

SECRET

MR POWELL

30 July 1986

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PRESIDENT REAGAN'S MESSAGE TO MR GORBACHEV

1. Your minute of 30 July.
2. I am afraid it is not the case that all that the Americans are doing or going to do is development and testing of fixed land-based systems within Article V of the Treaty. If that were so there would be no argument with the Russians. Nor would Nitze have referred the Prime Minister to Agreed Statement D. There would have been no need to.
3. The Department of Defence report to Congress in June, mentioned in my minute of 29 July, lists three categories of activity permitted under the ^{restrictive interpretation of the} Treaty:
 - a. Conceptual design or laboratory testing (no problem).
 - b. Field testing of devices that are not ABM components or prototypes of ABM components. The text (attached) makes clear that these are not limited to fixed land-based devices.
 - c. Field testing of fixed land-based ABM components.
4. I cannot be sure that the programme of testing President Reagan refers to is that in the DOD report, but I suspect that it is. The concept is the same and the language often identical.
5. I am not, of course, saying that we did not do well to obtain reassurances from the President. I do not think we could have done more. What I am saying is that the Russians may not like the proposal and that what the President understands by 'restrictive' may not be the same as we mean by it.
6. I assume the Prime Minister knows of my views.

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PERCY CRADOCK

SECRET

The SDI program was originally structured in a manner that was designed to permit it to achieve critical research objectives while remaining consistent with a more narrow interpretation of the ABM Treaty. This being the case, in October 1985, while reserving the right to conduct the SDI program under the broad interpretation at some future time, the President deemed it unnecessary to restructure the SDI program towards the boundaries of the ABM Treaty which the U.S. could observe.* Consistent with that determination, the Administration applies the more restrictive treaty interpretation as a matter of policy, although we are not legally required to do so, in evaluating the experiments in the SDI program. Therefore, statements in this appendix regarding compliance with treaty provisions should be understood as based upon the restrictive interpretation. It should be equally understood, however, that the President believes that the broader interpretation is fully justified.

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CATEGORIES OF TREATY COMPLIANT ACTIVITIES

There are three basic types of activity that are permitted in compliance with the ABM Treaty. The SDI major experiments described below are grouped according to these categories.

Category 1 - Conceptual Design or Laboratory Testing

This activity precedes field testing and was considered during the ABM Treaty negotiations to be research that was not verifiable by National Technical Means (NTM) and not subject to Treaty limits.

Category 2 - "Field Testing" of Devices that are not ABM Components or Prototypes of ABM Components

As noted earlier, Article V prohibits the development, testing, and deployment of ABM systems or components which are sea-based, air-based, space-based, or mobile land-based.

The negotiating record of the ABM Treaty shows it was clearly understood in 1972 that "development" begins when field testing is initiated on a prototype of an ABM component. The definition of "development" applied to the Article V limitations results in the prohibition of field testing of ABM systems or components, or their prototypes which are other than fixed land-based. Thus, SDI field tests of space-based or other mobile-based devices cannot involve ABM components or prototypes. All SDI Category 2 experiments must meet this criterion. For any device to be limited by the ABM Treaty, whether labeled "prototype" or some other term of art, it must constitute an ABM system or component (an ABM interceptor missile, ABM launcher or ABM radar) or be capable of substituting for such an ABM component.

"ABM systems and components" are defined in Article II as follows:

For the purpose of this treaty an ABM system is a system to counter strategic ballistic missiles or their elements in flight trajectory, currently consisting of: (a) ABM interceptor missiles, which are interceptor missiles constructed and deployed for an ABM role, or of a type tested in an ABM mode; (b) ABM launchers, which are launchers constructed and deployed for launching ABM interceptor missiles; and (c) ABM radars, which are radars constructed and deployed for an ABM role, or of a type tested in an ABM mode.

We are applying the rule that all SDI "field tests" not involving fixed, land-based devices must not be conducted in an "ABM mode." The term "tested in an ABM mode" is specifically addressed in a classified Agreed Statement negotiated in 1978 by the U.S. and U.S.S.R. and in the Standing Consultative Commission. That agreement provides in part, that an interceptor missile is considered to be "tested in an ABM mode" if it has attempted to intercept (successfully or not) a strategic ballistic missile or its elements in flight trajectory. Likewise a radar is considered to be "tested in an ABM mode" if it performs certain functions such as tracking and guiding an ABM interceptor missile or tracking strategic ballistic missiles or their elements in flight trajectory in conjunction with an ABM radar which is tracking and guiding an ABM interceptor missile. "Strategic ballistic missiles or their elements in flight trajectory" include ballistic target-missiles with the flight trajectory characteristics of strategic ballistic missiles or their elements over the portions of the flight trajectory involved in testing.

Category 2 experiments must also meet the obligation of Article VI not to give non-ABM launchers, missiles, or radars capabilities to counter strategic ballistic missiles or their elements in flight trajectory.

Allowed Category 2 activities include tests of experimental devices to demonstrate technical feasibility and gather data prior to constructing a prototype of an actual ABM component or weapon system. Tests of non-ABM systems performing functions consistent with Treaty obligations (such as air defense and early warning) are also legitimate Category 2 activities.

Category 3 - "Field Testing" of Fixed Land-Based ABM Components

"Field Testing" of fixed land-based ABM components or systems is permitted as long as other Treaty provisions are met. Under Article IV all such tests must take place at agreed ABM

test ranges (for the U.S., White Sands Missile Range and Kwajalein Missile Range), and the total test launcher count must not exceed 15.

Other testing must comply with limitations in paragraph 2 of Article V on launcher capabilities as follows:

Each party undertakes not to develop, test, or deploy ABM launchers for launching more than one ABM interceptor missile at a time from each launcher, nor to modify deployed launchers to provide them with such a capability, not to develop, test, or deploy automatic or semi-automatic or other similar systems for rapid reload of ABM launchers.

Agreed Statement E prohibits "developing, testing, or deploying ABM interceptor missiles for delivery by each ABM interceptor missile or more than one independently guided warhead."

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① Sir P Craddock ✓
② file.
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PRIME MINISTER

ARMS CONTROL

You should be aware of Sir Percy Craddock's views, set out in the attached minutes, that we are over-optimistic about President Reagan's recent proposals to Gorbachev for limiting the SDI. In particular he thinks that the Russians will object strongly to the Americans "restrictive" interpretation of the ABM Treaty. The Americans argue that this "restrictive" interpretation allows field testing of "experimental devices" - i.e. items which could be used in an SDI system - so long as they are not ABM components or prototypes as defined in the Treaty.

We shall be able to judge how strongly the Russians object on this particular point when Gorbachev replies. I would only say that it cannot be new to them. The Americans' interpretation has been public since their compliance report to Congress in 1984.

CDD

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CHARLES POWELL

1 August 1986

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