

PRIME MINISTER

MBFR

I have asked for the draft reply to President Reagan to be revised.

Meanwhile you wanted to refresh your memory on the details of our proposal (attached).

The verification procedures are the main attraction, though there is thought to be no chance that the Russians will accept. *DM*

You will also note the Foreign Secretary's view in July (para 6 of his minute) that it would not be worth expending much capital on persuading the Americans to accept our proposal.

C.D.P?

[Handwritten signature]

(C. D. POWELL)
4 October 1985



BM 3

file
cc Sir P Crockett

10 DOWNING STREET

4 October 1985

From the Private Secretary

Dear Jen,

MBFR

Thank you for your letter of 3 October with which you enclosed a draft reply to President Reagan's recent message to the Prime Minister on MBFR.

The Prime Minister has a number of points on the draft which will require some further work.

The Prime Minister thinks that we need to weigh very carefully the political implications of pressing the President too hard to move in a direction in which he is reluctant to go (and she thinks it is probably not just the Pentagon's reluctance which is reflected in the message). While willing to support our proposal with him, she does not think that progress on MBFR ranks very high in our order of priorities and is therefore reluctant to oversell it. She recalls the Foreign Secretary's judgement in July that it would not be worth expending much credit on persuading the Americans to accept our ideas. This has implications for the general tone of the message. The Prime Minister wants to go further towards recognising the validity of some of the President's doubts, while maintaining that our proposal is on balance worth pursuing.

Stemming from this general observation, there are a number of particular points which need to be looked at:

- we should not put so much weight on the presentational advantages of our proposal. To do so lays us open to the President's claim that our main reason in putting it forward is just to have "something new".
- the substantive arguments for our proposal need to be more convincingly presented in the body of the message. It is not enough just to assert that it will strengthen Western security, we need to say why it will. In particular, the Prime Minister would like to see more weight given to the right to verify force levels - actually in the satellite countries. She regards this as the crucial element of the proposal.

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- the message needs to acknowledge the President's misgivings about the implications for other arms control negotiations of deferring prior data agreement. The Prime Minister thinks this is a serious point, particularly for the Americans who have the responsibility for conducting ~~its~~ much more crucial negotiations on nuclear weapons. We need to be able to demonstrate that what we would lose on the data base swings, we would gain on the verification roundabout.
- we ought also to deal with the Americans' misgivings about time-limited agreements. This was a point which emerged during her talks with Mr. McFarlane on 28 September.

It would be helpful if the draft could be looked at again, taking account of these points; also if the new version could be cast in clearer and simpler language, which will get our basic points across. (The annexes can of course be more technical).

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

Yours sincerely
C.D. Powell
(C.D. Powell)

Len Appleyard, Esq.,
Foreign and Commonwealth Office

PRIME MINISTER

MBFR

President Reagan wrote to you recently with some pretty strong misgivings about the joint Anglo-German proposal for an Alliance initiative on MBFR. He wanted to get your personal views and to find out whether you are really behind the proposal.

According to MOD/FCO, the President's message was written in the Pentagon and represents an attempt by them to block the Anglo-German initiative. This sounds a bit over-simplified to me - I don't think McFarlane would allow the President to be used as a pawn in this way - and I suspect that the misgivings are quite strongly felt in the White House.

The attached draft reply has you dismissing the President's reservations comprehensively and urging that our proposal should be pushed with Gorbachev at the Summit. This has Michael Alexander's support, and he is certainly the expert.

I'm bound to say I see rather more force in some of the American objections. For instance:

- the President says that the main purpose of our proposal is simply to have "something new". Our reply virtually admits that our move is tactical, to enable us to say that the West has the most recent proposal on the table at the time of the Reagan/Gorbachev meeting. This is hardly in itself a strong enough reason.
- our arguments for saying that our proposal would actually enhance the West's security are not very convincingly presented (see question and answer 4). There is no real reason to think the Russians will find it difficult to send troops back once withdrawn. On the other hand, American troops withdrawn from Europe will be hard to get back ever again.

- the President is worried about the implication for other arms control negotiations. Our reply dismisses this, on the grounds that although there would be no data base for the first stage MBFR agreement, there would be for the subsequent comprehensive agreement. There are two points to make in reply. First, American concerns must weigh heavily on this since they are actually conducting the other, more crucial arms negotiations. And secondly there is no guarantee of never getting past the first stage agreement, so we might be stuck with an agreement with no data base for a long time.
- the reply does not deal with American fears about time-limited agreements generally (e.g. Mr. McFarlane's remarks to you at Chequers).

In short, I'm not sure the reply has been properly thought through. Too much is asserted: not enough argued. Also, you will want to weigh carefully the political aspects of pressing the President too heavily to move in a direction he seems reluctant to go. *This would be very damaging.*

Agree that I should get the FCO/MOD to pursue these points further? *Yes*

or

Agree to send draft reply?

EDP

Could we have a detailed account of the actual proposal. Jan what I know of it the crucial elements that we would have the right to go to verify the forms in the satellite countries. This would be a great advantage for us - and possibly for them. not

CHARLES POWELL
3 October 1985



Foreign and Commonwealth Office

London SW1A 2AH

3 October 1985

*Dear Charles,*MBFR

Thank you for your letter of 26 September enclosing a copy of President Reagan's message to the Prime Minister about the proposal on MBFR put to the US by Britain and the FRG. The proposal itself was described in the Foreign Secretary's minute of 25 July to the Prime Minister. I enclose a draft reply approved by the Foreign Secretary and the Secretary of State for Defence.

Sir Geoffrey Howe suggests that the reply be despatched very soon. There would be obvious advantage in getting the Anglo-German proposal tabled in Vienna ahead of the Reagan/Gorbachev meeting. That would mean moving fast, since it would have to be approved in NATO once the Americans had accepted it.

We have been told in confidence that the President's message was drafted in the Department of Defence. The arguments in it are the ones which the representative of the Office of the Secretary of Defence pressed at an official level trilateral discussion in Brussels on 18 September. The answers are the same as were given on that occasion. The customary internecine struggle is in train in Washington, with the usual people in the Pentagon opposing any serious initiative aimed at an arms control agreement. They are reportedly maintaining that the Anglo/German proposal does not have political backing at the highest level; and that the British have been put under German pressure and would welcome it if the Americans turned the proposal down. Those in Washington who want to achieve progress hope that the Prime Minister will send a firm reply. This view is also taken by Sir Oliver Wright, who believes that the Prime Minister can press the MBFR proposal firmly without prejudice to other, and more important, interests being pursued with the Americans.

The Foreign Secretary foresees considerable difficulty in containing the impatience of European allies if the Americans stall over MBFR. The enclosure to this letter accordingly contains a firm political message, as well as a more technical paper, without which the reply might be vulnerable to criticism from Pentagon experts on MBFR.

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S E C R E T



/ Sir Geoffrey Howe recommends a parallel message to Chancellor Kohl, who seems to have had an identical letter from President Reagan. A second draft is therefore enclosed.

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

Yours ever,
Len Appleyard
(L V Appleyard)
Private Secretary

C D Powell Esq
10 Downing Street

S E C R E T



S E C R E T

DRAFT MESSAGE TO PRESIDENT REAGAN

Thank you for your message of 25 September. I am grateful to you for taking such a close interest in the Anglo/German proposal on MBFR, and glad to have this opportunity to give you my personal views. My own firm conclusion is that a new Western move is needed at Vienna and that our particular proposal is the one to put forward.

Your main attention must, of course, be devoted to the Geneva negotiations and nuclear weapons. But just as the Alliance's conventional armaments are a vital complement to its nuclear deterrent, so our arms control effort should not neglect the negotiations on conventional forces. You are right that the East's MBFR proposals last February were insufficient. I think that is all the more reason not to leave them without a response, as if they had somehow wrong-footed us. We do not want the communist countries to be able to claim that they hold the initiative to the only negotiation between the Alliance and the Pact, especially as the main European allies are direct participants in the process. I believe that it is politically important to exploit the opportunity which the Eastern proposal has given us to probe very hard Gorbachev's willingness to give ground over conventional force levels.

My answers to the specific questions you ask are set out / in the attached paper. If your experts want more detailed

/ explanations, ...

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[on what grounds?]

explanations, I hope they will take up the standing invitation to meet with their British and German counterparts again at an early date. The most important of your questions is the one about fundamental Western security interests. I am confident that an agreement based on the Anglo-German proposal would enhance Western security. The ideas we suggest are similar to some your own people explored with us only two years ago. We believe the political moment to adopt them and seize the high ground ahead of your meeting with Gorbachev has now come.

What we propose is a strictly time-limited first phase agreement with stringent verification and a no-increase commitment for all forces in the area. It would enable us to establish the real level of Eastern forces - to get the agreed data we need before we even consider more substantial reductions - or it would demonstrate clearly that the Soviets and their allies are cheating. The Russians would have a real incentive not to cheat. But if they did, no one could seriously argue that we should persist with the agreement beyond the date it terminates: the necessary unanimity would not be available in NATO even if one or two weaker brethren wanted to renew the agreement.

We must clearly be realistic about the chances of our proposal being accepted by the East. The East would

/ particularly ...

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particularly dislike the extensive verification package, which is more than three times as severe as anything we have ever asked for. But by accepting the format of the February proposal and turning it back on its authors with relatively little change, we should be able to highlight the importance of the verification issue and intensify the pressure on the East to make significant concessions. If our ideas were to prove negotiable, the implications for other arms control negotiations would be very important, promising a major breakthrough. Either way we would seize the initiative in a negotiation which you would have the opportunity to promote when you meet Gorbachev. We should be seen to be actively pursuing the Alliance's twin approaches of firmness and flexibility as set out in the 1984 Washington Declaration.

I earnestly hope that you will agree that we should pursue this chance.

S E C R E T

ANNEX

MBFR: Questions and Answers

Q1: Why is a Western move desirable?

A: The East must not be allowed to claim that its inadequate proposals of February 1985 were a positive move which the Alliance is blocking, showing that it is cynical about force reductions in Europe. The East's February proposal exposed their flank, giving us an opportunity to out-man^{oe}uvre them and deny them the initiative.

Q2: Why the Anglo/German proposal?

A: It turns the Eastern proposal back on them. It is a first phase proposal, keeping options open ahead of the CSCE meeting in Vienna in late 1986, when the relationship between a possible CDE II and the existing MBFR forum will have to be considered. As a result of our concentrating on verification and postponing data agreement until the moment when we really need it, the Soviets will be put in the uncomfortable position of having to bring their force levels into line with the figures tabled under the information exchange (AM 6). It would offer the non-Soviet Warsaw Pact countries an opportunity to limit and cap Soviet forces on their territory.

Q3: Why not rest on the Western 1984 proposal, which already compromised over the data requirement?

A: The East has rejected that proposal and tabled another. The 1984 compromise over data was unsatisfactory not least for members of the Alliance. The East was allowed the opportunity to file inaccurate data which NATO might even have accepted (agreement on data "within an acceptable range of Western estimates" was stipulated) thus condoning a measure of Eastern cheating. Alliance unity was strained, and the Alliance has not even been able to complete the proposal by agreeing a verification package.

Q4: Are not military implications disadvantageous?

A: The withdrawal from Europe of 13,000 US troops is no small matter. But the European nations would hope that these men would be kept at active duty during the limited lifetime of the agreement. Meanwhile, 30,000 Soviet troops would leave the NGA. This is in line both with previous Western proposals and reflects the relative strengths in the NGA. They might well go no further than the Western military districts. But this would in itself be a useful gain and we should not assume that it would be all that easy for the Russians to reintroduce the troops they have withdrawn. Nor should we underestimate the political benefits as well as the gain in terms of intelligence and warning which would follow from the implementation of the verification regime. We would place a cap on further Soviet and Warsaw Pact increases. We would obtain, as part of this package of verification

measures, the data we have been seeking for 12 years and, in addition, would establish a treaty basis for a NATO response to the sort of sustained long term build-up in Soviet force levels in Eastern Europe to which some allies might otherwise be reluctant to respond. The overall security of the West would be enhanced.

Q5: Negative implications for other arms control negotiations?

A: The proposal does not weaken, let alone abandon, the West's insistence on an agreed data base, because data exchange, backed in this case by stringent checks, would remain an essential pre-condition for the negotiation of a comprehensive agreement, or indeed any continuation of this limited agreement. The proposal consequently does not set a damaging precedent in this regard for other negotiations. Indeed acceptance by the East of an intrusive inspection regime would be a precedent of real importance.

Our ideas would not imply Western acceptance, or codification, of the existing imbalance. It would not be a "freeze", but a time-limited no increase commitment providing the stability essential for effective verification.

Q6: The geographical asymmetry between East and West makes the proposed deal dangerous to Western security?

A: The adverse geography cannot be negotiated away, and militates against any MBFR proposal. What has to be

looked at is the balance of the argument. Overall, an agreement based on the Anglo-German proposal would enhance security.

Q7: Does not deferring prior agreed data undermine enforceability?

A: Prior data deferral would not undermine the enforceability of the agreement, in that compliance would be with a no-increase commitment based on the information exchange after initial reductions. Whatever figures the East decided to file, the Alliance would still have a database with which the East would have to comply.

Q8: Would not the agreement be extended in practice even if the East cheated?

A: No. It would expire after four years. The cut-off would be clear. A new arrangement would require Alliance consensus (not a consensus to end the agreement). Verification would be over three years and involve all allies in NATO: there would be no sudden decision at the end, but a cumulative process in which the truth would be extremely difficult to deny; wishful thinkers might even have their eyes opened to reality.

Q9: Could not the Soviets easily turn the proposal down because of "unreasonable" verification demands?

A: Of course the East will claim that our enhanced verification demands are "unreasonable". However, Western minimal amendments to the East's own proposals would make it more difficult for the East to turn us down

out of hand. They would no longer have the excuse about the "obstacle" of prior agreed data, and the pressure on the Russians, including that from their allies, to accept a verification regime (an issue they have always tried to avoid) would be real. NTMS cannot, on their own, provide us with the reliable and usable information necessary for conventional arms control agreements. Therefore an effective verification package is essential to any proposal. The prospect of eventual rejection by the Russians is no reason for allowing them to maintain the initiative when we can seize it with little risk to ourselves and with the possibility of major benefits in real and public relations terms.