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Withdrawer

DLB 10/4/2005

File Folder GENEVA - ALLIES & CONGRESS -- NOVEMBER 1984-
DECEMBER 1984: GENEVA:/SDI -- UK -- THATCHER
VISIT, DECEMBER 1984

FOIA

F97-013/3

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NICK CULL

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ID	Doc Type	Document Description	No of Pages	Doc Date	Restrictions
22518	CABLE	#171903Z DEC 84 R 3/4/2013 M337/1	2	12/17/1984	B1
22519	MEMCON	MEETING WITH BRITISH PRIME MINISTER MARGARET THATCHER, DECEMBER 22, 1984 PAR 9/5/2007 F97-013/3; R 6/7/2017 M337/1 #22519	15	12/28/1984	B1
22520	MEMO	KRAEMER/DONALD MAHLEY/ROBERT LINHARD TO ROBERT MCFARLANE, RE: PRESIDENTIAL LETTER TO ALLIES ON GENEVA TALKS R 11/29/2011 F1997-013/3	1	1/4/1985	B1
22521	CABLE	DRAFT AND EDITED CABLE; RE: LETTER TO ALLIED LEADERS ON GENEVA R 3/4/2013 M337/1	6	1/3/1985	B1
22522	CABLE	#050531Z JAN 85 R 3/4/2013 M337/1	4	1/5/1985	B1

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SECRETARIAT

Geneva - Allis

22518

PAGE 01 OF 02 LONDON 7495
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NODIS

E.O. 12356: DECL: OADR
TAGS: PARM, INF, UK
SUBJECT: THATCHER/GORBACHEV: A THATCHER "CAUTION" ON SDI?

1. ~~SECRET~~ - ENTIRE TEXT.

2. WITH KEY OFFICIALS STILL TIED UP IN MEETINGS WITH THE GORBACHEV PARTY, WE HAVE ONLY A FRAGMENTARY READOUT OF THE GORBACHEV/THATCHER DISCUSSIONS ON SDI. A FULLER REPORT IS PROMISED IN THE WAKE OF TODAY'S HOWE/GORBACHEV MEETING.

3. THE WORD SO FAR, FROM BOTH FCO AND CABINET OFFICE SOURCES, IS THAT THATCHER SAID NOTHING TO GORBACHEV ON SDI WHICH SHE HASN'T SAID PUBLICLY IN RECENT WEEKS -- I.E. STRESS ON THE NEED FOR OUTER SPACE ARMS CONTROL BUT NO SPECIFIC CONDEMNATION OF SDI. CABINET OFFICE FOREIGN AFFAIRS ADVISER BRIAN CARTLEDGE TOLD US, FOR EXAMPLE, THAT ANY IMPLICATION THAT THATCHER HAD SOMEHOW CAUTIONED THE U.S. ON SDI AS A RESULT OF HER GORBACHEV CONVERSATIONS WAS "QUITE SIMPLY FALSE".

4. POST REPORTER MIKE GETLER (PROTECT) AGREES. HE TOLD US DECEMBER 17 THAT HE HAD TELEXED THE POST EARLIER IN THE DAY ASKING THEM NOT TO IMPLY IN TODAY'S HEADLINE THAT THATCHER HAD EXPRESSED RESERVATIONS ABOUT SDI. HE SAID HIS STORY MADE CLEAR THAT THAT HAD NOT BEEN THE CASE. HE ADDED THAT IN THE BACKGROUND BRIEFING FOR REPORTERS, THATCHER'S PRESS SECRETARY, BERNARD INGHAM, WAS CAREFUL NOT TO BE DRAWN ON THATCHER'S VIEW OF SDI OR ON WHAT SHE WAS LIKELY TO SAY TO THE PRESIDENT ON THE SUBJECT LATER THIS MONTH.

5. THATCHER'S ONLY PUBLIC COMMENT SO FAR CAME IN AN INTERVIEW WITH THE BBC'S JOHN COLE WHICH WILL BE BROADCAST LATER TONIGHT. ASKED BY COLE ABOUT "STAR WARS", THATCHER GAVE THE FOLLOWING REPLY:

BEGIN TEXT:

DECLASSIFIED

NLRR MID-337#22518

BY RW NARA DATE 3/4/13

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PAGE 02 OF 02 LONDON 7495

DTG: 171903Z DEC 84 PSN: 046932

WELL THAT, OF COURSE, IS PART OF THE DISARMAMENT
TALKS. OBVIOUSLY, YOU CANNOT STOP RESEARCH GOING
AHEAD, BUT I THINK ONE DOES NOT WANT TO GO INTO A
HIGHER AND HIGHER LEVEL OF ARMAMENTS BECAUSE THE
TWO MAIN POWER BLOCS, THE WARSAW PACT COUNTRIES AND NATO,
WE HAVE GOT TO HAVE BALANCE IF WE ARE BOTH TO FEEL SECURE,
BUT WE ARE ONLY GOING TO FEEL SECURE ON THE BASIS OF A
BALANCE OF ARMAMENTS, AND OBVIOUSLY, IT DOES NOT MAKE
SENSE TO HAVE BALANCE AT A HIGHER AND HIGHER LEVEL.
WE WANT TO GET THE LEVEL OF BALANCE DOWN AND THAT IS
WHY WE ARE ENTERING INTO TALKS; BECAUSE WE WANT THAT
LEVEL OF BALANCE DOWN AND ALSO BECAUSE I THINK BOTH OF US
FEEL MORE MONIES SHOULD BE SPENT TOWARDS RAISING
THE STANDARD OF LIVING OF PEOPLE AND PERHAPS LESS ON
ARMAMENTS, PROVIDED WE CAN KEEP THAT BALANCE AND THAT
MUTUAL RESPECT FOR ONE ANOTHER'S SECURITY.

END TEXT. PRICE
BT

~~SECRET~~

~~SECRET/SENSITIVE~~

Calendar of Events -- Consultations With
The Congress, The Allies and Public Affairs

The Congress

- Week of December 17 - Secretary Shultz will deal with questions by Congressional leadership on Geneva preparations in the context of a post-NAC debrief, which focusses on other issues such as conventional force modernization
- January 4-7 (Pre-Departure) Question of pre-briefing by Secretary of State and National Security Advisor prior to Geneva will need to be addressed.
- January 9-11 - Secretary debriefs Congress (classified) shortly after return -- (leadership only? leadership plus SFRC and HFAC? All Members?)
- January 14 ff. - Delegation to conduct briefings of other Members and key staff -- audience dependent on scope of Secretary's debrief

The Allies

- December 13 - NAC Ministerial in Brussels, Secretary of State reviews in very general terms US approach to Geneva
- December 20 - SCG in Brussels, State Department Assistant Secretary Richard Burt in chair.
- January 3-7 - Possible message from either President or Secretary of State to Allied counterparts.
- January 9 - Special NAC meeting in Brussels, Delegation representatives to come from Geneva following conclusion of meeting with Gromyko to provide initial read-out to Allied representatives

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DECLASSIFIED
White House Guidelines, August 28, 1997
By dlb NARA, Date 10/4/05

Late January	-	SCG Meeting in Brussels to consult about any follow-on meeting.
Mid-February	-	Special NAC meeting on post-Geneva developments.
<u>Public Affairs</u>		
Pre-Geneva		[Release of major White House statement on SDI policy - Agencies disagree.]
January 4 - 5	-	White House photo opportunity of President and Delegation.
January 6	-	White House release of Presidential statement; McFarlane backgrounder.
January 7-8	-	Secretary's arrival statement; Secretary's departure statement.
January 9	-	Photo opportunity of Secretary debriefing President.
January 9-10	-	Possible Presidential statement; McFarlane Backgrounder.
January 22-23		State of the Union Address.

Note: Public Affairs activities will include normal dissemination of materials such as Presidential statements, McFarlane backgrounders, by USIA and State.

#23160

new calendar

add

- draft of letter to Allen on
- books for Allen says due
-

- allied
- breakfast
- lunch

But

if Senator me on me before today
also Nixon, Polk, Waver

MEMORANDUM

NATIONAL SECURITY COUNCIL

8768
ADD-ON #2

copy for Ron Lehman

SECRET

ACTION

December 28, 1984

MEMORANDUM FOR ROBERT C. MCFARLANE

FROM: PETER R. SOMMER *PS*

SUBJECT: Memorandum of Conversation of the President's
Meeting with Prime Minister Thatcher,
December 22, 1984 - Camp David

Attached for your review and approval is the Memorandum of Conversation of the President's meeting with Prime Minister Margaret Thatcher on December 22, 1984 (Tab A). Given the lengthy discussion of SDI, I suggest we also provide Defense a copy of the Memcon.

RECOMMENDATION:

Following your review of the Memorandum of Conversation, that you authorize Bob Kimmitt to forward it to State and Defense.

Approve _____

Disapprove _____

Attachments:

Tab I Memorandum to State and Defense
Tab A Memorandum of Conversation

CC: Jack Matlock
Ron Lehman

SECRET

DECLASSIFIED
White House Guidelines, August 28, 1997
By dlb NARA, Date 9/29/05

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NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20505

8768
ADD-ON #2

UNCLASSIFIED UPON REMOVAL
OF CLASSIFIED INFO
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~~W/SECRET ATTACHMENT~~ *dlb 9/29/05*

MEMORANDUM FOR MR. CHARLES HILL
Executive Secretary
Department of State

COL R. J. AFFOURTIT
Executive Secretary
Department of Defense

SUBJECT: Memorandum of Conversation of British Prime
Minister Margaret Thatcher's Visit,
December 22, 1984 - Camp David (U)

Attached is the Memorandum of Conversation from the
President's meeting with British Prime Minister Thatcher on
December 22, 1984. (U)

Robert M. Kimmitt
Executive Secretary

Attachment
Tab A - Memorandum of Conversation

~~UNCLASSIFIED~~
~~W/SECRET ATTACHMENT~~

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22519

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ADD-ON #2

THE WHITE HOUSE

WASHINGTON

December 28, 1984

MEMORANDUM OF CONVERSATION

SUBJECT: Meeting with British Prime Minister Margaret Thatcher (U)

PARTICIPANTS: The President
The Vice President
Secretary Shultz
Robert C. McFarlane
Ambassador Price
Assistant Secretary Burt
Peter R. Sommer, NSC

Mrs. Thatcher
Ambassador Wright
Robin Butler, Principal Private Secretary to Mrs. Thatcher
Charles Powell, Private Secretary to Mrs. Thatcher

DATE, TIME AND PLACE: December 22, 1984, Camp David
10:40 a.m. - 11:10 a.m., Private Meeting, Aspen Lodge
11:20 a.m. - 1:25 p.m., Expanded Meeting and Lunch, Laurel Lodge

Private Meeting: The President and Mrs. Thatcher, Plus Note-takers:

After exchanging pleasantries, Mrs. Thatcher praised the President's reelection, calling it a fantastic victory. She asked him how it felt to win by such an overwhelming margin. The President said it was an honor to win by such a margin and joked that someone had said there is only one thing he could ask for from Santa Claus -- it was Minnesota, the only state he had lost. (U)

Mrs. Thatcher emphasized that the President's victory was even more impressive given that he had so significantly changed U.S. policies. Such a wide victory was an endorsement of the President's policies and a clear call for a continuation of these policies. She was pleased the President was keeping his same foreign policy, noting it made no sense to break-up a good team. The President agreed and observed that many serve at considerable personal and financial sacrifice. (U)

DECLASSIFIED

NLRR M3376 #22519

BY RW NARA DATE 6/7/17

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Turning to Gorbachev's visit to the UK, Mrs. Thatcher said he was an unusual Russian in that he was much less constrained, more charming, open to discussion and debate, and did not stick to prepared notes. His wife was equally charming. The Prime Minister noted that she often says to herself the more charming the adversary, the more dangerous. Over the private lunch at Chequers, she had raised a number of pointed questions. She asked Gorbachev why the Soviet Union denies its people the right to emigrate. She had underlined that the West simply cannot understand or accept the Soviet policy of refusing people the right to leave. She contrasted the Soviet policy with the situation in the West, where many countries have had to stop people from coming in. Gorbachev replied that 89 percent of those who applied for permits to leave receive them. Noting that she had no way to cross-check Gorbachev's statistics, she told the President that Gorbachev's claim clearly conflicted with information she receives from British Jewish groups. She commented that she had further suggested to Gorbachev that it was a sign of weakness to feel the need to keep one's people in. (C)

Mrs. Thatcher contrasted Gorbachev with Gromyko, whom she observed would have sharply replied that emigration was an internal matter and not open for discussion. Gorbachev was not willing to debate the point, but he did allow her to discuss it without cutting her off. He also avoided the usual Soviet reaction of citing lengthy positions of principle. The Prime Minister said she also questioned Gorbachev about the Soviets providing financial assistance to Britain's striking miners. Gorbachev replied "this has nothing to do with us." Mrs. Thatcher, however, observed that in a centrally controlled system like the Soviet Union there is no way funds could pass to British trade unions without government knowledge. (C)

Mrs. Thatcher then expanded on what she called the government's total control of the Soviet economy. She had the impression that Gorbachev, like Andropov, was an advocate of economic reform and was willing to slacken government control over the Soviet economy. Gorbachev was clearly worried, said the Prime Minister, about the Soviet Union's poor economic performance. She had made a point to contrast Soviet control over its economy with the free societies in the West, where a number of governments have recently been elected because of their promise to restrict government interference in domestic economic affairs. Despite Gorbachev's professions about lessening government control, in reply to her question about how does a Russian factory decide how much to produce, he said, "we tell them." (C)

Indicating she wished to reiterate what she had told the Vice President over breakfast, Mrs. Thatcher underlined that she told Gorbachev there is no point in trying to divide Britain from the United States. This ploy will never succeed.

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Britain is part of the Western Alliance of free nations and the Soviets should drop any illusions about severing Europe or Great Britain from the United States. She also told Gorbachev that she and the President have known each other since long before they assumed their current positions and dividing Europe from America is simply "not on." (C)

Gorbachev had made a special effort, said the Prime Minister, to cite Chernenko's name as a source of authority for his remarks. She then turned to what she had told Gorbachev about the Geneva talks. She emphasized that the Soviet Union and the West had entirely different ways of life and government. You don't like ours, we don't like yours. But it is in our common interest -- indeed it is our duty -- to avoid a conflict. We in the West, including the United States, accept that there can only be real security through military balance. She had underscored to Gorbachev that the Soviets must rid themselves of the belief that the U.S. is not sincere about disarmament. Gorbachev had replied that even public documents now show that the U.S. had targeted the Soviet Union with nuclear weapons in the 1950's. Mrs. Thatcher said she had replied, "of course the U.S. had targeted the Soviet Union -- who was preaching a political crede of world communism -- what else did they expect?" And she asked Gorbachev rhetorically if it wasn't true that the Soviets targeted the U.S. during that same period and continued to do so now. (C)

Mrs. Thatcher then contrasted the Soviet Union with the U.S. which had not used its great nuclear monopoly in the immediate post-war years to seek expansion. The U.S. is a former colony and knows what it is to be dominated by others. There is no other example in history of a great power using its military strength so sparingly to advance political goals. She had also emphasized to Gorbachev that the President is an honorable man who sincerely wants to improve relations with the Soviet Union. She was struck that when she mentioned that the President had sent a personal handwritten letter to Brezhnev shortly after assuming office, Gorbachev did not appear familiar with it. She made a point of telling Gorbachev that the President had put his heart and soul into his letter and after months of silence received only a pro forma typed reply. Again, Gorbachev did not react. (C)

The President said he was pleased that, without exchanging a word in advance, Mrs. Thatcher had taken the same line with Gorbachev as he had followed in his September meeting with Gromyko. He had spoken about the communist desire to dominate the world. In reply, Gromyko suggested that the Soviets had acted with constraint since they could have, but did not send a mass of men into Western Europe after World War II. The President noted that in reply he had referred to Stalin's remarks that there would have been no victory without the U.S. The President also referred Gromyko to quotations from Lenin and Stalin about world domination by communism. This time, Gromyko did not reply but quickly changed the subject. (C)

Turning to the Geneva talks, the President said since the Soviets had fared so poorly in recent months in the propaganda battles associated with disarmament talks, he feared that they were looking at Geneva as mainly a propaganda forum. This is one of the reasons they launched such an attack against what has become commonly known as "Star Wars." He emphasized that Star Wars was not his term and was clearly not what he had in mind. He continued that there has never been a weapon for which another weapon against it had not been developed. Therefore, in view of all the advances in technology, he asked for a study of new defensive systems. Its aim would strictly be to strengthen deterrence. So far, initial research has been promising and, as he had stated many times, if it proves successful he would be willing to put this new technology into international hands. The President said we are not violating the ABM treaty and have no intention of doing so. The new Strategic Defense Initiative also had a moral context. We must search for ways to build a more stable peace. Our goal is to reduce, and eventually eliminate nuclear weapons. Chernenko now claims that this is also a Soviet goal. We have told them if they are really serious about reductions, we are ready. Gromyko had told him, said the President, that we cannot continue to sit on two mountains of weapons. The President said he replied, "let us then begin to lower and eventually eliminate these mountains." (C)

Mrs. Thatcher noted that Gorbachev had implied returning to Geneva was not an easy decision for the Soviets. He also indicated the Soviets would come to Geneva with serious proposals. The President replied, "we hope so." She continued that she had emphasized to Gorbachev that Britain supports the U.S. SDI program and told him it was not linked to a first strike strategy. (C)

The President continued that he was simply amazed how closely Mrs. Thatcher's remarks to Gorbachev had accorded with what he told Gromyko. He had made similar points, said the President, on immigration restrictions, underscoring that these restrictions make it especially difficult for the U.S. -- with its many political groups with ties to the old country -- to improve relations with the Soviets. He had made it clear to Gromyko that he could better deal with the Soviets with the support of the American people. The President then returned to his concern that the Soviets will use the Geneva talks primarily as a propaganda forum. He hoped, however, that the Soviets would treat these talks seriously; as he had told Gromyko the U.S. and the Soviet Union have a joint responsibility to see that war does not happen. (C)

Mrs. Thatcher noted that she had a special interest in learning more details about the U.S. SDI program. Gorbachev had told her "tell your friend President Reagan not to go ahead with space weapons." He suggested if you develop SDI the Russians would either develop their own, or more probably, develop new offensive

systems superior to SDI. General Keegan (former head of USAF Intelligence), whom she had seen several times, had informed her about Soviet advances and she was interested in learning more about SDI. The President noted it was time to join the others at Laurel Lodge. (C)

The private meeting ended at 11:10 a.m.

Expanded Session in Laurel Lodge

In opening the expanded session, the President said he thought it would be appropriate to quote a remark the Queen had made to him during the course of the campaign. When the Queen was in Canada and he was in Michigan, the Queen had called to say she was sure there will never be a wider divide between the U.S. and Great Britain "than the river that currently divides us." Smiling, the President and Mrs. Thatcher both agreed with the Queen's remark. (U)

Noting that it was her first visit to Camp David, Mrs. Thatcher said it was marvelous to be here and a privilege as well. She said she and the President had discussed at some length her impressions of Gorbachev. It is clear that basic Soviet policy has not changed, but Gorbachev was both willing and able to openly discuss and debate issues. He did not cry or complain when she discussed the human rights situation within the Soviet Union. She had emphasized to Gorbachev that it would be a futile effort to try to divide Great Britain from the U.S. We have a common heritage and are part of the same Western Alliance system. (C)

The Prime Minister continued that Gorbachev had spent an inordinate amount of time on SDI. He had asked me to tell the President to stop the militarization of outer space. She had replied that Britain supports the U.S. SDI research effort and it was the Soviets who had been the first to develop an anti-satellite capability. The West was also trying to keep up with Soviet research into laser weapons. She had told Gorbachev that there must be balance in research and the U.S. SDI research program must go ahead. (C)

Saying he wished to extend Mrs. Thatcher a special Christmas welcome to Camp David, the President said he was pleased with Mrs. Thatcher's support for the oft misunderstood SDI program. He noted that currently envisioned strategic defense weapons are not nuclear systems; many people have the mistaken impression that they are. General Eisenhower had spoken about how every advance in weapons of war is offset by another technological development. We owe it to future generations to see if we cannot develop a strategic defense that would move us away from this horrible threat of destroying the world. As he had told the Prime Minister in the private meeting, the initial research is promising, but we do not have any final answers. (C)

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Mrs. Thatcher again underlined that Britain backed the U.S. research program. She said she understood that we will not know for some time if a strategic defense system is truly feasible. If we reached a stage where production looked possible we would have some serious and difficult decisions to make. There are the ABM and outer space treaties. Future technological developments and possible countering strategies must also be considered. She recalled, for example, that with the advent of heat seeking missiles the general view had been that there was no defense against them, but this proved erroneous. Avoidance devices were developed. It was her impression from her talks with Gorbachev that the Soviets were following the same line of reasoning. They clearly fear U.S. technological prowess. However, Gorbachev suggested that the Soviets would either develop their own strategic defense system or add additional offensive systems. (S)

We do not want our objective of increased security, opined the Prime Minister, to result in increased Soviet nuclear weapons. Nuclear weapons have served not only to prevent a nuclear war, but they have also given us forty years of unprecedented peace in Europe. It would be unwise, she continued, to abandon a deterrence system that has prevented both nuclear and conventional war. Moreover, if we ever reach the stage of abolishing all nuclear weapons, this would make conventional, biological, or chemical war more likely. Hitler won the race for the rocket; the U.S. won the race for the nuclear bomb. The technological struggle goes on, she observed. There are all sorts of decoys, jamming systems and technological developments such as making the missile boost phase even shorter. All these advances make crisis management more and more difficult. (S)

Mrs. Thatcher said these comments reflect concerns. We have some real worries, especially about SDI's impact on deterrence. The wretched press has tried to make out that we have major differences. This is simply not true, but we do feel it is unwise to conclude where we will go on SDI, before the research program is completed. At the same time we need a sound research program, if we are to maintain a balanced relationship with the Soviets. (S)

Mrs. Thatcher noted that the President said earlier that initial indications are that a SDI program is feasible. Mrs. Thatcher said she must admit that personally she had some doubts. In the past, scientific genius has always developed a counter system. Even if an SDI system proved 95 percent successful -- a significant success rate -- over 60 million people would still die from those weapons that got through. She again emphasized her concern with any implication of dropping our successful nuclear deterrent strategy and stressed that it was important that we work out privately what we will say publicly about SDI. She said several points appear pertinent. We must emphasize that SDI is only a research program; and that our objective is both to maintain a military balance and to enhance, not weaken deterrence. (S)

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The President said we need to address the points Mrs. Thatcher had raised and to reach agreement on SDI, a program he called worth pursuing. He noted that experts continue to tell him that research is promising and SDI may be feasible. We have obviously not made a decision on production or deployment and these questions would have to be addressed at the appropriate time. We cannot and should not, however, continued the President, have to go on living under the threat of nuclear destruction. We must eliminate the threat posed by strategic nuclear weapons. My ultimate goal is to eliminate nuclear weapons. The Soviets are now beginning to echo this same view. He said he told Gromyko that the U.S. is not seeking superiority, but we will not let the Soviets achieve superiority. He recognized that the Soviets have great respect for our technology. They also must be concerned about our economic strength. It will be especially difficult for them to keep spending such vast sums on defense. Such spending is in neither of our interests. (C)

The President continued that he also recognized the great losses the Soviets suffered in World War II -- 20 million or more -- and accepted their obsession with security. But it doesn't make sense, as my predecessor did, to propose unilateral reductions, such as cancelling the B-1 bomber. Common sense tells us that one needs negotiating tools when bargaining with the Soviets, or anyone else for that matter. We in the West have great strength -- Europe alone has four times the GNP of the Soviet Union. We must deal with the Soviets from a position of strength. But we also know that in a nuclear war there would be no winners. (S)

Mrs. Thatcher interjected that this is why she had emphasized and praised the deterrence system that has worked so well for so many years. Strength is our best deterrence. (C)

The President agreed and said he is trying to convince the Soviets that we mean them no harm. He often thought that the basic system in Russia has not changed fundamentally, i.e., that their current communist system is another form of the aristocratic system that ruled Russia under the Czar. Gandhi had once said the Soviets believe more in survival than in communism. (C)

Mrs. Thatcher replied that it is correct to emphasize military balance, not superiority. Balance gives us security. Making a specific reference to SDI, she said research contributes towards maintaining a military balance. We need to explain to our publics that SDI is only a research program, that it does not contravene any existing treaties and if we get to the development stage, many alternative factors will have to be considered at that time. For example, the ABM treaty may have to be re-negotiated. (S)

Secretary Shultz stressed our concern is that the current situation is not balanced. The Soviets have many more offensive nuclear systems than foreseen under Salt I. The defensive side

is covered under the ABM treaty, but we have essentially dropped the notion of deploying a defensive system around cities and bases. The Soviets, however, have deployed an ABM system around Moscow -- this is permitted under the treaty -- and now they are also devoting considerable resources toward the development of other defensive systems. For example, they have a large phased array radar under construction, which we believe is a treaty violation. The Soviets have positioned themselves to break out from the conditions imposed the treaties. Their emphasis on defensive systems puts us in an unequal position. Our view is that there is an imbalance; our SDI research is designed to contribute to enhancing deterrence. (S)

Saying she didn't wish to debate strategic theory, Mrs. Thatcher noted that some claim SDI would be an incentive for the Soviets to produce more offensive systems and could encourage the Soviets to launch a preemptive first strike. From our point of view, said Mrs. Thatcher, deterrence remains our fundamental objective. And like you, we are fearful of the Soviets finding an excuse to walk out of the Geneva talks. (S)

Secretary Shultz interjected that we cannot just sit back and let the Soviets build up a significant advantage in defensive systems. Mrs. Thatcher said if she was a Soviet, she would take steps to improve my already significant civil defense program. (S)

At the President's request, National Security Advisor McFarlane expanded on the U.S. SDI program. Calling Mrs. Thatcher's questions and criticisms thoughtful and well-reasoned, McFarlane underscored that her remarks are based on the assumption that offensive deterrence in its present form can and will endure. This may not be true. In recent years the character of Soviet offensive systems have changed dramatically; they are more mobile and carry increased warheads, making verification a near impossible task. The future suggests that the Soviets will rely far more on mobile systems, as well as cruise missiles. (S)

McFarlane continued that our dilemma has been what to do to restore the strategic balance. The President has underway a significant strategic modernization program but this has encountered both moral and political difficulties, as evidenced by the M-X debate in Congress. The preferred course would be to reduce offensive systems. As the President has stated, this is our goal and the President ultimately hopes to eliminate nuclear weapons. McFarlane observed that our current dilemma -- one over which the President expressed concern several years ago -- is our inability to match the Soviet offensive build up. This is why the President asked us to examine other alternatives. Emerging technologies suggest that a new defensive system may be feasible. This is a searching question: can you have an absolute defense against incoming missiles, whether they be nuclear, chemical, or biological? (C)

Mrs. Thatcher wondered if a truly impervious system was possible. She asked, "is there any such thing as a perfect defense?" Could the Soviets simply not just overwhelm any defensive system with increased numbers of offensive systems? (S)

Calling the Prime Minister's questions good ones, McFarlane replied that we are concerned about nuclear deterrence becoming unstable and our goal is to strengthen deterrence. Given technological advances -- there have been some remarkable technology developments -- it is prudent and responsible for the President to undertake the SDI research effort. (S)

Saying SDI as she understood it seemed to suggest inherent U.S. superiority, Mrs. Thatcher added she was not convinced of the need to deploy such a system, particularly if it could eventually be knocked out by other technological advances. (S)

McFarlane commented that we need to better inform the British government on the extensive Soviet strategic defense effort. They have made great strides with their SA-10 and SAX-12 systems; the potential for what is called break-out is high. The President's SDI program is designed to maintain the strategic balance and thereby enhance deterrence. Shultz stated that we may be moving from a situation where we have mutually assured destruction to mutually assured defense. (S)

Mrs. Thatcher again stressed the need to work out the arguments in support of SDI and to develop a better coordinated public affairs line. (C)

McFarlane agreed and noted that there still remain several points where there is a difference of nuance. We believe that there is a strategic imbalance and the President's SDI program can contribute to strengthening deterrence. Deterrence as we know it today may no longer meet our future needs. We are willing to negotiate and discuss strategic systems with the Soviets, but neither of us can be expected to completely restructure our nuclear forces. He reemphasized that the President's goal is to enhance deterrence by maintaining a military balance. (C)

Noting we can say in public that we support the SDI research program and the need for military balance to maintain an effective deterrence, Mrs. Thatcher said it would be useful if someone could come to London to give her a top-level U.S. technical briefing on the U.S. and Soviet strategic defense programs. The President nodded agreement and said it was time to break for lunch. (S)

Mrs. Thatcher replied that she would appreciate briefly discussing civil aviation before lunch. She expressed her immense gratitude for the President's courageous decision on the Laker Anti-trust case and noted her relief that this decision did not result in bad press for the President. She continued that civil

aviation in general and the Laker case in particular, still posed a number of problems. During the course of the fall negotiations aimed at developing a more competitive civil aviation system, the British Government was told that the U.S. would be able to introduce legislation seeking repeal of the treble damage clause. We subsequently learned that you did not plan to introduce such legislation and believed that should you do so, Congress would reject it. (C)

Mrs. Thatcher said that this put her government in great difficulty particularly with regard to plans to denationalize British Airways. Our efforts to make British Airways more efficient and profitable have been successful but this possible treble damage case is hanging over British Airways like a dark cloud. It would be very difficult to denationalize British Airways in such a climate. There is still great confusion over the pricing arrangements. We had thought that Bermuda II, which has been approved by both our governments allowed for price changes if both authorities agreed. We have now learned that Bermuda II does not override U.S. anti-trust law. All this seems very unfair because the United Kingdom faces a total monopoly in the U.S. For example, British Airways can land in Houston, but cannot take passengers on to Denver. The framework for competition is not entirely fair. Moreover, the existing regulations for lowering fares are so great and complex that the last time we undertook to lower them it took three months to work it out. She repeated that U.S. action is denying her the ability to denationalize British Airways. (C)

The President replied that we are eager to make further progress on liberalizing the current aviation regime. We do feel that Congress would reject a proposal to waive treble damages. However, there are ways to lower air fares without having to face an anti-trust suit. Increased competition is in both our interests and we do favor the denationalization of British Airways. The President said it was time to break for lunch. (C)

The expanded session concluded at 12:15 p.m.

* * * * *

During the cocktail session before lunch, the President, Mrs. Thatcher, and Ambassador Price discussed civil aviation at some length. Both the President and Ambassador Price stressed that more competition would benefit both our countries and that there is no need to eliminate treble damages in order for our airlines to operate free of litigation in a more competitive environment. Mrs. Thatcher held firm, stating that the treble damage lawsuit hanging over British Airways made it very difficult for her to denationalize. Ambassador Price said there has not been one successful suit during the 15 years the current system has been

in existence. But if this is the final roadblock to privatization, why did the British Government just not set aside an indemnity fund to protect against any possible legal loss. Mrs. Thatcher replied that her budget did not have room for such funding and once it was known that government money would be behind a settlement, this would surely open the door to a large settlement in favor of the private parties. (C)

Working Lunch

Noting it had just been discussed, Mrs. Thatcher said she wished to return briefly to civil aviation. In her view, the British simply do not have an effective framework for lowering fares without facing antitrust suits. Bermuda II is not working, and treble damages pose major problems for British Airways. Secretary Shultz replied that our understanding is different. We believe adequate procedures are available under U.S. law and our Bermuda II agreement to provide protection against antitrust suits. The procedures will and have worked. Ambassador Price added that British Airways chief executives have indicated to him that they can work within the framework of existing laws and regulations. He noted that the British government, in signing the Bermuda II agreement, knew it did not override or take the place of U.S. antitrust laws. Moreover, under the current system, there has not been one antitrust suit in 15 years when the airlines followed the established procedures. Not budging, Mrs. Thatcher underlined that under the current circumstances, she would face great difficulties in trying to denationalize British Airways. (C)

Turning to the Middle East, Mrs. Thatcher said she was encouraged by her recent meeting with King Hussein, and that she personally knew the new Israeli Prime Minister very well and favorably. Prime Minister Peres wants to be constructive, and if we are to get anywhere in the Middle East we should attempt to do it while he is Prime Minister. She indicated she had also told both Hussein and Peres that a new international peace conference is not feasible. The President replied that we shared Mrs. Thatcher's view about more reasonable leadership in Israel. We have had problems with Hussein because of Congressional hesitation about arms sales to Jordan. We do not intend and could not impose an American peace plan on the Middle East. We do, however, remain committed to the positions set forth in my September 1st Middle East initiative; these positions are based on UN Resolution 242, and are fully consistent with the Camp David Accord. We seek an equitable settlement and agree that it is important to get the peace process started again while Peres is in power.

Mrs. Thatcher replied it is encouraging that the moderate Arabs are demonstrating greater unity, while the split among the radicals is deepening. Shultz said that we detect the same general trends, but noted that Saudi Arabia recently delivered

another \$100 million to Assad. Furthermore, Peres faces many problems -- in particular, a bleak economic situation, and the unsettled situation in Lebanon, where the presence of Israeli troops poses domestic problems. Peres needs to make progress on these two vital issues if he is to establish himself as a strong leader. (C)

Mrs. Thatcher asked if we were waiting on progress on the economy and Lebanon before mounting a new initiative. Shultz replied no and observed that Ambassador Murphy, our Assistant Secretary for Near-Eastern Affairs -- who has long experience in the region -- has spent much of the last three months in the area. Murphy has been actively working the diplomatic track; he has been well-received and has purposely kept a low profile. The President's September 1st initiative remains the centerpiece of our approach; an essential step in moving forward would be the commencement of direct negotiations between Israel and Jordan. To facilitate this possibility, we are working with Israel on what we have called a "quality of life" program for the West Bank and the Gaza. The Arabs who live in these areas are economically inferior, and we are working with Israel on improving their economic situation; over the longer-run, we hope this will help the peace process. The President added that it was encouraging that Peres, while in opposition, did not support the West Bank settlement policy, which is a major impediment to progress. (C)

Mrs. Thatcher asked for a brief review of the U.S. economy. The President said he had just received encouraging news that the loan discount rate is at its lowest level in six years. Interest rates are coming down, but we must tackle the difficult deficit problem. He said he plans to introduce an austerity spending program in which he hopes to hold overall FY 86 government spending at our FY 85 level. His goal is to bring the overall deficit, as a percentage of GNP, down to four percent in 1985, and then lower it an additional percentage point per year. While the overall federal deficit is entirely too high, it is little known that our state and local authorities had a \$58 million surplus last year. McFarlane added that the President faced a particularly troublesome task because what we call entitlement programs, i.e. those that are fixed, make up such a large portion of the federal budget. Indeed, these programs are at an all-time record high. (C)

Praising U.S. economic performance, Mrs. Thatcher said that the strength of the dollar is a sign of weakness in Europe. She opined that the overall political situation in Europe is not especially encouraging. There is a socialist government in France; neither Holland or Belgium seem to be able to get their act completely together; Germany is a question mark; and the Italians lack guts. There is a socialist government in Spain; Greece is a pain in the neck and certainly no friend of the U.S.; but Portugal did have the guts to fight communism. In Great Britain, the opposition Labor Party is espousing more and more socialist causes. None of this bodes especially well for Europe, but America's huge deficit and its need for such heavy borrowing to finance the deficit is keeping interest rates up too high.

Suggesting that his major deficit problem is partially inherited, the President observed that the U.S. is paying the consequences of 50 years of deficit spending. In all but four of those years, the Democrats controlled Congress. President Eisenhower tried to balance the budget, but we have a structural deficit. From 1965 to 1980, the federal budget became 4½ times larger; during the same period, the deficit became 38 times larger. As a famous U.S. economist, Milton Friedman said, "if you start paying people to be poor, there is going to be a lot of poor people." He has begun implementing his goal, said the President, of reforming the welfare system. There is also much talk of unemployment, but based on what he sees in our Sunday papers there are many jobs available. Saying he had developed a habit of looking at the classified ads whenever he is in a major metropolis, he commented that the help-wanted ads in a recent Sunday Washington Post went on for 43 pages; in the Los Angeles Times, there were 69 pages of help-wanted ads. He recognized that some of the jobs offered were in the new technical fields which demanded special qualifications. However, the sheer number of want-ads suggested jobs could be found. (U)

Secretary Shultz said he wished to return briefly to the Middle East. He noted that Israel was showing some flexibility about leaving Lebanon, where the situation is compounded because the Lebanese are the agents of the Syrians. The Israelis maintain their presence because the Lebanese do not have control over their own territory and cannot guarantee a secured border. Furthermore, there is a great fear that if the Israelis leave, the Lebanese will kill each other, and some Lebanese factions have urged the Israelis not to leave. Peace-keeping and security are legitimate concerns. Mrs. Thatcher replied that UNIFIL is not fulfilling its purpose. These units do not provide protection and just sit there and get shot at. She added that she questioned the UN's ability to provide an effective peace-keeping force. The President said that part of the problem is that the Soviets pose so many restrictions on how the UN force can be utilized. (C)

The President thanked Mrs. Thatcher for Britain's overall cooperation in combatting terrorism and their recent help with regard to the highjacking which ended in Iran. Mrs. Thatcher said we must all heighten our anti-terrorist efforts and hoped that U.S.-UK cooperation may have had an impact on Syria. The President added that we are particularly disappointed in the lack of Syrian cooperation concerning the three U.S. citizens that have been kidnapped and are likely held in Syrian-controlled territory in Lebanon. We believe the Syrians could be much more helpful than they have been. Shultz underscored the need for further progress as called for in the London Summit Declaration, and hoped ongoing work would lay the groundwork for further progress at the Bonn Summit. (S)

Returning to SDI, Shultz said he wished to reiterate that the goal of our initiative is to maintain and strengthen deterrence. We are trying to enhance survivability, and any system that would be developed would be used to defend the U.S. and its Allies. SDI is not a departure from deterrence. Mrs. Thatcher asked if it would be operative against cruise missiles. McFarlane said the short answer is yes. Part of the new technological developments are vastly improved radars which would enhance our ability to detect and attack cruise missiles. (S)

Mrs. Thatcher then circulated a brief statement she planned to make at the outset of her press conference following the lunch. She indicated that it had been worked out by our respective staffs during the course of the lunch, and wished to draw the President's attention to four specific points. They are: (1) the U.S. and Western aim is to maintain balance, i.e., not achieve superiority, while taking account of Soviet developments; (2) SDI-related deployment, in view of treaty obligations, would be a matter for negotiations; (3) the overall aim is to enhance, not undercut, deterrence; and (4) East-West negotiations should aim to achieve security at reduced levels of offensive systems. The President replied that we agree with these points and said he hoped they would quell reports of disagreement between us. (C)

Mrs. Thatcher said she wished to say a word about the situation in Ethiopia, where Britain has tried to be of some help, mostly in providing internal air-lift. The President said he is proud of the U.S. effort, which had both a public and private component. One U.S. Congressman in particular had played a key role in helping meet the Ethiopian needs. He gave me, said the President, a graphic description of the dire results of the famine. We are determined to continue our efforts despite a clear lack of willingness by the Ethiopian authorities to give us credit for our assistance. (U)

Turning to Central America, Mrs. Thatcher said the British intended to remain in Belize; if we left, the Guatemalans would probably feel a need to express their political virility by invading Belize. The result of the Belizean elections had come as a great surprise, but we see the outcome as being positive. The President commented that we appreciate the continued British military presence in Belize. He then turned to Nicaragua which he said a former Sandinista leader described as a militarily occupied country. If the U.S. had the same percent of its population under arms as the Nicaraguans, we would have an armed forces of 25 million strong. Mrs. Thatcher observed that the Soviets now seemed to sending additional ships with arms. The President replied that this was true and, referring to our concern that one of these ships had contained MIG aircraft, noted the problems we encounter -- partially because of periods of lost visibility -- in detecting what precise cargoes these ships carry. Mrs. Thatcher called the situation "very worrying." (C)

Mrs. Thatcher said she wished to address the situation in Northern Ireland. Despite reports to the contrary, she and Garrett FitzGerald were on good terms and we are working toward making progress on this difficult question. The President said making progress is important, and observed that there is great Congressional interest in this matter. Indeed, Tip O'Neill has sent him a personal letter, asking him to appeal to Mrs. Thatcher to be reasonable and forthcoming. (U)

The President noted it was time to close the discussions, which he had highly valued. He added that he looked forward to seeing Mrs. Thatcher in February and understood that our staffs are arranging a date. Mrs. Thatcher thanked the President for the warm pre-Christmas reception, and said she looked forward to an early reunion. (U)

The Working Lunch concluded at 1:25 p.m.

UNCLASSIFIED UPON REMOVAL
OF CLASSIFIED ENCLOSURES

dlb 9/29/05

RECEIVED 31 DEC 84 11

TO MCFARLANE FROM HILL, C

DOCDATE 29 DEC 84

KEYWORDS: VISIT

GREAT BRITAIN

THATCHER, MARGARET

ARMS CONTROL

AP

SUBJECT: PROPOSED DATES FOR PM THATCHER FEB VISIT

ACTION: PREPARE MEMO FOR KIMMITT

DUE: 02 JAN 85 STATUS S FILES WH

FOR ACTION

FOR CONCURRENCE

FOR INFO

MARTIN

SOMMER

KRAEMER

FORTIER

LEHMAN, R

KIMMITT

THOMPSON

COMMENTS

REF# 8435189

LOG

NSCIFID

(HW)

ACTION OFFICER (S)	ASSIGNED	ACTION REQUIRED	DUE	COPIES TO
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DISPATCH	_____	W/ATTCH	FILE	_____	(C)
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United States Department of State

Washington, D.C. 20520


~~CONFIDENTIAL~~

December 29, 1984

MEMORANDUM FOR MR. ROBERT C. MCFARLANE
THE WHITE HOUSESubject: February 1985 Visit of British Prime Minister
Margaret Thatcher: Proposed Dates

Pursuant to her recent conversations at Camp David with the President, British Prime Minister Margaret Thatcher has informed Ambassador Charles Prices that she would prefer to arrive in Washington for her February visit on the evening of the 19th and to meet with the President for an arms control seminar on February 20th. She then would fly to Texas on the 21st and depart from there for London on the 22nd.

Please advise if the above dates are convenient for the President.



Charles Hill
Executive Secretary

~~CONFIDENTIAL~~

DECL:OADR

DECLASSIFIED

Department of State Guidelines, July 21, 1997

By dlb NARA, Date 9/29/05

National Security Council
The White House

System # II

Package # 90010

	SEQUENCE TO	HAS SEEN	DISPOSITION
Paul Thompson	<u>1</u>	<u>8</u>	
Bob Kimmitt	<u>2</u>	<u>8</u>	
John Poindexter	<u>3</u>	<u>8</u>	
Tom Shull			
Wilma Hall			
Bud McFarlane	<u>4</u>	<u>17</u>	<u>1</u>
Bob Kimmitt			
NSC Secretariat	<u>6</u>		<u>1</u>
Situation Room			
<u>Rosie</u>	<u>5</u>		<u>Clear to State</u>

I = Information A = Action R = Retain D = Dispatch N = No further Action

cc: VP Meese Baker Deaver Other _____

COMMENTS

Should be seen by: AK
(Date/Time)

Done 1/4/85 -- sen

27520

~~SECRET~~

SYSTEM II
90010

MEMORANDUM

NATIONAL SECURITY COUNCIL

~~SECRET~~

ACTION

January 4, 1985

MEMORANDUM FOR ROBERT C. MCFARLANE

FROM: SVEN KRAEMER/DONALD MAHLEY/ROBERT LINHARD

SUBJECT: Presidential Letter to Allies on Geneva Talks

The Department of State has forwarded a draft message, to be delivered in cable form, from the President to key Allies on the forthcoming US/Soviet arms control talks in Geneva (Tab A).

While the draft generally conforms closely with existing guidance, we have suggested a few changes, for the sake of clarity, as indicated in the attached text. We also believe it appropriate that the President's letter contain the overview paragraph developed by the Senior Arms Control Group (Insert 1), and that it make an early reference to the fact that you will be with Secretary Shultz for the Geneva meeting.

As this action involves a Presidential message, we believe you need to review it personally on an urgent basis and no later than mid-day today. As soon as you have had an opportunity to review/revise, we will telephone the appropriate revisions to State.

Ron
Ron Lehman, Jack Matlock, and Don Fortier concur.

RECOMMENDATION

That you approve the draft Presidential message to key Allies at Tab A, as modified.

Approve pen Disapprove _____

Attachment as in a

Tab A Draft Presidential Message to Allies

DECLASSIFIED

~~SECRET~~

Declassify on: OADR

NLRRF97-013/3 #27520

BY KML NARA DATE 11/29/11

~~SECRET~~

TTW

WASHFAX RECEIPT
DEPARTMENT OF STATE

B

S/S #

UNCLASSIFIED UPON REMOVAL
OF CLASSIFIED ENCLOSURE

RECEIVED

85 JAN 3 P 6:49

URGENT

MESSAGE NO. 2505 CLASSIFICATION SECRET No. Pages 5
FROM Brunson McKinley S/S 632-3126
(Officer name) (Office symbol) (Extension) (Room number)
MESSAGE DESCRIPTION Immediate Cable to ANATO: Letter to Allied Leaders
on Geneva

TO (Agency)	DELIVER TO:	Extension	Room No.
NSC	Robert Kimmitt	456-2225	
	Thompson		
	NSC/S		

FOR CLEARANCE ☒ INFORMATION ☐ PER REQUEST ☐ COMMENT ☐

REMARKS URGENT -- CLEARANCE REQUESTED PLEASE BY NOON 4 JANUARY

S/S Officer:

BMcKinley/ns / 1448

URGENT

CROSSHATCH

~~SECRET~~
CLASSIFICATION

UNCLASSIFIED UPON REMOVAL
OF CLASSIFIED

alb 9/29/05

EXPEDITE

NATIONAL SECURITY COUNCIL
CROSSHATCH ACTION SHEET

MESSAGE # B-2505
DATE TIME: 1859L
3 JAN 85

IT IS THE RESPONSIBILITY OF THE COMMENT OFFICER TO CLEAR WITH THE
EP EXEC SEC PRIOR TO THE ASSIGNED DUE DATE.

ACTION OFFICER

COMMENT OFFICER

INFO

THOMPSON

mahley

KIMMITT

Kraemer

~~_____~~

matlock

Fortier

ACTION CONCUR TO DEP EXEC SEC VIA PHONE AND/OR COMMENT HERE AND HANDCARRY
TO DEP EXEC SEC DUE DATE: ~~_____~~

NOON 4 JAN 85

ACTION OFFICER COMMENTS:

EXPEDITE

CLEARED BY: _____ DATE: _____ TIME: _____

CLEARED TO: _____ DATE: _____ TIME: _____

~~SECRET~~

~~SECRET~~

PRESIDENTIAL MESSAGE TO ALLIES

Insert #1

During the next ten years, the U.S. objective is a radical reduction in the power of existing and planned offensive nuclear arms, as well as the stabilization of the relationship between offensive and defensive nuclear arms, whether on earth or in space. We are even now looking forward to a period of transition to a more stable world, with greatly reduced levels of nuclear arms and an enhanced ability to deter war based upon the increasing contribution of non-nuclear defenses against offensive nuclear arms. This period of transition could lead to the eventual elimination of all nuclear arms, both offensive and defensive. A world free of nuclear arms is an ultimate objective to which we, the Soviet Union, and all other nations can agree.

Insert #2

For our part, I plan to authorize Secretary Shultz to indicate that the United States is prepared to begin negotiations on the full range of nuclear arms, both offensive and defensive, and to address Soviet concerns on space related issues as they apply in the context of negotiations on offensive nuclear forces and defensive nuclear forces.

*Shultz to indicate
that the United States is prepared to begin negotiations on the
full range of nuclear arms, both offensive and defensive, and to
address Soviet concerns on space related issues as they apply in
the context of negotiations on offensive nuclear forces and
defensive nuclear forces.*

*, who will be joined by
Paul Nitze and Bud
McFarlane,*

~~SECRET~~

DECLASSIFIED

NLS F97-013/3#22571A

BY LOT NARA, DATE 9/5/07

~~SECRET~~

EUR/SOV/MULTI: AVERSHBOW: AV
 1/3/85 632-0821 WANG 3912M
 S: CHILL

NSC: RMC FARLANE
 S/PN: PNITZE
 S/S: BRCKINLEY

EUR: RBURT/MPALMER
 PM: JCHAIN

S, S/S, D, P, S/PN, EUR, PM ONLY

IMMEDIATE ANATO, TOKYO IMMEDIATE, CANBERRA IMMEDIATE, WELLINGTON
 IMMEDIATE

NODIS

E.O. 12356: DECL: OADR

TAGS: PARM, UR, US

SUBJECT: LETTER TO ALLIED LEADERS ON GENEVA

1. ~~S~~ - ENTIRE TEXT

2. EMBASSIES SHOULD DELIVER LETTER FROM PRESIDENT TO
 ALLIED LEADERS (BELOW) AS EARLY AS POSSIBLE JANUARY 4.
 THERE WILL BE NO SIGNED ORIGINAL.

3. BEGIN TEXT:

DEAR-----:

- AS WE APPROACH THE COMPLETION OF OUR PREPARATIONS
 FOR SECRETARY SHULTZ'S GENEVA MEETING WITH SOVIET
 FOREIGN MINISTER GROMYKO, I WANT TO EXPRESS MY
 APPRECIATION FOR THE WISE COUNSEL AND WARM SUPPORT
 WE HAVE RECEIVED FROM ALLIED GOVERNMENTS. I KNOW
 YOU SHARE MY HOPE THAT THIS MEETING WILL

CH
 CH
 AVA
 RM RBA
 PNA JCT
 BRCK

DECLASSIFIED

NLRR MID-337#22521
 BY RW NARA DATE 3/4/13

DECLASSIFIED
 NLS 897-013/3#22521
 BY ~~LS~~ NARA DATE 9/5/07

~~SECRET~~

SECRET

1 2

NUCLEAR

As you know, my National Security Advisor, Mr. Robert McFarlane, will join Secretary Shultz in Geneva in the effort to achieve progress there.

OPEN THE WAY TO RENEWED ARMS CONTROL NEGOTIATIONS BETWEEN THE UNITED STATES AND THE SOVIET UNION AND ESTABLISH A PRODUCTIVE BASIS FOR PROGRESS IN THOSE TALKS. WE HAVE, AS YOU KNOW, BEEN GIVING CLOSE CONSIDERATION IN RECENT WEEKS TO THE APPROACH WE SHOULD ADOPT IN GENEVA, AND I WANT TO SHARE WITH YOU THE TENTATIVE CONCLUSIONS WE HAVE NOW REACHED.

INSERT # 1

- WE FEEL THAT OUR FOREMOST OBJECTIVE SHOULD BE THE EARLY RESUMPTION OF NEGOTIATIONS ON OFFENSIVE NUCLEAR ARMS REDUCTIONS. SOVIET SPOKESMEN, FOR THEIR PART, HAVE IDENTIFIED ANTI-SATELLITE WEAPONS, THE STRATEGIC DEFENSE INITIATIVE AND THE GENERAL AREA OF SPACE AS MATTERS OF HIGH CONCERN TO THE SOVIET UNION, AND WE ARE ACCORDINGLY PREPARED TO ADDRESS THESE ISSUES AS WELL.

- ONE QUESTION WHICH WILL NEED TO BE DEALT WITH IN GENEVA IS THAT OF THE NEGOTIATING FORA TO BE ESTABLISHED. THE UNITED STATES, SUPPORTED BY ITS ALLIES, HAS REITERATED THROUGHOUT THE PAST YEAR OUR READINESS AND DESIRE TO RESUME THE START AND INF NEGOTIATIONS WHICH WERE INTERRUPTED BY THE SOVIET UNION IN 1983. WE CONTINUE TO BELIEVE THAT THESE TWO FORA REPRESENT A STRAIGHTFORWARD, ~~STRAIGHT~~ AND EFFECTIVE MEANS OF ORGANIZING OUR NEGOTIATING EFFORTS ON OFFENSIVE NUCLEAR ARMS REDUCTIONS. WE ARE ALSO READY, HOWEVER, TO EXAMINE OTHER POSSIBILITIES WHICH WOULD PERMIT BOTH OFFENSIVE AND DEFENSIVE SYSTEMS TO BE ADDRESSED, INCLUDING THOSE RAISED BY THE SOVIET UNION. I INTEND TO INSTRUCT SECRETARY SHULTZ TO SEEK TO WORK OUT WITH FOREIGN MINISTER GROMYKO MUTUALLY AGREEABLE ARRANGEMENTS WHICH WILL PERMIT THE CONVENING OF EARLY FOLLOW-ON NEGOTIATIONS.

- THE FORTHCOMING MEETING IN GENEVA IS NOT LIKELY TO PROVIDE TIME FOR DETAILED EXCHANGES REGARDING THE TWO SIDES' APPROACHES TO NUCLEAR ARMS CONTROL. I DO BELIEVE, HOWEVER, THAT SOME GENERAL EXCHANGE ON SUBSTANCE CAN BE HELPFUL.

INSERT # 2

~~FOR OUR PART, I PLAN TO AUTHORIZE SECRETARY SHULTZ TO INDICATE THAT IN NEGOTIATIONS ON STRATEGIC NUCLEAR ARMS THE UNITED STATES WILL BE PREPARED TO EXPLORE TRADE-OFFS THAT WOULD RECOGNIZE AND ACCOMMODATE ASYMMETRIES IN THE TWO SIDES' FORCE STRUCTURES, PROVIDED THE SOVIETS ARE PREPARED TO APPROACH THE PROBLEM IN AN EQUALLY CONSTRUCTIVE MANNER. HE WOULD NOTE THAT U.S. NEGOTIATORS WILL HAVE EXTENSIVE FLEXIBILITY AS TO THE STRUCTURE AND CONTENT OF THE TRADE-OFFS.~~

ADDRESS SECRET

- SECRETARY SHULTZ WILL STRESS THE HIGH PRIORITY WE ATTACH TO ACHIEVING EQUITABLE AND VERIFIABLE LIMITATIONS ON INTERMEDIATE-RANGE NUCLEAR FORCES. HE WILL REMIND GROMYKO OF THE POSITION WHICH THE UNITED STATES, BASED UPON ALLIANCE CONSULTATIONS, PUT FORWARD TO THE SOVIET SIDE IN SEPTEMBER 1983, AND INDICATE THAT THE UNITED STATES WILL BE PREPARED, IN NEGOTIATIONS, TO EXPLORE HOW THE DEVELOPMENT OF THE VARIOUS ELEMENTS OF THIS POSITION COULD PROVIDE THE BASIS FOR OVERCOMING EXISTING DIFFERENCES IN THE TWO SIDES' APPROACHES. (FOR NATO COUNTRIES: WE WILL, ~~CONTINUE~~ CONTINUE TO CONSULT CLOSELY WITH YOU AS OUR EXCHANGES WITH THE SOVIETS ON THIS POINT PROGRESS.) AT THE SAME TIME, WE WILL, OF COURSE, REJECT ANY PROPOSALS FOR A MORATORIUM ON INF DEPLOYMENTS AS A PRECONDITION FOR NEGOTIATIONS, REJECT THE INCLUSION OF THIRD-COUNTRY SYSTEMS, AND REAFFIRM THAT THE NATO DEPLOYMENT PROGRAM DECIDED UPON IN 1979 CAN BE ALTERED ONLY AS A RESULT OF A CONCRETE ARMS CONTROL AGREEMENT.

- SECRETARY SHULTZ WILL ALSO BE PREPARED TO ADDRESS IN A CONSTRUCTIVE MANNER THE OTHER AREAS OF APPARENT SOVIET CONCERN. HE WOULD THUS BE AUTHORIZED TO AGREE TO NEGOTIATIONS THAT ADDRESS SPACE-RELATED ISSUES AS ELEMENTS OF THE BROAD RANGE OF OFFENSIVE AND DEFENSIVE ARMS. WITH RESPECT TO ANTI-SATELLITE SYSTEMS, HE WILL MAKE CLEAR THAT, IN FOLLOW-ON NEGOTIATIONS, THE UNITED STATES WILL BE READY TO CONSIDER AREAS OF MUTUAL RESTRAINT. SECRETARY SHULTZ WILL ALSO INDICATE OUR WILLINGNESS -- INDEED, OUR DESIRE -- TO DISCUSS THE RELATIONSHIP BETWEEN PRESENT AND FUTURE DEFENSIVE AND OFFENSIVE CAPABILITIES OF BOTH SIDES.

- AS YOU KNOW, THE SOVIET UNION HAS SOUGHT WITH INCREASING INTENSITY OVER RECENT WEEKS TO IDENTIFY THE U.S. PROGRAM OF RESEARCH ON STRATEGIC DEFENSES AS AN OBSTACLE TO PROGRESS IN ARMS CONTROL. IN GENEVA SECRETARY SHULTZ WILL RESPOND TO ANY SUCH APPROACH BY NOTING THAT IT IS THE SOVIET UNION THAT HAS UNDERMINED THE ASSUMPTIONS ON WHICH THE ABM TREATY WAS BASED. HE WILL REAFFIRM THAT THE U.S. STRATEGIC DEFENSE INITIATIVE IS A RESEARCH PROGRAM THAT IS PERMITTED AND BEING CARRIED OUT IN FULL CONFORMITY WITH THE ABM TREATY, AND NOTE THAT ANY DECISIONS AS TO TESTING OR DEPLOYMENT OF SYSTEMS NOT PERMITTED BY THE TREATY WOULD BE A MATTER FOR NEGOTIATION. HE WILL ALSO POINT OUT THE ACTIVITIES OF THE SOVIET UNION THAT WE BELIEVE ARE NOT CONSISTENT WITH THE TREATY.

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- NOTING THAT THE SOVIET PROGRAM OF RESEARCH ON NEW FORMS OF BALLISTIC MISSILE DEFENSES PARALLELS AND, IN SOME AREAS, SURPASSES OUR OWN, SECRETARY SHULTZ WILL NOTE THE IMPRACTICALITY OF SEEKING TO LIMIT RESEARCH ACTIVITY, BUT HE WILL ALSO STRESS THE DESIRABILITY OF INITIATING A DIALOGUE REGARDING THE LONGER-TERM IMPLICATIONS OF NEW DEFENSIVE TECHNOLOGIES FOR ARMS CONTROL AND DETERRENCE.

ADDRESSED) ~~MANAGED~~ IN MY VIEW, NEW FORMS OF DEFENSE AGAINST THE THREAT OF BALLISTIC MISSILE ATTACK MAY, IN THE LONG RUN, OFFER A MEANS OF ENHANCING DETERRENCE AND REDUCING THE IMPORTANCE OF NUCLEAR BALLISTIC MISSILES IN THE OVERALL STRATEGIC RELATIONSHIP. WE ALSO RECOGNIZE, HOWEVER, THAT SUCH A DEVELOPMENT, IF IT PROVES TECHNICALLY FEASIBLE, SHOULD BE COOPERATIVELY. THUS, EVEN WHILE U.S. AND SOVIET SCIENTISTS LOOK INTO THE TECHNICAL POSSIBILITIES FOR THE FUTURE, I AM PREPARED TO BEGIN DISCUSSION WITH THE SOVIET UNION NOW ON THE STRATEGIC AND ARMS CONTROL IMPLICATIONS OF THESE NEW TECHNOLOGIES. I WOULD NOTE THAT THE LONG-TERM GOAL OF THE EVENTUAL ELIMINATION OF ALL NUCLEAR WEAPONS HAS BEEN EMBRACED BY BOTH SIDES.

EFFORTS) - IF THE SOVIET UNION COMES TO GENEVA GENUINELY DESIROUS OF OPENING A NEW AND MORE PRODUCTIVE PHASE IN US-SOVIET ARMS CONTROL, I BELIEVE THAT THE TWO SIDES SHOULD BE ABLE TO REACH EARLY AGREEMENT ON THE SUBJECT AND OBJECTIVES FOR NEW TALKS, AND ON THE APPROPRIATE NEGOTIATING FORA. WE MUST ANTICIPATE, HOWEVER, THAT THE SOVIETS MAY CONTINUE TO PURSUE THEIR MULTI-TIERED STRATEGY OF DIPLOMACY, PROPAGANDA AND INTIMIDATION DESIGNED TO SECURE WESTERN RESTRAINT WITHOUT COMPARABLE CONCESSIONS AND LIMITATIONS ON THEIR OWN FORCES. WE HAVE SUCCESSFULLY RESISTED THESE SOVIET EFFORTS IN THE PAST, AND I AM CONFIDENT THAT WE CAN DO SO IN THE FUTURE.

MUST - AT THIS STAGE, I BELIEVE WE MUST AVOID ESTABLISHING ARTIFICIAL DEADLINES FOR PROGRESS, AND RESIST EXCESSIVE EXPECTATIONS. FOR OUR PART, WE WILL BE PREPARED TO DEVOTE AS MUCH TIME AND EFFORT AS IS NECESSARY TO LAUNCH THIS NEXT STAGE OF US-SOVIET ARMS CONTROL NEGOTIATIONS. WITH GOODWILL, PATIENCE, AND YOUR CONTINUING SUPPORT, I AM OPTIMISTIC THAT WE CAN SUCCEED.

- IN ORDER TO ASSURE THE BEST PROSPECTS FOR SUCCESS IN SECRETARY SHULTZ'S FORTHCOMING DISCUSSIONS, I ASK THAT YOU HOLD ALL THE ABOVE IN UTMOST CONFIDENCE. WE WILL, OF COURSE, BRIEF YOU AS EARLY AS POSSIBLE ON THE RESULTS OF THE GENEVA TALKS (ADD FOR NATO ALLIES: (SENIOR MEMBERS OF SECRETARY SHULTZ'S PARTY TO GENEVA WILL BRIEF THE NORTH

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ATLANTIC COUNCIL IN BRUSSELS ON JANUARY 433. I LOOK
FORWARD TO RECEIVING YOUR CONTINUED COUNSEL ON THESE
ISSUES.

- SINCERELY
- RONALD REAGAN

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TO ALL NATO CAPITALS NIACT IMMEDIATE
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AMEMBASSY CANBERRA NIACT IMMEDIATE 0000
AMEMBASSY WELLINGTON NIACT IMMEDIATE 0000

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NODIS
E. O. 12356: DECL: OADR
TAGS: PARM, UR, US
SUBJECT: LETTER TO ALLIED LEADERS ON GENEVA

1. ~~9~~ - ENTIRE TEXT

2. EMBASSIES SHOULD DELIVER LETTER FROM PRESIDENT TO ALLIED LEADERS (BELOW) AS EARLY AS POSSIBLE JANUARY 5. US NATO SHOULD GIVE COPY TO CARRINGTON. THERE WILL BE NO SIGNED ORIGINAL. FOR SALUTATION AND SIGNATURE LINES, USE NAMES REFLECTED IN MOST RECENT CORRESPONDENCE WITH RESPECTIVE HEADS OF STATE/GOVERNMENT.

3. BEGIN TEXT.
DEAR-----:

- AS WE APPROACH THE COMPLETION OF OUR PREPARATIONS FOR SECRETARY SHULTZ'S GENEVA MEETING WITH SOVIET FOREIGN MINISTER GROMYKO, I WANT TO EXPRESS MY APPRECIATION FOR THE WISE COUNSEL AND WARM SUPPORT WE HAVE RECEIVED FROM ALLIED GOVERNMENTS, I KNOW YOU SHARE MY HOPE THAT THIS MEETING WILL OPEN THE WAY TO RENEWED NUCLEAR ARMS CONTROL NEGOTIATIONS BETWEEN THE UNITED STATES AND THE SOVIET UNION AND ESTABLISH A PRODUCTIVE BASIS FOR PROGRESS IN THOSE TALKS.

- DURING THE NEXT TEN YEARS, THE US OBJECTIVE IS A RADICAL REDUCTION IN THE POWER OF EXISTING AND PLANNED OFFENSIVE NUCLEAR ARMS, AS WELL AS THE STABILIZATION OF THE RELATIONSHIP BETWEEN OFFENSIVE AND DEFENSIVE NUCLEAR ARMS, WHETHER ON EARTH OR IN SPACE. WE ARE EVEN NOW LOOKING FORWARD TO A PERIOD OF TRANSITION TO A MORE STABLE WORLD WITH GREATLY REDUCED LEVELS OF NUCLEAR ARMS AND AN ENHANCED ABILITY TO DETER WAR BASED UPON THE INCREASING CONTRIBUTION OF NON-NUCLEAR DEFENSES AGAINST OFFENSIVE NUCLEAR ARMS. THIS PERIOD OF TRANSITION COULD LEAD TO THE EVENTUAL ELIMINATION OF ALL NUCLEAR ARMS, BOTH OFFENSIVE AND DEFENSIVE. A WORLD FREE OF NUCLEAR ARMS, IS AN ULTIMATE OBJECTIVE TO WHICH WE, THE SOVIET

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JY RW NARA DATE 3/4/13

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9/5/07

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UNION, AND ALL OTHER NATIONS CAN AGREE.

- WE HAVE, AS YOU KNOW, BEEN GIVING CLOSE CONSIDERATION IN RECENT WEEKS TO THE APPROACH WE SHOULD ADOPT IN GENEVA, AND I WANT TO SHARE WITH YOU THE TENTATIVE CONCLUSIONS WE HAVE NOW REACHED.

- WE FEEL THAT OUR FOREMOST OBJECTIVE SHOULD BE THE EARLY RESUMPTION OF NEGOTIATIONS ON OFFENSIVE NUCLEAR ARMS REDUCTIONS. SOVIET SPOKESMEN, FOR THEIR PART, HAVE IDENTIFIED ANTI-SATELLITE WEAPONS, THE STRATEGIC DEFENSE INITIATIVE AND THE GENERAL AREA OF SPACE AS MATTERS OF HIGH CONCERN TO THE SOVIET UNION, AND WE ARE ACCORDINGLY PREPARED TO ADDRESS THESE ISSUES AS WELL.

- ONE QUESTION WHICH WILL NEED TO BE DEALT WITH IN GENEVA IS THAT OF THE NEGOTIATING FORA TO BE ESTABLISHED. THE UNITED STATES, SUPPORTED BY ITS ALLIES, HAS REITERATED THROUGHOUT THE PAST YEAR OUR READINESS AND DESIRE TO RESUME THE START AND INF NEGOTIATIONS WHICH WERE INTERRUPTED BY THE SOVIET UNION IN 1983. WE CONTINUE TO BELIEVE THAT THESE TWO FORA REPRESENT A STRAIGHTFORWARD AND EFFECTIVE MEANS OF ORGANIZING OUR NEGOTIATING EFFORTS ON OFFENSIVE NUCLEAR ARMS REDUCTIONS. WE ARE ALSO READY, HOWEVER, TO EXAMINE OTHER POSSIBILITIES WHICH WOULD PERMIT BOTH OFFENSIVE AND DEFENSIVE SYSTEMS TO BE ADDRESSED, INCLUDING THOSE RAISED BY THE SOVIET UNION. I INTEND TO INSTRUCT SECRETARY SHULTZ TO SEEK TO WORK OUT WITH FOREIGN MINISTER GROMYKO MUTUALLY AGREEABLE ARRANGEMENTS WHICH WILL PERMIT THE CONVENING OF EARLY FOLLOW-ON NEGOTIATIONS.

- THE FORTHCOMING MEETING IN GENEVA IS NOT LIKELY TO PROVIDE TIME FOR DETAILED EXCHANGES REGARDING THE TWO SIDES' APPROACHES TO NUCLEAR ARMS CONTROL. I DO BELIEVE, HOWEVER, THAT SOME GENERAL EXCHANGE ON SUBSTANCE CAN BE HELPFUL.

- FOR OUR PART, I PLAN TO AUTHORIZE SECRETARY SHULTZ, WHO WILL BE JOINED BY PAUL NITZE AND BUD MCFARLANE, TO INDICATE THAT THE US IS PREPARED TO BEGIN NEGOTIATIONS ON THE FULL RANGE OF NUCLEAR ARMS, BOTH OFFENSIVE AND DEFENSIVE, AND TO ADDRESS SOVIET CONCERNS ON SPACE-RELATED ISSUES AS THEY APPLY IN THE CONTEXT OF NEGOTIATIONS ON OFFENSIVE NUCLEAR FORCES AND DEFENSIVE NUCLEAR FORCES.

- WITH RESPECT TO NEGOTIATIONS ON OFFENSIVE STRATEGIC NUCLEAR ARMS, THE UNITED STATES WILL BE PREPARED TO EXPLORE TRADE-OFFS THAT WOULD ADDRESS ASYMMETRIES IN THE TWO SIDES' FORCE STRUCTURES, PROVIDED THE SOVIETS ARE PREPARED TO APPROACH THE PROBLEM IN AN EQUALLY CONSTRUCTIVE MANNER. HE WOULD NOTE THAT U. S. NEGOTIATORS WILL HAVE EXTENSIVE FLEXIBILITY AS TO THE STRUCTURE AND CONTENT OF THE TRADE-OFFS.

- SECRETARY SHULTZ WILL STRESS THE HIGH PRIORITY WE ATTACH TO ACHIEVING EQUITABLE AND VERIFIABLE LIMITATIONS ON INTERMEDIATE-RANGE NUCLEAR FORCES. HE WILL REMIND GROMYKO OF THE POSITION WHICH THE UNITED STATES, BASED UPON ALLIANCE CONSULTATIONS, PUT FORWARD TO THE SOVIET SIDE IN SEPTEMBER 1983, AND INDICATE THAT THE UNITED STATES WILL BE PREPARED, IN NEGOTIATIONS, TO EXPLORE HOW THE DEVELOPMENT OF THE VARIOUS ELEMENTS OF THIS POSITION COULD PROVIDE THE BASIS FOR OVERCOMING EXISTING DIFFERENCES IN THE TWO SIDES' APPROACHES. (FOR NATO COUNTRIES: WE WILL CONTINUE TO CONSULT CLOSELY WITH YOU AS OUR EXCHANGES WITH THE SOVIETS ON THIS POINT

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PROGRESS.) AT THE SAME TIME, WE WILL, OF COURSE, REJECT ANY PROPOSALS FOR A MORATORIUM ON INF DEPLOYMENTS AS A PRECONDITION FOR NEGOTIATIONS, REJECT THE INCLUSION OF THIRD-COUNTRY SYSTEMS, AND REAFFIRM THAT THE NATO DEPLOYMENT PROGRAM DECIDED UPON IN 1979 CAN BE ALTERED ONLY AS A RESULT OF A CONCRETE ARMS CONTROL AGREEMENT.

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- SINCERELY

- RONALD REAGAN (OR RON OR RONALD, AS APPROPRIATE)

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