts the Western formula that each direct participant with major formations in the area should take a "significant share" of the overall reductions of its side.

7. The associated measures in the new draft agreement seem designed to support an Eastern claim that the East has now adopted a package of measures analogous to that proposed by the West. Most Western measures are ostensibly matched by an Eastern measure somewhat similar in form but in most cases different in substance:

- Inspections. Article 19 of the draft allows each side to request inspections when it suspects the other side has exceeded the common collective ceiling. But the Eastern draft clearly states the right to refuse an inspection request while the Western measure stresses the right to inspection and the extraordinary nature of denying that right. While the Western measure provides for an annual quota of inspec-

tions, the Eastern measure lacks any numerical specification.

- Permanent Exit/Entry Points. Article 18 of the Eastern draft provides for establishing 3 or 4 permanent EEPs on each side after the completion of reductions. Formations, units and sub-units of all direct participants entering and leaving the area are required to pass through these points, raising the question whether or not this would apply to the Soviet semi-annual rotation.
- Observation of Reductions. While the Eastern draft makes no provision for exit/entry points to observe the withdrawal of forces from the reduction area, it provides for observation on an invitational basis of reductions of "the most substantial contingents" of indigenous and non-indigenous forces.
- Exchange of Information. Article 14 requires the mutual exchange of data on the size of each side's forces following the completion of all reductions and annually thereafter, as well as the notification by each party of any change in the size of its own forces in the area. In addition to being

postponed until after the completion of reductions, the extent of the information to be exchanged under this measure remains unclear.

-- Non-interference with National Technical Means. Article 12 of the Eastern draft is now essentially the same as the similar measure in the Western treaty.

-- Pre-notification of movements. Article 15 of the Eastern draft requires pre-notification of all movements of ground forces with over 20,000 men within, into and out of the reductions area. This measure would go into effect only after the completion of all reductions and, unlike the Western measure, it includes pre-notification of movements within and out of, as well as into the area and provides for a higher notification threshold.

-- Pre-notification of Out-of-Garrison Activities. As noted above, Article 15 of the new draft provides for pre-notification of movements of forces exceeding 20,000 men, to be implemented after all reductions, including within the area. Article 16 provides for pre-notification of military exercises of over 20,000 men within the area. Taken together these provisions

amount to something analogous to the Western measure, although the notification threshold and other criteria are different. None of these measures applies outside the reduction area, as does the Western measure.

- Observers at Pre-Notified Activities. The Eastern draft makes no provision for observers at pre-notified activities, as called for by the West.
- Limitations on Size of Exercises. The East continues to call for a limitation on the size of exercises.

8. Beyond the shortcomings in many of the measures individually, a major flaw is that most of the measures would not be put into effect until after all reductions are complete. This significant gap in the Eastern verification system means the West would be reducing its own forces without adequate cooperative verification of the size and scope of Eastern reductions. Moreover, the measures now proposed by the East for monitoring common ceilings do not yet meet Western requirements.

9. On other issues, the draft provides specifically that armaments of withdrawn non-indigenous forces are not to be stored in the area of reductions. It also says that the armaments of indigenous forces would be

"excluded from the table of organization and equipment" of their armed forces. The meaning of this formulation is unclear. The draft provides for a Joint Commission, for the duration of the agreement, which would meet twice yearly to consider questions of compliance and related ambiguous situations and to provide information for assuring confidence in compliance. Unlike the Western draft, the Eastern draft does not specify any duties of the Commission regarding arrangements for associated measures, including observers or inspections. The draft does not meet Western requirements with regard to measures for confidence building.

10. The draft retains the Eastern position on a separate air force ceiling, specifically excludes temporary exceptions to the common ceilings, and does not provide for numerical ceilings on US and Soviet forces, but confirms that the 50% rule on the combined common collective ceilings of 900,000 would remain.

11. The Eastern draft agreement retains the flank security provision of its February 1982 draft which is similar to that contained in the West's July 8 draft agreement. In accordance with the consistent Eastern position, the draft applies only to direct participants.

Eastern Tactics

12. Whatever the motives underlying the Eastern move, which is a matter for conjecture, it does seem safe to

assume that by tabling a new draft and claiming that it addresses fundamental Western concerns, the East, particularly the Soviet Union, is also trying to enhance its public relations position in the arms control field. As may already have been signalled by its special press conference on June 23, we expect the East to seek full public impact for its new initiative.

13. In this effort, the East is emphasizing the allegedly simple, direct and "realistic" character of its basic program: initial US/Soviet cuts this year; a freeze on all armed forces in the reduction area; a comprehensive treaty for follow-on reductions to parity by all direct participants in 3 years (which the East will argue gets around the data impasse); and a "complete package" of verification measures, including on-site inspection. The East will publicly highlight this approach as constructive and of a compromise nature. They will contrast this approach and the Eastern call for an agreement within one year with alleged Western foot-dragging in Vienna, arguing that the West has not changed its proposal in one year and that the Western package of associated measures has not been modified to take account of Eastern criticism in almost four years. The East is already claiming publicly that the ball is in the West's court.

14. Tactically within the negotiations themselves, the East is building upon its February 1983 proposals in an

attempt to supplant the West's July 1982 draft agreement. Eastern reps will also use their new draft agreement to claim that they have, in fact, basically agreed to the package of associated measures proposed by the West and to criticize the West for ignoring armaments. They will use their draft to respond to the repeated Western charge that their February 1983 proposals were ambiguous.

15. Although there is no concrete evidence so far for this, it cannot be excluded that Eastern representatives may also revive their earlier drafting proposals by arguing that given the fact that two comparable drafts are on the table, the two sides should begin joint drafting of an agreement. In the June 21 informal session the East claimed that the new draft provides the basis for "further common work" in the negotiations with the aim of concluding the Vienna talks within one year.

Evaluation and Prospects

16. On balance, the Eastern draft agreement moves the East somewhat closer to the Western concept of what an MBFR agreement should look like, specifically as regards the crucial objective of verifiable parity in military manpower in the reductions area. The Eastern position still does not, however, provide verifiable assurances that the Warsaw Pact will actually take the asymmetrical reductions necessary to reach the agreed common ceilings and that reductions are taking place, and its proposed

measures for monitoring those ceilings are still inadequate.

17. While the Eastern draft provides the East with a certain tactical advantage, it provides the West with a new opportunity to press the East to accept the basic, long-term Western goal of verifiable, substantial reductions to equal collective manpower levels. It is questionable, however, whether further Eastern moves will be forthcoming without some indication of Western flexibility.

18. In the meantime, pending Council review, over the next few weeks allied delegations will be seeking further clarification of specific aspects of the Eastern draft and will criticize its obvious shortcomings and continue to advocate the Western draft as a better basis for an agreement. The Ad Hoc Group will keep the Council informed of anything significant that emerges from this probing.

19. In the light of the tactical situation presented by the Eastern draft, the Ad Hoc Group believes that the West now needs to evaluate its position. In doing so the West should also take into account the possibility offered by the MBFR forum for strengthening the Alliance's overall public posture on arms control. We also urge that an effort be made to ensure that the shortcomings

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of the East's June 23 draft agreement are understood by informed Western public opinion.

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