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OF 241640Z SEPTEMBER 1986

INFO IMMEDIATE MOSCOW, WASHINGTON, UKDEL NATO, UKDEL STOCKHOLM

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INFO PRIORITY PARIS, BONN

FOLLOWING FROM PRIVATE SECRETARY

SECRETARY OF STATE'S BILATERAL WITH SHEVARDNADZE, 23 SEPTEMBER

SUMMARY

1. A BUSINESSLIKE DISCUSSION WHICH COVERED A LOT OF GROUND IN ONE HOUR. SHEVARDNADZE DETERMINEDLY GENERAL AND FULLY ON TOP OF THE SUBJECTS. NO NEW INSIGHT INTO DANILOFF OR PROSPECTS FOR SUMMIT.

DETAIL

BILATERAL

2. SHEVARDNADZE RECALLED HIS USEFUL JULY VISIT TO BRITAIN, ON WHICH HE HAD REPORTED FULLY TO GORBACHEV. IT WAS GOOD THAT AGREEMENT HAD BEEN REACHED ON THE PRIME MINISTER'S VISIT TO MOSCOW NEXT SPRING. THE SECRETARY OF STATE AGREED, ADDING THAT MR RENTON ALSO HOPED TO VISIT THE SOVIET UNION EARLY IN 1987. THE SECRETARY OF STATE ALSO NOTED THE FORTHCOMING SUPREME SOVIET VISIT TO BRITAIN, AND UNDERLINED THE IMPORTANCE OF BILATERAL TALKS BETWEEN EXPERTS ABOUT ARMS CONTROL, MOST RECENTLY ON CHEMICAL WEAPONS. WE LOOKED FORWARD TO EXPERT TALKS ON TERRORISM.

3. THE SECRETARY OF STATE RAISED THE PROBLEM OF VISA APPLICATIONS FOR UNACCEPTABLE APPOINTMENTS TO THE SOVIET EMBASSY AND TRADE DELEGATION IN LONDON. WE MATCHED OUR FIRM COMMITMENT TO SAFEGUARDING OUR SECURITY WITH A SINCERE WISH FOR IMPROVED RELATIONS. CANDIDLY, SOME OF THOSE NOW BEING PROPOSED DID NOT MEET OUR CRITERIA AND HE HOPED SHEVARDNADZE WOULD ASK HIS PEOPLE TO LOOK AGAIN AT THOSE PROBLEM CASES. SHEVARDNADZE DID NOT RESPOND UNTIL LATER IN THE DISCUSSION, WHEN HE SAID THAT HE WAS NOT AWARE OF ANY DIFFICULTY. (HE SEEMED AT FIRST TO MISUNDERSTAND, THINKING THAT OUR OBJECTION WAS TO PEOPLE ALREADY SERVING IN LONDON, BUT THE SECRETARY OF STATE CLARIFIED THIS). IF WE HAD DATA ABOUT SPECIFIC NEW APPLICANTS, THEN WE SHOULD GIVE IT TO THE RUSSIANS. THE SECRETARY OF STATE REPEATED HIS HOPE THAT THIS WOULD NOT BE ALLOWED TO BECOME AN IMPEDIMENT TO THE DEVELOPMENT OF IMPROVED BILATERAL RELATIONS, AND ADDED THAT PEOPLE FROM THE MFA WERE USUALLY ACCEPTABLE.

CDE

4. SHEVARDNADZE RECALLED DISCUSSION OF CDE IN LONDON IN JULY. SINCE THEN JOINT EFFORTS HAD LED TO A MAJOR POLITICAL SUCCESS, THE RESULTS OF WHICH WOULD BE FELT BY ALL NATIONS. THE RUSSIANS WERE VERY SATISFIED, AND WOULD NOT NOW WISH TO DISPUTE WITH US WHO SHOULD TAKE THE CREDIT FOR THE OUTCOME. THE SECRETARY OF STATE NOTED THE SIMILARITY OF HIS AND SHEVARDNADZE'S REMARKS ON THIS SUBJECT TO THE UNGA.

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5. SHEVARDNADZE SAID THAT GOOD GROUND-WORK HAD ALSO BEEN LAID FOR VIENNA. ON CHEMICAL WEAPONS, THERE WAS A REALISTIC POSSIBILITY OF CONCLUDING AN INTERNATIONAL CONVENTION NEXT YEAR. DIFFICULT QUESTIONS REMAINED, INCLUDING INSPECTIONS, BUT THE BRITISH PROPOSAL ON CHALLENGE INSPECTIONS CONTAINED MANY ELEMENTS WORTHY OF CONSIDERATION, AND COULD BE THE BASIS OF A SOLUTION. HE HAD SAID THE SAME TO SHULTZ.

6. IN REPLY THE SECRETARY OF STATE OBSERVED THAT EACH OF THE THREE CSCE BASKETS WAS IMPORTANT. REACHING AGREEMENT ON ARMS CONTROL WAS AS IMPORTANT FOR THOSE RESPONSIBLE FOR THEIR COUNTRY'S DEFENCE AS IT WAS FOR THOSE DEALING SPECIFICALLY WITH ARMS CONTROL. NEITHER SIDE'S MILITARY COULD GUARANTEE SECURITY UNLESS THERE WERE SOME LIMITS ON THE RESOURCES WHICH THE OTHER SIDE WERE ABLE TO DEDICATE TO DEFENCE.

TESTING

7. SHEVARDNADZE HOPED THAT COMMON GROUND MIGHT ALSO BE REACHED ON A TEST BAN. MOST STATES FAVOURED THIS, ALTHOUGH HE KNEW THE BRITISH AND AMERICAN OBJECTIONS. THERE WAS NOW NO TECHNICAL PROBLEM ABOUT VERIFYING A CESSATION OF TESTING: BRITAIN SHOULD REFLECT FURTHER ABOUT THIS. THE RUSSIANS WERE CONTENT TO RESUME TRILATERAL OR BILATERAL TALKS WHENEVER WE WISHED. THE SECRETARY OF STATE REPLIED THAT THE VERIFICATION PROBLEM WAS A GENUINE ONE, AS THE TIME SPENT ON THIS ISSUE AT STOCKHOLM AND IN THE CHEMICAL WEAPONS CONTEXT DEMONSTRATED. SHEVARDNADZE ARGUED THAT THESE CASES WERE DIFFERENT, AND RECALLED THE REFERENCE IN HIS UNGA SPEECH TO THE PRESENCE OF AMERICAN SCIENTISTS AT SEMIPALATINSK. THE THRESHOLD WAS OPEN TO DISCUSSION BUT THE NON-EXISTENCE OF TESTS WAS STRAIGHTFORWARD TO VERIFY. THE SECRETARY OF STATE REPLIED THAT A STEP BY STEP APPROACH WAS BEST, STARTING WITH RATIFICATION OF PNET AND TTBT.

TERRORISM

8. SHEVARDNADZE SAID THAT BRITISH AND SOVIET APPROACHES WERE SIMILAR, AND HE HAD NO OBJECTION TO BILATERAL MEETINGS BETWEEN EXPERTS TO DISCUSS PRACTICAL MEASURES. IT WAS IMPORTANT TO AVOID UNSUBSTANTIATED ACCUSATIONS AGAINST INDIVIDUAL STATES OR GROUPS. EVIDENCE WAS REQUIRED, AND HE HAD SAID THIS TO SHULTZ. HE HELD NO BRIEF FOR GADHAFI, BUT NOTED THAT GADHAFI HAD OFFERED AT HARARE TO SUBMIT TO TRIAL FOR ALLEGED LIBYAN INVOLVEMENT IN TERRORISM. AS FOR PREVENTIVE MEASURES, THE RUSSIANS WOULD COOPERATE IF SPECIFIC INFORMATION WERE MADE AVAILABLE. THE SECRETARY OF STATE UNDERLINED THE SERIOUSNESS OF STATE-SPONSORED TERRORISM: WE IN BRITAIN HAD HAD EXPERIENCE OF THE LIBYAN VARIETY. IT WAS RIGHT TO AVOID HASTY ACCUSATIONS, BUT WE HAD GOOD EVIDENCE OF LIBYA SUPPLYING THE IRA WITH WEAPONS, AND GADHAFI WAS PUBLICLY COMMITTED TO SUPPORTING IRAISH TERRORISM. SHEVARDNADZE RETREATED INTO A COMPARISON BETWEEN GADHAFI'S SUPPORT OF THE IRA AND AMERICAN POLICIES TOWARDS NICARAGUA AND ANGOLA.

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9. THE SECRETARY OF STATE STRESSED THAT WHILE PROGRESS BEGAN TO LOOK POSSIBLE ON THE ARMS CONTROL AGENDA, THE DANILOFF CASE HOWEVER CREATED A DIFFICULTY WHICH THE RUSSIANS SHOULD REMOVE. IT MUST NOT BE ALLOWED TO IMPEDE THAT PROGRESS. SHEVARDNADZE REPLIED THAT WE EVIDENTLY DID NOT KNOW THE DETAILS OF THE CASE. WE SHOULD HAVE ASKED HIM ABOUT IT RATHER THAN AUTOMATICALLY BELIEVING THE AMERICAN VERSION. EVIDENCE WOULD BE PRODUCED AT DANILOFF'S TRIAL, AND HE WOULD BE CONVICTED ACCORDING TO SOVIET LAW. THE TWELVE WOULD THEN REGRET THEIR DEMARCHE. WHY DID WE IMAGINE THE RUSSIANS WOULD HAVE BEGUN SUCH PROCEEDINGS, IF THEY LACKED ADEQUATE EVIDENCE? THE SECRETARY OF STATE SPOKE FIRMLY IN REPLY, REFUSING TO BE DRAWN ON TO THIS TERRAIN, BUT BRINGING OUT DANILOFF'S BACKGROUND AND THE FACT THAT MRS DANILOFF WAS BRITISH. SHEVARDNADZE SAID THAT THE ZAKHAROV CASE HAD BEEN A SET UP. IT HAD BEEN A SERIOUS MISTAKE FOR PRESIDENT REAGAN TO RAISE THESE ISSUES IN HIS UNGA SPEECH, WHEN NEGOTIATIONS WERE TAKING PLACE WITH THE AMERICANS ABOUT THEM. THE RUSSIANS HAD PROPOSED TWO OR THREE POSSIBLE SOLUTIONS, BUT REAGAN WAS MORE INTERESTED IN PROPAGANDA. SHEVARDNADZE WOULD NOT USE THE GENERAL ASSEMBLY TO REBUT AMERICAN ACCUSATIONS, BUT HAD INSTEAD MET SHULTZ AGAIN ON 23 SEPTEMBER TO DISCUSS THE MATTER PRIVATELY. HE HOPED WE WOULD URGE THE AMERICANS TO REMOVE THESE IMPEDIMENTS TO A SUMMIT. THE SECRETARY OF STATE SAID THE WHOLE WORLD WISHED THE AMERICANS AND RUSSIANS NOT TO LET PROGRESS TOWARDS A SUMMIT BE STALEMATED BY THESE DIFFICULTIES.

10. SHEVARDNADZE REFERRED TO THE EXPULSION OF THE 25 SOVIET DIPLOMATS FROM THE UN. HE FOUND THE TIMING, ONE DAY BEFORE HIS ARRIVAL, EXPLICABLE ONLY AS AN ATTEMPT BY ANTI-SOVIET ELEMENTS IN AMERICA TO THWART AN IMPROVEMENT IN BILATERAL RELATIONS. THE AMERICANS KNEW THAT THE RUSSIANS RESPONDED IN KIND TO SUCH EXPULSIONS. THE SECRETARY OF STATE NOTED THAT SIMILAR QUESTIONS ABOUT TIMING HAD BEEN RAISED IN RELATION TO DANILOFF.

HUMAN RIGHTS

11. THE SECRETARY OF STATE RECALLED HIS PREVIOUS DISCUSSIONS WITH SHEVARDNADZE OVER HUMAN RIGHTS CASES, INCLUDING IRINA RATUSHINSKAYA (ABOUT WHOM THERE WAS A PREDICTABLE EXCHANGE). ANOTHER CATEGORY OF IMPORTANCE WAS PERSONAL REUNION AND FAMILY CASES, INCLUDING LAPTEV. HE HANDED OVER A BOUT DE PAPIER SETTING OUT THE FACTS OF THE CASE (TEXT FOLLOWS BY MUFAX TO FCO) MAKING THE POINT THAT IT WAS HARD TO SEE WHY LAPTEV COULD NOT BE ALLOWED OUT TO JOIN HIS WIFE. IT WOULD BE BETTER FOR THE RUSSIANS TO AGREE THIS NOW, AND AVOID A PUBLIC CAMPAIGN BY LAPTEV'S WIFE. SHEVARDNADZE ACCEPTED THE PIECE OF PAPER AND WROTE ON IT AN INSTRUCTION THAT A REPLY BE PRODUCED.

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12. THE SECRETARY OF STATE SAID THAT ALTHOUGH WE HAD NOT SEEN AN OFFICIAL COPY OF THE SOVIET/ARGENTINE AGREEMENT, ITS TEXT SEEMED TO INCLUDE FALKLANDS WATERS, WHICH WOULD MAKE IT UNACCEPTABLE TO US. SHEVARDNADZE STUDIED HIS BRIEF VERY CAREFULLY, AND THEN SAID THAT SOVIET AGENCIES HAD ASSURED HIM THAT THE AGREEMENT WOULD NOT AFFECT LEGITIMATE BRITISH INTERESTS AND WAS AN AGREEMENT WITH INTERNATIONAL LAW. THERE WAS THEREFORE NO REASON FOR BRITAIN TO BE CONCERNED. AS FOR TRANSMITTING THE TEXT TO US, THIS COULD NOT BE DONE UNTIL IT WAS PUBLISHED, AND ONLY WITH THE AGREEMENT OF ARGENTINA. HE HAD LOOKED CAREFULLY INTO THIS MATTER. THE SECRETARY OF STATE SAID THAT THE ARGENTINES CLEARLY SAW THE AGREEMENT AS APPLYING TO THEIR ECONOMIC ZONE, INCLUDING WATERS AROUND THE FALKLANDS. SHEVARDNADZE REPLIED THAT THE RUSSIANS HAD NO INTEREST IN COMPLICATING THEIR RELATIONS WITH BRITAIN: HE WOULD LOOK AGAIN AT THE NUANCES OF THE AGREEMENT AND GIVE A MORE DETAILED ANSWER LATER.

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NAD
WED
ACDD
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NEWS D
INFO D
ECD (E)
FED
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PUSD
CSCE UNIT
PROTOCOL D
PS
PS/LADY YOUNG

SCO
MVO
UNO
FIO

PS/MR RENTON
PS/MR EGGAR
PS/PUS
MR DEREK THOMAS
CHIEF CLERK
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