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PRIME MINISTER

Ballistic Missile Defence (BMD) and the Strategic Defence Initiative (SDI)

1. Following our discussion at Chequers officials have prepared speaking notes and background for your Washington talks along the lines instructed in your Private Secretary's letter of 2 February. I have seen and am content with the line taken in those papers. At the risk of burdening you with one more piece of paper, I should like to add some thoughts of my own about problems that lie behind our talks with the Americans about space issues. Some of these came up at our dinner with Craxi last night.
2. I am sure that it would be helpful if we could begin to get across to the President and his people the risks in rhetoric being allowed to run too far ahead of reality. As we know, the President has a vision of a non-nuclear future, produced by the development of defences against ballistic missiles. The prospect is of course attractive. But before the elimination of all nuclear weapons becomes an accepted part of Western strategy - and that would be a very big shift indeed - I am sure it is in our interests to sound a note of caution.
3. There seem to me to be a number of serious dangers:

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- (1) As both superpowers commit themselves - or appear to do so - simply to abolish all nuclear weapons, without placing this in the essential context of "general and complete (i.e. including conventional) disarmament", the pressure on us to contribute to the same aim via our own deterrent will inexorably increase.
- (2) The much broader case against nuclear weapons (on Lange lines) will be greatly encouraged, when the real world will for the foreseeable future require us all to go on arguing the case for nuclear deterrence.
- (3) As a result, Western expectations for the arms control debate and an improved relationship with the Communist world will place an unfair burden upon the real political process.
- (4) Finally, and perversely, it will be all the harder to persuade the Russians, in face of the President's strongly repeated vision, that the US are really in earnest in the arms control debate, and that the new and dangerous spiral in the arms race has not already started.

4. I am reminded of what you said at the UN in 1982: "Of course we must look for a better system of preventing war than nuclear deterrence. But to suggest that between East and West there is such a system within reach at the present time would be a perilous pretence". That was a year before the President launched his SDI. But the rhetoric of 1983 and thereafter has not changed the harsh realities of the nuclear world in which we will continue to live.



5. A second point which is important to us (I do not suggest we mention it in Washington) is the potential effect upon our own deterrent of expected improvements in Soviet defence capabilities stimulated by their own research programme. I know that we have received technical advice to the effect that, whatever the Russians do in the way of up-grading their defences over the lifetime of UK Trident, the system will remain effective and credible. But I am mindful, even so, of the effect (to which Michael Heseltine referred in a minute to you at the end of last year) of even minor changes in the Soviet defences around Moscow. This makes me acutely aware of the sensitivity of our deterrent to such changes even when they are allowed by the ABM Treaty. So I confess that I am not entirely convinced that further development of such defences by the Soviet Union, which might well go beyond the Treaty, in parallel to whatever the Americans will be doing, will have quite such tolerable results as we have so far been assured.

6. Even if the technical case is proven, and I have no reason to dissent from it, we shall still face a growing political problem of a different kind. Some of our own supporters are beginning to question the wisdom of proceeding with UK Trident into a future which, according to US predictions, is likely to be increasingly dominated by strategic defences designed to nullify a much larger nuclear force than that represented by our own deterrent. In other words, the argument will run, why bother to spend so much money on UK Trident when much larger sums will be spent to render it ineffective, and defences against minor deterrents can be deployed much sooner than comprehensive systems against each other? As with the wider debate on UK Trident, we have been well supplied with sound technical arguments to answer such questions. But I have no doubt that in the current political atmosphere it will be more difficult to channel the debate along cool rational lines.



7. My third thought results from a recent browse through a batch of papers dating from the 1960s, including one produced by FCO officials on what was then called the ABM Question; I enclose a copy in case you would find it of interest. It suggests two further points to me. First, a realisation that there has been no really radical change in the strategic debate. In words uncannily close to President Reagan's present statements, Nixon emphasised to Congress in 1971 that: "I must not be - and my successors must not be - limited to the indiscriminate mass destruction of civilians as the sole possible response to challenges". Of course 20 years ago neither superpower was capable of deploying even in theory anything more than limited defences; that is one difference between then and now. But the general consensus in Washington (though not, I think, including the President) now seems to accept that the real BMD debate will increasingly revolve around the merits of limited point defences of the kind which formed the central issue in the 1960s debate. In that sense the issues in the debate that was launched by President Reagan's 1983 speech are not fundamentally new.

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8. My second 1960s point is that, seen in retrospect, the 1972 combination of the ABM Treaty and SALT I missed an historic opportunity for real arms control, and contributed to the present difficulties in Western strategy. Some years before the Russians and Americans engaged in the ABM negotiations in order to inhibit the development of defences, the Americans had already begun to develop MIRVed warheads in order to counter the threat they perceived from the build-up of Soviet defences. Although the defence programmes were eventually strangled by the Treaty, the US MIRV programme had nonetheless reached the point by 1972 where it could no longer be stopped. The Russians followed suit. (The historical record indicates that the Joint Chiefs of Staff only accepted the SALT I limitations on condition that continued MIRVing was not stopped.) The results have been:

- (a) the great increase in warhead numbers and in the complexity of handling the strategic balance that we have seen over the past 10 years; and
- (b) the theoretical threat to US fixed land-based nuclear forces which (despite SALT constraints on launchers) has been created by Soviet MIRVing since the late 1970s.

9. This brings me back to the President's rhetoric about the SDI. It would be nice to think that we could persuade the President and his advisers of the need, not only for moderation but also for greater consistency in the presentation of their arguments. You will remember that when he launched the SDI in 1983, the President set it entirely in the context of comprehensive protection for populations. At no point did he mention equivalent Soviet efforts as a reason for justification for the US programme. Since then he has continued to talk in terms of "perfect defence" for populations, and of the

/elimination



elimination of nuclear weapons. This contrasts with other American statements, which have tended to emphasise that the SDI objective is to enhance nuclear deterrence. Most of the President's advisers (except Cap Weinberger) have generally concentrated on the role of defences in protecting only military targets - which is, of course, a far cry from the President's dream. It is easy to understand why the Russians - and others - are alarmed by the confusion, and suspect that the President's rhetoric conceals a quite different intention - of which the President may not even be aware. Coincidentally, a piece by David Watt in today's "Times" (copy attached) contains a very similar analysis.

10. It is not easy to see what follows from this. Three points occur to me:

(i) Obviously US research will continue, and should do so - as you have said yourself - so long as the Russians engage in it. To drive home the point about parallelism with the Russians, the Americans will have to make a much better fist of their public and NATO briefings on Soviet efforts.

(ii) The real question is not whether research continues but at what level. The sort of funding now envisaged by the President would represent a sharp up-turn in a very steady graph of US research over the past decade.

(iii) As we both appreciate, constraining US (and still more Soviet) research by treaty is extremely difficult because of the verification problem. But the US element could all too easily be inhibited by Congressional action. In other words, US research would stop if and when Congress cut off the money; and even a sharp reduction in funding would probably have a significant effect on the long-term

/momentum



momentum of the programme.

11. This brings me back to the real risks: that the rhetorical profile of the American SDI - and it is only the US programme that is so widely perceived - may serve only to encourage the Russians (and to turn them away from arms control) without ever being able to deliver the President's dream - even if that was technically and historically possible (which I think we both doubt).

12. I am afraid it is not easy to draw practical conclusions from all this. But I think I can offer one. I have been struck by the detailed nature of the bilateral consultations we enjoyed with the Americans in the 1960s. In those days we were able to contribute in substance to their own thinking in the run-up to the ABM/SALT negotiations. Today your own discussions with the President - and, to a much lesser extent, my own with Shultz - are almost the only equivalent opportunity: and that vein cannot be tapped too often. Can we try to secure from the Americans a real opportunity to engage in a proper debate at a lower level? The absence of this kind of dialogue is not surprising, given the constant shifting of American ground and argumentation. Can we hope that your talks in Washington will convince the Americans that periodic briefings of NATO and technical MOD/Pentagon discussions are not sufficient to meet our request for consultations proper? These would need to involve a more structured set of bilateral discussions with a fully representative team of defence and foreign affairs officials on each side and with Ministerial participation when appropriate. The purpose would be to work through together the many important politico-strategic issues that the Administration's initiative has raised. There may well be those in Washington who would resist giving the UK this kind of privileged status. But, given your excellent relations with the President and the history of our more intimate consultations in the past, the bid seems worth making.

S E C R E T



13. I am sending a copy of this minute to Michael Heseltine and to Sir Robert Armstrong.

A handwritten signature in blue ink, appearing to be 'G. Howe', written in a cursive style.

(GEOFFREY HOWE)

Foreign and Commonwealth Office
15 February 1985

S E C R E T

Copy 1 of 3

Copy 1 of 3

[FCO PAPER, January 1967]

THE ANTI-BALLISTIC MISSILE QUESTION

1. The United States has for some years been carrying out an ambitious ABM research and development programme. The Nike-X system now under development is an integrated strategic defence system employing two complementary types of missiles; one for long-range interception outside the atmosphere providing first line defence, of wide coverage, for targets within large areas; and the second a relatively short-range high-acceleration missile for interception within the atmosphere, providing second line "local" defence and making use of high discrimination techniques. The position has now been reached in which, within a period of 4-5 years, a system could be set up in the United States which, it is claimed, would substantially reduce American losses in the event of a nuclear exchange. Present ABM developments would not allow of a complete defence against the scale or nature of a nuclear attack that could be delivered by the Russians, who would still maintain the ability to inflict unacceptable damage on the United States. But some defence could be provided against an attack that might be delivered by China, at least in the 1970s. Deployment would be enormously costly. It has been estimated that a system affording some protection against China might cost from 2-3 billion dollars; for protection against a Soviet attack, an expenditure of about 20 billion dollars might provide a system which, whilst not proof against saturation by a Soviet attack, could save millions of American lives, especially if accompanied by a programme of fall-out shelters. A cheaper approach might be to provide for the defence of offensive weapons systems rather than population centres.

2. Although there has been considerable pressure on the U.S. Government to deploy AMBs, they have so far resisted. In his recent State of the Union Message, the President made it clear that he considered that it was in the interests of both the United States and the Soviet Union to avoid an ABM race. The Administration's ABM policy was spelt out in more detail in the President's Budget Message, sent to Congress on 24 January. This stated that the United States would continue intensive development of the Nike-X system, but take no action now to deploy an ABM defence; that discussions were being initiated with the Soviet Union on the limitation of ABM deployment; and that if these discussions should prove unsuccessful, the United States would reconsider the decision not to deploy. Certain funds are being requested to prepare for actions that might be needed in this latter eventuality (for further details of the American approach, use paragraphs 10 and 11 below).

3. The Soviet Union has also pursued an extensive research and development programme, at least since 1956. Unlike the United States however, the Soviet Union has carried out certain deployment activities; an ABM system is being deployed around Moscow and defensive systems of some sort around Leningrad and several other points in the Soviet Union. The exact significance of these activities is still not clear to us; nor are we in a position authoritatively to assess the likely scope and nature of the future Soviet deployment of ABMs. Their general approach however is to emphasise that these are defensive weapons and it would be in keeping with what we know of Soviet strategic thinking for them to continue to deploy these weapons for such protection as they might afford the Soviet Union in the event of a nuclear exchange.

4. The main concern of the Foreign Office in this question is with the broad political and strategic implications of ABM deployment, in particular the implications for arms control and disarmament. Although the strategic nuclear balance between the United States and the Soviet Union would not be destroyed by deployment of the sort of ABM systems now under development, a new and highly expensive dimension would undoubtedly be added to the arms race between the two super powers which might incidentally cast doubts on the credibility of United Kingdom strategic nuclear weapons. We cannot predict what the ultimate consequences might be. The future of ABM technology contains many uncertainties; if it attracted vast economic and technical resources, as it might if an "ABM race" got under way, repercussions on the strategic balance might well occur in the long run.

5. Moreover, whatever effect deployment might eventually have on the stability of the nuclear balance, the first reaction by the United States to the Soviet deployment is to develop missiles with more warheads and improved penetrating ability. The Russians would no doubt do likewise in answer to an American deployment. The second reaction from both sides would probably be to speed up the stock-piling of nuclear weapons and nuclear delivery systems, in order to maintain the capability of inflicting an unacceptably heavy blow in return for a nuclear attack. Thus, fresh momentum would be given to the nuclear arms race and the suspicions and fears resulting would be likely to have a seriously unsettling affect upon the whole climate of U.S./Soviet relations, with incalculable political consequences. The implications for arms control and disarmament would probably be particularly serious.

6. If ABM systems were to be deployed, they would have to be kept up to date and this would greatly increase the pressures for further underground nuclear testing, thus jeopardising our efforts to achieve a comprehensive nuclear test ban treaty. Pressure not only for further nuclear testing but eventually for systems testing might well endanger the Partial Nuclear Test Ban Treaty itself. The competition to build up stocks of offensive nuclear delivery systems, and to improve them, would probably put an end to any hope of negotiating an agreement on the lines of President Johnson's proposal for a freeze of these weapons systems. There would be no prospect at all of negotiating an agreement for reductions in the number of these weapons, as a step towards real disarmament. Similar difficulties would apply to proposals for a cut-off of the production of fissile material, its transfer to peaceful purposes, or the demonstrated reduction of stocks of nuclear weapons. The prospects for a non-proliferation agreement might also be endangered. The non-nuclear powers have made it clear that they would only be prepared to forego for all time the prospect of acquiring nuclear weapons if the existing nuclear powers accept the obligation to move in the direction of nuclear disarmament. Although we are opposed to making a non-proliferation agreement a part of a wider package on these lines, we recognise that it will be necessary to give the non-nuclear powers some satisfaction; in the circumstances in which a serious ABM deployment had been started, there would be much less possibility of doing so, for the reasons already described.

7. The implications for U.S. relations with her allies in Europe and in the Far East, and with non-aligned countries, would also have to be taken into account. U.S. ABM

deployment would augment the existing disparity in military capability between the U.S. and her allies and would confer on the American population a measure of protection not available to them. To the extent that the damage the U.S. might suffer in a nuclear attack would be reduced (the effect would be particularly marked in the case of a Chinese nuclear attack: see paragraph 1) ABM deployment might be thought to enhance the credibility of the American nuclear guarantee of her allies. On the other hand, the privileged American position might be resented, particularly in Western Europe, which might come to fear that in a nuclear exchange the blows of the two super-powers would fall not on one another but on their European allies. There might eventually even be a demand for ABM protection of Europe, although this would not be a practical possibility for the foreseeable future, for financial and control reasons. Non-aligned countries for their part would probably strongly resent the new and expensive turn in the nuclear arms race which ABM deployment would represent (see paragraph 6) and in consequence it might well become increasingly difficult to win their co-operation in arms control and disarmament negotiations.

8. Because of our concern over the possible implications of ABM deployment, we asked the Americans, as long ago as the summer of 1965, for an opportunity to discuss the whole question with them. These exchanges were delayed, at American request, in order to give them a chance to sort out their own ideas, until October last year when a joint Foreign Office/Ministry of Defence team visited Washington. The talks held then were frank and very helpful. The Americans gave us a good deal of technical information bearing on the characteristics and effectiveness of the ABM systems /on

on which they were working; and we gained a much fuller understanding of the considerations which weigh with the U.S. Administration in formulating their policies.

9. Since last autumn, the question of ABM deployment has come prominently to the fore as a domestic issue in the United States. Interest has been stimulated by a number of developments, including publicity for Soviet activities in this field and Mr. McNamara's statement on 10 November that the American Administration, presumably with the Soviet deployment of ABMs in mind, was going ahead with the highly expensive production programme for the advanced Poseidon missile, which will eventually necessitate a complete refitting of almost all the American Polaris submarines. There have been some signs that ABM deployment is likely to become increasingly controversial in American domestic politics and that it could be a significant issue in the next Presidential elections.

10. The United States Government have kept in touch with us about the development of their thinking. There can be no doubt that they recognise that a decision to deploy ABMs would be a major one, with far-reaching implications. They have told us that they are trying to take account of the many issues involved; the effects that deployment might have on the strategic balance, for the arms race and, more generally, for the international situation. They are also well aware of the high financial cost of ABM deployment.

11. As the President announced in his Budget Message, the United States Government have approached the Soviet Government and are seeking to discover whether there is any

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basis on which to work out an understanding to avoid the expensive and wasteful new twist to the arms race spiral that ABM deployment would constitute. The Americans have suggested to the Russians that there should be a general discussion about strategic nuclear delivery vehicles both offensive and defensive. Their idea is probably to try to engage the Russians in an exploration of the proposal for a freeze on all types of strategic nuclear delivery vehicles which President Johnson put forward as long ago as January 1964. But the Americans clearly have defensive missiles particularly in mind and it is fair to assume that they would be very ready to consider a moratorium on ABM deployment in isolation from an agreement on offensive missiles, if the Russians show any willingness to move in this direction. The present position is that the Russians have accepted the American proposal for discussions and have indicated that they are ready in principle to discuss both defensive and offensive strategic nuclear delivery vehicles.

12. The Americans are keeping their NATO and other allies informed generally and it is expected that there will be further discussion on this subject both in the NATO Council and in the NATO Nuclear Planning Group.

13. It would be unwise in present circumstances to attempt to predict how events are likely to develop. It may be that, if the Russians persist in deploying ABMs, some American deployment will eventually become inevitable. Whether the serious consequences suggested above then result will largely depend on the scale of American and Soviet deployment and the way in which both countries present their activities. But it is too soon to abandon hope of the two super powers moving

towards an understanding. Our interest is to use all the influence we can to persuade them to advance in this direction and in the meantime to take no action which would make an agreement more difficult.

January, 1967

Foreign & Commonwealth Office

15 FEB 1968

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BACKGROUND NOTE

INF

1. The negotiations were discontinued on 23 November 1983 when the Soviet delegation walked out. Initial NATO deployment led the Russians to announce the following counter-measures:

- (a) Abrogation of the moratorium on deployment of medium range nuclear weapons in the European part of the USSR;
- (b) Acceleration of preparatory work to deploy in Czechoslovakia and the GDR "operational - tactical missiles of increased range" (Systems were not specified but assumed to be SS12/22 of which about 50 have now for the first time been deployed in GDR and Czechoslovakia);
- (c) Soviet systems to be deployed "in ocean areas and in seas" having in mind the territory of the USA, which would be no less effective than the American systems deployed in Europe.
[The subsequent deployment of Delta submarines off the coast of the US is almost certainly a result of this.]

The statement also says that other (unidentified) measures would be taken.

2. At the time that the negotiations were discontinued, the respective negotiation positions were as follows.

The US Position

3. Readiness to consider any interim solution on the way to zero, provided it would respect key principles of balance, exclusion of third party systems, limits on a global basis, no shifting of the problem eastwards, verification and no degradation of NATO's conventional capability. This position was refined in September by making it clear to the Russians that

in any interim solution an appropriate proportion of Pershing 2s would be reduced, some limitations on longer range INF aircraft could be considered, and that within an agreement providing equal global limits the US would not offset the total Soviet deployment by US deployments in Europe. In November 1983 the Americans suggested an interim global LRINF missile warhead ceiling on each side of 420, equating to 140 SS20 launchers, with the expectation that the proportions deployed by the Russians in the West and in the East respectively would be of the order of two-thirds to one-third.

The Soviet Position

4. Towards the end of the last round in autumn 1983 the Russians had modified their version of the balance of so-called medium range systems in Europe. In negotiations (though not publicly) they dropped their claim to include on the Western side the FB1-11 bombers based in the US, the US F4 Phantom aircraft in Europe and also reduced their count for A6 and A7 carrier-based aircraft within range of the Soviet Union. They had earlier accepted that the UK Vulcan aircraft were no longer relevant even by their own criteria. The result of the Soviet adjustment is to leave NATO, by the Russians' own admission, with only half as many medium range systems as the Soviet Union even if all the British and French missiles and aircraft are included. This was a notable acknowledgement that their earlier statement of the so-called balance had been spurious.

5. The substantive Soviet negotiating position remained to the end an attempt to secure agreement for a continuing high number of SS20s facing Europe with no reduction in their own Eastern deployments and no new US deployments permitted in Europe. But during the last round the Russians

twice reduced the precise number. First from 162 missiles (their calculation of the number of British and French missile launchers) to 140 (allowing 420 SS20 warheads, based on the Soviet calculation of British and French warhead numbers). Then in an ambiguous series of informal contacts with Ambassador Nitze on 12/13 November 1983 the Russians appeared to offer to reduce SS20s in Europe to 122 provided the whole of NATO's deployment programme was cancelled. This they described as each side reducing by a figure of 572 warheads. In so doing they appear to have conceded the principle for the first time of trading actual SS20 deployments against planned new NATO deployments. The earlier version of this (subsequently disavowed publicly) also appeared to "concede" that no reference to British or French systems need be made in an INF agreement and that the 122 SS20s in Europe could be offset against any future Soviet claim in another negotiating context to seek compensation for British and French systems. But since the Russians still wished to preserve a monopoly of SS20s on the ground, the "concession" was little more than a play on words. The Russians did not sustain this line and subsequently tried widely to give the impression that the idea came from the Americans in the first place.

Prospects

6. It may well prove very difficult to secure any real progress in the INF part of the resumed US/Soviet negotiations in Geneva. Despite the fact that the Russians are now faced with an on-going NATO deployment programme and for all practical purposes have dropped their pre-condition that NATO should return to the status quo ante before negotiations can take place, the Soviet negotiating position is likely to be unacceptable. The Russians are expected to argue that the halting and removing of NATO Pershing and

Cruise missile deployments should be bargained against Soviet counter-measures while SS20s could only be limited or reduced in exchange for formal inclusion of British and French systems. For its part NATO will have to insist on continuing where the earlier INF negotiations left off, putting the emphasis on the elements deployed in September 1983, ie that

- (a) within a global ceiling the US would deploy in Europe a number which matched but which did not exceed SS20s facing NATO Europe;
- (b) in any reductions from the maximum NATO deployment programme an appropriate proportion of Pershing 2s would be reduced; and
- (c) there should be some limitations on longer-range INF aircraft.

This general approach, particularly the room for manoeuvre implied by (a) above, might yield some interesting possibilities taken in conjunction with current SS20 deployments. It is known that a good deal of detailed work on the negotiating options is under way in Washington, but as yet the process of consultation with close Allies has not been carried very far on the specifics and no Administration decisions as such have, as far as we know, been taken.

7. An illustration of how this approach might be applied (not for use) is set out at Annex.

Deterrence

8. An important element in the original 1979 decision to deploy cruise missiles and Pershing IIs in Europe was the need to modernise NATO's existing LRINF systems in order to main the security of the Alliance. (Apart from the Cruise missiles and Pershing IIs, NATO's LRINF now consists only of the 144 US F 1-11s based in the United Kingdom, which are considerably less

effective than the new missiles). The role of NATO's LRINF is to ensure a credible continuance of deterrence by providing the Alliance with the capability to strike Soviet territory with land-based systems in Europe. The requirement for this capability does not vary directly with Soviet LRINF force levels. A key consideration in any INF arms control agreement will therefore be whether NATO's LRINF numbers remain adequate to support its strategy. Opinions on the numbers required for this will differ, but parity at very low levels would present significant implications for NATO's deterrent capability which would need to be addressed in advance.

9. Notwithstanding this, it would be politically difficult for the Alliance to withdraw President Reagan's offer of 1982 to set the INF balance at zero. There is, however, no evidence that the Russians are interested in establishing a genuine balance either at zero or at very low levels.

ILLUSTRATIVE APPLICATION
OF US SEPT 83 NEGOTIATING
PRINCIPLES TO INF

Current SS20s

- (a) 387 launchers (1161 warheads) of which
- (b) 225 launchers (675 warheads) facing West
- (c) 162 launchers (486 warheads) facing East.

Reduce (b) by 50%

- (b/b) 113 launchers (339 warheads) facing West

Reduce NATO programme (572 warheads) by 50% =

- (d) 286 warheads (including 50% of scheduled Pershing 2s)

Round out numbers at (b/b) and (d), to

- (e) 300 warheads on each side in Europe
- (f) US has right to hold up to 486 warheads elsewhere, but need not exercise that right, and will not exceed Soviet deployments in Europe.
- (g) 130 - 200 global limit on LRINF aircraft (F1-11, Badger, Blinder)

Result would be

50% reduction in SS20 facing Europe

30% reduction in SS20 globally

50% reduction in NATO LRINF programme

Exclusion of British/French systems

Limits on SS12/22 and SS23 as per US draft Treaty

But could be problem with Japan over (c)

BACKGROUND NOTEASATS

1. Paragraphs 11-13 of the draft Speaking Note on the approach to renewed United States/Soviet arms control negotiations pose questions about the desirability of some constraints on anti-satellite (ASAT) development, and makes some suggestions for possible approaches. These proposals and the arguments outlined in the Speaking Note were discussed by Ministers last July. Since then, the focus of debate and elsewhere on space systems has largely shifted to ballistic missile defence.

2. It is noteworthy that the Russians, having earlier emphasised the need for constraints on ASATs, have recently gone relatively silent on the subject; Gromyko did not raise it at Geneva. US speculation suggests that they have either decided to resume their own testing, or wish to concentrate their attention entirely on the US SDI research programme. Another possibility, which has apparently not yet surfaced in Washington, is that the Russians may have concluded that achieving a near-term agreement on ASAT constraints could provide a useful way of inhibiting SDI research; but that they should not make too much of this for the moment, lest an immediate and negative US response before negotiations proper began blocked the chances of an eventual deal in this area.

BACKGROUND NOTE

ALLEGED SOVIET NON-COMPLIANCE WITH ARMS CONTROL AGREEMENTS

1. The US Administration submitted a report to Congress on 1 February 1985 about Soviet non-compliance with arms control agreements. The attached chart sets out US and UK judgements on each item dealt with in the report.

2. In general, the Soviet Union is accused by the US of being in breach of its legal obligations in relation to the TTBT and SALT II. However neither treaty has been ratified. Nor are the US and Soviet Union party to the 1969 Vienna Convention on the Law of Treaties which requires a state to refrain from acts which would defeat the object and purpose of a Treaty awaiting ratification. Further information is required, but at present it is by no means clear that the Soviet Union is in breach of its legal undertakings with regard to TTBT or SALT II. However the Americans also lay considerable emphasis on the Russians' breach of political commitments, ie that even if they cannot be proved as having operated beyond the letter of the law, they are guilty of bad faith by acting against the spirit of agreements. This accusation is harder to prove or disprove since it rests on an interpretation of intent rather than the precise wording of an agreement. Ultimately the judgement is a political as much as a legal one.

3. The Russians for their part have responded by issuing their own set of alleged American breaches of arms control agreements. These are thin gruel.

SOVIET COMPLIANCE WITH ARMS CONTROL AGREEMENTS

Treaty/Issue

US View

UK View

Geneva Protocol of
1925 and Biological and
Toxin Weapons Convention
of 1972

Development, production,
transfer, possession and
use of biological and
toxin weapons

Soviet BW programme and
capability, and use of
biological weapons
in violation of 1972 BW
Convention. Involved in
production, transfer and use
of Mycotoxins for hostile
purposes in Kampuchea, Laos
and Afghanistan (although no
evidence of any attacks in
1984). Violation of both BWC
and 1925 protocol.

BW offensive capability:
possible but not definitely
established.
Afghanistan: use of lethal CW
not proven.
Laos and Kampuchea: possible
but not definitively proven.

Limited Testing Ban
Treaty

Underground Nuclear
Test Venting

Soviet tests have resulted in
venting of radioactive material
and caused its spread
outside Soviet territory.
Failed to take corrective
action despite US requests.
Violation of legal obligations.

Some venting has taken place,
probably inadvertently.
Technical violation.

Treaty Issue

US View

UK View

Threshold Test Ban
(not ratified)Nuclear testing and 150
kilotonIn spite of ambiguities
in pattern of Soviet
testing, likely
violation of 150
kiloton yield limit.US and UK analysis of yields
differ. Do not accept
evidence is as strong as US
claim.Helsinki Final ActNotification of military
exercises.Violation of political
commitment to prior
notification provisions
for Warsaw Pact exercises
in 1981. USSR provided
only bare minimum of
information on manoeuvres
in 1984.No clear evidence that
Warsaw Pact states have not
notified major (25,000 plus)
military manoeuvres. But
information often deficient.
Limited invitations to
Western observers. Possible
technical violation.SALT I(a) Use of dismantled
ICBM sites.Soviet activity apparently
related to SSX25 ICBM
deployments at two former
ICBM sites does not at
present violate SALT I
procedures. Concern about
compliance in future.Agree: no evidence of
violation.

Treaty/Issue

US View

UK View

(b) Reconfiguration of ballistic missile submarines.

Conversion of a dismantled Yankee class SSBN into a larger modern SLCM platform not a violation, although a threat to US and Alliance security.

Agree: no evidence of violation.

SALT II (not ratified)

(a) Encryption of ballistic missile telemetry.

Encryption of telemetry impedes verification of compliance. Violates legal obligations (pre 1981) and political obligations (since 1982) and SALT II.

Some encryption, not all related to missile capabilities restrained by Treaty. US/Soviet discussion of issue restricted by US unwillingness to reveal NTM capability. Treaty wording ambiguous. Not proven.

(b) SSX25 ICBM

(i) Second new type: Soviet Union has violated a political commitment by developing a second "new type" of ICBM in addition to the permitted SSX24.

Russians claim that SSX25 is modification of SS13. In UK view, not certain that differences between the two systems exceed permitted limits. If so, not a violation.

(ii) RV to Throwweight Ratio: If SSX25 were not a prohibited new type, it would violate provisions not to test existing ICBM with single RV whose weight is less than 50% of throwweight of the ICBM.

Possible technical violation but in other respects new missile complies with Treaty provisions.

Treaty/Issue

US View

UK View

(c) SS16 deployment.

Ambiguous evidence and no definitive conclusion. Probable violation of Soviet agreement under SALT II not to deploy SS16 type ICBM and in particular not to produce SS16 third stage or RV.

Do not believe SS16 has been deployed: not proven

ABM Treaty 1972

(a) Krasnoyarsk
(Abalakovo) radar

Violation of ABM Treaty provisions on siting orientation and capability.

Do not believe it is intended to have significant ABM role, though may have BMEWs capability. Difficult to demonstrate whether prime purpose is BMEWs (which would breach) or space ~~evading~~ tracking (which would not). Not clear whether this constitutes breach.

(b) Mobility of new
ABM systems

Ambiguous but potential violation of legal obligation. USSR may be preparing an ABM defence of its national territory.

Probably refers to "Flat Twin" range radar; moveable but not a mobile deployment system. Not a violation.

Treaty/Issue

US View

UK View

(c) Concurrent testing of ABM and SAM components

Insufficient evidence on concurrent operations to assess compliance. Concurrent operation of SAM/ABM components indicates probable violation of prohibition on testing SAM components in ABM mode.

SAM radar has probably been used to track RVs inadvertently. Too old to be part of national ABM systems. Possible technical violation.

(d) ABM Territorial Defence

USSR may be preparing an ABM defence of its national territory.

No evidence that we are aware of, eg, procurement decision on longer lead items.

BACKGROUND NOTEBACKGROUND TO POSSIBLE UK
PARTICIPATION IN SDI RESEARCH

1. Under the Reagan Administration the US has taken a tough line on "technology transfer". Primarily directed against leakages of sensitive military technology to the Soviet Bloc (an objective which the UK has fully and consistently supported) there has also been a shift towards directing US officials to subject exchanges with Allies to more rigorous tests of advantage to the US than were previously applied. This has coincided with the resurgence of more "protectionist", "America first" attitudes on the part of the US Congress.

2. Amongst the problems encountered in the early days of the Administration were:

- (i) Restrictions placed on UK companies and even UK-owned US companies attending "sensitive" US procurement conferences which had previously been open to them.
- (ii) A greater resort generally to the "US Eyes Only", "No Foreign" classifications.
- (iii) Congressional attempts to reimpose protectionist controls such as the Berry Amendment (prohibiting purchase of equipment using foreign "Specialty Metals"), initial prohibition on purchase of Martin Baker ejection seats selected by the USN.

Initially there were fears that there would be major detriment to our collaboration.

3. Vigorous protests by UK (and European) Ministers and constant watchfulness on the part of our (and other European) Embassies in Washington have succeeded in allaying the worst of our fears. With the aid of the US Administration, the Congressional actions at (iii) above have been reversed; an "appeals" procedure has been set up whereby unreasonable actions under (i) and (ii) above can be challenged. Where we have been able to convince the US Authorities that we have something to give as well as to receive, scientific exchanges have continued without serious inhibition and there has been no interruption to our nuclear exchange.

4. Difficulties remain:

(i) from over restrictive and "play safe" interpretation of regulations by junior officials which causes delay and difficulty over release of information, approval of visits to establishments etc. Senior US officials are usually helpful but it takes time to sort things out;

(ii) arbitrary Congressional actions still make co-operation difficult. The abrupt manner in which Congress, by withholding funds, forced the cancellation of collaboration on the JP 233 runway cratering weapon in 1980 has left scars; more recently its reduction of funding for the Harrier AV8B programme has led to increases in UK programme costs;

(iii) although we do better than most in Europe (our balance of military trade at rather less than 2:1 in the US favour compares with a ratio of about 6:1 for Europe generally) British firms still have an uphill struggle in penetrating the US market. "Not invented here" attitudes are still strong, particularly in the US Services.

5. Thus we cannot afford to relax our efforts and need to be constantly on our guard against this protectionism which lies close below if not on, the surface of the US. A helpful statement from the President on the lines called for in the speaking note will be useful ammunition.

Note

This paper was handed to
the Americans on
12 February 1985.

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CHEMICAL WEAPONS

Introduction

1. The United States and United Kingdom agree on the growing Chemical Weapons (CW) threat, and on the importance of removing it by negotiating an adequately verifiable ban on such weapons. Given the existing imbalance between Western and Soviet capabilities, continued efforts by the United States Administration to secure Congressional approval to modernise the United States capability by binary production would seem to us a useful step in the context of improving the Western negotiating hand at Geneva and promoting the success of the talks. However, given the present political sensitivity of CW production in the West, such a move would not be devoid of domestic difficulty in the United States or elsewhere. In order to secure support for it, the present Western negotiating hand would have to be shown to be serious and reasonable.

2. Equally, failure to reach an acceptable result in the negotiations would underline any need to modernise current United States capabilities. This would be expensive and politically hazardous; the prospect of United States binary weapons intended for use in Europe would be highly controversial. However, the political problems surrounding CW rearmament should be eased if the West had already been shown to have made exhaustive efforts to achieve a negotiated ban; and if the blame for failure could clearly be placed at the door of the Soviet Union.

Geneva Negotiations

3. Significant progress has been made at Geneva since 1982, including Soviet acceptance (February 1984) of continuous international inspection of stockpile destruction. This conceded for the first time the important principle of intrusive on-site inspection on Soviet soil.

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United States Draft Treaty

4. The tabling of the United States Draft Treaty (April 1984) was a major step since it emphasised the Western requirements for adequate verification of compliance. There is already outline agreement in Geneva on eleven out of eighteen of its provisions. But a crucial struggle lies ahead over the hardest issues of verification and especially challenge inspection, the ultimate deterrent to non-compliance.

Challenge Inspection

5. Article X of the United States draft is a bold and imaginative approach. However, it has not gained the support of the neutrals. Moreover, while there has so far been solid Allied support in public for the United States overall approach, there is private consensus among close United States Allies, including the United Kingdom, that it would pose an unacceptable threat to the security of sensitive Allied facilities. The Russians have thus had little difficulty in rejecting and then exploiting the proposal to justify their own failure to negotiate seriously in good faith on verification.

6. United Kingdom difficulties on Article X are not dictated purely by our own security concerns. We also believe, more importantly, that it would prove an inadequate deterrent. The United States have consistently admitted that even if the Russians sign a Treaty with a "no refusal" clause, they would in fact refuse to accept any challenge inspection launched against them which could prove their non-compliance. Thus Article X would never in practice produce any "smoking gun". While it would provide a formal escape-hatch for United States withdrawal from the Treaty, the public justification for such a

radical step would not be strong, and the United States has admitted that it would not necessarily withdraw after Soviet refusal of a challenge inspection. The deterrent effect would therefore be very limited.

United Kingdom Proposal

7. On the other hand, the United Kingdom approach (outlined in diagram form at Annex A) envisages a graduated response with only a temporary initial right of refusal (as implied in earlier United Kingdom proposals approved by the Western Group at the CD); but thereafter steeply increasing costs for non-co-operation such as refusing or failing to co-operate with the alternative challenge methods set out below. It would not only ease the security problems for Western installations, but also strengthen the deterrent effect of the challenge inspection threat by providing for a cumulative build-up of domestic and international support for effective counter-measures (such as CW rearmament) against non-compliance. In the last resort, this is likely to be the only prospect to have a serious impact on Soviet decision making. The United Kingdom proposal also avoids the needlessly controversial distinction between public and private facilities in the United States draft Treaty which the Russians have used for propaganda effect.

Iterative Managed Access

8. If an immediate and unrestricted tour of the plant is refused because of the need to protect national security, then it would be a requirement of the challenged State to offer or allow an appropriate form of iterative managed access to enable the inspectors to make a reasoned

judgement on whether or not a case of non-compliance had occurred.

Iterative managed access would therefore mean placing upon the challenged State the onus of disproving the challenge by permitting a controlled inspection. Within the constraints of national security (eg by screening off highly sensitive and unrelated features), the controlled inspection, to clarify progressively areas of uncertainty, would be conducted over a limited period of time which may be graduated according to the size of the site. Equipment for bona fide CW detection purposes would be proposed, to be approved by both sides. Unjustified refusal of useful and agreed instrumentation (eg magnetic anomaly detectors to detect underground storage tanks and piping) would be an indication of non-compliance. Once the challenge had been issued and until the procedure had completed its full course, the challenged State would not be permitted to engage in any activity which could cloak concealment, removal, destruction or reprocessing of its stocks. The inspection team even if not admitted would remain around the site to monitor exit traffic until the treaty non-compliance procedure had been completed.

Consequences of Non-Compliance: Graduated Response

9. Refusal of a challenge inspection or of iterative managed access would result in a graduated series of costs as shown in Annex A. These would culminate in a suspension of a State's rights and privileges of membership of the international organisation. This in turn could be treated by other states as a material breach of the Treaty, entitling them to suspend, in whole or in part, the operation of the Treaty in relation to the defaulting State. If a country other than the Soviet Union was suspected of non-compliance, this drastic but politically credible threat of withdrawal (and possible collapse of the Treaty) could encourage the Russians to bring their pressure to bear on the country concerned to comply.

10. The United Kingdom proposal envisages completion of the entire process within a very limited period (seven days). During this period international pressure could be separately mobilized by all possible means (including action in the UN Security Council). The United States Article X specifies two days as the time scale for challenge inspection. We do not believe that any real military advantage would be lost by waiting an additional five days to enable domestic and international opinion to be brought more effectively into play.

Discouragement of Frivolous Challenges

11. The United Kingdom approach would contain a mechanism to deter frivolous challenges. This would prevent a State which made a challenge and which proved to be unfounded from launching further challenges within a year. Further unfounded challenges could incur progressively increased penalties. We believe this deterrent would be preferable to the United States fact-finding panel approach which would not in our view act as an effective filter against challenges made by countries such as Libya wishing to make mischief or acting as Soviet proxies. There would always be a Soviet and Third World representative on the fact-finding panel, either of whom could sponsor such challenges.

Conclusion

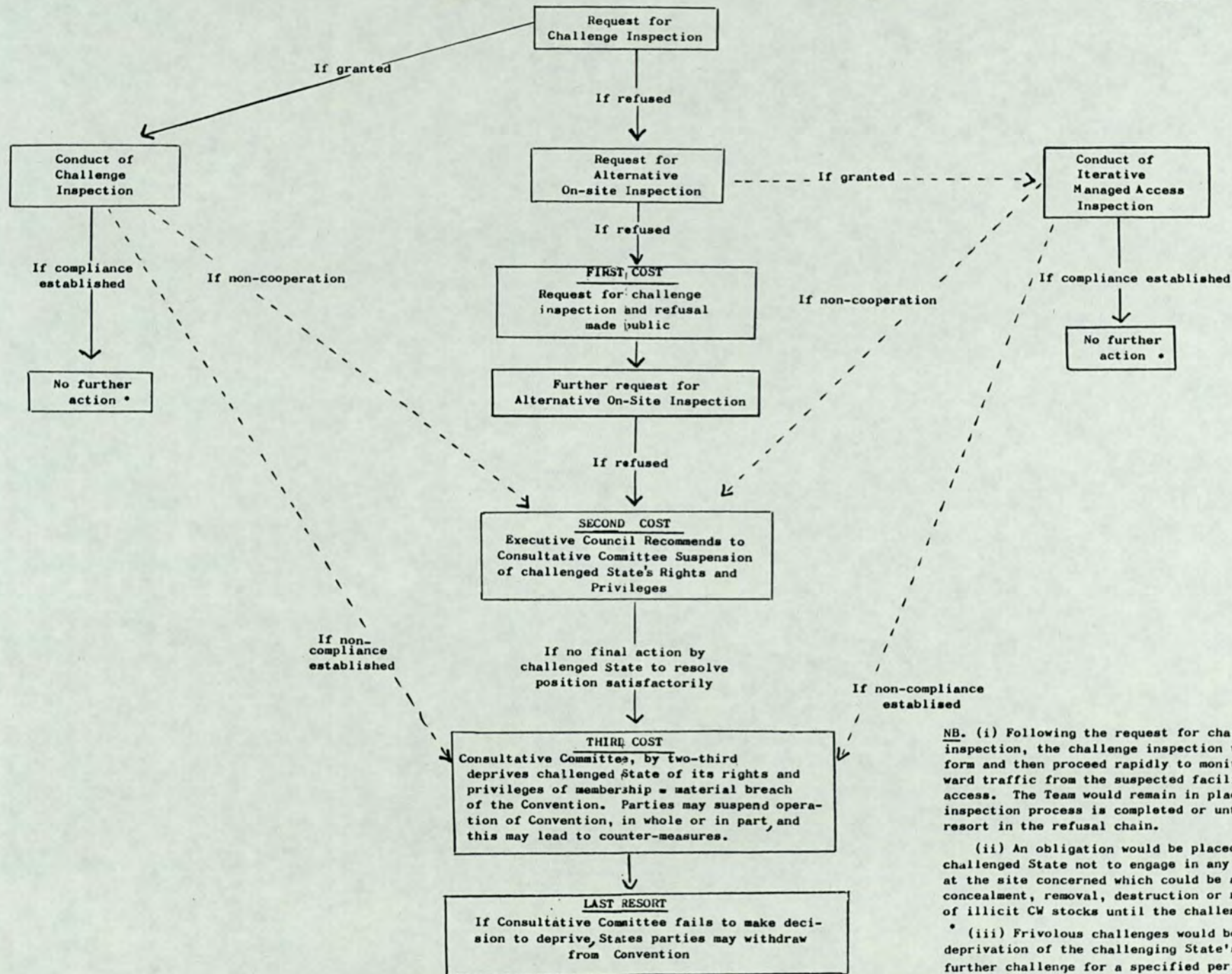
12. The United Kingdom and United States agree that 100 per cent perfect verification is unattainable. Compliance must therefore finally depend upon a credible deterrent such as the ultimate threat of intrusive challenge inspection. The United Kingdom refinement provides for a prompt, effective and publicly justifiable response if the Soviet Union

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refused, under challenge, to prove its compliance, together with a more secure procedure to manage and then penalise unfounded Soviet or proxy challenges against the West.

13. We therefore hope that the United State will reconsider its position. Even if our proposals prove unnegotiable at Geneva, their adoption as the Western position in this key area would better preserve Western unity; it would enable us to reduce Soviet opportunities to blame deadlock on unreasonable Western proposals or to wage a later propaganda campaign against modernisation of the United States CW capability, should this be required by failure of the current negotiations.

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NB. (i) Following the request for challenge inspection, the challenge inspection team would form and then proceed rapidly to monitor outward traffic from the suspected facility pending access. The Team would remain in place until the inspection process is completed or until last resort in the refusal chain.

(ii) An obligation would be placed on the challenged State not to engage in any activity at the site concerned which could be a cloak for concealment, removal, destruction or reprocessing of illicit CW stocks until the challenge was resolved.

* (iii) Frivolous challenges would be penalised by deprivation of the challenging State's right of further challenge for a specified period. This might be progressively increased for further infractions.

BACKGROUND NOTECHEMICAL WEAPONS: PRESIDENTIAL REVIEW COMMISSION

1. Presidential Review Commission (PRC) established (28 January) to "review the overall adequacy of the CW posture of the US with particular emphasis on the question of whether the US should produce binary chemical munitions". PRC's work to be completed by 30 September 1985, at latest. Draft work programme envisages European tour (possibly in March); to include visits to any allied capital expressing interest in giving a view.
2. Following report on US/UK exchange of views (19 October 1984) on US CW policy, the Prime Minister agreed that UK should respond with UK view, if approached by PRC. The Prime Minister's arms control seminar offers good opportunity to indicate HMG's willingness to respond in confidence, if President Reagan considered this helpful, and if PRC seeks UK views.
3. Given important leverage offered by US CW modernisation at Geneva, desirable to strengthen President Reagan's hand in seeking Congressional funds; might induce more flexible US position on Article X. Not to raise PRC with President offers reduced opportunity to influence course of US CW policy.

DEFENSIVE BRIEFS

- A UK Trident, CDE and MBFR
- B Non-Proliferation and Nuclear Testing

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ADDITIONAL BRIEFING MATERIAL COVERING
UK TRIDENT, CDE and MBFR

DEFENSIVE BRIEF

A. UK TRIDENT AND ARMS CONTROL (for use only if raised)

1. It is recommended that the place of the UK deterrent in arms control should only be touched on in passing to confirm its exclusion from the current negotiations. If, however, the President wishes to have a more substantial discussion on the issue, the Prime Minister may wish to draw on the material below. The subject was not raised at Camp David.

Speaking Note for defensive use

2. We discussed in September 1983 the British nuclear force in the context of arms control. Likely to be pressure from Russians to include Polaris/Trident (and French systems) in new talks. You are aware of British position. No reason to change this now. Time may come to consider question of third country forces if and when deep bilateral cuts agreed, and no significant change to Soviet defences. We would be prepared to work with the United States, once deep bilateral cuts agreed, on ways of handling the question of the United Kingdom force in future arms control. We shall in any event wish to look at ways to show that the actual size of UK Trident will be well below its theoretical maximum.

Background

3. Our position on the place of the UK strategic deterrent in arms control was set out by Sir Geoffrey Howe at the United Nations on 28 September 1983 when he said:

"As far as the British deterrent is concerned, we must naturally take into account that our force is a strategic

one, and that it represents less than 3 per cent of the strategic nuclear forces available to the United States or to the Soviet Union. It would be absurd as things stand for us to seek to trade reductions with a superpower. But we have never said 'never'. On the contrary, we have made it clear that, if Soviet and United States strategic arsenals were to be very substantially reduced, and if no significant changes had occurred in Soviet defensive capabilities, Britain would want to review her position and to consider how best she could contribute to arms control in the light of the reduced threat. That remains our position."

4. The Prime Minister had a long discussion with President Reagan on the position of the UK deterrent in arms control during a tete-a-tete at the White House on 29 September 1983. The President said that the United States would continue to seek sizeable bilateral reductions with the Soviets, but if these were agreed it would be necessary to make allowances for the strategic weapons of other countries. The Prime Minister indicated that if the negotiations resulted in sizeable reductions and there were comparatively few weapons of this kind left, then, in this totally different world, we would have to consider the position of the United Kingdom and French deterrent. But this did not arise now. The hope was expressed that the Americans would be very cautious on this issue. Mr Reagan confirmed that they would be. Senator Tower (the new US negotiator on strategic systems) told Mr Luce on 11 February that he did not exclude "multilateralising" the negotiation at some stage, though it was not clear if he was expressing more than a personal view. There is evidence that some US officials have in mind the possibility of implicit counting of British and French systems in the context of medium range systems if agreement could be reached on a global US/Soviet ceiling under which the US did not in fact exercise their right to match Soviet SS 20's in Asia.

5. MISC 7 reviewed the position of the UK deterrent in relation to arms control in July 1984 when it took decisions on the Trident programme. A paper prepared by officials considered the background, and possible theoretical options for considering the UK deterrent in arms control, including "counting-in", a reduction formula and "no increase" commitment. It concluded that none of the options that might provide presentational improvements to our arms control position fully met our security criteria, and that the furthest we could go would be to make a conditional commitment on our plans for Trident in relation to Soviet defences and to re-emphasise our commitment to review our position in the event of substantial reductions in the arsenals of the superpowers and appropriate restraints in Soviet defensive capabilities. The time to make such a statement should be kept under review. MISC 7 endorsed the paper but concluded that it was not necessary or desirable to go beyond the public statement already made on the limits placed on the size of the Trident force.

6. Mr Gromyko raised the question of the position of the UK deterrent with Sir Geoffrey Howe twice last year, most recently in a discussion at the United Nations on 27 September, when Mr Gromyko entered into a diatribe pressing for the counting-in of United Kingdom and French systems, claiming that their exclusion was a tactical device to kill time, and claiming (as he has before) that President Carter had accepted that the Soviets have a point on this issue. Gorbachev also mentioned the subject during his visit in December 1984. He told the Foreign Secretary that he was not clear why the UK could not accept that account should be taken of British forces, as also of French forces. British nuclear forces were capable of inflicting such extensive damage on the Soviet Union that Soviet leaders had to take account of them. It was unrealistic for the US to insist that French and British nuclear weapons should not be considered. Gorbachev added that he understood

completely British security concerns and the Soviet Union was not insisting the UK get rid of its nuclear weapons regardless of any negotiations. But it was not possible to leave British nuclear potential out of any global solution.

7. There are likely to be pressures from the USSR (and perhaps some Allies) as the new negotiations get under way to accept the principle that United Kingdom (and French) forces should be taken account of in some way. If the President raises this issue, the Prime Minister will wish to confirm that the United Kingdom position has not changed, but she may also wish to add that once deep cuts have been agreed bilaterally, we would wish to consider with the United States how best to handle the question of the United Kingdom force in future arms control.

Trident Capabilities

8. The Prime Minister will be aware that the theoretical maximum capability of the United Kingdom Trident force will be to deploy 768 warheads. This assumes that the Trident D5 missile will be developed and tested to be able to carry a full outload of 12 Mk 4 warheads. Should the United States decide (possibly in the context of arms control negotiations) to give up the option of deploying 12 warheads in Trident and instead develop only a variant to carry eight of the larger Mk 12 re-entry bodies, the number of warheads which the United Kingdom would in fact be able to deploy could be reduced to a theoretical maximum of 512. In this case the United Kingdom might wish to deploy a full complement of warheads on each missile.

B. CDE (for use only if raised)

Points to make (if needed) are:-

- i. West should continue to work for an outcome containing agreement on concrete measures and some language reaffirming the commitment to non-use of force.
- ii. Agree that we need to keep an eye on balance in the CSCE process but human rights issues best kept out of Stockholm in other than exceptional circumstances.

Background

1. The Conference on Confidence- and Security-Building Measures and Disarmament in Europe (CDE) began in Stockholm in 4 January 1984. It is part of the CSCE Process. The mandate for the first stage, confined to Confidence and Security Building Measures (CSBMs), was negotiated at the Madrid follow-up meeting, 1980-83. Progress will be reviewed at the next follow-up meeting (Vienna 1986). CSBMs must be militarily significant, politically binding, verifiable and cover the whole of Europe.
2. There is no internationally accepted definition of a CSBM. To the West they are "concrete non-reduction measures which set rules for military behaviour and interchange". They reduce secrecy, impede attack options, improve warning time. The Western proposals at Stockholm comprise: annual exchange of information on the structure and normal location of ground and air forces in Europe of all participants; annual exchange of forecasts of military activities; notification of specified activities at division level or above 45 days in advance; mandatory invitation of observers to these activities;

undertaking not to interfere with national technical means of observation and the opportunity to check on suspected breaches of agreed measures; improved communications.

3. Proposals have also been tabled by Romania, the Neutral and Non-aligned (NNA), Soviet Union and Malta in that order. The Soviet Union's proposals are on traditional declaratory lines and take little account of the mandate. They are a treaty on non use of force (NUF), a declaration on no first use of nuclear weapons (NOFUN), a ban on chemical weapons (CW) in Europe, nuclear weapon free zones (NWFZ), freeze and reduction in military budgets (ROMB) and some elaboration of the Helsinki Final Act notification provisions, including a limitation on military exercises. This kind of constraint measure also figures in the NNA's proposals which are otherwise on Western lines. Constraints tend to be more difficult for NATO than the Warsaw Pact because of geographical and structural factors. Romania has tabled an idiosyncratic mix of declaratory proposals, notifications and constraints. The Maltese proposals concern the Mediterranean and are largely irrelevant in view of the agreed zone.

4. The first three sessions of the Conference were held entirely in plenary. The West sought to demonstrate the irrelevance of most Soviet proposals to the CDE. President Reagan's Dublin speech of 4 June, offering to discuss reaffirmation of NUF in return for negotiation of concrete measures, opened the way for agreement on 3 December on a timetable and agenda for two working groups. Although not an ideal structure, it gives the West a negotiable proposal in every working group meeting and more opportunities for discussion of Western than Eastern proposals. In the current session (29 Jan - 22 Mar) both East and West have tabled working papers and discussion is quite lively.

5. The Soviet Union seeks strict parallelism in negotiation of

Eastern and Western proposals, although its prime objective is a NUF treaty. The West has maintained the integrity of its package while arguing that NUF (but not a treaty) is the only negotiable element in the Soviet position. Compromise will be necessary if a substantial outcome is to be reached by November 1986. This may entail difficult decisions but these need not be addressed now. The overall state of East/West relations and progress in other CSCE meetings and arms control fora will have to be taken into account.

C. MBFR (for use only if raised)

Points to make (if needed) are:-

i. Little recent evidence of Eastern interest in making progress. Better East/West relations might change this. After eleven years there is a case for reviewing basic Alliance objectives. Believe NATO should consider the future of conventional arms control (MBFR and CDE) before Vienna CSCE meeting in November 1986. We will be prepared to play a full part in this in due course.

ii. Firmly believe MBFR treaty consistent with Western security must be based on prior agreement on size and shape of forces to be reduced before contractual obligations are incurred.

BACKGROUND

1. The Mutual and Balanced Force Reduction talks began in Vienna in 1973. The Warsaw Pact and NATO negotiate as Alliances. The agreed aim is 900,000 ground and air forces on each side within the area comprising FRG, Benelux, GDR, Poland and Czechoslovakia.

2. The negotiations are deadlocked over the issues of data and verification. The East has consistently claimed its current force levels are roughly equal to the West's. In fact they have about 1.2 million, compared with the West's 1 million, and would thus have to take correspondingly greater reductions to reach parity at 900,000. Western proposals for verification include mandatory on site inspection and permanent exit/entry points. The East made some tentative moves towards the West's position in 1983 but their proposals are faulty and inadequate (eg inspections could be refused, permanent exit/entry points would only be established after reductions).

3. The East's present negotiating position is summarised in its Draft Agreement tabled in 1983. This proposed initial small scale US/Soviet reductions outside a treaty framework, followed by a one year freeze while the Agreement was negotiated, and then partially monitored reductions over 3 years to 900,000 with each side deciding the scale of its own reductions. The East has now indicated that it will table a document this round (31 Jan - 28 Mar) linking the initial reductions and freeze more closely with the Agreement.

4. In July 1982 the West tabled a Draft Treaty, based on prior agreement on force levels, which provided a comprehensive framework for closely monitored, quantified reductions staged over 7 years. In April last year the West varied the Treaty with a new initiative (of US origin), the main feature of which was some flexibility on prior data agreement in return for Eastern acceptance of a more rigorous verification regime. The East's response has been consistently negative and no progress has been made.

5. Meanwhile the West has been unable to agree the details of enhanced verification needed to complete the Western initiative. The FRG has to bear the brunt of inspection on the Western side and is reluctant to accept the reciprocal

implications of the kind of enhancement which the UK believes necessary both in negotiating terms (to demonstrate data is a real issue) and for security. The UK has reluctantly decided that no agreement is possible until FRG ideas on dispensing entirely with the need for prior agreement on force levels in favour of ascertaining force levels by means of "co-operative" verification measures is thoroughly explored. The US have argued the need to complete the initiative, if necessary by papering over substantive differences. Discussion continues within the Alliance.

6. There is a growing feeling among Allies (including the UK) that NATO should review its position on conventional arms control (MBFR and CDE) before Vienna CSCE review meeting in 1986. But it is premature to embark on this yet.

DEFENSIVE BRIEFNON-PROLIFERATION AND NUCLEAR TESTING

1. Non-Proliferation Treaty (NPT) valuable instrument to contain spread of nuclear weapons to those who do not have them already; especially in Middle East. Also provides mechanism for continuing nuclear trade on sound basis. Review Conference of Treaty in September important milestone for Western non-proliferation aims.

2. Western strategy, to ensure Treaty survives Review Conference intact and in good health, already under discussion by Allies.

UK Technical Co-operation Fund proposal important element in strategy.

3. Inevitably focus by non-nuclear weapon states at Review Conference on Article VI (commitment to pursue nuclear disarmament). Do not accept majority view that inherent link between Article VI implementation and progress towards test ban. But recognise strength of others' feelings.

4. In addition to President Reagan's proposal for observer exchanges, suggest package of three elements (described in paragraph 8 of attached paper). It is designed to avoid damage to Western security interests while improving US/UK position at Review Conference and thereafter, whether or not Russians accept it.

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NON-PROLIFERATION AND NUCLEAR TESTING

1. Preventing the spread of nuclear weapons is in the security interests of every country. As Secretary Shultz said on 8 January after the United States/Soviet Arms Control talks: "If you have the aspiration of eliminating nuclear weapons, the subject of non-proliferation has got to be right up on the front-burner".

WESTERN NON-PROLIFERATION AIMS

2. The prime aim for Western countries is to frustrate any attempts by Non-Proliferation Treaty Parties (eg Libya, Iran, Iraq) or by non-Parties to acquire nuclear weapons. We also seek to maintain the confidence necessary between nuclear suppliers and their customers, to permit nuclear trade to continue. The NPT, with over 120 Parties, is a major barrier to the further spread of nuclear weapons. It makes a key contribution to Western and international security. It bans the acquisition or manufacture of nuclear weapons by Non-Nuclear Weapon States (NNWS); and provides for verification by providing the legal framework within which NNWS accept IAEA safeguards on all their nuclear facilities.

3. It is desirable that the third NPT Review Conference in September should reaffirm the support of all Parties for the Treaty. Its outcome could have an important effect upon the Treaty's future; some Parties are already expressing doubt about its long-term prospects and the Parties will have to decide in 1995 whether or not to extend it. Criticism may be expected at this year's Review, as in 1980, of the alleged

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failure of the NWS to honour their obligations under Article VI, which requires the Parties to pursue in good faith negotiations on nuclear disarmament. A negative outcome from the debate over Article VI could lead countries to question their commitment to the Treaty. A Western strategy to prevent this is therefore under discussion between the Allies; it could incorporate continued collaboration where possible with the Russians, who share with us comparable objectives for the Review Conference. An important part of this strategy could be the United Kingdom proposal for a Technical Co-operation Fund to benefit NPT Parties from the developing world. This would be most helpful in the context of debate about Article IV (peaceful nuclear energy).

NUCLEAR TESTING CONSTRAINTS

4. One element of the debate on Article VI at the Review Conference will be the inevitable focus by NNWS on constraints on nuclear testing. The resumed negotiations on nuclear weapons between the United States and the Soviet Union should help to deflect attacks. But it is predictable that many Parties will press for progress in the field of testing constraints.

5. A test ban is the only specific disarmament measure mentioned in the NPT; the preamble recalls the determination expressed in the 1963 Partial Test Ban Treaty by the United States, United Kingdom and the Soviet Union, to continue negotiation on such a ban. Many NNWS interpret this as being particularly relevant in the Article VI context, and see a ban as a key step towards nuclear disarmament. Many also allege

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that the early conclusion of a Treaty banning nuclear tests will be the touchstone of NWS commitment to the NPT. The United States and the United Kingdom do not accept either view.

6. Non-aligned Parties, who mistakenly believe that problems in verifying a total ban have been largely resolved, can be expected to press hard at the Review Conference for new NWS commitments to resume test ban negotiations, and to threaten damage to the NPT if these are not forthcoming. Our technical arguments about the continuing problems of verification, summarised in United Kingdom working papers submitted to the Conference on Disarmament in 1983, remain solid. Our opponents refuse to address these in substance, arguing that the objections are marginal. They remain apparently convinced that a test ban is both desirable and possible.⁴ Some of our Allies are also attracted to this view.

7. To counter such arguments, the United States have placed increasing emphasis on the need to see any ban on nuclear testing in its proper security context; to set it in its correct place in the sequence of other disarmament measures; and to ensure that, as with all arms control agreements, basic Western security interests are not put at risk. President Reagan has also made an important proposal for a United States/Soviet exchange of observers at test sites to which the Russians have not so far responded.

8. In addition, we believe that there would be merit in considering a package of minor nuclear testing measures, which by indicating a degree of flexibility on our part could help our position. It is, however, important that such a package should not impede our respective testing programmes or damage Western security. Such a package, which we believe meets these criteria, could comprise -

i. A political understanding with the Soviet Union over data calibration on underground test sites, building on President Reagan's proposal;

ii. The ratification of the 1974 Threshold Test Ban Treaty and 1976 Peaceful Nuclear Explosions Treaty whose provisions the United States continues to observe despite non-ratification until now. In the light of previous United States Soviet positions, this would have to be integrally linked to a firm political agreement that;

iii. New negotiations would be immediately initiated with two objectives -

a. the possibility of agreeing a somewhat lower threshold (but no lower than would be tolerable in the light of continued United States, and United Kingdom, testing requirements) and

b. the simultaneous improvement of current verification provisions, to provide confidence in compliance both with the earlier Treaties and with any new agreements.

9. We consider that such a package -
- a. would not affect Western security adversely;
 - b. would help foster the continued health of the NPT;
 - c. could represent a useful extension of constraints on Soviet activities, and
 - d. could create an opportunity to enhance our knowledge and verification of their testing programme.

The Russians might jib at some elements of this package, in which case the Western position would not then suffer. Equally, given the apparent importance they attach to maintaining the NPT they might be prepared to make the necessary concessions which until now they denied the United States.
