CORRECTED VERSION CONFIDENTIAL FH WASHINGTON TO IMMEDIATE FCO TELNO 1913 OF 182350Z JULY 86 INFO IMMEDIATE MOSCOW INFO ROUTINE BONN, PARIS, ROME, UKDEL NATO, UKDEL STOCKHOLM INFO ROUTINE UKDEL MBFR, VIENNA, MODUK

SECRETARY OF STATE'S DISCUSSION WITH SHULTZE EAST/WEST AND ARMS CONTROL SUMMARY

- SECRETARY OF STATE GIVES ACCOUNT OF SHEVARDNADZE VISIT TO LONDON AND REAFFIRMS OUR VIEWS ON NUCLEAR TESTING AND INTERIM RESTRAINT. SHULTZ CONFIRMS NO DATE YET FIXED FOR HIS MEETING WITH SHEVARDHADZE.
- DETAIL THE SECRETARY OF STATE HAD AN HOUR WITH SHULTZ ON 18 JULY, DEVOTED MAINLY TO EAST/WEST. HE FIRST GAVE SHULTZ AN ACCOUNT OF THE SHEVARDNADZE VISIT. THE LATTER HAD SET OUT TO IMPRESS ON US THE SERIOUSNESS OF THE SOVIET INTEREST IN REACHING ARMS CONTROL AGREEMENTS AND IN A FURTHER SUMMIT. BUT THEY NEEDED TO KNOW THAT A SUMMIT WOULD REACH SUBSTANTIVE AGREEMENTS. SHEVARDNADZE'S APPROACH HAD BEEN PROFESSIONAL AND SELECTIVE. BUT ALTHOUGH THE STYLE WAS IMPROVED THE SUBSTANCE WAS UNCHANGED. FOR EXAMPLE DISCUSSIONS ON REGIONAL ISSUES HAD PRODUCED NO SIGN OF MOVEMENT IN SOVIET POSITIONS. AND ON TERRORISM, ALTHOUGH SHEVARDNADZE HAD ACCEPTED THIS AS A SUBJECT FOR DISCUSSION, HE WAS NOT PREPARED TO LISTEN SERIOUSLY TO OUR POINTS ON ENDING SUPPORT FOR LIBYA.
- THE SECRETARY OF STATE SAID THAT ON THE MAIN GENEVA ARMS CONTROL ISSUES SHEVARDNADZE HAD NOT GONE INTO MUCH DETAIL. THE RUSSIANS CLEARLY WANTED TO LEAVE THESE FOR DISCUSSION WITH THE US AND IT WAS CLEAR THAT THEY WERE WAITING FOR THE US RESPONSE TO THE GENEVA PROPOSALS.
- SHULTZ DESCRIBED SOVIET INDECISIVENESS OVER FIXING A DATE FOR HIS NEXT MEETING WITH SHEVARDNADZE. DUBININ HAD RECENTLY SUGGESTED A MEETING IN SEPTEMBER BEFORE THE UNGA. WHEN THE AMERICANS ACCEPTED THAT, THE RUSSIANS BACKED OFF AND HAVE NOT YET CONFIRMED IT. THE SECRETARY OF STATE OBSERVED THAT WE HAD HAD A SIMILAR EXPERIENCE OVER THE LONDON VISIT.
- ON CDE, THE SECRETARY OF STATE SAID THAT THE RUSSIANS NOW SEEMED TO WANT POSITIVE RESULTS. SHEVARDNADZE HAD RUN BRISKLY THROUGH A CHECK-LIST OF DETAILED POINTS, SIGNALLING FLEXIBILITY IN PARTICULAR ON THE THRESHOLD FOR NOTIFICATION AND ON THE INCLUSION OF AIR ACTIVITIES. ON MBFR, SHEVARDNADZE HAD SPOKEN OF WINDING UP THE REGOTIATIONS WITH A SYMBOLIC AGREEMENT, TRANSFERRING THE DISCUSSION TO A WIDER FORUM. SHULTZ COMMENTED THAT THE CSCE GROUP WAS NOT AN ATTRACTIVE ONE FOR REACHING ARMS CONTROL AGREEMENTS: THE US DID NOT RELISH GIVING MALTA A VETO.

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SHEVARDNADZE ON COMPLIANCE ISSUES AND HAD INDICATED OUR HOPE THAT AN EXTENSION OF THE ABM TREATY COULD OFFER A WAY FORWARD.

SHEVARDNADZE HAD IN A RETURN PRESSED US HARD ON NUCLEAR TESTING.

ON THAT, THE SECRETARY OF STATE COMMENTED THAT THE US NEW OUR VIEWS.

IF THE US COULD MOVE ON THE

TIBT AND THE PNE TREATY THAT WOULD BE MOST USEFUL. SHULTZ

COMMENTED THAT THE US HAD AGREED TO LISTEN TO WHAT THE RUSSIANS HAD TO SAY ON TESTING WITHOUT PRECONDITIONS. HE WOULD BE INTERESTED TO SEE WHAT CAME OUT OF THE TALKS NEXT WEEK. THE SECRETARY OF STATE ASKED THAT WE KEPT IN CLOSE TOUCH WITH DEVELOPMENTS. SHULTZ AGREED.

- ON CW. THE SECRETARY OF STATE SAID THAT WE HAD FORSHADOWED OUR GENEVA PROPOSALS. SHEVARDNADZE HAD SHOWN INTEREST IN DISCUSSING THIS ISSUE AND SEEMED TO SHARE THE VIEW THAT AN AGREEMENT WAS POSSIBLE. SHULTZ ADDED THAT AT THE US/SOVIETS EXPERTS DISCUSSION ON THE MIDDLE EAST LAST MONTH THE AMERICANS HAD DETECTED SOME INTEREST ON THE SOVIET SIDE IN DISCUSSING THE IMPLICATIONS OF CW USE IN THE GULF. BUT THE RUSSIANS HAD NOT FOLLOWED UP YET ON THIS POINT.
- 8. THE SECRETARY OF STATE ALSO UNDERLINED THAT WE HOPED THE US WOULD STAY WITHIN THE SALT FRAMEWORK AND BUILD FORWARD FROM THAT.
- 9. SHULTZ AGREED WITH THE SECRETARY OF STATE THAT
 SHEVARDNADZE APPEARED TO BE GROWING IN SELF-CONFIDENCE AND IN
 MASTERY OF HIS MATERIAL. HE ADDED THAT RYZKHOV (WHOM HE HAD MET
 AT THE PALME FUNERAL) HAD ALSO COME THROUGH AS A CAPABLE AND
 CONFIDENT OPERATOR.
 WRIGHT

US/BOVIET ARMS CONTROL TALKS

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SOVIET D

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PS/MR RENTOR PS/PUS MR DEREK THOMAS

MR GOODALL
MR RATFORD
MR DAUNT
MR DAVID THOMAS
MR BRAITHWAITE
MR SLATER;
MR BARRINGTON

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