

10 DOWNING STREET

30 October 1985

From the Private Secretary

MBFR

I enclose a copy of President Reagan's reply to the Prime Minister's recent message on MBFR. As you will see he agrees to support a new Western initiative along the general lines which the United Kingdom suggests. But he also asks that a number of detailed points be cleared up before the new approach is adopted; and does not envisage launching the initiative before early December. This is less welcome to us.

It seems to me that it would be worth making a concentrated effort to resolve the points raised by the President very quickly, so that the initiative can still be launched before the President's meeting with Mr. Gorbachev.

I am copying this letter and enclosure under the usual caveats to Richard Mottram (Ministry of Defence) and Michael Stark (Cabinet Office).

CHARLES POWELL

C.R. Budd, Esq., Foreign and Commonwealth Office.

PRIME MINISTER

MBFR

I attach President Reagan's reply to your recent message on MBFR. He agrees to a new Western initiative on the general lines which you propose. But he wants to clear up a number of detailed poitns about the initiative before any action is taken; and does not envisage launching the initiative until early December, ie after the Summit. That is a pity.

C30

CHARLES POWELL

30 October 1985

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PRIME MESSAGE SERIAL No. T2024/85

OCTOBER 29, 1985

DEAR MARGARET:

I HAVE CAREFULLY CONSIDERED YOUR VIEWS ON THE SITUATION AT THE MUTUAL AND BALANCED FORCE REDUCTIONS (MBFR) NEGOTIATIONS AS EXPRESSED IN YOUR RESPONSE TO MY RECENT LETTER. THOUGH MY LETTER SETS FORTH CONCERNS ABOUT THE RISKS IN YOUR PROPOSAL, I NOW BELIEVE I COULD SUPPORT A NEW WESTERN INITIATIVE ALONG THE GENERAL LINES YOU SUGGEST. I WISH TO SHARE WITH YOU SOME OF THE REASONING THAT UNDERLIES THE DECISION I HAVE REACHED.

LET ME STRESS AT THE OUTSET THAT I WAS MOST PLEASED THAT YOU WERE SO CLEAR IN YOUR BELIEF THAT EXTENSIVE AND EFFECTIVE VERTFICATION IS A SINE QUA NON OF ANY PROPOSAL. IF THE WEST IS TO CONSIDER THE MAJOR CONCESSION OF DROPPING ITS DECADE-LONG INSISTENCE ON AGREED DATA AS A PREREQUISITE TO ANY REDUCTION OR FREEZE AGREEMENT, WE MUST, OF COURSE, INSIST ON AN EFFECTIVE AND STRINGENT PACKAGE OF VERIFICATION MEASURES. SUCH A PACKAGE MUST ENSURE THAT DATA AGREEMENT AMONG ALL THE PARTIES IS ONLY TEMPORARILY DEFERRED, BUT IS BY NO MEANS ABANDONED. I AM SURE YOU UNDERSTAND THAT A CHANGE FROM THE WESTERN POSITION, WHICH HAS CALLED FOR A DATA AGREEMENT PRIOR TO ANY FORCE REDUCTION OR FREEZE, IS ESPECIALLY SERIOUS FOR US. SUCH A CHANGE AFFECTS NOT ONLY MBFR, BUT WOULD ALSO INEVITABLY COMPLICATE OUR EFFORTS IN THE NUCLEAR ARMS REDUCTION NEGOTIATIONS IN GENEVA.

I MUST BE ABSOLUTELY CANDID AND EXPLICIT IN SAYING THAT BEFORE ADOPTING A NEW MBFR APPROACH, WE MUST FIRST HAVE COMPLETE AGREEMENT WITHIN THE ALLIANCE BOTH ON THE FULL DETAILS OF A PROPOSED VERIFICATION REGIME AND ABSOLUTE COMMITMENT TO REFUSE TO ALLOW ANY EROSION OF THAT REGIME IN THE COURSE OF NEGOTIATIONS WITH THE EAST. IN PRESENTING A WESTERN PROPOSAL, WE MUST ALSO MAKE IT ABSOLUTELY CLEAR TO THE EAST AT THE OUTSET THAT THE TWO SIDES WILL HAVE TO REACH FULL AND COMPLETE AGREEMENT ON THE VERIFICATION PROVISIONS OF THE PROPOSAL BEFORE THE FIRST TROOP REDUCTION CAN OCCUR, EVEN ON AN INTERIM BASIS. I UNDERSTAND THAT THE VERIFICATION WITH CONFIDENCE AND IN A TIMELY MANNER WHETHER THE TREATY LIMITS ARE BEING RESPECTED, WILL INVOLVE THE MOST DIFFICULT AND MOST COMPLEX ISSUES OF THE NEGOTIATION. NEVERTHELESS, WE MUST CLEAR

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THAT HURDLE FIRST, OR WE WOULD BE IN THE UNTENABLE POSITION OF HAVING MADE SUBSTANTIAL AND SECURITY-ENDANGERING CONCESSIONS WITH NOTHING TO SHOW FOR OUR GENEROSITY.

BASED ON THE ASSESSMENT OF MY SENIOR MILITARY ADVISORS AND THE SECRETARY OF DEFENSE, I CANNOT CHARACTERIZE THE INITIAL REDUCTION, IN YOUR PROPOSAL, OF 13,000 US FORCES AS A TOKEN OR INSUBSTANTIAL CUT, FOR IT WOULD INVOLVE A SUBSTANTIAL MILITARY RISK. AS YOU KNOW, THE US ARMED FORCES ARE ALREADY EXPERIENCING MUCH DIFFICULTY IMPLEMENTING, AT CURRENT FORCE LEVELS, SEVERAL HIGH-PRIORITY MODERNIZATION PROGRAMS IN NATO SUCH AS INF DEPLOYMENTS, INCREASED RECONNAISSANCE AND WARNING CAPABILITIES, AND COMMAND AND CONTROL IMPROVEMENTS. MY MILITARY ADVISORS SAY THAT REDUCING AS MANY AS 13,000 MEN, AND FREEZING THE RESIDUAL FORCE LEVELS AS REQUIRED BY YOUR PROPOSAL, WOULD FORCE US TO MAKE DEEP CUTS IN MILITARY CAPABILITIES IMPORTANT TO A CREDIBLE NATO DETERRENT. I AM THEREFORE ASKING MY MILITARY AND DEFENSE ADVISORS TO ASSESS REQUIREMENTS AND ALTERNATIVES IN AN EFFORT TO DETERMINE WHETHER A SMALLER INITIAL TROOP REDUCTION FIGURE COULD REDUCE THIS RISK WHILE STILL PERMITTING US TO PUT FORWARD A USEFUL PROPOSAL.

MY ADVISORS AND I ALSO REMAIN CONCERNED THAT WHILE ANY US FORCES REDUCED WOULD BE TRANSPORTED BACK TO THE UNITED STATES ACROSS AN OCEAN AND COULD NOT EASILY BE REINTRODUCED, ESPECIALLY IN LIGHT OF THE FREEZE ASPECTS OF YOUR PROPOSAL, THE SAME IS NOT THE CASE FOR SOVIET TROOPS, WHO COULD EASILY REENTER THE MBFR ZONE IN CENTRAL EUROPE FROM THE SOVIET UNIONS WESTERN MILITARY DISTRICTS TO WHICH THEY WOULD BE TRANSFERRED. AND WE REMAIN CONCERNED THAT AN AGREEMENT COULD PUT US IN A POSITION IN WHICH NATO, TO RESPOND TO SOVIET ACTIVITIES OUTSIDE THE MBFR ZONE, WOULD HAVE TO VIOLATE THE CEILINGS FIRST. WE NEED TO REVIEW THIS MATTER FURTHER TO ENSURE THAT WE DO NOT IMPOSE A SIGNIFICANT CRISIS MANAGEMENT OR MOBILIZATION DISADVANTAGE ON NATO.

ALTHOUGH I STILL HAVE MISGIVINGS ABOUT THE SUBSTANTIAL RISKS INHERENT IN MAKING YET ANOTHER NEW WESTERN PROPOSAL, I CAN, IN LIGHT OF YOUR STRONG FEELINGS ON THIS SUBJECT, AGREE IN PRINCIPLE TO THE GENERAL APPROACH YOU HAVE PUT FORWARD. HOWEVER, I BELIEVE THAT SIGNIFICANT DETAILS NEED TO BE WORKED OUT BY OUR EXPERTS, INCLUDING THE SIZE OF ANY INITIAL REDUCTIONS AND THE COMPLETE VERIFICATION PACKAGE. I HOPE WE CAN RESOLVE SUCH DETAILS AND SECURE FULL NATO AGREEMENT TO A PROPOSAL IN TIME TO PRESENT IT IN THE NEGOTIATING ROUND THAT ENDS IN EARLY DECEMBER.

HAVING EXPRESSED THESE CONCERNS, WHICH I AM SURE YOU WILL CONTINUE TO CONSIDER AS WELL, I WANT TO ASSURE YOU HOW MUCH I VALUE YOUR PERSONAL VIEWS CONVEYED IN YOUR RECENT LETTER ON MBFR. I CONSIDER YOUR STAUNCH SUPPORT OF THE ALLIANCE AND OF US OBJECTIVES A CRUCIAL COMPONENT OF WESTERN SECURITY. THAT SECURITY IS, AFTER ALL, INDIVISIBLE. I AM ALSO SURE I CAN COUNT ON YOUR

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STEADFASTNESS AND PATIENCE TO RESIST THE INEVITABLE PRESSURES THAT WILL ARISE IN THE FUTURE TO MAKE FURTHER CONCESSIONS IN THE FACE OF SOVIET INTRANSIGENCE AT THE NEGOTIATING TABLE.

SINCERELY,