



Foreign and Commonwealth Office

London SW1A 2AH

21 September 1989

*Dear Charles,*

Prime Minister's meeting with Mr Gorbachev:  
Defence Issues

I attach some additional material on arms control issues, including CW.

On CW, the line to take in my letter of 15 September holds good. It will be as well to mention CW to Mr Gorbachev so as not to leave the impression that we have lost our doubts about the truth of Soviet statements on their capabilities or do not consider the subject important enough to raise. The Prime Minister could, as per the original brief, express the hope that progress towards US/Soviet agreement will help to bring about the greater openness about Soviet CW capabilities which we think is still notably lacking.

The background is that all our intelligence, which has been accumulated over a very long period, indicates that the Soviet Union has a much larger and more advanced CW programme than has been admitted. In more detail:

- we do not believe Gorbachev's statement of April 1987 that the Soviet Union had ended production of chemical weapons;
- we do not believe the Soviet claim that they have only 50,000 tonnes of toxic agent. Our estimate of stockpile agent is many times higher than this figure;
- we do not believe Gorbachev's claim in April 1987 that the non-Soviet Warsaw Pact countries had never produced or stationed such weapons on their territory and that the Soviet Union had no chemical weapons based outside its borders;
- we found the Russians shifty and misleading on our visit to Shikhany and subsequent discussions with Karpov in June have done little to correct that impression. But they did admit (for the first time) that their R&D programme had continued and that new agents and weapons had been tested. We have convincing evidence that these weapons are available to Soviet forces.

Until recently, the American intelligence community, though differing (inevitably) among themselves and less precise than we were, did not dissent from these conclusions. There are now



indications that they are prepared to accept a figure near to the Soviet claim of 50,000 tonnes for their stockpile and may be less than firm on the other points in the indictment. But Mr Baker did assure the Foreign Secretary in Washington last week that, in any agreement on data exchange, the US would avoid appearing to corroborate the Soviet stockpile figure.

*Jams.*  
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## START

Following a 7 month recess while the new US Administration reviewed its position, the START negotiations resumed in Geneva in June for a session which lasted until the beginning of August. This round in the negotiations was not expected to make great strides forward - rather, it was seen by both sides as an opportunity to take stock of the state of the negotiations in the light of any new proposals which the Bush Administration might choose to make. Nevertheless, the Russians are clearly impatient of the slow progress in the START and Defence and Space Talks. They will not have been heartened by a recent statement by President Bush that there is no need to rush for the conclusion of a START agreement. Certainly at present there is little indication that an early agreement might be achievable.

The outline of the treaty is in place. Each side will be permitted 6,000 warheads on 1600 missiles and bombers - although in practice the agreed counting rules will leave both the US and the Soviet Union with more than 6,000 warheads. Limits have also been agreed on Soviet heavy missiles (SS18s) and on a reduction to 50% of the current Soviet level in the aggregate throwweight of the two sides' strategic missile arsenals. What is left is a series of complex problems which include:

- Defence and Space. The Russians insist that a Defence and Space Agreement is a precondition for an agreement to reduce strategic weapons. Although the US and Soviet Union have agreed in principle that such a treaty would involve a commitment not to withdraw from the 1972 ABM Treaty for a fixed period of time, disagreement continues on a number of fundamental issues, including the question of what degree of development and testing of space-based anti-ballistic missile systems is permitted by the ABM Treaty.

- Sea-Launched Cruise Missiles (SLCMs). The two sides have agreed that SLCMs should be subject to verifiable constraints. But the US does not believe that any satisfactory method of verification can be applied to nuclear SLCMs which is not

unacceptably intrusive. Although the Russians claim to have developed a method of verification based on remote sensing of nuclear weapons, the US maintains that this does not work.

- Air-Launched Cruise Missiles (ALCMs). There is disagreement over how ALCMs should be counted under a START agreement (the US want a more permissive counting rule) as well as the range over which ALCMs should be deemed to be strategic and therefore subject to constraint under a START agreement.

- Mobile Missiles. Mr Baker has announced that the US is now ready to abandon its formal position that mobile ICBMs should not be permitted under a START agreement. This makes official what has long been expected. Since US ICBM modernisation plans include two mobile missiles (the MX and Midgetman) and since the Soviet Union has already begun deployment of two mobile ICBM's it was most unlikely that an agreement could be reached which did not permit mobiles. And in fact the negotiators in Geneva have been discussing a possible verification regime for some time. But work will still need to be done on the number of mobiles permitted. And the US agreement to lift its ban on mobile missiles is subject to Congressional funding for the MX and Midgetman which at present seems uncertain.

- Verification. A good deal of work has been done on the complex verification regime which will be needed for START. But there is still a long way to go. During the last round of negotiations the US proposed a number of measures designed to test verification procedures before the treaty is signed. The Russians have not yet replied to these proposals.

If Mr Gorbachev raises START, it will probably be to express disappointment at the pace of the negotiations. If so, the Prime Minister may wish to observe that while we fully support the START negotiations, we regard it is essential that the two sides get the right agreement. An agreement which does not command overwhelming support in Washington and Moscow could prove worse than no agreement

at all since it could undermine, rather than enhance, confidence. So it is essential that the two sides do not rush these complex and vital issues. If Mr Gorbachev criticises the US for refusing to agree to constraints for which there is no obvious method of verification, the Prime Minister might say that verification will be an essential element of a START agreement. To agree measures for which we can foresee no verification arrangement, would be to create great pressure to compromise on a verification regime which is inadequate: that would only breed uncertainty and mistrust.

#### Nuclear Weapons in Europe

Mr Gorbachev may make critical reference to the Comprehensive Concept agreed at the NATO Summit, and the stringent conditions which the Alliance attached to future SNF arms control negotiations. The relevant passage from the Comprehensive Concept is attached. The Prime Minister could remind Mr Gorbachev that NATO regards nuclear weapons in Europe as an essential element in its strategy of flexible response, a strategy which is designed to prevent war not to wage it. This strategy implies no judgement about Soviet intentions, but is a prudent hedge against unforeseen developments. The present numbers and types of short range nuclear weapons in Europe are not immutable. But for as far ahead as we can see, some will be required. Soviet reluctance to acknowledge this is main reason why we are therefore, cautious about any proposals to negotiate on these weapons. Progress will only be achieved if the Soviet Union recognises that negotiations should aim at equal ceilings, above and not at, zero.

#### Nuclear Testing

The US and Soviet Union are negotiating verification protocols to the 1974 Threshold Test Ban Treaty and 1976 Peaceful Nuclear Explosions Treaty. Although these Treaties have been observed by both Parties, they have not until now been ratified precisely because of the lack of adequate verification provisions. We have said that we would welcome their ratification. There is a direct British interest (which we have not discussed publicly, or with the Russians) in that verification arrangements agreed by the US and

Soviet Union would in all probability be applied to British nuclear tests conducted at Nevada. The Prime Minister has agreed that subject to the precise terms of any arrangement which the US and Soviet Union reach, we should not object to this. Our interests are likely to be affected more closely after the two Treaties have been ratified since the US/Soviet arrangement envisages follow-on negotiations aimed at further intermediate limits on nuclear testing. The US has not yet begun seriously to consider what future limitations, if any, it could agree to. The Russians may well press for a very stringent limit on nuclear tests which could severely restrict our test programme. If Mr Gorbachev seeks the Prime Minister's views on this issue she may wish to confirm that we continue to believe that nuclear testing is essential for the maintenance of an effective nuclear deterrent. We could not, therefore, support any arrangement which undermined our ability to conduct an adequate testing programme.

## CONVENTIONAL ARMS CONTROL

1. The third round of the negotiations on conventional armed forces in Europe (commonly known as the CFE talks) began in Vienna on 7 September: they have gone well and prospects for an agreement within the next 18 months are reasonable. Both the Alliance and the Warsaw Pact are agreed in principle on parity in tanks (20,000 a side) and armoured troop carriers (28,000 a side); and close on artillery. The current round (which lasts until 19 October) will be a crucial one in terms of determining the future pace of the talks: technical questions are likely to dominate discussion and to prove complex and difficult.
2. Following President Bush's initiative at the NATO Summit in May, it was agreed to include in the Alliance proposals (as the Warsaw Pact had been insisting) limits on aircraft and helicopters as well as on ground forces. The Summit also proposed equal ceilings in US/Soviet manpower, again in response to Warsaw Pact demands that personnel be covered in some way. The amended NATO proposals were tabled in Vienna at the end of the last round on 13 July, thus ensuring that the Alliance retained the initiative in the conventional field throughout the summer recess. A comparative table of NATO and Warsaw Pact proposals is enclosed at Annex.
3. The Alliance intend tomorrow (21 September) to table a package of ancillary measures, as foreshadowed in the proposals put forward on 13 July: these cover so-called stabilising measures (which will be needed to constrain forces remaining after the CFE treaty has been implemented); detailed proposals for the exchange of information about force levels: and provisions for verification and 'non-circumvention' (the latter aimed at constraining the build-up of forces East of the Urals).
4. The Warsaw pact have not yet responded in any substantive way to the proposals put forward by the Allies but there have been signs that they are prepared to make concessions: both Mr Gorbachev and Mr Shevardnadze have welcomed them as offering the prospect of reaching agreement more quickly than was expected earlier. But a number of Warsaw Pact spokesmen (including Mr Shevardnadze) have

expressed doubts about the feasibility of the NATO Summit timetable (treaty signature by May next year and full implementation by 1992/93). They have also criticised the absence of limitations on UK and French stationed forces in the Alliance manpower proposals; and have sought to argue that Soviet defensive aircraft, ie 'interceptors', should be excluded from the scope of the negotiations on the grounds that they are not relevant to the land battle in Europe: the exclusion of air defence fighters is a top priority for the Soviet military and there are signs that the Soviet Union may well make this a sticking point.

5. Mr Gorbachev has demonstrated a strong personal commitment to the success of the CFE negotiations both in order to enhance his credentials as a peace maker and to further his proposals for internal reform. The CFE negotiations are taking place against the backdrop of radical reductions in the size of the Soviet and Non-Soviet Warsaw Pact (NSWP) armed forces and much talk about the need for 'reasonable sufficiency' and restructuring of forces on more defensive lines. At the UN last December Mr Gorbachev announced plans to cut the Soviet armed forces over the next two years by 500,000 personnel (about a 10% reduction); and that 10,000 tanks, 8,500 artillery pieces and 800 combat aircraft would be withdrawn from East Europe and the Westernmost part of the Soviet Union. Since then all NSWP countries (except Romania) have announced cuts in their military budgets and the scrapping of equipment. These cuts need to be put in perspective: even if fully implemented, the Warsaw Pact would retain a superiority of nearly 2.5:1 in tanks and artillery (compared to 3:1 today). But they are nonetheless an important step towards securing a better balance of forces in Europe.

6. In discussion, the Prime Minister will want to stress that conventional arms control ranks among the Government's top arms control priorities. She may wish to note how far the talks have come in the first six months and to point to the common ground already established between the two sides. She will wish to remind Mr Gorbachev of the proposals tabled by the Alliance on 13 July and to present these as a genuine attempt by the Alliance to meet Warsaw



Pact concerns. She may wish to mention the additional proposals on stabilising measures, verification, information exchange and non-circumvention to be tabled by the Alliance on 21 September and to express the hope that the Warsaw Pact will react constructively to what we believe are reasonable, equitable and soundly based proposals in the mutual interest of both East and West.

7. In discussion of the Summit timetable the Prime Minister will wish to welcome Mr Gorbachev's initial positive reaction (in Bonn on 13 July) to the Alliance's proposals and in particular his view that a CFE agreement could be reached 'earlier than expected'. She might add that we do not underestimate the amount of work involved, nor the complexity of the issues but consider that timetable achievable given political will on both sides.

8. If Mr Gorbachev raises the question of aircraft the Prime Minister could say that we recognise the Soviet Union's legitimate concern to protect its defence requirements; but that it is unreasonable to expect the Alliance to leave over 4,000 Soviet combat aircraft out of account on the basis of their assigned defence role: while including all aircraft on the Western side: capability is what matters, hence the Alliance wish to cover all combat aircraft in their proposals. On manpower, the Prime Minister could explain that our proposals limiting only US and Soviet stationed personnel are designed to focus on those participants with the largest forces in the zone and with territory outside it where both maintain large armed forces (unlike the United Kingdom and France).

9. In the event that related security issues are raised, the Prime Minister might note Mr Gorbachev's assertion in his speech to the Council of Europe in Strasbourg on 3 July that the Soviet Union had addressed the conversion of military industry to civil uses. She might ask what has been done so far and what Mr Gorbachev contemplates for the future. She might also explore with Mr Gorbachev what plans the Soviet Union may have for employing the large numbers of military personnel to be demobilised as a result of the CFE agreement; and whether there have been further developments in Soviet thinking on defensive military doctrine and 'reasonable

sufficiency' as a criterion for establishing the size and disposition of the Soviet Union's armed forces.

### Sub-Strategic Nuclear Forces

42. The Allies are committed to maintaining only the minimum number of nuclear weapons necessary to support their strategy of deterrence. In line with this commitment, the members of the integrated military structure have already made major unilateral cuts in their sub-strategic nuclear armoury. The number of land-based warheads in Western Europe has been reduced by over one-third since 1979 to its lowest level in over 20 years. Updating where necessary of their sub-strategic systems would result in further reductions.

43. The Allies continue to face the direct threat posed to Europe by the large numbers of shorter-range nuclear missiles deployed on Warsaw Pact territory and which have been substantially upgraded in recent years. Major reductions in Warsaw Pact systems would be of overall value to Alliance security. One of the ways to achieve this aim would be by tangible and verifiable reductions of American and Soviet land-based nuclear missile systems of shorter range leading to equal ceilings at lower levels.

44. But the sub-strategic nuclear forces deployed by member countries of the Alliance are not principally a counter to similar systems operated by members of the WTO. As is explained in Chapter III, sub-strategic nuclear forces fulfil an essential role in overall Alliance deterrence strategy by ensuring that there are no circumstances in which a potential aggressor might discount nuclear retaliation in response to his military action.

45. The Alliance reaffirms its position that for the foreseeable future there is no alternative to the Alliance's strategy for the prevention of war, which is a strategy of deterrence based upon an appropriate mix of adequate and effective nuclear and conventional forces which will continue to be kept up to date where necessary. Where nuclear forces are concerned, land-, sea-, and air-based systems, including ground-based missiles, in the present circumstances and as far as can be foreseen will be needed in Europe.

46. In view of the huge superiority of the Warsaw Pact in terms of short-range nuclear missiles, the Alliance calls upon the Soviet Union to reduce unilaterally its short-range missile systems to the current levels within the integrated military structure.

47. The Alliance reaffirms that at the negotiations on conventional stability it pursues the objectives of:

- the establishment of a secure and stable balance of conventional forces at lower levels;
- the elimination of disparities prejudicial to stability and security; and
- the elimination as a matter of high priority of the capability for launching surprise attack and for initiating large-scale offensive action.

48. In keeping with its arms control objectives formulated in Reykjavik in 1987 and reaffirmed in Brussels in 1988, the Alliance states that one of its highest priorities in nego-

tiations with the East is reaching an agreement on conventional force reductions which would achieve the objectives above. In this spirit, the Allies will make every effort, as evidenced by the outcome of the May 1989 Summit, to bring these conventional negotiations to an early and satisfactory conclusion. The United States has expressed the hope that this could be achieved within six to twelve months. Once implementation of such an agreement is underway, the United States, in consultation with the Allies concerned, is prepared to enter into negotiations to achieve a partial reduction of American and Soviet land-based nuclear missile forces of shorter range to equal and verifiable levels. With special reference to the Western proposals on CFE tabled in Vienna, enhanced by the proposals by the United States at the May 1989 Summit, the Allies concerned proceed on the understanding that negotiated reductions leading to a level below the existing level of their SNF missiles will not be carried out until the results of these negotiations have been implemented. Reductions of Warsaw Pact SNF systems should be carried out before that date.

49. As regards the sub-strategic nuclear forces of the members of the integrated military structure, their level and characteristics must be such that they can perform their deterrent role in a credible way across the required spectrum of ranges, taking into account the threat - both conventional and nuclear - with which the Alliance is faced. The question concerning the introduction and deployment of a follow-on system for the Lance will be dealt with in 1992 in the light of overall security developments. While a decision for national authorities, the Allies concerned recognise the value of the continued funding by the United States of research and development of a follow-on for the existing Lance short-range missile, in order to preserve their options in this respect.

### Conventional Forces

50. As set out in the March 1988 Summit statement and in the Alliance's November 1988 data initiative, the Soviet Union's military presence in Europe, at a level far in excess of its needs for self-defence, directly challenges our security as well as our aspirations for a peaceful order in Europe. Such excessive force levels create the risk of political intimidation or threatened aggression. As long as they exist, they present an obstacle to better political relations between all states of Europe. The challenge to security is, moreover, not only a matter of the numerical superiority of WTO forces. WTO tanks, artillery and armoured troop carriers are concentrated in large formations and deployed in such a way as to give the WTO a capability for surprise attack and large-scale offensive action. Despite the recent welcome publication by the WTO of its assessment of the military balance in Europe, there is still considerable secrecy and uncertainty about its actual capabilities and intentions.

51. In addressing these concerns, the Allies' primary objectives are to establish a secure and stable balance of conventional forces in Europe at lower levels, while at the same time creating greater openness about military organisation and activities in Europe.

CPE: ALLIANCE/WP PROPOSALS FOR EQUAL CEILINGS: A COMPARATIVE TABLE

(a) Overall

|                                | <u>Alliance</u> | <u>WP</u>               |
|--------------------------------|-----------------|-------------------------|
| tanks                          | 20,000          | 20,000                  |
| artillery                      | 16,500          | 24,000                  |
| armoured troop carriers (ATCs) | 28,000          | 28,000                  |
| combat aircraft                | 5,700           | 1,500                   |
|                                |                 | ('strike aircraft only) |
| helicopters                    | 1,900           | 1,700                   |
| personnel                      | -               | 1,350,000               |

(b) Stationed forces

|                                |                  |         |
|--------------------------------|------------------|---------|
| tanks                          | 3,200*           | 4,500   |
| artillery                      | 1,700            | 4,000   |
| armoured troop carriers (ATCs) | 6,000            | 7,500   |
| combat aircraft                | -                | 350     |
| combat helicopters             | -                | 600     |
| personnel                      | 275,000          | 350,000 |
|                                | (US/Soviet only) |         |

(c) 'Sufficiency' rule (limits on individual country holdings)

|                                |        |         |
|--------------------------------|--------|---------|
| tanks                          | 12,000 | 14,000  |
| artillery                      | 10,000 | 17,000  |
| armoured troop carriers (ATCs) | 16,800 | 18,000  |
| combat aircraft                | 3,420  | 1,200   |
| combat helicopters             | 1,140  | 1,350   |
| personnel                      | -      | 920,000 |

\* These Alliance figures relate to equipment in active units only. Current Alliance 'stationed' holdings in active units and storage total 7,800 for tanks; 3360 for artillery; and 8,700 for armoured troop carriers (ATCs).

PRIME MINISTER'S MEETING WITH PRESIDENT GORBACHEV: SUPPLEMENTARY BRIEFING

Possible US/Soviet Agreement

1. At the meeting between Mr Baker and Mr Shevardnadze in Wyoming on 22-23 September the following agreements on CW are likely to be announced:

(a) Joint paper on challenge inspection procedures and the order of destruction of CW stocks under a convention. These two papers have already been agreed.

(b) Bilateral data exchange and inspections in two phases.

- Phase 1 in which "general information would be exchanged and a few visits to CW sites in the US and USSR would occur". (US wording).
- Phase 2. A more detailed data exchange supported by routine and challenge inspections, shortly before the end of negotiations for a multilateral convention. With host nation agreement, inspections would also cover US and Soviet bases in third countries, (including the UK).

The details of (b) remain to be finalised at Wyoming.

2. A particular problem in concluding the data exchange deal has been German reluctance to agree to US disclosure of details of US-owned CW stocks held in the FRG. But on 19 September the FRG announced that it was prepared for the total US stockpile figure held in Germany (but not specific locations) to be so disclosed.

3. There are two main implications for the UK:

(a) The likelihood under phase 2 of Soviet inspections of US bases in the UK. We have impressed on the US the need for close consultation. Contingency press line attached. /

(b) The need in any data exchange to avoid lending any credibility to the Soviet CW stockpile figure. Mr Baker assured the Foreign Secretary on 11 September that in any agreement on data exchange the US would avoid appearing to corroborate the Soviet stockpile figure.

#### CW: Soviet Destruction

4. At the Paris Conference on CW in January Mr Shevardnadze announced that the Soviet Union would begin destruction of its CW stocks at a new purpose built facility in Chapayevsk this year. On 6 September this plan was cancelled, ostensibly following pressure from local environmentalists. The Prime Minister might therefore wish to probe how the Russians now intend to proceed on this.

#### Canberra Government/Industry Conference

5. A Conference against chemical weapons bringing together government and industry representatives from about 70 countries is taking place in Canberra 18-22 September. No major new initiatives are expected, but the Australian Foreign Minister is likely to conclude in his personal final statement that a target of the end of 1991 should be set for the negotiations to be concluded. The UK continues to argue against setting deadlines. Our primary aim is an effective Convention.

P.

CW: POSSIBLE INSPECTION OF US BASES IN THE UK

Press Line

We welcome the progress which has been made. The US has kept us informed of its bilateral discussions with the Soviet Union on CW and we understand that the initial arrangements proposed include data exchanges and a number of visits and inspections of CW-related facilities in the Soviet Union and United States.

The US has also consulted us closely about a second stage agreement which might involve inspections of Soviet and US bases in third countries, including the UK. No formal proposal regarding such inspections has been made, and we would expect to be consulted again before any such proposal were to take shape.

As we have made clear, there are no chemical weapons in the UK. Nevertheless, the British Government will do all possible to facilitate any arrangement which would contribute to the conclusion of a comprehensive, effectively verifiable, global convention to ban chemical weapons.

As with other visits to the UK by Soviet officials, we would ensure that they are properly regulated and that our security interests are safeguarded.





R19/9

TELEGRAM

TO: FCO

IMMEDIATE DESK BY 190800Z

CONFIDENTIAL

FOLLOWING FOR STEPHEN WALL FROM CHARLES POWELL, AIRBORNE

It was clear from Primakov's remarks to the Prime Minister at Moscow airport this evening - as well as what Chernayer said earlier to HM Ambassador - that Gorbachev wants to make arms control a major theme of his talks with the Prime Minister on Saturday. He seems to have in mind principally CFE but also SALT and CW.

I think the Prime Minister will need much fuller and more detailed briefing than is contained in your letter of 15 September. I should be grateful if you could fax additional material to us in Tokyo.

CDP

Ted 182905z

CDP

19.9.89

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