CONFIDENTIAL CDP575 The Secretary of State referred to the Prime Minister's

Foreign Secretary's Bilateral with Mr Shultz: Arms Control

recent message to President Reagan on the compliance question which she had also discussed with Paul Nitze. He stressed the importance we attached to the President not being tied publicly now about what action he might take in the autumn. Our view was that the US should continue to abide by existing agreements while stressing the importance of Soviet fulfillment of their obligations. Mr Shultz said that so far as he was concerned, we were pushing at an open door. He had been delighted with the message and hoped we would go on making the point.

Mr Shultz raised the question of SDI. He said that he had much welcomed the message which the Secretary of State had sent to him on this subject, as a supplement to the Prime Minister's message to the President. He hoped that the Prime Minister could make the same points personally to the President. Mr Shultz said that he regarded the strategic part of the Geneva talks as the area where it was important to make progress. He himself thought it was highly desirable, and not improbable, to secure agreement on deep cuts in strategic weapons. But he was convinced that this could only be achieved if there was a space component in the package. Our suggestion for how to achieve this was the most hopeful one, and he hoped we would continue to press it.

4 May 1986

(A C Galsworthy)

cc: PS

Mr Thomas