

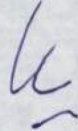
MR POWELL29 July 1986PRESIDENT REAGAN'S MESSAGE TO MR GORBACHEV

1. Your minute of 28 July.
2. I have now seen President Reagan's message of 26 July to the Prime Minister. I do not find this quite so reassuring as you.
3. The President tells us that he will conform to a restrictive interpretation of the Treaty. What matters, however, are his words to the Russians and the effect on them. The words used, 'research, development and associated testing', will almost certainly be read by the Russians as the wider interpretation. Marshal Akhromeev condemned this last October. He said that under Article V of the Treaty the only permitted form of testing and development was that for fixed land-based systems, whereas SDI concerned a space-based ABM system; and that development of new and exotic systems was limited similarly, ie they could be permitted only for the ABM areas permitted in the Treaty and for stationary land-based systems. Gorbachev's general objective, as you know, remains to keep SDI work to the laboratory.
4. Apart from Nitze's comment, there is further evidence of the US approach. A US Department of Defence report to Congress on SDI in June claims that the entire SDI research programme is being conducted in conformity with the restrictive interpretation of the Treaty. The work, they argue, can include field testing of 'experimental devices'. The argument is that these are not ABM components or prototypes as defined in the Treaty because they are to demonstrate technical feasibility and gather data prior to constructing a prototype of an actual ABM component.



5. It seems possible that the 'programme of research, development and associated testing, which is permitted by the ABM Treaty, to determine the technical feasibility of advanced reliable systems of strategic defence' which the President is pursuing is, in fact, the DOD programme described in the report to Congress, which the DOD argues is permissible under the restrictive interpretation of the Treaty. The programme which the SDI office is planning in the near term is a very considerable one involving 16 major experiments, many of them outside the laboratory.

6. 'Restrictive' for the President may therefore be very different from 'restrictive' for the Russians.



PERCY CRADOCK