

DRAFT RECORD OF DISCUSSION BETWEEN DR LLEWELLYN SMITH AND MR USPENSKY HEAD OF SECOND EUROPEAN DEPARTMENT, MFA ON 16 JANUARY 1987

PRESENT

Mr Llewellyn Smith
Mr Whitting

Mr N N Uspensky, Head of 2nd
European Department MFA
Mr V Krasnov, Counsellor
Soviet Embassy, London
Mr G Karasin, 2nd European
Department MFA

PRIME MINISTER'S VISIT

1. Mr Llewellyn Smith rehearsed the points made by Mr Renton to Mr Dobrynin on the Prime Minister's approach to her forthcoming visit, stressing that the Prime Minister had greatly valued the informal atmosphere of her discussions at Chequers with Mr Gorbachev. She hoped to have a broad philosophical discussion with him in an informal restricted atmosphere. While arms control was a priority, regional issues and causes of tension, human rights, and humanitarian issues would also be on her agenda. She looked forward to meeting Mr Ryzhkov, with whom discussion would presumably concentrate on economic and commercial topics. The Prime Minister hoped to see something of life in the Soviet Union and was keen on a walkabout in Moscow with, say, Mr Yeltsin, during which she would visit a typical street, shop and apartment.

2. On the Soviet proposals for possible inter-governmental agreements to be signed during the Prime Minister's visit Mr Llewellyn Smith said that the Prime Minister would not wish to have agreements signed during her visit simply in order to have a 'result' to show. The criterion would be the content and practical benefit.

(i) Space Cooperation: Mr Uspensky cited the Soviet draft as an extremely useful piece of paper which would provide an umbrella for future cooperation in this area.

(ii) Hotline Improvement: Mr Llewellyn Smith said that the British side needed a better idea of the Soviet proposals before it could comment in detail. Mr Uspensky repeated the Soviet wish for an upgrading of the technology used in the hotline.

(iii) Road Transport and Rail Agreements: Mr Llewellyn Smith said that the British side were still studying the Soviet proposals but were sceptical; there was insufficient substance in either of the agreements to merit signature during the Prime Minister's visit. Mr Uspensky

said that both these agreements added to the framework of economic relations and were specific and substantial in content, both qualities which Mr Renton had said would appeal to the Prime Minister. Mr Llewellyn Smith said that the Prime Minister would need to look at the whole complex of proposals before decisions were made.

(iv) Political Document and/or Joint Communiqué:

Mr Llewellyn Smith said that the Prime Minister was sceptical about the need for a Political Document or a joint communiqué: such documents tended to divert time and energy from talks. (He agreed with Mr Uspensky's comment that HMG had now moved to a crisper Camp David formula. In this context Mr Uspensky mentioned the possibility of such a formula on bilateral/weapons business).

/chemical

(v) Cultural Agreement: Mr Uspensky said that both sides had agreed that the 1987-89 agreement should be initialled at the end of the current session of talks to be signed in the margins of the Prime Minister's visit.

Mr Llewellyn Smith said that although the initialling had been agreed there was no commitment on the British side to signature by the Prime Minister. Before considering whether the agreement should be signed during her visit, she would want to see more substance in cultural and information relations. The most striking action by the Soviet government in this area would be to cease the jamming of the BBC Russian service. If achieved before the Prime Minister's visit this would clearly make the signature of a document on cultural relations easier. Better access to film shows at the British Embassy would also help. Mr Llewellyn Smith referred also to a possible exchange of young members of the public service; and more exchanges of television programmes, as areas to look at. Mr Uspensky made no comment.

BILATERAL TALKS

3. (i) Chemical Weapons: Mr Llewellyn Smith said that the British side would soon propose dates for a meeting between experts in Geneva.

(ii) Non Proliferation: Mr Llewellyn Smith proposed a session of talks on Non Proliferation in Moscow during the week of 23 February. The British side would be led by the Head of Nuclear Energy Department accompanied probably by another member of NED and a representative from the Department of Energy. The British preference would be for talks on either 23-24 or 26-27 February. Mr Uspensky promised to transmit these details to the relevant department.

(iii) Asia: Mr Llewellyn Smith said that Mr Gillmore would be able to visit Moscow during the week beginning 18 May or 1 June for talks with Messrs Rogachev and Kapitsa.

Mr Uspensky took note.

(iv) Africa: Mr Llewellyn Smith said that Mr Reeve, who would be travelling in Africa in February and March, could visit Moscow in April. Would Mr Vasev suggest dates?

(v) Terrorism: Mr Llewellyn Smith offered 2 February and Mr Uspensky undertook to consult.

(vi) Bilateral Talks on the Implementation of the Berne Agreement: Mr Uspensky hoped that the British side would soon be able to put forward its ideas on a possible agreement to incorporate the provisions of the Berne Agreement in the conduct of our bilateral relations. Mr Llewellyn Smith said they would consider the Soviet proposal carefully and reply.

OTHER

Vist of Delegation from Supreme Soviet Foreign Relations Commission.

4. Mr Llewellyn Smith stressed the urgency of the need for details of the leader of the Soviet delegation. This was important not only for logistic reasons but also since the Prime Minister's involvement with this visit had always been contingent on the participation of either Mr Dobrynin or Mr Ligachev. Mr Uspensky said that he understood the importance of this point.

Ditchley

5. Mr Llewellyn Smith said that the British side still remained attached to Soviet participation in proposed Ditchley Conference. Mr Uspensky promised to inform the British side when Mr Marchuk's successor was known.

Wilton Park

6. Mr Llewellyn Smith handed over information on the Wilton Park Conference to be held in September 1987, whose subject was "Change and Reform in the Soviet Union", and invited Soviet participation. Mr Uspensky requested further details of other participants, and was not drawn on whether the Soviet Union would be represented. Mr Llewellyn Smith undertook to pass on the request.

Exchange of Weeks

7. Recalling the recent visit of Mr Roberts, Mr Llewellyn Smith stressed the need for a written protocol signed between the GB/USSR Association and Friendship House, before the Prime Minister's visit. Mr Uspensky said he would pass this on to Mr Masko who he knew was working on this project.

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Visas

8. Mr Llewellyn Smith mentioned Mr Glover James (ITN). He needed a visa sufficiently in advance of the Prime Minister's visit to enable him to establish an office in Moscow. Mr Uspensky undertook to check and said he was not aware of any problem.

Helen Womack

9. Mr Llewellyn Smith raised the case of the journalist Helen Womack's fiance, Mr Gagarin. He urged that Ms Womack's marriage should not be prevented, and referred to the potential problems posed by his military service. It would be unfortunate if this turned into another 'personal case'. Mr Uspensky noted the name and address of Miss Womack's fiance, Mr Gagarin, but did not offer any helpful advice.

Uspensky's Visit to Britain

10. Mr Llewellyn Smith renewed his invitation to Mr Uspensky to visit Britain. Mr Uspensky said he would look for suitable dates.

Embassy Sites

11. Mr Uspensky expressed disappointment at the British attitude to the Soviet Embassy's request for Ambassador's residence accommodation. He hoped this problem could be resolved to the satisfaction of both parties, adding that the Warwick Road site had never been particularly suitable. Mr Llewellyn Smith commented that presumably the Soviet side, like the British had had high level political authority to initial the Sites' Exchange Agreement. the present impasse was not caused by the British side. Nevertheless, while the Soviet side considered the Sites Exchange Agreement (which we wanted to sign soon) Sir Curtis Keeble was ready to receive a Soviet delegation to continue talks on the subsequent buildings and lease agreements.

Distribution

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CSCE Unit

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ACDD
News Dept
Mr C K Davies, Telecomms, Cabinet Office

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CABINET OFFICE

70 Whitehall, London SW1A 2AS Telephone 01-9903422 ext 270 0011

2G/3157

29 January 1987

Mr C D Powell
10 Downing Street
London SW1

CDP
25/1

Mr Powell

Ken Davies, who is now on leave, asked me to send you the attached for your information.

Ken Davies

C N G VINEY
Telecommunications Secretariat



Foreign and Commonwealth Office

London SW1A 2AH

27 January 1987

C K Davies Esq
 Telecommunications Secretariat
 Cabinet Office
 LONDON SW1A 2AS

Dear Davies,

LONDON-MOSCOW "HOT LINE" IMPROVEMENT

1. You wrote to Ken Neill on 9 January giving background on this communications link and your initial reaction to a Soviet suggestion for an upgrading of the technology used in it.
2. I raised the question in Moscow on 16 January with Uspensky, Head of the MFA's Second European Department, pointing out the difficulty of responding to the Soviet approach without details of their thinking. Uspensky merely repeated the Soviet wish for the link to be improved in the context of the Prime Minister's visit.
3. As to the substance, I take your point about tight purse strings and low utilization. But I suggest the key question is whether we are satisfied that the hotline technology is adequate to serve its purpose should that become necessary (as you put it, if there was a requirement to use the link in earnest). The Soviet proposal suggests they are in doubt about this. We ought at least to explore their case further.
4. This is one of a number of proposals the Russians have made for documents to be signed during the Prime Minister's visit. We do not know how she will respond to them, beyond that she will not wish to sign a raft of pieces of paper simply for the sake of signing. This brings us back to the substance of the technical case for upgrading, which I expect the Prime Minister will want to look at.
5. We shall not be able to take this further without either discussions between experts or a rather detailed brief on the basis of which our Embassy in Moscow could speak to the Soviet experts. The sensible approach seems to be for our Embassy to ask to see whoever is responsible

.../at the



at the Soviet end in order to get a clearer picture of what the Russians would like to happen. They could at the same time say that if the Russians wish to send someone to London to explain their thinking in more detail to you, you would be willing to see them. If you agree please let us have urgently a list of questions you would like us to put in Moscow, and dates which would suit you here. In the meantime, I am copying to your Embassy your letter of 9 January and attachment.

6. We would of course need to say firmly to the Russians that further exploration of their idea was without any commitment to upgrading or to recasting the agreement.

7. I should be grateful for a very early reply.

Yours sincerely,

Michael Llewellyn Smith

M J Llewellyn Smith
SOVIET DEPARTMENT

cc: Mr Mallaby, Cabinet Office
Mr Ratford
Mr Hemans, Moscow (with attachments)



CABINET OFFICE

70 Whitehall London SW1A 2AS Telephone 01-~~233~~ 270 0402

2G/3157

28 January 1987

M J Llewellyn Smith Esq
Soviet Department
Foreign and Commonwealth Office
London
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LONDON-MOSCOW "HOT LINE" IMPROVEMENT

1. Please refer to your letter dated 27 January 1987.
2. There are two main points to consider with regard to the present system: first reliability and second whether the service provided is adequate for its purpose.
3. We presently use 3 circuits which take different routes: one uses radio, the other two land lines and these are diversely routed - at least in the UK.
4. The present method of communication uses teleprinters and messages need to be typed. A message takes about 5 minutes per page for an operator to type and about 4 minutes to transmit over the circuit.
5. We do not know what upgrade the Russians are proposing. However, when they upgraded the American system they used facsimile operating at a speed of 4.8 k/bits over 3 additional circuits.
6. This would increase the reliability but the system is already reliable.
7. Facsimile messages do not necessarily need to be typed. An average A4 page takes 2 to 3 minutes to transmit. The system can also be used to transmit pictures and plans.
8. The present "hot line" was installed in 1967. Since that time it has been used only twice to pass live messages. The use of facsimile as opposed to telegraph would have provided no advantage to date.

9. There are two questions we need to ask the Soviets:
- i. What do they propose?
 - ii. What improvements do they expect this to achieve?

10. I think we need to be certain that the proposal and the benefits arising from it are significant and are not, as reported in the record of your discussion with Mr Uspensky of 16 January "agreements signed during her (the Prime Minister's) visit simply in order to have a result to show. The criterion would be the content and practical benefit."

11. I have discussed this with Mr Mallaby. He agrees broadly with my comments. We do not think that we should invite the Russians to come to London at this time to discuss their proposal, this might lead them to think that we were accepting the proposal in principle. We would prefer that the two questions posed in paragraph 9 above were put to the Soviets by the Embassy in Moscow.

J. Davies

pe/

C K DAVIES
Telecommunications Secretariat

cc Mr Mallaby, Cabinet Office

FILE NOTE 2G/3157

MOSCOW - WASHINGTON HOT LINE

1. Further to my note dated 20 January, I have now received a letter from the Embassy at Washington with some additional information.

TERMINAL EQUIPMENTS

2. There are four sets of terminal equipments both in Moscow and in Washington. Each set of terminal equipment comprises a Panafax PX100 facsimile, an IBM PC (Personal Computer), an EPSON printer and a CODEX modem. All are standard commercial items with the exception of the PC which acts as a controller and encryption device using special circuitry developed at NSA. The "one time" crypto key is inserted on a floppy disc. The special circuitry adds the crypto key to the transmitted/received data. Once a disc has been used, it cannot be re-used. One disc will encrypt/decrypt two pages of facsimile transmission.

3. A secure order wire facility (for engineering and operator use) is achieved by use of the PC key boards. Messages received on the PC can be printed using the EPSON printer.

COMMUNICATIONS CHANNELS

4. There are three routes, all of which are continually active. When they are not in use for traffic, a plain language test pattern consisting of repeated patterns of alpha/numeric characters, is transmitted and monitored on the PC screens. The routes all operate at 4.8 k/bits per second and provide duplex links:

- i. via Intelsat;
- ii. via Statsionar (a Russian satellite);
- iii. via transatlantic cable.

Routes (i) and (iii) were operational in January 1985, route (ii) was only recently activated in 1986. A drawing of the circuit arrangement is attached.

COSTS

5. The Americans pay for the Intelsat route, the Russians for the Statsionar route and the cost of the cable route is split between the two.

6. The Russians paid for all the equipment installed in Moscow. They also paid the Americans to train Russian technicians on the equipments in Moscow.

7. The UK cost of a circuit to Moscow using either satellite or cable is about £13,500. The Soviet charge (on 1 January 1985) was US \$78,000 for either route. If this cost has not changed it will be about £55,000 at current exchange rates. UK circuit installation charges are about £1,000 for each. An equipment set costs about £10,000 including installation. Total UK estimated costs are:

CAPITAL

4 x Equipments	£40,000	
Circuit Installation	2,000	
		£42,000

ANNUAL COSTS

2 x Lines (assuming we are faced only with the UK charges)	£27,000	
Maintenance Charges	4,000	
Spares and Consumables	4,000	
Recurrent Annual Costs		£35,000

1ST YEAR (VAT INCL)		£77,000
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In addition it would be necessary for GCHQ to develop the PC as a crypto system and to arrange to manufacture and provide encryption discs.

C. K. Davies

C K DAVIES
28 January 1987

Enc: Drawing

