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NOTED

ACTION

May 18, 1988

MEMORANDUM FOR PAUL SCHOTT STEVENS

FROM:

NELSON C. LEDSKY

SUBJECT:

Minutes of the NSPG Meeting on May 17, 1988

on Preparations for the Moscow Summit

Attached at Tab A are the Minutes of the NSPG on May 17 in the WHSR with the President from 2:10 p.m. - 2:45 p.m.

RECOMMENDATION

That you review and approve the attached Minutes for record retention in NSC files.

Approve)

Disapprove

Attachment

Tab A Minutes

cc: Bob Dean

Jeremy Curtin Rudy Perina Lisa Jameson

> Prepared by: John Herbst

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DECLASSIFIED
White House Guidelines, August 28, 1997
By NARA, Date / 19

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National Security Planning Group Meeting May 17, 1988, 2:10 p.m. - 2:45 p.m. - WHSR

Preparations for the Moscow Summit on Human Rights, SUBJECT:

Regional Issues and Bilateral Relations

PARTICIPANTS:

The President

The Vice President's Office

Samuel Watson

State

George P. Shultz Rozanne Ridgway

Defense

Frank C. Carlucci John Woodworth

Justice Edwin Meese

Commerce Donna Tuttle

James Miller

William Webster Robert Gates

JCS

William Crowe Jonathan Howe

Dr. William Graham

USIA

Charles Z. Wick

WH

Howard Baker Ken Duberstein Marlin Fitzwater Colin L. Powell John D. Negroponte

NSC

Nelson C. Ledsky Robert Dean John Herbst

Minutes

The President opened the meeting by apologizing for being late. He said that he had just come from a meeting with a group that included the Russian poetess, Irina Ratushinskaya. He remarked that when in prison, she had smuggled out to him a letter signed by 10 people on a tiny piece of paper. He was still astounded that they were able to write so much on such a small piece of paper.

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The President said that Secretary Shultz and General Powell had just returned from Geneva, the fourth and last Ministerial prior to the Moscow Summit. The President observed that, since the last Summit, we had made some progress on human rights, regional issues and bilateral relations, but much more remained to be done. He said that we must continue to follow the same course with the Soviets - based on our principles and readiness to negotiate from a position of strength - which has guided the Administration from the start. He also added that human rights and regional issues should receive no less attention in Moscow than arms control and bilateral relations. Then he asked for Secretary Shultz's overview of the Summit.

Secretary Shultz responded that the President had just provided a fine overview. Secretary Shultz said that the Summit would focus on the four part agenda. He added that the Summit should be seen not as a climax, but as a second wind in U.S.-Soviet relations, which should continue to develop.

Looking at Secretary Shultz, the President quipped that he hated an actor who stole another actor's lines.

General Powell then asked whether Secretary Shultz would like to provide an overview of bilateral relations at the Summit, or would prefer for Under Secretary Tuttle to discuss economic relations. When Secretary Shultz answered that he had no presentation to make, Under Secretary Tuttle took up the issue of U.S.-Soviet economic relations. She said that superpower trade was quite small. For this year, our projected exports to the Soviets were 1.5 billion dollars and imports .5 billion dollars. This represented only .02% of Soviet GNP. Yet if U.S.-Soviet trade was small, it was visible and therefore important in our bilateral relations. Under Secretary Tuttle said that Secretary Verity achieved his objectives on both tracks of our trade policy during his April trip to Moscow. On the first track, we made the Soviets understand that there could be no change in trade status without a change on emigration. On the second, he made progress toward opening further trade in specific, non-strategic areas. In this connection, Under Secretary Tuttle pointed to agreement that the Soviets would have access to the Commerce Department's Moscow office; establishment of working groups with the Soviets on five areas that we chose for possible cooperation; and the publication of a commercial newsletter in Moscow.

Under Secretary Tuttle then recommended that we continue the two-track approach. She said that we should reaffirm the December joint statement on economic cooperation and continue to insist on major changes in Soviet emigration policy as a prerequisite for granting Moscow Most Favored Nation (MFN) status. She observed that in his 15 minute one-on-one with

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Secretary Verity, Gorbachev had indicated the importance of MFN, and Verity had reminded Gorbachev of Jackson-Vanik and the need for improvements on emigration. Under Secretary Tuttle also suggested that the President and General Secretary Gorbachev endorse the April Joint Commercial Commission statement. Regarding possible agreements with the Soviets, she noted that they had stopped whaling, and it might be possible to conclude a fisheries agreement. She concluded her presentation with a reference to a current Commerce trade fair in Moscow. She hoped that during the Summit, the President might find the time to stop by the fair and greet the 12 participating American companies.

General Powell thanked Under Secretary Tuttle for her comments and asked Director Wick for an update on cultural relations.

Director Wick recalled his lunch with Politburo Member Yakovlev during the last Summit and their discussion of the need to stop disinformation regarding, for instance, the spurious charge that the U.S. military invented AIDS. Director Wick said that Yakovlev agreed on the need to get experts together to discuss this, but only in March did the Soviets pass the word that "16 quys would arrive in Washington in two weeks" for discussions. Director Wick observed that Novosti Director Falin - on whom Wick had walked out in Moscow last June - characterized the talks publicly as an "unprecedented dialogue," in an "easy, relaxed" atmosphere which "rarely went beyond the bounds of a constructive exchange." Wick said that during the talks, we had protested Radio Moscow broadcasts from Cuba using some medium range frequencies, normally utilized by our radio stations in southern The Soviets were apologetic and promised to stop it as a goodwill gesture. Wick said that the April talks were broken down into five sectors. One concerned books, and it was agreed to open an American Book Center in Moscow equipped with 6,000 books. It was also agreed to have traveling book exhibits.

Director Wick then mentioned that Soviets had been here last week to discuss extending the Cultural Agreement signed at the Geneva Summit. The Soviets would like to sign an extension of the agreement in Moscow. But he was not sure that it would be ready. He said that we were hanging tough, for instance, regarding reciprocity in hotel rates charged for visitors under the program. While hotel rooms cost the Soviets \$35 a day here, they cost our people \$100 a day there. The Director concluded that the Soviets were anxious to have a successful Summit and to improve relations with us, in order to cut back on the military burden to their economy.

Regarding the agreement on books and publications, the President joked that we had better watch out for magazines about samovars, as they could make people Communists.

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General Powell then asked Science Advisor Graham about the state of negotiations on the Basic Sciences Agreement.

Science Advisor Graham said that our current negotiations must be understood in light of our experience with the 1972 Agreement on Science and Technology, which was that the Soviets had gained far more from it than we had. He said, however, that there were still some areas where an exchange would be useful, particularly regarding basic sciences, where the Soviets had something to offer. After the Geneva Summit, the two sides had looked at an agreement in a few areas of basic sciences. The Soviets, of course, wanted an agreement on both science and technology; but our interagency-approved position was for an agreement just on the basic sciences. During recent negotiations, the Soviets initialed a proposed agreement. The State representative also initialed the agreement. Now we will see if we can approve interagency what was agreed with the Soviets. Science Advisor Dr. Graham added that "we may or may not have something with the Soviets on this for the Summit."

<u>Secretary Shultz</u> said that the interagency process had already approved a position for a science agreement with the Soviets; when presented with it, the Soviets said "yes." Now we must decide "whether we could take 'yes' for an answer."

General Powell responded that there were problems with some language in the agreement.

<u>Secretary Carlucci</u> added that the agreement had some "loose language" which could provide a loophole for access to sensitive technology.

Regarding Secretary Shultz's concern about taking "yes" for an answer, Science Advisor Dr. Graham observed that the Soviets had added words to the agreement which could give them direct access to private industry. This language had not been approved interagency. He said that as the Soviet Union had a very meager private sector, this addition gave the U.S. nothing.

The President remarked that a private pizza place would open soon in Moscow.

Secretary Shultz said that most scientists in the U.S. were in the private sector, not with the government. So in any exchange, scientists in private companies would be involved. No one has ever contested this. He noted that the phrase in question only adds: "including those (scientists) in private companies." He then expressed his concern that by use of the interagency process, groups arrogated power to themselves.



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Secretary Carlucci responded that there was a risk that the Soviets could get access to a sensitive data base if American scientists were connected with private companies. Our agreement with the Soviets must avert this danger.

When <u>Secretary Shultz</u> said that American scientists could participate on a personal basis, <u>Secretary Carlucci</u> remarked that they could not as representatives of their companies.

General Powell then stated that there was no attempt to arrogate power through the interagency process. When three cabinet officers had direct equities in an issue and disagreements, it had to be resolved interagency. He added that Bob Dean would chair an interagency group later in the week to address the issue.

Attorney General Meese said that we have recently had some surprising cooperation with the Soviets on the drug issue lately. While permitting the Afghans to grow poppy for export to the West, the Soviets were scared stiff of the spread of drugs in the USSR. He noted that a Justice official, Jack Lawn, had been to Moscow recently for useful talks, and they might fall in the category of bilateral relations.

<u>Director Wick</u> then added that the European press had been laudatory on INF, "especially on the efforts of George Shultz and company." Wick saw great enthusiasm in Europe for the Summit.

The President said that he wished to make one point on the science question. He referred to a book by a Romanian defector which he had read recently. It detailed how, as normal business practice, Bloc countries extracted useful scientific information here. The President observed that the Soviets were openly envious of our progress in science. So we must be very careful that nobody, "in enthusiasm for glasnost," gives away information that could come back to haunt us.

General Powell remarked on how well plans were proceeding for Moscow. He was pleased at the way people were working together and how attention was naturally moving from substance to logistics. He expressed the readiness of all concerned to support the President at the Summit.

The President concluded by noting that we were headed in the right direction. He expressed his intention to press the Soviets in Moscow on human rights, regional issues and bilateral relations; and his hope to record specific additional progress in all these areas for inclusion in the Summit joint statement.

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