

GRS 440

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FM WASHINGTON

TO PRIORITY FCO

TELNO 2313

OF 101530Z SEPTEMBER 86

AND TO PRIORITY VIENNA

AND TO ROUTINE EUROPEAN COMMUNITY POSTS, MOSCOW

AND SAVING OTHER CSCE POSTS

VISIT OF SECRETARY OF STATE: EAST/WEST RELATIONS

1. EXCHANGES OVER DINNER ON EAST/WEST RELATIONS FOCUSED ON DANILOFF, WHICH WAS CLEARLY AT THE TOP OF SHULTZ'S MIND, AND ON CSCE/CDE QUESTIONS. THERE WAS NO DISCUSSION OF ARMS CONTROL.
2. ON DANILOFF, SHULTZ SAID THAT THE RUSSIANS HAD TAKEN A HOSTAGE AFTER ONE OF THEIR SPIES HAD BEEN CAUGHT RED-HANDED. HE REMARKED ON HOW LITTLE THE US STILL KNEW ABOUT THE WAY THE SOVIET REGIME OPERATED. HE GAVE NO HINT OF WHAT FURTHER STEPS THE US MIGHT TAKE TO INCREASE PRESSURE ON THE SOVIET UNION FOR DANILOFF'S RELEASE. THE SECRETARY OF STATE SAID THAT HE FULLY RECOGNISED THAT THE DETENTION OF DANILOFF SERIOUSLY COMPLICATED US/SOVIET RELATIONS. DESPITE THIS HE HOPED THAT THE US WOULD FIND IT POSSIBLE TO PURSUE THEIR DIALOGUE ACROSS THE BOARD WITH THE RUSSIANS.
3. ON CDE, THE SECRETARY OF STATE SAID THAT, DESPITE THE DANILOFF AFFAIR, HE HOPED THE NEGOTIATIONS WOULD BE PURSUED. A RESULT WOULD HAVE A BENEFICIAL EFFECT ON EAST/WEST RELATIONS. SHULTZ SAID THAT THE US WANTED AN AGREEMENT. HE BELIEVED THAT ONE WAS NOW WITHIN REACH IF THE NEGOTIATION COULD BE CONCLUDED.
4. SHULTZ MADE PLAIN HIS DISPLEASURE THAT THE DATE CHOSEN FOR THE START OF THE CSCE VIENNA MEETING COINCIDED WITH THAT OF THE US MID-TERM ELECTIONS. HE WAS BY NO MEANS CERTAIN THAT HE WOULD BE ABLE TO COME TO VIENNA. IN REPLY THE SECRETARY OF STATE STRESSED THE CRUCIAL ROLE THE US HAD TO PLAY IN THE CSCE PROCESS, AND THOMAS POINTED OUT THAT THERE OUGHT TO BE NO DIFFICULTY ABOUT MISSING THE FIRST DAY AND ARRIVING LATE, SINCE IT WOULD INEVITABLY TAKE SEVERAL DAYS FOR ALL THE MINISTERS TO SAY THEIR PIECE.

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FCO PASS SAVING ANKARA, BELGRADE, BERNE, BUCHAREST, BUDAPEST
EAST BERLIN, HELSINKI, HOLY SEE, NICOSIA, OSLO, OTTAWA PRAGUE,
REYKJAVIK, SOFIA, STOCKHOLM, UKDEL NATO, UKDEL STOCKHOLM UKDEL
STRASBOURG, UKDEL VIENNA, UKDIS GENEVA, UKMIS GENEVA, UKMIS NEW
YORK, UKREP BRUSSELS, VALLETTA, WARSAW.

ORWBAN 6185

**THIS TELEGRAM
WAS NOT
ADVANCED**

(REPEATED AS REQUESTED)

EAST WEST & US/SOVIET RELATIONS

LIMITED

[COPIES SENT TO NO 10 DOWNING STREET]

SOVIET D
DEFENCE D
R D
PLANNING STAFF
EED
NAD
WED
ACDD
CSCE UNIT
CRD
NEWS DEPT.
INFO DEPT.
FED
NED
PUSD
PROTOCOL D.

PS
PS/LADY YOUNG

PS/MR RENTON
PS/MR EGGAR
PS/PUS
MR DEREK THOMAS
MR GOODALL
MR FERGUSSON
SIR W HARDING
MR RATFORD
MR DAUNT
MR. FERRIN
MR. LONG

CHIEF CLERK
MR BRAITHWAITE
MR BARRINGTON
MR WINCHESTER

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