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VICE-PRESIDENT BUSH'S ADDRESS TO NAC, 28 JUNE.

SUMMARY

1. VICE-PRESIDENT BUSH TODAY ADDRESSED THE NAC ON EAST/WEST RELATIONS, ARMS CONTROL, SDI, CDI AND TERRORISM. ALL PERMANENT REPRESENTATIVES RESPONDED, PRIORITY BEING GIVEN TO THOSE NATIONS NOT INCLUDED IN THE VICE-PRESIDENT'S CURRENT TOUR.

DETAIL

EAST/WEST RELATIONS

2. BUSH SAID THAT THE MEETINGS THAT HE, SHULTZ AND MEMBERS OF CONGRESS HAD HAD WITH GORBACHEV LED THEM TO ANTICIPATE CONTINUITY IN THE SOVIET APPROACH TO THE WEST. THERE HAD BEEN NO DRAMATIC SHIFT AND NO EVIDENCE OF A NEW ERA. PRESIDENT REAGAN GENUINELY WANTED TO GET ON ~~WITH~~ THE SOVIET UNION AND THE RUSSIANS KNEW IT. ON THE POSSIBILITY OF A SUMMIT MEETING, THE BALL WAS NOW FIRMLY IN THE SOVIET COURT.

ARMS CONTROL: SDI: CDI.

3. ON ARMS CONTROL, BUSH STRESSED THE IMPORTANCE OF ALLIED UNITY IN BRINGING THE RUSSIANS BACK TO GENEVA. THE ALLIANCE SHOULD NOT NOW MAKE THE MISTAKE OF BEING TEMPTED BY ATTRACTIVE SOVIET RE-PACKAGING OF PREVIOUSLY UNACCEPTABLE PROPOSALS. THE SOVIET LEADERSHIP KNEW THAT THE PRESIDENT WAS DETERMINED TO ESTABLISH A MORE CONSTRUCTIVE RELATIONSHIP. BUT IT WAS NOW FOR THEM TO RESPOND. THE PRESIDENT'S DECISION ON INTERIM RESTRAINTS HAD BEEN RIGHT AND COURAGEOUS, BUT CONTINUED RESTRAINT REQUIRED A RESPONSE. THE U S SHOULD NOT BE ASKED TO CLOSE ITS EYES TO VIOLATIONS (HE CITED TELEMETRY ENCRYPTION, THE SS-X-25, AND KRASNOYARSK). BUSH WOULD MEET THE SOVIET NEGOTIATORS IN GENEVA ON 29 JUNE IN ORDER TO STRESS THE IMPORTANCE THE U S ATTACHED TO THE PROCESS, NOT TO PUT FORWARD NEW PROPOSALS.

4. ON SDI, BUSH SAID THAT U S FLEXIBILITY WAS NOT SUFFICIENTLY APPRECIATED. HE COMMENDED THE CAMP DAVID FOUR POINTS. IN SUBSEQUENT DISCUSSION, HE STRESSED THAT EVALUATION OF RESEARCH WAS STILL SOME YEARS AWAY. SHOULD THIS SUGGEST DEPLOYMENT OPTIONS, THERE WOULD BE FULL CONSULTATION WITH THE ALLIES BEFORE DECISIONS WERE TAKEN AND SUBSEQUENT NEGOTIATIONS WITH THE RUSSIANS BEFORE DEPLOYMENT. THE U S REMAINED FLEXIBLE ON ALLIED PARTICIPATION IN RESEARCH AND DID NOT SEE EUREKA AS A CHALLENGE.

5. THE U S WAS PLEASED WITH WORK IN ALLIANCE PARTICULARLY CONVENTIONAL DEFENCE IMPROVEMENTS. ARMS CONTROL WAS NO SUBSTITUTE FOR UPGRADING BOTH CONVENTIONAL AND NUCLEAR FORCES TO MAINTAIN DETERRENCE. BUT THE U S DID NOT SEEK MILITARY SUPERIORITY.

TERRORISM

6. BUSH NOTED THAT TERRORISM HAD BEEN CONSIDERED IN THE ALLIANCE AS IT RELATED TO NATO'S OWN SECURITY. THE CURRENT BEIRUT HOSTAGE EPISODE HAD CRYSTALLISED OPINION IN THE U S: WHILE CONTINUING TO TRY TO GAIN THE HOSTAGES' RELEASE THE U S WAS INTENSIFYING ITS ANTI-TERRORISM EFFORTS DOMESTICALLY AND WANTED TO WORK WITH AS MANY GOVERNMENTS AS POSSIBLE TO COMBAT TERRORISM INTERNATIONALLY. THIS WAS NO EASY TASK AND REQUIRED A LOT OF TIME AND RESOURCES.

7. OLCAY (TURKEY, SPEAKING FIRST AS DEAN) HOPED THAT BUSH WOULD TAKE BACK AN IMPRESSION OF A STRONG ALLIANCE, UNITED IN PURPOSE AND BASIC PRINCIPLES IF OCCASIONALLY DISAGREEING ON METHODS, TIMING OR VOCABULARY. HE EMPHASISED THE TRUST THAT ALL ALLIES PLACED IN THE U S, IN THE KNOWLEDGE THAT THEIR VIEWS WERE TAKEN INTO CONSIDERATION. SPEAKING FOR TURKEY, HE REMARKED THAT HE HAD ONCE FELT ALONE IN RAISING TERRORISM AT NATO. BUT IT HAD NOW BECOME A MATTER OF COMMON CONCERN. TURKEY HOPED THAT THE PRESENT WAVE OF TERRORISM WOULD BE SEEN AS A TURNING POINT IN INTERNATIONAL COOPERATION.

8. BERG (NORWAY) EMPHASISED NORWAY'S READINESS TO PLAY A FULL PART IN INTERNATIONAL EFFORTS TO COMBAT TERRORISM. NORWAY WELCOMED THE GENEVA RESUMPTION QUOTE WITH REALISM UNQUOTE. BUT WE MIGHT HAVE TO WAIT UNTIL THE SOVIET PARTY CONGRESS NEXT YEAR BEFORE WE SAW ANY REAL PROGRESS. IN THE MEANTIME, WE HAD TO BEWARE OF SOVIET ATTEMPTS AT WEDGE-DRIVING. ON SDI, BERG WAS PLEASED TO HEAR FROM BUSH THAT THE U S RESEARCH, WHICH SHOULD BE UNAMBIGUOUSLY WITHIN EXISTING AGREEMENTS, DID NOT IMPLY A U S DESIRE FOR STRATEGIC SUPERIORITY. NORWAY SUPPORTED THE SALT II DECISION WHICH SHOWED THE BENEFIT OF THOROUGH CONSULTATION WITHIN THE ALLIANCE AND STRENGTHENED THE ROLE OF THE COUNCIL.

9. BORCH (DENMARK) SAID THE OVERALL POSITION OF THE ALLIANCE WITH RESPECT TO THE EAST WAS SOUND. THE RHETORIC WAS BEING MODERATED AND THE CSCE PROCESS CONTINUED (THOUGH OTTAWA HAD NOT BEEN SO SUCCESSFUL). ARMS CONTROL WAS THE ISSUE OF MOST IMMEDIATE PUBLIC CONCERN. THE DECISION ON SALT II HAD BEEN A MODEL OF ALLIANCE CONSULTATION ON AN ISSUE WHICH THOUGH BI-LATERAL HAD IMPLICATIONS FOR THE SECURITY OF ALL. DENMARK WAS GRATEFUL FOR THE IMPRESSIVE CONSULTATION BY THE GENEVA NEGOTIATORS AND HOPED THE U S WOULD CONTINUE THIS. ON TERRORISM, DENMARK WAS READY TO SUPPORT COOPERATION IN THE APPROPRIATE FORA.

10. WAGNER (LUXEMBOURG) SAID U S RESEARCH ON SDI WAS JUSTIFIED IN THE LIGHT OF SOVIET RESEARCH, THOUGH THE QUESTION OF DEPLOYMENT HAD TO BE PRECEDED BY US-SOVIET AND US-ALLIANCE NEGOTIATIONS. LUXEMBOURG BELIEVED THAT NATO STRATEGY MUST REMAIN SO LONG AS THERE WAS NO ALTERNATIVE.

11. VASSILICOS (GREECE) SAID HIS GOVERNMENT FOLLOWED ALL ALLIANCE ISSUES CLOSELY AS THEY HAD A DECISIVE IMPACT ON EAST/WEST RELATIONS AND THE FUTURE OF HUMANITY. GREECE HAD ALWAYS CONDEMNED TERRORISM AND WOULD CONTINUE TO EMPLOY HER QUOTE BEST EFFORTS UNQUOTE TO COMBAT TERRORISM.

12. VAZ PEREIRA (PORTUGAL) SAID HIS GOVERNMENT REGARDED ALLIANCE CONSULTATION AS OF FUNDAMENTAL IMPORTANCE AND ATTACHED GREAT IMPORTANCE TO THE GENEVA TALKS. SOVIET SIGNALS WERE SO FAR NOT POSITIVE BUT WE SHOULD EXPLORE EVERY OPPORTUNITY TO MAKE PROGRESS. PORTUGAL WAS READY TO CONSIDER ANY NEW INITIATIVES ON INTERNATIONAL COOPERATION AGAINST TERRORISM.

13. TAYLOR (CANADA) EMPHASISED ALLIANCE UNITY ON GENEVA, WHICH COULD ONLY BE MAINTAINED BY THOROUGH CONSULTATION. CANADA HAD ALWAYS BELIEVED THERE WAS A POLITICAL DIMENSION TO COOPERATION AGAINST TERRORISM WHICH COULD BE PURSUED IN NATO. WE HAD MADE GOOD PROGRESS ON CDI AND IT WAS ENCOURAGING THAT GOVERNMENTS WERE STILL ABLE TO FIND MONEY TO SPEND ON DEFENCE, DESPITE FINANCIAL CONSTRAINTS.

14. OJEDA (SPAIN) EMPHASISED THAT SPAIN STOOD FIRMLY COMMITTED TO THE WEST WHILE ENCOURAGING PROGRESS IN ARMS CONTROL AGREEMENTS. ON TERRORISM, SPAIN MAINTAINED THAT INTERNATIONAL POLICE COOPERATION SHOULD BE EXTENDED TO LEGAL AND JUDICIAL INSTITUTIONS.

15. DE HOOP SCHEFFER (NETHERLAND) REFERRED TO THE PROGRESS MADE RECENTLY BY THE IEPG MINISTERS. EUROPEAN EFFORTS SHOULD COMPLEMENT U S INITIATIVES ON USE OF NEW TECHNOLOGY IN ARMAMENTS.

16. CURIEN (FRANCE) SPOKE DELPHICALLY ON THE PROBLEMS POSED BY THE INTRODUCTION OF NEW TECHNOLOGY (APPARENTLY WITH REFERENCE TO THE NEW COMBINED COMMUNICATIONS COMMITTEE CURRENTLY UNDER DISCUSSION IN THE ALLIANCE.) THESE COULD LEAD TO CALLS FOR RIGID ORGANISATION AND CONTROL AND POSED A THREAT TO ALLIANCE DIVERSITY.

17. POINTING OUT THAT BUSH WAS GOING TO LONDON I SPOKE BRIEFLY ON TERRORISM DRAWING ON MATERIAL FROM SCD, AND COMMENDING PARTICULARLY THE RECENT US/UK EXTRADITION AGREEMENT.

18. WIECK (GERMANY) STRESSED THE IMPORTANCE OF ALLIANCE SOLIDARITY IN EAST/WEST RELATIONS. WE WERE AN ALLIANCE OF EQUALS DEDICATED TO PEACE AND FREEDOM, SOMETHING WHICH COULD NOT BE SECURED BY MONEY ALONE. HE REFERRED TO THE GERMAN DECISION TO EXTEND THE PERIOD OF MILITARY SERVICE, AND TO THE SUCCESS OF THE INF DECISION, REPEATED GERMAN SUPPORT FOR THE STRATEGY OF NUCLEAR DETERRENCE AND FORWARD DEFENCE AND PRAISED THE CDI AND MONTEBELLO DECISIONS. SOVIET HEGEMONY OVER EASTERN EUROPE WOULD NOT LAST FOR EVER: THE CSCE PROCESS AND THE HARMEL CONCEPT WERE IMPORTANT TOOLS FOR THE ALLIANCE.

19. TOMASSON (ICELAND), KADIJK (BELGIUM) AND ROMANO (ITALY) FINALLY ROUNDED OFF THE MEETING WITH BRIEF, APPRECIATIVE, COMMENT ON THE CONTINUING CONSULTATION PROCESS WHICH BUSH'S PRESENCE IN THE COUNCIL REPRESENTED.

20. PLEASE SEE M I F T.

GRAHAM

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