United States Department of State
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~~SECRET/SENSITIVE~~

MEMORANDUM OF CONVERSATION

DATE: October 12, 1986
TIME: 3:25 - 4:30 and 5:30 - 6:50 PM
PLACE: Hofdi House, Reykjavik

PARTICIPANTS:

U.S. Side	Soviet Side
President Reagan	General Secretary Gorbachev
Secretary Shultz	Foreign Minister Shevardnadze
Tom Simons, Notetaker	P. Palazhchenko, Notetaker
Dimitry Zarechnak, Interpreter	N. Uspenskiy, Interpreter

Introductory Explanation

The President and Gorbachev had arrived for this final meeting at 3:00 PM. For an hour before that, Secretary Shultz and Foreign Minister Shevardnadze had discussed language concerning arms control. When the President and Gorbachev arrived, the Secretary and the Foreign Minister informed them, separately, about their discussions. The President and Gorbachev then began their meeting, twenty-minutes after the hour.

Gorbachev began by reading a counterproposal of the Soviet side, just worked out, based on the text which Secretary Shultz had transmitted to Shevardnadze, ad referendum, during their meeting between 2:00 and 3:00 PM. The text of the U.S. proposal, as read by the Secretary to Shevardnadze, had been as follows:

Both sides would agree to confine themselves to research, development and testing which is permitted by the ABM Treaty for a period of five years, through 1991, during which time a 50% reduction in strategic offensive arsenals would be achieved. This being done, both sides will continue the pace of reductions with respect to all remaining offensive ballistic missiles with the goal of the total elimination of all offensive ballistic missiles by the end of a second five-year period. As long as these reductions continue at the appropriate pace, the same restrictions will continue to apply. At the end of the ten-year period, with all offensive ballistic missiles eliminated, either side would be free to introduce defenses.

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In introducing his counterproposal, Gorbachev began by saying that it incorporated the positions of the U.S. and Soviet sides and also strengthened the ABM Treaty, while drastically reducing nuclear arms. The counterproposal was as follows:

The USSR and the United States undertake for ten years not to exercise their existing right of withdrawal from the ABM Treaty, which is of unlimited duration, and during that period strictly to observe all its provisions. The testing in space of all space components of anti-ballistic missile defense is prohibited, except research and testing conducted in laboratories. Within the first five years of the ten-year period (and thus by the end of 1991), the strategic offensive arms of the two sides shall be reduced by 50 percent. During the following five years of that period, the remaining 50 percent of the two sides' strategic offensive arms shall be reduced. Thus by the end of 1996, the strategic offensive arms of the USSR and the United States will have been totally eliminated.

Gorbachev said this contained elements of both the Soviet and the U.S. proposals. The Soviets were prepared to agree that day to confirm the situation as it exists with the ABM Treaty and to enrich it by the commitment to eliminate strategic offensive weapons.

The President said this seemed only slightly different from the U.S. position. The Secretary noted that there were indeed differences.

The President said he had the following proposal. (He then read the U.S. proposal cited above, under Introductory Explanation.)

Gorbachev said his view was that the Soviets had moved forward by adopting the periodization proposed by the U.S. -- two five-year periods -- while strengthening the ABM Treaty and linking strengthening the ABM Treaty with reductions. With regard to the U.S. side's formula, it does not satisfy Soviet requirements. The Soviets' main objective, for the period when we are pursuing deep reductions, is to strengthen the ABM Treaty regime and not to undermine it. He would thus once again ask the U.S. side to meet this minimal requirement. Their proposal was intended to assure that today's ABM Treaty is confirmed and strengthened, with secure obligations that for ten years it will not be gone around, that there will be no deployment of systems in space, as we go through deep reductions to elimination of offensive weapons.

Gorbachev said he wanted to stress that the ban would not be on research and testing in laboratories. They would be confined to laboratories, but this would open opportunities for both the U.S. and Soviet sides to do all the necessary research in the field of space systems such as SDI. It would not undermine SDI, but would put it in a certain framework. He asked the President for an agreement that met these requirements.

The President said that we had wanted to meet the Soviet need for ten years, and we had done so. He asked why there should be any restrictions beyond that period, when both sides will have gotten what they claim they want -- the elimination of offensive missiles. Why impose restrictions beyond the ten-year period, he asked.

Gorbachev said this was not something that needed to be put down on paper.

The President said he did not see what the basic difference was, unless it was the interpretation of the Treaty.

Gorbachev said that with regard to his proposal he did not know why it could not be accepted. After ten years the two sides could find out what the solutions were through talks. The solution would not necessarily be SDI. The U.S. might find it was SDI, and the Soviets might find it was something else. He didn't see why we need to sign on blindly to SDI at this point. Thus the Soviets had come up with a formula that meets this: in the next several years after the ten-year period the two sides would find solutions in this field in negotiations. This was a broad formula that after ten years the U.S. could continue SDI if it wanted. If the U.S. wanted, this could be discussed in negotiations, after the ten years. Why pledge to SDI right now, he asked.

The President replied that he assumed both sides agreed that verification would assure that neither had ballistic missiles after the ten years. Isn't it necessary to pledge something to assure a defense someone who might come along and want to redevelop nuclear missiles, he asked.

Gorbachev said that at least it was the Soviet view that for ten years, while we proceed to the unique historical task of eliminating nuclear forces, we should strengthen the ABM Treaty regime. Why should we create other problems whose prospects are dim and whose consequences are unknown, that leave one side in doubt about reducing nuclear weapons while the other side retains them under the guise of defensive weapons. Why burden agreement by these weights? It was hard

enough to come to this agreement. That is why they link reductions to doing without defensive systems for ten years. Afterwards we can discuss them. But during the ten years there should be only laboratory research. We can see what the situation is while we eliminate offensive weapons, and then discuss what next after that. It is comprehensible and logical to retain the Treaty. The U.S. side would be permitted laboratory research, and of course the Soviet side would too. In the U.S. case this would mean SDI. The Soviets were not trying to bury SDI.

The President said the Soviets had asked for ten years, and we had given ten and a half, because after ten years we would have to give the six-month withdrawal notice. During that period both sides would be able to do the research, development and testing which is permitted by the ABM Treaty. If they then decide to go forward with defenses, what objection can there be unless something is being hidden? This provides protection for the future. We will make it available to the Soviet side if it wants it.

If the Soviets felt that strongly about strengthening the ABM Treaty, why didn't they get rid of Krasnoyarsk and the whole defense structure they have built around their capital, the President asked. They have a big defense structure and we have none. It is a peculiar fact that we do not have a single defense against a nuclear attack.

Gorbachev again asked that the President look at the Soviet proposal, which, he said, incorporated both the U.S. and the Soviet point of view. If it were acceptable, the Soviet side would be prepared to sign off on it.

At this point the Secretary asked Simons to type up the Soviet proposal, and shortly thereafter Palazhchenko went to dictate an English translation of it to Simons.

The President said that he thought the two sides were very close to an agreement.

Gorbachev noted that an addition should be made to the text which the Soviet side had just transmitted to the effect that during the next few years after the ten-year period the two sides should negotiate a mutually acceptable solution concerning their future course of action. The U.S. side feels that this should be SDI. The Soviet side might want something else. But the Soviet formula would permit finding a mutually acceptable solution for future activity after the ten-year period. Why would this not be satisfactory to the U.S./

The President replied that if both sides had completely eliminated nuclear weapons and there was no longer any threat, why would there be any concern if one side built a safeguard, a defensive system against non-existent weapons, in case there might be a need for it in the future? The President had a different picture -- perhaps after the ten-year period the Soviet side would want to build new missiles, and would not want the U.S. to have defenses against them. But he preferred to see a different formula. Ten years from now he would be a very old man. He and Gorbachev would come to Iceland and each of them would bring the last nuclear missile from each country with them. Then they would give a tremendous party for the whole world.

Gorbachev interjected that he thought the two sides were close to reaching a common formula. He did not think the U.S. should suspect the Soviet Union of having evil designs. If it had such designs, it would not have gone so far in proposing reductions of strategic and medium-range missiles.

The President continued to describe his vision of their meeting in Iceland ten years from now. He would be very old by then and Gorbachev would not recognize him. The President would say, "Hello, Mikhail." And Gorbachev would say, "Ron, is it you?" And then they would destroy the last missiles.

Gorbachev replied that he did not know if we would live another ten years.

The President said he was counting on living that long.

Gorbachev said that the President had gotten past the dangerous period and would now live to be 100, but in his case he was in the most dangerous period of a man's life, especially after negotiating with the President, who was sapping all the strength he had. He had heard that the President did not like to make concessions and wanted only to come out a winner. But he thought both sides ought to be winners. The President remarked that he would not live to 100 if he had to worry every day about being hit by a Soviet missile.

Gorbachev replied that they had agreed to eliminate them.

The President repeated that both sides had gotten good results, i.e. a 50% reduction in the first stage and total elimination in the second. Gorbachev had pledged to his people back home that he would get a ten-year period, and the President had pledged that he would not give up SDI. He had already agreed to delaying SDI deployment, but he could go back and say that he had not given up SDI, and Gorbachev could say

that he had gotten the ten-year period. The President thought that the U.S. people and the Soviet people would cheer that they had gotten rid of nuclear missiles, and would be happy for the two of them.

Gorbachev reiterated that what the Soviets said about research and testing in the laboratory constituted the basis and the opportunity for the U.S. to go on within the frameworkof SDI. So the U.S. would not have renounced SDI on its side. He was a convinced opponent of a situation where there is a winner and a loser. In that case, after the agreement is ratified, the loser would take steps to undermine the agreement, so that could not be the right basis. There had to be an equal footing. The documents should be deserving of ratification as being in the interest of both sides.

The President asked what then is wrong with going by this and then saying that the question of the research, development and testing which is permitted by the ABM Treaty is reserved for their meeting in Washington, that they then could decide whether it is under the ABM provisions.

Gorbachev replied that without that there was no package. He believed the Soviet side had convinced the U.S. side of the existence of an interrelationship between the issues. If we agree on deep reductions in nuclear weapons we need confidence that the ABM Treaty will be observed during the period of the process of eliminating them. This would be a very historic period, improving a dangerous situation after a period of tensions. This decision would also be in the interest of the U.S. during that time.

The President commented that they were not getting anyplace. He proposed they consider why there was an objection to the U.S. formula if they agreed that ten years down the road there would be no ballistic missiles. He proposed a recess where they would meet with their people, and see what is keeping them apart.

Gorbachev said that a phrase should be added to the text which the Soviet side had transmitted to the effect that both sides should arrive at a mutually acceptable solution, through negotiation, about what to do following the ten-year period. This reflected the President's ideas on SDI.

(At this point the typed version of the Soviet counterproposal was brought in.)

The President said Secretary Shultz would speak about differences between the two texts. The Secretary said there seemed to be two differences. The first is how to handle what

is permitted during the ten years. The second, if he understood correctly, is that the Soviets see a period of indefinite duration for agreement not to depart from the ABM Treaty, while the U.S. side sees ten years.

Gorbachev said we needed clarity at this stage about whether to undertake real reductions while strengthening, not weakening, the ABM Treaty regime. Thus, the right to withdraw that both sides have now would not be used for ten years, and after ten years we would consider how to deal with the question. Perhaps we would keep to it, perhaps there would be new elements. But in those ten years we would strengthen and not weaken the Treaty regime.

The Secretary asked whether Gorbachev was saying that after ten years the aspect about not withdrawing would also be over. Gorbachev replied that after ten years the two sides could exercise all sorts of rights. The Secretary commented that that helped. Gorbachev suggested they add to the text the sentence "In the course of the succeeding several years, the two sides should find in the course of negotiations further mutually acceptable solutions in this field." Shevardnadze commented that under the Soviet proposal there would be no limit on research, except that it would be confined to laboratories.

Gorbachev asked the President to recall their meeting in Geneva. The President was host; it was on the last night; they were sitting on the sofa drinking coffee. They were in a good atmosphere. At that point Shultz came in to report that the Soviet delegation did not agree on certain points. The President had asked him, sitting there on the sofa, what the hell should be done, and suggested banging his hand on the table. He (Gorbachev) had gone out, and in fifteen minutes everything was fixed. Now they could go out in the same way, and the President could go out and fix everything in ten minutes. It would be another victory for the U.S. side.

The Secretary said he wanted to be clear about one thing. The Soviet proposal said that during the second five-year period the remaining weapons would be "reduced." Did "reduced" mean at a constant pace? Gorbachev said that the modalities could be written down in the treaty. The Secretary noted that the President talked about strategic offensive weapons.

Gorbachev recalled that the day before the Soviets had proposed that all types of strategic forces be cut by half. This was for the first five years. It covered the whole triad. The second five-year period would take care of the rest of the strategic forces.

The Secretary noted that our proposal referred to "offensive ballistic missiles," and the Soviet to "strategic offensive arms." These may be different categories. He wanted to be sure.

Gorbachev repeated that the Soviets had made a proposal the day before. He could say frankly it had not been a easy decision. If we try to search for agreements on subceilings, we will never get out of it. He had suggested that they cut through this, and cut everything by 50%, including the SS-18s the U.S. was concerned about. Other missiles which were not strategic would be covered by the separate agreements that have been made.

The President and the General Secretary agreed to take a break to sort out the differences between the two texts. (The break lasted from 4:30 to 5:30 PM.).

After the break, the President said he had been sorry to keep Gorbachev so long, but Gorbachev knew the trouble Americans had getting along with each other.

The President continued that he had spent this long time trying very hard to meet the General Secretary's desire for a ten-year situation. This had to be his final effort. The President then read the following text:

The USSR and the United States undertake for ten years not to exercise their existing right of withdrawal from the ABM Treaty, which is of unlimited duration, and during that period strictly to observe all its provisions, while continuing research, development and testing which is permitted by the ABM Treaty. Within the first five years of the ten-year period (and thus through 1991), the strategic offensive arms of the two sides shall be reduced by 50 percent. During the following five years of that period, all remaining offensive ballistic missiles of the two sides shall be reduced. Thus by the end of 1996, all offensive ballistic missiles of the USSR and the United States will have been totally eliminated. At the end of the ten-year period, either side could deploy defenses if it so chose, unless the parties agreed otherwise.

Gorbachev referred to the text of "research, development and testing which is permitted by the ABM Treaty," and noted that reference to laboratory testing had disappeared. The President replied that instead the Soviet side now had the line about research, development and testing which is permitted by the ABM Treaty.

Gorbachev asked what the purpose of this was. The President replied that their people in Geneva must decide what is permitted. The two sides have different views on this.

Gorbachev asked again whether the language on laboratory testing had been omitted on purpose. He was trying to clarify the U.S. proposal.

The President confirmed that it had been left out on purpose.

Gorbachev continued that his next question was that the first part of the proposal talks about strategic offensive weapons, and the second part about ballistic missiles. He asked why there is this difference of approach.

The President said he had received the message while he was upstairs that the Soviets were mainly interested in ballistic missiles. He had thought earlier that they were thinking of everything nuclear, and then he had heard it was ballistic missiles.

Gorbachev said no, they had in mind strategic offensive weapons. He then turned to medium-range missiles.

The President interrupted to ask what Gorbachev meant.

Gorbachev said he could confirm that the Soviets are for reducing strategic offensive weapons. Other agreements would cover other weapons, for instance medium-range weapons. That part on what the U.S. side called INF is in the second part of the agreement. There we would also deal with missiles with ranges of less than 1000 kilometers. He was not removing anything from the table, but he wanted to be sure there is identity in the two parts. He was not changing positions. He wished to clarify things.

The President proposed to add "strategic" to our language, making it "strategic offensive ballistic missiles."

Gorbachev asked where aircraft were. They were in the triad, and we had agreed to reduce the whole triad: land-based strategic missiles, sea-launched, strategic bombers. The two sides had determined long ago what is strategic.

The President said we had proposed reducing all ballistic missiles on land and sea, but he was ready to include all the nuclear weapons we can.

Gorbachev said we should use the whole triad.

The President said then we should take out "strategic." Then all ballistic missiles would be eliminated.

Gorbachev said we should include land-based, sea-based and bombers.

The President asked if that were the only thing Gorbachev objected to in the U.S. proposal.

Gorbachev said he was just clarifying to be sure. He would explain the Soviet position.

The President said if this was a problem we should work on it. We had agreed to the record of the group on reducing all three elements.

Gorbachev said the agreement should be identical for both sides, for the first and second five-year periods. The concept is to reduce 50% for all types. At the same time they had agreed to the American rule, taking into account gravity bombs and SRAMs.

The President said there had been a misunderstanding on our part as to what the Soviets wanted.

The Secretary said he thought we had to be careful when it came to eliminating all strategic offensive arms if we don't deal with short-range ballistic missiles. He realized we were dealing with it in another place, but perhaps this was the place to deal with it decisively.

Gorbachev said Shultz could write into the text on the second period that all strategic offensive arms will have been eliminated, "including ballistic missiles." The missiles with ranges shorter than 1000 kilometers are handled in the medium-range agreement. We should write we will freeze them and then negotiate about their destruction. Everything should be encompassed. Missiles of less than 1000 kilometers are being handled elsewhere. Freeze them and then start talks about their destruction.

The Secretary said we are talking about two stages, the first five years and the second five years. Insofar as we deal with intermediate- and short-range weapons, we talked about an agreement to last until it was superseded. But we think of this as a first batch. Presumably, he continued, what we have agreed to on INF will happen within the first five years. All the missiles will be gone.

Gorbachev said yes, including those with less than 1000 kilometers' range as well. But when you speak about ABM you speak only about strategic weapons. We have a common understanding about what is strategic.

The Secretary commented that the treaty is about anti-ballistic missiles. These are not only strategic. He recognized there may not be much of an argument here.

Gorbachev said he did not think there was a difference between the two sides.

The Secretary suggested that if we add "and all offensive ballistic missiles," we can come to closure.

Gorbachev asked again why it is different for the two periods. In the first paragraph we speak of strategic offensive arms. He did not think there had to be this contradistinction. We can sort that out when we do the paper.

The President agreed this could be sorted out. He asked whether Gorbachev was saying that beginning in the first five-year period and then going on in the second we would be reducing all nuclear weapons -- cruise missiles, battlefield weapons, sub-launched and the like. It would be fine with him if we eliminated all nuclear weapons.

Gorbachev said we can do that. We can eliminate them.

The Secretary said, "Let's do it."

The President reiterated that he had thought he had gotten a message that Gorbachev was interested mainly in ballistic missiles. Gorbachev reiterated that there is a contradiction in the first and second periods. In the first part of the U.S. text it is all strategic offensive weapons, in the second only one type of arms, and that leaves the rest out.

The President said that if they could agree to eliminate all nuclear weapons, he thought they could turn it over to their Geneva people with that understanding, for them to draft up that agreement, and Gorbachev could come to the U.S. and sign it.

Gorbachev agreed. He continued that he now wanted to turn to the ABM Treaty. He was apprehensive about this. If the treaty is of unlimited duration, and there is to be strict observance of its provisions, and the two sides agree not to use their right to withdraw, then it is incomprehensible why research, development and testing should go on and not be confined to the laboratory. The U.S. evidently saw the Treaty otherwise. We should add to its strength.

We will be proceeding on to a broad reduction of offensive weapons, Gorbachev continued. This would allow for research and testing in laboratories but not elsewhere. Otherwise one side could do research, development and testing anywhere, while pretending it is not violating the ABM Treaty. This would give the impression that one side was trying to create an unequal situation. He liked to be clear. He wanted to have laboratory-only in. The Soviet side is for strict observance of the Treaty, and only laboratory research and testing. He could not do without the word "laboratory." If the U.S. side was indeed for strict observance, it should also be for "laboratory."

The President said that from the beginning of the Treaty there had been this difference. There was a sort of liberal interpretation, and also one that confined this strictly to laboratories. This was a legitimate difference. But we had gone a long way, and what the hell difference did it make. Ten years down the road some country might come along with a madman who wanted to build nuclear weapons again.

The President said they could be proud of what they had done. We may not build SDI in the end; it might be too expensive, for instance. But he had promised the American people he would not give up SDI. The Soviets now had ten years. We have an agreement we can be very proud of.

Gorbachev asked whether the U.S. side would not have the right to decide on SDI development if it put in that it recognized that work would go on only in laboratories, including SDI-related work. But he had to take a principled position that the work could only be in laboratories. This would mean it could not be transferred outside, to create weapons and put them in space. That was why strict observance meant confining work to laboratories. If the President agreed, they could write that down, and sign now.

The President said that Gorbachev talked about deployment as if it meant weapons in space. We already had agreements that prevented that. He thought the Soviets were violating agreements. There is the Krasnoyarsk radar. They should knock it down.

Gorbachev said the U.S. might be testing objects, and say they were not offensive, but there would be suspicions. The Soviet side said testing should take place only in laboratories.

The President said he would not destroy the possibility of proceeding with SDI. He could not confine work to the laboratory.

Gorbachev said he understood this was the President's final position. He could not confine work to the laboratory.

The President said, "Yes." We have said we will do what we do within what we believe are within the limits of the Treaty. But there is disagreement as to what the Treaty proscribes.

Gorbachev said he understood the U.S. wanted a concrete formula that gives the U.S. the possibility of conducting tests not only in the laboratory but outside, and in space.

The President said there is research in the lab stage, but then you must go outdoors to try out what has been done in the lab.

Gorbachev suggested that they write in "experimental." This includes mockups, prototypes, samples. But they needed to write "only in laboratories."

Gorbachev continued that he was not saying what he was saying to be intransigent, or rigid, or casuistical. He was being very serious. If they were going to agree to deep reductions in nuclear weapons, and the U.S. side wanted an interpretation that allowed it to conduct all sorts of research that would go against the ABM Treaty, and put weapons in space and build a large-scale defense system, then this was unacceptable. But if the U.S. agreed to confine this work to laboratories, the Soviet side would sign. That was why in their draft tests of all space elements in space were banned, except for laboratory work.

The President said he could not give in.

Gorbachev asked if that was the last word.

The President said yes. He had a problem in his country Gorbachev did not have. If they criticized Gorbachev, they went to jail. (Gorbachev interjected during the interpretation that the President should read some of the things being written in Soviet newspapers.) But, the President continued, he had people who were the most outspoken critics of the Soviet Union over the years, the so-called right wing, and esteemed journalists, who were the first to criticize him. They were kicking his brains out.

Gorbachev would go home with the ten years, the President went on. He himself would go home with his pledge to stick by SDI, and continue research within our interpretation of the ABM Treaty when it came to research. He was not asking anything unusual.

Addressing the President, Gorbachev said he assumed the President was addressing him from a position of equality, as a leader of another country, on a confidential basis, and he would thus be frank.

The President was three steps away from becoming a great President, Gorbachev said, if they signed what had been discussed and agreed to. These would be very major steps. But they needed to include strict observance of the ABM Treaty and confinement of research and testing to laboratories, including SDI-related work.

But if this was not possible, they could say goodbye, and forget everything they had discussed. What had been discussed here in Reykjavik was a last opportunity, at least for Gorbachev.

He had had the firm belief when he came here -- and otherwise he would not have proposed the meeting -- that the proposals of the Soviet Union, of the Soviet leadership, were very far-reaching, and built on a huge reservoir of constructive spirit. With the support of the U.S. side, they could solve very important problems.

If they were able to do this, Gorbachev continued, and resolve these problems, all the President's critics would not open their mouths. The peoples of the U.S., of the Soviet Union, of the whole world would cheer. Now, if he (Gorbachev) saw that the President could not agree to these proposals, the people would say that the political leaders could not agree. What they had discussed would be left for another generation.

Gorbachev continued that the President had not made a single, substantial, major step in Gorbachev's direction.

Shevardnadze said he wanted to say just one thing. The two sides were so close to accomplishing a historic task, to decisions of such historic significance, that if future generations read the minutes of these meetings, and saw how close we had come but how we did not use these opportunities, they would never forgive us.

The President said he wished to speak as one political leader to another political leader. He had a problem of great importance to him on this particular thing. He had been attacked even before he came. He had given up a long span of time. He was asking Gorbachev, as a political leader, to do this one thing to make it possible for him to deal with Gorbachev in the future. If he did what Gorbachev asked, he would be badly hurt in his own country. He asked this one thing of Gorbachev.

Gorbachev said he had said everything he had to say, just as the President had.

The President asked Gorbachev to listen once again to what he had proposed: "during that period strictly to observe all its provisions, while continuing research, testing and development which is permitted by the ABM Treaty." It is a question of one word. This should not be turned down over a word. Anyone reading that would believe that the U.S. is committed to the ABM Treaty.

Gorbachev commented that he could also say the President was using one word to frustrate a meeting that had promised to be historic. But he would speak seriously. It is not just a question of a word, but a question of principle. If we are to agree to deep reductions and elimination of nuclear weapons, we must have a firm footing, a front and rear that we can rely on. But if the Soviet side signed something that gave the U.S. the opportunity to conduct SDI-related research and testing in broad tests, and to go into space, the testing of space weapons in space, he could not return to Moscow. He could not go back and say we are going to start reductions, and the U.S. will continue to do research, testing and development that will allow it to create weapons and a large-scale space defense system in ten years.

If we say research and testing in laboratories, he could sign it, Gorbachev went on. But if he went back and said that research, testing and development could go on outside the laboratory and the system could go ahead in ten years, he would be called a dummy (durak) and not a leader. Ten years of research in the laboratories within the limits of the Treaty ought to be enough for the President. He was not against SDI. But the research had to be in the laboratories.

The President said he had believed, and had said so in Geneva, that he and Gorbachev had the possibility of getting along as no two American and Soviet leaders ever had before. He had asked Gorbachev for a favor, which was important to him and to what he could do with Gorbachev in the future. Gorbachev had refused him that favor.

Gorbachev replied that if the President had come to him and said things are hard for American farmers, and asked him to buy some American grain, he would have understood. But what the President was asking him to agree to on behalf of the USSR was to allow the U.S. -- at a time when they were proceeding to deep reductions and elimination of nuclear weapons -- to conduct full-scale research and development, including development of a space-based ABM system, which would permit the U.S. to destroy the Soviet Union's offensive nuclear

potential. The President would not like it if Gorbachev had asked that of him. It would cause nervousness and suspicion. It was not an acceptable request. It could not be met. The President was not asking for a favor, but for giving up a point of principle.

The President said there would be no offensive weapons left to destroy, and space defenses could not be deployed for ten years or so. It was not the word, it was the implication. Gorbachev was asking him to give up the thing he'd promised not to give up. All the other language was what Gorbachev had needed. We had said we would comply with the Treaty for ten years. It is the particular meaning of one word. Gorbachev knew how this would be taken in the U.S.

The President continued that if Gorbachev thought the problem was that he wanted some military advantage, Gorbachev should not worry. He did not talk about it much, but he believed the Soviets were violating the ABM Treaty. He was not saying we should tear it down, and we should say nothing outside this room, but we should not stop at one word. Maybe Gorbachev could suggest another word to replace it. The President had met Gorbachev's requirements. What more was needed than that?

The President said he was asking Gorbachev to change his mind as a favor to him, so that hopefully they could go on and bring peace to the world.

Gorbachev said he could not do it. If they could agree to ban research in space, he would sign in two minutes. They should add to the text "The testing in space of all space components of missile defense is prohibited, except research and testing conducted in laboratories," as in the draft. The point was not one of words, but of principle.

He would like to move everywhere he could. He had tried to do so. His conscience was clear before the President and his people. What had depended on him he had done.

(At that point the President stood, and both leaders gathered up their papers and left the room. As they stood together before departing, Gorbachev asked the President to pass on his regards to Nancy Reagan. The President replied that she had decided to keep to her schedule rather than come to Iceland. On the steps outside, they shook hands and parted. Since Gorbachev was formally the "host" of the meeting, the President departed first from the site.)

Prepared by: TWSimons, Jr.
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