## THE WHITE HOUSE

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WASHINGTON

MEMORANDUM OF CONVERSATION

SUBJECT:

Second Shultz-Shevardnadze Meeting (U)

PARTICIPANTS:

US

Secretary George P. Shultz Secretary Frank C. Carlucci

General Colin Powell Ambassador Jack Matlock Ambassador Rozanne Ridgway

Mark Parris, Department of State (Notetaker)

Nelson C. Ledsky, NSC (Notetaker)

USSR

Foreign Minister Eduard Shevardnadze Deputy Foreign Minister Bessmertnykh

Ambassador Yuri Dubinin

Notetaker

DATE, TIME AND PLACE:

May 31, 1988, 10:15 a.m. - 11:15 a.m.

The Kremlin (U)

As everyone was being seated, <u>Secretary Shultz</u> said that he would like to use this session before the President and the General Secretary arrived to touch on a number of regional issues. It was important that those outside the room know that each regional subject was mentioned at the Summit. Perhaps all that needed doing was to say, "Persian Gulf, Afghanistan, Central America, Ethiopia, Cambodia and South Africa." Having listed the problems, perhaps we could go on to touch on a few in some greater detail. (8)

Secretary Shultz asked to report on what he understood to be little headway in the working group dealing with the Vienna CSCE meeting. It appeared that there had been no shift in the instructions the Soviet negotiator had received, and thus there had been no progress. This was disappointing. (8)

Foreign Minister Shevardnadze said he did not understand. There were some new elements. The neutral countries' draft had provided a good basis for discussion, especially regarding human rights issues. Moscow was working with its allies and the neutral states. (8)

Secretary Shultz challenged the Soviet Foreign Minister to explain why Soviet negotiators in Vienna did not seem to reflect the views of Moscow, or even what the Soviet leadership was telling its own people at home via the CPSU 17th Party Conference theses. Ambassador Zimmermann and his counterpart were in Moscow

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and could continue to work. But there were other parts of the NNA draft that gave us problems — namely its treatment of conventional stability negotiations. We believed those negotiations should be between NATO and the Warsaw Pact, not among the Helsinki 35. We do not want the neutral and non-aligned directly involved. 487

Foreign Minister Shevardnadze said the Soviet Union will define its position toward the neutral and non-aligned draft. If you agree with this position, we can include a passage to this effect in the joint statement here in Moscow. (S)

Secretary Shultz suggested that the Soviet Foreign Minister did not understand the nature of the problem. We were not talking about a joint statement here in Moscow, but how to achieve a balanced outcome in Vienna.

Foreign Minister Shevardnadze said he did not understand. The neutral draft was a good basis for a solution. The Soviet delegation had instructions on how to treat that proposal. Shevardnadze had told Secretary Shultz in Geneva that certain steps would be taken. In response to the Secretary's acknowledgment that Shevardnadze had hinted at some moves in the area of religion, Shevardnadze said they would not be confined to that area. (S)

Ambassador Ridgway explained at the Secretary's invitation that, while all the countries in Vienna had agreed to work from the NNA draft, we believed it needed strengthening in some areas. The drafters were receiving ideas from all quarters. But there were also active consultations among the 35. It was in that connection that Zimmermann sensed that the Soviet delegation's attitude lagged behind what was evident here in Moscow. (S)

Foreign Minister Shevardnadze said that the US was operating from inadequate information. Serious work was going on, and the Soviet delegation had a favorable attitude toward that process. There was no basis to the charge that the Soviet delegation was dragging its heels. Ambassador Ridgway replied that that was not what she had said; she had only noted that Soviet representatives in Vienna seemed to be less forthcoming than their colleagues in Moscow.

Foreign Minister Shevardnadze challenged Ambassador Ridgway's accuracy. He asked how the Americans could know that the Soviets were not being cooperative when they had not yet discussed the Neutral/Non-aligned draft with us. The Soviets had not yet talked the matter over with their own Allies. The Foreign Minister said he was sorry the Assistant Secretary was misinformed but he could assure all those assembled that serious work was going on with respect to the Neutral/Non-aligned draft. 487

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Ambassador Ridgway suggested there was a problem of translation which prevented the Soviet Foreign Minister from understanding what she meant. Perhaps she had not been precise enough. 48)

Ambassador Ridgway said we were looking for proposals to strengthen the NNA draft so that it could serve as a satisfactory concluding document. It currently included some important undertakings. But the Soviet preference seemed to be to include language which made everything subject to "national laws." This undercut the broad international undertakings envisioned, since each country's law was different. (S)

Foreign Minister Shevardnadze replied that the Soviet delegation was not suggesting anything that was not already part of the Helsinki process. But it appeared that a detailed discussion would be premature. Both sides might check with their delegations and decide what needs to be done. Shevardnadze reiterated that work should be on the basis of the NNA draft, even though a lot of questions had been raised with respect to the document. But the Foreign Minister could assure his guests that the Soviet delegation in Vienna had what it needed to seek mutually acceptable solutions on the basis of the neutral draft. (8)

Secretary Shultz agreed to end the discussion noting that we were simply spinning our wheels on this issue now. But before we take up a new topic, it should be clear that we don't agree that the Neutral/Non-aligned states should take part directly in conventional arms talks. Obviously, they have an interest in how these talks are proceeding and we must keep them informed. But the discussion itself should be among the 23. (S)

Foreign Minister Shevardnadze recalled that when this process was beginning, the Soviets had favored participation by the neutral and non-aligned states. This group of states had played a valuable role at Stockholm especially at the decisive stage of the talks there.

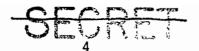
Secretary Shultz drew a distinction between negotiations on confidence building measures, which could include the neutrals and non-aligned, and conventional arms reduction talks where only members of the two Alliances should participate. Secretary Shultz suggested that Shevardnadze shared this view. (8)

Foreign Minister Shevardnadze corrected the Secretary by saying the Soviets could accept either 23 or 35 participants in the conventional stability talks. In a word, the Soviets could accept either option. (8)

Secretary Shultz joked that perhaps the Soviets were suggesting they were also a non-aligned state. (8)



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Foreign Minister Shevardnadze said Moscow was for dissolving all military pacts. If that happened, the Soviet Union would be non-aligned. Secretary Carlucci said that would put him out of a job. Shevardnadze said he thought there would always be a job for Defense Secretaries. (8)

Secretary Shultz said he wanted to mention certain regions: southern Africa, the Middle East, Iran-Iraq, the Korean peninsula, Cambodia, Ethiopia and Central America. All deserved mention.

Deputy Foreign Minister Bessmertnykh added Cyprus. Secretary

Shultz suggested that all be discussed if time were available.

Starting with southern Africa, <u>Secretary Shultz</u> said Assistant Secretary Crocker had reported his conversations were going well. We thought the idea of making known the fact that we believed an effort should be made to resolve the problems involved by September 1988 -- the anniversary of UNSC Resolution 435 -- was a good one. The idea was a Cuban/Angolan idea, but we could endorse it. The Secretary had the feeling that Moscow might join in using that deadline to see what could be accomplished. (S)

In response to Foreign Minister Shevardnadze's query as to whether the Secretary was thinking in terms of a public statement, Secretary Shultz said he had in mind both sides making their view known in post-summit press briefings. That would send a message to the region that both countries were pushing for a solution. Foreign Minister Shevardnadze said that, generally speaking, the Soviet side was ready to do whatever it could between the Summit and September to promote the negotiating process. But it was clear that the sides were far from agreement.

Secretary Shultz said he was not so certain that was right. There were proposals on the table. South Africa had committed to tabling its own counterproposal. There was more or less agreement to have another meeting in June, although the forum remained in dispute. We favored Brazzaville, since both sides seemed to agree that maximum African involvement was desirable. But there was nothing wrong with London. (8)

There was also the question of national reconciliation. The term had become part of Moscow's lexicon in discussing regional issues, and we agreed on the importance of the concept. It seemed to us that it was unlikely negotiations would fall into place with respect to southern Africa until a national reconciliation process became prospective. UNITA was ready to talk. If the process were successful, there would be important economic implications, e.g., it would be possible for the Benguela railroad to resume operations. So we were prepared to remain active vis-a-vis those with whom we had influence. If the Soviet Union were prepared to work in parallel, it might be possible to get somewhere. (S)



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Foreign Minister Shevardnadze said he did not feel things were going badly in southern Africa as a whole. If there was a need to go public, he could agree to say in general terms that the Soviet Union favored increasing efforts in the region. But there was not much time for setting deadlines. So it would be hard to set dates. Better to let experts discuss the matter for now. If they decided something could happen by September, the ministers could look at the matter. (8)

As for national reconciliation, the Soviet Union did support the concept, and welcomed the fact that the US did as well. But what was involved? In the case of Afghanistan, for example, there was a reason for such a platform. Such a platform had been built by the Afghan government. After it had emerged, the Soviet Union had defined its position toward it. The same was true in Cambodia and Nicaragua. As for Angola, Shevardnadze saw no established platform which would make national reconciliation viable. So a platform was needed. Shevardnadze did not know who might suggest one. But only then could the Soviet Union take a stand on this issue.

Secretary Shultz noted that a number of African states had offered to host talks between UNITA and the MPLA, and that there had even been quiet contacts. But the Angolan government was reluctant to talk to Savimbi. If that reluctance were overcome, there would be no problem finding a venue for talks. (8)

Foreign Minister Shevardnadze said that this was a very delicate question. He was personally familiar with it, and it was extremely delicate. The Soviet Union had good relations with the Angolan government, but it was not willing to force upon it the notion of national reconciliation. (8)

Secretary Shultz suggested shifting the discussion to the Middle East. Foreign Minister Shevardnadze said the Secretary had a difficult trip ahead of him. Secretary Shultz said he was only going because he liked failure so much. It was tough. But he was concerned by the absence of any movement whatsoever in the peace process. That was destructive and dangerous, particularly in view of the proliferation of CW and ballistic missiles in the region, and the tension in the territories. Foreign Minister Shevardnadze said he agreed. ASY

Secretary Shultz said he had made it clear to all concerned that he was in regular touch with Shevardnadze as he proceeded. So a pattern of interaction between the US and Soviet Union was appearing. There were two areas where the Secretary thought he heard differences between things others were telling him about the Soviet position and what he had thought he heard in previous discussions with Shevardnadze. (8)



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The first had to do with how the Palestinians were to be represented in the negotiations. Secretary Shultz said "how," not "whether," because it was clear they had to be there. As an organization that called for the destruction of Israel and engaged in what amounted to acts of war against that country, and given its refusal to accept the UNSC resolution, the PLO was not an organization with which Israel could sit down at the negotiating table. Neither could we under current circumstance. But because the Organization had a following among Palestinians, we believed it was important to find people who Palestinians saw as representative of their situation, yet who could sit down with Israel. We believed there were such people. The Secretary had even met with some. 187

(At this point, an aide advised the ministers that the President and General Secretary Gorbachev had completed their one-on-one and were on their way to join them.) (S)

Foreign Minister Shevardnadze said that the Palestinian issue called for an in-depth discussion which the Minister was not sure time would permit in Moscow. Perhaps he and Secretary Shultz could take up the issue at a later stage. To address the issue, one had to be ready to talk in detail. The ministers should devote an entire meeting to that subject alone, perhaps a full day's worth of talks. (8)

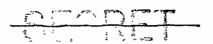
<u>Secretary Shultz</u> agreed it would take at least that long to thoroughly address the issues. But perhaps some time could be found on the margins of the two leaders' meetings. (8)

Secretary Shultz said he had also had reports of the Soviet view of an international conference which differed from what the Secretary understood to be the Soviet position. Shevardnadze had read a paper to Peres, and we had noted CPSU CC staff Zotov's speech at the Madrid Socialist International meeting. We would be interested in sorting out where things stood on the issue. (S)

Foreign Minister Shevardnadze said, "Peres?" He agreed that there were some slight differences between what the Secretary had heard in his conversations with Shevardnadze and reports of Soviet contacts with Israeli representatives. Zotov was a qualified expert. Shevardnadze was certain he would have added nothing to the Soviet position. Perhaps Peres had added something.

Secretary Shultz observed that people sometimes heard what they wanted to hear. That was why he had wanted to hear from Shevardnadze directly. (8)

Foreign Minister Shevardnadze suggested that perhaps time could be found to continue the discussion at some point during the day.



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(At this point, the ministers moved to a holding room to await the arrival of the President and General Secretary Gorbachev, who witnessed the signing of three bilateral agreements.) (S)

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