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FROM PRIVATE SECRETARY

SECRETARY OF STATE'S MEETING WITH GENSCHER
SUMMARY

1. DISCUSSION OVER DINNER COVERING CFE (SEE SEPARATE TELEGRAM - NOT TO ALL), MIDDLE EAST, CHINA, EAST/WEST AND SOVIET EXPULSIONS. NO SERIOUS DISCUSSION OF SNF.

DETAIL

2. THE SECRETARY OF STATE GAVE GENSCHER DINNER THIS EVENING AFTER THE 40TH ANNIVERSARY CELEBRATIONS. THEY AGREED AT THE OUTSET THAT THERE WAS NO PROSPECT OF MOVING THINGS FURTHER FORWARD ON SNF TODAY. THERE WAS HOWEVER A RATHER FUTILE DISCUSSION AT THE END OF DINNER IN WHICH GERMAN OFFICIALS (KASTROP AND ELBE) SOUGHT TO PROVE THAT NATO FOREIGN MINISTERS HAD AGREED IN DECEMBER 1986 THAT NEGOTIATIONS ON SNF SHOULD FOLLOW AGREEMENT ON AN INF TREATY. WE ARE DIGGING OUT THE RELEVANT TEXTS IN CASE THE GERMANS REVERT TO THIS AT THE SUMMIT. MIDDLE EAST

3. AT GENSCHER'S REQUEST, THE SECRETARY OF STATE GAVE AN ACCOUNT OF SHAMIR'S VISIT. THERE HAD BEEN NO GIVE IN HIS POSITION BUT HE HAD COME CLOSE TO IMPLYING THAT EVEN THOUGH HE WOULD NOT BUDGE, HE WOULD NOT MIND IF SOMEONE ELSE CAME ALONG IN TWO OR THREE YEARS WHO WAS PREPARED TO CARRY NEGOTIATIONS FORWARD. WE HAD SOUGHT TO SUSTAIN AN IMPRESSION OF GOODWILL, OPENNESS AND FRIENDSHIP SO THAT THERE WAS A BASIS OF CONTINUING DIALOGUE.

SOUTH AFRICA

4. IN ADVANCE OF GENSCHER'S MEETING WITH PIK BOTHA (WHOM GENSCHER DESCRIBED AS A GREAT ACTOR), THE SECRETARY OF STATE GAVE AN IMPRESSIONISTIC ACCOUNT OF HIS OWN MEETING WITH BOTHA IN LONDON EARLIER IN THE SPRING. WE THOUGHT IT IMPORTANT TO KEEP UP PRESSURE ON THE SOUTH AFRICAN GOVERNMENT SINCE WE FEARED THAT THE PACE OF CHANGE AFTER THE ELECTIONS MIGHT OTHERWISE BE TOO SLOW. WE MUST HOLD FAST AGAINST SANCTIONS. THE SECRETARY OF STATE HAD BEEN STRUCK FROM HIS OWN CONTACTS WITH AFRICAN FOREIGN MINISTERS IN THE LAST TWO TO THREE WEEKS AT HOW RELAXED THEY

WERE ON THE ISSUE. THE HEAT SEEMED TO HAVE GONE OUT OF THE QUESTION SO LONG AS THE SOUTH AFRICANS DID NOT DO SOMETHING FOOLISH. GENSCHER ASKED ABOUT OLIVER TAMBO'S REPORTED RENUNCIATION OF SANCTIONS. THE SECRETARY OF STATE SAID THE LATEST INDICATIONS WERE THAT TAMBO HAD BEEN MISREPORTED.

5. GENSCHER SAID HE WOULD RAISE WITH BOTHA THE QUESTION OF SOUTH AFRICA'S ADHERENCE TO THE NON-PROLIFERATION TREATY. GOULDEN SAID THAT, IF THE SOUTH AFRICANS DID NOT INDICATE WILLINGNESS TO ACCEPT THE NPT AT THE TIME OF THE IAEA MEETING IN OCTOBER, THEY COULD BE IN TROUBLE AND WE WOULD BE UNABLE TO HELP THEM.

CHINA

6. GENSCHER SAID HE WAS RELYING ON US TO TELL HIM WHAT WAS GOING ON IN CHINA. THE SECRETARY OF STATE SAID WE KNEW VERY LITTLE AND CHANGED OUR ASSESSMENT EVERY FEW HOURS. OUR MAIN CONCERN WAS THAT WHATEVER THE IMMEDIATE UPSHOT OF CURRENT DEVELOPMENTS, CHINA WOULD BE LESS STABLE AND REASSURING THAN BEFORE. WE THOUGHT THAT THE CHINESE GOVERNMENT WOULD STILL WISH TO MAINTAIN OPENNESS TOWARDS THE WEST BUT WE COULD NOT BE SURE AND IT WOULD BE A LONG TIME BEFORE CONFIDENCE COULD BE REGENERATED. MEANWHILE THE CONFIDENCE OF PEOPLE IN HONG KONG HAD TAKEN A KNOCK. MUCH OF THE PRESENT TROUBLE DERIVED FROM DENG XIAOPING'S DETERMINATION TO RETAIN OFFICE.

8. GENSCHER COMMENTED THAT IT WAS AN EXTRAORDINARY SITUATION WHEN A GOVERNMENT WAS UNABLE TO RECEIVE A LEADER SUCH AS GORBACHEV AS IT WISHED. THE CHINESE LEADERSHIP HAD LOST AN ENORMOUS AMOUNT OF AUTHORITY.

EAST/WEST

9. GENSCHER COMMENTED ON THE REMARKABLE FACT THAT YOUNG PEOPLE IN THE GDR NOW LOOKED TO THE SOVIET UNION AS A REFORMING MODEL. THE SECRETARY OF STATE SAID THAT THE UNPRECEDENTED DEMAND IN EG POLAND AND HUNGARY FOR ECONOMIC AND POLITICAL REFORM ON A MIRACULOUS TIMESCALE COULD ALMOST CERTAINLY NOT BE SATISFIED. HE WAS CONCERNED THAT WE WOULD SEE DISMAL FAILURE ON BOTH COUNTS. GENSCHER AGREED, THOUGH HE WAS MORE OPTIMISTIC ABOUT THE SOVIET UNION. HE THOUGHT THAT THE SOVIET UNION WOULD BECOME MUCH MORE FEDERALIST IN STRUCTURE. THE BALTIC STATES KNEW THAT THEY COULD NOT DEFECT TO THE WEST. THEY WOULD SEE SOME ADVANTAGE IN REMAINING ATTACHED TO A LARGE AND POWERFUL COUNTRY, PROVIDED THAT THEY COULD SECURE A SIGNIFICANT ELEMENT OF ECONOMIC INDEPENDENCE.

EXPULSIONS OF RUSSIANS FROM LONDON

10. THE SECRETARY OF STATE GAVE GENSCHER AN ACCOUNT OF THE REASONS BEHIND OUR DECISION TO EXPEL 11 RUSSIANS. THIS HAD BEEN

DONE IN THE FACE OF INCONTROVERTIBLE EVIDENCE. THERE HAD BEEN NO THOUGH IN OUR MIND OF TRYING TO INFLUENCE THE NATO SUMMIT. GENSCHER GAVE THE IMPRESSION THAT NO SUCH THOUGHT HAD ENTERED HIS HEAD. GENSCHER DID NOT DISPUTE THE SECRETARY OF STATE'S INTERPRETATION OF SOVIET ESPIONAGE ACTIVITY. HE SAID THAT BY AND LARGE HOWEVER THE SOVIET UNION DID NOT NEED TO OPERATE IN THE SAME WAY INSIDE THE FRG. MOST ESPIONAGE ACTIVITY WAS CONDUCTED FROM THE GDR, WITH THE EXCEPTION OF PARTICULAR ACTIVITIES WHERE THE SOVIET UNION DID NOT TRUST THE GDR TO ACT ON THEIR BEHALF.

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ADDITIONAL

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