

OUT TELEGRAM

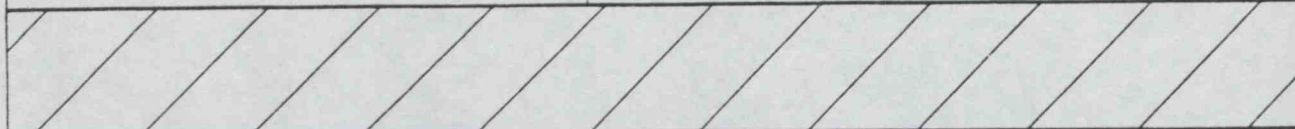
12.

	Classification SECRET	Caveat DEDIP BURNING BUSH	Precedence PRIORITY
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ZCZC
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CAVEAT
FM
TO
TELNO
OF
AND TO

1	ZCZC
2	SECRET
3	DEDIP BURNING BUSH
4	FM FCO
5	TO PRIORITY WASHINGTON
6	TELNO
7	OF 101100Z DECEMBER 86
8	
9	INFO PRIORITY PARIS, BONN
10	
11	
12	MIPT: QUADRIPARTITE MINISTERIAL MEETING: CHEVENING: 9
13	DECEMBER: SOVIET UNION/EASTERN EUROPE
14	SUMMARY
15	1. Exchange on visa policy towards KGB/GRU personnel: French
16	and Americans have problems similar to ours. General agreement
17	on the need for guarded openness towards the Soviet Union. Also
18	on the need to cultivate the East European countries
19	individually, while refraining from treating them as a monolithic
20	bloc.
21	DETAIL
22	2. The Secretary of State said that we were encountering
23	problems over our efforts to control Soviet diplomatic
24	establishments. We were now operating a global ceiling on Soviet
25	establishments in London. Our knowledge of the Soviet
26	intelligence agencies was now even greater than it used to be: we
27	were operating a principle of refusing visas not only to Russian
28	intelligence officers who had been identified by allied services
29	in agent running, but also to those whom our defector sources

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		Catchword: Rnew	
File number	Dept PRIVATE OFFICE	Drafted by (Block capitals) A C GALSWORTHY	Telephone no
Authorised for despatch by:	Initials <i>CPG</i>	Date/time 1230 10/12	
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 2 knew as members of the KGB, and even those whom they did not
 3 know, but were able to identify on the basis of their general
 4 background. Recently the Soviet Union had begun refusing visas
 5 to our own staff more or less indiscriminately on a one for one
 6 basis. We were beginning to find severe disadvantages in
 7 relation to our staffing in Moscow. He wondered how other
 8 governments were fairing.
 9 2. Shultz said that the Americans refused visas to intelligence
 10 officers who had been identified in hostile intelligence
 11 operations by allied services. They did not necessarily refuse
 12 visas to those who had not been so identified but were thought to
 13 be KGB or GRU. Our security authorities had recently been
 14 needling the FBI on the basis that their practice was less
 15 rigorous than ours. The FBI did not particularly care what
 16 happened to the American Embassy in Moscow. But the policy we
 17 were operating would create some absurdities for the Americans:
 18 their Ambassador to the UN was a former Deputy Director of the
 19 CIA. He was worried that our attitude might push the counter
 20 intelligence agencies in the United States towards an even
 21 tougher policy. The Americans were beginning to face real
 22 problems in Moscow: it would be too easy to move towards a de
 23 facto severance of diplomatic relations. He did not think we
 24 could really afford this.
 25 3. Genscher said that the German situation was somewhat
 26 different. The Soviet Union and DDR did not really need to carry
 27 out intelligence operations in Germany through Embassies: there
 28 were so many East German visitors to West Germany that they could
 29 do anything they needed through this channel.
 30 4. Raimond said that the Quai had similar problems with the DST,
 31 who frequently wished to block the entry of Soviet diplomats on
 32 the grounds that they were quote well known KGB officers unquote.
 33 France also refused entry to those who had been expelled from
 34 other countries. But they could have real difficulties in

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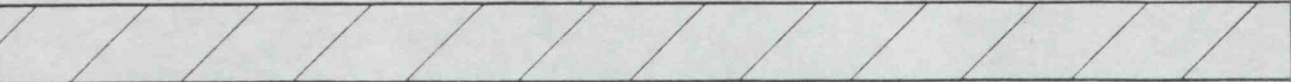
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1 <<<<
 2 staffing Moscow before too long, and were under threat of losing
 3 their local staff. They were lucky in that their expulsion of
 4 the 47 Soviet diplomats from Paris had preceded the start of
 5 Gorbachev's one for one policy.
 6 5. The Secretary of State said that we were going to have to
 7 think whether our policy in its present form was sustainable: it
 8 would be useful to keep in touch.
 9 7. Turning to the general question of relations with the Soviet
 10 Union and Eastern Europe, Shultz said that he was convinced the
 11 Soviets wanted a more constructive relationship with the West,
 12 and were prepared to work for some form of arms control
 13 agreement. This was therefore worth fighting for. There were
 14 some encouraging developments in the bilateral field. On the
 15 human rights side he thought persistent Western insistence on an
 16 improved behaviour as a price for a general improvement of
 17 relations was beginning to get through to the Russians. But
 18 progress was still confined to the cases of those who happened to
 19 be on Western lists: something broader was needed. Gorbachev's
 20 actual behaviour might even be harsher in some respects than
 21 under Brezhnev, but it was more sophisticated vis a vis the West.
 22 It was true that Gorbachev was trying to turn the tables on us by
 23 insisting on other types of human rights, such as the right to
 24 employment, but at least it brought the general subject of human
 25 rights into the area of legitimacy. This should be exploited.
 26 8. The US had now had two rounds of discussion on regional
 27 issues with the Russians. Armacost was about to have a further
 28 one. There was some progress in the tone and factual content of
 29 these discussions, but no ability yet to try and work forward
 30 towards a positive outcome. They remained essentially damage
 31 control sessions.
 32 9. In arms control CDE constituted progress, and demonstrated
 33 that NATO's basic stance of willingness to negotiate from a
 34 position of strength was right.

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2	10. On Eastern Europe, we should stop thinking of all the
3	countries as a single bloc: there were important differences.
4	Whitehead was now engaged on a project to identify the differing
5	strands in various Eastern European countries. The Americans had
6	had good discussions with the Poles. In general opportunities
7	for improvement of relations were there, but we needed to avoid
8	the trap of giving trade favours and credit without an adequate
9	return. The trade possibilities were not vitally interesting to
10	the West, and should be seen as a vehicle.
11	11. Genscher agreed. It was quite wrong to think of an Eastern
12	quote bloc unquote any more.
13	12. On the Soviet Union, Germany had her own problems, and there
14	was little prospect of improvements between Bonn and Moscow in
15	the foreseeable future. They would continue to project
16	willingness for improvement, but would not run after the
17	Russians. An important factor was that the quality of Bonn's
18	relations with Moscow determined the freedom of manoeuvre for
19	the GDR. Relations with the GDR were not bad. There was an
20	upward trend on visits, and authorisations to leave were
21	running at a high level.
22	13. On Czechoslovakia there was a serious problem following a
23	shooting incident on the border. Germany saw opportunities in
24	relation to Hungary, and had stated at the European Council that
25	the Community should seek to expedite its agreement with Hungary.
26	There was also some positive development in relation to Bulgaria,
27	which the Germans considered significant given the poor state of
28	their relations with the Soviet Union.
29	14. Raimond agreed that Eastern Europe should not be seen as a
30	quote bloc unquote, but we should nevertheless not be too
31	optimistic. The Polish amnesty was only possible because
32	Jaruszelski had largely dismantled the opposition. Raimond had
33	now accepted an invitation to visit Poland in 1987.
34	15. On the Soviet Union we must be careful to detect any

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2 favourable move even if it was very minor, and at the same time

3 to be vigilant and vigorously alert to our own interests. We

4 should seize any opportunity for an agreement which would be

5 credible in Western eyes, such as the Stockholm conference.

6 France had made little progress with the Russians in discussion

7 of regional problems.

8 16. The Secretary of State said that it was paradoxical that our

9 relations with Eastern Europe should be dominated by a whole

10 series of rather trivial incidents, such as that involving the

11 jazz section in Czechoslovakia and problems of local staff in

12 Bucharest. But these were symptomatic of the whole problem. In

13 Poland we thought there had been sufficient moves away from

14 oppression to make it possible to offer some encouragement by way

15 of relaxation of economic restrictions. We had to recognise that

16 the Poles have some very serious economic and social problems to

17 cope with: it was in fact quite encouraging that in spite of this

18 they had managed to free their political prisoners. As far as

19 the Russians were concerned, there was now a disposition to allow

20 more exposure of ordinary Russians to Western leaders: we should

21 exploit this to the full with such things as President Reagan's

22 appearance on Soviet television. The Prime Minister might have

23 an opportunity to do this next year.

24 17. The Secretary of State referred briefly to the serious

25 economic problems of Yugoslavia. The Yugoslavs were running a

26 crazy and unworkable system. Raimond said that it did at least

27 give the Russians a lot of problems. The Secretary of State

28 outlined the discussion among European Foreign Ministers on

29 Yugoslavia during the European Council. Yugoslavia was falling

30 more and more into a pattern of dependence on the COMECON

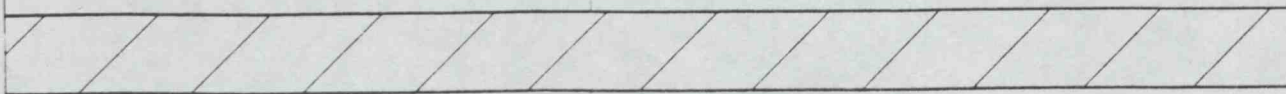
31 countries precisely because it could not produce anything the

32 West would buy. It was an example of socialism finally

33 nose-diving into the ground. Genscher said that nevertheless the

34 Yugoslavs managed to run a positive balance of payments, largely

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2	because of remittances of workers in Germany and developing
3	tourism etc.
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8	YYYY
9	MAIN
10	LIMITED
11	PLANNING STAFF
12	SOVIET DEPT
13	EED
14	PUSD
15	MR RATFORD
16	MR THOMAS
17	MR GOODALL
18	PS/PUS
19	PS/MR RENTON
20	PS/LADY YOUNG
21	PS
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