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FM FCOLN TO BRNAT
311830Z MAY
GRS 2149

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FM FCO

TO IMMEDIATE UKDEL NATO

TELNO 110

OF 311830Z MAY 86

INFO IMMEDIATE MOSCOW

INFO PRIORITY ALL NATO POSTS, ALL OTHER WARSAW PACT POSTS,
UKDEL STOCKHOLM, UKDEL VIENNA, UKDIS GENEVA, UKMIS NEW YORK

MY TELNO 108 : MINISTERIAL MEETING OF THE NORTH ATLANTIC
COUNCIL, HALIFAX 29/30 MAY: AFTERNOON SESSION

SUMMARY

1. SHULTZ EXPLAINS REASONS FOR US RSVP DECISION. SOME
RESERVATIONS EXPRESSED. SHULTZ DESCRIBES STATE OF US/SOVIET
CONTACTS IN OTHER AREAS, PLAYS DOWN LINKAGE . TINDEMANS
(BELGIUM) AND RAIMOND (FRANCE) PROPOSE A STUDY IN NATO OF
CONVENTIONAL ARMS CONTROL AND THIS IS APPROVED (REPORTED
SEPARATELY).

DETAIL

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2. THE AFTERNOON SESSION RESUMED AT 3.25 PM. SHULTZ (US) OPENED WITH A LONG EXPLANATION AND JUSTIFICATION OF PRESIDENT REAGAN'S DECISION ON RSVP. THE PRESIDENT WAS SEEKING A SUBSTITUTE FORM OF RESTRAINT FOR SALT II, WHICH HAD BECOME INCREASINGLY OBSOLETE BECAUSE IT HAD ENVISAGED INCREASES (FROM 550 US AND 600 SOVIET MISSILES IN 1979 TO 820) AND NOT REDUCTIONS IN ACCORDANCE WITH CURRENT US AND ALLIANCE DOCTRINE, FOCUSED MAINLY ON DELIVERY SYSTEMS RATHER THAN WARHEADS AND THROW-WEIGHT WHICH WAS MORE UNSTABLE, AND HAD AN EXPIRY DATE, NOW PAST, FIXED IN THE HOPE THAT A SUCCESSOR AGREEMENT WOULD HAVE BEEN NEGOTIATED. SECONDLY, THE TREATY HAD NEVER BEEN RATIFIED AND HAD BEEN WITHDRAWN BY PRESIDENT CARTER IN FACE OF SENATE OPPOSITION. THIRDLY, UNDER IT, ONLY ONE NEW MISSILE SYSTEM WAS PERMITTED BUT THE RUSSIANS WERE DEPLOYING A SECOND, THE SS-25. FOURTHLY, THE KRASNOYARSK RADAR WAS A VIOLATION OF THE ABM TREATY, ALTHOUGH STRICTLY IT MIGHT BE ARGUED THAT WE WOULD NOT BE SURE UNTIL IT BECAME OPERATIONAL. PRESIDENT REAGAN WAS LOOKING FOR A 'SHIFT OF GEAR' CONSISTENT WITH NATO PHILOSOPHY THAT WE SHOULD HAVE SUFFICIENT CAPABILITY TO DETER SOVIET AGGRESSION. WITH PRESSURE ON DEFENCE RESOURCES, THE US, RESPONSIBLE FOR THE NUCLEAR ELEMENT, COULD NOT CUT ITS MOST MODERN SYSTEMS. THE PRESIDENT WAS LOOKING FOR A REGIME OF MUTUAL RESTRAINT AND COLLEAGUES SHOULD READ HIS PUBLIC STATEMENT. THERE WOULD BE AN OPPORTUNITY BETWEEN NOW AND NOVEMBER WHEN THE ALCM DECISION WAS REQUIRED FOR THE RUSSIANS TO SHOW A CHANGE OF HEART. →

← 3. THE US DID NOT ENVISAGE ANY GROWTH IN ITS STRATEGIC FORCES OR HOLDING MORE WARHEADS THAN THE SOVIET UNION. NEVERTHELESS, THE SOVIET UNION WAS MOVING OVER TO MOBILE SYSTEMS WHICH WERE RELATIVELY EASY FOR THEM TO EXPLOIT, GIVEN THEIR CLOSED SOCIETY. THIS WAS A LARGER PROBLEM FOR VERIFICATION AND HAD IMPLICATIONS FOR STABILITY. INEVITABLY IT RAISED THE QUESTION OF BMD: IF, WITH FOUR LAYERS, THE US COULD ACHIEVE EVEN 20 PER CENT EFFECTIVENESS AT EACH STAGE, THAT WOULD CONSTITUTE A MAJOR COMPLICATION OF SOVIET OFFENSIVE PLANS. GIVEN THAT, AND THEIR OWN BMD DEFENCE POTENTIAL, THEIR PHASED ARRAY AND MOBILE RADARS,

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In nos of re-entry vehicles

THE SOVIET UNION COULD BE ON THE VERGE OF A BMD BREAK-OUT. TAKING ALL THAT INTO ACCOUNT, AS WELL AS THE TECHNICAL DEVELOPMENTS, THE PRESIDENT WAS 'OBSERVING THE CONCEPT' OF THE TREATY, BUT WAS TRYING TO MOVE AWAY FROM MATCHING LAUNCHERS TO A SYSTEM OF MUTUAL RESTRAINT OF RE-ENTRY VEHICLES. IT WAS IMPORTANT TO HAVE ALLIANCE SOLIDARITY ON THIS ISSUE.

4. CLARK (CANADA) REFERRED TO THE ALCMS AS THE INSTRUMENT FOR BREAKING OUT OF THE SALT LIMITS AND STRESSED THAT HE CONTINUED TO BE APPREHENSIVE THAT THAT WOULD BE SEEN AS A MOVE AWAY FROM THE PRESIDENT'S GOAL. HE APPRECIATED THE DEGREE OF CONSULTATION BUT HAD TO REPEAT CANADA'S RESERVATIONS. THIS WAS AN EXAMPLE OF THE SORT OF DIFFICULTIES WE GOT OURSELVES INTO. WAS THERE FLEXIBILITY AND WHAT WAS THE SIGNIFICANCE OF THE AUGUST DATE REFERRED TO BY WEINBERGER?

5. ELLEMANN-JENSEN (DENMARK) NOTED THE PRESIDENT'S STATEMENT AND THE INCENTIVE IN IT FOR THE SOVIET UNION. NEVERTHELESS, THE HEADLINES HAD SPOKEN OF A DECISION NO LONGER TO ADHERE TO SALT LIMITS. HE WAS WORRIED ABOUT WHAT MIGHT COME NEXT. VAN DEN BROEK (NETHERLANDS) SHARED THESE WORRIES. LAST DECEMBER, MINISTERS HAD AGREED THAT THE US COULD NOT BE ASKED TO ABIDE BY AN AGREEMENT THAT WAS BEING VIOLATED, BUT NOW THE JUSTIFICATION WAS RATHER ON TECHNICAL GROUNDS BECAUSE SALT WAS DEAD. NITZE HAD GIVEN THE IMPRESSION THAT THE US WOULD PREFER TO ABIDE BY THE SALT LIMITS: NOW THIS DID NOT APPEAR TO BE THE CASE. THE DECISION CREATED MAJOR PROBLEMS WITH PUBLIC OPINION. IN A BRIEF ASIDE REFERRING TO SHULTZ'S COMMENT ON BUDGETARY RESTRAINTS, VAN DEN BROEK SAID THAT THE PRESENT NETHERLANDS CARETAKER GOVERNMENT HAD INDICATED EARLIER THAN THE 2 PER CENT REAL INCREASE IN DEFENCE EXPENDITURE WHICH THEY HAD BEEN ACHIEVING WAS NOT ENOUGH, AND OUGHT TO BE RAISED TO 3 PER CENT. ARMS CONTROL MARCHED WITH DEFENCE AND THE SACRIFICES THAT WENT WITH IT.

6. SHULTZ (US), REPLYING, SAID THAT THE AUGUST DATE HAD COME AS A SURPRISE AND HE WOULD LOOK INTO IT. THE US WANTED A REGIME OF MUTUAL RESTRAINT, MEASURED NOT IN AN OBSOLETE WAY, BUT BY WARHEADS. HE REFERRED TO THE MX, THE PERMITTED FIRST NEW SYSTEM,

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AND THE MIDGETMAN, THE SECOND SYSTEM, ONLY ON THE DRAWING BOARD. WE DID NOT ATTRACT SOVIET ATTENTION BY BEING WEAK. AS FOR PUBLIC OPINION, IT WAS BETTER TO TAKE THE RIGHT DECISIONS AND SELL THEM. IT WAS INTERESTING THAT THOUGH GORBACHEV REPRESENTED THE YOUNGER GENERATION, HE HAD NOT CAPTURED US OPINION AND DID NOT SEEM TO HAVE DONE SO ON HIS VISIT TO FRANCE. THE WESTERN PUBLIC WAS PRETTY DISCERNING. HE AGREED WE NEEDED A SIMPLER MESSAGE, BUT WHAT COULD BE SIMPLER THAN ABOLISH ALL INF?

7. GENSCHER (FRG) SAID THAT THE QUESTION WAS HOW TO PREVENT THE RSVP DECISION HAVING ILL EFFECTS FOR THE ALLIANCE. WE MUST MAKE THE SIGNAL FROM HALIFAX EVEN CLEARER. THE FRG HAD MADE PLAIN ITS VIEW THAT SALT LIMITS SHOULD BE ADHERED TO AND SHOULD BE LOOKED AT AGAIN AT THE END OF THE YEAR. HE WELCOMED SHULTZ'S INDICATION THAT THIS WOULD BE SO. AS FOR PUBLIC OPINION, IT WAS ESSENTIAL TO MANIFEST OUR DETERMINATION TO ACHIEVE DISARMAMENT IN THE CLEAREST POSSIBLE TERMS, MAKING CLEAR THAT WE WERE READY TO HALVE THE NUMBER OF STRATEGIC WEAPONS, THUS GIVING QUITE A DIFFERENT SLANT TO THE SALT II AGREEMENT. THE FRG WELCOMED THE STATEMENT OF POSITION IN THE SHULTZ/GROMYKO STATEMENT OF 8 JANUARY 1985 ('STOP THE ARMS RACE IN SPACE AND ELIMINATE IT ON EARTH'). THE FRG WANTED DETERRENCE TO APPLY TO ANY SORT OF WAR, BUT NOT TO SEEK STRATEGIC SUPERIORITY. ONE ASPECT OF STABILITY WAS BEING NEGOTIATED IN STOCKHOLM, COVERING THE AREA ATLANTIC TO THE URALS, BUT ANOTHER, RELATIVE STRENGTHS, WAS NOT. WE NEEDED TO CONSIDER OUR STRATEGY OVER THE WHOLE FIELD AND TO MAKE CLEAR IN OUR STATEMENT THAT DISARMAMENT COULD NOT SUCCEED IN A VACUUM. THE POLITICAL REASONS FOR TENSION HAD TO BE TACKLED AND WE MUST MAKE CLEAR THAT WE WANTED DETENTE AND DIALOGUE. HE AGREED THAT WE SHOULD AVOID A NORMAL COMMUNIQUE, BUT THE NEED FOR AN EVEN CLEARER POLITICAL STATEMENT WAS THE GREATER AFTER THE US DECISION. IT SHOULD SAY CLEARLY THAT GORBACHEV'S WORDS MUST BE TRANSLATED INTO DEEDS.

8. FRYDENLUND (NORWAY) NOTED THAT THE PRESIDENT HAD SAID THAT THE MATTER WAS NOT FINALLY CLOSED. THE NORWEGIAN GOVERNMENT HOPED THAT THE US WOULD FIND IT POSSIBLE TO REMAIN WITHIN THE SALT LIMITS WHICH HAD BECOME A SYMBOL. SENATOR AGNELLI (ITALY)

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WELCOMED SHULTZ'S 'ILLUMINATING' STATEMENT: THE PUBLIC SHOULD BE GIVEN A SIMILAR EXPLANATION.

9. SHULTZ MADE THE POINT THAT TRADE AND ECONOMIC RELATIONS (THERE WERE DISPUTES BETWEEN THE US AND EC STEMMING FROM ENLARGEMENT AND SOME PINPRICKS WITH CANADA) WERE VERY RELEVANT. THE HOUSE OF REPRESENTATIVES HAD PASSED A DEPLORABLE BILL. TRADE WAS IMPORTANT FOR ECONOMIC REASONS, BUT ALSO HAD TREMENDOUS STRATEGIC SIGNIFICANCE. IN THE PAST, MINISTERS HAD COUNSELLED EACH OTHER THAT THE ROAD WOULD BE LONG, THAT THERE WOULD BE UPS AND DOWNS, AND THAT PATIENCE WOULD BE NEEDED. THERE WERE, HOWEVER, SIGNS OF HOPE. THE US HAD HAD GOOD DISCUSSIONS WITH THE SOVIET UNION ON RISK REDUCTION CENTRES AND MIGHT GET SOMEWHERE. THERE HAD ALSO BEEN GOOD DISCUSSIONS ON CW WHERE THE US WANTED A BAN, WITH VERIFICATION. CW WAS PROLIFERATING, AND BEING USED IN IRAQ: IRAN WAS GETTING READY TO USE IT: SYRIA WAS DEVELOPING A CAPABILITY AND SO, PROBABLY, WAS LIBYA. CW WAS EASY TO ACQUIRE AS COMPARED WITH NUCLEAR WEAPONS. THEY HAD HAD A GOOD DISCUSSION OF HOW TO TACKLE CW PROLIFERATION AND PRECURSORS WITH THE SOVIET UNION. THEY HAD ALSO HAD A GOOD DISCUSSION ON NUCLEAR PROLIFERATION. THEY HAD BEEN RESPONDING TO GORBACHEV'S STATEMENT AFTER CHERNOBYL. THERE WERE AGREEMENTS IN GENEVA ON EXPANDING THE PEOPLE-TO-PEOPLE EXCHANGES, CONCENTRATING ESPECIALLY ON THE YOUNG, AND THERE WERE VARIOUS CULTURAL EXCHANGES. REGIONAL EXPERT TALKS HAD TAKEN PLACE ON AFRICA AND CENTRAL AMERICA AND THE CARIBBEAN: THE US WAS HOLDING OFF ON ASIA AND AFGHANISTAN UNTIL AFTER HIS MEETING WITH SHEVARDNADZE, BUT WOULD HAVE TALKS ON THE MIDDLE EAST AND EAST ASIA. LOOKING AT THE BROAD SCOPE OF RELATIONS, THE US HAD DOWN-PLAYED THE IMPORTANCE OF LINKAGE (EG AFTER THE KAL DISASTER THE PRESIDENT HAD CALLED IN THE ARMS CONTROL NEGOTIATORS AND SENT THEM BACK TO GENEVA). IN THE US ADMINISTRATION'S VIEW EVERYTHING SHOULD NOT BE TIGHTLY LINKED: THE WEST HAD SOMETIMES LOST THROUGH LINKAGE. THE RUSSIANS WERE FINDING DIFFICULTY WITH THIS AND HAD ASKED HOW, IN THE SPIRIT OF GENEVA, THE US COULD HAVE CHALLENGED LIBYAN CLAIMS TO INTERNATIONAL WATERS OR RAISED THE ISSUE OF TERRORISM WHEN THEY KNEW THAT THE SOVIET UNION HAD

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CLOSE LINKS WITH LIBYA? THE US HAD REPLIED THAT THERE WAS NO CONNECTION.

10. FINALLY, IN THE ARMS CONTROL TALKS IN GENEVA, THE AGENDA WAS DOMINATED BY THE WORD REDUCTIONS. GORBACHEV HAD TALKED ABOUT MAJOR REDUCTIONS IN STRATEGIC SYSTEMS, HAD SHIFTED FROM DEMANDS FOR COMPENSATION FOR BRITISH AND FRENCH SYSTEMS (THOUGH THERE WERE OTHER DEMANDS), AND WAS TALKING OF VERIFICATION, DESPITE THE QUALIFICATIONS HE ATTACHED. FINALLY, THE RELEASE OF SCHARANSKY, AND PROGRESS ON SOME FAMILY CASES, WERE ENCOURAGING. THE MEETING WITH SHEVARDNADZE WAS SHELVED, NOT CANCELLED, OSTENSIBLY BECAUSE OF THE GULF OF SIRTE. IT WAS DIFFICULT TO JUDGE: HE PERCEIVED THAT THE RUSSIANS WERE PULLING BACK INTO THEIR SHELL AND IT WAS IMPORTANT TO PULL THEM OUT. IN DISCUSSIONS WITH DOBRYNIN AFTER HIS RECALL TO MOSCOW, THE US SIDE HAD STRESSED THE NEED FOR PROGRESS, HAD SET OUT SOME PROPOSALS IN THE FIELD OF NUCLEAR TESTING AND MADE THE POINT THAT IF THERE WERE TO BE SIGNIFICANT REDUCTIONS AGREED AT THE SUMMIT IN 1987, THERE WAS A NEED TO START AT THE 1986 SUMMIT. THEY HAD HAD NOTHING BACK SINCE THEN EXCEPT THE POSTPONEMENT OF THE SHEVARDNADZE MEETING. THE RUSSIANS WERE MAKING MANY PUBLIC STATEMENTS, THE US NOT. THE WORLD KNEW THAT WHEN SERIOUS MATTERS WERE UNDER WAY THERE WAS LITTLE TALKING ABOUT THEM. EVEN ON THE CHERNOBYL INCIDENT, THE US ADMINISTRATION, AS OPPOSED TO THE PRESS, HAD BEEN CAREFUL AND HAD RESPONDED QUICKLY TO VARIOUS QUIET REQUESTS FOR TECHNICAL HELP FROM THE RUSSIANS.

11. IN THE GENEVA ARMS CONTROL TALKS A US PROPOSAL HAD BEEN ON THE TABLE SINCE NOVEMBER WITHOUT A RESPONSE. IN GORBACHEV'S JANUARY STATEMENT THERE WAS NO MENTION OF STRATEGIC ARMS. ON INF THE SOVIET UNION HAD RESPONDED AND TABLED A DRAFT AGREEMENT, BUT WITH NOTHING ON VERIFICATION. THE US HAD SUBMITTED MUCH MATERIAL ON SPACE SYSTEMS WITHOUT RESPONSE. HE HAD NOTHING TO ADD TO WHAT OTHERS HAD SAID ABOUT VERIFICATION AND COMPLIANCE. THE SOVIET UNION WAS TAKING A HIGH PROFILE ON TESTING. THE US HAD WORRIES ABOUT VERIFICATION. AS HE UNDERSTOOD IT, IT WAS POSSIBLE WITH PRESENT MEANS TO TELL WHEN A NUCLEAR EXPLOSION

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TOOK PLACE AND EVEN TO DISTINGUISH IT FROM AN EARTHQUAKE, BUT NOT TO MEASURE ITS SCALE. THE US HAD MADE PROPOSALS AND IF PROGRESS COULD BE MADE, WOULD BE READY TO RATIFY THE TWO TEST TREATIES. BUT A MORATORIUM WAS NOT GOOD FOR THE WEST SO LONG AS WE RELIED ON NUCLEAR WEAPONS. ADMITTEDLY, THAT GAVE THE RUSSIANS A FREE HAND, SINCE THEY KNEW OUR POSITION. ON MBFR AND CDE HE HAD NOTHING TO ADD TO THE COMMENTS OF OTHERS. AS FOR CONVENTIONAL ARMS CONTROL IN THE AREA ATLANTIC TO THE URALS, THE RUSSIANS HAD GIVEN NO DETAILS, BUT WE SHOULD POCKET THE OFFER SINCE IT WAS THE AREA WE HAD BEEN LOOKING FOR, AND SEE WHAT WE COULD MAKE OF IT.

12. TINDEMANS (BELGIUM) AND RAIMOND (FRANCE) THEN PROPOSED A STUDY OF CONVENTIONAL ARMS CONTROL AND THE RELATIONSHIP BETWEEN VARIOUS FORA (AS REPORTED SEPARATELY IN A TELEGRAM OF 30 MAY.) TWO ADDITIONAL POINTS NOT COVERED IN THAT TELEGRAM WERE:

(A) A STATEMENT BY THE TURKISH FOREIGN MINISTER THAT TURKEY ACCEPTED THE PROPOSED STUDY ON THE ASSUMPTION THAT IT WOULD BE MADE ON THE BASIS OF ALL ACCEPTED NATO DOCUMENTS. (THE TURKISH PERMANENT REPRESENTATIVE HAS SAID THAT THIS IS TO PROTECT THE ALLIANCE'S MILITARY DOCTRINES IN CIRCUMSTANCES IN WHICH FRANCE, WHICH DOES NOT SUBSCRIBE TO THEM, WAS EVIDENTLY TAKING THE LEAD IN A PROCESS WHICH MIGHT LEAD TO CONVENTIONAL ARMS REDUCTIONS.)

(B) THE SECRETARY GENERAL SAID THAT IT WAS VERY IMPORTANT THAT THE STUDY GROUP SHOULD NOT BE DIVORCED FROM NATO: NATO WAS NOTHING IF IT WAS NOT CONCERNED WITH DEFENCE AND ARMS CONTROL.

13. THE MEETING WAS ADJOURNED AT 1740.

HOWE

US/SOVIET ARMS CONTROL TALKS

LIMITED

ACDD

DEFENCE D

SOVIET D

NEWS D

NAD

EED

WED

PLANNING STAFF

RES D

INFO D

FUSD

NED

PS

PS/LADY YOUNG

PS/MR RENTON

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MR DEREK THOMAS

MR GOODALL

MR RATFORD

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