NSC MEETING REGARDING MBFR January 13, 1984

Ambassador McFarlane opened the meeting by stressing the fundamental prerequisites that we have specified which must serve as the foundation of any agreement on MBFR:

- Agreement on data
- Stringent verification measures

He continued that we have been pressing the Soviets for (1) clarification of their latest initiatives; and (2) more information on categories for reductions. Ambassador McFarlane noted that the President had previously approved greater flexibility in our INF and START negotiations and had directed that a fresh look be given to our MBFR position. He added that we were preparing to demonstrate flexibility in the early fall period, but the shootdown of the KAL airliner and Soviet intransigence following that incident made it imperative that we stand firm on our MBFR position.

Ambassador McFarlane then indicated that today he perceived considerable pressure for us to consider modifications to our negotiating position. Particular impetus for change had emanated from the Europeans, particularly the Dutch, Germans and the Nordic countries. We had to consider, however, whether or not we needed or was it advisable to shift our position prior to the Soviets agreeing on a date for the resumption of the negotiations. Further, Soviet behavior at the CDE Conference will likely influence our demonstration of flexibility at MBFR.

Ambassador McFarlane indicated that we had essentially three options:

- Stand firm on our present position.
- Attempt to initial a treaty that addressed the questions of parity and included a comprehensive verification package; delay formal signature.
- Initiate initial, asymmetrical reductions, followed by an 18-month freeze, then seek a comprehensive data agreement followed by reductions to parity.

Secretary Shultz argued strongly that now was the time to move forward with "Option 3." He indicated that he had discussed the outlines of this option with the Allies and found strong support for such an initiative. The issue, the Secretary noted, was verification, and if we could get the Soviets to move on this question, then real progress was achievable. If we can offer preliminary, initial, asymmetrical reductions in order to get them to move on verification, then we should do so.

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The problem, the <u>Secretary noted</u>, was to find a way to move from a <u>verification agreement to reductions</u>. The optimal course would be to <u>implement - first - small</u>, token reductions; this would place the onus on the Eastern bloc, provide impetus for forward movement to a full agreement; and it would help us considerably in our dealings with the Allies.

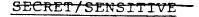
Secretary Shultz indicated that he felt strong pressures to demonstrate flexibility, but emphasized that we did not wish to move just for the sake of movement. However, movement does make sense now and will help stem Congressional pressures for troop reductions -- which are a constant concern to us. He asserted that the possibility of reaching an agreement is good if correct preliminary steps are taken. Following these steps, an agreement could be signed -- followed by full implementation.

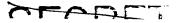
President Reagan recalled that he felt the most important requirement was to ultimately obtain full agreement on data with respect to troop strength and force imbalances. He stressed that he did not want the West to be in a position of constantly backtracking or adopting a new posture in the absence of Soviet movement. He indicated that he did not want to be in a position of shifting if they gave nothing in return. On the other hand, if they have provided new movement, then it would be advisable for us to respond positively.

Secretary Weinberger indicated that he saw no positive response from the Soviets; in particular, they had not set a date for resumption of the talks. He felt that Secretary Shultz should tell Gromyko that, if they (the Soviets) set a resumption date, we would be prepared to show movement. However, Secretary Weinberger stressed, we should not move at this time, nor should we shift to Option #3. Prerequisites for movement were preciseness on data and a clear definition of the types of forces we are discussing, which places the focus of our efforts on the reduction of combat forces. Pressure from the British and Germans could be handled simply by explaining that we were studying our alternatives. In sum, Soviet moves to date have been marginal and we must, at least, wait until they set a date for the resumption of negotiations before moving.

General Vessey indicated that we should not move quickly now. He noted that their reinforcement problems were a good deal less difficult than ours. He stressed that data was absolutely essential to achieve full verification. General Vessey added, however, that he recognized a political imperative to show movement and that the FRG, for political and demographic reasons, had an essential requirement to exhibit flexibility. In sum, the General recommended that we stay with Option #1.

<u>Secretary Weinberger</u> interjected that OSD had prepared an alternative proposal to Option #1, but had not been able to staff it through the IG process prior to this NSC meeting.





Robert Gates, speaking for DCI Casey, addressed the problem of verifying the alternatives and indicated that the community felt that it could verify all of the options fairly well. However, with respect to Option #3, the framework for a data agreement was of concern. He also indicated that the Intelligence Community was concerned with the broad "categories" of reductions proposed by the Soviets, due to their lack of explicitness. There was also a fear that the Soviets would "pocket" whatever proposal we placed on the table and demand further movement from that point. He continued that the new OSD proposal had merit in that it (1) doesn't commit us too early; (2) focuses verification on those forces where our capabilities to monitor are best; (3) includes armaments and not just personnel, and (4) allows the Soviets to get themselves out of the box they have placed themselves in. In sum, the OSD proposal permits a narrowing of our differences.

ACDA Director Kenneth Adelman indicated that the new OSD proposal had the advantage of focusing on counting combat units. However, with respect to Allied concerns, Option #3 was clearly the preferred alternative. He added that recent Soviet proposals had some positive points, including (1) Exit/Entry points, and (2) progress on verification, including some on-site inspection. In sum, he felt that Option #3 was the preferred variant -- it calls for asymmetrical reductions and it focuses on verification. However, in any case, we did not wish to reward the Soviets prior to their designating a starting date for the resumption of the talks.

MBFR Negotiator Mort Abramowitz summarized the options before the President and noted that any shift in our position must take into account broader considerations of our policy toward the USSR, Allied concerns, and intelligence community reservations. It was important to keep in mind now that (1) the Soviets have displayed considerable movement, especially on verification, and they have expressed concern with our failure to respond; (2) many of the Allies feel that we have been too rigid and must respond to the Soviet initiatives; (3) the Soviets do not like the MBFR talks, which they feel they were cajoled into in exchange for our agreement to begin the CSCE talks, and would be pleased to see the negotiations collapse; and (4) the prospects for MBFR are dim and it is uncertain if there exists a replacement forum. If talks collapse, Allied unity would suffer and the Soviets would be ecstatic.

Ambassador Abramowitz defended the merits of Option #3, indicating that it does not give up anything. It calls for asymmetrical reductions and nothing would occur until adequate verification was in place. Should we decide to, instead, stick with Option #1 or continue to tell the Allies that we were "studying" our alternatives, there was a good chance the forum would collapse and Allied unity would suffer. Finally, he added that he was not opposed to changing the unit of account at some point in time, but we had best realize that this would be a very time-consuming process.

<u>Secretary Weinberger</u> stated that he felt that we should first concentrate on getting the Soviets back to the negotiating table, and inform the Allies that we were considering movement.



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Secretary Shultz countered that he disagreed with previous assertions that a shift to Option #3 would represent a repudiation of our long-held position.

Ambassador Abramowitz added that the attributes of "Option #3" were clear: It calls for asymmetrical reductions; it demands adequate verification at the outset; it calls for no treaty signature or reductions to parity until this is accomplished.

Counselor Meese pointed out that the reductions called for by Option #3 were token and tabling this proposal enabled us to reoccupy the psychological high ground. He further indicated that it was not necessary to cling to a position just because we have held it for over ten years.

Secretary Weinberger countered with another defense of Option. #1 and Ambassador Adelman defended Option #3 again.

Ambassador McFarlane summarized the discussion as follows:

- -- A major issue was the question of Allied unity and the degree of movement required by our Allies.
- -- Inadequate movement at the present time could endanger the survival of the MBFR talks, a collapse of which would probably be laid at our doorstep.
- -- We must direct special attention to concerns over proposals that impact on our military capabilities; particularly, our ability to reinforce Europe in times of crisis.
- -- Considerations of alternative positions at MBFR must be made in the broader context of our overall policy toward the Soviet Union.

The President then summarized the consensus that had emerged from the discussions, and summarized the following points:

- -- That we have received sufficient movement from the Soviets in their proposals to warrant a response from the West.
- -- That we will not make a proposal simply to bring the Soviets back to the negotiating table.
- -- That we will respond to the Soviet proposals, but not before they have agreed to set a date for the resumption of the talks.
- That we have something concrete in hand that demonstrates Western responsiveness and flexibility to discuss with our Allies. Following Allied agreement, we would be prepared to table a new proposal at the resumption of the MBFR negotiations.

