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FM LISBON 052330Z JUN 85
TO IMMEDIATE F C O
TELEGRAM NUMBER 288 OF 5 JUNE

FOLLOWING FOR PRIVATE OFFICE FROM PRIVATE SECRETARY.

SECRETARY OF STATES BILATERAL MEETING WITH SHULTZ:

TETE-A-TETE

SUMMARY

1. AT THE TETE-A-TETE MEETING WITH SHULTZ THIS MORNING, THE SECRETARY OF STATE COVERED THE APPROACH TO THE SDI SECTION IN THE NAC COMMUNIQUE: ALLIANCE HANDLING OF ARMS CONTROL: SALT II CONSTRAINTS: W79 NUCLEAR SHELLS.

NAC DETAIL

2. SHULTZ SAID HE THOUGHT THAT PEOPLE WERE EXPECTING THE UNITED STATES TO BE LOOKING FOR AN EXPLICIT EXPRESSION OF SUPPORT FOR THE SDI CONCEPT FROM THE NAC COMMUNIQUE. THE U.S. GOVERNMENT WAS NOT IN FACT LOOKING FOR THIS, SINCE THEY DID NOT KNOW HOW THE FRENCH WOULD WANT TO PLAY THIS. MUCH WOULD DEPEND ON THE LIMITS OF DUMAS MANDATE THE SECRETARY OF STATE SAID THAT WE HAD NO DIFFICULTIES WITH ANY OF THE VARIOUS DRAFTS WHICH HAD BEEN DISCUSSED. THE CRUCIAL THING WAS TO MAINTAIN ALLIANCE COHESION. WE WOULD BE AS HELPFUL AS WE COULD IN THE PROCESS.

ARMS CONTROL

3. THE SECRETARY OF STATE THEN MOVED ON TO DISCUSS ALLIANCE HANDLING OF ARMS CONTROL. HE THOUGHT IT ESSENTIAL THAT WE SHOULD WORK FOR A STRONG AND COHERENT ALLIED POSITION ON WHICH EVERYONE COULD UNITE. THE GENEVA NEGOTIATIONS WOULD BE A LONG HAUL. THROUGHOUT THIS PERIOD THERE WOULD BE A BARRAGE OF SOVIET PROPOGANDA TRYING TO DRIVE WEDGES BETWEEN THE ALLIES. ALL THE GOVERNMENTS IN THE ALLIANCE HAD A DIRECT INTEREST IN ENSURING THAT THE POSITION WHICH THEY PRESENTED TO THEIR OWN PUBLIC OPINIONS WAS EFFECTIVE. HE PAID TRIBUTE TO SHULTZS OWN STATEMENTS OF THE US POSITION IN HIS TESTIMONY TO CONGRESS AND IN HIS UCLA SPEECH. SHULTZ SAID THAT HE AGREED WITH ALL OF THIS.

4. THE SECRETARY OF STATE SAID THAT ON THE SUBSTANCE HE WAS PERFECTLY SURE THAT THE CAMP DAVID POSITION WAS THE RIGHT ONE FOR THE ALLIANCE. WE ENTIRELY AGREED ON THE NECESSITY AND LEGITIMACY OF U.S. RESEARCH INTO SDI IN THE LIGHT OF THE SOVIET RESEARCH PROGRAMME. IT WAS GENERALLY AGREED THAT THE AIM SHOULD BE TO ENHANCE AND NOT UNDERMINE DETERRENCE, THAT DEPLOYMENT WAS A MATTER FOR NEGOTIATION IN THE LIGHT OF TREATY OBLIGATIONS. IT WAS ESSENTIAL NOW TO ENSURE THAT CONSULTATION WITHIN THE ALLIANCE WAS ADEQUATE AND SUSTAINED. THE 60-DAY WEINBERGER DEADLINE HAD BEEN UNHELPFUL. SHULTZ SAID HE COULD NOT AGREE MORE. WEINBERGER HAD CONSULTED NOBODY IN WASHINGTON. THE SECRETARY OF STATE SAID THAT FROM THE ALLIANCE POINT OF VIEW WE NEEDED TO PRESENT THE SDI PROGRAMME NOT SO MUCH AS A NEW, ISOLATED INITIATIVE, BUT AS A LEGITIMATE RESPONSE

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TO SOVIET RESEARCH. IT WAS DAMAGING IF NATIONAL STATESMEN MADE STATEMENTS WHICH APPEARED TO WRITE OFF ARMS CONTROL AGREEMENTS. SHULTZ AGREED.

NUCLEAR ARTILLERY SHELLS

5. THE SECRETARY OF STATE WENT ON TO SAY THAT ONE PARTICULAR AREA WHERE CONSULTATIONS APPEARED TO HAVE BROKEN DOWN WAS OVER THE INTRODUCTION INTO EUROPE OF NEW U.S. NUCLEAR ARTILLERY SHELLS (W79). HE THOUGHT THAT THE PRIME MINISTER MIGHT WELL WANT TO SAY SOMETHING TO SHULTZ ABOUT THIS WHEN SHE SAW HIM ON FRIDAY.

6. SHULTZ SAID HE HAD BEEN SURPRISED BY OUR REACTION. AS HE UNDERSTOOD IT, THE NORMAL PROCEDURE WAS FOR THERE TO BE A COLLECTIVE AGREEMENT ON THE USEFULNESS OF THE INTRODUCTION OF SUCH EQUIPMENT, AND THEN FOR THE U.S. GOVERNMENT TO NEGOTIATE THE DETAILS BILATERALLY WITH GOVERNMENTS. AS FAR AS HE KNEW, THIS IS WHAT HAD TAKEN PLACE IN THE PRESENT CASE.

7. THE SECRETARY OF STATE SAID THAT WE AGREED ON THE USEFULNESS OF THE W79. BUT IT WAS FAR FROM CLEAR WHAT COLLECTIVE CONSULTATION ON ITS ACCEPTABILITY HAD REACHED THE STAGE WHERE IT WAS RIGHT TO GO ON TO NEGOTIATE WITH INDIVIDUAL GOVERNMENTS, AS THE U.S. HAD DONE WITH THE FRG. BUT IT WAS POSSIBLE THERE HAD BEEN SOME MISUNDERSTANDING. IT WAS A PITY THAT THIS HAD NOT BEEN MENTIONED BY WEINBERGER AT THE NPG MINISTERIAL MEETING OR AT THE DPC. WE HAD CERTAINLY BEEN TAKEN BY SURPRISE, AND MIGHT WELL FIND IT DIFFICULT TO RECONCILE WITH OUR PUBLIC POSITION.

SALT II CONSTRAINTS

8. SHULTZ ASKED THE SECRETARY OF STATE FOR HIS VIEWS ON THE PRESENT DECISIONS AWAITING THE PRESIDENT. THE SECRETARY OF STATE SAID WE ACCEPTED THAT STRATEGIC MODERNISATION WAS NECESSARY. WE RECOGNISED U.S. CONCERN THAT THE SOVIET UNION WAS EXPLOITING GREY AREAS IN THE SALT II TREATY. FOR EXAMPLE, THE RUSSIANS HAD A CASE TO ANSWER OVER KRASNOYARSK. BUT FROM THE ALLIANCE COHESION STANDPOINT, A DECISION WHICH APPEARED TO UNRAVEL EXISTING ARMS CONTROL COMMITMENTS. WE THEREFORE HOPED THAT THE PRESIDENTS DECISION WOULD BE TO REMAIN WITHIN EXISTING CONSTRAINTS.

9. SHULTZ SAID THAT A DECISION WAS NOT NEEDED IMMEDIATELY ON MIDGETMAN. THE QUESTION AROSE MORE IMMEDIATELY IN RELATION TO THE POSEIDON SUBMARINE WHERE STRICT COMPLIANCE WITH SALT II CONSTRAINTS WOULD MEAN BREAKING UP THE SUBMARINE. IN COMING TO A DECISION, ACCOUNT HAD TO BE TAKEN OF THOSE WHO EXPRESSED PUBLIC DISBELIEF IN THE WHOLE PROCESS OF ARMS CONTROL AND WOULD REGARD ANY SUCH MEASURES AS AN INADEQUATE RESPONSE TO SOVIET MOVES. THE SECRETARY OF STATE SAID THAT HE UNDERSTOOD THE DIFFICULTIES BUT STILL FELT THAT THE UNITED STATES OUGHT TO STICK CLOSE TO THE PROVISIONS OF THE SALT II TREATY

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10. ON MIDGETMAN, SHULTZ ASKED WHAT THE UNITED STATES SHOULD DO IN RESPONSE TO SOVIET SSX24 DEPLOYMENTS. THE SECRETARY OF STATE WONDERED WHETHER THE OPTION WAS OPEN TO COERCE SOVIET COMPLIANCE BY SAYING THAT THE UNITED STATES WOULD GO DOWN THIS ROAD UNLESS THE SOVIET UNION RECTIFIED ITS OWN POSITION. SINCE HE HAD BEEN ASKED, IN HIS VIEW THE U.S. GOVERNMENT SHOULD THINK VERY CAREFULLY BEFORE TAKING A DECISION THAT IT WOULD BE RIGHT TO PRODUCE AND DEPLOY MIDGETMAN.

11. THE SECRETARY OF STATE TOLD SHULTZ THAT THE PRIME MINISTER VERY MUCH HOPED THAT A DECISION ON SALT II CONSTRAINTS WOULD BE DEFERRED UNTIL AFTER SHE HAD HAD A CHANCE TO TALK TO SHULTZ. IN RESPONSE, SHULTZ SAID THAT THE PRESIDENT WAS LIKELY TO TAKE A DECISION AT THE WEEKEND. SHULTZ WOULD REPORT ON HIS DISCUSSION WITH THE PRIME MINISTER ON FRIDAY NIGHT SO THAT HER VIEWS SHOULD BE TAKEN INTO ACCOUNT BEFORE A DECISION WAS FINALISED.

12. GRATEFUL IF YOU WOULD ARRANGE LIMITED DISTRIBUTION AS APPROPRIATE. THE DISCUSSION ON SALT II CONSTRAINTS WAS TAKEN UP IN THE RESTRICTED MEETING, ON WHICH A SEPARATE TELEGRAM WILL BE SENT.

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