MEMORANDUM OF CONVERSATION

DATE: October 11, 1986
TIME: 10:40 a.m. - 12:30 p.m.

PARTICIPANTS:

US SIDE

President Reagan
Secretary Shultz (came in at 11:30)
Ambassador Matlock
D. Zarechnak (interpreter)

USSR SIDE

General Secretary Gorbachev
Foreign Minister Shevardnadze (came in at 11:30)
Notetaker
N. Upsenskiy (interpreter)

The President invited the General Secretary to have a seat at the table.

Gorbachev thanked the President and noted that both sides had a lot of paper with them. What did this mean?

The President replied that it was to recall the things that the two of them had discussed in Geneva. He continued that he was glad that the General Secretary had proposed this meeting, since it was important to make sure that their next meeting would be a productive one.

Gorbachev replied, in turn, that he and the Soviet leadership very much appreciated the President's agreement to have this meeting.

The President said that he had been looking forward to the meeting. He proposed that the two of them could meet alone, and perhaps also alternate their meetings with meetings that would include the respective Foreign Ministers. Would the General Secretary agree to such an approach?

Gorbachev indicated that he would.

The President asked Gorbachev which questions he felt they should discuss.
Gorbachev replied that he wished to begin with a brief exchange of views about the present situation, which had given rise to Gorbachev's proposal to meet with the President before his visit to the US. After that he would tell the President about the proposals which he had brought with him. At that point they might ask Foreign Minister Shevardnadze and Secretary Shultz to join them.

The President indicated that this was acceptable.

Gorbachev said that he was prepared to talk about everything that the President thought needed to be discussed here.

The President replied that there were a number of things that had been discussed and left open in Geneva, such as INF, the ABM Treaty, space arms and nuclear testing. The US side was especially interested in strategic arms proposals for the US negotiators in Geneva. Both the US and USSR would like to see a world without nuclear missiles. This was a very important issue, and the world was interested in the possibility of achieving this.

Gorbachev replied that since this was the main issue for the meeting, perhaps they could devote this first session to that issue, including the subsequent participation of the Foreign Ministers. Then in the afternoon questions of regional issues, humanitarian issues, bilateral relations, and everything else that was the subject of mutual interest could be discussed.

The President replied that the question of humanitarian issues and human rights needed to be discussed. This was a question different from the other ones in that no formal agreement would be signed on this, but this was a very important issue for the US side. The degree to which the President could work together with the Soviet side depended on US public opinion. This concerned such issues as emigration. This would never be put forward as a demand by the US side. The President was simply trying to say how important this issue was and how it would open up greater possibilities for achieving other aims if steps were taken along these lines. But the US would never take credit for this.

Gorbachev suggested that after a brief exchange about how to structure their meeting they could have a basic exchange of views on what had happened since Geneva and in the world in general and what US and Soviet concerns were at present. Then Secretary of State Shultz and Foreign Minister Shevardnadze could be invited to join them, at which time he could present specific arms control proposals involving strategic offensive weapons, medium-range forces, the ABM Treaty, nuclear testing, and all issues of nuclear arms and the arms race.

The President agreed and indicated that the reason for bringing up the other issues was their effect on the issue of arms.
control. As he had indicated in Geneva, this was not an attempt to interfere in the internal affairs of the Soviet Union. But public opinion was very important in the US. One-eighth of US citizens have relatives and families with ties to the Soviet Union. Just the other day, and the President would return to this later, he had received a message from a US Senator whose mother had emigrated from Russia. Now her son had become an American Senator. Another example of such ties were the President's own ties to Ireland. In general, Americans have a very strong bond to the lands of their heritage. So it is easier for the US to reach agreements with the USSR if public opinion is not aroused by things that happen in the countries where people came from. But the President agreed that the issue of nuclear arms was the most important issue in the world today.

Gorbachev indicated that he wished to give his evaluation and the evaluation of the Soviet leadership concerning the importance of their present meeting in light of the current world situation as the Soviet side sees it.

The President agreed to listen to what Gorbachev had to say.

Gorbachev stressed that much had been said in the world about the decision to meet in Reykjavik. Many contradictory views were being presented. But he was certain that this was an important step which the President and the Soviet leadership had taken. Cooperation between the US and the Soviet Union was continuing and the present meeting bore witness to that. The process was a difficult one and was not going as smoothly as the two countries and their peoples might wish, but it was continuing. This was the main thing which justified this meeting.

The President agreed.

Gorbachev continued that many people in the world viewed the meeting between them as a chance for each of them to promote their personal ambitions, but he totally rejected this notion and considered that they were accountable vis-à-vis their governments and their countries, since too much depended on the two countries, the relationship between them, and contacts between their two leaders.

The President replied that, as he had indicated in Geneva, they had a unique opportunity to possibly decide whether or not there should be war or peace in the world, and he assumed that both sides wanted peace. The question was how to bring this about with confidence and with a decrease in mistrust between the two peoples.

Gorbachev said that this was his second thought as well. Since Geneva the development of the bilateral relationship had not been smooth, and there were occasional flare-ups. The relationship was not an easy one, but it had been improving. But with regard
to the main issue, which was of greatest concern, i.e., the nuclear threat, the Geneva Summit had been intended to give a push to the negotiations on this issue. A great deal has been said about the matter, but that things had come to an impasse. For when there are 50 or 100 different proposals, there is no commonality of approach and no indication of progress. For this reason Gorbachev felt that a meeting was necessary in order to push the two sides along the main directions aimed at achieving agreements which could be signed during Gorbachev's visit to the US.

The President replied that these were the thoughts of the US Delegation as well. After Geneva, the experts of both sides had presented various proposals. The US side had presented a proposal for 50 percent reduction, which was apparently too much for the Soviet side. The US had proposed a limit of 4500 on ballistic missile warheads, and the Soviet side had proposed 6400 to 6800. The US side felt that this number was too high and that with such a high level, the world would still be threatened by destruction. The US, however, was ready to conclude an interim agreement, and bearing in mind the goal of total elimination of such weapons, the US would be prepared to agree to a number between those two figures, i.e., 5500.

Gorbachev replied that he wished to make it very clear to the President and the US Government that the Soviet side wished to find such solutions which would take equal account of Soviet and US interests. Any other approach would not be realistic. "If the Soviet side only wished to look out for its interests or to strive for superiority in some other way, it felt that this would not stimulate US interest. An agreement could not be built on such a basis. He wanted to clearly say that the Soviet side was in favor of proposals which were aimed at total elimination of nuclear arms, and on the way to this goal there should be equality and equal security for the Soviet Union and the United States. Any other approach would not be acceptable. The Soviet side would count on the President and the US Government to approach the situation in the same way.

The President indicated his agreement and added that one of the most difficult issues of the negotiations was the issue of verification, to make sure that both sides did what they had promised to do. He quoted a Russian proverb: "Doveryay no proveryay (trust but verify)." In previous statements, the two sides had spoken optimistically about INF and the eventual elimination of nuclear weapons. The negotiators in Geneva had discussed a cut-back in the number of weapons. And whether the two sides would start there or would start with proposals to decrease strategic weapons, if agreement could be reached on verification which would give confidence about the fact that neither side was doing what it had agreed not to, this could be a very big step, and the world would cheer.
Gorbachev replied that he would like to support what the
President had said about the importance of verification. The two
sides were now at the stage where they could begin a concrete
process aimed at arriving at agreements, and verification had an
important part to play in this. The Soviet side was interested
in this issue. Without such verification he did not think it
would be possible to have agreements leading to greater peace and
an improvement of the international situation. The Soviet side
was prepared, and he knew that the US was also prepared, to go as
far as necessary to have complete confidence in the fact that
agreements were being fulfilled.

Gorbachev said that he wished to say one more thing and then
Secretary Shultz and Foreign Minister Shevardnadze could be
invited in and he could present the Soviet side's specific
proposals. He wished to touch upon their next meeting in the US.
Reykjavik was sort of half-way point on the way to that meeting.

The President agreed.

Gorbachev said that someone had stated that Iceland was picked
because it was the same distance from Moscow and Washington and
that this was done in order to show that the US and USSR were
working on the basis of equality in every respect.

The President replied that he had chosen Iceland out of the
proposals made by the General Secretary not because he had
measured the distances, but because he felt that London was too
big and too busy a city and would not lend itself to the type of
free discussions which they wished to have. He then asked
Gorbachev if he had a date in mind for the U.S. meeting or
whether he, the President, ought to propose a date.

Gorbachev replied that, as he had written to the President and as
he had stated publicly, the Soviet side felt that the meeting in
the US should be marked by concrete results on important issues,
primarily those concerning halting the arms race, which were of
concern to the US people, the Soviet people and other nations as
well. That meeting could not be permitted to fail. This would
have very serious consequences. The world would say that these
politicians are meeting and talking, which was good, but a great
deal of time had been spent and there had been one meeting, two
meetings, and three meetings without any forward movement. This
would be very bad for the two countries and for the world. So
the present meeting should lay a basis for the meeting in the US
during which specific agreements could be signed. After that there is
an exchange of views and the two sides see where they are and how
they should work in order to arrive at agreements to be finalized
in the US, what instructions are to be given and how much work
needs to be done, then the two sides could agree on the date of
the meeting.

The President agreed and said that they could go forward and try
to achieve such understandings. He indicated, however, that in talking about the number of missiles, he had failed to mention one important factor, i.e., an agreement on throw-weight. It would not be good if there were agreement only on the number of missiles where one side had considerably more destructive power. As he had indicated before, this would be an element of an interim step on the way to complete elimination of nuclear weapons.

Gorbachev noted that exactly one hour had passed during which they had exchanged views on the basic relationship, and if the President did not object, they might now call in their Foreign Ministers, and he would like to give the US side the Soviet side's proposals on nuclear weapons.

The President agreed.

After a short interval, Secretary Shultz and Foreign Minister Shevardnadze joined the President and the General Secretary.

The President explained to Secretary Shultz that the General Secretary had started by speaking of strategic missiles and had indicated that various figures had been given in Geneva. The proposals which the Soviet side has come with would be aimed at producing results which could then be finalized and signed during the next meeting between the President and the General Secretary in the United States.

Gorbachev said that if the President did not object, he wanted to present the Soviet side's proposals, which would then give a push to the negotiators in Geneva.

The President agreed to listen to Gorbachev's proposals.

Gorbachev indicated that in the basic exchange of opinions on bilateral relations, he had recognized an admission of the mutual ultimate aim of total elimination of nuclear weapons. This stemmed from what had been agreed in Geneva, i.e., that a nuclear war must never be fought. On January 15 the Soviet side had proposed a plan for the complete elimination of nuclear weapons. The US side had also made various proposals. Gorbachev wished to confirm that the US side should understand that during the movement towards complete elimination of nuclear weapons, it was expected that there would be equality and equal security for both sides at all stages of this process. Neither side should attempt to strive to achieve superiority.

Gorbachev said that he wanted to begin with the area of strategic offensive weapons. In Geneva the Soviet side had proposed a reduction of these weapons by 50 percent. Since then, and at present, many different options have been floated in Geneva, but now he wished to say that the Soviet side is interested in
radical reductions of strategic offensive arms by 50 percent and no less. In the year's time that had gone by since Geneva the Soviet side had become convinced that it would be possible to expect large reductions in these systems.

Gorbachev continued that, unlike previous Soviet proposals, wherein the 50 percent covered all weapons reaching the territory of the other side, the present one concerns only strategic weapons, without including medium-range missiles or forward-based systems. This takes into account the US viewpoint and is a concession.

Gorbachev continued that since strategic arms formed the basis of the nuclear might of the two sides, it would be especially important to have a good understanding of each other's interests and to have equality. As had been indicated before, historically the composition of the nuclear forces of the two sides has been different. Nevertheless, in reducing these forces by 50 percent, the Soviet side would be prepared to have a considerable reduction of heavy missiles, in answer to US concerns. He wished to stress that this would be considerable, and not just cosmetic. However, he would expect the US side to have the same regard for the Soviet side's concerns. One example of this would be the fact that there are now 6500 nuclear warheads on American submarines which are all over the world and which are difficult to monitor. More than 800 of these missiles are MIRVed. The Soviet side knows the great precision of US missiles, both submarine-based and land-based. Therefore, each side would need to meet the concerns of the other one, and not to try to back it into a corner.

Gorbachev continued that with regard to medium-range missiles, a great deal has been said lately between the two countries and in the world. Various predictions are being made even as the two of them sat here together. The Soviet side had analyzed this issue again. Taking into consideration the situation in Western Europe, the views of governments there, as well as public opinion, and had decided to take a broad approach on this issue. Solutions ought to be found which would take account of the interests of the two sides, as well as their allies. Therefore, the Soviet side was proposing to have a complete elimination of US and Soviet medium-range nuclear forces in Europe. In doing so, the Soviet side has made the concession not to count English and French nuclear forces. This was a big step, since both quantitatively and qualitatively the possibilities of developing those forces were very great. But a compromise needed to be found, and therefore risks needed to be taken.

Gorbachev continued that with regard to medium-range nuclear forces in Asia, in the spirit of cooperation and in light of the concessions made by the Soviet side, the US should take back its demands about these missiles or give instructions to both sides to negotiate this issue, i.e., nuclear forces in Asia - both
Soviet and US.

Gorbachev continued that with regard to missiles of less than 1000 kilometer range, the Soviet side proposed a freeze, coupled with negotiations about this type of weapons.

The President asked if the General Secretary was talking about shorter-range missiles, and the General Secretary confirmed this.

Gorbachev indicated that he thought that the President and the US Administration should appreciate these significant steps which the Soviet side had taken on this very important issue.

Gorbachev continued that the third item was the question of the ABM Treaty and nuclear testing. He thought that in order for both sides to have greater confidence in the ABM Treaty, which was of unlimited duration, it would be important to set a specific period for non-withdrawal from the Treaty in order to strengthen its basis, which would then help to resolve questions of nuclear arms. The Soviet side was proposing a compromise, taking into consideration the US approach, which sets a basic period of non-withdrawal and an additional period for negotiations. The Soviet side was proposing to have a mutually determined period during which there would be complete adherence to the ABM Treaty by both sides. It would be important to get a mutual understanding which permitted research and testing in laboratories, but not outside of laboratories, covering space weapons which could strike objects in space and on earth. He noted that the Soviet side was proposing not to prohibit current systems, permitted today, i.e., stationary land-based systems and their components.

Gorbachev continued that there should be a specific period of non-withdrawal. The US side had made a proposal, and the Soviet side had made a proposal. Now the Soviet side was proposing a compromise, i.e., a sufficiently long period of time, but not less than ten years, followed by a 3-5 year period for negotiations on how to proceed subsequently.

Gorbachev continued that there was another issue connected with the latter, i.e., adherence by both sides to the ABM Treaty would require the prohibition of anti-satellite weapons. It was clear that if both sides did not abide by this prohibition, it would open a channel for development of ABM weapons. The Soviet side was proposing to arrive at a mutually acceptable agreement on this score.

Gorbachev continued that he wished to proceed now to the question of nuclear testing. As long as no large steps had been taken to reduce nuclear weapons, including strategic weapons, there might have been doubts on the part of one of the sides about the desirability of a ban on nuclear tests. But in the context of these proposals, there would be a sufficient basis to agree on a
complete cessation of such tests. There have been negotiations on this before. The Soviet side was proposing to the US to renew either bilateral or trilateral negotiations (together with the British) in order to get agreement on a comprehensive test ban. During these negotiations, each side could do what it wished about testing, but the Soviet side felt that during the negotiations, the sides could look at questions of verification, lowering of thresholds, decreasing the number of nuclear explosions, and the 1974 and 1976 treaties. Renewing the CTB negotiations would be a good beginning and would be helpful for quickly arriving at an agreement on strategic missile forces.

Gorbachev concluded that this was the package of Soviet proposals. He wanted to suggest that the two of them give instructions to the appropriate agencies, for example, the Ministry of Foreign Affairs and the Department of State, to produce a draft agreement for signature in the US. In the context of these proposals, the Soviet side was interested in effective verification and was prepared to implement such verification by any means necessary, including on-site inspection, and would expect the same of the US side. Since these were very serious issues, in order to exclude the possibility of any misinterpretation, he said he now wished to pass these proposals in writing, in English, to the President.

The President replied that the General Secretary's proposals were very encouraging, although there were some differences vis-à-vis the US position. The first one concerned INF. The zero proposal in Europe was acceptable, but the missiles in Asia should also be reduced, because these missiles could be targeted on Europe, and the allies would be left without a deterrent. After consultation with Secretary Shultz, the President said that instead of the zero option, there could be a maximum of 100 warheads on each side. In this case, there would still be a NATO deterrent left. But the main issue was strategic arms. The US side also wants to reduce them to zero. But there is a problem with the question of the ABM provisions. SDI was born as an idea which would give a chance to all of us to completely eliminate strategic weapons. The US side proposed to go forward in reducing the number of strategic weapons and to sign a treaty which would supersede the ABM Treaty.
The President continued that the US side believed that the Soviet side was also doing research on defensive systems. The US side was proposing in this new treaty to go forward with development, staying within the ABM limits, and when the point was reached when testing was required beyond the limits of the ABM Treaty, the US would go forward with such testing in the presence of representatives of the other country. So if the US side were first in developing such a system, the Soviet side would observe the test. If testing showed that such a defense system could be practical, then the treaty would call for the US to share this defense system. In return for this, there would be a total elimination of strategic missiles. A two year period could be set for negotiating this elimination of strategic missiles and the sharing of the defense system.

The President continued that the reason for wanting such a system was that the two of them would not be there forever. Perhaps in the future there might be those who would want to cheat or there might be a madman such as Hitler who would want to have such weapons. But if both countries had such a defense system, we would not need to be concerned about what others might do and we could rid the world of strategic nuclear arms. Such a treaty would be signed by both sides and would be binding on both sides for the future as well...

Gorbachev indicated that he wished to briefly reply to what the President had said. First of all, he thought that the President's reply was a preliminary one, since these were new proposals by the Soviet side which had not been put forward before. He asked the President to study them, and they could meet again to have an exchange on this. The things that the President had said now had already been mentioned on the level of the negotiators in Geneva. The Soviet side valued the work which the specialists were doing in Geneva, but at the present talks a push needed to be given to those negotiators, and it was for this reason that the Soviet side had made its proposals.

Gorbachev continued that the Soviet side had proposed to agree to the US zero option with regard to medium-range missiles and was ready to discuss the question of the missiles in Asia. But the President had gone back on his previous proposals, and the Soviet side did not understand this.

Gorbachev continued that with regard to the ABM Treaty, the Soviet side's proposal concerned a very important instrument which needed to be preserved. The US side, on the other hand, wanted to renounce the ABM Treaty.

Gorbachev continued that with regard to SDI, the Soviet side had sorted this out and was not concerned about the creation of a three-tier ABM system by the US. It would have a reply to such a system. The Soviet side was concerned about something else, i.e., moving the arms race into a new stage and into a new medium, and
creating new weapons which would destabilize the strategic situation in the world. If this was what the US Administration wanted, that was one thing. But if the US Administration wanted greater security for the American people and its allies, then SDI was dangerous.

Gorbachev wished to end his quick reply to what the President had said, but asked the President to carefully examine the new Soviet proposals and to answer them point by point, with indication of where US agreed and where it had problems. This was important for the Soviet side and he thought it was important for the US side as well. He noticed that it seemed to be time to end the meeting.

The President said that he wished to say one thing. The two sides would discuss these things after lunch, and the US side would review the Soviet proposals. But he thought that the Soviet side was refusing to see the point of SDI. If US research showed that there could be such a system, and if the US went forward with such a system in the presence of offensive systems, then it could be accused of striving for a first-strike capability, since it had both protection and offensive arms. But the US would forego this. The treaty he had proposed would prevent the deployment of such a system until there was complete elimination of nuclear weapons. At the same time this system would be available to both sides, and would not be deployed until there was a complete elimination of nuclear weapons.

The President continued that the General Secretary might ask why, in that case, was there a need for defensive arms at all. And the answer was that the world knows how to make offensive arms, and just as we kept our gas masks after World War I in case there would ever be a temptation to use gas warfare in the future, such a system would be in place in case there was the temptation to secretly build nuclear missiles after the world had gotten rid of them. But this could be discussed further after lunch.

Gorbachev replied that a year had passed since their meeting in Geneva, and the Soviet side had studied the question of SDI very carefully and had sorted it out. He had indicated the Soviet side's view to the President.

Gorbachev asked the President if they should continue to discuss these issues in the afternoon, or go on to other ones.

The President replied that they should go on to other ones.

Draft: DZarechnak:jms
Date: Sunday, October 12, 1986
Time: 10:00 am - 1:35 pm
Place: Hofdi House, Reykjavik

Participants

US Side
The President
Secretary Shultz
Mr. Parris
Mr. Zarechnak (Interpreter)

Soviet Side
The General Secretary
Foreign Minister Shevardnadze
Mr. Uspenskiy
Mr. Paleschenky (Interpreter)

Gorbachev opened the discussion with a quip: the Bible said that first had come the first day, then the second, etc. The two leaders were now on their second day: there was still a long way before the seventh. The President said that the two should be resting. Gorbachev agreed, as it was Sunday.

Gorbachev suggested that the session begin with a review of the progress achieved by the two groups which had met throughout the night before on arms control and non-arms control issues. After Gorbachev declined the opportunity to speak first, the President gave his assessment.

The President said that, with a few exceptions, he was disappointed with what had been achieved by the arms control group. With respect to START, the President understood that the sides were able to come to substantial agreement -- with give and take on both sides. Of course, there had been substantial work in this area, which had developed a sizeable amount of common ground. It was the President's understanding that the working group had been able to agree on a formulation for the outlines of a 50% reduction of strategic arsenals that should move the negotiations substantially ahead. Both sides should be proud of this achievement.

On INF, the President understood that the sides had discussed a number of issues, including SRINF, the duration of an interim agreement, and verification, and that they had come to the conclusion that these issues could be handled in negotiations. But the group had not been able to solve the issue of reductions of LRINF missiles in Asia. The last issue
had been discussed at great length. The question was now fairly simple, not technical at all. We had made clear since the time of our initial zero-zero proposal -- a proposal to eliminate all of the class of LRINF missiles, worldwide -- that we required a global agreement. This was thus not a new issue for us. It was an issue that we could no longer ignore if we were to make progress. The President said he could not and would not accept a situation in which sizeable reductions in Europe, even to zero, were not matched by proportional reductions in Asia. The Soviets knew the reasons for this -- the mobility of the SS-20 and the impact such a shift in the balance of SS-20's to Asia would have on our Asian allies. These were not new arguments. However, they were real concerns to the President. Our allies in both Europe and Asia fully supported this position. Our allies in both Europe and Asia fully supported this position, in fact they insisted upon it for their own security.

The President reminded Gorbachev that, in his most recent letter, Gorbachev had written that, with regard to Soviet systems in Asia, "a mutually acceptable formula can be found and I am ready to propose one, provided there is a certainty that a willingness can be found to resolve the issue of medium range missiles in Europe does exist." This issue, the President continued, must be dealt with on a global basis. The President had felt he and Gorbachev had agreed to pursue an interim, global agreement. They had agreed on an interim INF agreement, with equal ceilings on U.S. and Soviet LRINF warheads on each side of Europe, and an equal ceiling on U.S. and Soviet LRINF missiles worldwide. We could accept the Soviet idea of 100 in Europe, if other elements could be worked out. The Soviets had proposed 100 warheads on each side in Europe. If agreement were reached on other aspects of an interim agreement, we would have no problem with that number.

The U.S. had long called for proportional reductions in Asia. If we reduced to 100 warheads in Europe, and reduced Asian systems in the same proportion, the Asian ceiling would come out to something like 63. 100 in Europe/100 in Asia was acceptable. In the right context, we could accept 100 in Europe and 100 in Asia. The President suggested he and Gorbachev settle now on 100/100 and instruct our negotiators to work out details.

Gorbachev interrupted briefly to clarify that the President's proposal was for 100 LRINF warheads each for the U.S. and Soviet Union in Europe and an additional 100 for the Soviet Union in Asia. The President explained that the U.S., under its proposal, would also have the right to deploy an
additional 100 warheads on a global basis. In response to a question, the President confirmed that those 100 would be based on U.S. territory.

On defense and space, the President felt he and Gorbachev recognized the basic differences in the two sides' approaches. For his part, the President recognized that Gorbachev at this point was not prepared to agree with him; but the President was not prepared to move from the course that he believed correct. Recognizing this, the President proposed that he and Gorbachev instruct their negotiators to focus on what the President felt to be three critical issues. Of the three, the U.S. believed that only the first two deserved immediate attention, but recognized Soviet concerns about the third and included it to respond to those concerns. The questions were:

-- First, how could activities with respect to the investigation of strategic defenses be synchronized with our shared goals of eliminating ballistic missiles?

-- Second, what should the conditions and timeframe be for increased reliance on strategic defenses?

-- Third, until these conditions are met, what common understanding might be reached on activities under the ABM Treaty on advanced strategic defenses?

At a minimum, the President asked, could the two sides not agree to instruct our negotiators to address these three questions in the hope of using them to move our positions closer together?

Moving to the question of nuclear testing, the President said that here, too, he had been disappointed with the outcome of the previous evening's efforts. He could only hope that that outcome had reflected a simple lack of imagination on the part of one or the other side's representatives.

The President noted that there was agreement in principle on the fact of immediate negotiations, on the agenda, on the order of subjects, and on the ultimate outcome. The President understood, however, that the sides could not get agreement because of an argument on how these negotiations should be characterized. He proposed that the two sides simply record that they agreed to immediate negotiations on testing issues. We were prepared to note that the ultimate objective, which we believed could be reached in association with the elimination of all nuclear weapons, was the cessation of all testing.
We both agreed that the first order of business should be the resolution of the remaining verification issues associated with existing treaties. With this agreement, it was possible to get started and characterize the negotiations in a way which met both sides' needs. But we had to agree on agenda and priority. Was it not possible for the two leaders to instruct their ministers to sort out the language quickly and record this agreement in suitable fashion.

In response to a question by Gorbachev as to what language the U.S. proposed with respect to testing, the President read from a paper prepared by the U.S. arms control working group the night before.

"The U.S. and Soviet Union will begin negotiations on nuclear testing. The agenda for these negotiations will first be to resolve remaining verification issues associated with existing treaties. With this resolved, the U.S. and U.S.S.R. will immediately proceed, in parallel with the reduction and elimination of nuclear weapons, to address further step-by-step limitations on testing, leading ultimately to the elimination of nuclear testing."

Gorbachev indicated that the U.S. position was not clear to him.

Turning to the work of the second working group, which had addressed non-arms control matters, the President said that its participants had done a fine job. Their breakthrough on nuclear fusion was particularly commendable.

Gorbachev asked to give an initial reaction to the President's presentation, and to ask a few questions regarding the points the President had covered.

Referring to the President's expression of disappointment with the results of the arms control working group, despite the fact that it had labored for ten hours, Gorbachev said he had also been very disappointed. The Soviets felt the proposals they had brought to Reykjavik had been highly constructive in spirit -- and not just in philosophical terms. They had made real concessions to the U.S. in a number of negotiations and had sought to establish conditions for reducing and eliminating nuclear weapons. But they had found that, instead of seeing as they had to give an impulse to the discussions, the U.S. was trying to drag things backward.
As Gorbachev had said previously, the Geneva negotiations prior to the current meeting had reached an impasse. New approaches were needed, as were political will and an ability to think in broad terms, to escape this dead-end. The Soviets had crafted their proposals with this in mind. They had expected the same from the Americans.

It was possible to record some areas of agreement, e.g., with respect to strategic systems. Both sides had agreed to reduce by 50% all components in this category, both as to warheads and delivery vehicles.

INF was an issue over which the two sides had struggled for a long time. The problems were particularly difficult because they involved not just the two countries directly concerned, but their respective allies as well. The Soviets felt that their current position satisfied all U.S. concerns: Moscow had agreed to put aside consideration of UK/French systems; it had agreed that the problem of shorter range systems existed, and had agreed to freeze and to enter into negotiations on such systems. As for Asian systems, they bore no relation to the problem of reducing INF in Europe. Nonetheless, as the U.S. had insisted on linking European systems with those in Asia, the Soviets were willing to take Asian systems into account.

Gorbachev said he had developed the impression that the President and his administration's approach to arms control proceeded from the false impression that the Soviet Union was more interested in nuclear disarmament than the U.S. Perhaps the U.S. felt it could use such leverage to force the Soviet Union to capitulate in certain areas. This was a dangerous illusion. Such a scenario could never occur.

The President had mentioned the possibility of an interim INF agreement, Gorbachev continued. The Soviet Union could not accept such an interim solution. It was not interested in palliatives or make-shift solutions. But if the question of Asian systems could be resolved -- not just put into the negotiations, but dealt with in specific terms -- the U.S. could agree to zero systems in Europe and some sort of equal number in Asia. Was this a correct understanding of the American position?

The President described the U.S. view of the problem posed by Soviet SS-20's. As these weapons were mobile, they could be viewed as in two categories (i.e. for use in either Asia or Europe). If the Soviets were left with 100 systems in Asia after the U.S. had withdrawn its own LRINF deterrent from
Europe, the Soviets would gain an enormous advantage. This would pose great difficulties for U.S. relations with its friends in Europe, countries with which the Soviet Union was also seeking to improve relations. In response to Gorbachev’s interruption that it was clear nothing would come of this discussion, the President invited the General Secretary to make some suggestions of his own.

Gorbachev complained that the President appeared to have forgotten that the Soviets had already agreed to leave out UK/French systems -- a major concern. How, Gorbachev asked, could the President speak of a zero solution in Europe when the Soviets would be obliged to eliminate their INF, while U.S. allies would retain their nuclear forces. Even though American allies were integrated into a common military structure, the Soviets were prepared not to count these systems in order to reach an INF agreement. With respect to the possibility that Soviet systems in Asia could be moved westward, the subject should not even be discussed at the President’s and Gorbachev’s level. Any agreement to include Asian systems would be verifiable: if there were a single fact of Asian systems being redeployed, it could be made to nullify the agreement. Thus, the concerns the President had raised were not serious. If he did not want an agreement, he should say so. Otherwise, neither leader should waste his time.

The President said we did not see UK and French nuclear weapons as part of NATO. The governments of those countries had made clear their deterrents were for their own defense. If the FRG, for example, were attacked, these systems would not be used. In any case, Soviet central systems were an adequate counter to such systems.

Gorbachev inquired why, given the concern the President had expressed about the FRG, the Soviets should be any less concerned about the defense of the GDR or other Warsaw Pact allies. As for UK systems, when Gorbachev had been in Britain, he had recalled to Mrs. Thatcher a published letter from her to SACEUR. The letter had expressed gratitude for U.S. assistance in modernizing the British nuclear deterrent, and had noted pointedly that these modernized forces would make the Soviets sit up and take notice. Gorbachev had explained to her that this was precisely what he had done, so she had no reason to be displeased.

More seriously, he continued, the two leaders were not at a press conference. They both knew the facts, so there was no reason to speak in banalities. The Soviets knew what the situation was with respect to the integration of UK forces; they even knew how targeting had been integrated. The
importance of the topic the two leaders were discussing made it necessary that they speak frankly.

The President pointed out that, in fact, the Soviet Union and United States were the only two real nuclear powers. Other countries having nuclear weapons had them basically in a defensive mode. The President envisioned that, if the U.S. and Soviet Union were to start the process of reducing their own nuclear forces to zero, and would stand shoulder-to-shoulder in telling other nations that they must eliminate their own nuclear weapons, it would be hard to think of a country that would not do so.

Gorbachev agreed. He felt, in fact, that the present chance might be the only one in this respect. Gorbachev had not been in a position a year ago, to say nothing of two or three years ago, to make the kind of proposals he was now making. He might not be able to make the same proposals in a year or so. Time passed; things changed. Reykjavik would be simply a memory.

The President remarked that the two were in the same situation in this respect. But if one were soon to be without authority, it was all the more important to use the time available to contribute something to the world -- to free the world from the nuclear threat.

Gorbachev said that the proposals he had brought to Reykjavik left his own conscience clear. He could look the President in the eye and say that, if were impossible to reach agreements, it was all right. But the situation in Geneva had been marking time, and no agreements had been in sight. Now the U.S. did not appear to feel obliged to take Soviet concerns into account, while the Soviets had met American concerns. Could the two leaders not agree as follows: U.S. and Soviet INF would be eliminated from Europe; UK/French systems would be left aside; there would be a freeze and subsequent negotiations on short range systems; and the Soviets would be willing to find a solution to the problem of Asian systems.

In response to the President's invitation to describe in greater detail what the Soviets had in mind for Asian systems, Gorbachev elaborated on the proposals he had just made. U.S. and Soviet systems would be eliminated from Europe. UK/French systems would not be counted. There would be a freeze and subsequent negotiations on shorter range systems. In Asia, the Soviets would accept the U.S. formula that there be 100 warheads on Soviet systems, and the U.S. 100 Warheads on its territory. The Soviets would accept this even though it would
require time to reduce several times, by an order of magnitude that Gorbachev could not even compute. As the U.S. insisted on posing ultimatums and as the President was unwilling to make proposals of his own, the Soviet Union would accept this. After a prompt from Shevardnadze, Gorbachev added that this concession would be made despite the U.S. build-up in the Pacific basin. This should show how serious the Soviet Union was to reach agreements.

The President said he agreed to the proposal Gorbachev had described.

Gorbachev said that was good. He then asked when the U.S. would start making concessions of its own. The two leaders had gone through half the agenda and there had been no movement from the U.S. side. The next issue would be the test of the U.S.'s readiness to meet the Soviets half way.

Prelacing his remarks on the ABM Treaty, Gorbachev recalled that the two sides had agreed in principle to reduce strategic forces by 50%. Agreement had also been reached on eliminating LRINF from Europe; on freezing and subsequently starting up negotiations on shorter range INF; and on 100 Soviet warheads in Asia, with the U.S. to have the right to the same number on its territory. These were unprecedented steps. They required responsible further steps in the implementation phase. This raised the question of verification, an issue which now became acute. The U.S. would find that the Soviets would be more vigorous than the U.S. in insisting on stringent verification requirements as the two countries entered the stage of effective disarmament. If it proved impossible to agree on such provisions, it would be impossible to reduce strategic and intermediate range weapons.

With respect to the ABM Treaty, Gorbachev expressed his conviction that nothing should be allowed to "shake" the ABM regime or confidence in an ABM Treaty of unlimited duration as deep reductions began to be implemented in strategic weapons. Gorbachev felt the President could agree to this proposition. As Gorbachev had said the day before, but would repeat, once one decided to reduce nuclear arms, one had to be certain that one side could not act behind the back of the other. So it was necessary to strengthen the ABM regime. The Soviet proposal for a ten year commitment not to withdraw from the Treaty would be a step forward toward strengthening the ABM regime.

In preparing their position, the Soviets had taken into account the President's attachment to the SDI program. Thus, under the ten-year pledge, SDI-related research in laboratories
would not be banned. This was not a strict limitation on SDI. The Soviets knew where the program stood. The U.S. had scored breakthroughs in one or two areas. Moscow knew which they were. But ten years would enable the two sides to solve the problems of reducing nuclear weapons, and so was necessary. The type of arrangement he was proposing, Gorbachev reiterated, would pose neither political, practical nor technical impediments to the President's program.

The President replied that the U.S. had no intention of violating the ABM Treaty. It had never done so, even though, as the Soviets knew, it believed the Soviet Union had itself done more than was permitted by the Treaty.

With respect the SDI, the President recalled that he had made a pledge to the American people that SDI would contribute to disarmament and peace, and not be an offensive weapon. He could not retreat from that pledge. The U.S. had proposed a binding Treaty which would provide for the sharing of research which demonstrated a potential for defensive applications. This would facilitate the elimination of nuclear weapons. The President repeated that he could not retreat from his pledge. We would share the fruits of our research -- and out of our own self-interest. If everyone had access to the relevant technology, it would be a threat to no one. The President did not see why SDI could not be made a part of the ABM Treaty. He was dedicated to the establishment of mutual defenses against nuclear weapons. Reaffirming once more that he could not retreat, the President noted that Secretary Shultz wished to make a point.

The Secretary observed that both the President and General Secretary had spoken in terms of eliminating nuclear weapons. In what Gorbachev had said a moment before, the Secretary thought he had heard something a little different. He wanted to be sure he had heard correctly. Gorbachev had seemed to link his 10 year no-withdrawal pledge to the length of time necessary to eliminate nuclear weapons. Was that in fact the link that the General Secretary had in mind? Would the schedule be linked to what he would be doing on START and INF, so that, at the end of the ten years of which Gorbachev had spoken there would be no ballistic missiles, to set aside other nuclear weapons?

Gorbachev reaffirmed that this was the case. The proposal he had made last January had called for 50% reductions in strategic forces and elimination of INF in the first phase of a process aimed at eliminating all nuclear weapons. Subsequent stages would involve further reductions, including reductions by third countries. But major reductions by the
U.S. and U.S.S.R. would take place in this period, and so the ten year period Gorbachev had mentioned was of decisive importance. He was not retreating from, but reinforcing, the proposals he had made earlier. If one were serious about reducing nuclear weapons, therefore, there was a need to reinforce the ABM regime. Gorbachev could not agree to anything which would weaken the ABM Treaty. His goal was to strengthen the Treaty, not revise it as the U.S. had proposed. There was no logic to such an approach. Were the Soviet Union to accept it, the world would conclude it was doing so purely out of egotistical self-interest. Gorbachev would be unable to go before the Soviet people or the world with such a proposal. That was why the 10-year commitment he was seeking was necessary if there were to be major reductions in offensive forces.

Research was a different matter. The Soviets had taken into account the President's concerns. They knew he was bound by the pledge he had made to his own people and to the world. Research would continue, and this would show that SDI was alive. But such work should not go beyond the framework of laboratory research. There could be testing, even mock-up in laboratories. And such efforts would ensure against the appearance of a nuclear madman of the type the President had often mentioned.

The President countered that in fact it would not. What the Hell, he asked, was it that we were defending? The ABM Treaty said that we could not defend ourselves except by means of the 100 ground based systems which we have never deployed. If said our only defense is that, if someone wants to blow us up, the other will retaliate. Such a regime did not give protection; it limited protection. Why the Hell should the world have to live for another ten years under the threat of nuclear weapons if we have decided to eliminate them? The President failed to see the magic of the ABM regime, whose only assurance of safety was the doctrine of Mutual Assured Destruction. It would be better to eliminate missiles so that our populations could sleep in peace. At the same time, the two leaders could give the world a means of protection that would put the nuclear genie back in his bottle. The next generation would reap the benefits when the President and General Secretary were no longer around.

Gorbachev recalled for the President what he described as the long and complicated history of the ABM Treaty. It had not come as a bolt from the blue but after years of discussion by responsible leaders, who ultimately recognized the impossibility of creating an ABM system, and who concluded that, if the attempt were made, it would only fuel the arms...
race and make it impossible to reduce nuclear arms. No one in the Soviet leadership, nor he personally, could agree to steps which would undercut the Treaty. So on this point it appeared the two leaders would have to report that they had opposite views.

The next item, Gorbachev felt, should be negotiations on a comprehensive test ban. When the Soviets had pulled together their current position, they had worked from U.S. proposals to try to see how the two sides' approaches coincided. What was their line of thinking? The two leaders should direct their representatives to start negotiations on ending nuclear testing.

The talks would proceed for a certain period of time. During that period, each side could do what it liked, i.e., tests would be permitted. To take into account U.S. concerns, the Soviets were prepared to agree that the agenda for such a first phase could include: test yields, the number of tests, the Threshold Test Ban and Peaceful Nuclear Explosions Treaties (TTBT/PNET), and verification.

These were all U.S. issues which the Soviets had incorporated into their approach. In contrast, Gorbachev sensed from what the President had said that the U.S. was only considering its own interests. Specifically, U.S. proposals did not adequately deal with the problem of a comprehensive test ban. Gorbachev could not agree to a proposal which reflected only American interests.

The conversation, he continued, had reached a point where it was time for the American side to make a move in the Soviet direction on the ABM Treaty and CTB. There was a need for the flexibility which would demonstrate whether the U.S. was in fact interested in finding mutually acceptable solutions to problems. Gorbachev had heard it said that the President did not like to make concessions. But he also recalled an American expression which seemed apt: "it takes two to tango." With respect to the major questions of arms control and nuclear disarmament, the two leaders were the only partners in sight. Was the President prepared to dance?

The President in response sought to put the U.S. position on testing in an historical perspective. For three years, during the late fifties, there had been a moratorium on nuclear tests. Then the Soviet Union had broken the moratorium with a series of tests unprecedented in their number and scope. U.S. experts had subsequently determined that the Soviet Union had been preparing for that test series throughout the period of the moratorium. President Kennedy
had resumed testing, but because we had made no preparations to test during the moratorium period, we were placed at a severe disadvantage. President Kennedy had vowed we would never again be caught unprepared in this area. But in fact we were still behind. The Soviets had largely completed the modernization of their weapons stockpile before announcing their moratorium.

In any case, a comprehensive test ban would have to follow reductions in nuclear weapons. And there must also be adequate verification. Until now, the Soviets had been unwilling to address this issue seriously. Now that they had done so, the U.S. stood prepared to join them. But, in view of the historical precedents he had mentioned, the President felt Gorbachev would understand why, to quote another Americanism, we were "once burned, twice shy." Nonetheless, the U.S. had made concessions to Soviet concerns. The President again read the language on testing developed the night before by the U.S. working group, highlighting the statement's final sentence on a comprehensive test ban as an ultimate goal of negotiations.

Gorbachev indicated that the U.S. language was not acceptable to the Soviet side. In their own package, the Soviets had proposed that representatives be instructed to start negotiations on "banning nuclear testing." In an initial phase, these talks could deal with other issues. But the final goal must be to achieve a CTB on both military and civilian tests. Shevardnadze interjected that the ultimate goal should be stated first. In response to the President's remark that the U.S. language covered the concern Gorbachev had expressed, Gorbachev complained that the U.S. formulation suggested that it did not want to state directly the subject and goal of the negotiations. Instead, it appeared the U.S. wanted the talks to drag on forever. Under the U.S. formula, talks could go well beyond the ten years during which it would be necessary to find a solution to the problem of nuclear weapons. The Soviet Union would not help provide the U.S. a free hand to test as much and as long as it wanted. Shevardnadze remarked that acceptance of the U.S. formulation would call into question the ultimate goal of reducing and ultimately eliminating nuclear weapons.

The President said that perhaps there was some difficulty in the translation, but it appeared to him that the U.S. language met Soviet concerns. (Gorbachev quipped that Zarechnak could tell the President that were were indeed talking about totally different things.) The President asked Gorbachev if the U.S. formulation would be more acceptable if the final sentence were moved to the front of the paragraph.
Gorbachev replied that it would not. Perhaps, he suggested, Schultz and Shevardnadze should be tasked with working out a formula. The problem, he said, was that the U.S. was saying that there could be talks -- talks identified as having the "ultimate objective" of a CTB -- but focused primarily on other things. Work on a CTB would start only at a later stage. But we should make it clear that we had already "started" work in that area. What was needed were clear-cut formulae without side-tracks. What the Soviets were proposing, Gorbachev recapitulated, was talks on a CTB, during which testing could continue, and in the first stage of which ancillary issues such as verification could be dealt with. In a second stage of the same talks, there would be movement toward a complete ban on nuclear tests. As a lawyer, Gorbachev felt confident that such an arrangement would allow no room for side-tracking.

The President remarked that Gorbachev had touched on something very basic with respect to our problem with one another. Gorbachev's remarks reflected a belief that the U.S. was in some way trying to attain an advantage out of hostility toward the Soviet Union. While it would do no good to tell Gorbachev he was wrong, since it would only be the President's word (which the President knew to be true), the President could say that we harbored no hostile intentions toward the Soviets. We recognized the differences in our two systems. But the President felt that we could live as friendly competitors. Each side mistrusted the other. But, the President affirmed, the evidence was all on our side.

To illustrate his point, the President began a quote from Marx, prompting Gorbachev to observe jocularly that the President had dropped Lenin for Marx. The President countered that Marx had said first much of what Lenin said later. In any case, both had expressed the view that socialism had to be global in scope to succeed. The only mortality was that which advanced socialism. And it was a fact that every Soviet leader but Gorbachev -- at least so far -- had endorsed in speeches to Soviet Communist Party Congresses the objective of establishing a world communist state.

Moreover, even when the two countries had been allies during World War II, Soviet suspicions had been such that Moscow had resisted U.S. shuttle bombing missions to and from Soviet territory. After the war, the U.S. had proposed on nineteen separate occasions -- at a time when it had a monopoly on nuclear weapons -- the elimination of such weapons. The Soviet Union had not only rebuffed such offers, but had placed nuclear missiles in Cuba in the sixties. The
President could go on, but he wanted simply to make the point that such behavior revealed a belief on the Soviets' part in a world-wide mission which gave us legitimate grounds to suspect Soviet motives. The Soviets had no grounds for believing that the U.S. wanted war. When Gorbachev came to the United States, he would see that the last thing the American people wanted was to exchange their life-styles for war. The President suspected the same was true for the average Soviet citizen.

Gorbachev observed that, with respect to Marx and Lenin, history was full of examples of those who had sought to overcome their philosophy by force. All had failed. Gorbachev would advise the President not to waste time and energy to such an end.

But to return to the present, and, Gorbachev noted, because the President had initiated "invitation" comments in this vein, Gorbachev felt obliged to say that the Soviet Union recognized the right of the U.S. people to their own values, beliefs, society. There were things Soviets liked about the U.S. and things they did not. But they recognized the Americans were a great people who had a right to conduct their affairs as they saw fit. It was up to the American people to choose their government and their President. Thus Gorbachev had been surprised when he had heard of a recent statement by the President to the effect that the President remained true to the principles of his 1981 Westminster speech. That speech had referred to the Soviet Union as an evil empire; it had called for a crusade against socialism in order to relegate it to the ash heap of history. What would the outcome be if the U.S. sought to act according to these principles? Would we fight one another? Gorbachev failed to understand how such a statement could be considered an appropriate "forward" to the Reykjavik meeting. In any case, he reminded the President, the President had initiated the discussion.

The President reminded Gorbachev in turn that there was a Communist party in the United States. Its members could and did organize and run for public office. They were free to try to persuade the people of the validity of their philosophy. That was not true in the Soviet Union. The Soviets enforced rather than persuaded. Similarly, when communist parties took power in third world countries, they quickly eliminated other parties by force. In the U.S., anyone could organize his own party. There was only one party in the Soviet Union, and a majority of the Soviet population were excluded from membership. So there was a fundamental difference in the two societies' approaches: the U.S. believed that people should have the right to determine their own form of government.
Gorbachev indicated that he would be happy to have a wide-ranging conversation with the President on the moral, philosophical and ethical issues raised by the President's remarks. For the moment, he would simply note that the situation in the Soviet Union was not as the President had described it, and that the President's remarks showed that they differed fundamentally in their basic conceptions of the world. But the two leaders seemed to agree that each side had the right to organize its society according to its own philosophical or religious beliefs. This was an issue which the two might come back to at another time. Gorbachev had no desire to quarrel. He was convinced, in fact, that, while he and the President might have different characters and conceptions, a man-to-man relationship between them was possible. The President said he looked forward to welcoming Gorbachev at some point as a new member of the Republican Party. Gorbachev commented that there had been a profusion of parties in Russia both before and after the Revolution. These things were the result of historical processes. He commented that Secretary Shultz appeared to have a contribution to make.

The Secretary observed that it appeared there was the beginning of a joint statement on strategic weapons. (Gorbachev nodded.) On the basis of the two leaders' discussion, it should also be possible to formulate a similar statement on INF. (Gorbachev again nodded.) On Space/ABM/SDI, there had been no agreement, but the two sides had identified and characterized their areas of disagreement. These appeared not to deal with the question of whether or not to adhere to the ABM Treaty, since the U.S. was adhering, but rather over the period involved.

Gorbachev commented that, in the context of what had been agreed to on strategic and intermediate range offensive arms, a statement on adherence to the ABM Treaty would be necessary. That was obvious.

Shevardnadze asked if the approach outlined in the President's letter to the question of the period of non-withdrawal from the ABM Treaty remained valid. The Secretary reminded Shevardnadze that the President had called for a two-stage approach. That was still on the table. Gorbachev asked if that meant the U.S. did not accept a ten year period.

The Secretary suggested three points to describe where the two sides were. They could be cast in terms of the leaders' having instructed their negotiators to explore the following areas to bridge existing differences. The Secretary then
read the three questions the President had read in his opening presentation.

When the Secretary reached the second point, on a "cooperative transition to advanced strategic defenses", Gorbachev interrupted to point out that the Soviets did not recognize the concept. It was the U.S. which intended to deploy SDI. The Soviets would not make such an arrangement possible. Their concept was different. The Secretary continued to read the three points, noting that the final point was designed to respond to Soviet concerns.

The President, the Secretary continued, had made clear he would not give up SDI. Gorbachev had said he recognized that to be the President's position, and that the Soviets had made an effort to accommodate it. Gorbachev nodded, adding with a laugh that some even felt he was trying to encourage development of SDI so as to increase the U.S. defense burden. Thus, as it turned out, he was on the President's side, and the President had not even known it.

The President noted that, as the oldest person in the room, he was the only one who could remember how, after World War I, poison gas had been outlawed. But people kept their gas masks. And it was a good thing, because poison gas came back. The same could happen with nuclear weapons: if, after their elimination, someone were to bring them back, we would need something to deal with that.

Gorbachev commented that the preceding conversation had convinced him of the veracity of reports that the President did not like to make concessions. The President clearly did not want to give any concessions on the question of the ABM Treaty -- its duration and strength, or on the cessation of nuclear testing.

The President replied that he felt we had agreed on testing.

Shevardnadze asked if it would be possible to consider the period during which there would be no withdrawal from the ABM Treaty. It might be possible to reach agreement on this point. Gorbachev reiterated that a much more rigid adherence to the ABM Treaty, for a specific period of time -- say, ten years -- would be necessary to create the confidence necessary to proceed with deep cuts in offensive systems. Returning to the Secretary's earlier point, he underscored that the ten year period would coincide with the most significant reductions on the offensive side. Shevardnadze pointed out that there was a question of principle: if the two sides
could not agree on a period for non-withdrawal from the ABM Treaty, it would be impossible to agree on reductions. Gorbachev added that the Soviets had proposed a package, and that individual elements of their proposals must be regarded as a package.

The President expressed the view that there should be no such linkage. The U.S., for its part, believed the Soviet Union already to be in violation of the ABM Treaty. The U.S. had not even built systems provided for in the Treaty.

Gorbachev interrupted to note that, on the first two questions (START and INF) it would be possible to say there were common points. On the second (ABM and testing), there had been a meaningful exchange of views, but no common points.

With that, the meeting could end. It had not been in vain. But it had not produced the results that had been expected in the Soviet Union, and that Gorbachev personally had expected. Probably the same could be said for the United States. One had to realistic in political life one had to follow reality. The reality today was that it was possible to reach agreements on some major, interrelated questions. But because there was a lack of clarity, the connection had been disrupted. So the two sides remained where they had been before Reykjavik.

Gorbachev said the President would now report to Congress. Gorbachev would make his report to the Politburo and the Supreme Soviet. The process would not stop. Relations would continue. For his part, Gorbachev was sorry he and the President had failed to provide a new impulse for arms control and disarmament. This was unfortunate, and Gorbachev regretted it.

The President said he did, too. He had thought we had agreements on 50% reductions, on INF, on considering what to do about the ABM Treaty, and on reducing nuclear testing. Was this not so? Were the two leaders truly to depart with nothing?

Gorbachev said that that was the case. He suggested the two devote a few minutes to humanitarian and regional questions, which, he pointed out, had been discussed by the second (non-arms control) working group. The President agreed, and the two briefly reviewed papers prepared by the working group the night before.

The President asked to make a few comments on human rights. He had no intention of saying publicly that he had demanded anything from Gorbachev in terms of such issues as family reunification and religious persecution. But he did
want to urge Gorbachev to move forward in this area, since it was a major factor domestically in limiting how far the President could go in cooperation with the Soviet Union. As he had told Gorbachev before, one in every eight people in the United States had family connections of some sort to the Soviet Union, so a significant part of the American population was concerned by such phenomena as the shut-down in emigration from the Soviet Union. We would continue to provide lists of people we had reason to believe wanted to depart. And if the Soviets loosened up, we would not exploit it. We would simply express our appreciation.

Gorbachev expressed regret that there was not more time to address humanitarian questions. There were some specific concerns he had wanted to put before the President. And he wanted to make clear that Soviet public opinion was also concerned about the state of human rights in the United States.

One question he did want to broach had to do with expanding the flow of information between the two countries. This was of potentially great importance. On the U.S. side, the Voice of America over the years had developed an enormous capability of broadcasting to the Soviet Union. It broadcast round the clock, in many languages, from many transmitters outside the Soviet Union. The Soviets did not have the same opportunity for their broadcasts to be heard in the United States, and so, to put things on an equal basis, they jammed VOA broadcasts.

What Gorbachev proposed was this: the Soviets would stop jamming VOA if the U.S. would help the Soviet Union enhance its ability to broadcast to the United States. Perhaps the U.S. could help the Soviets rent a radio station for this purpose, or intervene with some of its neighbors to facilitate the establishment of Soviet transmitters close to the U.S. In this way, both sides would be able to relay their points of view to the others' population.

The President pointed out that, in the U.S., we recognized the right of the individual to hear all points of view. The press conference Gorbachev would give after their meeting would be carried by the U.S. media. The same would not happen in the Soviet Union. In response to Gorbachev's request for an answer to his specific proposal, the President agreed to look into the matter on his return to Washington, and said he would be supportive.

Picking up on the President's remarks on the media, Gorbachev pointed out that half of the foreign films shown in the Soviet Union were American. Virtually no Soviet films
were shown in the U.S. There was no equality in this arrangement.

The President replied that this was a function of the market, rather than any attempt to ban Soviet films. (Gorbachev commented that the President was trying to avoid a direct answer.) The U.S. government could not dictate what films private entrepreneurs showed. The President noted that he did not know now films were distributed in the Soviet Union, even though he used to make films. Gorbachev said that here was a paradox: in an allegedly democratic country there are obstacles to Soviet films; in an allegedly non-democratic country half the foreign films were American. This did not tally with the view of Soviet society the President had described earlier.

The President saw the explanation to the paradox in the differences between private and government ownership. In the Soviet Union, there was no free enterprise. In the U.S., films were distributed by private industry. If the Soviet Union wanted to, it could do what other countries had done and form its own distributing company. If it could convince local theatres to show its films, fine. But the government could not order them to.

Raising another question, Gorbachev asked why recent tele-bridges between cities in the U.S. and U.S.S.R. had not been shown at all in the U.S., but had been seen by 150,000,000 viewers in the Soviet Union. So much for the impact of private enterprise. The President reiterated that the government could not compel theatre owners to show films. But he pointed to the recent visit of the Kirov ballet to demonstrate that American audiences responded positively to quality Soviet performers, and that Soviet culture did, in fact, have access to the U.S. public.

Raising a final question in the "humanitarian" sphere, Gorbachev complained that, for the past 30 years, the U.S. had denied visas to Soviet trade union representatives seeking to visit the United States. During the same period, many U.S. labor leaders had visited the Soviet Union. Again, where was the equality of access? The President agreed to look into the matter as well as the question of what could be done with respect to Soviet films.

The President said he had two additional points to raise.

First, he could not go back and tell the American farmers that he had met with the General Secretary without raising the Soviet failure to meet their obligations under the bilateral
Long Term Grain Agreement to buy the minimum amount of American wheat. Gorbachev replied that the President should tell them all the money the Russians had hoped to spend on grain was in America and Saudi Arabia as a result of lower oil prices. The President pointed out that America's oil industry had suffered as much as the Soviet Union's as a result of OPEC's pricing policies. We had had no hand in creating the hardships.

Second, the President wished to read a copy of a letter to Gorbachev from National Symphony Orchestra Director Rostropovich, seeking Gorbachev's approval for certain of Rostropovich's relatives to attend jubilee concerts in the West in connection with the maestro's 70th birthday. After the President read the letter, Gorbachev indicated that he had received it and responded personally, and that the necessary instructions had been given to enable Rostropovich's relatives to attend the celebrations. The President thanked Gorbachev.

Gorbachev noted that "the moment" appeared to have come.

Shevardnadze asked if he and the Secretary were to remain "unemployed," or if the leaders had any instructions for them.

The Secretary said he had tried to formulate some language on INF and space, recognizing that there had been agreement on the one hand, and a lack of agreement on the other. After being invited by Gorbachev to proceed, the Secretary read the following passage:

"The President and General Secretary discussed issues involving the ABM Treaty, advanced strategic defense, the relationship to ....... of offensive ballistic missiles intensively and at length. They will instruct their Geneva negotiators to use the record of these conversations to benefit their work."

Gorbachev said the statement was unacceptable, and asked that the passage on INF be read. The Secretary read the following passage:

.........................

Gorbachev said that that was clear. He suggested that, if the President had no objections, the two Foreign Ministers might see what they could come up with while the two leaders took a brief break. Gorbachev didn't mind waiting an hour or two.
Shevardnadze remarked that it should be possible to come up with agreed language on nuclear testing. That would leave the question of the duration of a non-withdrawal pledge with respect to the ABM Treaty.

Gorbachev said that that had been covered in the discussion. A withdrawal pledge was necessary to preserve and strengthen the ABM Treaty so as to justify the risk of reduction strategic and intermediate range offensive weapons.

Gorbachev proposed that, if the President agreed, the two of them meet again at 3:00 pm. The President agreed, and escorted Gorbachev from the room, ending the session.
MEMORANDUM OF CONVERSATION

DATE: October 12, 1986
TIME: 3:25 - 4:30 and 5:30 - 6:50 PM
PLACE: Hofdi House, Reykjavik

PARTICIPANTS:

U.S. Side
President Reagan
Secretary Shultz
Tom Simons, Notetaker
Dmitry Zarechnak, Interpreter

Soviet Side
General Secretary Gorbachev
Foreign Minister Shevardnadze
P. Palazchenko, Notetaker
N. Uspenskiy, Interpreter

Introductory Explanation

The President and Gorbachev had arrived for this final meeting at 3:00 PM. For an hour before that, Secretary Shultz and Foreign Minister Shevardnadze had discussed language concerning arms control. When the President and Gorbachev arrived, the Secretary and the Foreign Minister informed them separately, about their discussions. The President and Gorbachev then began their meeting, twenty-minutes after the hour.

Gorbachev began by reading a counterproposal of the Soviet side, just worked out, based on the text which Secretary Shultz had transmitted to Shevardnadze, ad referendum, during their meeting between 2:00 and 3:00 PM. The text of the U.S. proposal, as read by the Secretary to Shevardnadze, had been as follows:

Both sides would agree to confine themselves to research, development and testing which is permitted by the ABM Treaty for a period of five years, through 1991, during which time a 50% reduction in strategic offensive arsenals would be achieved. This being done, both sides will continue the pace of reductions with respect to all remaining offensive ballistic missiles with the goal of the total elimination of all offensive ballistic missiles by the end of a second five-year period. As long as these reductions continue at the appropriate pace, the same restrictions will continue to apply. At the end of the ten-year period, with all offensive ballistic missiles eliminated, either side would be free to introduce defenses.
In introducing his counterproposal, Gorbachev began by saying that it incorporated the positions of the U.S. and Soviet sides and also strengthened the ABM Treaty, while drastically reducing nuclear arms. The counterproposal was as follows:

The USSR and the United States undertake for ten years not to exercise their existing right of withdrawal from the ABM Treaty, which is of unlimited duration, and during that period strictly to observe all its provisions. The testing in space of all space components of anti-ballistic missile defense is prohibited, except research and testing conducted in laboratories. Within the first five years of the ten-year period (and thus by the end of 1991), the strategic offensive arms of the two sides shall be reduced by 50 percent. During the following five years of that period, the remaining 50 percent of the two sides' strategic offensive arms shall be reduced. Thus by the end of 1996, the strategic offensive arms of the USSR and the United States will have been totally eliminated.

Gorbachev said this contained elements of both the Soviet and the U.S. proposals. The Soviets were prepared to agree that day to confirm the situation as it exists with the ABM Treaty and to enrich it by the commitment to eliminate strategic offensive weapons.

The President said this seemed only slightly different from the U.S. position. The Secretary noted that there were indeed differences.

The President said he had the following proposal. (He then read the U.S. proposal cited above, under Introductory Explanation.)

Gorbachev said his view was that the Soviets had moved forward by adopting the periodization proposed by the U.S. -- two five-year periods -- while strengthening the ABM Treaty and linking strengthening the ABM Treaty with reductions. With regard to the U.S. side's formula, it does not satisfy Soviet requirements. The Soviets' main objective, for the period when we are pursuing deep reductions, is to strengthen the ABM Treaty regime and not to undermine it. He would thus once again ask the U.S. side to meet this minimal requirement. Their proposal was intended to assure that today's ABM Treaty is confirmed and strengthened, with secure obligations that for ten years it will not be gone around, that there will be no deployment of systems in space, as we go through deep reductions to elimination of offensive weapons.
Gorbachev said he wanted to stress that the ban would not be on research and testing in laboratories. They would be confined to laboratories, but this would open opportunities for both the U.S. and Soviet sides to do all the necessary research in the field of space systems such as SDI. It would not undermine SDI, but would put it in a certain framework. He asked the President for an agreement that met these requirements.

The President said that we had wanted to meet the Soviet need for ten years, and we had done so. He asked why there should be any restrictions beyond that period, when both sides will have gotten what they claim they want -- the elimination of offensive missiles. Why impose restrictions beyond the ten-year period, he asked.

Gorbachev said this was not something that needed to be put down on paper.

The President said he did not see what the basic difference was, unless it was the interpretation of the Treaty.

Gorbachev said that with regard to his proposal he did not know why it could not be accepted. After ten years the two sides could find out what the solutions were through talks. The solution would not necessarily be SDI. The U.S. might find it was SDI, and the Soviets might find it was something else. He didn't see why we need to sign on blindly to SDI at this point. Thus the Soviets had come up with a formula that meets this: in the next several years after the ten-year period the two sides would find solutions in this field in negotiations. This was a broad formula that after ten years the U.S. could continue SDI if it wanted. If the U.S. wanted, this could be discussed in negotiations, after the ten years. Why pledge to SDI right now, he asked.

The President replied that he assumed both sides agreed that verification would assure that neither had ballistic missiles after the ten years. Isn't it necessary to pledge something to assure a defense someone who might come along and want to redevelop nuclear missiles, he asked.

Gorbachev said that at least it was the Soviet view that for ten years, while we proceed to the unique historical task of eliminating nuclear forces, we should strengthen the ABM Treaty regime. Why should we create other problems whose prospects are dim and whose consequences are unknown, that leave one side in doubt about reducing nuclear weapons while the other side retains them under the guise of defensive weapons. Why burden agreement by these weights? It was hard
enough to come to this agreement. That is why they link reductions to doing without defensive systems for ten years. Afterwards we can discuss them. But during the ten years there should be only laboratory research. We can see what the situation is while we eliminate offensive weapons, and then discuss what next after that. It is comprehensible and logical to retain the Treaty. The U.S. side would be permitted laboratory research, and of course the Soviet side would too. In the U.S. case this would mean SDI. The Soviets were not trying to bury SDI.

The President said the Soviets had asked for ten years, and we had given ten and a half, because after ten years we would have to give the six-month withdrawal notice. During that period both sides would be able to do the research, development and testing which is permitted by the ABM Treaty. If they then decide to go forward with defenses, what objection can there be unless something is being hidden? This provides protection for the future. We will make it available to the Soviet side if it wants it.

If the Soviets felt that strongly about strengthening the AEM Treaty, why didn't they get rid of Krasnoyarsk and the whole defense structure they have built around their capital, the President asked. They have a big defense structure and we have none. It is a peculiar fact that we do not have a single defense against a nuclear attack.

Gorbachev again asked that the President look at the Soviet proposal, which, he said, incorporated both the U.S. and the Soviet point of view. If it were acceptable, the Soviet side would be prepared to sign off on it.

At this point the Secretary asked Simons to type up the Soviet proposal, and shortly thereafter Palazhchenko went to dictate an English translation of it to Simons.

The President said that he thought the two sides were very close to an agreement.

Gorbachev noted that an addition should be made to the text which the Soviet side had just transmitted to the effect that during the next few years after the ten-year period the two sides should negotiate a mutually acceptable solution concerning their future course of action. The U.S. side feels that this should be SDI. The Soviet side might want something else. But the Soviet formula would permit finding a mutually acceptable solution for future activity after the ten-year period. Why would this not be satisfactory to the U.S./
The President replied that if both sides had completely eliminated nuclear weapons and there was no longer any threat, why would there be any concern if one side built a safeguard, a defensive system against non-existent weapons, in case there might be a need for it in the future? The President had a different picture -- perhaps after the ten-year period the Soviet side would want to build new missiles, and would not want the U.S. to have defenses against them. But he preferred to see a different formula. Ten years from now he would be a very old man. He and Gorbachev would come to Iceland and each of them would bring the last nuclear missile from each country with them. Then they would give a tremendous party for the whole world.

Gorbachev interjected that he thought the two sides were close to reaching a common formula. He did not think the U.S. should suspect the Soviet Union of having evil designs. If it had such designs, it would not have gone so far in proposing reductions of strategic and medium-range missiles.

The President continued to describe his vision of their meeting in Iceland ten years from now. He would be very old by then and Gorbachev would not recognize him. The President would say, "Hello, Mikhail." And Gorbachev would say, "Ron, is it you?" And then they would destroy the last missiles.

Gorbachev replied that he did not know if we would live another ten years.

The President said he was counting on living that long.

Gorbachev said that the President had gotten past the dangerous period and would now live to be 100, but in his case he was in the most dangerous period of a man's life, especially after negotiating with the President, who was sapping all the strength he had. He had heard that the President did not like to make concessions and wanted only to come out a winner. But he thought both sides ought to be winners. The President remarked that he would not live to 100 if he had to worry every day about being hit by a Soviet missile.

Gorbachev replied that they had agreed to eliminate them.

The President repeated that both sides had gotten good results, i.e. a 50% reduction in the first stage and total elimination in the second. Gorbachev had pledged to his people back home that he would get a ten-year period, and the President had pledged that he would not give up SDI. He had already agreed to delaying SDI deployment, but he could go back and say that he had not given up SDI, and Gorbachev could say
that he had gotten the ten-year period. The President thought that the U.S. people and the Soviet people would cheer that they had gotten rid of nuclear missiles, and would be happy for the two of them.

Gorbachev reiterated that what the Soviets said about research and testing in the laboratory constituted the basis and the opportunity for the U.S. to go on within the framework of SDI. So the U.S. would not have renounced SDI on its side. He was a convinced opponent of a situation where there is a winner and a loser. In that case, after the agreement is ratified, the loser would take steps to undermine the agreement, so that could not be the right basis. There had to be an equal footing. The documents should be deserving of ratification as being in the interest of both sides.

The President asked what then is wrong with going by this and then saying that the question of the research, development and testing which is permitted by the ABM Treaty is reserved for their meeting in Washington, that they then could decide whether it is under the ABM provisions.

Gorbachev replied that without that there was no package. He believed the Soviet side had convinced the U.S. side of the existence of an interrelationship between the issues. If we agree on deep reductions in nuclear weapons we need confidence that the ABM Treaty will be observed during the period of the process of eliminating them. This would be a very historic period, improving a dangerous situation after a period of tensions. This decision would also be in the interest of the U.S. during that time.

The President commented that they were not getting anywhere. He proposed they consider why there was an objection to the U.S. formula if they agreed that ten years down the road there would be no ballistic missiles. He proposed a recess where they would meet with their people, and see what is keeping them apart.

Gorbachev said that a phrase should be added to the text which the Soviet side had transmitted to the effect that both sides should arrive at a mutually acceptable solution, through negotiation, about what to do following the ten-year period. This reflected the President's ideas on SDI.

(At this point the typed version of the Soviet counterproposal was brought in.)

The President said Secretary Shultz would speak about differences between the two texts. The Secretary said there seemed to be two differences. The first is how to handle what
is permitted during the ten years. The second, if he understood correctly, is that the Soviets see a period of indefinite duration for agreement not to depart from the ABM Treaty, while the U.S. side sees ten years.

Gorbachev said we needed clarity at this stage about whether to undertake real reductions while strengthening, not weakening, the ABM Treaty regime. Thus, the right to withdraw that both sides have now would not be used for ten years, and after ten years we would consider how to deal with the question. Perhaps we would keep to it, perhaps there would be new elements. But in those ten years we would strengthen and not weaken the Treaty regime.

The Secretary asked whether Gorbachev was saying that after ten years the aspect about not withdrawing would also be over. Gorbachev replied that after ten years the two sides could exercise all sorts of rights. The Secretary commented that that helped. Gorbachev suggested they add to the text the sentence "In the course of the succeeding several years, the two sides should find in the course of negotiations further mutually acceptable solutions in this field." Shevardnadze commented that under the Soviet proposal there would be no limit on research, except that it would be confined to laboratories.

Gorbachev asked the President to recall their meeting in Geneva. The President was host; it was on the last night; they were sitting on the sofa drinking coffee. They were in a good atmosphere. At that point Schultz came in to report that the Soviet delegation did not agree on certain points. The President had asked him, sitting there on the sofa, what the hell should be done, and suggested banging his hand on the table. He (Gorbachev) had gone out, and in fifteen minutes everything was fixed. Now they could go out in the same way, and the President could go out and fix everything in ten minutes. It would be another victory for the U.S. side.

The Secretary said he wanted to be clear about one thing. The Soviet proposal said that during the second five-year period the remaining weapons would be "reduced." Did "reduced" mean at a constant pace? Gorbachev said that the modalities could be written down in the treaty. The Secretary noted that the President talked about strategic offensive weapons.

Gorbachev recalled that the day before the Soviets had proposed that all types of strategic forces be cut by half. This was for the first five years. It covered the whole triad. The second five-year period would take care of the rest of the strategic forces.
The Secretary noted that our proposal referred to "offensive ballistic missiles," and the Soviet to "strategic offensive arms." These may be different categories. He wanted to be sure.

Gorbachev repeated that the Soviets had made a proposal the day before. He could say frankly it had not been an easy decision. If we try to search for agreements on subceilings, we will never get out of it. He had suggested that they cut through this, and cut everything by 50%, including the SS-13s the U.S. was concerned about. Other missiles which were not strategic would be covered by the separate agreements that have been made.

The President and the General Secretary agreed to take a break to sort out the differences between the two texts. (The break lasted from 4:30 to 5:30 P.M.).

After the break, the President said he had been sorry to keep Gorbachev so long, but Gorbachev knew the trouble Americans had getting along with each other.

The President continued that he had spent this long time trying very hard to meet the General Secretary's desire for a ten-year situation. This had to be his final effort. The President then read the following text:

The USSR and the United States undertake for ten years not to exercise their existing right of withdrawal from the ABM Treaty, which is of unlimited duration, and during that period strictly to observe all its provisions, while continuing research, development and testing which is permitted by the ABM Treaty. Within the first five years of the ten-year period (and thus through 1991), the strategic offensive arms of the two sides shall be reduced by 50 percent. During the following five years of that period, all remaining offensive ballistic missiles of the two sides shall be reduced. Thus by the end of 1996, all offensive ballistic missiles of the USSR and the United States will have been totally eliminated. At the end of the ten-year period, either side could deploy defenses if it so chose, unless the parties agreed otherwise.

Gorbachev referred to the text of "research, development and testing which is permitted by the ABM Treaty," and noted that reference to laboratory testing had disappeared. The President replied that instead the Soviet side now had the line about research, development and testing which is permitted by the ABM Treaty.
Gorbachev asked what the purpose of this was. The President replied that their people in Geneva must decide what is permitted. The two sides have different views on this.

Gorbachev asked again whether the language on laboratory testing had been omitted on purpose. He was trying to clarify the U.S. proposal.

The President confirmed that it had been left out on purpose.

Gorbachev continued that his next question was that the first part of the proposal talks about strategic offensive weapons, and the second part about ballistic missiles. He asked why there is this difference of approach.

The President said he had received the message while he was upstairs that the Soviets were mainly interested in ballistic missiles. He had thought earlier that they were thinking of everything nuclear, and then he had heard it was ballistic missiles.

Gorbachev said no, they had in mind strategic offensive weapons. He then turned to medium-range missiles.

The President interrupted to ask what Gorbachev meant.

Gorbachev said he could confirm that the Soviets are for reducing strategic offensive weapons. Other agreements would cover other weapons, for instance medium-range weapons. That part on what the U.S. side called INF is in the second part of the agreement. There we would also deal with missiles with ranges of less than 1000 kilometers. He was not removing anything from the table, but he wanted to be sure there is identity in the two parts. He was not changing positions. He wished to clarify things.

The President proposed to add "strategic" to our language, making it "strategic offensive ballistic missiles."

Gorbachev asked where aircraft were. They were in the triad, and we had agreed to reduce the whole triad: land-based strategic missiles, sea-launched, strategic bombers. The two sides had determined long ago what is strategic.

The President said we had proposed reducing all ballistic missiles on land and sea, but he was ready to include all the nuclear weapons we can.

Gorbachev said we should use the whole triad.
The President said then we should take out "strategic." Then all ballistic missiles would be eliminated.

Gorbachev said we should include land-based, sea-based and bombers.

The President asked if that were the only thing Gorbachev objected to in the U.S. proposal.

Gorbachev said he was just clarifying to be sure. He would explain the Soviet position.

The President said if this was a problem we should work on it. We had agreed to the record of the group on reducing all three elements.

Gorbachev said the agreement should be identical for both sides, for the first and second five-year periods. The concept is to reduce 50% for all types. At the same time they had agreed to the American rule, taking into account gravity bombs and SRAAMS.

The President said there had been a misunderstanding on our part as to what the Soviets wanted.

The Secretary said he thought we had to be careful when it came to eliminating all strategic offensive arms if we don't deal with short-range ballistic missiles. He realized we were dealing with it in another place, but perhaps this was the place to deal with it decisively.

Gorbachev said Shultz could write into the text on the second period that all strategic offensive arms will have been eliminated, "including ballistic missiles." The missiles with ranges shorter than 1000 kilometers are handled in the medium-range agreement. We should write we will freeze them and then negotiate about their destruction. Everything should be encompassed. Missiles of less than 1000 kilometers are being handled elsewhere. Freeze them and then start talks about their destruction.

The Secretary said we are talking about two stages, the first five years and the second five years. Insofar as we deal with intermediate- and short-range weapons, we talked about an agreement to last until it was superseded. But we think of this as a first batch. Presumably, he continued, what we have agreed to on INF will happen within the first five years. All the missiles will be gone.
Gorbachev said yes, including those with less than 1000 kilometers' range as well. But when you speak about ABM you speak only about strategic weapons. We have a common understanding about what is strategic.

The Secretary commented that the treaty is about anti-ballistic missiles. These are not only strategic. He recognized there may not be much of an argument here.

Gorbachev said he did not think there was a difference between the two sides.

The Secretary suggested that if we add "and all offensive ballistic missiles," we can come to closure.

Gorbachev asked again why it is different for the two periods. In the first paragraph we speak of strategic offensive arms. He did not think there had to be this contradiction. We can sort that out when we do the paper.

The President agreed this could be sorted out. He asked whether Gorbachev was saying that beginning in the first five-year period and then going on in the second we would be reducing all nuclear weapons -- cruise missiles, battlefield weapons, sub-launched and the like. It would be fine with him if we eliminated all nuclear weapons.

Gorbachev said we can do that. We can eliminate them.

The Secretary said, "Let's do it."

The President reiterated that he had thought he had gotten a message that Gorbachev was interested mainly in ballistic missiles. Gorbachev reiterated that there is a contradiction in the first and second periods. In the first part of the U.S. text it is all strategic offensive weapons, in the second only one type of arms, and that leaves the rest out.

The President said that if they could agree to eliminate all nuclear weapons, he thought they could turn it over to their Geneva people with that understanding, for them to draft up that agreement, and Gorbachev could come to the U.S. and sign it.

Gorbachev agreed. He continued that he now wanted to turn to the ABM Treaty. He was apprehensive about this. If the treaty is of unlimited duration, and there is to be strict observance of its provisions, and the two sides agree not to use their right to withdraw, then it is incomprehensible why research, development and testing should go on and not be confined to the laboratory. The U.S. evidently saw the Treaty otherwise. We should add to its strength.
We will be proceeding on to a broad reduction of offensive weapons, Gorbachev continued. This would allow for research and testing in laboratories but not elsewhere. Otherwise one side could do research, development and testing anywhere, while pretending it is not violating the ABM Treaty. This would give the impression that one side was trying to create an unequal situation. He liked to be clear. He wanted to have laboratory-only in. The Soviet side is for strict observance of the Treaty, and only laboratory research and testing. He could not do without the word "laboratory." If the U.S. side was indeed for strict observance, it should also be for "laboratory."

The President said that from the beginning of the Treaty there had been this difference. There was a sort of liberal interpretation, and also one that confined this strictly to laboratories. This was a legitimate difference. But we had gone a long way, and what the hell difference did it make. Ten years down the road some country might come along with a madman who wanted to build nuclear weapons again.

The President said they could be proud of what they had done. We may not build SDI in the end; it might be too expensive, for instance. But he had promised the American people he would not give up SDI. The Soviets now had ten years. We have an agreement we can be very proud of.

Gorbachev asked whether the U.S. side would not have the right to decide on SDI development if it put in that it recognized that work would go on only in laboratories, including SDI-related work. But he had to take a principled position that the work could only be in laboratories. This would mean it could not be transferred outside, to create weapons and put them in space. That was why strict observance meant confining work to laboratories. If the President agreed, they could write that down, and sign now.

The President said that Gorbachev talked about deployment as if it meant weapons in space. We already had agreements that prevented that. He thought the Soviets were violating agreements. There is the Krasnoyarsk radar. They should knock it down.

Gorbachev said the U.S. might be testing objects, and say they were not offensive, but there would be suspicions. The Soviet side said testing should take place only in laboratories.

The President said he would not destroy the possibility of proceeding with SDI. He could not confine work to the laboratory.
Gorbachev said he understood this was the President's final position. He could not confine work to the laboratory.

The President said, "Yes." We have said we will do what we do within what we believe are within the limits of the Treaty. But there is disagreement as to what the Treaty prescribes.

Gorbachev said he understood the U.S. wanted a concrete formula that gives the U.S. the possibility of conducting tests not only in the laboratory but outside, and in space.

The President said there is research in the lab stage, but then you must go outdoors to try out what has been done in the lab.

Gorbachev suggested that they write in "experimental." This includes mockups, prototypes, samples. But they needed to write "only in laboratories."

Gorbachev continued that he was not saying what he was saying to be intransigent, or rigid, or casuistical. He was being very serious. If they were going to agree to deep reductions in nuclear weapons, and the U.S. side wanted an interpretation that allowed it to conduct all sorts of research that would go against the ABM Treaty, and put weapons in space and build a large-scale defense system, then this was unacceptable. But if the U.S. agreed to confine this work to laboratories, the Soviet side would sign. That was why in their draft tests of all space elements in space were banned, except for laboratory work.

The President said he could not give in.

Gorbachev asked if that was the last word.

The President said yes. He had a problem in his country Gorbachev did not have. If they criticized Gorbachev, they went to jail. (Gorbachev interjected during the interpretation that the President should read some of the things being written in Soviet newspapers.) But, the President continued, he had people who were the most outspoken critics of the Soviet Union over the years, the so-called right wing, and esteemed journalists, who were the first to criticize him. They were kicking his brains out.

Gorbachev would go home with the ten years, the President went on. He himself would go home with his pledge to stick by SDI, and continue research within our interpretation of the ABM Treaty when it came to research. He was not asking anything unusual.
Addressing the President, Gorbachev said he assumed the President was addressing him from a position of equality, as a leader of another country, on a confidential basis, and he would thus be frank.

The President was three steps away from becoming a great President, Gorbachev said, if they signed what had been discussed and agreed to. These would be very major steps. But they needed to include strict observance of the ABM Treaty and confinement of research and testing to laboratories, including SDI-related work.

But if this was not possible, they could say goodbye, and forget everything they had discussed. What had been discussed here in Reykjavik was a last opportunity, at least for Gorbachev.

He had had the firm belief when he came here -- and otherwise he would not have proposed the meeting -- that the proposals of the Soviet Union, of the Soviet leadership, were very far-reaching, and built on a huge reservoir of constructive spirit. With the support of the U.S. side, they could solve very important problems.

If they were able to do this, Gorbachev continued, and resolve these problems, all the President's critics would not open their mouths. The peoples of the U.S., of the Soviet Union, of the whole world would cheer. Now, if he (Gorbachev) saw that the President could not agree to these proposals, the people would say that the political leaders could not agree. What they had discussed would be left for another generation.

Gorbachev continued that the President had not made a single, substantial, major step in Gorbachev's direction.

Shevardnadze said he wanted to say just one thing. The two sides were so close to accomplishing a historic task, to decisions of such historic significance, that if future generations read the minutes of these meetings, and saw how close we had come but how we did not use these opportunities, they would never forgive us.

The President said he wished to speak as one political leader to another political leader. He had a problem of great importance to him on this particular thing. He had been attacked even before he came. He had given up a long span of time. He was asking Gorbachev, as a political leader, to do this one thing to make it possible for him to deal with Gorbachev in the future. If he did what Gorbachev asked, he would be badly hurt in his own country. He asked this one thing of Gorbachev.
Gorbachev said he had said everything he had to say, just as the President had.

The President asked Gorbachev to listen once again to what he had proposed: "during that period strictly to observe all its provisions, while continuing research, testing and development which is permitted by the ABM Treaty." It is a question of one word. This should not be turned down over a word. Anyone reading that would believe that the U.S. is committed to the ABM Treaty.

Gorbachev commented that he could also say the President was using one word to frustrate a meeting that had promised to be historic. But he would speak seriously. It is not just a question of a word, but a question of principle. If we are to agree to deep reductions and elimination of nuclear weapons, we must have a firm footing, a front and rear that we can rely on. But if the Soviet side signed something that gave the U.S. the opportunity to conduct SDI-related research and testing in broad tests, and to go into space, the testing of space weapons in space, he could not return to Moscow. He could not go back and say we are going to start reductions, and the U.S. will continue to do research, testing and development that will allow it to create weapons and a large-scale space defense system in ten years.

If we say research and testing in laboratories, he could sign it, Gorbachev went on. But if he went back and said that research, testing and development could go on outside the laboratory and the system could go ahead in ten years, he would be called a dummy (dumak) and not a leader. Ten years of research in the laboratories within the limits of the Treaty ought to be enough for the President. He was not against SDI. But the research had to be in the laboratories.

The President said he had believed, and had said so in Geneva, that he and Gorbachev had the possibility of getting along as no two American and Soviet leaders ever had before. He had asked Gorbachev for a favor, which was important to him and to what he could do with Gorbachev in the future. Gorbachev had refused him that favor.

Gorbachev replied that if the President had come to him and said things are hard for American farmers, and asked him to buy some American grain, he would have understood. But what the President was asking him to agree to on behalf of the USSR was to allow the U.S. -- at a time when they were proceeding to deep reductions and elimination of nuclear weapons -- to conduct full-scale research and development, including development of a space-based ABM system, which would permit the U.S. to destroy the Soviet Union's offensive nuclear
potential. The President would not like it if Gorbachev had asked that of him. It would cause nervousness and suspicion. It was not an acceptable request. It could not be met. The President was not asking for a favor, but for giving up a point of principle.

The President said there would be no offensive weapons left to destroy, and space defenses could not be deployed for ten years or so. It was not the word, it was the implication. Gorbachev was asking him to give up the thing he'd promised not to give up. All the other language was what Gorbachev had needed. We had said we would comply with the Treaty for ten years. It is the particular meaning of one word. Gorbachev knew how this would be taken in the U.S.

The President continued that if Gorbachev thought the problem was that he wanted some military advantage, Gorbachev should not worry. He did not talk about it much, but he believed the Soviets were violating the ABM Treaty. He was not saying we should tear it down, and we should say nothing outside this room, but we should not stop at one word. Maybe Gorbachev could suggest another word to replace it. The President had met Gorbachev's requirements. What more was needed than that?

The President said he was asking Gorbachev to change his mind as a favor to him, so that hopefully they could go on and bring peace to the world.

Gorbachev said he could not do it. If they could agree to ban research in space, he would sign in two minutes. They should add to the text "The testing in space of all space components of missile defense is prohibited, except research and testing conducted in laboratories," as in the draft. The point was not one of words, but of principle.

He would like to move everywhere he could. He had tried to do so. His conscience was clear before the President and his people. What had depended on him he had done.

(At that point the President stood, and both leaders gathered up their papers and left the room. As they stood together before departing, Gorbachev asked the President to pass on his regards to Nancy Reagan. The President replied that she had decided to keep to her schedule rather than come to Iceland. On the steps outside, they shook hands and parted. Since Gorbachev was formally the "host" of the meeting, the President departed first from the site.)

10/15/86