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THE WHITE HOUSE
WASHINGTON

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MEMORANDUM OF CONVERSATION

REAGAN-GORBACHEV MEETINGS IN REYKJAVIK
October, 1986

First Meeting

DATE: October 11, 1986
TIME: 10:40 a.m. - 12:30 p.m.
PLACE: Hofdi House
Reykjavik, Iceland

PARTICIPANTS:

United States

President Ronald Reagan
Dimitri Zarechnak, Interpreter
Jack F. Matlock, Jr., Notetaker

Union of Soviet Socialist Republics

Mikhail Gorbachev, General Secretary, Central Committee,
Communist Party of the Soviet Union
Nikolay Uspensky, Interpreter
Notetaker

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The President opened the meeting by saying that he was pleased that Gorbachev had proposed the meeting, since it was important to make sure that his visit to the United States is as productive as possible.

Gorbachev said that he and the Soviet leadership placed great value on the President's agreeing to the meeting.

The President said he was looking forward to the meeting and suggested that they alternate one-on-one meetings with meetings with their foreign ministers.

Gorbachev agreed.

The President asked which issues they should take up first.

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Gorbachev suggested that they have a short exchange of views regarding the situation which produced the Soviet proposal for this meeting, and then he would explain the proposals he brought with him. He suggested that Secretary Shultz and Foreign Minister Shevardnadze be invited to join them when he presented the proposal. He then said that he wished to make clear at the beginning that he was prepared to discuss whatever the President considers necessary.

The President agreed to the general procedure suggested and noted that he felt topics such as intermediate-range missiles, the ABM Treaty and defensive space weapons, nuclear testing, and strategic arms reduction were all important. He added that we are particularly interested in strategic arms reduction and noted that both agreed at Geneva to reduce them by 50%. The world is watching in the hope that this will be achieved.

Gorbachev said that this coincides with his view of the issues. Perhaps they could devote this meeting to the problems the President listed, and then, after lunch, discuss regional, humanitarian and bilateral issues.

The President said that although issues such as humanitarian ones, those involving human rights, and regional conflicts may not always be appropriate subjects for formal agreements, progress on them has an important effect on how cooperative he can be in other issues. These are important issues with our public opinion.

Gorbachev reiterated that he would propose a short exchange regarding general principles, and then a presentation of new Soviet proposals when Shultz and Shevardnadze join them.

The President agreed and said that he would be discussing the other matters because of the effect they have on the whole range of issues.

Gorbachev then began his initial presentation, during which he made the following points:

-- Though public comment on their decision to meet here has been mixed, he is convinced that this meeting is a highly responsible step by the President and the Soviet leadership. It is testimony that the dialogue continues. It is not moving as fast as people on both sides would like, but it is moving.

-- Geneva summit set a mechanism of bilateral relations in motion. It is a very complex mechanism, and not everything moves smoothly. There have been some hiccups -- and even a black eye or two has been delivered since Geneva. But the main issue is how to avert the nuclear threat. Much work done at Geneva, but things are virtually at an impasse. 50 or 100 variant proposals

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have been considered -- and this complicates things. We need to concentrate on one or two options. The purpose of this meeting should be to outline agreements we can conclude when he visits the United States.

The President observed that they had agreed on a 50% reduction of strategic weapons in Geneva. It appears this is more than the Soviets are ready for now. We proposed a warhead limit of 4500, while they proposed a much higher level -- on the order of 6400-6800. This seems too high to us. It would leave the world threatened by these highly destructive weapons. But we might look at the possibility of an interim agreement, with the goal still the complete elimination of ballistic missiles. Perhaps with initial reductions to a level of 5500 warheads.

Gorbachev indicated that he would like to discuss specifics later, after he had presented the Soviet proposals, and continued with his general observations as follows:

-- The Soviet leadership wants to solve the problem of the nuclear arms race. Therefore, it has formulated proposals which take into account the interests of both the Soviet Union and the United States. This is the only way the problem can be solved, since if proposals are one-sided, it will suggest to the other side that there is an attempt to gain superiority -- and this would undermine the effort to get agreements.

-- In working out a solution to the problem of eliminating nuclear weapons, there must be parity and equality at each stage along the way. Anything else is unacceptable.

The President observed that we feel the same way about the stages, but that one of the most difficult subjects is likely to be verification. He said that he was reminded of the Russian proverb "Doveryai no proveryai" (Trust but verify). [Gorbachev smiled and acknowledged that he knew the proverb.] The President continued that he had discussed this with Gorbachev in their private meeting in Geneva, and he wanted to make clear that whether reductions start in the intermediate-range missile area or in the strategic missile area, they must agree on effective verification. It would be a great step and the world would applaud.

Gorbachev said he supported the President's position on the importance of effective verification. We have now reached the stage where we can commence the process of working out concrete agreements. In working out a treaty, one of the most important subjects is verification. Both sides must be confident of compliance.

As his final general point, Gorbachev said that he and the President were moving forward in their plans for a meeting in the

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United States; Reykjavik represents a stage half-way up the slope. He noted that some said the location was chosen because it is almost exactly mid-way between Moscow and Washington.

The President noted that he had selected it over London because it seemed more suited to private, serious conversations. He then asked if Gorbachev had a date in mind for his trip to the U.S.

Gorbachev said he was just getting to that. Both have an interest in making sure that there are concrete results from the next meeting. That is, agreements on major issues, affecting ending the arms race. The two of them really cannot risk failure, since it would be a scandal if they continued to meet and failed to reach agreements. Therefore, he felt that when they have exchanged views on the key issues, have compared their positions, have agreed on instructions to negotiators and estimated the amount of time it will take to complete agreements for signature -- then it should be possible to determine when the meetings in the United States might be held.

The President pointed out that it would not be enough to agree just on missile numbers; throwweight is also important, and must be dealt with. Also it is important to keep in mind that what we are talking about are interim steps, moving toward the complete elimination of nuclear weapons.

Gorbachev suggested that the foreign ministers should be invited to join the meeting.

Secretary Shultz and Foreign Minister Shevardnadze then entered and joined the principals at the table.

Gorbachev then presented the following proposals:

Strategic Arms: Noted agreement to 50% reductions at Geneva. Number of proposals floating about since then. Soviet leadership wants 50% -- not less. Initially, Soviet proposal had been for a 50% reduction of the nuclear potential that can reach each other's territory. But now they are making proposals relating to strategic weapons alone, leaving out intermediate range and forward-based systems. In other words, they have taken the U.S. point of view into account and have been making concessions.

Equality and equal security are necessary, since strategic weapons form the basis of the military strength of both sides. He also noted that historic factors had resulted in different force structures in the two countries.

So, the Soviet Union will agree to 50% reduction, and it is prepared to meet U.S. concerns regarding Soviet heavy missiles by reducing them substantially -- not just to a trivial degree -- but substantially.

But -- they expect the U.S. to understand Soviet concerns regarding U.S. SLBMs. The U.S. has 6500 warheads on its submarines; 800 U.S. launchers are MIRVed. They are aware of the accuracy of U.S. warheads, both SLBMs and ICBMs.

We should meet each other half way and not push the other into a corner.

Medium-Range Missiles

Propose total elimination of U.S. and Soviet medium-range missiles in Europe, and will make the following major concession: Soviets will drop the question of British and French nuclear forces. This is a big step on their part since these forces are sizeable and will be growing in numbers and improving in quality. Therefore, this is a substantial compromise.

Regarding medium-range missiles in Asia, the U.S. should, in a spirit of compromise, withdraw this question, or at least agree to continue negotiations regarding medium-range missiles in Asia while those in Europe are eliminated.

Regarding missiles with a range of less than 1000 km, they propose a freeze and the commencement of negotiations on their reduction.

This is our proposal -- it is a huge compromise on our part.

ABM Treaty

It is important to agree on a period during which both sides obligate themselves not to exercise their right of withdrawal from the ABM Treaty. We propose a compromise, in which we adopt the U.S. approach of a non-withdrawal commitment and a period of negotiations following it.

We propose that we agree on a period during which both sides would observe the ABM Treaty strictly and in full. What is important here is to get a mutual understanding which permitted research and testing in laboratories, but not outside of laboratories, covering space weapons which can strike objects in space and on earth. This would not, however, affect testing of those systems allowed by the ABM Treaty.

Both sides have made proposals on non-withdrawal from the ABM Treaty. We propose a compromise as follows:

- Non-withdrawal for a period not less than ten years; and
- A period of negotiations of three to five years concerning how to proceed subsequently.

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Also, logically, if we are to abide by the ABM Treaty, we should ban ASAT systems, since work on ASAT systems could be a channel for working on ballistic missile defense. Therefore, we propose a mutually acceptable agreement on this question.

Nuclear Testing

They understand that if there is no agreement on strategic arms reduction, there could be doubts on one side about the usefulness of banning nuclear testing. However, within the context of the proposals which he has made, it would be reasonable to agree on a comprehensive test ban.

There have been negotiations on this before, and the Soviets are proposing to renew either bilateral or trilateral negotiations (together with the British) in order to get agreement on a CTB.

While these negotiations proceed, each side can act as it wishes regarding testing, while negotiating on the following points:

- verification
- lowering the threshold
- reducing numbers of tests
- question of the 1974 and 1976 treaties

Beginning these negotiations would help work out an agreement on reducing strategic weapons.

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Gorbachev concluded by saying that this is the package of proposals he has brought. He would suggest that they be discussed and that appropriate offices (State and MFA, for example -- or others if we wish) be directed to work out drafts of agreements to be signed during his visit to the United States.

He added that the Soviet Union is interested in effective verification and is prepared to implement verification by any means necessary, including on-site inspection. They expect the same approach on the part of the United States.

He then presented a memorandum to the President containing the Soviet proposals.

The President said that this was encouraging, although some points of difference remain. For example, zero INF in Europe is fine, but there must be reduction of these missiles in Asia. They are mobile and Europe could be targeted from the ones now in Asia. There also could be reductions in Europe to 100 warheads on each side.

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Regarding strategic weapons, we would also like to go to zero, but we draw the line regarding the ABM provisions the Soviets have proposed. The point is that SDI should make the elimination of nuclear weapons possible. We are proposing to sign a treaty now which would supercede the ABM Treaty. The Soviet Union is also researching defensive weaponry, and both sides would go forward within the limits of the ABM Treaty. If either reached the point that they decided it would be desirable to go beyond the ABM Treaty restrictions, they would conduct testing in the presence of representatives of the other country. For example, if the U.S. were first, Soviet representatives would be invited to witness the testing. Then, if testing should reveal that a system is practical, we would be obligated to share it, and we would have two years to negotiate a agreement to eliminate ballistic missiles and to share.

The reason for this is that we can't guarantee in the future that someone -- a madman like Hitler, for example -- might not try to build nuclear weapons. Also, treaty now would bind our successors.

Gorbachev said that he hoped that these were preliminary remarks on the President's part. He had made new proposals that these had not been discussed previously. The President needs to give them appropriate attention.

Re INF, Soviets are proposing zero in Europe and negotiations regarding INF systems in Asia. U.S. seems to be moving back from its earlier proposal.

Re the ABM Treaty, Soviets are proposing to preserve and strengthen the treaty. U.S. is proposing to renounce it. We want to preserve it; you want to destroy it. We just don't understand this.

Re SDI, we have thought the matter through thoroughly. We are not worried by the prospect of the three-layered ABM system. We will respond to it, but not in the same way. But if we do so, we will just have the arms race transferred to a new environment. If this is what the U.S. wants, then we can understand why it has made the proposals it has. However, the resulting situation will simply be more dangerous to U.S. Allies -- and to the U.S. public.

So he hopes that the President will give careful thought to the new Soviet proposals. He and the Soviet leadership will appreciate the President's reaction point by point. It is important for us, and for the U.S., to know just what you can accept and what you cannot accept -- and why.

The President said that he would look at the proposal, but that Gorbachev was refusing to see one thing: If SDI research is

successful, it would make possible the elimination of nuclear weapons. We are accused to wanting a first-strike capability, but we are proposing a treaty which would require the elimination of ballistic missiles before SDI is deployed, therefore a first strike would be impossible.

Gorbachev said that they had spoken of this in Geneva and that the Soviets had thought through it for a year now, and know their attitude very well. However, he is willing to continue the discussion of the subject later if the President wishes.

The meeting ended at 12:30 P.M.