

RESTRICTED

FM MOSCOW

TO DESKBY 200930Z FCO

TELNO 934

OF 200721Z MAY 90

INFO DESKBY 210800Z UKDEL NATO

INFO IMMEDIATE UKMIS NEW YORK, UKREP BRUSSELS OTHER CSCE POSTS

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SOVIET UNION/UNITED STATES = BAKER'S VISIT TO MOSCOW 15-19 MAY

SUMMARY

1. BOTH BAKER AND SHEVARDNADZE CHARACTERISE THE VISIT AS A SUCCESS. AGREEMENT REACHED ON CW. SOLUTIONS FOUND FOR DEALING WITH AIR AND SEA LAUNCHED CRUISE MISSILES IN START, ALTHOUGH MANY DIFFICULT AREAS REMAIN. NO PROGRESS ON CFE, TO BAKER'S OBVIOUS DISMAY.

2. DISCUSSION OF GERMANY AND LITHUANIA

3. A HOST OF BILATERAL AGREEMENTS READY FOR SIGNATURE AT THE SUMMIT

DETAIL

4. SECRETARY OF STATE BAKER VISITED MOSCOW ON 15-19 MAY FOR THE LAST MINISTERIAL BEFORE THE WASHINGTON SUMMIT. HIS TALKS WITH SHEVARDNADZE WERE EXTENDED THROUGHOUT SATURDAY, AS DIFFICULT PROGRESS WAS MADE ON START. HIS TALKS WITH PRESIDENT GORBACHEV LASTED FIVE HOURS ON FRIDAY 18 MAY

5. WE UNDERSTAND THAT BARTHOLOMEW AND SEITZ WILL BRIEF THE ALLIANCE IN BRUSSELS. THE AMERICAN EMBASSY IS UNLIKELY TO HAVE MORE THAN FRAGMENTED IMPRESSIONS TO GIVE. THIS REPORT IS BASED ON BAKER AND SHEVARDNADZE'S FINAL PRESS CONFERENCES, AND TASS REPORTING.

ARMS CONTROL

How? 6. BAKER ANNOUNCED THAT A BILATERAL CW AGREEMENT HAD BEEN REACHED. THIS ALLOWS FOR IMMEDIATE CESSATION OF PRODUCTION, PROMPT DESTRUCTION OF CW STOCKS TO 20% OF PRESENT LEVELS, FURTHER DESTRUCTION TO 2% BY THE EIGHTH YEAR OF A GLOBAL CONVENTION BEING IN FORCE, AND EVENTUAL DESTRUCTION TO ZERO, IF ALL MAJOR CW CAPABLE STATES ARE ON BOARD. THIS IS ESSENTIALLY PRESIDENT BUSH'S PROPOSAL OF LAST YEAR, AND IT SEEMS LIKELY THAT SOVIET ACQUIESCENCE WAS HELPED BY THE AMERICAN DECISION TO ABANDON THE BINARY PROGRAMME.

7. THE TWO MINISTERS WERE SATISFIED WITH THEIR SOLUTIONS TO THE ALCM AND SLCM PROBLEMS, BUT DID NOT HIDE HOW HARD WON THESE WERE. THE AMERICAN TEAM WERE NOT OPTIMISTIC ON THE FINAL MORNING. SHEVARDNADZE EMPHASIZED THAT THE AGREEMENTS WERE A PACKAGE AND "AT TIMES IT LOOKED AS IF THE PACKAGE WOULD FALL APART. BUT AT SUCH TIMES, IT IS NECESSARY NOT TO PANIC, TO KEEP A COOL HEAD. AND I WOULD LIKE TO PAY A TRIBUTE TO MR BAKER'S SKILL AND DETERMINATION" IN HANDLING THESE ISSUES.

8. THE AMERICANS AND RUSSIANS WILL NOW MAKE PARALLEL, POLITICALLY BINDING DECLARATIONS ON SLCMS TO BE VALID FOR THE DURATION OF THE START TREATY. THE SLCMS LIMIT WILL BE 880. BAKER DESCRIBED THE ALCMS AGREEMENT AS A COMPROMISE, "WE ACHIEVED OUR WISHES ON COUNTING RULES, THEY GOT WHAT THEY WANTED ON RANGE, AND WE AGREED ON DISTINGUISHABILITY." HE WAS VERY PLEASED TO HAVE SECURED THE "GRANDFATHERING" OR EXEMPTION, OF THE TACIT RAINBOW CONVENTIONAL ALCM.

9. ASKED WHAT STILL REMAINED AT ISSUE IN START, BAKER LISTED NON-CIRCUMVENTION, SUB LIMITS ON MOBILE MISSILES, BACKFIRE BOMBERS, HEAVY MISSILE TESTING, VERIFICATION OF ROAD MOBILE SYSTEMS AND VARIOUS "HIGHLY TECHNICAL" ISSUES. A SOVIET TEAM WILL GO TO WASHINGTON ON ABOUT 23 MAY TO CONTINUE DISCUSSIONS IN ADVANCE OF GORBACHEV'S ARRIVAL, AND THERE WILL BE MORE WORK THERE AND IN GENEVA ON A POSSIBLE JOINT STATEMENT OF OBJECTIVES FOR A FOLLOW-ON TO START. SHEVARDNADZE SAID THAT MUCH WORK WILL NEED TO BE DONE POST-WASHINGTON TO GET START READY FOR SIGNATURE BY THE END OF THE YEAR.

10. THE TWO SIDES HAVE AGREED THE PROTOCOLS ON THE 1974 AND 1976 TREATIES ON NUCLEAR TESTING AND THESE WILL BE SIGNED IN WASHINGTON.

11. BAKER WAS CLEARLY DISAPPOINTED TO HAVE MADE NO PROGRESS ON CFE. HE SAID THE RUSSIANS HAD HEARD HIS IDEAS BUT HAD SAID THEY COULD NOT RESPOND WITHOUT CONSULTING THEIR ALLIES. "WE, OF COURSE, CONSULTED OUR ALLIES QUITE A BIT BEFORE WE CAME" SAID BAKER. SHEVARDNADZE SAID THAT BOTH SIDES HAD PUT FORWARD IDEAS ON AVIATION TANKS AND PERSONNEL IN CENTRAL EUROPE WHICH WERE BEING TAKEN UNDER CONSIDERATION AND CONSULTATION. BOTH HE AND BAKER REMAINED FIRM IN THEIR DESIRE TO SEE CFE SIGNED THIS YEAR.

GERMANY

12. BAKER'S DISCUSSIONS WITH BOTH GORBACHEV AND SHEVARDNADZE HAD LED TO A BETTER UNDERSTANDING OF EACH OTHER'S POSITION. TASS DESCRIBED

THE TALKS WITH GORBACHEV AS FRANK AND CONFIDING (DOVER:ITELNY). IT SAID THEY TOOK PLACE 'IN THE CONTEXT OF THE RESPONSIBILITIES OF THE FOUR VICTORIOUS POWERS AND THE PROSPECTS FOR THE PAN-EUROPEAN PROCESS.'

13. AT HIS PRESS CONFERENCE, SHEVARDNADZE WAS ASKED ABOUT THE SOVIET POSITION ON 4 POWER RIGHTS (QRR'S) AND A PEACE TREATY. HE DENIED THAT HE HAD PROPOSED THE INDEFINITE CONTINUATION OF QRR'S, BUT THAT THESE WERE ONLY FOR AN (UNSPECIFIED) TRANSITIONAL PERIOD. HE CAREFULLY AVOIDED USING THE TERM PEACE TREATY. THE SOVIET GOVERNMENT WAS SEEKING 'A POLITICAL SETTLEMENT' WHICH WOULD DRAW A LINE UNDER WORLD WAR II. THEY BELIEVED THAT SOME FORM OF 'COMPREHENSIVE DOCUMENT' WAS A NECESSARY PART OF THIS, WITHOUT WHICH IT WOULD BE IMPOSSIBLE TO ORDER LIFE IN CENTRAL EUROPE

14. SHEVARDNADZE REPEATEDLY STATED THAT THE MOST COMPLEX ISSUE REMAINED THE POLITICO-MILITARY STATUS OF GERMANY. IT SEEMED TO THE MEMBER OF POLITICAL SECTION WHO WAS PRESENT THAT THERE WAS A PRECISION IN SHEVARDNADZE'S LANGUAGE ON THIS POINT, LAYING SOME STRESS ON THE ADJECTIVE 'UNITED,' AS WHEN SAYING THAT 'MEMBERSHIP OF OR RATHER ENTRY INTO, NATO BY A UNITED GERMANY' WAS COMPLETELY UNACCEPTABLE TO THE SOVIET UNION. HE ALSO SAID THAT THE QUESTION OF GERMANY'S POL-MIL STATUS WOULD HAVE TO BE SOLVED IN A WAY THAT WAS ACCEPTABLE TO ALL EUROPEAN STATES.

LITHUANIA

15. BAKER, WHO HAD SEEN MRS PRUNSKIENE ON 18 MAY AND DISCUSSED THEIR RESPECTIVE MEETINGS WITH GORBACHEV, SAID THAT A NEW TENSION HAD ENTERED THE US-SOVIET RELATIONSHIP SINCE 11 MARCH. NEITHER HE NOR SHEVARDNADZE WOULD BE DRAWN TO COMMENT ON THE LITHUANIAN EFFECT ON THE SUMMIT. BAKER SAID THAT THE UNITED STATES SUPPORTED 'THE HOPES AND ASPIRATIONS TO INDEPENDENCE' OF THE LITHUANIANS. THIS SUPPORT WAS FIRM, REGARDLESS OF THE TACTICS OF THE LITHUANIANS ADOPTED IN SEEKING TO LAUNCH THEIR DIALOGUE WITH MOSCOW. HE WAS ENCOURAGED THAT VILNIUS AND MOSCOW WERE CLOSER TO ESTABLISHING A BASIS WHICH WOULD PERMIT A DIALOGUE TO BEING

BILATERAL/REGIONAL

16. SOVIET REPORTS HAD STRESSED THE NEED TO CREATE A STRONG ECONOMIC UNDERPINNING TO THE NEW BILATERAL COOPERATION, AND SHEVARDNADZE SAID BAKER HAD BEEN BRIEFED ON THE GOVERNMENT'S REFORM PLANS.

17. THE AMERICANS HAD RAISED THEIR CONCERNS ABOUT ANTI-SEMITISM. TO THE CHAGRIN OF ARAB JOURNALISTS, SHEVARDNADZE DID NOT ACCEPT THAT

THIS WAS AN ILLUSION FED BY THE WESTERN MEDIA (GERASIMOV'S LINE ON 10 MAYD. INSTEAD HE SAID THAT THERE HAD BEEN ISOLATED INCIDENTS OF ANTI-SEMITISM, WHICH WORRIED THE SOVIET LEADERSHIP, AS DID ANY EXAMPLE OF NATIONALISTIC VIOLENCE. HE AND BAKER HAD DISCUSSED THE SITUATION IN THE OCCUPIED TERRITORIES. BAKER HAD TALKED OF MORE ACTIVITY IN THE UN. SHEVARDNADZE HAD ASKED THE AMERICANS TO RAISE THEIR QUOTA ON JEWISH IMMIGRATION FROM THE SOVIET UNION.

18. BAKER EXPRESSED QUIET SATISFACTION THAT DIFFERENCES ON AFGHANISTAN HAD CONTINUED TO NARROW. THE OTHER MAIN REGIONAL ISSUE DISCUSSED HAD BEEN CENTRAL AMERICA

19. DOCUMENTS READY FOR SIGNATURE AT THE SUMMIT INCLUDE = LING-TERM GRAIN AGREEMENT, MARITIME TRANSPORT AGREEMENT, MARITIME BOUNDARY AGREEMENT, OCEANOGRAPHIC RESEARCH AGREEMENT, CULTURAL AND INFORMATION AGREEMENT, STUDENT EXCHANGE PROGRAMME, CUSTOMS COOPERATION PROVISIONS

BRAITHWAITE

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ADDITIONAL

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