Originally Processed With FOIA(s):
S

FOIA Number:
S

FOIA MARKER

This is not a textual record. This is used as an administrative marker by the George Bush Presidential Library Staff.

Record Group/Collection: George H.W. Bush Presidential Records
Collection/Office of Origin: Speechwriting, White House Office of
Series: Speech File Backup Files
Subseries: Alpha File, 1987-1991

OA/ID Number: 13843
Folder ID Number: 13843-001

Folder Title:
Arms Control, 1990

Stack:	Row:	Section:	Shelf:	Position:
G	26	23	2	7

ROLE OF ARMS CONTROL AND THE SNF MODERNIZATION ISSUE

While Arms control can not dominate our acquisition decisions, it must be considered. Understanding how the equipment fits into the larger security picture and how it could be affected in future negotiations allows us to work smart in arms control and to accomplish both our short and longer national security goals.

VISION AND ROAD TO THE FUTURE: What we want to accomplish through Arms Control and SNF Modernization should be guided by our vision of our future national security posture. With the rapid changes in the Soviet/WP countries it is imperative that we examine now our potential paths and not take a wait and see attitude before acting.

POLITICAL IN NATURE: We must not forget that politics will drive both the arms control and SNF modernization process. This is true for our government and that of our allies.

UNDERSTAND OUR ALLIES: The reality that our allies can accept or reject some or all of our SNF modernization plans must be considered now. We do not want a repeat of the 1977 rejection of the enhanced radiation round for Lance after it was developed. We have the opportunity to learn the sensitivities of our allies from the work that went into the NATO Comprehensive concept and our work in CFE. These understandings and the sensitivities can provide the basis for their acceptance of the SNF modernization program.

MEET THE NATO COMMANDERS MISSION: As we heard from Gen Galvin's remarks this morning, he is in the unique position to know what is required militarily and how this should be accomplished politically. Though it is not his role to develop systems his knowledge of the political and military environment should impact accordingly on the acquisition process and vision for the role of SNF arms control.

AVOID THE THIRD ZERO: In all scenarios, we must work hard to insure we are not pushed to a "third zero" for ground to ground systems. We will not have a creditable deterrence with just dual capable aircraft and/or sea launched systems. As we observed with our INF systems, deterrence is enhanced with the visible presence and operational capabilities of ground based systems.

AVOID LETTING THE SOVIETS CAPTURE OUR TECHNOLOGY: The Soviets over the years have worked hard to capture or impede our high technology systems. In INF they worked hard to eliminate the PII: a system whose accuracy has yet to be equaled in any of our other missile systems. The technology in SDI was a major factor in bringing the Soviets back to the negotiating table. Though there will be reductions in SNF we must protect those high tech systems such as the ATACMS and MLRS critical to our future military posture.

AVOID NAVAL ARMS CONTROL: The Soviets will raise Naval Air and Sea based issues in SNF arms control. We must persevere and resist negotiating. Sea power is critical to our ability to project power, sustain forces in Europe and provide reinforcements in time of crisis. While some suggest that we should at least talk about naval arms control in a CSBM forum, this would be a real slippery slope that once we begin, would be difficult to halt or walk away from. Now, we have the moral high ground on this issue and we must not lose it.

SNF IS ONLY ONE OF THE WHOLE: SNF arms control must be considered in the context of negotiations that have been completed (INF) or those now under way (START or CFE). The agreed methods of verification and compliance from these other treaties will be folded into any SNF agreement. It is the totality of the politics associated with these other treaties that will frame the political course that can be taken in an SNF treaty.

DEBATE NOW: As we are doing today, at this conference, we need further debate on this issue -- the issue of political acceptability of SNF modernization and SNF arms control. Doing so will allow us to think through the environment that will exist after SNF and choose the course that will guide our negotiations.

UNDERSTAND THE CHANGES COMING IN THE FUTURE

POLITICAL: After CFE I, it will not be business as usual. We must broaden our vision and understand both the military and political impacts that will result from this event. If we have lower force levels with measures that increase stability, as is our goal, we will find that the fear of the threat will no longer dominate our defense requirements. In this environment, it is crucial that we articulate a vision that insures the necessary role of the military in the broader text of our security interests, and that this vision sustain needed support for the military in this new environment.

MILITARY: The military will have to rapidly adjust to this change and work to articulate its new requirements. Failing to do so quickly will result in diminished military.

NEED FOR POLITICAL FLEXIBILITY: In a changing environment, politicians do not like to be faced with "either" "or" solutions. They need room to maneuver and so it will be with the SNF modernization issue. Some technical options will provide more flexibility than others. Providing this flexibility will better insure that SNF modernization is accomplished.

DEVELOP "WIN-WIN" POSITIONS: We must make acquisition and arms control decisions that place us in a win-win position where we have the needed systems of strength prior to and after a treaty. We can not lose more than the Soviets and where possible should be in a position to reduce the Soviets more than us, as we did in INF. Here we not only eliminated the Soviet INF nuclear weapons but captured the their chemical and conventional capability. We have this opportunity in SNF and should take advantage of this.

CONCEPT VS TECH AND FORCES MIXES: In emerging technologies possible force mix options are important. However, the need for a concept that provides the framework for integrating these into the military strengthening is what will result in the needed contribution to the long term security of Europe.

TIME TABLE SET BY MANY: The time schedule for SNF arms control negotiations is not under our sole control. How fast SNF occurs will be determined by many factors. Experience has shown that both related and un-related internal and external factors will drive the negotiations. More important than the timetable is our ability to stay on the charted azimuth to achieve our goals for the future.

CONCLUSION: SNF arms control will not be easy. We must set our goal, of reducing the Soviet capability to the maximum while increasing overall stability. To do this we will need SNF modernization programs that minimize the political impact and maximize the military capability. It is clear that there will be tradeoffs in both areas if we want to accomplish our goals.

United States Department of State

Washington, D.C. 20520

(Contact Joe Duggan, 202-647-4153)

WARSAW PACT MUST ACCEPT COMBAT AIRCRAFT LIMITS, BUSH ARMS CONTROL ADVISER SAYS

Aug. 17 (Thursday) - President Bush's special advisor on arms control today challenged the Warsaw Pact to remove a major stumbling block to a treaty reducing conventional forces in Europe. Ambassador Edward L. Rowny called on the Warsaw Pact to accept NATO's proposed limits on all aircraft with combat capability and drop its position that "defensive" aircraft be excluded from cuts.

Addressing the national convention of the American Council for Polish Culture in Philadelphia, Rowny said that NATO and Warsaw Pact negotiators in Vienna are "close to agreement on ceilings of tanks, artillery pieces, armored troop carriers and helicopters. But we're far apart when it comes to how to define and count combat aircraft.

"The fact is, modern jet fighters are highly versatile. Strap-on pods and rapid retrofit kits can transform an air defense interceptor into a ground attack fighter in a matter of hours. Variations of the same jet fighter are often observed on the same airfield, some configured for ground attack and some for air-to-air combat. Multi-capable combat aircraft are the rule rather than the exception in virtually all of today's modern air forces.

"By the Warsaw Pact's self-serving definition, only the East has exempt 'defensive' aircraft while NATO has none. The Eastern Bloc seeks to include all NATO aircraft in the treaty-limited category while excluding as many as half of their own planes. This is strongly reminiscent of the traditional Soviet approach to arms control: 'What's mine is mine; what's yours is negotiable!'

"NATO's aircraft proposal makes sense and is a position that will lead to greater stability. It is simple -- it embraces the notion that any aircraft with combat capability is considered a combat aircraft. It is verifiable -- it locks in given types of aircraft and counts all variants the same. It is more than skin deep -- it moves beyond simply assigned missions and addresses an aircraft's inherent capability for offensive action.

"NATO's proposal makes the aircraft issue easy to solve. If the Soviets and their Eastern counterparts are truly serious about achieving a good conventional arms reduction treaty, they will recognize the NATO proposal on aircraft for what it is: a logical means of strengthening security in Europe.

"President Bush has challenged NATO and Warsaw Pact negotiators to complete a CFE treaty within one year. Before the CFE talks went into recess last month, NATO presented its framework agreement two months ahead of schedule. When the talks reconvene in September, we are hoping the Warsaw Pact will join us to work constructively and with a sense of urgency. The President has pushed to the top of his agenda the core security problem of Europe -- the conventional imbalance. If the Soviets truly exhibit 'new thinking,' we can change the military map of Europe."

The Heritage Foundation Backgrounder

No. 725

The Heritage Foundation • 214 Massachusetts Avenue N.E. Washington, D.C. 20002 (202)546-4400

September 1, 1989

A U.S. AGENDA FOR THE CONVENTIONAL FORCES REDUCTION TALKS

Next week, after a brief summer recess, the United States and its North Atlantic allies resume negotiating in Vienna with the Soviet-led Warsaw Pact to reduce conventional (non-nuclear) military forces in Europe. Known as the Conventional Armed Forces in Europe (CFE) negotiations, the talks will begin again on September 7.

These talks potentially are the most important in which the two sides are engaged. They aim to produce a treaty setting equal ceilings on the number of tanks, artillery, armored troop carriers, aircraft, helicopters, and perhaps manpower that the North Atlantic Treaty Organization (NATO) and Warsaw Pact can deploy in Europe.

Because the Soviet Union and its Warsaw Pact allies now enjoy tremendous advantages over NATO in conventional forces, reductions to equal levels would improve dramatically the security of America's West European allies if they continue to field modern forces of their own. Under terms already agreed to, the emerging CFE accord would require the Warsaw Pact to dismantle over 30,000 tanks, 25,000 armored troop carriers, and between 20,000 and 30,000 artillery pieces; by contrast, the West would have to make relatively minor reductions.

Optimistic Timetable. In addition to its potential to improve NATO security, CFE could serve U.S. interests by allowing the U.S. to withdraw from Europe significant numbers of forces without damaging Alliance security. CFE also could weaken the Soviet Union's hold over Eastern Europe by requiring the withdrawal of between 250,000 and 325,000 of the roughly 600,000 Soviet troops now stationed there. George Bush said in June that he wants to complete a CFE agreement within six months to a year. His timetable, however, may be optimistic. The two sides have yet to agree on

Note: Nothing written here is to be construed as necessarily reflecting the views of The Heritage Foundation or as an attempt to aid or hinder the passage of any bill before Congress.

such basic issues as how much equipment each side now deploys in Europe, what types of aircraft to count, and precisely how to define regional "zones" where special limits would be placed on military forces. Other key issues, including how to verify a CFE agreement, have not yet seriously been addressed.

Remarkably swift progress nevertheless has been made since CFE talks opened this March 9. Moscow has agreed to the Western proposal to reduce each side's forces to somewhat below NATO's current levels; this means much greater cuts for the Warsaw Pact than for NATO. Both sides too are in accord on the precise number of tanks and armored troop carriers to be permitted under treaty limits. Further, Moscow now has accepted NATO's basic framework for a treaty, including the proposal for setting separate limits that would reduce Soviet forces stationed in Eastern Europe.

Challenges for NATO. Even if successful, of course, CFE will not resolve all of NATO's political or military dilemmas and could create new ones. Example: NATO's force cuts would not be very great, which means that the West would have to continue expensive military modernization programs at a time when a CFE accord would be signalling relaxed East-West tensions. How NATO responds to such challenges will determine CFE's ultimate success. On balance, though, a verifiable CFE accord along the lines proposed by NATO should serve U.S. interests and improve NATO's security. As the second round of CFE talks opens, Bush should:

♦ ♦ **Put CFE at the top of the U.S.-Soviet agenda, publicly making it a litmus test for Soviet leader Mikhail Gorbachev.** Among all the items on the U.S.-Soviet agenda, including strategic arms reductions talks (START), CFE is the best test of Gorbachev's sincerity and reliability as a negotiating partner.

♦ ♦ **Require the U.S. Joint Chiefs of Staff to prepare options for cuts of up to 75,000 of the 305,000 U.S. air and ground forces now based in Europe, in the event a CFE treaty is signed and implemented.**

♦ ♦ **Hold firm against Soviet attempts to exclude most Soviet warplanes in Europe from the CFE negotiations.**

♦ ♦ **Accept only an accord that allows the U.S. to continue storing equipment in Germany and elsewhere to support rapid U.S. reinforcement of the Alliance.**

♦ ♦ **Design and insist upon an effective CFE verification and monitoring plan.**

♦ ♦ **Propose a five-year CFE treaty limit.** This would encourage NATO to assess regularly Soviet compliance with a CFE treaty and the overall affect CFE on Alliance security.

♦ ♦ **Not permit Moscow to tie conclusion of a CFE accord to the opening of arms control talks on naval forces or short-range nuclear forces (SNF).**

Gorbachev must reduce his conventional military threat to Europe before the U.S. or its allies consider arms control measures that could jeopardize NATO security.

♦ ♦ **Warn the allies against premature military cutbacks in anticipation of CFE.**

♦ ♦ **Continue to exercise strong NATO leadership on CFE, even if this annoys some allies.** Britain and France, for instance, remain bitter over Bush's push to include aircraft in negotiations; they maintain aircraft cuts should have been saved for possible CFE follow-up talks. But with sixteen NATO nations involved in CFE talks, U.S. leadership and initiative are essential to keep negotiations moving forward.

♦ ♦ **Create a NATO High Level Group to evaluate the Alliance's military requirements in the event of a CFE accord; encourage allies to take the lead in planning for post-CFE European defense.**

♦ ♦ **Require the Joint Chiefs of Staff to begin a thorough evaluation of U.S. global strategy in the event of a CFE accord.** The Joint Chiefs should plan for a shift in the U.S. role in NATO defense away from providing large numbers of ground forces and toward providing primarily naval nuclear forces.

WHAT IS CFE?

Sitting around Vienna's CFE negotiating table are the sixteen members of the NATO alliance and seven members of the Soviet-led Warsaw Pact. The objective of the negotiations is to limit conventional forces in Europe, including tanks, artillery, armored troop carriers, aircraft, helicopters, and some troops.[1]

Toward Equal Limits.CFE is an ambitious undertaking. Its geographic scope stretches from the Atlantic shores of Western Europe to the Ural Mountains, 1,500 miles into Soviet territory. The negotiations are guided by the principle of "asymmetric reductions" to equal levels and capabilities. This means that the Warsaw Pact, which has more weapons than NATO, will be required to dismantle more weapons than NATO to come down to equal limits that are below NATO's current levels. This negotiating principleopens the way for an agreement that will cut mainly Soviet forces, which comprise

1 Helpful studies on conventional arms control include: Robert D. Blackwill, "Conceptual Problems of Conventional Arms Control, *International Security*, Spring 1988; Stephen J. Flanagan and Andrew Hamilton, "Arms Control and Stability in Europe: Reductions are Not Enough," *Survival*, September/October, 1988; General John R. Galvin, "Some Thoughts On Conventional Arms Control, *Survival,* March/April 1989; and Uwe Nerlich and James A. Thomson, eds, *Conventional Arms Control and the Security of Europe* (Boulder: Westview Press, 1988).

NATO and Warsaw Pact CFE Proposals Compared

		Overall Limits	Sufficiency Limits	Stationing Limits
Tanks	NATO:	20,000	12,000	3,200
	Warsaw Pact:	20,000	14,000	4,500
Artillery	NATO:	16,500	9,900	1,700
	Warsaw Pact:	24,000	17,000	4,000
Armored Carriers	NATO:	28,000	16,800	6,000
	Warsaw Pact:	28,000	18,000	7,500
Aircraft	NATO:	5,700	no limit	no limit
	Warsaw Pact:	1,500	1,200	350
Helicopters	NATO:	1,900	no limit	no limit
	Warsaw Pact:	1,700	1,200	600
Manpower	NATO:	no limit	no limit	275,000*
	Warsaw Pact:	1,350,000	920,000	350,000

*U.S. and Soviet forces only. NATO proposal from *Western CFE Delegations' Paper*, March 6, 1989. and U.S. Department of Defense, *Conventional Arms Control Update*, (Army Staff, unpublished briefing).; Warsaw Pact proposal from *The Arms Control Reporter*, July 1989, p. 407.B.195.

the bulk of the Warsaw Pact's military inventory. If CFE succeeds along the lines now being negotiated, it will entail destroying over 100,000 pieces of major military equipment now in the inventories of the two sides.

Agreement: The Basic Outlines of a CFE Accord

NATO came into the negotiations with a position paper outlining an agreement incorporating four types of armaments limitations.[2] By the end of June, Moscow had accepted this basic framework in principle, although the Soviets presented their own numbers and other details for each type of limitation, some of which conflict with NATO's.[3] The four types of limits that both sides have agreed to include in an accord are:

1) Overall limits. These are restrictions on the total amount of equipment – tanks, artillery pieces, armored troop carriers, aircraft, and helicopters – that either side could deploy in Europe. The limits are different for each type of weapon, and each side would have to come down to equal levels set somewhat below NATO's current levels for each type of equipment. Moscow agrees with NATO's limits for two key types of equipment: tanks to be limited to 20,000 and armored troop carriers to 28,000. Using NATO's

2 *Western CFE Delegations' Paper*, released March 6, 1989 in Vienna.

3 See Text of Eastern CFE Proposal, tabled March 9, 1989, JCS Information Service Center; Address of WTO States to NATO States, TASS, June 11, 1989 (NATO official translation).

figures on the existing East-West military balance, the 20,000 tank limit would mean that Moscow would have to dismantle 31,500 of its 51,500 tanks in Europe; NATO would have to dismantle 2,224 of its 22,224 tanks.

2) Sufficiency limits. These are restrictions on the percentage of either side's allotted military equipment that could be fielded by any one country. NATO proposed sufficiency limits primarily to restrict the portion of Soviet forces within the Warsaw Pact's overall allotment, but the same restrictions would apply to U.S. or West German or any other country's share of NATO's overall equipment limits. Gorbachev surprised NATO in late May by accepting the principle of sufficiency limits, although Moscow's proposed limits differ somewhat from NATO's.[4] NATO would limit any one country to 30 percent of the total of both side's combined equipment holdings; Moscow's limits vary at somewhat higher levels averaging about 35 percent. Sufficiency limits would affect mainly the Soviet Union, which now has 54 percent of the tanks, 48 percent of the armored troop carriers and 57 percent of the artillery now deployed by both sides from the Atlantic to the Urals.[5]

3) Stationed forces limits. These are limits on the amount of equipment that the countries of either side could deploy in Europe outside their own territory. NATO proposed stationed forces limits primarily to curtail the number of Soviet forces that could be deployed in Eastern Europe. These limits also would apply to NATO equipment (including American, British, and French equipment stationed in Germany) that could be deployed in Europe on foreign territory. Example: Under NATO's proposal only 3,200 of either side's overall limit of 20,000 tanks could be "stationed" tanks; thus Moscow, the only Warsaw Pact country with troops deployed outside its own territory, could deploy no more than 3,200 tanks in Eastern Europe, roughly 7,600 fewer than it stations there today. Similarly, the sum total of NATO tanks deployed on foreign territory within Europe (primarily American, British, and French tanks stationed in Germany) also could not exceed 3,200.

4) Zone limitations. These are restrictions on the numbers of forces that could be deployed by either side in specific geographic regions, or zones, carved out of the treaty area from the Atlantic to the Urals. Zone limitations are designed to force each side to spread out its forces geographically so that they can not be concentrated in any one area for an attack. Example: NATO's proposal carves out three progressively smaller zones within the Atlantic-to-the-Urals region. In the zone that includes on the Warsaw Pact side Czechoslovakia, East Germany, and Poland, the Warsaw Pact could station only 8,000 of its 20,000 tanks and 4,500 of its 16,500 artillery pieces.

---

4 Michael Gordon, "Moscow Supports U.S. on Troop Cuts," *The New York Times* May 25, 1989, p. 9.

5 Phillip A. Karber, testimony before Senate Armed Services Committee, April 6, 1989 (BDM Corporation reprint), p. 9.

Differences in NATO Versus Warsaw Pact Force Estimates

	NATO Estimates	Warsaw Pact Estimates
Troops	NATO: 2.2 million	NATO: 2.9 million
	Warsaw Pact: 3.1 million	Warsaw Pact: 3.2 million
Aircraft	NATO: 6,700	NATO: 5,450
	Warsaw Pact: 13,500	Warsaw Pact: 5,355
Helicopters	NATO: 2,200	NATO: 5,270
	Warsaw Pact: 3,500	Warsaw Pact: 2,785
Tanks	NATO: 22,224	NATO: 30,690
	Warsaw Pact: 51,500	Warsaw Pact: 59,470
Artillery	NATO: 17,328	NATO: 57,060
	Warsaw Pact: 43,400	Warsaw Pact: 71,560
Armored Troop Carriers	NATO: 28,800	NATO: 46,900
	Warsaw Pact: 53,500	Warsaw Pact: 70,330

Figures based on latest NATO estimates according to Defense Department Sources. See also Conventional Forces: The Facts, NATO Document, November 25, 1988; *Warsaw Treaty Organization and North Atlantic Treaty Organization: Correlation of Forces in Europe*, Moscow: Novosti Publishing, 1989.

NATO would be subject to identical limits in an area encompassing Belgium, Luxembourg, the Netherlands, and West Germany.

NEGOTIATING HURDLES

1) How should the balance be measured?

Before the CFE talks began, NATO and the Warsaw Pact each presented their own data on the equipment and troops deployed by the two sides in Europe. The data revealed numerous discrepancies in the two side's public portrayal of the military balance (see Table above.). In some cases, such as helicopters, the Soviet count inexplicably inflated NATO's holdings. In some cases, part of the difference can be explained. Example: Moscow's figures count NATO's *Bradley* infantry fighting vehicles in the tank balance while excluding its own infantry fighting vehicles; NATO counts only heavy tanks like its own M-1 *Abrams* and Soviet T-80 in the tank category. To date NATO negotiators have found their Soviet counterparts generally unwilling or unable to provide an adequate explanation of how they arrived at their figures.[6] But even after such differences are taken into account, say NATO negotiators, most of Moscow's figures do not add up. Both studies are expected to produce revised and updated figures this fall.

6 This and other observations based on author's interviews with Defense Department, State Department, and National Security Council officials involved with the CFE negotiations.

2) At what levels should equipment limits be set?

The two sides disagree over what levels to set for overall limits, sufficiency limits and stationing limits for most categories of equipment. Examples: NATO calls for overall artillery limits of 16,500, while the Warsaw Pact proposes 24,000; NATO calls for stationing limits of 3,200 tanks while the Warsaw Pact wants 4,500. Generally, Moscow seeks somewhat higher limits than NATO, particularly for limits that would restrict Soviet forces deployed in Eastern Europe.

3) Which aircraft should be included in negotiations?

NATO initially resisted Moscow's calls for limits on aircraft and helicopters on the grounds that negotiations first should focus on ground equipment capable of seizing and holding NATO territory. Bush changed the American position at the May NATO summit, proposing to include aircraft and helicopters in the negotiations; NATO agreed on July 13.[7]

The two sides remain far apart on the issue of which aircraft to include in negotiations. Moscow wants to include only "strike" aircraft, which it defines as aircraft equipped to attack targets on the ground. It seeks to exclude "defensive interceptors" used to shoot down other aircraft in air-to-air combat. But since most NATO aircraft, such as the F-16 *Fighting Falcon*, are used for air-to-ground and air-to-air combat, virtually all NATO aircraft would be subject to restrictions under Moscow's proposal. But roughly 9,000 Soviet aircraft (by NATO's count) would be excluded under the Soviet proposal, including combat-capable training aircraft and modern fighters like the MiG-31 *Foxhound*.

NATO proposes counting all interceptors and attack aircraft equally as "combat aircraft" and subjecting them to limitations. NATO points to the inherent unfairness of a Soviet proposal that excludes by definition 9,000 of its own combat aircraft, each capable of shooting down NATO aircraft no matter whether they are designated "defensive" or "strike" by Moscow. Further, the Soviet distinction between "defensive interceptors" and "strike" aircraft does not hold up under scrutiny, since even interceptors could be outfitted to attack ground targets during wartime.[8]

7 See Michael Gordon, "Arms Pact on Fast Track," *The New York Times,* May 30, 1989; Theresa Hitchens, "NATO Rushes New Troop Cut Plan to Vienna Two Months Early," *Defense News*, July 17, 1989, p. 42.
8 See Peter Adams, "Arms Control Agreement May Hinge on Definition of Air Defense Aircraft," *Defense News*, August 7, 1989; Edward L. Warner 3d and David A. Ochmanek, "Arms Talks: The Plane Truth," *The New York Times*, June 1, 1989, p. 23.

4) What kind of manpower limits should CFE include?

NATO has not agreed to the Warsaw Pact's proposal to place an overall cap on manpower. Alliance leaders are concerned that Moscow could use manpower limits to restrict West European reinforcement and reserve troops critical to manning NATO's defensive line in the event of a Warsaw Pact attack. As a result of a Bush initiative at the May NATO summit, NATO has agreed to bring manpower into the negotiations. NATO proposes a limit of 275,000 on U.S. troops and Soviet troops stationed on foreign territory in Europe.[9] But Moscow insists that this limit, which it would set at 325,000, should be imposed not just on U.S. and Soviet troops, but on the total of all troops from either alliance stationed in Europe outside their own territory. Because NATO relies on an international force of over 400,000 American, British, French, and other allied troops in West Germany as its front line of defense, it has rejected these limits.

5) How should stored equipment be counted?

Both sides agree that all military equipment in Europe, whether stored or deployed with active forces, would be included in overall equipment limits set under a CFE agreement. The two sides disagree, however, about whether stored equipment would be further restricted by "stationing limits" on the amount of equipment that countries can deploy outside their own territory in Europe and "zone limits" that put regional ceilings on equipment deployments between the Atlantic and the Urals. The Warsaw Pact says those ceilings should apply to active and stored equipment; NATO says they should apply only to equipment with active forces.

The issue is important because Moscow's formula would force the U.S. to withdraw most of its stored equipment from West Germany. U.S. equipment stored or "prepositioned" in Germany is crucial to NATO strategy because it permits the U.S. to reinforce the Alliance rapidly simply by flying in troops to match up with equipment already there.[10]

Remote Storage. NATO's CFE proposal is designed not only to permit the U.S. to keep its stored equipment in West Germany, but also to encourage the Warsaw Pact to put large amounts of its own equipment in storage.

---

9 See "Bush Proposes Cutback in U.S. Troops in Europe," *The Washington Post,* May 30, 1989, p. 1.

10The U.S. is supposed to store enough equipment in West Germany to outfit the six U.S. divisions (these stores actually may only be about 2/3 full) that the U.S. plans to fly to Germany to reinforce NATO quickly at the first sign that war is imminent. Without this stored equipment in Germany, the U.S. would have to ship the equipment for these divisions to Europe, making rapid U.S. reinforcement of NATO all but impossible. Moscow has no need to store large amounts of equipment near the front in Europe because it quickly can reinforce its front-line forces with equipment sent via rail from the Soviet Union.

NATO's zone proposal calls for both sides to keep about 20 percent of its equipment either in storage or in regions far from the central front in Germany. For NATO, this remote region would include Iceland; for the Warsaw Pact, it could be the Soviet Transcaucasus military district on the Caspian Sea. NATO wants Moscow to put equipment in storage because it would be easier to count and monitor than equipment kept with active divisions. Moscow has resisted this proposal. Compromises may be possible by which some equipment kept with active units would be kept in designated areas and closely monitored.[11]

6) Should a CFE agreement be tied to negotiations on naval forces and short-range nuclear forces?

Official Soviet pronouncements on CFE consistently tie successful conclusion of a CFE treaty to the opening of negotiations to limit naval forces and short-range nuclear forces (SNF), such as the U.S. *Lance* missile.[12] Moscow long has sought ways through arms control to limit superior U.S. naval forces and to force the withdrawal of U.S. nuclear weapons from Europe. The U.S. and its NATO allies consistently have rejected naval force limitations because the U.S. has global naval obligations and because NATO relies so heavily on the U.S. navy for reinforcement during wartime. Although West Germany has been at odds with the other major allies on whether to open SNF negotiations, NATO agreed at its May summit that it would not enter into these negotiations until Moscow has begun conventional force reductions through CFE.[13]

7) How will a CFE treaty be verified?

Adequate verification will be the key to ensuring improved Western security under a CFE treaty. Neither side has yet proposed a full verification plan, although NATO is expected to have one ready when negotiations reopen on September 7. NATO's proposal is likely to include measures for observing and counting deployed forces through such means as aircraft overflights, satellite reconnaissance, and direct "on site" inspection by teams of observers.

11See R. Jeffrey Smith, "U.S. Weighs New NATO Arms Storage Plan," *The Washington Post*, July 29, 1989, p. 9; Peter Adams, "NATO Hopes Stored Materiel Overcomes Geographic Liability," *Defense News*, July 3, 1989, p. 3.

12See address by Soviet Foreign Minister Eduard Schevardnadze in Vienna, March 6, 1989, TASS press release. See also, R. Jeffrey Smith, "Soviet Advisor Hints at Potential Mobile Missile Deal," *The Washington Post*, July 24, 1989, p. A18.

13See *NATO's Comprehensive Concept of Arms Control and Disarmament,* adopted by NATO heads of state, Brussels, May 29 and 30, 1989, p. 11. West Germany, alone among the major NATO allies, favors immediate SNF negotiations but agreed to the U.S. position at the May 29-30 NATO summit contingent upon U.S. agreement to seek a CFE accord within "six to twelve months." *Comprehensive Concept*, p. 11. If an accord is not reached in that time, Germany is likely to break ranks with NATO again on this issue.

American officials indicate that the most important part to an effective verification and monitoring plan will be a Soviet willingness to give a full prior accounting, detailed to the level of individual combat units, of the location and status of all its equipment and forces in the Atlantic to the Urals region. Moscow would be required to update this regularly by reporting any changes in the location or status of those troops, including their level of readiness, removal of equipment from storage, troop movements, or weapon modernization.

With this information and with sufficient surprise on-site inspection procedures in place, NATO could spot check any military unit anywhere in the reductions area and know the status and makeup of the forces that were supposed to be stationed there. Any variations between what is found in an area and what should be there would trigger more inspections that presumably would reveal further violations of the agreement.

So far, Moscow has not provided a precise and detailed accounting of how and where its forces are deployed. Nor is it certain that Moscow will open its territory to virtually unlimited on-site inspection. Both will be necessary components of an effective CFE verification plan.

HOW CFE COULD BENEFIT THE WEST

A CFE accord could end NATO's decades-old disadvantage of military inferiority in the European theater and could establish parity. NATO thus would be more secure militarily than it is now if it modernizes and maintains the conventional forces allowed it by an agreement. In addition to evening-up the odds for NATO, CFE would end what has been NATO's nightmare over the past decade: the threat of a surprise attack. CFE could trim Soviet forces enough to make a surprise attack extremely difficult.[14]

political

CFE also would benefit the West by forcing the withdrawal of between 250,000 and 325,000 Soviet troops from Eastern Europe. This would encourage forces for democracy by reducing Moscow's ability to intimidate East European governments and by making it difficult for the Soviets to intervene militarily in Eastern Europe without violating the treaty.

European Concerns. For America, CFE would be an opportunity at last to withdraw substantial forces from Western Europe. This would occur under military conditions significantly less threatening than they now are and would make it easier for America's European allies to compensate for the reduced number of U.S. troops. Under the West's CFE proposal at least 30,0000 U.S. forces would be withdrawn from Europe; within the Bush Administration and

14See Karber, *op. cit.*

in Congress cuts of up to 75,000 are being advocated whether required by treaty or not.[15] This prospect understandably is viewed with concern by many Europeans.

For Gorbachev, CFE likely is consistent with his plans to field a somewhat smaller but better organized and more modern military force. He also may hope to create a climate of relations with the West more conducive to gaining Western financial and technological help to resuscitate the faltering Soviet economy. Over the longer term he may hope to set in motion events that would lead to a complete U.S. military disengagement from Europe and the withdrawal of U.S. nuclear forces from the continent.[16]

RECOMMENDATIONS

To ensure that a CFE accord serves American and Western rather than Soviet objectives, Washington faces immediate and longer-term challenges. First, the U.S. will have to work with its allies to negotiate a verifiable treaty that brings genuine parity to the East-West conventional military confrontation in Europe. If a CFE treaty is achieved, the U.S. will face the longer-term task of reducing its military presence in Europe while maintaining NATO's political cohesiveness and military effectiveness. Bush should begin working now toward these immediate and longer-term goals.

The Immediate Agenda: A Sound Treaty

In the short-term, Bush's objective is to ensure a sound and verifiable CFE treaty. To achieve this he should:

♦ ♦ **Put CFE at the top of the U.S.-Soviet agenda; make it a key litmus test for Gorbachev.**

If Gorbachev is serious about reducing the military threat to NATO, CFE is his opportunity to prove it. Unlike strategic arms reductions or most other nuclear arms negotiations, CFE cuts to the heart of NATO's security problem by reducing the basic tools of warfare — tanks, artillery, and armored troop carriers — with which Moscow would invade the West. It therefore is the best test of Gorbachev's sincerity and reliability as a negotiating partner.

♦ ♦ **Insist on including all aircraft in CFE negotiations.**

The West initially did not want to include aircraft in the CFE negotiations and agreed to do so only at Moscow's insistence. Moscow cannot now

---

15"Budget, Troop Cuts May Revamp Military," *Chicago Tribune*, June 23, 1989, p. 1.
16See Valery Giscard d'Estaing, Yasuhiro Nakasone, and Henry A. Kissinger, "East-West Relations," *Foreign Affairs*, summer 1989, and Christopher Coker, "CFE: The Soviet's Hidden Agenda," *European Security Analyst*, July 1989, Institute for European Defense and Strategic Studies.

reasonably expect to exclude over 9,000 of its own warplanes from the negotiations on the grounds that they are "defensive interceptors," when they clearly can be used for offensive as well as defensive purposes.

♦ ♦ **Negotiate a proposal that permits the U.S. to keep stored or "prepositioned" equipment in West Germany.**

Currently equipment for up to six American divisions is "prepositioned" in West Germany. Without this, the U.S. would not be able to reinforce NATO quickly during a crisis.

♦ ♦ **Propose a five-year CFE treaty limit.**

Even though the CFE treaty is expected to contain provisions designed to deter Moscow from threatening NATO in ways not restricted by a CFE accord (example: by building up conventional forces east of the Ural Mountains where they would not be limited by a CFE treaty), these provisions will not guarantee NATO security. The reason: If Moscow cheats on a CFE accord, it may be difficult politically for NATO to withdraw from the agreement. But if a CFE treaty must be renewed every five years, NATO will be forced to assess periodically Soviet compliance with the letter and spirit of the accord.

♦ ♦ **Design and insist upon an effective CFE verification and monitoring plan.**

This plan would have to include at a minimum provisions for: 1) a full prior accounting by both sides of the precise status and stationing of all CFE-limited equipment or troops; 2) notification of exercises, troop movements, changes in force composition or stationing, and weapons modernization; 3) on-site inspection procedures sufficient to detect patterns of violation; and 4) storage and permanent monitoring of a fixed percentage of CFE-limited equipment.

♦ ♦ **Not permit Moscow to tie conclusion of a CFE accord to the opening of naval or short-range nuclear (SNF) arms control talks.**

Moscow still is threatening to hold a CFE deal hostage to the opening of talks on naval forces and short-range nuclear forces. Because NATO relies much more heavily than Moscow on naval power to reinforce and support Western Europe and globally, naval arms control is not in U.S. or NATO interests. SNF negotiations should not begin until after a CFE accord has been signed and reductions are underway. NATO cannot risk further nuclear disarmament until Moscow reduces its overwhelming conventional military advantage through CFE or unilaterally.

♦ ♦ **Warn the allies against premature military cutbacks in anticipation of CFE.**

Many of the same conditions that may make CFE possible, including economic and political upheaval in the Soviet Union, also make this a potentially dangerous and unstable period for Europe. NATO cannot afford to relax its defenses at this time, particularly since Moscow continues to increase production of such key conventional military equipment as tanks and artillery, despite assertions to the contrary by Soviet leaders. Meanwhile NATO allies, who spend proportionally only half of what Americans spend on defense, already have begun scaling back conventional military spending and key programs.[17]

♦ ♦ **Continue to lead on CFE within the Alliance.**

To safeguard U.S. and Alliance interests, the U.S. must keep negotiations moving forward even at risk of alienating close allies. Bush demonstrated his ability to do this when he rallied the Alliance behind him to overcome French procedural objections at the opening of negotiations in March, and again when he gained Alliance support in the face of French and British objections for his proposal to include aircraft in the negotiations. France in particular has shown signs of dragging its heels on CFE, and French officials make it clear that CFE is as worrisome to them as it is promising because it is likely to bring U.S. troop withdrawals and, consequently, necessitate a greater French role in NATO defense.[18] If France or other allies put unreasonable obstacles before a CFE accord, Bush as a last resort should let it be known that the U.S. will pursue some troop withdrawals regardless, either unilaterally or through a separate U.S.-Soviet deal.

Longer-term Agenda: Prepare for NATO Defense After CFE

Even if the two sides reach a CFE agreement, NATO and the U.S. will face important military choices and opportunities. To prepare for these Bush should:

17See Senator John McCain, "Hard Steel Belies Gorbachev's Soft Words," *Defense News,* July 24, 1989, p. 35. See also Jacques Isnard, "France Details Defence Budget Cuts," *Jane's Defence Weekly*, June 3, 1989, p. 1035; Theresa Hitchens, "Deficit-wary Belgians Trim Defense Budget," *Defense News,* July 31, 1989, p. 6; Theresa Hitchens, "W. German Defense Budget: More is Really Less," *Defense News*, July 31, 1989, p. 4. Only Britain among major allies is increasing its defense spending substantially.

18Author's discussions in Paris and Washington with French Defense and Foreign Ministry officials.

♦ ♦ **Require the U.S. Joint Chiefs of Staff to prepare options for cuts of up to 75,000 U.S. troops in Europe in the event of a CFE treaty.**

A verifiable CFE treaty along the lines proposed by the West would improve NATO's military position, allowing the U.S. to reduce the cost of its NATO commitment by withdrawing some troops from Europe. Under NATO's present proposal the U.S. would have to withdraw 30,000 of its 305,000 ground and air force now in Europe. This would save the U.S. roughly $2 billion a year if these troops are fully demobilized.[19] Cuts of up to 75,000 U.S. troops from Europe after CFE would save the U.S. roughly $5 billion annually. Cuts of this size would be likely to require compensating measures by European allies, such as moving more European troops to the front. But given that Americans pay proportionally double what most European allies pay for defense, it is fair that the U.S. expect the lion's share of savings from CFE.

While NATO's negotiating position need not change, the U.S. should put its allies on notice that it will withdraw up to 75,000 troops, or about 1 2/3 divisions and supporting units after a CFE accord is signed and fully implemented. Bush should provide details of the cuts and a timetable for withdrawals as soon as a treaty is signed so allies will have the opportunity to adjust their defense plans accordingly.

♦ ♦ **Create a NATO High Level Group to evaluate the Alliance's post-CFE military requirements and how they will be met.**

A High Level Group is NATO's most senior defense decision-making forum and is responsible directly to NATO foreign ministers. CFE will change Europe's military landscape: Soviet forces will be smaller but likely more modern and better organized; the U.S. presence will be reduced, perhaps substantially; NATO's defensive line will be thinned out somewhat, and eventually NATO's short-range nuclear forces are liable to be reduced. A NATO High Level Group should begin planning for these changes and the possibility of greater force cuts through follow-on CFE talks.

Issues for the Group to discuss include questions about the viability of NATO's strategy of "forward defense" after CFE cuts and possible further U.S. troop cuts. "Forward defense" requires NATO to defend a line as close as possible to the East-West German border. NATO also will have to consider such issues as what kind of European-based nuclear force will be needed in the event of CFE.

Further, Europeans will have to face some politically difficult military issues. West Germany, for example, may have to consider erecting barrier defenses along the border with East Germany, an option long rejected

19Congressional Budget Office Staff Working Paper, "The Budgetary Effects of The President's Conventional Arms Proposal," June 1989.

because it would symbolize Germany's division. France might consider reintegrating its forces into NATO's military command and taking up positions along NATO's central front in Germany, questions not thought about seriously in Paris since France quit NATO's military command in 1966.

♦ ♦ **Require the U.S. Joint Chiefs of Staff to begin a thorough evaluation of U.S. global strategy in the event of a CFE accord.**

When the Pentagon took a look at U.S. long-term strategic priorities last year, it recognized a need to focus defense efforts increasingly on a "wider range of contingencies" than the defense of Europe, particularly since West Europeans are capable of doing more for their own defense than they now are.[20] The Joint Chiefs should plan for a shift in the U.S. role in NATO defense away from providing large numbers of ground forces deployed in Europe and toward providing primarily naval and air forces, reserve manpower and, of course, nuclear forces. In this context, the withdrawal of 75,000 U.S. troops from Europe would be the first step in a realignment of America's military strategy. Even after this realignment is complete, the U.S. should remain an active member of NATO and its integrated military command, and should continue to station some ground forces permanently in Europe along with air, naval and nuclear forces as a sign of its commitment to the defense of Western Europe. This realignment is necessary if the U.S. is to continue dealing effectively with challenges from Moscow and regional powers outside the NATO region, particularly in the Pacific.

CONCLUSION

The emerging CFE accord has tremendous potential to improve the security of America's West European allies and to advance such U.S. interests as cutting back its ground forces in Europe and triggering the retreat of hundreds of thousands of Soviet troops from Eastern Europe. Tough negotiating, however, lies ahead.

It will be up to Bush to ensure that key negotiating issues are resolved to NATO's satisfaction, including verification, rules for counting aircraft, and ensuring that CFE does not prohibit the U.S. from storing critical "prepositioned" equipment in Europe. Bush also will have to hold the line with sometimes difficult allies, encouraging them to keep up their defense efforts while negotiating, and continuing to take a strong stand against opening talks on short-range nuclear forces until after CFE is signed and reductions have begun.

20*Discriminate Deterrence: Report of the Commission on Integrated Long-Term Strategy,* Fred C. Ikle and Albert Wohlstetter, co-chairman, January 1988, p. 2.

Making NATO More Secure. If NATO and the Warsaw Pact reach an equitable and verifiable CFE accord, the U.S. can reduce the military cost of its NATO commitment by withdrawing up to 75,000 ground and air force troops from Europe and turning over to the West Europeans greater responsibility for their own defense. Even with some U.S. withdrawals, the drastic reductions that CFE would require in Soviet-led Warsaw Pact forces will make NATO dramatically more secure if the allies plan well and field a modern force after a CFE agreement.

If NATO plans well for the future, a CFE treaty could be the historical turning point in the West's quest to make Europe "whole and free," and immune to threats from the East. If, on the other hand, Europeans are lulled into a false complacency by CFE and allow their defenses to wither, a CFE accord ultimately will work to Moscow's advantage, no matter how skillfully Western negotiators do their job in Vienna.

Jay P. Kosminsky
Policy Analyst

Heritage Interns James Kostohryz and Benjamin Kaminetzky assisted in the research for this study.

All Heritage Foundation papers are now available electronically to subscribers of the "NEXIS" on-line data retrieval service. The Heritage Foundation's Reports (HFRPTS) can be found in the OMNI, CURRNT, NWLTRS, and GVT group files of the NEXIS library and in the GOVT and OMNI group files of the GOVNWS library.

Arms Control

DRAFT

Themes on Resumption of Nuclear and Space Talks

On June 19, the United States and the Soviet Union resumed the Negotiations on Nuclear and Space Arms in Geneva. Ambassador Richard Burt, the chief negotiator for the Strategic Arms Reduction Talks, heads the U.S. delegation. Ambassador Henry Cooper is the chief negotiator for the Defense and Space Talks.

-- Our objective in the Strategic Arms Reduction Talks (START) and the Defense and Space Talks is to conclude verifiable agreements that will improve our security while enhancing stability and reducing the risk of war.

-- In the Strategic Arms Reduction Talks, our emphasis will be on creating a more stable nuclear balance and strengthening deterrence by reducing and constraining those strategic nuclear forces which pose the greatest threat to our security and stability.

-- We will pursue complementary goals in the Defense and Space Talks, seeking an agreement on a cooperative transition to a more stable nuclear balance that relies increasingly on defenses.

-- Our proposals in the Strategic Arms Talks are for deep reductions in strategic nuclear forces aimed at creating a more stable nuclear balance. The reductions we propose ~~would~~ are strengthen deterrence by reducing the incentives for either side to launch a first strike, even in a crisis. ~~We are not seeking reductions for their own sake.~~ They are designed to support our deterrent strategy.

-- The objectives of our START proposals are:

  - o To reduce force vulnerability by reducing the incentives to strike first, and by providing for survivable retaliatory systems;
  - o To curb specific threats to stability, including currently deployed and emerging threats;
  - o To foster predictability and lower the uncertainties about the future strategic threats that each side will face;
  - o To verify effectively that the other side is complying with the agreement.

-- We have already made significant progress toward a START treaty: a 400 page joint draft treaty text reflects broad areas of agreement between the sides. We intend to proceed in this new round of talks on the basis of this document, and will look for ways to reinforce our emphasis on survivability and stability.

DRAFT

-- Verification is one of the most complex issues in the negotiations, and one of the most critical to our security. As part of our overall negotiating effort as the talks resume in Geneva, the United States will also propose that the two sides make a special effort to agree on, and begin implementing as soon as possible, certain verification and stability measures drawn from proposals that both sides have already advanced in START or other contexts.

-- These measures will enhance verification of a START Treaty and contribute to strategic stability. Early implementation of them will speed resolution of outstanding issues, and give added momentum to the efforts of our two countries to conclude a START agreement.

-- Our approaches to START and to our strategic force modernization program are complementary and mutually reinforcing. Maintaining credible and effective nuclear deterrent forces is essential both to our security and to our ability to negotiate sound and stabilizing agreements. Both aim to ensure a more stable nuclear balance by reducing the nature and scope of the threat to U.S. forces, decreasing the vulnerability of our forces to the threat that remains, and lowering the uncertainties in the evolution of forces between the sides.

-- A successful START Treaty will not diminish our need to rely on modernized, effective strategic forces for continued deterrence. Indeed, our security would be reduced rather than enhanced if we do not modernize our forces while the Soviets continue to modernize theirs. We must continue to pursue both our force modernization programs and arms control, and not make the mistake of treating one as a substitute for the other.

-- We will continue to insist that all the rights accorded by a START agreement and the limits imposed by it will apply equally to both sides.

-- In the Defense and Space negotiations, as in START, our fundamental objective is to reduce the risk of war by enhancing stability and predictability. We believe that advances in technology offer new promise for developing effective defenses to strengthen deterrence.

-- We will pursue discussions in the Defense and Space Talks about moving cooperatively toward a more stable strategic balance with increased reliance on strategic defenses, should they prove feasible, and to preserve our options to deploy advanced defenses when they are ready.

-- U.S. negotiators have worked toward a joint draft text of a Defense and Space treaty building on the principles outlined at the December 1987 Washington Summit. Last year, the U.S. presented draft protocol provisions on predictability or confidence-building measures in the field of strategic ballistic missile defense.

-- Because stabilizing strategic arms reductions are in the interests of both countries, we will not agree to allow the completion of a START agreement to be held hostage to completion of a Defense and Space agreement.

-- The previous administration left an excellent foundation upon which to build. President Bush was part of that effort when he was Vice-President. There will naturally be considerable continuity in our approach to these negotiations, but we reserve the right to make changes and introduce new ideas in the course of the talks.

DRAFT

Q and A's

Q. You state that the U.S. reserves the right to introduce new ideas in the draft START Treaty. Can you provide any specifics as to what new ideas you might be considering?

A. -- I DO NOT HAVE ANY SPECIFICS AT THIS TIME. AS WE HAVE SAID, THE PREVIOUS ADMINISTRATION LEFT AN EXCELLENT FOUNDATION UPON WHICH TO BUILD IN THE AREA OF ARMS CONTROL, AND WE EXPECT THERE WILL BE A CONSIDERABLE DEGREE OF CONTINUITY IN THIS ADMINISTRATION. HOWEVER, AS YOU KNOW, WE HAVE ~~ALSO BEEN~~ REVIEWING U.S. STRATEGY IN THIS AREA, AND WE WILL PRESENT PROPOSALS ARISING FROM THE REVIEW TO THE SOVIETS ~~AT THE APPROPRIATE TIME.~~ IN THE NEGOTIATIONS.

Q. Can you tell us which elements of the Reagan Administration's START position you are prepared to reaffirm?

A. -- AGAIN, THIS ENTIRE AREA HAS BEEN UNDER REVIEW IN PREPARATION FOR THE RESUMPTION OF THE TALKS. WE WILL HAVE DETAILS AS THE TALKS PROGRESS.

Q. If the arms control review in this area is not yet completed, how can you return to the Nuclear and Space talks?

A. -- MAJOR PORTIONS OF THE REVIEW ARE COMPLETE, WHILE OTHERS ARE NEARING COMPLETION. OUR REVIEW OF MAJOR STRATEGIC ISSUES WILL BE COMPLETED BEFORE NEGOTIATIONS ON THOSE ISSUES RESUME.

Q. Discussions of the U.S. START position seem to put less emphasis on the concept of deep reductions. Is that a change in the U.S. position?

A. THE U.S. GOAL HAS ALWAYS BEEN THE REDUCTION OF THE RISK OF NUCLEAR WAR, WITH REDUCTIONS IN THE NUCLEAR ARSENALS OF THE U.S. AND THE SOVIET UNION A WAY OF REACHING THAT GOAL. THAT POSITION HAS NOT CHANGED. WE SEEK NUCLEAR WEAPONS REDUCTIONS WHICH WOULD RESULT IN GREATER STRATEGIC STABILITY, THUS REDUCING THE RISK OF NUCLEAR WAR, NOT MERELY REDUCTIONS FOR THEIR OWN SAKE.

Q. Will the U.S. be introducing new ideas in the Defense and Space Talks as well?

A. -- AS WITH START, WE EXPECT A CONSIDERABLE DEGREE OF CONTINUITY IN THE DEFENSE AND SPACE TALKS, BUT WE RESERVE THE RIGHT TO MAKE CHANGES AND PRESENT NEW IDEAS HERE AS WELL. THE PRESIDENT HAS DECIDED THAT OUR GOALS FOR SDI AND OUR APPROACH IN THE DEFENSE AND SPACE TALKS ARE SOUND AND REMAIN UNCHANGED.

DRAFT

DRAFT

Q. Will the START and Defense and Space talks be merged?

A. -- OUR NST NEGOTIATING STRUCTURE WILL NOT BE CHANGED. BOTH SETS OF TALKS WILL BE RESUMING ON JUNE 19.

Q. Do full-scale negotiations actually begin on June 19?

A. -- THE JUNE 19 SESSION WILL BE PRIMARILY AN ADMINISTRATIVE MEETING. THE FIRST PLENARY SESSION OF ROUND XI WILL TAKE PLACE ON JUNE 21.

Q. What are the major issues that remain to be resolved in START?

A. -- MAJOR ISSUES REMAINING TO BE RESOLVED INCLUDE:

o MOBILE ICBMs. [[THE U.S. CONTINUES TO BELIEVE THAT MOBILE ICBMs SHOULD BE BANNED, UNLESS EFFECTIVE VERIFICATION PROVISIONS CAN BE FOUND FOR LIMITATIONS ON THEM, IN WHICH CASE WE WOULD CONSIDER ALLOWING A SMALL NUMBER OF MOBILE ICBMs.]] or ((THE U.S. CONTINUES TO BELIEVE THAT LIMITATIONS ON MOBILE ICBMs MUST BE ACCOMPANIED BY EFFECTIVE VERIFICATION PROVISIONS.)) THERE HAVE BEEN INTENSIVE DISCUSSIONS ON THIS ISSUE. WE HAVE PROPOSED A VERIFICATION REGIME, AND THE SOVIETS HAVE MADE PROPOSALS. WE HAVE SOME ELEMENTS OF COMMON GROUND, BUT THERE IS NO AGREEMENT AS YET.

o ICBM WARHEAD SUBLIMIT. THE SOVIETS HAVE NOT AGREED TO A SUBLIMIT OF 3,000-3,300 ON THE NUMBER OF ICBM WARHEADS, WHICH THE U.S. HAS PROPOSED TO ENSURE THAT A START AGREEMENT WILL ENHANCE STRATEGIC STABILITY THROUGH DEEP REDUCTIONS IN THESE DESTABILIZING WEAPONS SYSTEMS.

o SEA-LAUNCHED CRUISE MISSILES. AT THE WASHINGTON SUMMIT THE TWO SIDES AGREED TO FIND A MUTUALLY ACCEPTABLE SOLUTION TO THE QUESTION OF LIMITING DEPLOYMENT OF LONG-RANGE, NUCLEAR-ARMED SLCMs OUTSIDE THE 6000 WARHEAD AND 1600 STRATEGIC NUCLEAR DELIVERY VEHICLE LIMITS, AND TO SEEK MUTUALLY ACCEPTABLE AND EFFECTIVE METHODS OF VERIFICATION OF SUCH LIMITS. DESPITE OUR EXTENSIVE EFFORTS, THE U.S. HAS NOT YET FOUND WAYS TO EFFECTIVELY VERIFY LIMITS ON NUCLEAR ARMED SLCMs. IN THE ABSENCE OF A WORKABLE PLAN FOR EFFECTIVE VERIFICATION, THE U.S. HAS PROPOSED THAT THE SIDES SHOULD MAKE NON-BINDING DECLARATIONS OF PLANNED NUCLEAR SLCM NUMBERS.

o AIR-LAUNCHED CRUISE MISSILES. SINCE THE WASHINGTON SUMMIT, IMPORTANT PROGRESS HAS BEEN MADE ON THIS ISSUE. THE SIDES HAVE AGREED ON THE NEED TO DISTINGUISH BETWEEN CATEGORIES OF HEAVY BOMBERS WITH DIFFERENT ARMAMENTS, FOR THE RIGHT TO CONVERT BOMBERS FROM ONE CATEGORY TO ANOTHER, AND FOR SOME OF THE

DRAFT

COUNTING RULES FOR HEAVY BOMBERS AND THEIR ARMAMENTS. HOWEVER, IMPORTANT ISSUES STILL NEED TO BE RESOLVED, INCLUDING THE NUMBER OF WARHEADS TO BE ATTRIBUTED TO HEAVY BOMBERS EQUIPPED FOR NUCLEAR ALCMs, HOW TO TREAT HEAVY BOMBERS EQUIPPED FOR CONVENTIONAL ARMS ONLY, HOW TO DISTINGUISH BETWEEN NUCLEAR AND CONVENTIONAL ALCMs, AND THE RANGE THRESHOLD ABOVE WHICH NUCLEAR-ARMED ALCMs WOULD BE SUBJECT TO START LIMITS.

o SOVIET LINKAGE OF START TO ABM. THE U.S. BELIEVES THAT START AND DEFENSE AND SPACE TREATIES MUST EACH STAND ON THEIR OWN MERITS. THE CURRENT SOVIET POSITION, WHICH WOULD ALLOW EITHER SIDE TO SUSPEND IMPLEMENTATION OF START REDUCTIONS IF THEY CLAIMED THE OTHER SIDE HAD VIOLATED THE ABM TREATY, IS NOT ACCEPTABLE. SUCH LINKAGE WOULD UNDERMINE THE CONFIDENCE NEEDED TO UNDERTAKE FAR-REACHING START REDUCTIONS.

Q. Can a START agreement be achieved before the next summit? — ? set for when

A. -- WHILE CONSIDERABLE PROGRESS HAS BEEN MADE TOWARD AN AGREEMENT, THE ISSUES WHICH REMAIN ARE COMPLEX AND DIFFICULT. WE RETURN TO GENEVA READY TO TACKLE THESE DIFFICULT PROBLEMS. IF THE SOVIETS ARE SIMILARLY PREPARED, FURTHER PROGRESS CAN BE ACHIEVED. ~~HOWEVER~~, WE ARE NOT NEGOTIATING AGAINST ANY DEADLINE.

Q. Where do we stand in the Defense and Space Talks?

A. -- U.S. NEGOTIATORS HAVE ATTEMPTED TO WORK TOWARD A JOINT DRAFT TEXT OF A DEFENSE AND SPACE AGREEMENT, BUILDING ON THE UNDERSTANDING OUTLINED AT THE DECEMBER 1987 WASHINGTON SUMMIT. WHILE THE SOVIETS HAVE REFUSED TO PREPARE SUCH A TEXT, PROGRESS HAS BEEN MADE ON DRAFT PROTOCOL PROVISIONS ON PREDICTABILITY, OR CONFIDENCE-BUILDING, MEASURES IN THE FIELD OF STRATEGIC BALLISTIC MISSILE DEFENSES.

-- IMPORTANT AREAS OF DIFFERENCE REMAIN:

o NON-WITHDRAWAL FROM THE ABM TREATY. WHILE THE U.S. COULD ACCEPT A LIMITED COMMITMENT NOT TO WITHDRAW FROM THE ABM TREATY IN ORDER TO DEPLY SDI, IT INSISTS THAT NORMAL, INTERNATIONALLY RECOGNIZED WITHDRAWAL RIGHTS - BASED ON SUPREME NATIONAL INTERESTS AND MATERIAL BREACH - BE INCLUDED IN THE D&S TREATY. THE SOVIETS, HOWEVER, WANT AN UNCONDITIONAL COMMITMENT NOT TO WITHDRAW, WHICH NO SOVEREIGN NATION COULD ACCEPT.

o ABM TREATY RESTRICTIONS ON RESEARCH, DEVELOPMENT AND TESTING. THE SOVIET UNION SEEKS GREATER RESTRICTIONS THAN THOSE AGREED TO IN THE ABM TREATY, IN AN EFFORT TO LIMIT THE U.S. SDI PROGRAM. THE U.S. SEEKS RESEARCH, DEVELOPMENT, AND TESTING RIGHTS PROVIDED IN THE ABM TREATY.

DRAFT

o THE REGIME THAT WOULD FOLLOW THE END OF THE NON-WITHDRAWAL PERIOD. THE SOVIET UNION SEEKS CONTINUATION OF AN UNSPECIFIED RESTRICTIVE INTERPRETATION OF THE ABM TREATY FOLLOWING THE NON-WITHDRAWAL PERIOD. THE U.S. AGREES THAT THE ABM TREATY WOULD REMAIN IN EFFECT AFTER THE NON-WITHDRAWAL PERIOD, EXCEPT THAT EITHER SIDE COULD ELECT TO DEPLOY STRATEGIC DEFENSES BEYOND THOSE PERMITTED IN THE TREATY.

o THE PURPOSE OF PREDICTABILITY MEASURES. THE SOVIET UNION HAS PROPOSED A SET OF UNWORKABLE MEASURES THAT SEEK TO ENHANCE VERIFICATION OF COMPLIANCE WITH THE ABM TREATY. THE U.S. HAS PROPOSED A SET OF FAR-REACHING CONFIDENCE-BUILDING MEASURES TO ENHANCE PREDICTABILITY ABOUT THE SIDES' FUTURE ACTIVITIES IN THE FIELD OF STRATEGIC BALLISTIC MISSILE DEFENSE.

Q. Does SDI remain a stumbling block?

A. -- THE PRESIDENT HAS SAID WE WILL VIGOROUSLY PURSUE SDI. THE SOVIETS SHOULD UNDERSTAND -- PARTICULARLY SINCE PRESIDENT GORBACHEV HAS ACKNOWLEDGED THAT THEY HAVE THEIR OWN COMPARABLE PROGRAM IN THIS VITAL AREA -- OUR INSISTENCE ON INVESTIGATING FULLY THE FEASIBILITY OF ADVANCED STRATEGIC DEFENSES.

[[Q.. What is the U.S. position on the broad interpretation of the ABM Treaty?

A. -- IT HAS NOT CHANGED. IN THE DEFENSE AND SPACE TALKS, WE SEEK TO PRESERVE OUR RIGHTS UNDER THE ABM TREATY TO DEVELOP AND TEST ADVANCED ABM SYSTEMS AND COMPONENTS.]]

Q. What must the Soviet Union do to resolve the Krasnoyarsk violation? Why is the U.S. even negotiating if it will not sign any agreement until the Krasnoyarsk violation is corrected?

A. -- WE HAVE MADE CLEAR TO THE SOVIETS THAT ANY SATISFACTORY SOLUTION OF THE KRASNOYARSK VIOLATION MUST REESTABLISH THE LEAD TIME ACCEPTABLE TO THE U.S. THAT WAS THE PURPOSE OF THE LARGE PHASE ARRAY RADAR PROVISIONS OF THE ABM TREATY, AND MUST VERIFIABLY REMOVE ALL TREATY-PROHIBITED RADAR CAPABILITY. WE BELIEVE THAT THESE CRITERIA CAN ONLY BE MET BY DISMANTLEMENT OF THE RADAR AND DESTRUCTION OF THE TRANSMITTER AND RECEIVER BUILDINGS, INCLUDING THEIR FOUNDATIONS, BUT WE WILL CONSIDER OTHER SOVIET PROPOSALS THAT WILL MEET OUR CRITERIA.

-- THE U.S. WILL CONTINUE TO NEGOTIATE SERIOUSLY AT THE NUCLEAR AND SPACE TALKS, SEEKING PROGRESS ON ALL THE OUTSTANDING ISSUES, SO THAT WE WILL BE PREPARED TO MOVE FORWARD QUICKLY AS SOON AS THE KRASNOYARSK PROBLEM IS CORRECTED. HOWEVER, AS WE HAVE SAID, NO FURTHER STRATEGIC ARMS CONTROL AGREEMENTS CAN BE CONCLUDED UNTIL THE SOVIETS CORRECT THE KRASNOYARSK VIOLATION. THE SOVIET UNION IS WELL AWARE OF OUR POSITION ON THIS MATTER.

PRESS
DEPARTMENT OF STATE



FOR RELEASE AT 3:45 PM EDT
MONDAY, OCTOBER 23, 1989

Prerequisites and Principles for Arms Control

Address by

The Honorable James A. Baker, III

Secretary of State

The Commonwealth Club
San Francisco, California

Monday, October 23, 1989

For further information contact:

Ladies and Gentlemen:

As you know, this speech was supposed to be given last week. A terrible tragedy intervened, and naturally I thought at first that I should cancel it.

In view of the suffering, it didn't seem right to come here and speak to you about arms control. But you requested that I fulfill this commitment and that is a telling sign of your character. It is the truly American character of facing up to disaster, taking its measure, and then getting on with the work. It is the truly Bay Area character of looking to the future.

Your deeds, beyond the power of any words to convey, are the most eloquent testimony to your resilience, a resilience I might add, that is capturing the imagination of the whole country. You are working hand-in-hand with one another to turn crisis into opportunity, to turn pain into progress, and to turn a world tossed upside-down right-side up. My heartfelt condolences go out to the families of the victims. And my prayers are with you.

Now I would like to begin my discussion with you today by talking about another October crisis, a crisis from twenty-seven years ago: the Cuban missile crisis of 1962. For it is a crisis that seems so far, far away -- so remote from the tragedy you are now overcoming so well.

The contrast in relations between Moscow and Washington in October 1962 and in October 1989 could not be greater. In October 1962, we faced a blustering Soviet Union; its leader talked of burying us. Today, we face a sobered Soviet Union; its leader talks of restructuring his society.

In October 1962, the Soviet economy was growing and ready to feed an unrelenting arms buildup. Today, the Soviet economy is virtually bankrupt.

In October 1962, the Soviet space program raised fears we would lose the race to the moon. Today, the Soviet Union is racing to avoid being left behind as much of the world moves from the Industrial Age into a new century.

And twenty-seven years ago this month, we stood -- as you all no doubt recall -- eyeball-to-eyeball on the brink of war. Today, by contrast, superpower relations are as promising as we have ever found them since the Second World War. Looking back, the Cuban missile crisis posed the clearest possibility for nuclear war in the post-war era. Looking forward, we face the clearest opportunity to reduce the risk of war since the dawn of the nuclear age.

The President has described our purpose as moving beyond the peace of armed camps to the peace of shared optimism. Last week, I described our strategy for achieving this goal through a prudent search for points of mutual advantage. Today, I want to talk in more detail about one of those points: arms control.

Arms control can lend a strong hand in building an enduring peace, but arms control does not proceed in a political vacuum. Let me be clear: We compete militarily because we differ politically. Political disputes are fuel for the fire of arms competitions. Only by resolving political differences can we dampen the arms competition associated with them. To follow Clausewitz, if war is the continuation of politics by violent, military means, arms control is the search for a stable, predictable strategic relationship by peaceful, political means.

That is why our times are now so full of promise. Over the last forty years, arms control played only a limited role in shaping the U.S.-Soviet security relationship because our political differences were simply too wide to allow enduring and substantial progress. Western strength and Western unity sustained deterrence throughout this period when we all lived in the shadow of opposed values and conflicting purpose. Now perestroika in Soviet domestic and foreign policy could, in part, lift the shadow. The political prerequisite for enduring and strategically significant arms control may finally be materializing. Surely the President was right when he wrote President Gorbachev in June, "We bear enormous -- and mutual -- responsibility to take advantage of the promise of these extraordinary times to improve international security."

The President and I have both said that we want perestroika to succeed. It would be folly indeed to miss this opportunity. Soviet "new thinking" in foreign and defense policy promises possibilities that would have been unthinkable a decade ago, such as deep, stabilizing cuts in strategic forces and parity in reduced conventional arms in Europe. Yet perestroika's success is far from assured.

Any uncertainty about the fate of reform in the Soviet Union, however, is all the more reason, not less, for us to seize the present opportunity. For the works of our labor -- a diminished Soviet threat and effectively verifiable agreements -- can endure even if perestroika does not. If the Soviets have already destroyed weapons, it will be difficult, costly, and time-consuming for any future Kremlin leadership to reverse the process and to assert military superiority. And with agreements in place, any attempt to break out of treaties will serve as one indicator of an outbreak of old thinking.

We can take advantage of the new political climate to consolidate deterrence at lower levels of risk. Through sound and verifiable agreements, we can shape and institutionalize a more stable, predictable strategic relationship. The changing political relationship between the Soviet Union and the United States should be reflected in changing Soviet force structures and strategic concepts. In this way, we can help to codify political progress in military reality and by doing so, underpin that progress and strengthen it.

Strategy and the Changing Strategic Environment

Before outlining the tenets of this Administration's arms control policy, I would like to say a few more words about the broader strategic environment in which arms control must operate.

Politically, the Soviet Union is in the midst of this revolution of perestroika, glasnost, and democratization. The new thinkers understand that Stalin's system must change fundamentally if the Soviet Union is -- as Mr. Gorbachev has said -- to enter the Twenty-First Century in the manner worthy of a Great Power. To this end, the Soviet leadership has done much and promised even more for political, economic, and legal reform. While his reforms need to be extended, codified, institutionalized, and made habitual, the political face of Soviet power is being changed already.

The prospects for reform are just as great, in some cases perhaps even greater, in Poland, Hungary, East Germany, Czechoslovakia and the other countries of Eastern Europe. While the trends should not be overstated, the political foundations of a Europe divided by force since 1945 are crumbling away. We can move toward the President's vision of a Europe whole and free.

These great political changes are set in a time of vast technological change. Our military tools are being reshaped by emerging technologies that could offer greater security. Advances in sensor technology, data processing capabilities, and precision-guided munitions present novel ways to strengthen deterrence.

We need to be careful, however, also to see the darker side of changing technological realities. More nations are acquiring the capacity to make chemical weapons and to manufacture missiles. With many of these regimes locked in continuing regional conflicts, the explosive escalation potential of their disputes is obvious.

I would add, too, that these technological changes are taking place in a time of changing defense economics. Everyone has noted the Soviet Union's compelling need to convert some of its vast expenditures for the military into domestic reconstruction. The era of rapidly rising defense budgets is over in the West, too. From the new technologies, we are going to have to pick very carefully those weapons that strengthen deterrence most cost-effectively.

What do these political, economic, and technological changes add up to? Strategically, the world we've planned for since the Cuban missile crisis is increasingly distinct from the world we actually face. Threats to our interests are changing politically and multiplying technologically. Our capabilities are being improved technologically but constrained economically.

Our fundamental values and interests will endure. But as our strategic environment is transformed, we need to look anew at some of our guiding concepts and approaches. Many long-held assumptions

may need to be rethought. Strategy aligns ends and means. As both shift, strategy may have to shift, too.

For example, we need to think about the future of both European security relations and the central superpower strategic relationship. Today's historic political transformations in Eastern Europe -- if suitably institutionalized -- make such reassessments doubly important. In light of the growing threat to our global interests and power projection forces posed by the proliferation of new technologies, we also need to reconsider our strategy for Third World conflicts. Over the longer term, we need to consider if strategic defense options, deep reductions in nuclear and conventional weapons, increasingly powerful conventional munitions, and shifts in Soviet strategy will alter our requirements for deterrence.

To cope with this changing environment, defense programs and arms control must work together. This is a prerequisite for a coherent, integrated strategy that reduces the risk of war by deterring agression while promoting American values. Both defense programs and arms control can serve the common goals of enhancing stability, ensuring predictability, and bolstering deterrence. As our strategy may change in response to an evolving strategic environment, so, too, our defense programs and arms control positions would also change. Together, security will be enhanced.

Clearly, neither defense programs nor arms control can do the job alone. To maintain the integrity of the Triad, we will need to rely upon the deployment of mobile missiles as a key component of our nuclear modernization program. But START can play a key role. It can reduce the Soviet threat to our forces and thereby make survivability through mobility more feasible. Without START to constrain the Soviet threat, the job of ensuring reliable deterrence would be less predictable and affordable. Without the START negotiations, the domestic consensus needed to support essential modernization programs -- not only mobile ICBMs but also B-2, Trident, and SDI -- would be difficult to sustain. Likewise, without our strategic modernization program, the benefits of a START agreement would be sharply reduced. Thus, our force modernization and arms control efforts reinforce one another.

In September, I announced the President's decision to allow mobile land-based missiles in START. Permitting mobile missiles only makes sense if the United States is willing to deploy them. For this reason, this decision is contingent on Congressional funding of our mobile missile program. Congress needs now to support START, not undercut it, by funding this program. As Senator Nunn said recently, "Unless we in the Congress can manage to put our ICBM modernization program back on track..., the START negotiations face a very bleak and a very long future indeed."

Another prerequisite for a successful strategy -- for defense programs and arms control that work together -- is the need for unity as a nation and as an Alliance. This follows from a simple truism: united we stand, divided we fall. We should not tempt the

Soviets with exploitable differences between the Administration and Congress, or between the United States and its allies. That does not exempt us, of course, from the need for informed debate. It is imperative that we maintain open and honest discussions about strategy and arms control matters within the strategic community and with the public at large. As we deter possible aggression, we must -- as the noted military historian Michael Howard has put it -- reassure our peoples that their defense dollars are efficiently and effectively supporting the cause of peace. An open, frank debate is the surest formula for unity. But such a debate must begin and seek to reach some resolution before treaties are signed if we are to bring home treaties in the national interest.

The Goal of Arms Control and the Path To It

As a contribution to such a debate, I would like to move now from the prerequisites of arms control to the basic goal of our arms control policy and the principles for achieving it.

The main goal of arms control is to reduce the risk of war -- any war, nuclear or conventional. We hope to prevent war by working toward a stable, predictable strategic relationship. Stability requires military forces and policies such that no one can gain by striking first even in the worst crisis. Beginning a war, especially a nuclear war, must never become a Soviet option -- even a least-worst option, as a noted strategist once put it. Predictability requires that sufficient openness and transparency prevails to prevent misperception, miscalculation, and an inadvertent war -- a war no one wanted but no one could stop. The more open and transparent Soviet military affairs, the greater trust and confidence we can have in Soviet intentions.

Four principles guide our search for a stable, predictable strategic relationship. First, we seek reductions in first-strike, surprise attack capabilities. We seek stability through proposals to reduce those capabilities most suited for offensive, blitzkrieg-style actions and preemptive first-strikes. In CFE, we've concentrated on eliminating Soviet advantages in those weapons most suited to seizing and holding territory: tanks, artillery, and armored personnel carriers. In START, we've focused on reducing the most destabilizing weapons, especially vulnerable, silo-based heavy ICBMs, such as Soviet SS-18s. These weapons are suited principally for preemptive first-strikes and not for retaliatory missions. In Wyoming, we proposed banning short-time-of-flight sea-launched ballistic missile (SLBM) tests, seeking in this way to reduce the capability for a Soviet decapitating first-strike. Our START proposals emphasize the relative merits of slow-flying weapons -- such as cruise missiles and bombers which are not suitable for a first-strike.

Our SDI program also supports our emphasis on stability. Effective strategic defenses can contribute to survivable, cost-effective barriers to a successful first-strike. That's why we look favorably on the decision made by the Soviets in Wyoming to de-link the Defense and Space Talks from START. This Soviet

decision to no longer hold START hostage to resolution of Defense and Space issues removes a key obstacle to a START Treaty while enabling us to proceed with our SDI plans. We remain committed to preserving our right to conduct SDI activities consistent with the ABM Treaty. And we will use the Defense and Space talks to explore a cooperative and stable transition to a greater reliance on stability-enhancing, cost-effective strategic defenses.

Our second principle -- predictability through openness -- expands the traditional focus of arms control on capabilities. Every war has its own unique causes, but surely Thucydides made an important general point when he wrote, "What made war inevitable was the growth of Athenian power and the fear which this caused in Sparta." Arms control has mainly focused on the first part of this equation: constraining or reducing destabilizing military capabilities. Now in expanding the agenda, we are working to deal with the other aspect of Thucydides' equation: fears of aggressive intent. We are pushing to make Soviet military activities more open and transparent. The more we know and understand, the more we can be assured that our fears are not results of misperception or miscalculation. Greater openness is the surest path to greater predictability and a lower risk of war, especially inadvertent war.

The President's Open Skies initiative is a clear example of this new focus in arms control. Openness about military forces and activities is at the heart of the talks on confidence and security building measures (CSBMs) among all the states of Europe. In those negotiations, we are proposing an all-European military data exchange about our forces and weapons programs. In keeping with the spirit of openness we found at the Wyoming Ministerial, we signed an agreement on notification of strategic exercises and invited the Soviets to visit our SDI facilities. The chemical weapons data exchange will help us move toward a verifiable global ban. Defense Minister Yazov's visit earlier this month is just one of a series of exchanges that provide face-to-face opportunities to understand the Soviet military. And we've pushed the Soviets to publish a real defense budget that reveals the inputs into and outputs from their defense production process.

Openness in military affairs is just part of our overall emphasis in our dealings with the Soviets on creating open, pluralistic institutions. On his recent visit, Soviet Defense Minister Yazov talked of the increasing influence of Supreme Soviet committees over the Soviet defense complex. We hope that Soviet military power may increasingly be exposed to the salutary effects of detailed and searching public debate.

Greater openness combined with force reductions will support political change as well. In CFE, our proposals will reduce the potential not only for a Soviet blitzkrieg but for Soviet intimidation of Western Europe. The Soviet Army we face as a potential army of aggression is to East Europeans an army of occupation. The weight of the Soviet military presence in Eastern Europe will be reduced. Freed from the cold shadow of Soviet military domination, political pluralism and free markets should flourish more easily in Eastern Europe.

A more predictable strategic relationship should also be less expensive. Arms control can, as the President wrote Mr. Gorbachev, "introduce predictability into military planning so that we can slow the pace of military competition." A slower competition could be a cheaper and safer competition. But our desire to save money must not come into conflict with the necessity for security.

The third principle of our policy is a broadened arms control agenda, far wider than its traditional East-West nuclear focus. We are broadening our agenda with the Soviets, both in terms of dealing with pressing, global arms control problems, like chemical and missile proliferation, as well as focusing on regional conflicts. In an increasingly intertwined world, a stable, predictable U.S.-Soviet strategic relationship depends in part on regional stability and vice versa. Earlier, I noted that advanced technologies were proliferating to the Third World. Advanced fighters have gone to Libya, Syria, and North Korea. Over twenty states possess the capability to produce chemical weapons. And nuclear proliferation, notably North Korea's reactor program, remains dangerous. Arms control should increasingly focus on such problems.

The President's United Nations initiative can lead us toward a verifiable global ban on chemical weapons. The President's proposal represents a realistic road map for progress. As a step toward a multilateral ban, we will move bilaterally with the Soviets to reduce chemical weapons to 20% of the current U.S. levels. We will further slash stocks to just 2% of their current levels within eight years after the multilateral convention goes into effect. This total cut of 98% is a substantial acceleration of previous destruction plans. Then, we will move to zero within two years of adherence to the ban by all chemical weapons-capable states.

We realize it may be difficult to persuade problem states such as Libya to join. But we are creating an environment where everyone will have incentives to join and costs to pay for remaining an outlaw. Export controls on precursor chemicals will be strengthened, building on progress made at the recent Canberra Conference. The President has also ordered a study on sanctions to deter and punish chemical weapons use and other violations of a convention. States must know that they will pay a price for their inhumanity.

Our fourth principle is institutionalization of a safer world. The President aims to reduce the risk of war permanently, not temporarily. We want to see Soviet defensive military operations made habitual. We want to see the new thinking concretely built in to the Soviet force structure. We want to see weapons destroyed, not merely removed. And we want agreements that can endure.

Effective verification can ensure that the treaties we sign are doing their job to institutionalize a safer world. Because of the primacy of effective verification in this Administration's approach to arms control, our negotiators have already proposed data

exchanges and trial verification measures that would be implemented even before the agreements themselves are concluded. Such measures in START and in chemical weapons will help us build confidence and gain practical experience that will facilitate the conclusion of sound, verifiable agreements.

Neither have we stood still in pressing the Soviets to comply fully with agreements already signed. In September, President Gorbachev informed the President that the Krasnoyarsk radar would finally be destroyed. We welcome Moscow's step to come into compliance with the ABM Treaty.

A Realistic Path to Risk-Reduction

These four principles of a more stable, open, broader and less reversible strategic relationship offer a realistic path to a lasting reduction of risk. It is a path best travelled by steady steps that build on one another, rather than grand leaps that are often as not unrealistic or undone. In START, in CFE, in all our negotiations -- we have made fair, responsible proposals designed to find enduring points of mutual advantage. The Soviets have said yes to much of what we have proposed. Now, we have rolled up our shirt sleeves and set to work together to put principle into practice.

We should be clear about the task ahead. We are not on the verge of a Perpetual Peace in which war is no longer possible. We cannot dis-invent nuclear weapons nor the need for continued deterrence. Nor can we completely eliminate Soviet-American rivalry. But that rivalry does not require that we stand on the brink of Armageddon as we did twenty-seven years ago this month. Peace need no longer hang solely on Winston Churchill's "process of sublime irony...where safety will be the sturdy child of terror, and survival the twin brother of annihilation."

Deterrence need not rest only on a delicate, technical balance of terror disturbed by periodic crises. Opportunity invites us, instead, to move beyond containment, beyond the Cold War, to a new strategic relationship based on a sound political footing.

A new relationship in which the capabilities and incentives to attack first are minimized and the possibilities of strategic defenses are pursued. A new relationship in which Soviet military power is open to the naked eye, not just satellites in the sky. A new relationship in which all the peoples of Europe are free of military intimidation. A new relationship in which effectively verifiable treaties lock-in a lower risk of war. And a new relationship in which arms control aids our people in turning the seeds of war into the fruits of peace.

This is the strategic relationship we seek.

Thank you.

Photo Copy Preservation

Better Late Than Never

Bush springs a proposal to ban MIRVed missiles

By JAY PETERZELL

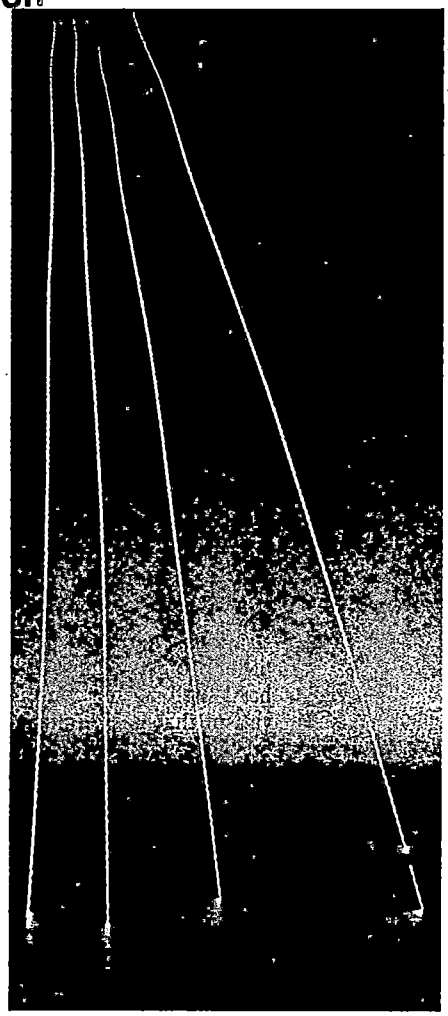


Launch and re-entry: MX missile and the trails of warheads falling to their targets

Ever since George Bush moved into the White House, he has wanted to put his own stamp on the strategic-arms-reduction process that Ronald Reagan presided over with such dramatic flair. Last month the President finally found a way. In a secret letter to Soviet President Mikhail Gorbachev, he proposed nothing less than the complete elimination of the most dangerous weapons in U.S. and Soviet arsenals: land-based missiles topped with multiple warheads, or MIRVs. As a first step, Bush suggested, the two superpowers should agree to ban land-based mobile missiles with MIRVs.

Not surprisingly, Gorbachev had problems with the proposal. In a letter hand delivered to Bush during Soviet Foreign Minister Eduard Shevardnadze's visit to Washington, Gorbachev replied that any MIRV ban should not be limited to land-based weapons, where the Soviets have a heavy numerical advantage, but should also include those aboard submarines, where the U.S. has the edge.

Resolving that larger disagreement will probably keep arms-control negotiators busy for years to come. But for now U.S. officials say Bush's first step—a ban on mobile land-based MIRVs—has become an active issue of the Strategic Arms Reduction Talks. A treaty outline is being rushed to completion in time for the May 30 summit in Washington. If Bush's proposal makes it into the START agreement, the U.S. will scrap its plan for moving 50 MX missiles, with ten warheads apiece, from silos onto railroad cars, while the Soviets will demobilize 20 of their new, mobile SS-24s, each of which also packs a ten-warhead punch. But will the Soviets, who have recently taken a tougher line on START, trade a mobile weapon they already have for one that is still a gleam in Uncle Sam's eye?



U.S. AIR FORCE

A complete ban on MIRVed missiles would give both nations a chance to reverse what many defense experts consider a classic case of shortsightedness: the Nixon Administration's decision to deploy MIRVs in the first place during the 1970s, which prompted the Soviets to follow suit rapidly. Multiple warheads seemed an inexpensive way to expand the U.S. nuclear force. But what strategists overlooked was the fact that the large number of warheads packed onto a small number of missiles make them a tempting target for a first strike. In a surprise attack, an aggressor could knock out as many as ten or more warheads by hitting a single silo. Says Senate Armed Services Committee chairman Sam Nunn, who strongly supports the Bush proposal: "I can see a regime on both sides where we have single-warhead missiles in silos. There is no reason to go first [with a nuclear attack] in that situation."



TRIPPETT—SIPA

CYNTHIA JOHNSON

Scowcroft wants a ban

Getting MIRVs onto the Administration's agenda, however, has not been easy. National Security Adviser Brent Scowcroft has persistently championed a ban on mobile MIRVs, but Secretary of Defense Dick Cheney fiercely opposed it, largely because he saw the rail-based MX as the best way to reduce the vulnerability of the U.S. missiles. Cheney blocked the Scowcroft proposal from being presented to the Soviets on at least three occasions, officials say. The first was last September, prior to a meeting between Shevardnadze and Secretary of State James Baker in Wyoming. At the Malta summit last December, the plan made it as far as a briefing book prepared for Bush; a line had to be drawn through the proposal on the President's copy. The ban was blocked again when Baker visited Moscow in February. Finally, Cheney relented when he realized that Congress was no longer likely to give him the $6 billion needed to put the MX's on rails. "The driving force," says one White House official, "is a reflection of political realities."

Cheney is not the only one to raise questions about Bush's proposal. Even some experts who like the idea of banning MIRVs have reservations. Among them:

▶ Why delay the nearly completed START treaty to take up a new issue? Bush waited too long to get his ducks in a row, say some critics, apparently including the Soviets; MIRVs would be better addressed in a later round of negotiations. But Nunn and other advocates reply that the time for the U.S. to trade away the rail-based MX is now, before it is deployed. "I have never seen the military very willing to give up things that have just been built," says Nunn. "If a ban does not come in START I, it's going to be at least ten times more difficult."

▶ The best reason for banning mobile MIRVs is as a first step toward eliminating all land-based multiple-warhead missiles. But what if the U.S. and Soviets never take that second step? With most U.S. MIRVs on submarines and most Soviet MIRVs on land, each side will be trying to limit weapons the other deems essential; a stalemate could easily be reached. The two sides would then be left in a more dangerous situation than now, with land-based MIRVs sitting in vulnerable silos.

Perhaps the greatest danger today is to assume that anything is beyond negotiation. At least the Bush Administration is thinking seriously about a nuclear future that is more stable than the hair-trigger past. —*With reporting by Michael Duffy/Washington*

cerns, such as Conyers, [illegible] existing statutes bar government officials from accepting bribes, trafficking in classified information or attempting to defraud the federal government.

Referring to the federal investigation into contract fraud at the Pentagon, called Operation [illegible] ple who [illegible] biguities, but it has creat[illegible] military to work with contractors," Cardin said. "It is in the best interest of the country to communicate on what their needs are."

U.S., Soviets Discuss Surveillance Flights

SKIES, From Page 1

ed positively to the plan at the September meeting in Wyoming between Secretary of State James Baker and Soviet Foreign Minister Eduard Shevardnadze.

Open Skies, first proposed in 1955 by U.S. President Dwight Eisenhower but rejected then by the Soviet Politburo, was resurrected by U.S. President George Bush on May 12 in a speech at College Station, Texas.

The scheme is an agreement of the nations involved to open their airspace to unarmed aerial surveillance over their territory without restrictions unless air safety rules conflict.

The State Department, Arms Control and Disarmament Agency and various intelligence agencies conducted an assessment during the summer to determine just how open Open Skies should be, according to the administration official who briefed reporters.

"After that net assessment, the president said to go forward with the maximum open regime", but that decision was not applauded in "all the nooks and crannies of the intelligence community," he said.

Jeffrey Tracey, supervisor for electro-optical systems at Intera Technologies Ltd., Ottawa, which is working on sensors for Open Skies, said possible sensors include Synthetic Aperture Radar for day and night flights with a resolution of about 20 feet, and infrared imaging for night scanning at resolutions down to 1.6 feet.

Although restricted to daytime use, cameras would provide the best resolution down to less than a foot, Tracey said.

The details of Open Skies now being negotiated include the possible use of a C-130 aircraft and a set of rules governing the flights. Under Open Skies, a plane would fly to a port of entry in the Soviet Union and present a flight plan. After 24 hours, during which the aircraft is inspected by the Soviets, the U.S. inspectors would be free to fly.

The only prohibition is on having signal intelligence equipment aboard that can be used to eavesdrop on electronic communication below.

Administration officials say that while Open Skies will be one more means of verifying arms control treaties along with satellites, it is cheaper than satellite technology. A full complement of sensors could cost about $15 million for one aircraft.

Photo Copy Preservation

The Arms Control Sideshow

By Gregory A. Fossedal

This probably is not the most propitious time for a book severely critical of arms control. The U.S. and the Soviet Union are getting along as never before, with peace and democracy seemingly busting out everywhere. And yet, before arms control enthusiasts gush about their critical role in the unfolding of all this glasnostroikadetente, it's worth recalling: All these reforms have preceded, rather than followed, some great U.S.-Soviet pact on nuclear weapons. If communists can praise democracy and tear down walls without agreeing with us (at least yet) on arms control, maybe arms control was a bit oversold to begin with.

That's certainly what Kenneth L. Adelman thinks, and in "The Great Universal Embrace" (Simon & Schuster, 366 pages, $19.95) he makes some good arguments for just that point of view. Having negotiated the one minor arms pact that was signed in the 1980s (involving certain types of weapons in Europe) and having served as director of the U.S. Arms Control and Disarmament Agency for five years, Mr. Adelman certainly brings unique credentials to the task. Few others so critical of arms control have had so much practice in the field.

And despite what Churchill once called "the burden of expertise," Mr. Adelman writes in a simple, often lively, prose remarkably uncluttered by jargonization and acronymizing. Whenever Mr. Adelman does grapple with the issue at hand, the result is a straightforward, sometimes insightful mix of historical reporting and political analysis. Too often, though, one gets the impression that Mr. Adelman is avoiding a thorny question or a tough debate.

For example, one of the main theses of the book is Mr. Adelman's pet notion that arms control is happening anyway, without treaties. Thus the drive for agreements is not so much *good or bad as irrelevant*. Technology, for example, is driving weaponry toward accuracy, speed, mobility and defense. All of these developments tend to undermine arms control, especially verification. But they also make it less rational to continue to stockpile large hoards of big, destructive nuclear weapons.

Now there is something to these trends, though not as much as Mr. Adelman makes. (One reason we can't count on them, for instance, is precisely the existence of arms control—after all, U.S. negotiators could choose to outlaw the very

Bookshelf

"The Great Universal Embrace"

By Kenneth L. Adelman

kinds of weapons Mr. Adelman is talking about, as they did in a 1972 treaty that outlaws any substantial defense.) The result, of course, is that Mr. Adelman can spend much of the book dodging tough questions—should we sign a major strategic arms agreement? If so, under what terms? What should we have done about Soviet violations of the 1972 anti-strategic-defense treaty? Instead, he focuses on minutiae.

Thus, a large portion of the book discusses the Jimmy Carter strategic arms treaty—SALT II in arms control argot—that Ronald Reagan, after many years, decided to scrap. Yet as Mr. Adelman admits, this was, in the end, mainly a "symbolic issue."

The big issue of the decade, both critics and proponents generally would admit, was Star Wars: Ronald Reagan's proposal for a defensive shield that would make nuclear weapons "impotent and obsolete." Here again Mr. Adelman dodges both his own role and responsibility, and offers few thoughts on what is surely a key issue for the future.

Mr. Reagan's "perfect defense," Mr. Adelman writes, is unattainable, though favors a serious program of investigation "if the research succeeds." (Succeeds in what?) But Mr. Reagan never said defense had to be perfect. In fact, he stressed repeatedly that imperfect defenses have helped render all sorts of weapons obsolete, from the crossbow to the gas mask. If that is the goal, then U.S. research into strategic defenses had already "succeeded" by the time Mr. Reagan took office. The only question was political and strategic in nature: Should we build these imperfect defenses?

What we ended up with Star Wars *research* simply was a way to avoid making explicit political choices to please every one. Opponents of defense could be tol that nothing really was being done—just research program. Proponents could b pacified by being told this research program was robust and that Star Wars would "never be traded away." In the end, all the promises were kept, and the defense idea died not through arms control, but from the simple illogic of spending billions of dollars yet never constructing anything.

Evidently, Ken Adelman went along with this diversion both as an arms control official and (now) as a strategic pundit. He has managed to write an entire book on arms control without taking any firm position on the deployment of strategic defenses. It's as if someone wrote a book on U.S. poverty from 1960 to 1980 and made only passing reference to the Great Society. Still, what Mr. Adelman does do is add much useful and interesting information to a critical episode in defense history. And that is not something one can say for many books on arms control.

Mr. Fossedal is a research fellow at the Hoover Institution.

How to Reduce Military Spending

By Lawrence J. Korb

WASHINGTON

For some time now, there has been no mistaking the direction in U.S. military spending. Since 1985, the budget for the Defense Department has fallen by about 15 percent, after inflation. Last week, the Defense Secretary, Dick Cheney, bowed to the inevitable and agreed to recommend cutting the fiscal 1991 budget by an additional 3 percent to 5 percent and to reduce military spending by about $180 billion over the next five years.

Also clear is the cause of the decline: Gramm-Rudman-Gorbachev. The huge Federal budget deficits, the perception of fraud, waste and mismanagement in the Pentagon and Mikhail Gorbachev's replacement of the Brezhnev Doctrine with the Sinatra Doctrine of national self-determination have combined to destroy the defense consensus.

Not so clear is what type of strategy and force structure will or should emerge from this abridged military budget. Initially, the Pentagon tried to keep alive all the major programs by stretching out production schedules. But this approach, which greatly increases unit costs, has been harshly criticized.

To his credit, Mr. Cheney accepted the new fiscal situation and did attempt to kill some major weapons systems. But the failure of the Bush Administration to produce a national security policy has made it impossible for Mr. Cheney to present a coherent strategy to justify his reductions. Thus, his effort last spring to cancel the V-22 Osprey tilt rotor aircraft and the F-14D fighter was easily defeated by a Congress more worried about jobs than about a coherent and efficient military strategy.

Fortunately, the outlines of the post-containment era are already clear. We know enough about our military needs for the next decade to structure spending so that we gain greater security for less money. The outlines of this new era are contained in the proposals put forth at the strategic arms reduction talks and the negotiations on conventional forces in Europe.

At Start, both sides have agreed to reduce the number of strategic nuclear warheads to 6,000. Pending the completion of these talks, the U.S. should defer deployment of such systems as the rail-mobile MX missile, the single-warhead Midgetman ICBM, the B-2 bomber, additional Trident submarines and the Strategic Defense Initiative. It should continue research and development in these areas, however, as a hedge against a breakdown of the talks.

Nuclear and conventional arms talks provide an outline for a leaner military.

The research and development would consist of testing the 13 B-2 bombers already paid for, providing modest funding for the Midgetman, designing a new smaller ballistic missile submarine and continuing S.D.I. as a research program. Such a strategy could reduce projected defense spending by about $100 billion over the next five years.

Progress at the talks on conventional forces should allow the Administration to begin drastic reductions in forces defending Europe. Now, the U.S. is committed to having 10 divisions, 1,100 tactical air squadrons and a Marine brigade in Europe within 10 days of a Warsaw Pact mobilization. If the negotiations are concluded along lines already agreed to, the U.S. would have a minimum of three to four months to respond to a Soviet buildup. This extra warning time would allow the Pentagon to cut its active Army divisions and tactical air forces in half, while eliminating the amphibious lift for a Marine brigade.

Moreover, the more benign international environment should allow the Navy to reduce the tempo of its overseas deployments and return to a traditional force of 12 carrier battle groups, from 14 now.

Reductions of these land, air and sea forces would save relatively little in the short run. But by the middle of the 1990's, the savings would add up to about $50 billion a year in today's dollars. However, during this transition period, the Pentagon could save about $20 billion a year by slowing down modernization of land, sea and air forces.

Since the services just completed the most expensive and thorough modernization in history, there is no need to rush into expensive programs like the advanced tactical fighter at $100 million a plane, the Amraam missile at $500,000 each, the LHX helicopter at $35 million a copy, Burke class destroyers at $1 billion each and Sea Wolf submarines at $1.5 billion each. These programs could easily be kept in research and development, pending the outcome of the talks on conventional forces.

Cheney's cuts are easily obtainable.

Together, these steps could save at least the $180 billion that Secretary Cheney hopes to save by 1994. But nothing will happen unless the Administration takes a tough stand.

Indeed, early indications point to a scramble by the military services to protect their own bureaucratic interests at the expense of the national interest. For example, the Air Force is reported to have proposed saving the B-2 Stealth bomber and the Amraam missile by stretching out production while cutting out purchases of the highly effective F-16 fighter.

Neither the nation nor the Pentagon can afford to stumble along trying to sustain a $400 billion military on a $300 billion and declining budget. Secretary Cheney has taken a bold and logical first step. He needs to follow this by imposing a coherent strategic vision and complementary force structure on the Pentagon. □

Lawrence J. Korb directs the Brookings Institution's Center for Public Policy Education.

Photo Copy Preservation

Photo Copy Preservation

Stephen S. Rosenfeld

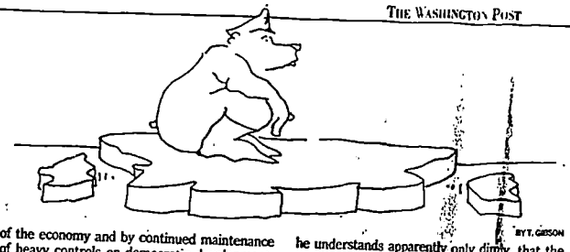
Half Measures

In Moscow last summer I heard Mikhail Gorbachev's dilemma described by admirers in the following terms. He could proceed by bold-sounding but mild reforms and for sure fall ever deeper into the abyss, or he could summon up courage and attempt to leap over the abyss. It was asserted that he was doing the latter, but increasingly it is evident that he has been doing the former, taking what leading-edge poet Yevgeny Yevtushenko wickedly terms, in a new poem of that name, "Half Measures":

Half measures can kill when on the
brink of precipices,
chafing in terror at the bit,
we strain and sweat and foam
because we cannot
jump just halfway across.

But is it accurate to call what Gorbachev has been doing "half measures," especially in light of his stroke this week in opening the way to a multiparty system? Can he really be expected to do more than he is doing? Is it not the course of prudence as well as fairness for Westerners to cheer him on?

The fact is that, five years into the Gorbachev era, Soviet society is barely holding on. The successes of glasnost and democratization in opening up public dialogue and public participation have been offset by the manifest failures of the economy and by continued maintenance of heavy controls on democratic development. That Gorbachev retains the power of initiative tends to conceal that he is short on the power of follow-through. Our gee-whiz reaction to newly permitted Soviet criticism of the leadership deflects attention from the merits of much of the criticism, especially, in my view, criticism from his left.



Meanwhile, Eastern Europe has come along utterly to alter the standards by which Soviet-bloc progress must be measured. Gorbachev took an immense—loss-cutting—step in deciding to modernize relations with East Europe by letting the region go its own way. But the way it has gone in moving to democracy and the free market highlights the pinched and inadequate quality of Gorbachev's own reforms at home.

All of Eastern Europe is moving, over the span of a few months, toward a real, working multiparty system, something that in the Soviet Union, even after this week's proceedings, is only now becoming more than a glint in Gorbachev's eye. The region understands clearly, as he understands apparently only dimly, that the problem is not that the Communist Party needs to be made mean and lean but that it needs to be allowed to die the natural death it is due.

All of Eastern Europe is also moving into an open relationship with the Western market economy. This is happening even as Gorbachev remains mired in rudimentary definitional questions of whether private property and untrammeled entrepreneurship have a valid role.

In these circumstances, to applaud Gorbachev for striking out on new paths is to patronize the man and to convey a misleading impression of how he is doing.

In foreign policy, to be sure, he's doing fine. He has had a hand free enough and a mind open enough to cast the Soviet Union as a peace seeker, and thereby he has won deserved international acclaim and the opportunity to start shifting spending priorities.

But at home he has avoided the strong moves urged by some of his more "radical" economic advisers, like decollectivizing agriculture, pumping in consumer imports, reforming prices and moving rapidly to market ways. On the political side, he has been slow to shift his base out of an unredeemable party accustomed to top-down governance, into the mass of bottom-up popular social movements and organizations taking shape all across Soviet society.

To this point, writes S. Frederick Starr in The Wall Street Journal, Gorbachev has sided with the new forces "only in order to bludgeon Communist Party hard-liners. He has not accepted them for what they are: the very core of the emerging new order."

"Now, however, this tactic will only prolong the transition to a civil society, and hence expand the social void that has opened . . . The task of leadership in the Soviet Union is to move swiftly and decisively along the more radical path that the party is now debating and to which large parts of the public are now committed."

We are uncomfortable urging the bold Mikhail Gorbachev to be bolder yet. It seems ungracious, and anyway what do we know? But we have our own obligation to tell it like it is. And we should not underestimate the extent to which this man and others in his country, aware of the deficit in their domestic experience, listen to the outside world.

Rowland Evans and Robert Novak

How Gorbachev Did It

MOSCOW—Playing politics in a way that would have impressed the late mayor Richard Daley of Chicago, Mikhail Gorbachev used every trick from "spontaneous demonstration" to a "no-secrecy" edict in pressing the Communist power elite to place the interests of country over party for the first time since the Bolshevik revolution.

President Gorbachev's victory, the first step in a long march, was no smoke-and-mirrors magic trick. It was the culmination of months of meticulous planning growing out of his gradual awareness that the greedy, selfish Communist apparatus he heads has had its hand on the throat of the Soviet Union and has been strangling it.

Whether the defeat of his enemies now opens the way to real perestroika (restructuring) of a dying economy is not yet known. What is known in the first flush of Gorbachev's triumph over power-clutching Brezhnevites is the political skill of the man who says he will end the dictatorship of the Communist Party.

When Gorbachev's foes looked out the windows of the Hotel Moscow Monday morning just before he convened the Central Committee plenum, they saw 200,000 demonstrators in Revolution Square rallying for—not against—Gorbachev. That sent a signal: Gorbachev has the street. Indeed, he broke a 70-year ban on anti-party political rallies to prove he not only has the street but knows how to use his foot soldiers.

He then publicly warned that all speeches at the closed-door session of the Central Committee would be published. That put his enemies in a bind. If the showdown between political pluralism and Communist dictatorship was to be conducted in public view, the contest was over before it started. Because Gorbachev's glasnost has spotlighted one terrible evil after another in the party's murderous past, everyone in the Soviet Union now knows the record.

By opening up the choice of new Communist leaders to contested elections and multiple candidates, Gorbachev has forced his enemies to take public positions that are unacceptable to rank-and-file voters.

Gorbachev's tactical brilliance is seen in his conclusion long ago that contested elections are critical in cutting down Communist Party power. Of all methods available for ending its "leading role," this is the likeliest to succeed without a bloody showdown. By stimulating factions, blocs and eventually competing parties, multiple candidacies and contested, free elections define pluralism. Once the Soviet Union set down this path, a multiple-party system was inevitable.

The party has already lost its supremacy in the "republics" of the Baltics and Azerbaijan. In Eastern Europe, starting with Poland, Communist rule imposed after World War II has been overturned. While Gorbachev accepted this collapse of external empire west of his Polish border, closer to home he has used force to block dissolution of his internal empire—but not to protect Communist Party power.

But even protecting the geographic integrity of the Soviet Union may really be secondary to Gorbachev's objective of ending the party's leading role. Some Soviet insiders believe Gorbachev targeted the constitutionally protected Communist bureaucracy even before he became party boss. He is now succeeding in a move few thought attainable or even desirable when he came to power in 1985.

That marks him as a formidable political leader. It could be that he actually means what he has said about separation of powers, limited government, an independent judiciary and other tools of democracy taken for granted in the West. Whether that proves true or not, it is beyond argument he is a skilled political mechanic who has dismantled the machine built by Lenin and Stalin that has presided over so much terror and oppression here and around the world.

© 1990, Creators Syndicate, Inc.

Henry Kissinger

Delay Is the Most Dangerous Course

The collapse of Soviet political and military power in Central Europe coincides with a declining fear in the Western democracies of the military threat. Therefore the existing arrangements are becoming unsustainable.

The conventional solution in [illegible]

United States and is compatible with some reasonable process of German unification.

Establishment of such a system is primarily a political and not a technical arms control issue. There are in fact only three possible political

(I) Military forces in the rest of Western Europe would be brought into some agreed alignment with limitations on Soviet deployments between Moscow and the Soviet Union's western frontier.

But the West does neither Gorbachev nor itself a favor by pretending that the structural changes Gorbachev's policies have evoked can be calibrated by arcane analysis of his domestic

Charles Krauthammer

Declare Victory In Vienna

And then go to the opera.

What on Earth are we doing still at the conventional arms talks in Vienna? Negotiations continue over how many Soviet and American troops may remain in Europe—in his State of the Union address, the president proposed yet another number, 195,000 each—at a time when Europe has made it abundantly clear that it wants a Soviet troop level of zero.

The CFE (Conventional Forces in Europe) talks in Vienna have been superseded by events. When they began there was a Warsaw Pact. There were satellite governments in Eastern Europe. It made sense to negotiate a reduction of the Soviet troop advantage down to a level of equality with ours.

But now everything has changed. There is no Warsaw Pact. By summer there may be no East Germany. Next year there may not even be a U.S.S.R. The president's new proposal seems to be a response to the revolution of '89, but because it cannot shake the American obsession with arms control, it is in fact a step backward.

Once again, arms control proves not just irrelevant but counterproductive. Why, after all, are we legitimizing the presence of 195,000 Soviet troops in the "Central Zone" of Eastern Europe? The people of that zone—Poland, Czechoslovakia, East Germany, Hungary—are quite clear as to how many Soviet troops they want. Czechoslovakia and Hungary have officially asked the Soviets for a troop level of zero. Lech Walesa just three weeks ago demanded the same for Poland. (Gen. Wojciech Jaruzelski disagrees, but he is yesterday's man.) And in East Germany, even the Communists have now called for German reunification—and a reunified Germany, whether neutral or NATO, cannot be home to Soviet troops.

Yet here comes the United States saying that it is quite prepared to see 195,000 Soviet troops in countries where they are not wanted.

This legitimation of the Soviet presence undermines the brave East European democrats who demand an immediate Soviet evacuation. They are desperate to get rid of their Soviet occupiers now while the going is good, i.e., while Gorbachev is in control. They fear that if they wait, some calamity might intervene and cost them their historic opportunity for independence.

CFE delays the process. We and the Soviets are now engaged in months of arduous negotiation about verification procedures, counting rules and similar niceties. This week's breakthrough is a Western agreement to accept separate limits for combat planes and "air defense interceptors," a category of planes that until last Monday we said did not exist.

This is all quite surreal. If, as the East Europeans demand and as eventually must happen, the Soviets leave Eastern Europe completely, who needs all these negotiated categories and compromises? Zero is zero. The CFE process is simply prolonging the Soviet stay in Eastern Europe at a time when every other force, natural and political, is demanding their departure.

Bush's 195,000 proposal has a second effect just as pernicious. It perpetuates the CFE symmetry between the level of American and Soviet troops. The symmetry is false morally and mischievous politically. The Soviet troops are occupiers. American troops are there by

Delay Is the Most Dangerous Course

The collapse of Soviet political and military power in Central Europe coincides with a declining fear in the Western democracies of the military threat. Therefore the existing arrangements are becoming unsustainable.

The conventional solution is to accelerate arms control negotiations. But the upheavals in Central and Eastern Europe have overthrown not only Communist regimes but also some of the premises of traditional arms control theory. When the current stage of conventional arms negotiations began, the military and political demarcation lines were identical. And because the present stage of the negotiations is confined to thinning out U.S. and Soviet forces it does not depend so critically on the location of the dividing lines. When that negotiation is completed in the next few months, attention will have to turn to the design of a comprehensive European security system. Then the fact must be faced: the military and political dividing lines in Europe are no longer congruent. The military dividing line runs through Germany; the political one is located at the Soviet-Polish frontier.

A dividing line through the center of Germany cannot continue to be appropriate after the two German states have held elections later this year. Two democratic German states drawing ever closer together and governed by parties professing comparable ideologies cannot possibly belong to two opposing alliance systems for any length of time.

In future arms control negotiations the United States will have to walk a fine line. It must not legitimize a larger Soviet military presence in Central Europe than the Soviet Union could maintain on its own. At the same time it must not encourage the impression that a complete Soviet withdrawal from Central Europe will have to be matched by a complete American withdrawal from Europe. Its geographic proximity enables the Soviet Union to be a major military factor in Central Europe from its national territory, while an American withdrawal across the Atlantic would destroy the possibility of a balance of power on the continent.

A new European security system should do the following things: reassure the Soviet Union with respect to its historic nightmare of invasion from the West, ease Western Europe's fear of Soviet invasion, protect the countries of Eastern Europe against Soviet aggression and German resurgence and reflect the reality—demonstrated by two world wars in this century—that a balance on the continent requires the participation of the United States and is compatible with some reasonable process of German unification.

Establishment of such a system is primarily a political and not a technical arms control issue. There are in fact only three possible political outcomes: (a) that Germany remain divided along the existing military demarcation lines, (b) that Germany be unified as a neutral state with a status similar to Austria or Finland, (c) that Germany be unified within NATO.

The permanent division of Germany would produce a chronic European crisis by tempting outside powers either to exploit or to stimulate intra-German conflict. The Soviet Union would surely be sucked back into Central Europe to maintain the division of Germany, whatever Mikhail Gorbachev's intentions or professions.

The concept of a unified and neutral Germany has a surface plausibility but grave underlying problems—even, and perhaps especially—for the Soviet Union. After a few years Germany might repeat its historic mistake of attempting to achieve its own independent security, an enterprise which twice in this century produced global catastrophe. An Austrian-type neutral solution for Germany would create a single block from the French-German frontier to the Polish-Soviet border of states with similar international status and therefore propelled toward joint diplomacy. Surely there is no better formula for eventual German hegemony over Central Europe or a long-term German-Russian conflict.

Ideally, a new security system for Europe should possess the following elements:

(a) The countries of Eastern Europe—with the exception of the German Democratic Republic—would be given a status similar to Austria or Finland. They would be politically neutral and agree to a regime of limited armaments specified by treaty and guaranteed internationally.

(b) Germany would begin the process of unification with a confederation whose first international task would be to negotiate a peace treaty acknowledging its present external frontiers.

(c) Germany would remain in NATO if it wished, but the territory of the present German Democratic Republic would be demilitarized and all German military forces limited by agreement.

(d) U.S. and other foreign forces on German soil would be dramatically reduced (perhaps down to one division of U.S. ground forces and no more than half of current U.S. air forces).

(e) Nuclear weapons and foreign forces on West German soil would be pulled back from the current East German border to an agreed line east of the Rhine.

(f) Military forces in the rest of Western Europe would be brought into some agreed alignment with limitations on Soviet deployments between Moscow and the Soviet Union's western frontier.

Obviously such a scheme is highly illustrative, permitting numerous permutations. Nor would it need to be implemented immediately. A five-year transitional period during which some Soviet forces remain in Central Europe seems entirely reasonable. But the basic objectives need to be established soon.

In my view, the scheme outlined here would meet everybody's political and security concerns to some extent. Such an outcome would bring about a coincidence between the political and military demarcation lines. An agreed, managed process of German unification would ease an otherwise festering crisis. The Soviet Union would acquire a glacis of some 800 miles, a zone of limited armaments between the Rhine and the Elbe, a significant reduction of U.S. forces, a demilitarized area on the territory of the present German Democratic Republic and a neutral belt in Poland, Czechoslovakia and Hungary. Western Europe would gain the same glacis in reverse, beginning with a zone of limited armaments in the western part of the Soviet Union.

"A dividing line through the center of Germany cannot continue to be appropriate after the two German states have held elections later this year."

Many thoughtful policy makers shrink from tackling the German issue because, while recognizing its complexity, they fear that tackling it head-on might overthrow Gorbachev. I believe that procrastination would produce the most dangerous consequences. Gorbachev surely deserves great respect for his willingness to confront the crisis of his society.

But the West does neither Gorbachev nor itself a favor by pretending that the structural changes Gorbachev's policies have evoked can be calibrated by arcane analysis of his domestic position. One way or another, the process now underway will proceed on many fronts. In an election year for both Germanys, the drive for unification will surely develop its own momentum. Various parliaments will be reducing NATO defense budgets, and different national leaders will push individual arms control proposals, not least East European leaders seeking to get rid of Soviet troops. In these circumstances waiting on events is an invitation to chaos and to the unilateral dismantling of institutions that have brought us this far.

It may be that no security system will be able to contain the process now underway. In time Germany may become neutral either by its own choice or in response to a Soviet offer. Improbable as it now seems, a German initiative cannot be ruled out if German disillusionment with Western lack of support for its national aspirations continues to grow. And sooner or later the Soviet Union may play its "German card"—to exchange unification for neutrality—reckless as it would be for Soviet security in the long run. Whether Germany would accept it would depend not so much on exhortations as on the strength of its ties with the West. I believe nevertheless that over time such a formula would be accepted, especially if Germany could maintain its membership in the European Community.

Painful as I would find such a development myself, the United States would have no reason to panic. Instead it should offer to preserve NATO for whatever core group of the Atlantic Alliance wishes it. In my view, that offer would be accepted with alacrity by Western Europe as a hedge against German revanchism or renewed Soviet aggressiveness.

In short NATO is needed for the internal West European balance and as a guarantee of European security. To be sure, the American deployments in Europe and the overall strength of NATO should take account of the declining military threat. But abolishing NATO cannot be a quid pro quo for the ailments of the Warsaw Pact. What NATO must do is to redefine the threat it is supposed to deal with, the strategy appropriate to it and the organization that reflects the changed roles of Europe and the United States.

©1990, Los Angeles Time Syndicate

The CFE process is simply prolonging the Soviet stay in Eastern Europe at a time when every other force, natural and political, is demanding their departure.

Bush's 195,000 proposal has a second effect just as pernicious. It perpetuates the CFE symmetry between the level of American and Soviet troops. The symmetry is false morally and mischievous politically. The Soviet troops are occupiers. American troops are there by invitation of freely elected governments.

Politically the symmetry is just as noxious. The Soviet presence in East Europe is headed to zero. Therefore, as long as we keep proposing equal troop levels for the United States and the U.S.S.R., we imply that the Soviet evacuation of Europe should be accompanied by an American evacuation.

This is a bad idea. First, because our allies want an American presence. Some, like the British, are quite fearful that we may indeed be packing our bags. As in Asia, the presence of American troops is almost universally felt by the locals to be not a threat but a kind of insurance against instability.

Second, a mutual Soviet and American evacuation of Europe is not a truly symmetrical act. Russia is a Eurasian land power. Evacuation means pulling back a few hundred miles behind the Polish border. For the Soviets to return to Europe in a crisis means crashing through a few toll booths at the Polish frontier. For the United States to return means crossing the Atlantic, a 3,000-mile wide submarine lair.

It is true that Americans might at some point decide to leave Europe regardless. Fine. By all means, let us have a debate at home and with our allies about the appropriate level, if any, of American troops in a post-Communist Europe. But that level should be determined by Western needs, not by arbitrary numbers chosen to produce CFE symmetry and State of the Union applause.

What to do? Declare that the CFE negotiations in Vienna have succeeded grandly. That we and the Soviets are now agreed in principle to reduce our forces to a ceiling of 195,000 on either side. That we believe further reductions might be in order and should immediately be negotiated bilaterally between the concerned countries.

Such a declaration would allow events to follow their nature. The Warsaw Pact countries would then proceed to ask the Soviets to reduce their troops to zero. And we could then conduct a conversation with ourselves and our allies as to how many Americans should remain on the continent.

We don't need a CFE treaty or formal signing ceremony, however useful a photo opportunity it offers a president. We should declare victory at Vienna, shake hands with the Soviets, compliment them on their vision and forthrightness and wish them well in their negotiations with their Warsaw Pact friends. Then we all go to the opera.

Never will an arms control negotiation have ended more successfully.

Photo Copy Preservation

Richard Cohen

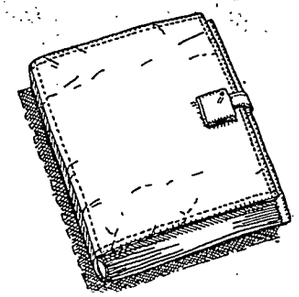
Lying to Your Diary

In an effort to show that he was merely following orders, former national security adviser John Poindexter has demanded portions of Ronald Reagan's White House diary. His request raises legal issues about which, for the moment, I confess absolutely no interest. Instead, I want to discuss diaries themselves even though, like resolutions, I've never been able to keep one for long.

But there are people who do. Where they get the time, I will never know, but every day, or maybe less frequently, they record their thoughts and activities. Many of them do this while in a state of literary schizophrenia—writing a private, intimate account of their lives while simultaneously hoping (praying?) for publication.

Pepys used a code, a standard device to discourage curious wives or children, but he wrote without fear of subpoena. With that assurance, he even recorded visits to prostitutes. Almost no diary of a public man has since contained such an admission—not because men no longer pay for sex, but because no one would admit—even to his diary—doing so.

The reason is that the diary has become public property. In a legal or ethical sense, that's okay. Poindexter asserts that Reagan's diaries might prove that he was following—not initiat-



sit at day's end (early afternoon in Reagan's case) and write "Dear diary" without fearing the dreaded subpoena. For that reason, the diary has become another version of the memo—a cautious, rarely candid account of what happened.

It's hard to imagine Reagan writing a diary of any literary importance. But it's harder still to imagine him or any high government official confiding to a diary what he actually thinks. Would he, for instance, tell his diary that he and Poindexter discussed an allegedly illegal operation? Would he tell his diary what he actually thought of some subordinate, when there is even the slightest chance of publication? We

Candor like Pepys's is now almost totally confined to the novel. It is only in fiction that public people act like real people. The incredible intrusion of the press coupled with the demands of the law ensure that no one of any importance is going to be anything other than a hypocrite. The public figure who lies to the press will likely also lie to his diary, where, after subpoena or posthumous publication, he will be revealed as pretty close to perfect.

Of course, honesty would be the best policy. But public men are only men, with all the usual

Photo Copy Preservation

KEN ADELMAN

Arms control exit signal

Soviet President Mikhail Gorbachev, that bestower of opportunities galore, last week handed President Bush a doozie. Mr. Gorbachev's walking back previously agreed-upon arms control measures hands Mr. Bush the opportunity of refocusing U.S.-Soviet relations.

This is long overdue. It is mindless for the Bush administration to plod along an arms-control path which has gone virtually nowhere for 25 years. A path which made more sense in the '70s and '80s than in the '90s. A steep and thorny path leading to more problems than solutions.

When all is said and done, more is said about arms control than ever done by it. There is less there than meets the eye.

Especially now, when the whole world is changing, when the Soviet Union desperately needs to decentralize — both politically, given that Lithuanias are popping up here, there and everywhere, and economically, given that Mr. Gorbachev's economy is plummeting further and faster.

Ken Adelman is a nationally syndicated columnist.



The whole world is changing, with one former ally after another negotiating for the complete removal of Soviet troops from their territory.

And the whole world is changing with the ecological devastation wrought by communist regimes — the grime belt stretching from East Germany to the Urals of the Soviet Union — in critical need of cleanup.

So the whole world is changing. What's the Bush administration pushing for? Why, a way to count ALCMs (air-launched cruise missiles) and to declare SLCMs (sea-launched cruise missiles).

Huh?

Future historians will look back and wonder. Some may call to mind what Henry James said about James Madison's performance as secretary of state: "He ignored the heart of every issue to fret the extremities." But none, no historian, could consider these the critical issues of our day.

How can the administration dive for the capillaries? Why?

Political necessity may be a major factor — presidents adore treaty signing ceremonies — and force of habit another.

Regardless, Mr. Gorbachev just handed Mr. Bush an opportunity to leave this cul de sac, and to do so with the grace Mr. Bush finds congenial.

Since Mr. Gorbachev clearly does not, or cannot, keep deals he made just last month, since he clearly nixed any chance for an arms pact being ready for signing at next month's summit, Mr. Bush should say, "Fine. So let's move on to other issues, bigger issues, more important issues."

Thus grabbing this opportunity with both hands, Mr. Bush would avoid:

- The unpleasantries (to state things gingerly) of each side actually possessing *more* strategic arms *after* a START treaty than *before*.
- The unpleasantries of having an accord which simply cannot be decently verified, of having one that nonetheless may cost billions of dollars of the latest intelligence gadgetry in a valiant stab at verifiability.
- The unpleasantries of Mr. Bush asking for two new land-based missile systems — the MX on rail and the Midgetman — in order to bolster his negotiating leverage, when both systems are expensive and neither is needed.
- The unpleasantries of signing a conventional arms accord which legitimizes 195,000 Soviet troops remaining on station across Eastern Europe, after the United States adamantly refused to legitimize *any* Soviet occupation forces there for the past 40 years. And doing so now, when everyone knows they are illegitimate.
- And the additional unpleasantries of an anticipated accord prompting the United States and the Soviet Union to sell more sophisticated equipment to less sophisticated nations.

The ultimate sin of any arms accord is to make the world *more* dangerous. As Florence Nightingale grasped: At a minimum, hospitals should not spread disease.

Yet a formal arms pact would lead to a glut of highly sophisticated tanks, rifles, machine guns, anti-tank weapons, anti-aircraft weapons, armored personnel carriers and more.

Being cash-starved and equipment-rich, the Soviet Union will undoubtedly step up its sale of arms abroad, in anticipation of an arms accord.

The New York Times reporter Robert Pear quotes experts as saying that "improvements in Soviet-American relations have had the paradoxical effect of increasing other countries' appetites for missiles, tanks, warplanes and artillery."

Handing this type equipment to Third World loonies — and Moscow remains friendly with Syria, Libya, Iraq, North Korea — is the worst possible outcome. Old rivalries with new weaponry is deadly. I'd rather have the stuff remain in Soviet hands.

With arms control shoved aside — seen rightly as an accouterment of the Cold War — Messrs. Bush and Gorbachev can lift their eyes to see, and help determine, the shape of things to come in the unsketched but promising world ahead.

REVIEW & OUTLOOK

Pebbles' Progress

Sometimes the best stories are the ones that don't make page one. A good example is the enormous progress being made on strategic defense, in particular on a concept known as Brilliant Pebbles.

"The technology is at hand to deploy such a system," said SDI's director, Lt. Gen. George Monahan, the other day. Defense Secretary Dick Cheney took a trip to the Pebbles' home at Livermore National Laboratory in California last fall, and was impressed enough to urge a similar trip for George Bush. The President visited this month and hailed Brilliant Pebbles. "If the technology I've seen today proves feasible—and I'm told it looks very promising," Mr. Bush said, "no war planner could be confident of the consequences of a ballistic-missile attack."

The beauty of Brilliant Pebbles is its simplicity, employing the classic military strategem of dispersal. The idea is to send into Earth orbit 4,600 interceptors each small enough to hold in your hands. In peacetime, they'd serve as highly useful sensors for tracking and perhaps surveillance. But in the event of a ballistic-missile launch, they'd be activated on a signal from Earth, then use their powerful propulsion system to head for the nearest missile and destroy it with the force of impact.

It sounds fantastic, but then so did the Manhattan Project and Apollo. The concept has become possible because of the astounding progress in miniaturizing computer components. Lowell Wood, a Livermore physicist, says the size required for scientific computing has plunged by a factor of nearly 1,000 in 10 years. The large "smart rock" interceptors imagined 10 years ago can now be smarter pebbles costing less than $1.4 million apiece.

The Pebbles program has also received a boost from independent scientists. A study by JASON, a group of physicists that regularly advises the Pentagon, concluded that "there does not appear to be any obvious technological show stopper." While problems remain, including how well the Pebbles could survive an attack aimed at them, JASON said the program "deserves continuing support."

A second study, by the influential Defense Science Board, also gave Pebbles qualified support. "JASON and DSB really gave it a good technical scrub," says one Pentagon official who's familiar with both studies. "Both don't say it's done yet, but they cite enormous progress. Technically, it looks very good."

Those results explain why Mr. Bush has proposed to nearly triple Pebbles' funding next year to $329 million. The Pentagon will sensibly continue to pursue other technologies—just this month it tested a ground-based interceptor for the first time. But if Pebbles works out, Gen. Monahan says, SDI's first phase could begin deployment by mid-decade at a cost of $55 billion. That's $14 billion less than he estimated only a year ago. When was the last time a government program's cost actually declined?

SDI's real obstacle has always been more political than technical, of course. Members of Congress are already massing to rob SDI's budget so they can save useless bases in their own districts. Which is why we're delighted to see Mr. Bush making the case for SDI even in a world of lower tensions. Even after a START accord, the Soviets will retain 10,000 nuclear warheads. They are modernizing their SS-18s and plan a follow-on to the mobile SS-24. As for any START-II, the fewer the weapons the greater the threat if one side cheats. SDI is insurance against cheating.

SDI can also defend against the 15 other nations the CIA says could have ballistic missiles in 10 years. Only last week, the U.S. expressed its concern about the sale of a French nuclear reactor to Pakistan. Maybe a few visionaries think a world of proliferated weapons can be protected by diplomats, but serious people don't. Since the Pebbles would have a global reach, they could also protect U.S. allies from such launches, or protect the Soviets for that matter. "In the 1990s, strategic defense makes much more sense than ever before, in my view," Mr. Bush said this month.

SDI's falling costs are approaching those of other strategic options, such as the Midgetman missile. For $40 billion or more, Midgetman will buy a couple of hundred mobile missiles—that's it. For not much more, SDI buys peacetime sensors ("brilliant eyes") plus some protection against a variety of missile threats. It also buys valuable experience in space, which will become as strategically important as the seas became in the 16th and 17th centuries.

SDI has had to climb a wall of Establishment scorn, but the progress so far has borne out the faith George Bush places in American science.

Photo Copy Preserv

2/28/90

The d
bert has
lapse of
junk era
for quite
ters as v
way it c
what m
all inter
The
that mo
sulting
ple effe
and tha
tions, w
gate the
Drexe
that junk
were less
greedy b
of the 197
stock pric
tio for the
than 17; b
cline to 6.8
terest rate
Young co
couldn't e
ties borro
The only a
because of
enterprise
other wor
Reregula
At the
ance sheet
tion, which
sets. Infla
inventories
easily, an
went from
share in 1
worth, ex
prices ma
the likes o
T. Boone I
fees for t
Withou
wouldn't
Investme
ury Secre
Milken l
made th
bring it
higher ec
major pl
eral insu
large ju

Most
tion scen
a first-
teachers
age of t
and pra
otherwi
ing lic
educa
and
ch

U.S. Senate Republican Policy Committee

William L. Armstrong, *Chairman* March 26, 1990

Scorecard On Arms Control

It's 1990. Will the last decade of the 20th Century be marked by a new era in US-Soviet relations and the signing of major arms control agreements? The US can hardly close its eyes to recent events in Eastern Europe. And it appears that the recent superpower summit at sea (December 2-3, 1989) set out the overall agenda for reaching three major arms control agreements by 1990 or 1991: one on strategic offensive arms, one on chemical weapons, and one on conventional forces in Europe.

But what are the nuts and bolts of these agreements? What's under discussion? What are the outstanding issues and what are the prospects for successful conclusion by the designated dates? That's what this paper addresses. This paper is a scorecard on arms control.

The following ongoing negotiations are addressed:

- ✔ Strategic Arms Reduction Talks (START);
- ✔ Defense and Space (D&S);
- ✔ Chemical Weapons (CW);
- ✔ Conventional Forces in Europe (CFE); and
- ✔ Nuclear Testing Talks (NTT).

Also analyzed are implementation of the recently concluded Intermediate Range Nuclear Forces (INF) Agreement, possible future negotiations on Short-Range Nuclear Forces (SNF), and Anti-Satellite Weapons (ASAT), as well as new approaches to arms limitations in the forms of a plutonium production ban and open skies.

Clearly, the changing political and military landscape in Eastern Europe and the Soviet Union can bring about rapid changes in any or all arms control negotiations. In one respect, recent events in Eastern Europe have already contributed to putting arms control in the fast lane. The uncertainty of the present situation, however, calls for caution on the US' part, especially where arms control agreements are concerned.

While reading this paper, keep in mind that the goal of arms control is to decrease the likelihood of war by reducing the incentive to use weapons in a crisis or to orchestrate a surprise attack, so enhancing stability. The desirable goals of cost savings and arms reduction must be secondary to this search for strategic stability.

PREPARED, PUBLISHED, AND MAILED AT TAXPAYER EXPENSE.

Table of Contents

Ongoing Negotiations 2
Strategic Arms Reductions Talks (START) 2
Goals And Provisions 2
History 2
Current Status 4
Outstanding Issues 4
1. How To Deal with Mobile Intercontinental Ballistic Missiles (ICBMs)? ..4
2. What to do About Soviet SS-18s? 5
3. Air-Launched Cruise Missiles 6
4. Verification 6
5. Depressed Trajectory Missile Ban 8
6. Sea-Lauched Cruise Missiles 8
Prospects For The Future 9
Analysis 9
Defense And Space Talks 10
Goals And General Provisions 10
History 10
Current Status 10
Outstanding Issues 11
1. US and Soviet Interpretation of Testing 11
2. Negotiations on Permitted and Prohibited Testing 11
3. Predictability 11
Prospects For A Future Agreement 12
Analysis 12
Chemical Weapons Talks 13
Goals And Provisions 13
History 13
Current Status 14
Outstanding Issues 16
Analysis 16
Prospects For A Future Treaty 17
Conventional Forces In Europe Talks: CFE* 18
Goals And General Provisions 18

History 18
Current Status 19
Subregion Proposals: Soviet Union-Warsaw Pact 22
The Soviet-Warsaw Pact Alternative Proposal 23
The US-Nato Subregion Proposal 24
Outstanding Issues 25
1. How to deal with Soviet air defense interceptors? 25
2. Details of verification 25
3. Defining other treaty limited items 25
4. Zonal limitations 25
5. How to resolve the production issue 26
6. What to do about stored equipment 26
7. How to implement requried reductions 26
Analysis 26
Prospects For A Future Agreement 27
Nuclear Testing Talks 28
Goals And Overall Provisions 28
History 28
Current Status 29
Outstanding Issues 29
Analysis 30
Prospects For Future 30
Recently Concluded Agreements 31
Intermediate Range Nuclear Forces (INF) Treaty Implementation 31
The Agreement 31
History 31
Current Status 31
Analysis 31
Possible Future Negotiations/Treaties 33
Short-Range Nuclear Force (SNF) Negotiations 33
What The Treaty Might Look Like 33
History 33
Prospects For A Future Agreement 34
Anti-Satellite Weapons (ASAT) 34
What A Treaty Might Look Like 34
History 34
Current Status 34

Analysis 35
Prospects For A Future Agreement 36
New Approaches To Arms Limitations 37
Plutonium Production Ban 37
What The Agreement Would Look Like 37
Current Status 37
Analysis: A Plutonium Ban: Good Deal Or Bad? 37
Prospects For A Future Agreement 38
Open Skies 38
Idea Behind The Concept 38
History 38
Current Status 39
Analysis 39
Conclusion 40

Ongoing Negotiations

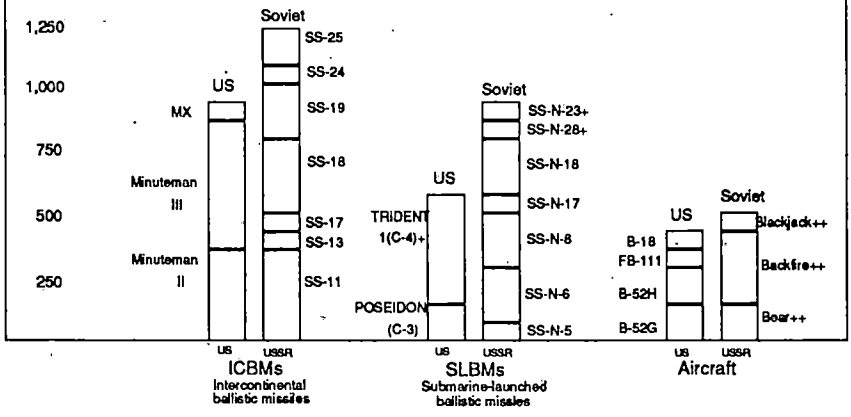
Strategic Arms Reductions Talks (START)

Goals And Provisions

The Strategic Arms Reduction Talks seek to cut the strategic nuclear arsenals of the US and USSR in half. The weapons to be limited include long-range nuclear forces: Intercontinental Ballistic Missiles (ICBMs), Submarine Launched Ballistic Missiles (SLBMs) and strategic bombers, as well as associated nuclear warheads.

U.S. and Soviet Strategic Offensive Forces

The annual Department of Defense assessment, Soviet Military Power, suggests the Soviet forces have become less threatening in the past year but still present a major challenge. Serious U.S. concerns continue, however, over the imbalance of strategic nuclear weapons.



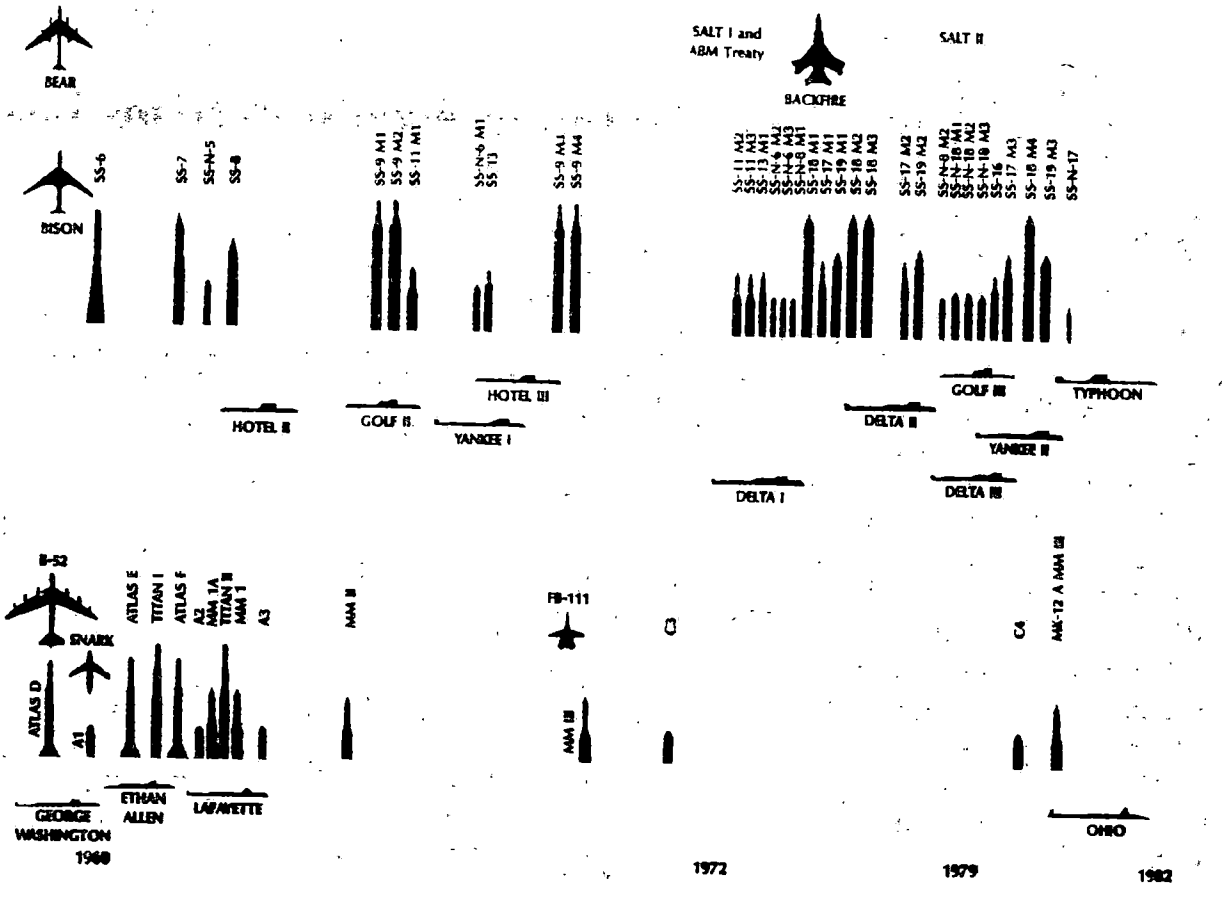
\+ Includes SLBMs poentially carried on Trident, Typhoon and Delta-IV submarines on sea trials.
++ Includes Backfires assigned to Soviet Naval Aviation and other training aircraft.
Source: Department of Defense

History

The START and Defense and Space negotiations are a part of the Nuclear and Space Talk (NST) forum. The reason for such a structure is to emphasize the relationship between offensive and defensive forces. More specifically, the US believes that offensive reductions, combined with strategic defenses, can create a more stable environment in a world of controlled arms. Both the START and D&S negotiations began in March 1985.

The first watershed in the START negotiations came in 1986 in Reykjavik, Iceland when Ronald Reagan and Mikhail Gorbachev agreed to 50% reductions in strategic nuclear weapons, with an overall warhead limit of 6,000. During the 1987 Washington Summit, the US and USSR agreed to a sublimit of 4,900 warheads on land- and submarine-based ballistic missiles and 1,100 warheads on heavy bombers and air-launched cruise missiles. At the 1988 Moscow Summit, Reagan and Gorbachev agreed to a draft treaty that added limits on heavy bombers, cruise missiles, and Soviet heavy missiles.

Soviet/US Strategic Modernization
1960–1982



As Reagan left office, the START numerical limits were as follows:

- an overall limit of 6,000 nuclear warheads on 1,600 Strategic Nuclear Delivery Vehicles (SNDVs);
- a sublimit of 4,900 warheads on land- and submarine-based ballistic missiles, of which only 1,540 warheads could be on Soviet SS-18s; and
- a limit of 1,100 warheads on heavy bombers and Air-Launched Cruise Missiles (ALCMs). [Joint Draft Text of a Treaty on Reduction and Limitation of Strategic Offensive Arms]

President Bush has adopted these numerical limits, but has shifted the US' negotiating stance on two important issues; namely mobile missiles and verification. The Bush Administration is also toying with changing long-held US positions regarding Air-Launched Cruise Missiles and limits on Soviet SS-18s.

Current Status

Over the last few months, the START negotiations have experienced several changes on particular issues. First, the Soviets proposed that limits on Sea-Launched Cruise Missiles (SLCMs) be referred to a separate treaty, (possibly in the context of a naval arms accord); while the US proposed that a verification regime for trial inspections of each side's armaments be conducted prior to signing START. The US is considering the Soviet proposal; the Soviets have agreed in principle to the US proposal.

Second, during his visit to Washington in September 1989, Eduard Shevardnadze presented President Bush with a letter from Mikhail Gorbachev revealing a new Soviet position regarding START and the ABM Treaty. Since the beginning of the START negotiations, the Soviets refused to sign a START agreement unless the US restricted its space-based missile research and tests and vowed not to deploy space-based weapons. [*Washington Times*, 5/18/89, p. A4] But Gorbachev's letter to the President claimed that such linkage was a thing of the past. However, the Soviets continued to demand the US abide by a "narrow" interpretation of the ABM Treaty. If either side pursued activities that violated the "narrow" interpretation, the other could abrogate START. [*Washington Post*, 9/24/89, p. A35]

Some newspapers were quick to praise the Soviets for their "concessions," claiming that a major obstacle to concluding a START agreement had been lifted. Experts in and out of government, however, saw right through the Soviet proposal. Some Congressional leaders saw the Soviet proposal as "extremely cunning" — allowing the Soviets to get a START Treaty while at the same time maintaining "veto power" over testing or deployment of SDI. [*Los Angeles Times*, 9/26/89, p. 10] Even arms control enthusiasts, like Spurgeon Keeny, Director of the Arms Control Association admitted that, "It [the Soviet position] is not a fundamental change." [*Washington Post*, 9/24/89, p. A35] And Les Aspin (D-Wis), House Armed Services Committee Chairman, cautioned against praising the Soviets for a shift in position. According to Aspin, Moscow has changed the "form of what they are asking, but not the substance of opposition to SDI." [*Washington Post*, 9/25/89, p. A1]

Finally, during the Malta summit, Bush proposed that Secretary of State James Baker and Soviet Foreign Minister Eduard Shevardnadze meet in early 1990, to discuss and resolve three outstanding START issues — Air-Launched Cruise Missiles, nondeployed or stored missiles, and encryption of missile test data. [*Washington Post*, 12/3/89; p. 38] The Secretary of State is scheduled to visit the Soviet Union on February 5 – 6, 1990. President Bush is confident that a START agreement could be signed in June 1990, at the Washington Summit or sometime soon thereafter. Such a schedule may be overly optimistic, given the number and extent of outstanding START issues.

Outstanding Issues

1. How To Deal with Mobile Intercontinental Ballistic Missiles (ICBMs)?

Mobile ICBMs are a double-edged sword: their mobility enhances land-based ICBM survivability but also complicates verification.

Originally, the Reagan Administration supported a mobile missile ban for verification reasons. A mobile missile ban is easier to verify than an agreement allowing some mobile missiles, since detection of just one missile could prove Soviet noncompliance. Without a ban the US would be uncertain whether a particular missile spotted was legal or not. The enormous land mass of the Soviet Union gives them a huge hiding place for illegal missiles, making the need for a ban even more critical. [*Washington Post*, 4/7/89, p. A1]

Later, the US did moderate its position on mobile missiles, but only contingent upon establishing an effective verification regime and strict limits on mobile ICBM warheads. [*Washington Post*, 6/13/89, p. A22] When Reagan left office, the question of mobile missiles was left unresolved even though the Soviets agreed to a general outline for strict verification as proposed by the US at the Moscow summit. This plan called for confining mobile missiles to designated deployment areas, allowing them outside those areas only for specific reasons, such as maintenance. [*Washington Times*, 8/7/89, p. A8]

The Bush Administration has diverged from the Reagan Administration's position, recently dropping the mobile missile ban, but only if Congress funds the two mobile missiles requested by the President: the rail-mobile MX and the Small ICBM. Since Congress did agree to authorize funds for the two missiles, the work for negotiators will now turn to defining the numbers of permitted mobile missiles and how to verify them — a whole new can of worms.

2. What to do About Soviet SS-18s?

The SS-18 is a heavy, highly accurate Soviet missile that was first deployed in 1974, and has been modernized four times. The Soviet SS-18 Mod V can carry 16,000 pounds of throwweight with up to ten warheads on each missile. The US has no comparable ICBM system. The closest match is the MX missile that also carries ten warheads. But the MX can only carry 7,000 pounds of throwweight. This means that the Soviets can place heavier warheads on the missiles for greater overall explosive power or they could fit more warheads on such a heavy missile.

US attempts to limit the Soviet's large throwweight capability in SALT I and II were unsuccessful. But, at the Moscow Summit, the USSR agreed to a limit of 1,540 warheads on 154 SS-18 missiles, a formula that would indirectly limit the throwweight capability of the Soviet Union. However, the US position also prohibited production, flight testing, or modernization of the SS-18 or similar missiles. This was the US' way to prevent the Soviets from further upgrading the SS-18 or producing new heavy missiles. The Soviet position, however, would allow modernization of the SS-18, but no development, testing, or deployment of new missiles. [*Washington Post*, 6/13/89, p. A22] But the Soviet position contains a loophole. The Soviets could build a new missile with properties similar to the SS-18 and still try to pass it as a "modernized" SS-18. And they have done just that.

Over the last several years, the Soviets have increased the SS-18s' throwweight by 25%, while also adding new fuel and a new booster. The Soviets claim this is merely a "modernized" SS-18. Originally, US intelligence sources designated it a new missile, given the new fuel, booster, and throwweight capability. But now it appears the Administration has backed down and will designate this missile as a "modernized" SS-18. The result: even if the US negotiating position on the SS-18 is accepted, the Soviet's heavy missile capability will be reduced only by 25%, not 50%. [*Washington Post*, 10/27/89, p. A19]

And, the MOD V variant of the SS-18 is more accurate and more lethal than the MOD IV, which could target every US ICBM silo and command facility with two warheads each, while still having 1,000 warheads left over. [*Air Force Magazine*, 11/89, p. 8]

Fortunately, the Bush Administration is working on other alternatives than a 1,540 warhead/154 missile limit. These alternatives include:

- an SS-18 ban;
- decreasing the number of allowable SS-18s from 1,540 warheads on 154 missiles to some lower, yet undefined level; and
- a heavy missile flight test ban.

[*Christian Science Monitor*, 5/15/89, p. 19; *New York Times*, 6/16/89, p. 6]

While the most stabilizing agreement would be one that bans SS-18s, most observers believe the Soviets will reject such a ban since the original US START position accepted Soviet deployment of a particular number of SS-18s.

3. Air-Launched Cruise Missiles

Under the Reagan Administration, different types of bombers were designated as carrying a specific number of cruise missiles, even if the bomber could carry more. The Bush Administration, however, has been offered an alternative recently from within its own ranks. The new approach, proposed by the Joint Chiefs of Staff, would change the counting rules to reflect the number of cruise missiles fitted into each bomber, which will often be less than the maximum. [*New York Times*, 6/16/89, p. 6] And in the summer of 1989, the Soviets proposed that bombers be counted as carrying the actual number of missiles installed in a given period. [*Washington Post*, 8/9/89, p. A17] The US and Soviets appear to be getting closer to resolving this ALCM issue.

But other long-standing areas of difference between the US and USSR on ALCMs remain. One is the range threshold above which ALCMs would be subject to START limits. The US defines ALCMs as any Air-Launch Cruise Missile with a range in excess of 1,500 kilometers, while the Soveits set ALCMs range in excess of 600 kilometers. A second problem involves how to treat heavy bombers that are equipped with only conventional arms given the verification difficulties of distinguishing whether a bomber is carrying nuclear or conventional warheads. [*Fiscal Year 1990 Arms Control Impact Statements*, 101st Congress, 1st Session, 3/89, p. 6]

4. Verification

The Bush Administration's new approach to verification relies on resolving verification issues before negotiating limits on specific weapons systems. This verification scheme involves both general and more specific provisions dealing with mobile missiles. In the general category, the following schemes are under consideration:

- banning interference with electronic telemetry transmitted from missiles during flight tests;
- mutual inspection of reentry vehicles or missile warheads; and
- comprehensive exchange of data on US/Soviet strategic nuclear systems.

[*Washington Post*, 6/20/89, p. A26]

With regards to mobile missiles, the Bush Administration has detailed a variety of monitoring methods, such as:

- on-site inspection of Soviet SS-24 missile production facilities;
- placing an electronic device on Soviet missiles in the field and ones coming out of production facilities (a process known as "tagging," and used in the INF Treaty to ensure that banned SS-20s were not being inserted into permitted SS-25 silos) to determine whether the missile was moved from a deployment or a production site;
- an elaborate exchange of nuclear weapons data;
- direct inspections of missile nosecones;
- a ban on encryption of data from missile flight tests; and
- banning flight testing of depressed trajectory missiles — those missiles that can best launch a sudden attack.

[*Washington Post*, 6/22/89, p. A30; 7/11/89, p. A1; *Los Angeles Times*, 6/21/89, p. 14; *Washington Times*, 6/19/89, p. A6]

During his trip to the US in September 1989, Eduard Shevardnadze presented President Bush with a letter from General Secretary Mikhail Gorbachev detailing several arms control positions. One included agreement "in principle" to trial verification inspections. But the Soviets also expanded the bounds of the proposal to cover bombers and naval vessels, a position the US is unlikely to accept for fear of compromising sensitive national security information. [*Washington Post*, 9/22/89, p. A32]

These verification schemes, however, are full of potential negotiating snags, such as:

- how to account for mobile missiles that have been produced but not deployed;
- how to monitor missile factories;
- the size of the designated deployment site (the Soviets want larger regions than does the US);
- the conditions under which missiles can be moved in and out of the designated sites; and
- how to carry out aerial observation: i.e., whether each nation could use its own planes or use a common pool of planes assembled into a unique international air force under United Nations auspices.

[*Washington Times*, 8/7/89, p. A8]

Indeed, a recent *Washington Post* article outlined how little progress has been made in implementing Bush's proposals for trial arms inspections because both the US and USSR have proposed completely different schemes and priorities. [10/24/89, p. A20]

5. Depressed Trajectory Missile Ban

Recently, the US decided to add a provision prohibiting either side from developing depressed trajectory ballistic missiles (those missiles that come in at extremely low altitudes and have short flight times). Specifics still have to be worked out, but the idea is that the US and Soviets would agree to set standards for the flight arc of the missile, below which testing would not be allowed. In addition, a minimum limit would be agreed to regarding ballistic missile flight times. [*Defense News*, 7/31/89, pp. 1, 24] Other details, like verification, have yet to be addressed.

This proposal is unique — for the first time an arms control agreement would ban a missile that has yet to be developed. Only time will tell if the details on this proposal can be worked out to each side's satisfaction.

6. Sea-Lauched Cruise Missiles

Originally, the Soviets proposed a ceiling of 400 nuclear and 600 non-nuclear SLCMs for each nation, to be verified by comprehensive monitoring of ports and warships. [*Christian Science Monitor*, 6/19/89, p. 2] The Reagan Administration refused to negotiate limits on SLCMs because of verification difficulties, and the Bush Administration has done likewise thus far for the same reasons. The US position is that each superpower merely declare the number of SLCMs it plans to deploy. [*Fiscal Year 1990 Arms Control Impact Statements*, 101st Congress, 1st Session, 3/89; *New York Times*, 6/16/89, p. 6; 12/19/89, p. 18]

Verification difficulties revolve around three issues:

- distinguishing conventional SLCM warheads from nuclear warheads is almost impossible since SLCMs can carry both nuclear and conventional warheads;
- verifying the numbers of nuclear SLCMs deployed on a submarine is complex because a submarine would carry both nuclear and conventional SLCMs; and
- detecting covert deployment is next to impossible because SLCMs are very small and can be easily hidden;

The Soviets, however, have been claiming that the problems of verification and distinguishability can be overcome, and to prove it they recently invited a team of American scientists, Congressmen, and the press on board a Soviet missile cruiser to test a method for determining the type of warhead on a cruise missile. [*Washington Post*, 7/6/89, p. A19; 7/7/89, p. A22] While the test monitored successfully the presence of uranium in a missile silo confirming the existence of a nuclear warhead, John Spratt, a member of the House Armed Services Committee who was present during the test warned that, "I do not believe we should leave here...with the impression or conclusion that this tough nut — cruise missile verification — has been cracked." [*Washington Post*, 7/7/89, p. A22] Even an American physicist with the Natural Resource Defense Council, admitted that, "it remains possible for either side to hide weapons or to shield them against detection," from the type of devices used in the test. [*Soviet Nuclear Test*, AP Wire Service, 7/6/89]

Such a verification backdrop set the stage for a shift in Soviet policy on SLCMs. The Soviets used the meeting between Secretary of State Baker and Foreign Minister Shevardnadze in Jackson Hole, Wyoming, to call for a joint study on verification measures required to monitor compliance

with limits on nuclear-armed SLCMs. Further, the Soviets offered to exclude SLCMs from the START formula while proposing that these weapons be handled in a "side agreement." [*Washington Post*, 9/24/89, p. A36] The US has not yet responded to the Soviet proposal, mainly because of fears that the Soviets will use the "side agreement" as an opening to expand the agreement to include conventional SLCMs and other naval limits.

Prospects For The Future

President Bush has stated on several occasions that a START agreement could be reached by 1990. The most recent reiteration came during the Malta Summit. To meet this schedule, Secretary of State James Baker and Soviet Foreign Minister Shevardnadze will meet in the new year to hammer out current disagreements. As the list of outstanding issues shows, Baker and Shevardnadze have their work cut out for them.

While Bush clearly feels domestic as well as international political pressures to "respond" to the changes in Eastern Europe, pushing for a START agreement by the next superpower summit in Washington in June 1990, may not have been wise. Such optimism gains a momentum all its own. The US could be pushed into making last minute concessions so it is not seen as obstructing the arms control process. Such artificial deadlines set the stage for previous agreements — SALT I, SALT II, and the INF Treaty — leading to US concessions on important issues while preventing it from extracting similar concessions from the Soviets.

The bottom line — if a START Agreement is ready for signing in 1990, the US must be sure that the agreement enhances strategic stability, is verifiable, and in no way is tied to limits on the US SDI program.

Analysis

Several criticisms have been leveled against the START formula and the verification schemes envisioned.

First, some claim that the START formula places too many warheads on too few launchers. This is a cause for concern especially if the US decides to deploy 21 Trident submarines. Deployment of 21 Trident submarines, each carrying 244 warheads, would demand reduction of more flexible bombers and mobile ICBMs to stay within START's numerical limits for warheads and missile launchers. For instance, the land-based leg of the nuclear deterrent would shrink from carrying 2,000 warheads to only 868. [*Defense News*, 6/5/89, p. 38] This is hardly a stabilizing situation, since the US bases nuclear deterrence on dividing nuclear assets amongst its land, sea and air-breathing systems, each one with its own strengths and weaknesses.

With 21 Trident submarines, however, four-fifths of the US' warheads would be deployed by only 21 potential targets. While some might argue that placing a larger number of warheads on the more survivable submarine platform would be stabilizing, one should never place all one's eggs in a single basket. Further, US confidence in future submarine survivability has been shaken by the Walker spy case, a formidable Soviet Anti-Submarine Warfare capability, and potential problems in US submarine command, control, and communications.

Another problem lies in the START verification scheme. As Edward L. Rowny, retired Army lieutenant general and special adviser to the President and the secretary of state for arms control matters has stated, "Simply having the right to on-site inspection does not mean inspections will automatically yield relevant information." [*Hartford Courant*, 8/31/89, p. C17]

Finally, there is the recent US reversal on the mobile missile issue. While perhaps a tactic to strongarm Congress into funding the President's defense budget priorities, allowing mobile ICBMs will complicate verification of Soviet compliance with any START agreement.

Defense And Space Talks

Goals And General Provisions

Strategic defense systems are the topic of the Defense and Space Talks (D&S). These talks provide a forum for exploring ways to transition from a deterrence based on offensive forces to one emphasizing defensive systems. The US' goal: to conclude a treaty with provisions that eventually allows for deployment of ballistic missile defenses. [*Fiscal Year 1990 Arms Control Impact Statements*, 101st Congress, 1st Session, 3/89, p. 8]

History

The Defense and Space (D&S) Talks comprise the second set of negotiations under the Nuclear and Space Talk (NST) forum. Negotiations began in March 1985. Superpower summit discussions provided the foundation upon which the US drafted a preliminary D&S Treaty, which was presented to the Soviets on January 22, 1988. Four months later, the Soviets came forward with their own draft agreement. However, the Soviets have refused to develop a Joint Draft Treaty.

Current Status

Recently, the Soviets dropped a demand that both sides cannot withdraw from the 1972 Anti-Ballistic Missile Treaty for a period of ten years. While the time span of the non-withdrawal period was one contentious issue for negotiators, both sides did agree that after a certain period of adherence to the treaty, each would be free to deploy defensive systems. Now, the Soviets are demanding each side abide by the ABM Treaty "as signed," which they interpret as restricting testing and development (as well as deployment) of space weapons.

The question of what tests are and are not permissible under the ABM Treaty has long been a sticking point in negotiations. The Soviets even conditioned the conclusion of START to resolution of this issue. But now, in another departure from the past, the Soviets have broken this linkage and replaced it with another, more restrictive link between START and the ABM Treaty. The Soviets proposed that either side be allowed to abrogate the START Treaty if the other violates the ABM Treaty. The Soviets claim that development and testing of space-based weapons would violate the ABM Treaty. [*Wall Street Journal*, 9/25/89, p. A11] The Soviets recently renewed a proposal to limit the type of experiments that could be conducted under the SDI program, and the US quickly

rejected it. The current US counter-proposal would allow space tests under two conditions: 1) that prior notification is given; and 2) that tests do not constitute deployment.

Outstanding Issues

The Soviet shift in negotiating positions places even greater restrictions on the US SDI testing program and at the same time, attempts to prevent the deployment of US strategic defenses. Let's look at the outstanding negotiating issues in light of the new Soviet defense and space arms control proposal.

1. US and Soviet Interpretation of Testing

The US believes the ABM Treaty allows research, development, and testing in the following cases:

- development and testing of devices that are neither ABM system components or substitutes for such components;
- development and testing at agreed test ranges based on physical principles existing in 1972; and
- development and testing based on other physical principles than those existing in 1972.

[Ambassador Paul Nitze, ABM Treaty-Permitted Activities, *National Defense*, V. 71, 4/87]

The Soviets object, claiming that Article V of the ABM Treaty bans these activities.

With regards to space-based weapons, the US interprets the ABM Treaty as allowing for carrying out testing of space-based components capable of substituting for ABM interceptor missiles, but only using designated ABM test satellites. The US would also like to limit the number of designated test satellites in orbit at one time to about 15, to demonstrate that such testing does not represent deployment of space-based weapons. The Soviets strongly oppose this position, claiming that such action would be a violation of Articles I and V of the ABM Treaty.

2. Negotiations on Permitted and Prohibited Testing

The Soviets have repeatedly called for negotiations to cover, and for negotiators to come up with, a list of activities permitted by the ABM Treaty. [*Washington Post*, 9/27/89, p. A44] The US refuses to accept this Soviet demand, and understandably so when the implications are considered. First, the Soviets will demand that only those tests they claim are permissible be on the list. Second, permissible tests will be defined as ones allowed by a "narrow" interpretation [read Soviet interpretation] of the ABM Treaty. The Soviet plan appears to be an effort to expand the list beyond what was agreed to in the 1972 ABM Treaty to further restrict US testing for the SDI program.

3. Predictability

In an attempt to create greater understanding and knowledge about each's defense programs, the D&S negotiations involve a number of "predictability" measures, such as annual exchanges of programmatic data on planned strategic defense activities and reciprocal visits to associated research facilities. The area of disagreement: the US predictability package is voluntary, while the Soviet

package is compulsory. However, the US has not been discouraged from trying to open channels for understanding each other's defensive efforts. In line with this approach, Soviet representatives recently visited the neutral particle beam center at Los Alamos National Laboratory and the large ALPHA chemical laser at the San Juan Capistrano TRW facility in California. [*Defense News*, 12/18/89, p. 10]

Prospects For A Future Agreement

The outlook for concluding a D&S Agreement in the near future is not promising, especially given the extent of the remaining issues. Further, the Soviets have done everything in their power thus far to limit US SDI testing and chances for deployment. And the fact that the Soviets recently admitted that their Krasnoyarsk radar is a "clear" violation of the ABM Treaty does not mean a changed Soviet Union. For instance, the Soviet admission was coupled to its long-held demand that Soviet inspectors be allowed to inspect the US radars in Greenland and England. [*Washington Post*, 10/24/89, p. A22]

The Soviets have continuously said these radars violate the ABM Treaty, which is completely false for several reasons. First, the radars were deployed long before the ABM Treaty went into effect. Second, if the Soviets were so concerned about these radars during the ABM Treaty negotiations, they would have objected to them at that time, and insisted on specific treaty language regarding these radars.

At the same time, the Soviets are using their admission as a desire to strengthen and reinforce the terms of the ABM Treaty. But other Soviet activities indicate renewed Soviet efforts to undermine the ABM Treaty. First, the Soviets have boosted the radar power of their anti-missile system, increasing the likelihood that they can provide a nation-wide defense. Article I of the ABM Treaty prohibits the deployment of nation-wide defenses, or a base for such a defense. Second, the Soviets have supposedly moved some SA-12B surface-to-air missiles to East Germany, although the ABM Treaty explicitly forbids either nation from moving ABM-capable missiles outside their own territory. [*Washington Times*, 10/2/89, p. 6]

Actions speak louder than words. The Soviets have changed little — their tactics may have changed but their strategy of using the Defense and Space negotiations to stifle progress in the US SDI program have not. The US should not reward the Soviets for breaking an international agreement by giving in to Soviet demands for strengthening the ABM Treaty. On the contrary, the failure of the ABM Treaty to limit deployment of strategic defenses indicates that a more desirable treaty would be one allowing mutual deployments of strategic defenses.

Analysis

The idea of transitioning from a deterrent based on offensive forces to one increasingly dependent upon defensive forces makes sense. Strategic defenses can enhance the survivability of offensive nuclear forces, making it less likely that an enemy would launch an attack. As a bonus, command, control, and communications can be protected by deployment of a strategic defense system. And, defenses become even more important to the US if a START Treaty is signed. Why? Because these defenses can provide a safeguard against possible Soviet cheating, such as building prohibited offensive systems. It would make little sense for the Soviets to spend precious money

on covertly producing a large amount of weapons that would convey little strategic advantage in the face of a deployed US strategic defense system.

Turning to specifics, the Soviet ploy of "delinking" completion of START to resolution of the ABM Treaty interpretation issue was cunning indeed. The Soviets can now push forward on completing a START Agreement while continuously holding the threat of abrogation over the US' head. In essence, the Soviets merely replaced one linkage proposal with another, more lethal one: that a START Agreement can be signed but only if the US agrees never to deploy space-based strategic defenses. [*Los Angeles Times*, 9/26/89, p. 1]

If the US accepts the Soviet "re-linkage," any space-based testing would be met with the Soviets blaming the US for breaking two treaties, not just one. It would be difficult enough for the US to muster the political courage to conduct such activities, regardless of their legality, let alone doing so in the knowledge that the Soviets would abrogate a START Treaty. [*Defense News*, 10/2/89, p. 23] It appears that the Soviet proposal is targeted at keeping the US SDI program a research and development forever program while the Soviets continue to upgrade their own strategic defense system. [See *Wall Street Journal*, 10/6/89, p. A12 for a review of recent upgrades to the Soviet ABM System]

Chemical Weapons Talks

Goals And Provisions

The Chemical Weapons (CW) negotiations involve 40 nations attempting to conclude a global treaty banning production, possession, transfer, development, and use of chemical agents.

Chemical agents and their effects

Type and Name	Form	Smell	Parts of body affected
Nerve agents			
Tabun GA	Liquid or vapor	Fruit	
Sarin GB	Liquid or vapor	Almost none	Usually fatal
VX	Liquid	—	
Blister agents			
Distilled Mustard	Liquid or vapor	Garlic	Damages exposed skin surfaces
Nitrogen mustard	Liquid or vapor	Fish or soap	Can be lethal in large doses
Choking agents			
Phosgene	Colorless gas	New-mown hay	Lethal
Incapacitating agents			
CN	Visible vapor	Apple blossom	
CS	Visible vapor	Pepper	
BZ	Vapor	—	
Toxin agents			
Butolin X, A	Powder or liquid	—	Usually lethal
Saxitoxin TZ	Powder or liquid	—	
Enterotoxin B	Powder or liquid	—	

History

In 1984 the US proposed a draft treaty banning the development, production, use, transfer, and stockpiling of chemical weapons, which remains the basis for negotiations today. Three years later, the negotiators agreed to a draft treaty with the following provisions:

- a prohibition on the development, production, acquisition, stockpiling, retention, transfer, and use of chemical weapons;
- that existing chemical weapons and production facilities be declared, placed under international surveillance, and destroyed within a ten-year period; and

- identification of certain activities of the civil chemical industry to be monitored to ensure chemical weapons are destroyed (e.g., that dual-capable chemicals be used only for "peaceful purposes").

[Ambassador Tessa Solesby, Head of the UK Delegation to the Committee on Disarmament in Geneva, *Nato Review*, V. 36, 12/88, p. 8]

Current Status

During their meeting in September 1989, Secretary Baker and Soviet Foreign Minister Shevardnadze agreed to a US/USSR exchange of poison gas stockpile data, (to include total volume, weaponry, storage sites, and production and destruction facilities) by the end of the year. [*Washington Post*, 9/27/89, p. A44] The two sides signed a Memorandum of Understanding (MOU) to verify their chemical weapons arsenals, with two phases. Phase I involves the exchange of general data on chemical weapons capabilities as well as conducting visits to relevant CW facilities. Phase II involves the exchange of detailed data, with on-site inspections being performed to verify the accuracy of the data. [US Arms Control and Disarmament Agency, "Memorandum of Understanding between the government of the United States of America and the government of the Union of Soviet Socialist Republics regarding a Bilateral Verification Experiment and Data Exchange Related to Prohibition of Chemical Weapons," 9/23/89; p. 1] Phase I data was to be exchanged by December 31, 1989, [although no reports have confirmed whether the exchange took place on the designated date] and visits to related facilities are to be conducted no later than June 30, 1990. The US and USSR have begun bilateral talks to hammer out verification provisions. The idea: that the superpowers can set an example by allowing inspections of CW production and storage sites prior to completion of the Treaty, exchanging data on stockpile size, and agreeing to procedures for highly intrusive suspect site inspections. [*New York Times*, 7/18/89, p. 1; *Washington Post*, 8/3/89, p. A5; *Washington Times*, 7/31/89, p. A10]

Other ideas for verification have come from a group of countries volunteering to conduct trial inspections of their chemical plants as an experiment for verifying that routinely produced commercial chemicals are not being used to chemical warfare agents. The countries include: Australia, Belgium, Brazil, East Germany, Finland, France, Hungary, Italy, Japan, the Netherlands, Sweden, Switzerland, UK, US, USSR, and West Germany. [Lois Ember, *Chemical and Engineering News*, Vol. 67, 3/89, p. 24]

The most recent development that will undoubtedly affect the CW negotiations stems from President Bush's recent United Nations speech, where he proposed that:

- in the first eight years of a chemical weapons treaty, the US will destroy 98% of its chemical weapons stockpile if the Soviets do likewise;
- the US will destroy all chemical weapons within ten years when all nations capable of producing chemical weapons sign a treaty; and
- the US will begin eliminating more than 80% of its stockpile if the Soviets cut their chemical weapons to an equal level.

[President Bush Addresses United Nations General Assembly, New York, New York, 9/25/89, p. 5]

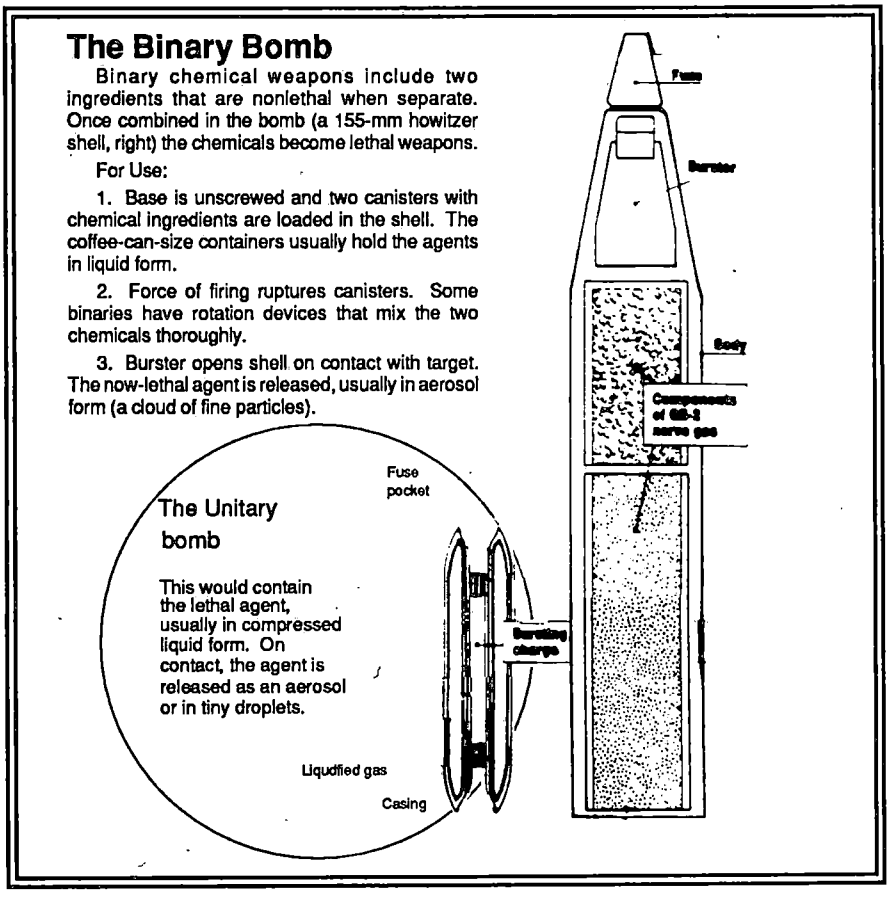
Halting Chemical Weapons Production

President Bush's call for a ban on the use and production of deadly chemical weapons would mean:

- The Soviet Union would have to destroy some 50,000 tons of chemical agents and the United States some 30,000 tons.
- US chemical weapons would be cut to 20 percent of current levels if the Soviet Union does the same.
- US chemical weapons would be cut by 98 percent after those nations holding chemical weapons make the same pledge by signing a special convention agreement.
- All chemical weapons would be eliminated once a multilateral treaty was signed.

- Nations confirmed to have chemical weapons: United States, Soviet Union, Iraq, France.
- Nations seeking chemical weapons: Iran, South Korea.
- Nations reported to have chemical weapons: Egypt, Syria, Libya, Israel, Ethiopia, Burma, Thailand, China, North Korea, Vietnam, Taiwan.

The Soviets welcomed President Bush's proposal but took it one step further by suggesting that production of the most advanced chemical weapons be banned. The Soviet proposal is merely aimed at putting political pressure on the Bush Administration's plans to replace badly deteriorating chemical weapons with more advanced yet more safely storable binary chemical weapons. The Soviets reacted similarly in 1985 when Congress first authorized $155 million to begin replacing outdated US chemical weapons stockpiles, breaking a sixteen year self-imposed moratorium on production. [*Stanford Journal of International Law*, V. 25, Spring 1989, p. 650]



Further, while the US and USSR have joined together to speed up the CW talks, the Soviets have refused to accept any immediate stockpile reduction until the US decides to forgo its binary weapons program. During the Malta Summit, Bush agreed to abandon production of binary chemical weapons. At the same time, Bush proposed that the two sides sign a bi-lateral agreement on CW destruction. [*Defense News*, 12/11/89, p.4]

Outstanding Issues

Outlawing the development, transfer, production, and use of chemical weapons is a complex process, and many outstanding obstacles to concluding an agreement exist. These include:

- the problem that chemical weapons can be clandestinely produced by civilian chemical industries;
- clandestinely produced weapons can be stockpiled and hidden in small areas;
- how to deal with the dual use characteristics of chemicals, since chemicals used in weaponry have legitimate uses in industry and for health purposes (e.g., thiodiglycol, a chemical of ball-point pen ink, creates mustard gas when mixed with hydrochloric acid; phosphorus oxychloride is an ingredient of pesticides, hydraulic fluid, and the nerve gas Tabun. [*Stanford Journal of International Law*, Vol. 25, Spring 1989, p. 656];
- how to allow for on-site inspections so that sensitive military facilities and propriety information of chemical industries is not compromised ;
- how to prevent the spread of chemical weapons amongst those countries that refuse to sign the Treaty; and
- the fact that the US and USSR differ on their assessments of the Soviet chemical weapons stockpile: the US suspects the Soviets have produced and stored 300,000 tons of chemical weapons. The Soviets claim they only have 50,000 tons. [*Washington Times*, 11/8/89, p. A7] While US estimates may be a bit exaggerated, the uncertainty of just how large the Soviet stockpile is shows the complex verification problems involved in these negotiations.

Analysis

Lewis Dunn, former Assistant Director of the Arms Control and Disarmament Agency, outlines some of these difficult issues in a recent article:

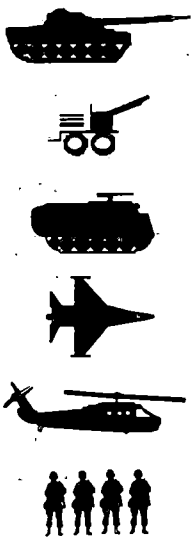
> "Many technical analysts believe that a legitimate civilian facility could be switched to production of super-toxic chemical agents and back in twelve hours or, at most, days, without too much difficulty and without a high risk of detection.
>
> "Nor can necessary prompt and unfettered access to a plant be assumed.
>
> "Chemical weapons plants can be hidden within the larger industrial fabric." [*Survival*, V. 31, 5/6/89, p. 215]

Even before the formal opening of negotiations, Mikhail Gorbachev announced that the Soviets would reduce unilaterally some conventional forces in Eastern Europe. According to Gorbachev, tanks would be reduced by 10,000, artillery systems by 8,500, combat aircraft by 800, and certain assault river crossing and landing formations would also be withdrawn. [General John Galvin, "Some Thoughts on Conventional Arms Control," *Survival*, V. 31, 3-4/89, p. 99] These reductions set the political stage for the formal opening of negotiations.

Current Status

The current treaty under consideration is based on the revised CFE package introduced by NATO on July 13, 1989. The draft treaty proposes limiting the numbers of weapons and manpower in general, with more specific limitations on the numbers and types of forces permitted in certain geographical regions. The package includes five types of limits. [All of the data below is from: *CFE: Negotiation on Conventional Armed Forces in Europe*, US Arms Control and Disarmament Agency, 1989]

1. **Overall Numerical Limits:** sets a cap on the overall total of NATO and Warsaw Pact conventional forces. [Note the numerical differences regarding artillery, manpower, combat aircraft and attack helicopters.]



	NATO PROPOSAL	WARSAW PACT PROPOSAL
Main Battle Tanks	40,000	40,000
Artillery	33,000	48,000
Armored Troop Carriers	56,000	56,000
Combat Aircraft*	11,400	3,000
Combat Helicopters	3,800	3,400
Manpower	NATO proposal addresses U.S. and Soviet manpower only, with U.S. and Soviet ground and air stationed manpower levels in Europe to be limited to 275,000 each.	2,700,000

*NATO's proposed ceiling refers to total NATO and Warsaw Pact holdings of permanently land-based, combat-capable aircraft. The Warsaw Pact proposal includes bombers, fighter bombers, and attack aircraft.

2. **Equal Limits in Europe from the Atlantic to the Urals.** NATO and the Warsaw Pact have set out limits of weapons systems within the Atlantic to the Urals zone.

	NATO PROPOSAL	WARSAW PACT PROPOSAL
Main Battle Tanks	20,000	20,000
Artillery	16,500	24,000
Armored Troop Carriers	28,000	28,000
Combat Aircraft*	5,700	1,500 4,700**
Combat Helicopters	1,900	1,700 1,900**
Manpower	NATO proposal addresses U.S. and Soviet manpower only, with U.S. and Soviet ground and air stationed manpower levels in Europe to be limited to 275,000 each.	1,350,000

*NATO's proposed ceiling refers to total NATO and Warsaw Pact holdings of permanently land-based, combat-capable aircraft. The Warsaw Pact proposal includes bombers, fighter bombers, and attack aircraft.

**updated figures from Jane's Defense Weekly, 1/13/90, p.73

3. **Sufficiency limits:** The two sides agree in principle that no one country should have more than a specific percentage (NATO proposes 30%; Warsaw Pact proposes 35-40%) of the overall limits.

	NATO PROPOSAL	WARSAW PACT PROPOSAL
Main Battle Tanks	12,000	14,000
Artillery	10,000	17,000
Armored Troop Carriers	16,800	18,000
Combat Aircraft	NATO has proposed a ceiling of 3,420 for holdings by individual members of NATO and the Warsaw Pact of permanently land-based, combat-capable aircraft. This figure reflects a broader definition of combat aircraft than that used by the Warsaw Pact which has proposed a ceiling of 1,200 for "strike" aircraft only.	
Combat Helicopters	1,140	1,350
Manpower	NATO proposal addresses U.S. and Soviet manpower only, with U.S. and Soviet ground and air stationed manpower levels in Europe to be limited to 275,000 each.	920,000

*NATO's ceiling would limit permanently land-based, combat-capable aircraft. The Warsaw Pact definition of combat aircraft includes bombers, fighter bombers, and attack aircraft.

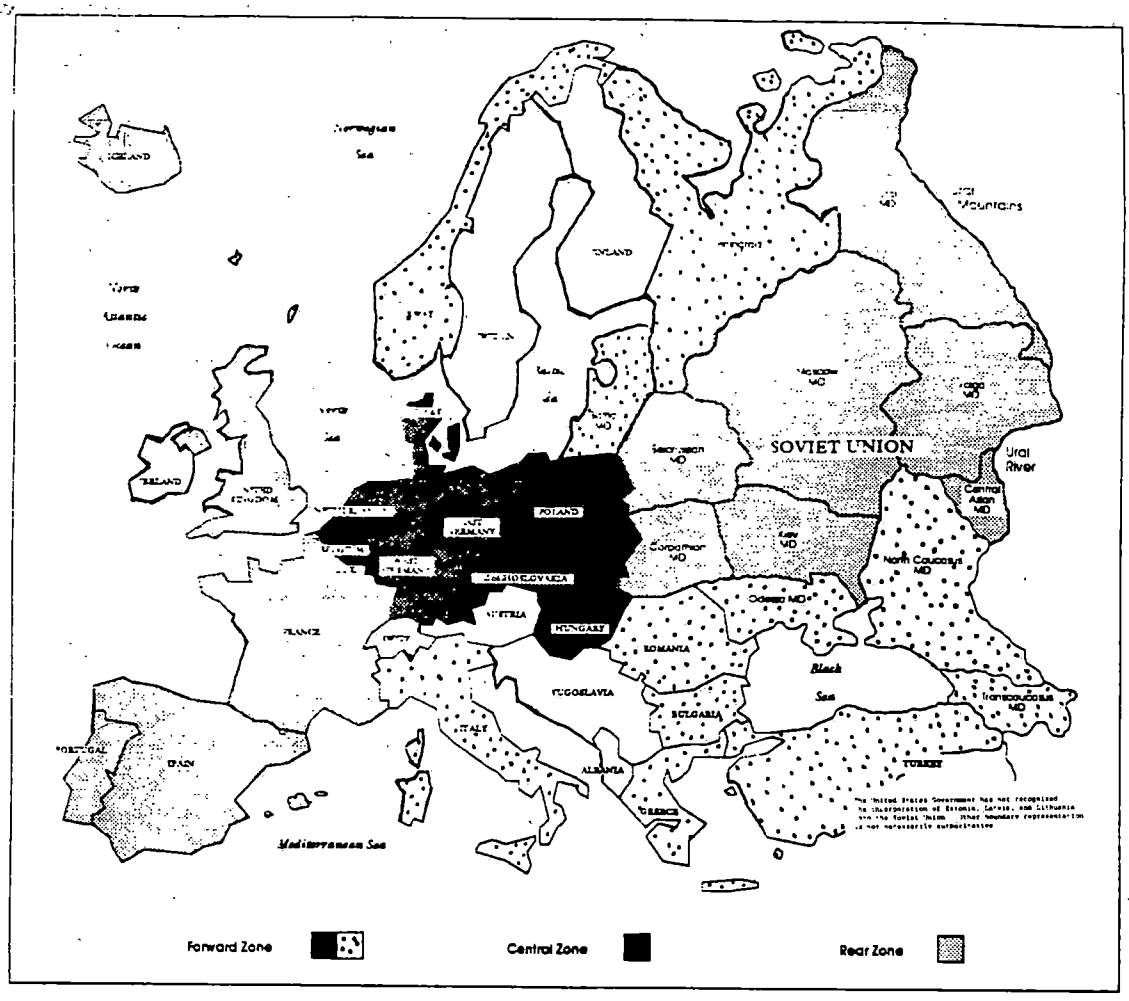
4. **Stationed forces limits:** The US and Soviet Union also agree in principle to limit the number of forces they can station on "foreign territory."

	NATO PROPOSAL	WARSAW PACT PROPOSAL
Main Battle Tanks	3,200 (active units only)	4,500 (in active units and stored)
Artillery	1,700 (active units only)	4,000 (in active units and stored)
Armored Troop Carriers	6,000 (active units only)	7,500 (in active units and stored)
Combat Aircraft	N/A*	350 ("strike" aircraft only)
Combat Helicopters	N/A*	600
Manpower	275,000 (U.S. and Soviet ground/air forces only)	350,000

5. **Subregions:** Each side has also agreed, in principle, to geographical sublimits — the larger the zone, the more forces allowed; the smaller the zone, the less forces allowed. The sub-region proposal is meant to prevent redeployment of forces withdrawn from one area to another.

Subregion Proposals: Soviet Union-Warsaw Pact

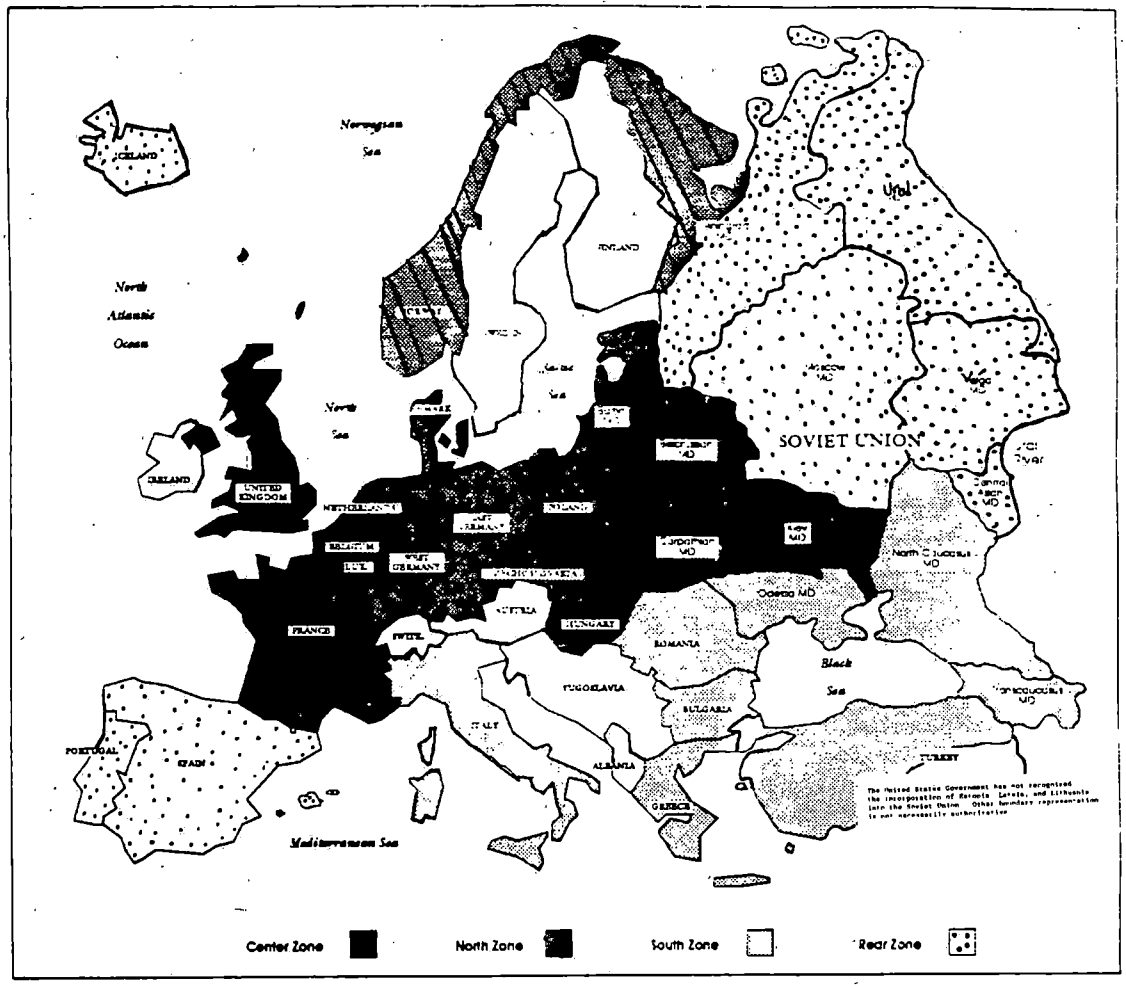
The Soviet-Warsaw Pact has made two subregion proposals; one in May 1989 which divided Europe into three zones (Central, Forward, and Rear) and one in June 1989 which divided Europe into four zones (North, Center, South, and Rear).



In May, the Warsaw Pact proposed the following regional sub-ceilings for three geographic sub-regions:

Categories	Central Zone	Forward Zone (includes Central Zone)	Rear Zone
Tanks	8,700	16,000	4,000
Artillery	7,600	16,500	7,500
Armored Troop Carriers	14,500	20,500	7,500
Aircraft	420	1,100	400
Helicopters	800	1,300	400
Manpower	570,000	1,000,000	350,000

The Soviet-Warsaw Pact Alternative Proposal



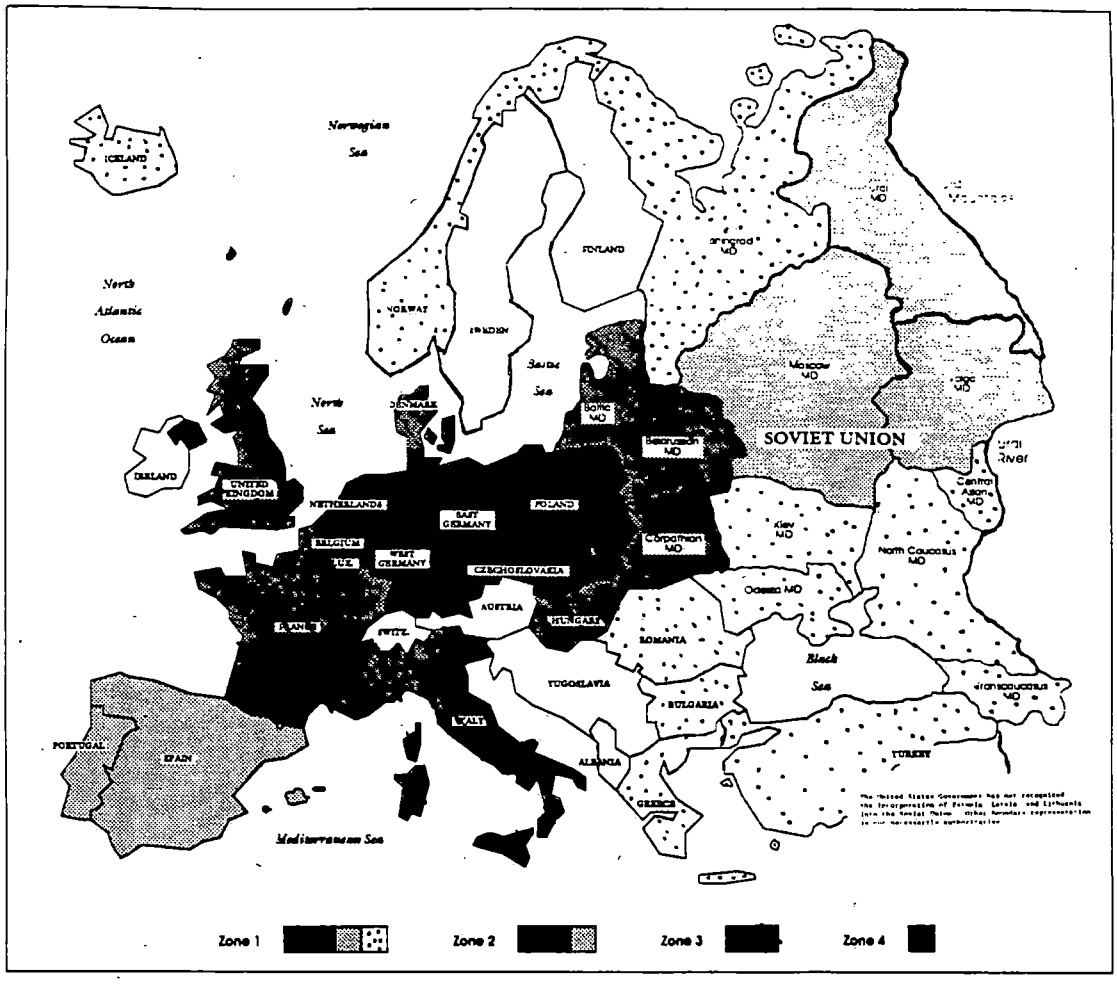
On June 29, the Warsaw Pact tabled an alternative regional approach with sub-ceilings:

Categories	North	Center	South	Rear
Tanks	200	13,300	5,200	1,300
Artillery	1,000	11,500	8,500	3,000
Armored Troop Carriers	150	20,750	5,750	1,350
Aircraft	30	1,120	290	60
Helicopters	30	1,250	360	60
Manpower	20,000	910,000	270,000	150,000

[*CFE: Negotiation on Conventional Armed forces in Europe*, US Arms Control and Disarmament Agency, 1989]

The US-Nato Subregion Proposal

NATO has defined not only the regions but also the maximum number of forces allowed in each of four zones as follows:



On March 9, NATO proposed the following interlocking regional sub-ceilings for four geographic sub-regions to prevent redeployment of forces withdrawn from one part of the area of application to another:

Categories	Zone 1 (includes Zones 2, 3 & 4)	Zone 2 [a] (includes Zones 3 & 4)	Zone 3 [a] (includes Zone 4)	Zone 4 [a]
Tanks	20,000	11,300	10,300	8,000
Artillery	16,500	9,000	7,600	4,500
Armored Troop Carriers	28,000 [b]	20,000	18,000	11,000
Combat Aircraft	5,700 [c]	N/A [d]	N/A [d]	N/A [d]
Combat Helicopters	1,900 [c]	N/A [d]	N/A [d]	N/A [d]
Manpower	— [e]	— [e]	— [e]	— [e]

[a] Active units only
[b] Of which no more than 12,000 would be Armored Infantry Fighting Vehicles
[c] Land-based combat aircraft/helicopters
[d] Due to the extreme mobility and speed of aircraft and helicopters, NATO has not proposed regional sub-ceilings or ceilings of stationed equipment
[e] NATO proposed a stationed overall manpower limit of 275,000 each for the U.S. and USSR

[*CFE: Negotiation on Conventional Armed Forces in Europe*, US Arms Control and Disarmament Agency, 1989]

Most recent developments include proposals from both sides involving verification measures. The two sides appear to agree on the need to exchange information on numbers and locations of forces and weapons systems, but the two sides disagree on details regarding on-site and suspect-site inspection procedures. [*Wall Street Journal*, 9/22/89, p. A10; *Washington Times*, 9/22/89, p. A8; *Washington Post*, 9/22/89, p. A33]

Finally, in a departure from the past, the Soviets recently agreed to limit their "front-line" fighters, reconnaissance, and electronic warfare aircraft. While this announcement may bring the two sides closer than before on the aircraft issue, this issue, as well as many others, are far from being resolved.

Outstanding Issues

The important outstanding issues include:

1. How to deal with Soviet air defense interceptors?

The Soviets have recently proposed that there be a separate ceiling on interceptor aircraft. This is a far cry from their original position, stated by Soviet arms control Ambassador Oleg Grinevsky, that interceptors be excluded from limits because, "they have no ground attack capability and are not part of the surprise attack potential." [*Defense News*, 10/2/89, p. 16] But the West has yet to see just what these separate ceilings are, which interceptors would be included and whether any would be excluded from the separate ceiling. And, the Soviet aircraft proposal excludes land-based naval air forces, combat-capable trainers, and Backfire bombers, for a total of some 6,000 aircraft. Clearly, the US cannot allow the Soviets to retain these systems without maintaining comparable forces.

2. Details of verification

Verifying conventional forces may be more difficult than verifying nuclear forces, since conventional arms are smaller, larger in number, more mobile, and easily camouflaged. And while the sides agree on basic principles, such as data exchange, the procedures for implementing on-site and suspect-site inspections are open to debate. [Thomas J. Marshall, "New Openings for Conventional Arms Control," *Parameters*, V. 19, 6/89, p. 82] To make matters worse, NATO allies disagree amongst themselves over verification measures regarding notification requirements of arms and troop movements and whether to allow constant monitoring of arms production and key weapons transfer points. [*Washington Post*, 9/8/89, p. A30]

3. Defining other treaty limited items

So far, the two sides have failed to find common ground in defining every type of weapon system to be limited. For instance, the problem of distinguishing light from main battle tanks will be the focus of the upcoming new round of negotiations that began on January 12. [*Defense News*, 1/1/90, p. 3]

4. Zonal limitations

The two sides have different ideas on not only the number of zones but also regarding the numbers of forces allowed in each zone.

5. How to resolve the production issue

For instance, no greater than a particular number of tanks is allowed in any particular region. How would this impact on tanks rolling off the production line in these regions?

6. What to do about stored equipment

NATO wants to exclude stored equipment from CFE's limits to compensate for its geographical distance from Western Europe to protect its reinforcement capability. The stored equipment, according to NATO's proposal, could be disassembled, with some of the components stored at different locations. [*Defense News*, 7/3/89, p. 3] Thus far, the Soviets want to include stored equipment. To resolve this issue, the West proposed that the Soviets store equipment in Poland, but Poland flatly refused.

7. How to implement required reductions

Of course, both sides would prefer getting rid of older systems and leaving newer systems intact. However, NATO has already experienced differences over which nations should give up its older forces to be replaced by more modern ones. For instance, Turkey has objected to allowing Greece to have more modern weapons. And, in general, the question of what forces and how many forces should be reduced raises issues of how to restructure NATO's military forces.

Analysis

First things first. Let's examine the Soviet unilateral proposal which many arms control enthusiasts immediately applauded. To date, the Soviets have begun moving out some of their armaments and personnel from Eastern Europe. However, these arms and troops are only being redeployed to other areas. So, the unilateral reduction hailed as a significant Soviet move toward "genuine" arms control is really a ruse. For instance, the 69th Motorized Rifle Regiment has been reassigned to a new command. And other equipment and units, critical to military readiness, will remain in Eastern Europe: infantry fighting vehicles and communications, maintenance and medical troops. [*New York Times*, 8/9/89, p. 10; *Washington Post*, 8/9/89, p. A14; *US News and World Report*, 11/6/89, p. 54] Finally, the 5,000 tanks to be withdrawn from Eastern Europe were merely redeployed outside the Atlantic-to-the-Urals zone to bases and storage behind the Ural Mountains. [*Backgrounder*, The Heritage Foundation, No. 118, 10/26/89, p. 1]

And recently, the Soviets pledged to reduce their tank production by 50% over the next five years. But according to Les Aspin, while the number of Soviet tanks may decline, the remaining force is becoming more "formidable" with the addition of three layers of reactive armor — explosive boxes that deflect most anti-tank missiles. [*National Journal*, 10/14/89, p. 2533] US Secretary of Defense Dick Cheney accurately described the cosmetic changes taking place when he stated that, "The net result [of these reductions] is likely to be a leaner and meaner Soviet military establishment, one that is every bit as capable as their current forces, if somewhat restructured and with a slightly different set of priorities." [*Washington Times*, 9/14/89, p. A5]

And while East Germany began dismantling its old T-55A tanks for conversion into other vehicles, Soviet tank production has hit an all-time high. [Reuter Wire News, from: *Current News*, 6/16/89, p. 2] For instance, T-80 tank production for last year totaled 3,500, while tank production for the first quarter of this year totaled 4,200. [*Washington Times*, 5/8/89, p. 1] Although there are

some reports that Soviet tank production has recently tapered off, many military officials state that even if tank production stopped today, the Soviets have produced enough new T-80 tanks to replace some 10,000 old T-55 and T-62 tanks, leaving them with a more modern and more powerful military force.

Further, the potential for concluding a destabilizing agreement exists if the US concedes on several of the important outstanding issues, such as the interceptor question, the geographical zones and numbers of forces allowed in each zone, and verification measures. For obvious reasons, the US cannot give in to an agreement that allows the Soviets to maintain their air defense interceptor capability, that establishes a zonal limit which the Soviets can exploit to jeopardize Western security, and that creates verification uncertainties.

Prospects For A Future Agreement

During the NATO Summit in May 1989, President Bush stated enthusiastically that a CFE agreement could be signed within a year. And Bush was just as optimistic at the Malta meeting proposing signing of a CFE Agreement by Fall, 1990. Here we go again, setting internal deadlines that can only be harmful to the prospects of achieving an equitable, stabilizing CFE agreement. And even if the outstanding issues described above are resolved in short order, there are a list of other potential obstacles to reaching an agreement within a year. These include:

- **French and British troops**
  The Soviets have already said that the more than 100,000 French and British troops stationed in West Germany could complicate the manpower reductions Bush has proposed. The Soviets claim these troops should also be included in the overall troop level for the West. But the manpower limits proposed by the US are aimed at reducing the military presence of the US and the Soviet Union in Western Europe and Eastern Europe respectively.

- **What to do about French and British aircraft**
  Neither country wants its dual capable aircraft limited by CFE on the same grounds as above: they provide the independent nuclear capability for France and Britain, and are not under the NATO alliance's control. Such a Soviet demand would be unacceptable.

- **What to do about the Soviet Backfire bomber**
  During the SALT II negotiations, the Soviets argued that Backfire was a modernized medium-range bomber and should be excluded from the Treaty's limits. As a medium-range bomber, however, the Backfire should be captured by a CFE Agreement. The US has supposedly raised the Backfire bomber issue with the Soviets in the negotiations, but has been unsuccessful in convincing the Soviets that it should be limited by a CFE agreement.

- **The relationship between a CFE agreement and short-range nuclear force negotiations.**
  The Soviets can be expected to continue pushing for short-range nuclear force negotiations [see section on SNF Negotiations], to place greater pressure on already strained relations within the NATO alliance.

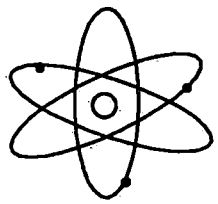
- **The Soviet insistence that naval force reductions be negotiated or else "no drastic reductions of the armed forces and armaments in the world will be possible."**

  The Soviets realize that limiting US naval forces would strangle the US from vital sea lanes. The US capability to reinforce NATO via sea lift could be jeopardized. [*New York Times*, 7/25/89, p. A5; 7/31/89, p. A15; *Washington Post*, 6/1/89, p. A33; *Baltimore Sun*, 7/26/89, p. 14] The US cannot give in to such a Soviet demand.

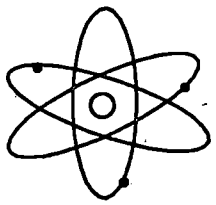
While this lengthy list of negotiating problems and outstanding issues makes completion of a CFE Agreement by next year highly unlikely, there is no telling how quickly these issues could be resolved given the political push to complete a treaty by 1990.

Perhaps the most important consideration for concluding a CFE agreement is the impact of reductions on NATO's strategy and ability to defined against attack. NATO has already embarked upon an analysis of what a post-CFE environment would look like, and the types of forces necessary to maintain deterrence. Talk of further reductions — a CFE-II agreement that would entail more extensive limits on manpower — have already surfaced.

Before the West leaps into a CFE I agreement, however, it would be prudent to have a Western consensus about how NATO can and will deal with a post-CFE environment and a commitment regarding force structure and modernizations. From a purely US stance, the desire for a quick agreement, as well as supposed cost savings from bringing troops home from Europe, must take a back seat to the more important issues of force requirements and strategy.



Nuclear Testing Talks



Goals And Overall Provisions

The goal of the Nuclear Testing Talks (NTT) is to create acceptable verification procedures for two treaties: the Threshold Test Ban Treaty (TTBT) and the Peaceful Nuclear Explosions Treaty (PNET).

History

In 1974, the US and USSR signed the Threshold Test Ban Treaty, which restricts underground nuclear tests to a 150 kiloton limit (150,000 tons of TNT). In 1976, the Peaceful Nuclear Explosions Treaty, which restricts underground nuclear tests for peaceful purposes also to a 150 kiloton level, was signed. But these treaties are still awaiting ratification until more accurate verification measures are hammered out. The concern is that past verification measures could be off by a factor of two, meaning that a Soviet test estimated by the US to be 150 kilotons could actually be as low as 75

kilotons or as high as 300 kilotons. [*Comparative Strategy*, Vol. 8, No. 2, 1989, p. 216] Much progress has been made recently in establishing more stringent verification measures, thus increasing the likelihood of ratification by easing concerns over data errors.

Current Status

The negotiations have revolved around finding verification measures for two types of underground tests: those conducted in vertical holes and those conducted in horizontal tunnels. During their meeting in September 1989 at Jackson Hole, Wyoming, the US and USSR agreed to:

- on-site inspections of tests in vertical holes whose explosions would exceed 35 kilotons;
- monitoring of at least two blasts a year for five years; one blast a year thereafter; and
- monitoring by either seismic sensors or electronic cables when a detonation is anticipated to exceed 50 kilotons.

This final provision is important because it was a product of the 1988 Joint Verification Experiment (JVE) when the US and USSR monitored each other's nuclear tests. Both sides, however, used different methods to verify the tests. The Soviets claimed that traditional seismic methods could provide effective verification, while the US favored on-site test measurements. The Soviet method involves placing seismic devices hundreds of miles from the test site to measure the shock wave from a nuclear explosion as it moves through the earth. The US' method, called CORRTEX, relies on a cable inserted into the ground only a short distance away from the test site. The strength of a nuclear blast would be measured by how quickly the cable is crushed. [*New York Times*, 8/9/89, p. 11] Until recently, each side believed its scheme was superior to the other's and neither was willing to accept the other's method.

At the end of the last round of nuclear testing negotiations, the Soviets accepted the US' demand for CORRTEX monitoring, so long as the US agreed to the Soviet demand for seismic monitoring. [*New York Times*, 8/9/89, p. 11] The negotiations began again on October 2, 1989 when the US agreed to the Soviet proposal that each use its preferred method of verification. [*Philadelphia Inquirer*, 10/3/89, p. 9]

Outstanding Issues

Unlike the other negotiations, only a few outstanding issues remain regarding the TTBT and PNET. One involves inspection procedures for tests in horizontal tunnels, the details of which have not been reported. [Washington Post, 9/27/89, p. A44] But a second issue could stall negotiations at any time. When President Bush assumed office, he pledged to go further in the NTT talks — that once an agreement was ratified, even more restrictive testing provisions, with the goal of eventually ending nuclear testing altogether, could be negotiated. [*Fiscal Year 1990 Arms Control Impact Statement*, 3/89, p. 13] The Soviets could demand that the US begin negotiations on a comprehensive test ban before signing the agreed verification protocols for the NTT. In fact, the Soviets recently renewed a call for such a testing moratorium. [*Washington Post*, 9/27/89, p. A44] However, with both sides claiming that an agreement would be ready for signature during the superpower summit in summer 1990, the Soviets will probably wait until the treaties are ratified before proposing further testing limits.

Analysis

There are several reasons why continued nuclear testing below the TTBT's limits is vital to US national security:

- Testing enhances deterrence by ensuring that our forces will work;
- Underground tests provide the US with information regarding nuclear weapons effects and their impact on military systems;
- Testing allows the US to improve the safety and security of nuclear systems; and
- Testing protects against technological surprises from the enemy.

Prospects For Future

Observers both in and out of government remain confident, especially given President Bush's comments, that the verification protocols to the TTBT and PNET agreements could be signed by Gorbachev and Bush at their upcoming Washington summit in 1990. This means the Treaty could make it to the Senate floor by the summer or fall of next year. When a Treaty does reach the Senate floor, the following issues must be addressed:

- that the verification measures will prevent both sides from exceeding the threshold limit; and
- that the treaty threshold is high enough for US to continue its necessary nuclear testing program.

Recently Concluded Agreements

Intermediate Range Nuclear Forces (INF) Treaty Implementation



The Agreement

Under the terms of the INF Treaty, a whole class of nuclear weapons (those with ranges between 300 and 3,400 miles) were eliminated.

History

On December 8, 1987, the US and USSR signed the INF Treaty after six years of negotiations. The Treaty was ratified by the US Senate and entered into force on June 1, 1988. [US Arms Control and Disarmament Agency, Office of Public Affairs, 1988; For more information on the INF Treaty's provisions, see "The INF Treaty At A Glance," Republican Policy Committee, 12/14/87]

Current Status

As of December 23, 1989, nearly three quarters of the US and USSR INF missiles had been destroyed. All of the shorter range INF missiles have been eliminated, including 239 Soviet SS-23s and 718 SS-12s plus 169 US Pershing IAs.

The longer range systems that have been demolished include, for the Soviets, 80 nondeployed cruise missiles, 327 SS-20 missiles (out of a total 654), 100 SS-4s (out of a total 150) and all six SS-5s. The US has eliminated 50 of its 234 Pershing II and more than 170 of the 443 ground-launched cruise missile inventory. [*Washington Post*, 12/23/89, p.A5]

During the 18 months since the Treaty's been in effect, the superpowers have conducted extensive inspections: 117 by the Soviets and 282 by the Americans.

Analysis

The question of whether the Soviets are abiding by the INF Treaty was addressed in the December 2, 1988 President's Report on Soviet Noncompliance with Arms Control Agreements. This report outlined five possible Soviet violations of the INF Treaty since December 1987, including:

- detected movement of SS-20 missiles on launchers;
- failure to declare Treaty limited items and their locations in the initial update to the Memorandum of Understanding (MOU);
- unnotified movements of SS-20 training launchers;
- the removal of short-range missiles from an elimination facility; and
- the presence of declared Treaty limited items at non-declared locations;

[*The President's Unclassified Report on Soviet Noncompliance with Arms Control Agreements*, 12/2/88, pp. 12-15]

According to the Report, the Soviets have either ceased their noncompliant behavior or they have stated their intent to resolve the issue — but only after repeated urging by the US in the Special Verification Commission (SVC) and through diplomatic channels.

But the potential for the Soviets violating the INF Treaty remains. Most recently, an American and a Soviet company are planning on jointly developing a commercial space rocket that would use a booster similar to the mobile SS-20 missile banned by the Treaty. The Soviets are planning on using facilities that formerly produced SS-20s to build the launch vehicle, thus making it more difficult for the US to monitor if the Soviets were building illegal SS-20 missiles. And START verification could also be complicated. The Soviets could produce a covert force of SS-25s and disguise them as commercial space launchers since the two would be virtually indistinguishable. [*Washington Times*, 9/13/89, p. A3; *Wall Street Journal*, 8/7/89, p. A18] Yet another potential problem is accurately monitoring whether destroyed missiles remain destroyed and/or are being used for seemingly innocuous purposes.

For instance, US observers found examples of "inadvertent" Soviet violations of the INF Treaty. Soviet SS-23 missile launchers, that were destroyed by sawing off the ends, were found welded back together. The Soviets said they were merely preparing the launchers to haul lumber, and subsequently agreed to cut the ends off. [*Wall Street Journal*, 11/9/89, p. A12] These situations highlight the need to constantly monitor, question, and scrutinize Soviet actions to preserve the integrity of the INF Treaty.

Possible Future Negotiations/Treaties

Short-Range Nuclear Force (SNF) Negotiations



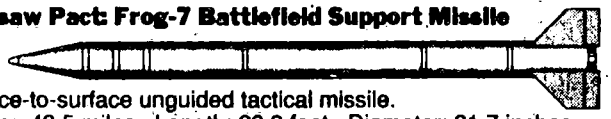
What The Treaty Might Look Like

Short-range nuclear forces have ranges up to 300 miles, and thus are not covered by the Intermediate Range Nuclear Force Treaty (INF Treaty). Ideas for SNF arms control treaties range from reducing to completely eliminating these forces.

History

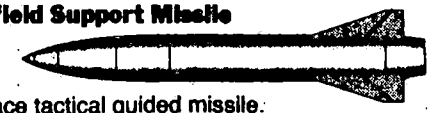
A long-time Soviet goal is to de-nuclearize NATO. Over the last two decades, the Soviets have continuously called for eliminating nuclear forces in Europe. After the INF Treaty was signed, the Soviets stepped up their calls for a nuclear free Europe. The most effective one came some five months after General Secretary Mikhail Gorbachev announced unilateral reductions in Soviet conventional forces, when he offered to transfer 500 short-range nuclear warheads from Eastern Europe to the Soviet homeland. [*Washington Post*, 5/12/89, p. A1]

Warsaw Pact: Frog-7 Battlefield Support Missile



Surface-to-surface unguided tactical missile.
Range: 43.5 miles. Length: 29.9 feet. Diameter: 21.7 inches.

NATO: Lance Battlefield Support Missile



Mobile surface-to-surface tactical guided missile.
Range: 80.8 miles. Length: 20.1 feet. Diameter: 22 inches

The Soviet's timing was perfect: the issue of short-range nuclear force modernization and negotiations was threatening to tear the NATO Alliance apart during the impending NATO meeting of ministers; and Gorbachev's announcement lent further fuel to the fire. West Germany, Belgium, and Denmark opposed modernization and supported early SNF negotiations, while the US and Great Britain supported modernization and opposed early negotiations.

Prospects For A Future Agreement

The issue was resolved during the NATO Summit, when the Alliance agreed that SNF negotiations cannot be started until a conventional force agreement is signed and reductions implemented. While the SNF issue appears resolved, the Soviets continually resurface their demand for early SNF negotiations in the CFE negotiations, as well as in public. On July 7, 1989, Mikhail Gorbachev renewed calls for talks to eliminate short-range nuclear forces in Europe. [*Washington Post*, 7/7/89, p. 22; For a more thorough analysis of the SNF issue, see "NATO Nuclear Modernization: The Tension Between Military Need, Alliance Politics, and Arms Control," Republican Policy Committee, 4/26/89]

President Bush rejected Gorbachev's call for SNF negotiations, yet further pressure for SNF talks by the Soviets, combined with Allied desire for such talks, could prove unsettling in the future.

Anti-Satellite Weapons (ASAT)

What A Treaty Might Look Like

Anti-Satellite Weapons (ASATs) are deployed in space with the mission of destroying the enemy's satellites and protecting one's own satellites. A variety of proposals for controlling ASATs exist, ranging from limiting high altitude ASATs to eliminating ASATs altogether.

History

From 1978 until 1979, there were three rounds of ASAT negotiations. During the talks, the US proposed negotiating a comprehensive ASAT ban and a testing moratorium while negotiations were being conducted. The Soviets were unenthusiastic about the US proposal, probably because they were in the process of conducting tests on their own ASAT system at the time. The Soviet invasion of Afghanistan was the straw that broke the camel's back. ASAT negotiations never reopened after their December 1979 recess.

After extensive analyses and much consideration, the Reagan Administration decided to forgo negotiations on Anti-Satellite Weapons (ASATs), claiming that a treaty would harm US national security and would be unverifiable. President Reagan then pursued an ASAT program that successfully destroyed an aging satellite in 1985. The Miniature Homing Vehicle program, however, was abandoned when Congress banned further weapons tests in 1987.

Current Status

There are some in Congress who favor ASAT negotiations, and a treaty limiting ASAT capabilities, and even banning ASATs. The types of limits could include:

- banning ASATs capable of attacking high orbiting communications and missile warning satellites;

- confidence building measures, where each side would inform the other on its ASAT research projects;
- a ban on high altitude ASATs; or
- a complete ASAT ban.

[*Washington Times*, 5/11/89, p. A5; Senator Tom Harkin, "Star Wars: A Trojan Horse for ASATs," *Arms Control Today*, 3/89]

Analysis

Those who support ASAT arms control make the following arguments:

- The US would benefit from ASAT arms control;
- The US is becoming more and more dependent upon satellites, and ASAT limits would protect these satellites against Soviet attack;
- The Soviets have shown a willingness to negotiate on ASATs. They even recently invited US press and Congressmen to observe their laser facility in Sary Shagan. Those observers found that the radars' output, at only 20 kilowatts, was far too weak to kill a satellite. A satellite killer would need at least 1,000 times more power than the one examined at Sary Shagan. [*Los Angeles Times*, 7/13/89, p. 11] Since the assessment of a US need for an ASAT was based on an exaggerated threat that does not really exist, the US should forgo the ASAT program; and
- Another indication of Soviet interest in ASAT arms control is reflected by its unilateral moratorium on ASAT testing. If this doesn't show Soviet desire for an ASAT arms control agreement, what does?

Each of these arguments can be countered by the facts:

FACT: While the US may be becoming more dependent upon satellites, arms control is not the answer.

In fact, ASAT arms control will make US satellites more vulnerable, since it would allow the Soviets to maintain residual ASAT capabilities, through its ABM system and the knowledge gained by years of experience with its own ASAT system, while denying the US any such capability. The Soviets would thus be capable of blinding the US during a war, denying it critical information on troop locations, enemy targets, damage assessment — information essential to successful prosecution of war.

FACT: Of course the Soviets are willing to negotiate on ASATs — they are the only nation in the world with an operational ASAT capability to date.

Any ban would leave the Soviets with the working knowledge and the capability to deploy systems rapidly. And while the Soviets have not tested their ASAT capability in space for some time, they have still conducted laboratory tests using the SL-11 ASAT booster with other payloads,

thereby ensuring system reliability without having to test in space. [*Soviet Military Power*, US Department of Defense, 4/88, p. 65]

FACT: Yes, the Soviets did open up their laser facility at Sary Shagan to US observers.

And yes, these observers did say the laser had minimal ASAT capability. But, the observers were intentionally shown an old facility. In fact, according to intelligence community analyses, the Sary Shagan complex "contains other laser facilities which are much more advanced and which do present significant threats . . . Roughly a half-dozen major research and development facilities are involved with Soviet laser weapon research and development." [*Department of Defense Press Release*, 7/26/89] And, the Soviets are also suspected of having another ASAT facility at Dushanbe, near the Afghanistan border, which was not made available for US inspection. [*National Journal*, 8/5/89, p. 1993]

FACT: The arguments used to support an ASAT Treaty overlook a very important point: that the Soviets could easily cheat if an ASAT ban were negotiated.

The Soviets could easily circumvent any Treaty banning, or even partially limiting ASATs because ASATs are small and can be easily developed covertly. Thus, any cheating could very well escape US detection. [*Defense Daily*, 4/12/89, p. 61 and 3/16/89; *Washington Times*, 5/11/89, p. A5]

A quote from Edward Rowny, arms control adviser to President Bush says it all, "The Defense Department recently told Congress that our lack of a capability comparable to the Soviet ASAT, is one of the most serious US military deficiencies. We are unable to deter a Soviet ASAT attack by the threat of retaliating in kind. This critical deficiency means that the US is unable to protect its terrestrial forces...Doubters should take note: The case for a US anti-satellite capability encompasses more than just deterrence theory; it is essential for protecting the men and women of our armed forces." [*Los Angeles Times*, 7/18/89, p. 8]

Prospects For A Future Agreement

A treaty banning or even limiting ASATs is not high on the US arms control agenda. So it is unlikely we will see an ASAT agreement any time in the near future. Perhaps the most we should ask for regarding ASAT arms control is that the two sides begin developing certain confidence-building measures in the Defense and Space Negotiations forum, similar to those now being considered for the ABM Treaty.

New Approaches To Arms Limitations

Plutonium Production Ban

What The Agreement Would Look Like

In May 1989, the International Plutonium Control Act was introduced. The House bill, H.R. 2403 and the Senate companion bill, S. 1047, would block US plutonium and uranium production if the Soviet Union shuts down its plutonium and uranium plants.

Current Status

On April 7, 1989 the Soviet Union promised to stop producing weapons grade uranium in 1989 and to shut down two (out of at least 13) plutonium producing reactors by 1990. [*Washington Post*, 4/8/89, p. A1] Three months later the Soviets pledged to shut down all five old plutonium producing reactors at the Kyshtam Industrial Complex by 1991. [*Washington Post*, 7/9/89, p. A1] But even after the Soviets shut down these reactors, they will retain a substantial capability to produce new materials and to recycle materials from retired weapons. [*Washington Post*, 4/8/89, p. A14]

In contrast, the US shut off all production of uranium in 1964 and ceased plutonium production in August of 1988 when the last of four key reactors at Savannah River, South Carolina, was turned off. Thus the US has no plutonium production plants open today. And although it is scheduled to restore the Savannah River plant's production in early 1990, to produce both tritium and eventually, plutonium, safety issues will probably push that date far into the future. [*Washington Post*, 5/19/89, p. A21]

Analysis: A Plutonium Ban: Good Deal Or Bad?

The Bush Administration has stated clearly that a plutonium ban would not be in the US' interest, since:

- once such facilities are shut down, it will be difficult to restart them on a moment's notice if the US finds the Soviets are cheating;
- the US would be removing the capability to produce nuclear weapons at a time when the world still relies on keeping peace through deterrence by maintaining a nuclear weapons capability;
- verification of a Special Nuclear Materials (SNM) cutoff would be difficult, given the expansive Soviet SNM program. The fact that the Soviet program does not separate military and civilian facilities means it could quickly start up a military program using civilian facilities. However, since the US does separate its military from its civilian facilities, it would not have the same capability for quickly restarting a program; and

- ✈ a ban on SNM would not remove the threat from Soviet nuclear missiles. Only a START Agreement can do that. Instead, a plutonium ban would remove the US' ability to respond to future world environments and threats.

[*Statement by Kathleen Bailey*, Assistant Director, US Arms Control and Disarmament Agency on the International Plutonium Control Act, Before the Defense Nuclear Facilities Panel, House Armed Services Committee, 6/6/89, pp. 3-6; *Statement of Brigadier General Robert Linhard*, USAF, Deputy Director for Strategy and Policy, (J-5), Before the House of Representatives, Committee on Armed Services, Department of Energy Nuclear Facilities Panel on HR 2403, "International Plutonium Control Act," 6/6/89, pp. 1-6]

Prospects For A Future Agreement

The plutonium control act has a long way to go before a formal negotiating forum is established and an agreement is signed. While politically attractive, the concept itself could do much to harm US national security. The fact that there are no negotiations on this issue should tell us something — that a plutonium/tritium ban is considered a non-starter arms control issue.

Open Skies

Idea Behind The Concept

The open skies concept seeks to use aerial observation to gain important intelligence information about another side's armament, exercises, and the like.

History

In 1955, President Eisenhower called for an open skies agreement, where both superpowers would allow unimpeded surveillance of their territory. Eisenhower's proposal was proposed long before today's age of sophisticated surveillance satellites that observe Soviet military activities from space. But the progress of technology and the apparent Soviet policy of "openness" breathed new life into the open skies proposal.

On May 12, 1989, during a commencement speech before the graduating class of Texas A&M University, President Bush echoed Eisenhower's call for open skies, but on a grander scale. Bush's concept would include allies from both East and West, to provide greater scrutiny of each's activities, and, "would show the world the meaning of the concept of openness." This proposal was couched in terms of giving the Soviets the opportunity to prove their commitment to the openness, or glasnost we hear so much of today. [Text of Remarks Prepared for Delivery by President George Bush, Texas A&M University Commencement, 5/12/89, p. 137]

Current Status

There has been much talk, both in and out of government, about relying on open skies to verify the CFE agreement. On January 6, 1990, a Canadian aircraft flew over Hungary in a first trial run of the open skies measure. This success will be followed by a two week conference on Open Skies in Ottowa beginning on February 12, 1990. The conference will provide a forum for hammering out the details of an Open Skies agreement between the 23 nations of NTO and the Warsaw Pact.

Analysis

If an open skies agreement allowed unimpeded fly-overs to occur any time, any place, it would be a plus for verification. Such inspections could help not only confirm a Soviet willingness to openness, but also would be a significant verification asset for future arms control agreements because:

- ✈ aircraft can hover over a "problem" area for long periods of time. They can also fly around or below clouds to observe movement from different angles. The result: more precise data on the nature and type of movement occurring in the Soviet Union and Eastern Europe can be obtained; and
- ✈ aircraft observation could assist in verifying difficult treaty terms, such as weapons destruction, withdrawals, or even troop movements, all of which are nearly impossible to monitor today.

Information gained through overflights would serve very well the purposes of early warning of an impending attack. It would also serve to improve US understanding of Soviet technology and developments, but could not, on its own, provide reliable verification of arms control treaties. [*Washington Times*, 7/18/89, p. 5] However, when combined with other intelligence assets for verification (satellite observation and on-site inspections) Open Skies can help increase confidence in monitoring compliance with treaties.

Conclusion

With the rapid pace of change in Eastern Europe, it is fatuous to attempt a summing up at this time. This paper reviews the history of recent negotiations; it tells you where we've been and what — under the old order — remained as outstanding issues. Many of what appeared to be the real tough nuts to crack may prove less difficult in light of political changes in Europe.

But, arms control agreements have consequences for future weapons development and strategic planning that are often unforeseen at the time of their signing. The SALT agreements, for example, led us to the era of huge multiple warhead missiles that have become a destabilizing first strike target. Thus any rush to either "reward" the Soviets for apparent progress toward democracy or to cash in on the "peace dividend" should be checked by hard thinking about the impact on future requirements for U.S. security. These issues will be the topic of a future Policy Committee paper.

Staff contact: Yvonne Bartoli, 224-2946

THE WHITE HOUSE

Office of the Press Secretary

Chriss Winston
Room 122 OEOB
7 copies

PRESS BRIEFING
BY
MARLIN FITZWATER

May 1, 1990

The Briefing Room

11:41 A.M. EDT

INDEX

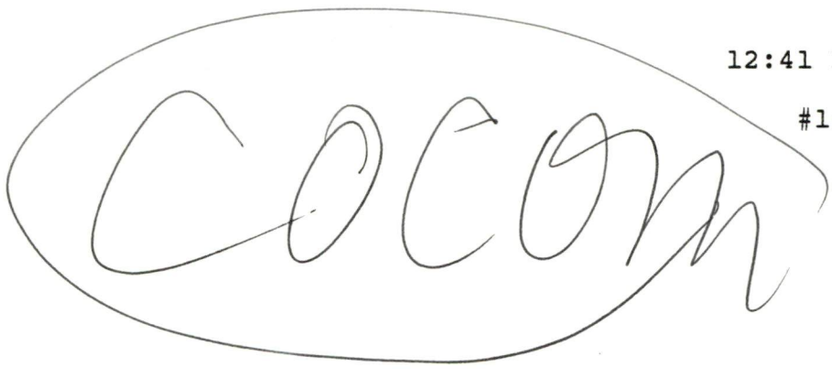
SUBJECT PAGE

ANNOUNCEMENTS

President's Amended Tax Information.....1-2
Travel to Oklahoma.....2-3
Index of Leading Indicators.....3
Statement on COCOM.....3-16

FOREIGN

Hostages/Israel.....15, 18-19
Lithuania.....16-19
Canada/St. Regis Reservation Hostilities.....18
Gorbachev-Bush Summit.....20-21



12:41 P.M. EDT

#196-05/02

THE WHITE HOUSE

Office of the Press Secretary

PRESS BRIEFING
BY
MARLIN FITZWATER

May 2, 1990

The Briefing Room

11:41 A.M. EDT

MR. FITZWATER: Since we went ahead and handed this out, let me do this first and take care of it. Then we've got some other things to do. First of all, the attorneys for President Bush discovered on April 19th that there was deferred compensation which had not been reported and, therefore, the President is today filing an amended tax return, which you have in your possession.

I would ask you to turn to the second page of this -- this one here that's got the language here. And this is a description of why we're filing the amended return. This says, in effect, that as an employee of the Zapata Corporation, which he left in 1962, he received deferred compensation which he would begin receiving when he reached age 65. He reached age 65 on June 12 and elected to take that compensation in terms of a life insurance policy which, indeed, had cash value. A 1099 was not transmitted to the President in association with that and, therefore, it was not discovered.

Nevertheless, it does have cash value which has to be reported. And if you will look at this page, which is essentially all there is to it, you'll notice that the first number is $26,250, which is line number one, which is the total value of the compensation of that life insurance policy. It's the page here that has the President's signature at the bottom. It says Amended U.S. Individual Income Tax Return. I assume it's page one, very front. Number one, first thing you're looking at. You can't miss it.

The $26,250 under column B. You see column B? All right, then the next line, line three, is $26,250. The next line says minus $525. In recalculating his total deductions, which is the second page of your package -- simply a recalculation page of his deductions based upon the new income, he lost $525 in deductions. Therefore, that becomes income which has to be added on to the $26,250. Thus, the total amended income is $26,775, as shown on line five.

Q How did he lose that $525?

MR. FITZWATER: The $525 is lost deduction by virtue of the additional income. And the calculation for that is on the second page, if you want to go through it -- third page, I'm sorry. But it's just a mathematical calculation and it relates to basically -- you see on line 23 --

Q I don't understand this.

MR. FITZWATER: Well, let me explain this to you in that case. For the benefit of Terry Hunt, look at line 23 on page three. It has "multiply the amount of Form 1040, line 32 by two percent." Well, when you change the amount of his income, line 32 changes, and when you remultiply the two percent it comes out to be $525 different

than it did the first time. Are you with me? All right.

Q Marlin, does he have to pay a penalty for late --

MR. FITZWATER: Let me come to that, my man. That's a very good question. (Laughter.)

Line seven is $26,000 -- so the new tax on this is $7,497. Thus, the President is today sending the IRS $7,497 in additional taxes for this income. In addition to that, he is sending $40.77 which is the interest on this unpaid tax for an accrued amount of time of approximately 15 days. All of which goes to show that --

Q He should have filed an extension in the first place. (Laughter.)

MR. FITZWATER: And there's no penalty involved because it was a reasonable -- what's the term here -- a reasonable --

Q There was no fraud involved.

MR. FITZWATER: No penalty involved due to reasonable cause.

Q No penalty involved for not reporting it the first time, but what about not withholding the money? He's beyond the limit of how much you're allowed to under-withhold by going here. He was just under that with his previous --

MR. FITZWATER: I don't know. Lawyers say no reasonable cause and no penalty. But he does pay the interest.

All right. Any questions on this?

Q No.

Q Is he outraged by this terrible screw-up? (Laughter.)

Q Did he fire anybody?

Q Will there be an investigation?

MR. FITZWATER: The President wants to do what's right and pay that tax. So his total tax is now $108,000 -- more than my annual salary by a sizable amount.

Q That's what it amounts to now --$108,000?

MR. FITZWATER: The total amount now of his taxes would be $108,879.

Moving on quickly. Friday, we travel to Oklahoma -- Stillwater, Oklahoma -- to address the Oklahoma State University commencement at 2:00 p.m. in the afternoon. Then on to Tulsa for a GOP fundraising reception at 6:00 p.m. And at 6:30 p.m. he will address the Oklahoma Foundation for Excellence dinner. This is a group of business leaders in Oklahoma who have established a foundation to award teaching excellence. They give three $5,000 teacher awards, one $5,000 administrator award, and they honor some 100 students from across the state.

Q Due to the lateness of the hour, we'll we have an advance text on these speeches?

MR. FITZWATER: We will try to have an advance text on all speeches, yes.

Q Marlin, do you know the theme of --

MR. FITZWATER: We'll have a statement today.

Pardon?

Q Do you know the theme of the main address?

MR. FITZWATER: The main address -- the commencement address will be on foreign policy, but I don't have any specifics.

Q Broken any new ground or any new wind or anything --

MR. FITZWATER: I can't say for sure yet; I have not seen it. Every speech -- all speeches are newsworthy and important. This one certainly will be in that category.

The Index of Leading Indicators rose .9 percent in March, rebounding from a one percent decline in the previous month. Positive contributions were made by contracts and orders for plant and equipment, the change in sensitive materials prices, new orders for consumer goods, stock prices, vendor performance, and weekly claims for unemployment insurance. The leading indicators show the economy continues to grow and offers the promise of moderate performance in the months ahead.

Q Why is everybody worried about the economy if it's so great?

MR. FITZWATER: I'm not. The economy is doing very well.

Q Man on the street is worried.

MR. FITZWATER: The economy is still producing jobs. The unemployment rate is the lowest in 15 years. Inflation is low, running at around five percent.

Q Nine percent.

MR. FITZWATER: That's only at a monthly basis.

Q Do you think it is progressing, you say?

MR. FITZWATER: The economy is stable.

Q But not static. (Laughter.)

MR. FITZWATER: Let me announce also the presidential decision on COCOM. I'd like to read you a statement simply because I just put this together from notes, and we're having it typed up now and have this for you soon after the briefing. And we do have a fact sheet that will give you more detail as well. Is the fact sheet ready to go, do you know? Why don't we go ahead and hand out the fact sheet and they can look at that as they listen to me talk.

The President is recommending to the Coordinating Committee for Multilateral Export Controls, COCOM, that significant changes be made in the list of technologies subject to export control. For over 40 years, COCOM controls have helped the allies protect our technological achievements from being exported to our adversaries.

The President initiated a comprehensive study of the these controls in January to reflect the changes in Eastern Europe and the Soviet Union, as well as other military priorities that have emerged in the last year or more. The President has concluded that a complete overhaul of the control list is warranted. Therefore, the United States will recommend to COCOM the development by the end of 1990 a new core list of goods and technologies that is far shorter and less restrictive than the present list.

The President's proposals will continue to protect our

advanced technology from being exported to the Soviet Union and other adversaries. In effect, our proposals will build higher fences around fewer goods by focusing on those items that are most sensitive in terms of our national security. We will be able to pinpoint a streamlined list of exports that can make a major contribution to Soviet power while changing the restrictions on items such as personal computers, which are readily available throughout the world anyway.

We will propose that of the 120 categories on COCOM's industrial list, 30 will be eliminated completely and the scope of another 13 will be reduced substantially. These changes reflect specific analysis by the Department of Defense that identifies technology of crucial importance to weapons production in the Soviet Union and other countries. They have the unanimous support of all security agencies.

Careful study indicates that most of the goods and technologies that we currently control to Eastern Europe and Soviet destinations are of low strategic value and should be decontrolled. These categories include computers, telecommunications equipment and machine tools. More specifically, they include off-the-shelf personal computers and some mainframe computers for use in banking, airline reservations, et cetera.

We are proposing greater access for Eastern Europe to modern fiber optics equipment and some microwave telecommunications systems. Access to this technology is dependent on adoption of safeguards against diversion such as identification of authorized uses and verification inspections.

The United States will begin consultations immediately with our allies on these changes. We think it is crucial to be able to provide maximum protection to our highly sensitive technologies, while at the same time giving the Eastern Europeans access to technologies desperately needed to improve their infrastructure and modernize their industrial plants.
End of announcement.

Q Are you saying they're building higher fences against technology going to the Soviet Union, but not to Eastern Europe?

MR. FITZWATER: Basically, the effect of this is that we reduce the number of products that are being reviewed for export license and, in doing so, pinpoint a smaller amount that are the most strategically important to us and to the Soviet Union. And therefore, will get the most comprehensive review and the most control.

Q Marlin, what's the time frame on this? The fact sheet seems to say that some of it would be proposed to be done by the end of 1990 and other things that are immediate.

MR. FITZWATER: Well, these are all -- all of these issues have to be resolved by COCOM, so that we're in consultations now with the COCOM members. And it's impossible to give a specific date on it, but it's presumably as soon as they would adopt these changes, if they do. Actually, the allies have been urging these kinds of restrictions -- I mean, these kinds of changes for some time. So they are, I think, receptive to our proposals.

Q What's the method for tightening the controls over some of the remaining high-tech --

MR. FITZWATER: Well, you have -- what this COCOM does is sets up a licensing process. In 1989, we had 1,782 licenses; which is to say a document that describes a product that would go to one of the countries on the list, how it's to be used, what its strategic sensitivities are, whether or not it can go, or whether or not it's

rejected. And that process would remain the same. But in reducing the list, it means basically there's a smaller number of products that would have to receive licenses and, therefore, be subject to review. The other side of that is the Defense Department feels they can give it a much better review by concentrating on a few strategically important items.

Q So they'll study these things more closely and there's less likelihood of something slipping through, is that you're point?

MR. FITZWATER: That's right. Exactly. Last year, we had $2.6 billion worth of license. And the list of products was enormous.

Q Is there a feeling -- if I could follow up -- that some of these sensitive things have been slipping through because the licensing process has been a little slipshod?

MR. FITZWATER: Well, I don't think we would say that, but we would say that there has been some danger of that by virtue of the amount of time that we've had to spend on such things as personal computers, which have been on the list, which for the most part now are available in any Radio Shack in the world. And it's just been needless expense and effort wasted on them.

Q Tell me if I'm wrong, but I think in the past COCOM has not differentiated from the Soviet Union and other Warsaw Pact countries. Has that changed now given the fact that the nature of so many of these governments have changed?

MR. FITZWATER: Well, yes. COCOM, under our proposals would differentiate.

Q You would?

MR. FITZWATER: Because a major focus of this is to allow increased technology to go to the Eastern European countries. And there would be a difference between some that would be allowed to go to Poland, Hungary, Czechoslovakia, and not to the Soviet Union.

Q Is that on this list you announced today -- there's a differentiation? In other words, are the 30 completely lifted for anybody and the 13 can go to the Eastern Europe, but not the Soviet Union. Is that the way that works?

MR. FITZWATER: No. We had a list of 120. And we are proposing to reduce it by 30 and change 13. But the total list -- if you reduced 120 by 30, you're left with 90, right? So you still have 90. Now, the decision on which would go to the Soviet Union and which would go to one country or another is made on a product-by-product basis. So there's no way you can give a number to that in terms of the categories.

Q What's the 13 then?

MR. FITZWATER: Thirteen are, again, kinds of product categories in which we are changing the criteria for judging their strategic sensitivity. But there again you can't make a distinction by country in advance because you have to judge the product, how it's going to be used and so forth.

Q Well, in effect, then will there be two lists; one list for the Soviet Union and one list for Eastern Europe?

MR. FITZWATER: No, in effect, there's a list for every country. You identify a list of countries.

Q So each country will have a list of things that require licensing?

MR. FITZWATER: That's my understanding. Is that not right, Roman?

MR. POPADIUK: There's one list for all countries, Marlin.

Q Well, then how do you differentiate?

MR. FITZWATER: How do you differentiate then?

MR. POPADIUK: If you look at the fact sheet, item B.

MR. FITZWATER: Item B of the fact sheet, Roman refers me to.

Q Telecommunications?

MR. POPADIUK: For example, on telecommunications there's a differentiation between Eastern Europe and the Soviet Union on fiber optics.

MR. FITZWATER: So you're saying you do it by product and not by --

Q By product category, or is it product?

MR. POPADIUK: By product category, as I understand it.

MR. FITZWATER: But then you have to have a list. I mean, if you have a product category that says these computers can go to Hungary but they can't go to the Soviet Union.

MR. POPADIUK: I don't have the details yet, Marlin.

MR. FITZWATER: That's as close as I can come. Maybe Clyde Farnsworth can clear this up for me and make sure he knows how this works.

Q Is it true that they were in the -- the Soviet Union and Eastern Europe were lumped together in the -- are still lumped together? In terms of the restrictions?

MR. POPADIUK: I don't think I understand what the question is. What do you mean by lumped together?

Q Was there differentiation between East Europe and the Soviet Union until now?

Q That's right -- before. Exactly.

MR. POPADIUK: Not that I -- no. Not that I --.

Q No, what? I'm lost here.

MR. FITZWATER: Well, I'm not sure we have a good enough understanding of this because if you get a license application -- I guess we should have a Commerce Department expert over here. Do we have a Commerce Department person here who understands this process or wants to talk? If you don't want to talk, don't raise your hand. But in any case, you get a license application of a country that wants to buy a product. And you can make a judgment on that basis. Now, beyond that, I don't know whether there are rules or not. I'll ask Commerce if they've got either some paper they want to bring over or if they want to send a delegate to explain this.

Q But bascially, what you're saying is there's differentiation, but we don't really -- or you don't really know the mechanism?

Q Awwww.

Q Mr. COCOM, step right up.

Q I mean, basically what you're saying is that will be differentiation but you don't know how to explain the mechanism.

MR. FITZWATER: That's my knowledge at the moment.

Q It must not be a big story then.

MR. FITZWATER: You want to add to that?

MR. BARTH: There would be one list for all destinations. There would be favorable treatment which could be done through faster license processing for different parameters under which there would be controls that are tighter or looser, depending on the destination.

MR. FITZWATER: Identify yourself.

MR: BARTH: Richard Barth, National Security Council staff. There would be one control list to all the prescribed destinations including Eastern Europe and the Soviet Union. But there would be favorable treatment accorded to some of those destinations, that is as COCOM partners agree to them. Favorable treatment could include faster processing time, slightly different control parameters that would allow more easy shipment by the national governments rather than referring the licenses to COCOM.

Q Well, do we understand correctly that part of what this proposal would be, would be to eliminate from this master list of products some products that are now on it? Is that part of what the deal is here?

MR. BARTH: That's correct.

Q It's not simply expanding the number of countries getting favorable treatment, it is the removal from the list of restricted products?

MR. BARTH: That's the most important factor -- is removal from the list the requirement for licensing period.

Q Can you tell us in layman's terms, or even in terms not quite as technical as the ones that are being used here, for example, on computers, what categories of computers was now being permitted and which would still be forbidden on personal computers? It seems to me that computers as fast as the IBM AT, for example, were not on the list.

MR. BARTH: They were decontroled last July.

Q They decontroled that stuff? So what is this up to now?

MR. BARTH: The next generation 386-base computers would now be decontroled.

Q Speak layman for those of us who don't know what 386 is.

MR. BARTH: The lastest generation of IBM personal computers would be decontroled.

Q Are there items that you'll be able to sell in Poland that you will not be able to sell in the Soviet Union? And was that the case -- is that the case now? I mean, before the review, were there items that could be sold in Eastern Europe but not in the Soviet Union?

MR. BARTH: The current policies don't differentiate formally. There may be licenses that would be grated more readily for Poland because of less of a risk of diversion to military uses that we would not allow to be shipped to the Soviet Union under current procedures. Under the new procedures, there would be even fewer strictures on those shipments to Poland for good end users, we call them, as opposed to Soviet destinations.

Q If I can follow that, already there is consideration that some East European countries will not pass on high-tech items to the Soviets. Already, there is that consideration.

MR. BARTH: There is no formal arrangement to do so. But the end use and the destination and the end use of the equipment is evaluated. A shipment to Poland to a machine tool plant, for example, would probably receive more favorable treatment even right now than it would to the Soviet Union in a similar type of situation.

Q Already, we assume they're not going to pass that on?

MR. BARTH: The U.S. threat analyses of the situation lead us to conclude that that's the case.

Q You don't have a guarantee of it? You wouldn't demand some kind of --

MR. BARTH: Seeking further guarantees is part of our current proposal.

Q Right. What form would that take? Marlin's opening statement said there was a safeguard against the diversion of these technologies. How -- verification procedures. Is doing this conditional on effectively getting assurances?

MR. BARTH: The U.S. has proposed a list of various types of safeguards that we've not yet agreed with our COCOM partners too. However, includes things such as on-site verification of the use of the equipment. It includes government-to-government assurances that the equipment won't be diverted to military end uses, and similar categories.

Q This fact sheet lists clear delineation for Eastern Europe where it comes to telecommunications equipment. I mean, that's what it says in the fact sheet. But are there similar breakdowns in the computer and machine tool fields as well?

MR. BARTH: There is a greater level of detail that we're now negotiating with our allies on in those areas, also.

Q But you just left out of the fact sheet? In other words, is there some -- there is a breakdown for the Soviet Union and Eastern Europe for computers and for machines?

MR. BARTH: No, I'm sorry, I didn't understand the question earlier. The only separation between treatment for Eastern Europe and the Soviet Union that we are currently seeking in our proposal in any level of detail is in telecommunications.

Q Can you tell me, what possesses us to believe now more than in the past that Poland -- whatever other Eastern European country that we might sell to wouldn't transfer goods to the Soviet Union? -- a little bit more?

MR. BARTH: We have received inquiries from certain Eastern European governments which have included offers of safeguards already.

Q Can you name any countries?

MR. BARTH: Not right now.

Q What other countries beside the Soviet Union are on what you might call this enemy's list which get the most stringent restrictions?

MR. BARTH: The proscribed list includes all the current members of the Warsaw Pact and the Peoples Republic of China.

Q Wait a minute. What about Cuba? What about Korea?

MR. BARTH: There are various reasons for various types of controls that I'd rather not get into now. But there are foreign policy reasons for -- Vietnam, for example, Cuba and other destinations. We have other controls other than the types that we're talking about decontrolling here today.

Q But wait a minute. Is there not a complete list of countries that --

MR. BARTH: Of the list of proscribed destinations, there are subsets that we have controls on for various reasons -- Libya, Iraq for one set of reasons -- antiterrorism reasons. We have controls to South African destinations for other reasons. The principal purpose for the dual use controls that we're talking about with our COCOM partners now are to the Warsaw Pact and the Peoples Republic of China.

Q But telecommunications are only being restricted now to Eastern Europe, or are these other countries --

MR. BARTH: No. There are additional controls even in telecommunications to some of those other countries. It's a very complex matrix.

Q So they stay on?

MR. BARTH: They would stay on, depending on the negotiations and --

Q The only modification is to Eastern Europe and the Soviet Union.

Q The COCOM list stays the same -- the other --

MR. BARTH: COCOM lists are only to the Warsaw Pact and PRC.

Q This proposal only applies to COCOM, so the rest of it is not --

MR. BARTH: Precisely.

Q Is COCOM at all concerned with protecting technology or the -- could I ask one more question?

MR. FITZWATER: Thank you very much. He was good. Yes. Appreciate it. Thank you.

Q When and where are those -- are going to begin and how long will it take? Is it already beginning?

MR. FITZWATER: Yes, they're already begun in terms of COCOM executives.

Do you know the exact location? I don't have that. The COCOM part is essential to the NATO countries.

Q Do you have any estimate of what this will mean in

terms of increased sales to American businesses?

MR. FITZWATER: Don't have amount to increase; I said it was $2.6 billion last year. But there's no way to judge whether it could be increased or how much --

Q How will a united Germany --

MR. FITZWATER: -- $2.6 billion in product value -- sales.

Q Sales or estimated --

MR. FITZWATER: No, no. This is sales in 1989.

Q That would permit it under the COCOM restrictions?

MR. FITZWATER: Let me do it one more time. In 1989 we approved 1,782 licenses for sales valued at $2.6 billion.

Q Is there any way of saying how much of that would now be decontrolled -- how much of those 1,782 licenses under this new proposal would not have to go through this procedure?

MR. FITZWATER: I don't have a list of how many licenses were in each category, no. Although the personal computer is obviously a large category. But I don't have a specific breakdown.

Q Marlin, clearly if you're knocking 30 off the control list entirely, this liberalizes our trade status with the Soviets. Is the President concerned that last week he announced he wouldn't impose sanctions on Lithuania, and today he announces steps that are clearly going to help import more technology from the West.

MR. FITZWATER: We think this helps us have a more realistic approach to trade with the Soviet Union, yes. It's absolutely right.

Q But isn't it a curious timing when -- considering economic sanctions against the Soviets?

MR. FITZWATER: You can't time every one of these events one against another. The fact is, the timing relates to the status of events in Eastern Europe, the changes that we see in the Soviet Union, the changes in the allied attitude towards sales, the changes in our assessment that's done by the Defense Department and others. So the timing is dictated by the process itself and by its impact.

Q Marlin, the Western Europeans, for quite a number of months now, have been pressing for faster and wider decontrol of COCOM restrictions.

MR. FITZWATER: Right.

Q Now, by doing this today, we're proposing elimination of 30 out of 120 categories, so that's 25 percent. Aren't they still asking for far looser restrictions than even this U.S. proposal, and do you anticipate several weeks or several months of serious negotiations with honored NATO partners before we come up with a united stand? Or do you feel you're very close now?

MR. FITZWATER: We think we're pretty close, but you're right -- there are some of the COCOM partners who would like to have even a more liberalized approach than this represents. So there will be a period of consideration and negotiation, yes.

Q Marlin, as far as the telecommunications equipment goes, what is the differentiation between the Soviet Union and Eastern Europe? What would you sell to Eastern Europe that you couldn't sell to the Soviet Union?

MR. FITZWATER: It's in the fact sheet. Modern fiber optics equipment to a transmission level of 156 megabytes and some microwave telecommunication systems.

Q And that wouldn't go to the Soviet Union?

MR. FITZWATER: I'm saying we have proposed relaxation of controls, for example in some cellular communication systems and satellite ground stations to all destinations. But for Eastern Europe, greater access -- I don't know that you can say absolutely none, but basically that's the thought, yes, is of greater access to Eastern Europe than to the Soviet Union.

Q What I'm trying to understand is, is why you would do that. What the reason is for --

MR. FITZWATER: Because we think those are essential to Eastern Europe helping to build up their industry and their plant base. They need fiber optics equipment for communications, they need certain machine tools to help build their assembly lines and so forth.

Q Wouldn't the Soviet Union as well?

MR. FITZWATER: Yes, but we don't think that the Soviet Union is in a category that's ready to receive some of these because of differences in possible strategic uses. That's the whole point of this system.

Q In other words, that there's a difference in the technological advancement of --

MR. FITZWATER: No, there's a difference in the national security risk to the United States in the loss of this technology -- that Eastern Europe is different than the Soviet Union in some of these cases in terms of what their military purposes are and what the Soviet Union's military purposes are; in terms of how they might use the equipment and so forth; in terms of kinds of protections they're willing to put on it.

Q Marlin, a technical question. Does this require Senate approval? That's question one. And question two, on the trade treaty that's being talked about, would that require Senate approval?

MR. FITZWATER: The trade treaty, of course, ultimately requires a change in Jackson-Vanik and would require a Senate review at some point, yes. No, this, I don't believe, does.

Do you know, Roman? I don't believe it does.

Q A trade treaty would require ratification.

MR. FITZWATER: I'm not sure directly, but it might indirectly as it goes through the process. In other words, first you have to have the trade treaty, and then you have the immigration law, the trade treaty, then you have to waive Jackson-Vanik, and then you can grant most-favored nation status. There is a congressional review in that process. I'm not sure exactly what step it is, but it is in there. That's why you will recall yesterday they passed a resolution saying that they would be reluctant to approve it, because they have that authority.

Q Marlin, is the aim here to protect the technology or to protect the end use?

MR. FITZWATER: The aim of COCOM is to protect the technology.

Q So that even the diversion of one or two units --

MR. FITZWATER: Well, both -- it depends on how you -- is to protect the technology and protect it from being used in weapon systems that could someday be a threat to Western interests.

Q My point is whether we're trying to keep from being copied or keep the Soviets from being able to install a big -- a series of big IBM mainframes in a weapon system.

MR. FITZWATER: Well, both. They're part of the same process.

Q Is that a bottom line, or are you ready to go further in negotiations with --

MR. FITZWATER: You can never say what a bottom line is. This is what our proposal is, and we'll negotiate.

Q Marlin, can you provide a list of the 120 and the 30 categories broken out?

MR. FITZWATER: I tell you, I don't have a breakout. I don't really -- there is an index to the commodity control list which I'll try and get for you. If you'll see me later, I'll see what I can do. But there is such a list available.

Q Could you comment on reports that the Defense Department has been very upset by this and internally hasn't really fully gone along with it.

MR. FITZWATER: Yes. The Defense Department did the basic analysis. They are supportive of this. There is unanimous recommendation to the President by all the security agencies. There are some individual conservatives who are not happy with this, and they have tried to portray the defense establishment as being not supportive, but that's not the case.

Q How long have the current controls been in effect?

MR. FITZWATER: The current controls? Forty years.

Q Marlin, what type of a reaction do you expect from the Senate on basically proposing a liberalized trade with the Soviet Union, particularly since yesterday they -- slow down on this?

MR. FITZWATER: I'm sure it'll be mixed. There's always been broad support for increased trade, but there are always those who are concerned about any trade with Eastern countries. So it'll be mixed.

Q Do you expect it to come up tomorrow in the President's discussions with the Prime Minister of Lithuania?

MR. FITZWATER: I don't know whether she'll want to get into that or not. She is an economist, so she might.

Q Marlin, in January you announced that you were going to take steps to liberalize the restrictions in these three priority areas. Is this just a formalization of a proposal that you were drafting at that point, or does this go beyond what you were thinking of in January and at the February COCOM meeting?

MR. FITZWATER: It goes beyond what we were thinking of in January.

Q Because of the 30 items being dropped from the list altogether, or --

MR. FITZWATER: Yes, we were just starting the review

back then, and it was clear at that point we wanted to make changes. But there was no -- we didn't have the analysis that allowed us to identify individual categories and exactly how far we wanted to go.

Q Marlin, on the top of Page 2 there is a reference to the China green line, and that provision mentions that you already freely license a great deal of technologies to the Peoples Republic that you don't allow to go elsewhere. Nonetheless, would the main impact of these proposals result in greater access for the Peoples Republic of China?

MR. FITZWATER: No. It won't change --

Q There won't be anything more than they can't get now?

MR. FITZWATER: Only in the cases where there are categories that are completely eliminated. In other words, if 30 categories are eliminated, those are categories that would have had some review and they might not have received, but now they receive no review at all, so there's no question they won't get it.

But as a general rule, no. As a general rule, there's no change.

Q Is there any concern on the part of the administration that, at a time when you're still attempting to make your concerns known to the Chinese government about the liberalization policies and their crackdown on democracy that you're in effect providing them with greater access to high technology?

MR. FITZWATER: No.

Q I just want to make clear here -- are we talking primarily about streamlining a process in getting rid of some red tape -- that is, a lot of these things will not have to go through the licensing procedure, or are we truly opening the door to new equipment in --

MR. FITZWATER: It's not quite that black and white. First of all, you're opening the door in some cases, because you're eliminating a lot of categories of things where people couldn't get products before, or where there were long delays in getting them because of the license review.

Q That's what I was trying to decide.

MR. FITZWATER: There's some of each. Some of each.

Q So there's really a mix. Some stuff you're just getting it faster, and some stuff you --

MR. FITZWATER: Yes, some personal computers, for example, if you applied for them through COCOM and you had to go through the review process would take quite a while, where in fact they could probably god down to the corner drugstore and buy them. So there was not much value in doing it.

I mean, the timetable is going to be different for every category of product. Remember, the product list is by category of equipment and technology, not by country.

Q Are you going to tell us the 30? Is that information going to be made available to us?

MR. FITZWATER: I don't have a list of the 30. I don't know whether we will or not. I can show you the whole list if you want to stop by my office later, but I don't think I can identify the 30.

Q Isn't that central to understanding --

MR. FITZWATER: They're all in these categories that I've given you here. If you understand the difference between 156 megabytes and 130 begabytes, then it's meaningful. If you don't understand that difference, then just say small computers of 150 megabytes and you're still ahead of the game.

Q Marlin, you're trimming the list, obviously. But you also called for a complete overhaul. Is that a further step, or is that something else, or just a euphemism?

MR. FITZWATER: We consider it a complete overhaul to make this kind of drastic change more drastic than anything in 40 years.

Q The second point, if I may.

Q Did the overhaul come out of the President's visits to Poland and Hungary last year, or did it predate that?

MR. FITZWATER: He asked for this review in January of this year. But the COCOM partners have been pressing for change for sometime, a year or more.

Q You said that you were going to build higher fences around certain items. What are those?

MR. FITZWATER: The strategically sensitive things -- big computers, for example, that can be used in defense systems. That's the most readily understandable one.

Q Anything else?

MR. FITZWATER: There are many others, yes. But that's -- no, I don't have a list.

Q What are the new fences? I mean, all you say is you're going to watch them more closely, right?

MR. FITZWATER: Controls that say they can't have them.

Q Marlin, has Senator Nunn expressed any point of view on these changes?

Q Senator Nunn.

MR. FITZWATER: I don't know his position, Virginia.

Q Who is involved in the review that began --

MR. FITZWATER: State, Defense, Commerce, Energy, Joint Chiefs of Staff and the Intelligence agencies.

Q The report in a newspaper today that this would work out with COCOM nations in Paris in June -- you can't confirm that?

MR. FITZWATER: That's probably right. I just don't know the venue.

Q Marlin, two things. First off, you mentioned computer hardware here, but computer software has also been on the COCOM list. Are you proposing to make changes on software as well, do you know?

MR. FITZWATER: I'd have to see the list. I don't have that to be able to tell you that. I think we probably -- I just don't know. I'll have to check that.

Q The other thing is, on this machine tools --

MR. FITZWATER: I think it's a safe bet the answer is yes, but still we had better check.

Q On the machine tools thing, you've got a number here of plus or minus two or three microns, which sounds pretty small.

MR. FITZWATER: The micron question is a tough one. I've been wrestling with that one all morning long.

Q Can you put that in some sort of context? I mean, there was this case a couple years ago where the Japanese sold some machine tools to the Soviets that we were upset about with Toshiba. Can you make some comparison between the accuracy in the machine tools involved in that case and what we're now saying would be okay?

MR. FITZWATER: Yes, that does require a comparison of the 2.3 microchron versus the 4.6 microchron. Now, as you know there are certain tendencies in that --

Q Seriously. I mean --

MR. FITZWATER: Let me give you the layman's answer to your question. The layman's answer to your question is that the Toshiba-like tools would not be covered by this, would not -- that's the real answer.

Q Do I understand you to say you are going to release the list of the changes that you're proposing?

MR. FITZWATER: We're not going to release it, but if you'll come see me later I'll give you a good feel for what's on the list.

Q Marlin, why not release the specific list?

MR. FITZWATER: Well, I don't know. Why? Because I'm told not to do it, and why, I don't have the slightest idea.

Q The Israeli government said it's not ready at all to free some Shiite prisoners. Do you think it's helpful?

MR. FITZWATER: I'm sorry, what was your question? I was still pondering the infamous list, which is probably published in the Federal Register notice and available to all of America, but nevertheless, my security agents have told me don't release this upon threat of death, life, penalty, et cetera.

Now that I overcome that foolishness, Pascal, give me your question.

Q The government of Israel says it's not ready at all to free some Shiite prisoners. Do you think it's an -- position?

MR. FITZWATER: We don't have any comment on Israel's position.

Q Two quick points. Are all 40 of these items that you've targeted for elimination in those three priority sectors?

MR. FITZWATER: Going to do a Crosstalk on this?

Q How many microns in a --

MR. FITZWATER: We delete 43 of the

Q Just two quick points. Are all 40 of these items that you targeted for partial elimination in those three priority sectors?

MR. FITZWATER: Got to do a cross-talk on this? We delete 43 of the existing entries. That's 37 percent of the entries making up the industrial list. Of these, 30 could be dropped completely without qualification. In 13 cases, a careful review indicates that some portion of the goods and technologies covered by the item need to be kept under control on strategic grounds under other entries or consolidated new entries already under negotiation. These residual subitems cover relatively small volumes of trade, however, and the deletion of the original entries will contribute to the intended streamlining of the control list. I read that as "most."

Q So most of them would fall under computers, telecommunications, or machine tools? But you don't if all?

Q What will the President say to the Lithuanian Prime Minister when she comes tomorrow about the fact that today we've relaxed restrictions and it will now be easier for the Soviets to get somewhat --

MR. FITZWATER: If she's interested in the COCOM process, he'll simply explain the changes and why we made them.

Q You will clearly take some flak for this, Marlin, though. People who are thinking you ought to get tough on this --.

MR. FITZWATER: Life is full of flak, Pat. (Laughter.)

Q In practical, Marlin, isn't it a fact that your option is really -- the only available option is to loosen some because if you don't, you face a total break-up of COCOM by Western Europe, and they'd be selling that stuff unilaterally to the Soviets in Eastern Europe by themselves anyway?

MR. FITZWATER: There are a lot of good reasons. The first, of course, is the one we stated which is the strategic review that shows changes necessary to reflect the realities of the threat and the realities of developing countries. The second is -- you're right -- the COCOM partners have been asking for this for a long time. If your system is not facing reality, it's like any other system that's based on unreal circumstances; sooner or later it's get violated or circumvented. And thirdly, that we do need a system of controls on some kinds of equipments. We do still have high technology, military threats being developed, and we need to focus on them. And the fact of life is, laptop computers are not going to be a threat to national security.

So you're right, there are a number of reasons, all of which why these changes are timely and appropriate.

Q In terms of time, give me an understanding. We've got talks to go on with COCOM partners and agreements to be made over these things. At what point would you anticipate the more relaxed sales beginnning because --

MR. FITZWATER: By the end of 1990.

Q Marlin, do you -- Landsbergis said today that he was willing to suspend some of the laws backing up the declaration of independence, but not the declaration itself -- that that was sacred. Is that a helpful position? And in tomorrow's meeting, will the President encourage suspension of the declaration?

MR. FITZWATER: Well, we aren't going to be trying to dictate a course of action. We have urged dialogue and discussion. And it does appear that there's some movement in that direction, and that's a good course. But we aren't going to comment on any specific comments or any proposals that they may have surfaced in the last day or so.

Q Marlin, it's my understanding the President can unilaterally suspend the Jackson-Vanik whenever he feels the Soviets have met the provisions for it, and that the resolution passed last night by the Senate was one that urged the President not to do so until the Soviets lifted their economic embargo to Lithuania. Is the President at all sympathetic with the spirit of the resolution that was passed by the Senate last night?

MR. FITZWATER: Well, he certainly is very concerned about what's happening in Lithuania and the Soviet Union. We are watching that matter very carefully. He does share some sense of concern about how the trade treaty would relate to the situation in Lithuania. He reviewed that matter from that perspective in the last few weeks as we went through the consulation period with the allies just last weekend, I guess.

So, yes, it is a matter of concern and it is a matter that he has considered. And at the moment, we are progressing with the trade talks, but it's still an open question. We're still progressing through the situation in Lithuania. We're still hoping for peaceful resolution. It's not a matter that's been settled.

Q What was Kissinger doing here Monday night? What were Foley and Nunn doing here today?

MR. FITZWATER: Kissinger was here as a part of a Chase-Manhattan Bank delegation that was in the White House for a briefing by -- I don't know who -- senior staff, I guess. The President did do a drop-by. And he did stick around, along with Lord Carrington, for a private meeting in the residence with the President just to talk about the situation in Eastern Europe and other European developments.

Who else did you ask about?

Q Nunn and Foley.

MR. FITZWATER: Nunn was here for breakfast with Vice President Quayle. They have breakfast occasionally to talk about military matters. And that was this morning. Foley was here to -- he had breakfast with the Governor. And I don't know -- I think he met with the President, but I don't know about breakfast. David Frost was in for a while, and I saw him then, but I didn't see Foley for breakfast. But in any case, the Governor and I think the President very briefly. And he was here to talke about the legislative agenda.

Q Why was David Frost here?

MR. FITZWATER: And David Frost -- just because he's a friend of the President's.

Q Marlin, on the matter of the trade agreement with the Soviets, you said it's still an open question. Is it possible that the President will refuse to sign an agreement at the summit because of circumstances in Lithuania?

MR. FITZWATER: No. I simply point out that we're negotiating a treaty and we're moving forward in that direction. But nothing's been finalized yet, but we are proceeding down that course.

Q If the treaty is ready, as appears likely, for the summit on May 30, does the President have any problem about signing a treaty --

MR. FITZWATER: Well, that's a hypothetical and I won't speculate. I simply wanted to counter the hypothetical speculation in Nick's question.

Q I just wanted to know what the "it's an open

question" meant.

MR. FITZWATER: I said we're proceeding down that course, but as I say, the matter is not resolved. We're still searching for a peaceful solution in Lithuania. We're progressing on the trade agreement. But we understand the sensitivities and the relationships involved, and we understand that Congress is concerned about this, and we certainly take all those things into account.

Q But are you linking the final say and signing of the trade treaty at the summit with the situation in Lithuania?

MR. FITZWATER: No.

Q You seem to be doing that right now for the first time.

MR. FITZWATER: No, not linking it.

Q Is it true, as alleged today on Capitol Hill, that the office of then Vice President Bush interceded on behalf of Hector Bereto for a $500,000 HUD grant to study a Hispanic trade center?

MR. FITZWATER: I don't know. I've never heard of Hector Bereto in my life.

Q Are you aware of that charge being leveled at the then Vice President?

MR. FITZWATER: No.

Q Is this something you could ask about?

MR. FITZWATER: Sure.

Q Marlin, Canadian authorities yesterday publicly asked the Bush administration to intervene in Indian hostilities that are taking place up in the St. Regis Reservation. It's on the Canadian-New York border. Is the President aware of their request and does he plan to do anything about it?

MR. FITZWATER: We have no intention to intervene. It's a matter that needs to be resolved locally.

Q Marlin, when the Islamic Revolutionary Dawn said they would release Reed, they said he would bring a message. We're told -- we're led to believe that Polhill's message was nothing new. Do we have any indication yet from Wiesbaden that Reed has something more portentous?

MR. FITZWATER: I'm not aware of anything.

Q If he has a message, will the President have him to the White House, as he had Polhill?

MR. FITZWATER: I'm sure if he wants to come into see the President, a meeting would be arranged. He certainly has every right to do that.

Q Is there anything new on --

MR. FITZWATER: But he hasn't come back to the United States; has not indicated to us what his preferences are. So we'll just have to wait and see.

Q Shortly after Polhill was released, you gave indication that things were -- I think your words were "things were bubbling a bit" towards another hostage coming out, which eventually was Reed. The Tehran Times has said that the ball's in our court, but Khameni today gave a speech in which he said Iran is still

working to free the hostages. Other than the public sources, is there any reason to believe that anything else is going to happen now, or are you just waiting to see?

MR. FITZWATER: We don't have any other indications of a release, no.

Q Marlin, if the President is so concerned about Lithuania, why is he, at this particular time, making these positive steps on trade with the Soviet Union when he could just lay low or hold this out as a pressure to get them to step back across the line --

MR. FITZWATER: Because we think it's the right thing to do for all the reasons I laid out earlier.

Q Why's he sending -- he's sending them positive signals.

MR. FITZWATER: Well, it's the right thing to do for all the reasons we laid out earlier. You can't link everything in the world.

Q Did the President and Foley discuss budget negotiations?

MR. FITZWATER: I don't know what they talked about. We've got a lot of budget items on the Hill. The Panama-Nicaragua --

Q Romantic items?

MR. FITZWATER: Romantic items, yes. That's what they -- they probably talked about Darman's romance. (Laughter.)

Q Reed, in Wiesbaden, was asked if he had any messages for the --

MR. FITZWATER: Darman as a romantic figure gives a whole new kind of -- (laughter) -- cast to public service. That's kind of the way I've always thought of Darman -- as a romantic figure. (Laughter.)

Q Reed, when he met a bunch of reporters --

Q It's almost impossible to fantasize. Red, white and blue shorts. (Laughter.)

MR. FITZWATER: That's right. Helen does remember those things.

I'm sorry, Steve, go ahead. We're having a little too much fun up here. Go ahead.

Q Reed, in Wiesbaden this morning, said to reporters who were gathered there that -- he was asked if he had a message for the other families, and he talked about being angry and embarrassed, and said, yes, he probably did at one time have a message. But the State Department talked to him, and he decided now he doesn't have a message because the process seems to be working. Was he shushed up?

MR. FITZWATER: No. But I think you have to understand that when someone comes out of captivity for three and a half years they certainly have every right to be angry and frustrated and so forth. They've also been cut off from information, from the process, from a lot of different things. Mr. Reed is free to say whatever he wants. I'm sure he was reflecting briefings he's received about the status of events, but he is free to say anything he likes.

Q Any reaction to the Republican lawmakers refusal to put the President's budget up for a vote? And has it indeed been

passed by the times?

MR. FITZWATER: Let's see. We had -- I better check with legislative affairs on the exact status, but we had a vote last night. We are still working with the leadership and the members of the committee on the budget. I don't have any progress to report at this point, but we're working, try to get together.

Q Republicans, lawmakers saying that the President's budget has been overtaken by events.

MR. FITZWATER: Well, that's kind of like life is full of flak. We've been through this before. We'll continue to talk. It's still the basis for all of our discussions and negotiations.

Q Have we learned anything from Polhill and from Reed? Has the President learned anything new in his meeting?

MR. FITZWATER: Well, you've put the adjective new on there, which is -- I'm not sure -- but the President certainly found it a very usefule discussion in terms of learning about how the captivity took place and how he was held there and the conditions and so forth. I don't think we learned anything new in terms of policy or how to approach the problem. But the President was very interested in his recollections and his recounting of the hardships involved. And hopefully it was helpful to him to be able to tell the President of his country exactly what happened. I think both sides found it a very useful discussion.

Q Have we learned anything significant about the status of the other remaining hostages from Polhill and Reed?

MR. FITZWATER: I don't believe so. There again, what does significant mean? We've learned some things about other hostages by virtue of his descriptions of where he was and that sort of thing, but nothing that's going to change the situation.

For example, when he was put on the phone with Mr. Reed, he had never met Mr. Reed either before or after his captivity. On the other hand, he was with Steen and Turner. But from a policy standpoint or the standpoint of affecting the outcome of the situation, I don't have anything to report.

Q Marlin, do you expect people to announce the details of the summit by the end of this week?

MR. FITZWATER: You mean logistical details? I would -- well, I don't know. Probably not until next week actually. I think we're getting closer and in fact it's going to be almost entirely in Washington. That seems clear.

Q What do you mean by that?

MR. FITZWATER: Well, we've said the main meetings would be here in Washington, but there might be a private day at the end. And that's still the case, but we don't have anything ready to announce at this time. Nor do I have arrival times, that sort of thing.

Q Where are the meetings?

Q Are the Soviet guys, advance -- are they here in the White House or what?

MR. FITZWATER: I haven't seen any. I don't think they're here in the White House, but we are getting close to getting our two teams together, their protocol team and our protocol team. I don't know the schedule.

Are they here now? I don't know whether they are today,

they weren't yesterday when I was in touch with them. I don't know.

Q Will the meetings be in the White House?

MR. FITZWATER: They were last time. I'm sure there will be some in the White House, although most will probably be over in the State Department.

Q Your statement that it will be entirely in Washington with a private day at the end. Does that rule out any unilateral Gorbachev travel?

MR. FITZWATER: No, I can't rule any travel out, no. We don't have his specific plans. As I recall when Gorbachev came here for the Washington summit last time, there were things he did personally that he didn't tell us about until the day he got here. And there were things he did he never told us about.

Q But you would -- moving around the country is more than --

Q Like what?

MR. FITZWATER: Like Connecticut Avenue.

Q Moving around the country outside of Washington on his own is certainly more than --

MR. FITZWATER: Not aware of any.

Q What do you know about this? I mean, it's the end of the month and we seem to be --

MR. FITZWATER: I told you everything we know that we can say.

Q Marlin, what's your guidance on a NATO summit to brief the allied leaders after this?

MR. FITZWATER: Possibility. No date, no time, no place, but it's a possibility.

Q Strong possibility?

MR. FITZWATER: Strong possibility.

Q Are you signaling that the private day is going to be Camp David rather than anything beyond?

MR. FITZWATER: I'm not sending any signal, but we'll announce it as soon as we can.

Q Press conference, Marlin?

MR. FITZWATER: Press conference sometime. We'll tell you, you'll be here.

Q Today?

MR. FITZWATER: Not today.

THE PRESS: Thank you.

END 12:41 P.M. EDT

#196-05/02

Prodded by Quayle and Cheney, Bush Becomes Fervent Supporter of Strategic Defense Initiative

By GERALD F. SEIB
Staff Reporter of THE WALL STREET JOURNAL

WASHINGTON — To many who have watched him over the years, it's an unlikely development: George Bush is positioning himself as a champion of the Strategic Defense Initiative.

And for that turn of events, SDI supporters owe particular thanks to Vice President Dan Quayle and Defense Secretary Dick Cheney. Mr. Quayle has been the key behind-the-scenes player in the evolution of the Bush administration's surprisingly robust advocacy of SDI, and has helped fuel Mr. Cheney's recent gung-ho support of the program as well.



Dan Quayle

SDI supporters have long been skeptical of Mr. Bush. They strongly suspect he is only lukewarm in his support of the space-based missile defense program, and maintain he wavered in his defense of it in his presidential campaign.

But now Mr. Bush wants an increase of roughly $1 billion, or some 25%, in SDI funding—at a time when the perception of a Soviet threat is fading fast and other Pentagon programs are being cut back. He made a well-publicized visit to the nation's top SDI lab. And he delivered a major defense speech in which he declared that the program is needed more than ever.

Indeed, Mr. Bush's administration has begun talking of beginning deployment of SDI by the late 1990s—a timetable as ambitious as any discussed under President Reagan, who created SDI.

Skeptics still doubt that Mr. Bush really is deeply committed to SDI. They suspect he is mostly posturing, in an effort to ensure that conservatives who champion SDI won't blame him when Congress slices up the program's budget later this year.

"I don't think he's been converted," says Frank Gaffney, head of the Center for Security Policy. "I think what he's trying to do is avoid responsibility for the free-fall the defense budget is going to take in the next few months."

Indeed, congressional Republicans warn the White House that it will take an even more vigorous defense of SDI than Mr. Bush is mounting to prevent the program from being slashed in the attack that will certainly be mounted on Capitol Hill.

Predictably, though, White House aides insist that Mr. Bush genuinely believes his recent assertion that "in the 1990s, strategic defense makes much more sense than ever before." And whatever his true feelings, Mr. Bush has begun making a public case that the end of the Cold War will produce an international environment in which the importance of SDI grows rather than declines.

Mr. Bush maintains that SDI is needed in part because the threat of surprise missile attacks by Third World nations and terrorists is increasing as more nations acquire ballistic missiles. And his aides assert that strategic defense makes more sense as the size of the offensive U.S. nuclear deterrent declines under U.S.-Soviet arms deals.

That public posture has emerged from a series of private twists and turns that have fostered Mr. Bush's current thinking on SDI, officials say. The evolution began, they say, with a National Security Council meeting back when Mr. Bush was vice president. The process was pushed along by Mr. Quayle's persistent lobbying for the latest SDI concept, and it was galvanized by a little-noticed September trip by Mr. Cheney to the laboratory conducting the most important SDI research.



Dick Cheney

Privately, Mr. Bush's advisers acknowledge that he never fully embraced Mr. Reagan's original, costly concept of SDI as an impenetrable "Astrodome" shield in which a combination of space-based sensors and lasers would insulate the U.S. from even an all-out Soviet nuclear assault.

But Mr. Bush began getting more enthused one day in 1988, when physicist Edward Teller walked into an NSC meeting carrying a model illustrating a new approach called "Brilliant Pebbles." Brilliant Pebbles is a cheaper SDI plan in which thousands of small rockets built with existing technology would constantly orbit the earth.

Upon detection of an enemy attack, they would be dispatched to crash into incoming missiles. (As technology advances allow the rockets to be shrunk in size, scientists recently have begun referring to the concept as "Smart Bullets" rather than Brilliant Pebbles.) Advocates assert that Brilliant Pebbles would cut the cost of SDI to $55 billion from $69 billion.

Brilliant Pebbles began turning SDI into a program Mr. Bush could more fully support, aides say. That inclination was reinforced when Mr. Bush picked Mr. Quayle, an unabashed SDI and Brilliant Pebbles backer, to be his vice president.

Mr. Quayle lobbied hard to insert a statement supporting SDI into Mr. Bush's first address to Congress a year ago this month, administration aides say. Because he had long warned of the danger of ballistic missile proliferation, Mr. Quayle also helped introduce the argument that SDI would be needed to guard against attacks from the Third World as well as from the Soviets.

Then, after Mr. Cheney became defense secretary, the vice president began what officials describe as a persistent personal campaign to increase the new defense chief's enthusiasm for SDI. Mr. Cheney always was an SDI advocate. But administration officials say his advocacy for the program turned up a notch when, partly as a result of the peppering he was receiving from Mr. Quayle, he flew to California Sept. 21 to visit for the first time the Lawrence Livermore Laboratory, site of much of the cutting-edge research on SDI technology.

Mr. Cheney seemed to return from the trip with deeper enthusiasm for SDI and the Brilliant Pebbles approach, administration officials say. He began openly lobbying members of Congress to make the same trip, telling lawmakers at one recent hearing that "phenomenal progress" has been made in SDI research.

Still, SDI spending was chopped by Congress in last year's budget deliberations. So last November Mr. Quayle convened a meeting of about 20 sympathetic lawmakers in the vice president's office in the Executive Office Building to develop more effective arguments for SDI spending. As a result, House Republican leader Robert Michel and Republican Whip Newt Gingrich sent the president a letter urging him to mention SDI in his State of the Union address. And the idea of having Mr. Bush himself travel to Livermore began to circulate around the White House.

By December, the administration was still wavering on how much money to request for SDI this year. Mr. Quayle pushed hard internally for robust funding, opposing some officials who argued that such a big request wasn't wise because Congress would never approve it anyway. In the end, the Bush budget called for a big $1 billion SDI spending boost, and the president plugged SDI in his State of the Union speech.

Earlier this month, Mr. Bush himself stood before television cameras at the Livermore Laboratory. "Even as we work to reduce arsenals and reduce tensions, we understand the continuing crucial role of strategic defense," he declared.

United States Department of State

Washington, D.C. 20520

TO: DAN McGROARTY
ROOM 118
FAX: 456-7005

FROM: JOE DUGGAN
647-4153

United States Department of State

Washington, D.C. 20520

(Contact Joe Duggan, 202-647-4153)

Rapid Accord on Conventional Arms Cuts Would Help European Stability, Bush Advisor Says

IRVING, Texas, Nov. 9 (Thursday) - President Bush's special advisor on arms control, Edward L. Rowny, today said he is "hopeful about the Vienna conventional forces talks. The remaining differences between East and West are narrowing and each side is motivated to achieve an agreement. More than anything else, progress on conventional arms reduction promises to make European security more stable. It provides an important opportunity for advancing the President's vision of a 'whole and free' Europe.

"While good progress is being made in the CFE talks, it must be sustained and pursued with a sense of urgency," Rowny said in a speech at the University of Dallas.

Rowny said: "....it has long been true that the division and heavy militarization of Europe is a threat to peace and stability the world over. A conventional war in Europe would have grave potential of escalating beyond Europe's borders into a global conflict involving the US and the USSR. Though the likelihood for war is today low, I believe that all-out nuclear war between the superpowers is more likely to result from the flames of a conventional warfare tinderbox than from a 'bolt out of the blue.'

"We must not discount the inherent destructiveness of conventional forces -- the weapons my Soviet counterparts have called 'useable forces.' The destructive power of the modern conventional weapons deployed in Europe today is far greater than that of the conventional weapons that wreaked such devastation half a century ago. With a heavy imbalance of conventional forces which favors the Warsaw Pact, Europe today is the world's most militarized continent. Soviet modernization of its forces continues apace. While the USSR is reducing its force of older model T-64 tanks, it continues to produce newer T-72s and T-80s at a rate far in excess of US tank production.

"Because of these factors President Bush has led the Western alliance in intensifying efforts for an historic agreement for deep conventional forces cuts to equal levels. With the proper understanding and effort, we can meet the President's goal of a treaty within one year.

"A combination of events on the world scene makes this a time for hope -- and for hard work to bring those hopes to fruition. The President has a balanced, common-sense approach toward advancing both world peace and world freedom. By stressing the need to tackle the causes of tension and not simply its symptoms, he is pursuing a broad agenda which goes beyond arms control. Nevertheless, he is not neglecting arms control and is emphasizing the reduction of the risk of war through an early agreement on conventional forces. This has the greatest potential for realizing the goal of a more stable and free Europe. President Bush also is moving forward with negotiations for a START treaty and remains committed to our strategic defense program. Our aim is the reduction of strategic forces to levels which are not only lower but more stabilizing, with deterrence no longer based solely on mutual terror.

"The culmination of this common-sense approach could, by the century's end, make for a more stable world, one in which the nations of Eastern Europe can complete a peaceful transition to freedom."

Promoting Peace and Freedom: A Time for Hope and Hard Work

An Address by Ambassador Edward L. Rowny
Special Advisor to the President
and Secretary of State for Arms Control Matters

University of Dallas
Irving, Texas - November 9, 1989

The last decade of the 20th Century presents us with extraordinary opportunities to advance America's goals of a world more peaceful and more free. The election and inaugural speech of George Bush signalled to the world that the United States would continue to move forward toward these aims.

President Bush and Secretary Baker are taking a broad, integrated approach to improving East-West relations. As the Bush Administration diplomacy already has demonstrated, politics does not proceed in a social or economic vacuum. And Secretary Baker observed recently that arms control does not proceed in a political vacuum.

The Bush Administration recognized the success of President Reagan's four-point approach to U.S.-Soviet relations. Clear gains have been made in advancing human rights, mediating regional conflicts, improving bilateral exchanges, and furthering arms reductions. Having been involved in superpower arms control now for nearly two decades, I can attest that the success of the Intermediate-range Nuclear Forces Treaty would not have been possible without U.S. persistence in addressing the causes, and not just the symptoms, of U.S.-Soviet tensions. Recognizing this, the President and Secretary Baker has made the U.S.-Soviet agenda broader still, initiating talks on transnational issues such as environmental protection, drug trafficking, and terrorism.

President Bush has made it clear that United States leadership in the NATO alliance is as strong as ever. His demonstration of leadership comes at a propitious time -- indeed, at a truly amazing moment of rapid expansion of freedom and democracy in Eastern Europe. In Poland and in Hungary, tangible progress toward the President's vision of a Europe "whole and free" is taking place every day.

Global Ramifications of European Security

So much focus on Europe at this time should not be mistaken for "Eurocentrism" which neglects Asia and the other continents. To the contrary, it has long been true that the division and heavy militarization of Europe is a threat to peace and stability the world over. A conventional war in Europe would have grave potential of escalating beyond Europe's borders into a global conflict involving the US and the USSR. Though the likelihood for war is today low, I believe that all-out nuclear war between the superpowers is more likely to result from the flames of a conventional warfare tinderbox than from a "bolt out of the blue."

The popular imagination tends to regard nuclear war as the sole apocalyptic threat. As a soldier who has fought in three wars, my perspective is that all war is hell.

Chemical warfare raises a frightening specter. After Europe's experience with poison gas in World War I, the civilized nations agreed to bar the use of chemical weapons. However, over the past decade it has become apparent that the taboo against chemical warfare is not as strong as one would expect. Poison

gases have been used in the Iran-Iraq war, and by communist forces against freedom fighters in Afghanistan and Laos. Chemical weapons could become a cheap and widely available "poor man's atomic bomb."

Chemical weapons pose such a danger that President Bush has redoubled United States efforts for an effectively verifiable treaty to ban these weapons. Progress in bilateral efforts between the U.S. and the Soviet Union will help spur the effort for a global accord. At present the USSR possesses, according to its own admission, the world's largest CW stockpile.

President Bush has offered to reduce U.S. stocks of chemical munitions if the Soviets would also reduce theirs. At their September meeting in Wyoming, Secretary Baker and Minister Shevardnadze took a forward step in this matter by agreeing to a bilateral data exchange and verification of that data to begin next month.

While working to complete a global CW treaty, the U.S. has proposed to the Soviet Union that the two countries agree to the destruction of a major portion of their respective CW stockpiles down to equal and lower levels, with mutually agreed verification provisions.

Following the Wyoming meeting, in a September 25 speech to the United Nations General Assembly, President Bush reaffirmed the U.S. commitment to a multilateral treaty that would completely eliminate chemical weapons in 10 years, provided that all states with CW capability become party to the treaty. The U.S. would destroy more than 98 percent of its current CW stockpile within eight years after entry into force of a multilateral CW treaty, provided the Soviet Union also is a party The remaining 2 percent would be destroyed in the following two years after all CW-capable countries become parties to the treaty.

Although the prospect of possible use of chemical or nuclear weapons is horrible, let us not discount the inherent destructiveness of conventional forces -- the weapons my Soviet counterparts have called "useable forces." Conventional weapons can cause devastating results. This has been demonstrated during the 1980s in Iran, Iraq, and Afghanistan, and most convincingly in the Middle East during the 1970s. And as for Europe, the destructive power of the modern conventional weapons deployed on the continent today is far greater than that of the conventional weapons that wreaked such devastation half a century ago.

Europe today, with a heavy imbalance of conventional forces which favors the Warsaw Pact, is the world's most militarized continent. Even when the announced unilateral Soviet force reductions are carried out fully, Warsaw Pact tanks, armored troop carriers and artillery pieces will still outnumber NATO's by more than 2 to 1.

Moreover, Soviet modernization of these forces continues apace. While the USSR is reducing its force of older model T-64 tanks, it continues to produce newer T-72s and T-80s at a rate far in excess of US tank production. Soviet artillery has been modernized, and front-line units now feature self-propelled, nuclear-capable guns. While the Soviets are reducing somewhat their capability to conduct a surprise attack against the West, they will still possess effective forward-deployed forces capable of sustained offensive operations. What some would characterize as "merely" a conventional war in Europe would take a catastrophic toll in civilian lives and property.

Because of these factors President Bush has led the Western alliance in intensifying efforts for an historic agreement to reduce Conventional Forces in Europe (CFE). He has set as a goal the accomplishment of a treaty within one year. Our NATO allies and the Warsaw Pact have adopted this goal and made significant strides since the talks opened in Vienna earlier this year. NATO's aims are to:

** Eliminate the capability for surprise attack and large scale offensive action.

** Remove the major source of military instability on the European continent: the threat posed by excessively large forces of the Warsaw Pact, especially forward deployed Soviet forces.

** Concentrate on reducing those weapons that are best suited for surprise attack and offensive operations: especially tanks, artillery, and armored troop carriers. The Warsaw Pact has indicated willingness to make deep, asymmetrical cuts in these systems. All the reduced weapons would be destroyed. This would mean, for example, destroying more than 30,000 Warsaw Pact tanks.

** Limit US and Soviet troops based on foreign soil in Europe to 275,000 each -- a cut of 30,000 from current US levels and 325,000 from Soviet levels. All withdrawn troops would be demobilized.

In September, NATO tabled its proposals in Vienna on information exchange, stabilizing measures, verification, and non-circumvention. The Warsaw Pact responded with its own measures last month. While good progress is being made it must be sustained and pursued with a sense of urgency.

I am hopeful about the CFE talks because the remaining differences between East and West are narrowing and each side is motivated to achieve an agreement. More than anything else, progress on conventional arms reduction promises to make European security more stable. It provides an important opportunity for advancing the President's vision of a "whole and free" Europe.

START's Goal Is Stability

In the Geneva talks on US and Soviet long-range, or strategic arms, important progress has been made. But we remain divided on such key strategic issues as sea-launched and air-launched cruise missiles, strategic bombers, and verification. The outcome on these issues will affect the nature and composition of our strategic forces.

While the negotiations have been in progress, the Soviet Union has continued to modernize its strategic forces. For example, the Soviets have continued to make improvements in the accuracy and yield of their SS-18 heavy missiles. They also have fielded two mobile ICBMs. Because of these improvements, it is imperative that we adhere to the principle that remaining forces after a START agreement be more -- and not less -- stabilizing than current forces.

One of the most complex issues in the START negotiations is verification. We made a quantum leap in verification with the INF Treaty's provisions for baseline and short notice on-site inspections, and for portal monitoring of missile facilities. But verification of START, compared to INF, is considerably more difficult. INF provided for the complete elimination of an entire category of weapons -- all of them land-based -- and banned their production, deployment, and testing. START will permit the retention of many strategic weapons, based in the air and at sea as well as on land. Verifying reduction of these weapons will be far more difficult than monitoring the implementation of the "global zero" INF treaty.

Accordingly, President Bush's first major initiative in START was to put verification on the front burner. He proposed that we and the Soviets work out certain verification and stability measures and implement them as soon as possible, even before a START treaty enters into force. The President is striving to ensure that any treaty he signs will be effectively verifiable.

In START it is important to stress that our objective is not the abolition of all nuclear weapons, nor making deep reductions for their own sake. Our goal is an increase of stability at lower levels of armament. It is possible, if we are not careful, to cut weapons and yet end up with a more dangerous situation if the resulting effectiveness of forces are improperly structured. In time of crisis, a relative advantage on one side -- or the perceived vulnerability of the other's retaliatory forces -- could put a premium on striking first. This is why one of the key criteria for resolving the remaining issues in START is whether it promotes stability.

The START talks do not proceed in a vacuum. Strategic modernization of U.S. forces is essential to the credibility of the forces which would remain under a START agreement. President Bush made his understanding of this clear when he prepared his Defense budget. It is vital, he said, that we move forward with the rail-mobile MX and road-mobile "Midgetman" ICBMs; with the revolutionary B-2 Stealth bomber; with the Trident D-5 submarine-launched missile; and with the Strategic Defense Initiative.

SDI: Technology Meets 'New Thinking"

The Strategic Defense Initiative exemplifies progress in technology and in American "new thinking" about how best to deter the use of the awesome arsenal of long-range Soviet nuclear weapons. Today, the threat of retaliation stands as our sole means of deterring a nuclear attack.

This situation dates to the early 1970s when our political and scientific leaders had little confidence that effective strategic defenses could be developed in the near term. We entered into an agreement with the Soviets -- the ABM Treaty of 1972 -- to forbid either country from deploying a capability for nationwide territorial defense. Then we dismantled our partial strategic defense system. Our policymakers of that time believed that a strategic defense system was not practical. Moreover, they predicated the ABM Treaty on the belief that both sides would make reductions in strategic offensive weapons. That promise went unfulfilled.

Today, the new technological potential for effective, stabilizing strategic defenses -- unimagined by many of the policymakers of 1972--looks bright. As Secretary Cheney said recently: "There are many compelling reasons why we need SDI, and there are no technical reasons why we could not have it."

For example, there is a very promising new concept for space-based missile interceptors called Brilliant Pebbles. Preliminary reading of independent studies now being reviewed in Washington indicate that a few thousand relatively inexpensive, very small interceptors based in space may be capable of taking on even the Soviet SS-18 heavy ICBM force and significantly limit its effectiveness. Knowledge of this would severely complicate a Soviet planner's calculations and thereby act as a powerful deterrent against an ICBM attack. Just as important these "Brilliant Pebbles" also could serve as a shield against unauthorized, accidental, or terrorist missiles aimed at the US or our friends.

This is why President Bush is committed to moving forward with SDI. This, too, is why we are assiduously seeking in Geneva to gain Soviet agreement to a stable, transition from deterrence based solely on offensive weapons to deterrence based on a balance of offensive weapons and defensive measures.

It is simple, perennial common sense to balance defensive and offensive systems. Such a balance is both feasible and affordable. Security never has been soundly based on swords without shields any more than it has been based on shields without swords. History will not forgive us, I believe, if we fail to pursue the benefits of defenses against ballistic missiles.

Unfortunately, there is a morass of misinformation and misunderstanding about strategic defense and very little public awareness of the Administration's aims for SDI. Let me outline them:

* President Bush has promised to deploy SDI "when it is ready." The SDI program is structured to allow the President to make an informed deployment decision before the end of this term.

* The US and Soviets have not one, but two Nuclear and Space negotiations under way in Geneva -- the Defense and Space Talks and START. If the Soviets would agree to our Defense and Space proposals, we would be in a promising position to effect a stable transition from deterrence based on strategic offenses alone to deterrence based on strategic offenses and defenses.

* We are convinced that effective defenses, should they prove feasible, can be introduced at a measured pace and in a cooperative way to maintain stability during a transition to greater reliance on defenses.

Despite these reasonable and achievable aims, SDI has been under attack, and this has undercut its funding and slowed its momentum. It has been delayed, but it has not been killed or crippled. The next several years hold the bright promise of a time when we will move from the deterrent "triad" of land, air and sea based offensive strategic forces to a more stable "tetrad" which adds strategic defenses to the deterrent force.

Bringing Hopes to Fruition

A combination of events on the world scene makes this a time for hope -- and for hard work to bring those hopes to fruition. The President has a balanced, common-sense approach toward advancing both world peace and world freedom. By stressing the need to tackle the causes of tension and not simply its symptoms, he is pursuing a broad agenda which goes beyond arms control. Nevertheless, he is not neglecting arms control and is emphasizing the reduction of the risk of war through an early agreement on conventional forces. This has the greatest potential for realizing the goal of a more stable and free Europe. President Bush also is moving forward with negotiations for a START treaty and remains committed to our strategic defense program. Our aim is the reduction of strategic forces to levels which are not only lower but more stabilizing, with deterrence no longer based solely on mutual terror.

The culmination of this common-sense approach could, by the century's end, make for a more stable world, one in which the nations of Eastern Europe can complete a peaceful transition to freedom.

REMARKS OF DEFENSE SECRETARY DICK CHENEY
AT THE SDI SYMPOSIUM
OF THE AMERICAN DEFENSE PREPAREDNESS ASSOCIATION

WASHINGTON HILTON HOTEL

MONDAY, MARCH 19, 1990

.STX

SEC. CHENEY: Thank you very much for the kind introduction and the warm welcome. I talk about 1990 -- of course, it has been a full year now since I became Secretary of Defense. As a matter of fact, just a year ago this week. Somehow it seems longer. (Laughter.) But the nice thing about 1990 is I don't have to run for Congress this year, so no election campaign. So I -- there are some pleasant aspects to being Secretary, as well.

Well, let me this morning -- I know you're focused, of course, the conference is focused on the Strategic Defense Initiative, and that is a subject near and dear to my heart. And I do want to focus my remarks specifically on that. Another anniversary that occurs this week, of course, is the 7th anniversary of the day that President Reagan launched the Strategic Defense Initiative in 1983. I am here this morning to tell you that those seven years, I think have been very well used. President Bush and I want to keep moving forward as fast as we possibly can, and we are committed to deploying strategic forces when they are ready -- excuse me, strategic defenses when they are ready.

In other words, the President and I are "bullish" about SDI. We are convinced that the program is on track. We are also convinced, as the President has said, that in the 1990s, strategic defense makes much more sense than ever before. Unfortunately, not everyone agrees. Critics of the program seem to think that the events of the past year have done away with the need for strategic defense. Some of the skeptics are members of Congress. As a result, we stand at a crossroads. We want to move forward. Our critics want to cut back. The issue between us is almost entirely political.

Almost everyone now will concede that defense against ballistic missiles is possible within a very few years. Independent review boards tell us that a first phase strategic defense system with Brilliant Pebbles should be well within reach. Of course, there's still some development work to be done. That is the purpose of the SDI program. But I am convinced that the issue is how we can meet the President's timetable for decision and deployment, not whether we can meet that timetable. At least, that is the technical issue.

.STX
The political issue is much more troublesome. Without funds, we can't do much of anything, no matter how close we may be. Therefore, it is time, I think, to get back to basics. We have to take another look at the threshhold question: Why do we need SDI at all?

I plan to answer that this morning by talking about three different subjects. First is the role of strategic defense as a deterrent to nuclear attack from the Soviet Union. Second, I want to talk about the emerging third world threats. Together, these two make up the negative side of the argument, what bad things SDI can prevent. Finally, I'd like to spend a couple of moments discussing how SDI fits with our view of the world in the 21st Century. This argument is very different from the negative ones. Instead of the ills we want to prevent, it is about how SDI can help us achieve the positive relationships that we all want to develop.

Our relationship with the Soviet Union clearly has taken a turn for the better. That fact is indisputable. It is also one of the main reasons the President's strategic programs are under attack. Our critics say that the enemy has disappeared, and with that, so have the reasons for strategic modernization and SDI. We have clearly been impressed with President Gorbachev's determination to bring about reforms in Soviet foreign and domestic policy. In Eastern Europe, the changes have been nothing short of revolutionary. There is a real possibility that former satellites will soon be governed by democratically elected non-communist regimes. Witness the events yesterday in the German Democratic Republic. The new governments may well ask the Soviet Union to bring their troops home where they belong. As a result of these changes, the threat of a sudden Soviet invasion of Western Europe clearly has receded. Because of this receded threat and the likelihood of conventional and nuclear arms control agreements, the President submitted a reduced defense budget to Congress in January. I want to underline that point: The President's budget is $22 billion below what the same program would cost that Congress itself approved just last November.

During the 12 months now that I'v been Secretary of Defense, we've reduced the five-year defense program by $231 billion. By March of -- by 1995, defense spending will be down to the lowest share of GNP since before World War II. These are real cuts, they are big, and they relate directly and rationally to the reduced threat.

But these cuts are as far as we can responsibly go. For one thing, there is great uncertainty about the future course of reform inside the Soviet Union. Mr. Gorbachev faces massive problems at home, and while we very much want perestroika to succeed, its success is far from assured. In addition, we must never forget that the Soviets retain enormous military capabilities, and those

capabilities are getting stronger in the one arena that is most dangerous to the United States -- strategic nuclear weapons.

At the same time as the Soviets have begun to reduce the conventional threat, to cut back on defense spending, they are pursuing a major strategic modernization program. That program will significantly improve their nuclear capabilities. Specifically, the Soviets are building two different kinds of mobile ICBMs, the rail mobile SS-24 and the road mobile SS-25. They are upgrading their SS-18s; thatt one, of course, is the huge multiple warhead system in fixed silos. Its construction and basing mode make it most suitable for a preemptive first strike. In fact, last year alone the Soviet Union produced 140 new ICBMs; we produced 12. That was in 1989, the year our critics say that the threat went away.

The Soviets are also improving their submarines and cruise missiles, and they've upgraded their anti-ballistic missile system around Moscow. And despite all their protestations about what we are doing, the Soviets have a longstanding program of their own for developing advanced missile defenses.

One interesting issue is how all of this relates to strategic arms reduction. START will reduce the total number of nuclear weapons on both sides. It deserves to be pursued wholeheartedly, as the President is doing. However, limiting the totals will not prevent either side from replacing older systems with modern ones. Based on their recent activity, we expect the Soviets to have a

.STX
completely modernized force under START, so it would be irresponsible not to seek modern forces for the United States as well.

Let me point out, however, that there is an important difference in our two countries' strategic programs. The Soviets continue to upgrade their first strike ICBMs, the SS-18. In contrast, we are not looking for a first-strike capability, and never have. Our emphasis is on systems that survive a first strike, if necessary, and respond flexibly.

That is also why we believe it's crucial to move forward rapidly with strategic defenses. Strategic defense can make a unique contribution to deterrence, even apart from the moral reasons for building defenses. It will make no difference to a Brilliant Pebble whether a ballistic missile is launched from a mobile or a fixed site, on land or at sea. It will work against any ballistic missile. The Pebble's sensors will acquire the missile during launch. Its computers will track and predict the flight path, the Pebble will collide with the missile, and the missle will be destroyed, together with its warheads. If some missiles are missed, ground-based interceptors then will pick up the remaining warheads and kill them. That is the basic architecture of our strategic defense system.

The critics like to say that this kind of a defense is not perfectly air-tight. They are right. In an all-out first strike, come of the warheads would get through. But let's not make the best the enemy of the good. When it comes to deterrence, a limited defense is enough to give your opponent second and third thoughts. The important point is that a significant number of missiles and warheads would be destroyed; moreover, the Soviets could never know in advance which ones would be.

Under those conditions, it would be impossible for them to plan a first strike at all. If you don't know which missiles will get through, you can't know what a strike will achieve. You also can't be sure what will be left to hit you back afterwards. In other words, even an imperfect space-based defense will make preparations for a first strike extremely difficult and complex.

Some of the critics suggest that the advantages we'll gain from SDI can easily be defeated by Soviet countermeasures. We are well aware of the countermeasures that have been discussed by the critics, and we acknowledge that they must be addressed. However, our opinion so far is that countermeasures will not be easy or cheap to deploy, and that they can be answered. The countermeasures would cost far more than the original defensive deployments. In addition, we believe we can respond to the countermeasures more cheaply than the Soviets' next round of offensive responses. At each stage of
.STX
escalation, upgrading the defense should be cheaper than [illegible] the offense. Therefore, we hope that the Soviet Union would avoid this kind of losing competition to move to a greater mutual reliance on strategic defense.

When we began SDI, we assumed Moscow would spare no expense to counter a First Phase deployment. We thought about tens of thousands of warheads,

.STX
hundreds of thousands of decoys and extremely high spending. Given the state of the Soviet economy, we no longer believe that's likely to happen. In addition, the START agreement would limit certain countermeasures, such as decoys, by reducing the number of missiles and warheads under the treaty. Of course, even though effective Soviet countermeasures seem unlikely, we do not rule them out absolutely, as if they could never be developed under any conditions. We are not foresaking research into even more advanced defensive technologies.

Some of the critics would like to skip Phase One entirely and keep funding more advanced research. That is another example of rejecting a system we can build in favor of the ones still in the laboratory or mind's eye. It is a favorite tactic of people who oppose all kinds of defense spending. In this case, it would mean not meeting today's threat because of a fear about some future threat that may never materialize. The remarkable thing is that this fear comes from the same people who say we have no reason to worry about the threat in any case.

We do still have a good reason to be worried about Soviet strategic capabilities. To answer that concern, we need a balanced offensive and defensive response. A strategic defense system is a crucial element that will help protect us against a first strike for decades to come.

I want to turn more briefly now to threats from countries other than the Soviet Union. Some faulty press coverage has been saying that the Third World has replaced the Soviet Union as a justification for SDI. That is not true. The Soviet Union will remain the only country that can threaten our very survival for the foreseeable future. However, threats to our interests from other nations are likely to grow, and SDI is an effective counter to them.

This past week there's been a public discussion about the Libyan chemical weapons. A growing number of hostile powers are gaining chemical, biological, and even nuclear capabilities. Many of these countries also have acquired, or may soon acquire, ballistic missiles able to deliver those weapons. Second-class powers will become first-class threats.

At least 15 developing countries will produce or own their own ballistic missiles by the year 2000. More may buy them as they do now. Also by 2000, at least six developing countries will have intermediate-range missiles, not merely short-range ones. Some of the countries now developing missiles are ones that may already have nuclear weapons or advanced nuclear weapons programs. By the end of the decade, that list, too, could grow longer.

Most of these missiles could not reach the continental United States; however, that should not leave us feeling safe. The United

.STX
States is a global power with global interests and global responsibilities. Our allies could certainly be threatened. So could our overseas bases and our forward-deployed troops. Any of these could easily be in range of a missile fired by an adversary.

Who among us is willing to bet that a missile will never be used? That threshold has already been crossed. In 1986, Libya fired two Soviet-made SCUD missiles at one of our Coast Guard stations on an off-shore Italian island.

The Libyan missiles fell short of their targets. In addition, of course, Iran and Iraq used hundreds of missiles during their recent war.

Fortunately, Brilliant Pebbles will be able to give worldwide protection against all but the shortest range missiles, and against shorter range missiles our defenses can provide valuable information to local defense units. Those are both major bonuses from a system that already promises to deliver very much.

So far, I have given a broad range of negative reasons for supporting SDI, things we want to guard against. I've talked about threats and how SDI can meet them. Now I'd like to shift gears.

The Soviet Union has entered into a more productive relationship with the United States in recent years. One of the hallmarks of that relationship has been the Soviet decision to reduce and redeploy their conventional forces into a defensive posture. They have even joined with us in working on a conventional force reduction agreement that would put teeth into the decision. The Soviets also seem likely to agree to a START treaty that would reduce both of our strategic offensive nuclear forces. What they have been unwilling to do so far is to let our mutual interest in strategic reductions turn into a mutual shift to a more defensive posture.

But what works for conventional forces makes sense in the strategic arena as well. Both of our countries have delegations at the ongoing Defense and Space Talks in Geneva. It would make a great deal of sense to use those talks for negotiating a cooperative transition to a more balanced deterrent, one based on a mixture of offense and defense. At a time when we may be changing the basis of our relationship it seems incongruous for a deterrent to rely solely on our ability to destroy each other.

Of course, we cannot hold up SDI to wait for these stalled talks to make progress. However, we look forward to the day when both sides might increase their reliance on defense. In my view that clearly would produce a safer and more stable world. However, we can have greater stability only if Congress cooperates. We can move ahead with strategic defenses or continue relying solely on offense. A balanced mixture would make for a better world. The choice should be clear. The question is whether or not Congress will make it.

Thank you. (Applause.)

I don't want to interfere with anybody's lunch, but I've been told that I could take a few questions from the audience if anybody has any questions they want to raise. I apologize for not making that clear earlier so you could spend time thinking up questions.

Yes, sir?

Q Mr. Secretary -- (off mike) -- how the world had changed and your program (next year should change ?). Will there be some attempt to (this year ?) deal with that issue -- (off mike) -- political nature of -- (off mike) --

SEC. CHENEY: Do you want to repeat the tail end of your question?

Q Will you be able to address that incongruence at the very beginning -- (inaudible) -- you recognize the world has changed --

SEC. CHENEY: Yes. Well, let me talk about that for a minute because the -- in the course of the debate, submitting the budget and all of the follow-on stories, that get covered and some of the discussions on the Hill, I think there has been a memory lapse, if you will, collectively on the part of some of my former colleagues -- I almost said former friends -- in Congress. (Laughter.)

We went through an exercise last year where I had to cut $65 billion out of the five-year defense program, and to do that, I tried, among other things, to cancel the V-22 Osprey, to shut down the F-14D new production line, close a few bases, et cetera. The resistance to making those kinds of changes wasn't in the Pentagon, it wasn't in the Executive Branch; it was right up there on Capitol Hill.

This year what we've gone forward with are proposals to terminate about 20 programs, including the M1 tank, the Apache helicopter, the F-15E aircraft, et cetera. We're going to take two divisions out of the United States Army in 1991. We're taking down eight submarines. There's a long list of programs that we want to do away with. We've got 120 bases on the list for closure in the United States, another dozen overseas, and there will be a lot more overseas once we've completed a conventional force reduction agreement.

And again, the resistance we keep running into is right up there on Capitol Hill with those folks who say they want to cut the defense budget, but, of course, they don't want me to close any bases, shut down any production lines, or do anything that might have an impact on somebody's base back home in their district.

I think it's crucial for us, if we're going to go through this period of shrinking our defense capabilities, if we're going to use as justification for that the changing circumstances in the Soviet Union and in Eastern Europe, that there be some linkage, some rationale in terms of those programs that are cut with respect to the reduced threat, and that's exactly what we've provided. The President's budget does, indeed, do that.

The reason you stop producing M1 tanks is because we've got enough with some 7,900 in the inventory, and if, in fact, the Warsaw Pact is going to continue to fall apart, as it would appear to be doing, if the Soviets are going to withdraw from Eastern Europe -- they've now signed agreements to get out of both Hungary and

---

Czechoslovakia by the middle of '91 -- and we expect further reductions through the CFE talks, then the things that ought to change are those forces and those systems that are specifically dedicated to dealing with that major land war in Europe.

That's why you take two divisions out of the Army, more over the long time; that's why you shut down the M-1 production line, the Apache helicopter and those other systems.

What has not changed, where there has been no diminution whatsoever of the Soviet threat, where Soviet capabilities remain absolutely unchanged except for the fact that they continue to get better, is in the strategic area. Now, it makes no sense at all on the one hand to argue that we have to respond to the changing threat out there, make changes in our own posture, but then run over and say, "therefore, take down your strategic systems or give up on SDI." That is, it seems to me, is the height of illogic, and it's vital that we continue to make that point and we'll do it just as often as we can.

The President has in fact submitted, for the first time in about 15 years, from the Executive branch, a defense budget that calls for real declines in defense spending. It will take us down by 1995 if all of the good news continues, if we continue to see -- (adjusts the micropohone) -- now I understand what that guy was doing up here -- (laughter) -- if we continue to see the kinds of changes that have occurred over the last couple of years, then there's no question but what it should be safe for us to make those reductions.

But it's going to be, I think, vital for us to remember that when we get through that period of time, we still are going to retain the requirement for significant military capability. And that includes not only in the conventional arena but in the strategic area as well.

Q Secretary Cheney, other earlier speakers today -- (inaudible) -- (applause). Some of the earlier speakers today, including (name inaudible), suggested that the service bureaucracies are more interested in maintaining current programs, and really haven't been able to consider the possibility of cutbacks. Other speakers have (neglected?) the fact that -- decried the fact that there haven't been any real government studies on this offense-defense integration. What sort of leadership do you think your office will assert to get their house in order within DOD before you go up to the Hill, since you don't have offense and defense (contingency data to report in terms of dollars?)?

SEC. CHENEY: Well, if there have been no studies of offense-defense integration, it's the only thing we haven't studied. We crank out huge volumes of studies and reports in the department, but it's possible we missed one. With respect to the services, I think you will find within the department that there are a variety of opinions about not only SDI but a lot of our other programs as well. And I can

find in an organization that size people within the building who have got a variety of opinions on any given subject. My experience has been that individuals and officers as well as the civilians associated with the services come in and argue very hard for those programs they're responsible for. They believe in them. That's what they're expected to do.

It's my job as secretary in working with my staff to have to make some of those choices. And I think it would be fair to say that opinion is going to be mixed on most of the major systems of the day, especially when you're faced with shrinking budgets, and we're having to make some of these difficult choices.

So, I don't find it surprising that you won't get unanimity. What should be very clear though is what the policy of this administration is, and that is aggressive support for the Strategic Defense Initiative. We think it's extremely important. It's one of the President's priorities. It's one of my priorities. And I know a good number of people in the services who aggressively support those programs in all services.

Yes, sir?

Q (Off mike question regarding attitudes in Europe towards SDI.)

SEC. CHENEY: Well, I'd -- we'll be happy to take a look at any thoughts and ideas for studies. I don't mean to be flippant in my answers, but we have tried and will continue to try to educate people about SDI. This is an opportunity for me, a forum, because of press coverage hopefully that we're able to generate, to reiterate again the importance that we place on this program.

The President also I think has been very actively involved in it, his recent tour of the lab out at Livermore and his speech. Just last fall, General Monahan accompanied me to a meeting of all the NATO Defense Ministers where he made an excellant presentation of the status of the program. So, we're doing everything we can to educate as many people as possible.

My most immediate problem though isn't the Europeans. My most immediate problem is up there on Capitol Hill and getting adequate support from Congress so that we continue the kind of program that will ultimately make it possible for us to achieve our objective.

I'll take one more question. Yes, sir?

Frank, how are you?

Q I appreciate the chance to ask a question. In connection with your reference to --- (inaudible) -- Capitol Hill support of this program, I would argue that one of the most damaging things

that has happened this week is a public statement by the Director of the Central Intelligence Agency. You have been engaged in a more or less public debate with him about defining the particulars that this program -- the defense program of the country implicitly is less important now than it used to be because under -- he has been quoted as saying, "Under no foreseeable set of circumstances can the Soviet threat reemerge."

Your speech today obviously doesn't reflect the conversion to his point of view. One of the things that we've been very anxious to encourage people to do is to get a second opinion on this.

SEC. CHENEY: (Laughs.) Well, I'm glad you asked, Frank. (Laughter.)

.STX

The fact of the matter is, I think Bill and I -- Bill Webster and I have a difference of opinion, and that Bill has an obligation as the Director of Central Intelligence, I think, to voice his views. And he's done that, and I certainly wouldn't want to discourage that. My job as Secretary of Defense is -- I think calls for me to err on the conservative side before I declare that the Soviets no longer constitute, nor will they in the future constitute a significant military threat to the United States and our allies.

I -- Bill will have to speak for himself. He does that very well. My own views I think are well known, and that is that from the standpoint of what we see developing in the Soviet Union we're obviously encouraged, but there are all the things you can tick off that lead me at this point to say we have to be very cautious.

And those points of caution are that that transition in Eastern Europe is far from complete. It may turn out to be much easier to topple the old regimes than it is to build new ones in their place. It's great to have the Berlin Wall down, but there's still 15, 16 Soviet divisions in East Germany. It's nice that we're making progress on strategic arms talks, but even after we complete that treaty the Soviets are going to retain robust nuclear capability. And they'll have that capability long after Mr. Gorbachev is gone from the scene, completed his term of office, and his successor is on board. They are not about to give it up. It's the only thing that makes them a superpower. It's the only reason a lot of people care very much about what does happen inside the Soviet Union -- it's because, of course, they sit on top of all those nuclear weapons.

Now, I cannot in good conscience look at that situation and contemplate the Lithuanian independence movement and the ethnic unrest in Azerbaijan and Soviet talk by Soviet citizens -- not mine, Soviet citizens -- speculating about the prospects of civil war and economic collapse inside the Soviet Union, and not be concerned that we may indeed at some point down the road be faced with a government in the Soviet Union that is possessed of enormous military capability and is not nearly as benign towards the West as has been Mr. Gorbachev.

And under those circumstances I think it would be irresponsible for me as Secretary of Defense to run out and focus only on the good news and not continually remind people that we've come a long way; we're about the reap one of the great victories, if you will, in the postwar period -- certainly the most significant -- but in this century as a result of our successful cold war strategy. And now is not the time for us to throw it all over when if we proceed cautiously and carefully -- we can save a lot of money out of the defense budget, but we ought to do it over time and we ought to continue to focus not just on Soviet intentions, but on Soviet capabilities which remain enormous.

Thank you all very much. (Applause.)

.ETX

END

Duggan

A successful strategy for securing funds to keep the SDI program on track requires rapid mobilization of all the relevant public liaison constituencies, but it also requires much more. It calls for a total communications strategy, with the President, Vice President, General Scowcroft, Mr. Fitzwater, Secretary Baker and Secretary Cheney all singing loudly and clearly from the same songsheet. The message needs to be projected powerfully through national TV, radio and print media, through local news and opinion media (especially in targetted congressmen's districts) and through constituent activist organizations and their own media organs.

George Bush, the former ambassador and combat pilot, has the qualities and the experience to be a greater communicator than Reagan at the level of defense and foreign policy detail. Reagan's vision for SDI was profoundly correct, but now it is up to Bush to bring to fruition a successful program worthy of that vision. The "in-basket" president has a job to do: to exercise the political leadership to give us the missile defenses he has promised. Opposition to SDI no longer has any technological basis; it is based solely on partisan and ideological politics.

Bush pledged in 1988 his support for SDI and his commitment to deploy it "when it is ready." He elaborated that he would keep SDI research and testing on track so that he could make a well-informed deployment decision before the end of his first term.

On taking office, in the context of other defense cuts, Bush trimmed $1 billion, or more than 15 percent, from Reagan's FY 1990 request for SDI. This would leave SDI with the bare minimum needed to conduct the tests on which to base a sound deployment decision.

Democrats in Congress are about to give the President less than $4 billion for SDI -- far less than the bare minimum needed to bring about the deployment decision. They want to kill SDI, of course. But they also smell an opportunity to cripple George Bush politically. This is their chance to discredit the President with his own pro-defense constituencies. If Bush allows SDI to be killed though it is within his leadership capability to preserve it and move it forward, disaffected pro-defense constituencies may decide they have better things to do than work for George Bush's re-election in 1992.

The President needs to give another "read my lips" speech on the defense legislation. In other words, a speech that combines a fighting, inspiring political spirit with sophisticated, detailed policy arguments.

Here are some of the points he should make:

--Since its beginning in 1983, SDI research has been highly successful. Each year has added confidence to the prospect of deploying effective, affordable space and ground based defenses against ballistic missiles. This too will make deterrence more stable by having it based on a mix of defensive systems as well as the offensive retaliatory systems which now are the only basis for strategic deterrence.

--The core of domestic opposition to SDI has hardened even as they have had to abandon their "it won't work" arguments. Their arguments shift as circumstances change. Until last week, when the Soviets dropped their demand that limits on SDI be expressly linked to a START agreement, our domestic opponents' favorite argument was that we needed to kill SDI because it was blocking a START agreement. Now the same people are saying that SDI should be killed because it no longer has any value as a START bargaining chip!

--The American people are only dimly aware of the Soviet strategic defense program, which is about 10 times costlier than ours and has been going at a robust pace at least since the early 1970s.

--By openly launching the SDI program, the U.S. put its cards on the table. We say we want ballistic missile defenses and that we want to introduce them without a destabilizing shock to the strategic balance, i.e., a sudden U.S. breakout from the ABM Treaty. The Soviets on the other hand are far ahead of us toward acquiring capability to break out of the ABM Treaty, but with false piety they insist that the ABM Treaty is sacrosanct. They refuse to discuss our proposals for amending it.

REVISED

Statement of
John G. Tower
before the Committee on Armed Services
of the
United States Senate
January 25, 1989

Mr. Chairman and Members of the Committee:

It is both a professional honor and a personal pleasure to appear before this committee and so many of my old colleagues as President Bush's nominee to be Secretary of Defense.

The fundamental concerns of this Committee also have been my concerns throughout my tenure in public service. The responsibility to safeguard the security and freedom of our nation is the most important obligation shared by the President and Congress. Only through a sound national security and defense policy can the safety of this nation be truly assured.

Under the leadership of former President Reagan and then-Vice President Bush, and with the bipartisan support of Congress, we can point with pride to a renewed commitment to the national defense -- one that actually began with congressional initiatives in 1980. Our national confidence and defense capability, which had languished during the 1970's, have been restored and revitalized.

The fruits of this renewed commitment to a strong defense can be seen in many places, but nowhere more clearly than in our armed forces. Great strides have been made toward modernizing our forces; more importantly, the quality and morale of our men and women in uniform is higher than ever.

EMBARGOED UNTIL RELEASED BY THE SENATE COMMITTEE ON ARMED SERVICES

The results of our efforts can also be seen in the changes in the international environment that have occurred over the past eight years. Soviet troops are coming out of Afghanistan; Cubans are coming out of Angola. The long conflict between Iran and Iraq shows promise of an end, and the sea lanes in the Persian Gulf remain open. Today, United States forces are not engaged in active combat anywhere in the world.

In the area of arms reductions, the strategy of negotiating from strength -- criticized early on as unrealistic -- has borne unprecedented success with an agreement to eliminate an entire class of U.S. and Soviet nuclear missiles and much progress toward reducing strategic nuclear arms.

In my view, the common commitment to a revitalized defense established over the last eight years was, and remains, a prerequisite to the success of U.S. policy. Now the nation faces a new challenge: to preserve and enhance what has already been achieved in the face of ever more sophisticated threats while, at the same time, living within demanding fiscal constraints. I believe we can meet this challenge. But it will require creative and cooperative approaches by the Executive branch and the Congress. The success such a partnership can bring cannot be overestimated.

Defense Resources

A fundamental challenge to this partnership will be to build a bipartisan consensus to meet our national security requirements and commitments in the face of constrained resources. I believe this can be done, but it will require that some

hard choices be made. It will require that the President and the Congress devise a common strategy and work together to put into place mechanisms which permit us to do more, for less.

The role Congress must play in this process is vital. Enhancing the predictability of the budget will be a key to achieving greater efficiencies and savings. Biennial budgeting, increased multiyear procurement, and more economic production rates are all promising areas that should be supported. I intend to work closely with you to develop those legislative tools required to stabilize the defense budgeting process.

While Congress must give us the necessary budgetary stability to achieve planning goals, the Executive branch must demonstrate leadership in putting its house in order. Within the Department, our approach to this challenge should involve two major elements. The first is the initiation of a review of our national security strategy to instill purpose and discipline into every force structure decision that is made. The second is to build upon important reforms already initiated which are designed to streamline and make more efficient defense management and acquisition.

National Security Strategy

Under the direction of President Bush, we must review and either affirm or revise our national security objectives. With this clear focus, we will better define the necessary strategy to achieve those objectives. The Department will then assess the appropriate roles and missions and the forces and weapons required to meet our

objectives and carry out our strategy. Through such a thorough review, we will better establish what we seek to achieve in the 1990's.

We will review operations and organization, and the systems and technologies, in an effort to exploit enduring U.S. strengths. All elements of our forces will be subject to review. In this way we can help bring existing force structure and planned procurements into line with our national objectives and strategies.

Prioritizing weapons decisions along these lines will require that difficult choices be made. There is no room in the future of the defense budget for costly mistakes. To aid in this process, we will continue to develop promising planning concepts such as Competitive Strategies, which can be used to evaluate current defense plans and help provide a guide for maximizing the leverage gained from each taxpayer dollar spent.

Defense Management and Acquisition

The second major element of our approach within the Department will be an immediate focus on the reforms necessary in defense management, and particularly in defense acquisition. Our first steps in this area should be full implementation not just of the letter but of the spirit of the Packard Commission, building upon existing reforms made possible by the strong and able leadership of Secretary Carlucci. Our efforts will be directed at continuing to reform the acquisition process, focusing both on personnel and procedures.

At the senior level, I will recommend to the President a team of tough, aggressive and accountable decisionmakers, who will operate within a streamlined

bureaucracy. At the managerial level, I intend to instill within the Pentagon the principles which guided the Packard Commission: find the right people and train them well; give them the authority as well as the responsibility to do their jobs; provide them with short and clear lines of communication and with adequate staffs; and hold them accountable for the results. We will work to make acquisition a profession in order to provide the best industrial managers for DoD.

This same high standard of accountability will extend to the private sector as well. If confirmed, my policy towards those who break their trust with the men and women of our armed forces and with the taxpayers of this nation will be a simple one: zero tolerance.

We will also continue to reform acquisition procedures to ensure efficient use of U.S. tax dollars. This requires conducting a comprehensive review of both what the Department is procuring and how goods and services are being procured. We should continue to move toward the competitive contracting style practiced in the private sector -- one based on quality and past performance, not simply price. We will make tradeoffs between cost and performance early on, and our decisions will be guided by operational testing and prototype programs that clearly define whether developing systems meet essential performance objectives. We will also continue to seek ways to buy off-the-shelf wherever possible in order to reap the benefits of past investments and current economies of scale.

In addition, we shall also draw upon private sector and Department expertise to look at ways to streamline Defense Department regulations as well as federal procurement statutes. I intend to call upon Congress to aid in the implementation of these and related reforms.

Continued Strong Defense

We must face squarely the necessity of achieving economies wherever possible. Yet our actions must be guided by one fundamental principle: our strategy must be founded on a careful, deliberate assessment of our interests and the nature and magnitude of the threat posed by our adversaries. While we strive to maximize the value of each dollar spent on defense, our defense strategy must not be determined by a complacency brought on by our foreign policy successes or by a retrenchment mentality fostered by budget constraints.

In this complex and changing world, the most solemn obligations of this nation's leadership remain: to provide for America's security; to protect its vital interests abroad; and to foster a climate of peace and stability in which freedom and democracy can flourish and prosper, free from intimidation and fear.

Fulfilling these obligations requires active engagement in the world that surrounds us. We assume this role beyond our shores because we are a great nation, representing a way of life and a system of government to which so many nations look as a model, and because it is in our national interest to do so. But we can continue in this role only as long as we remain strong.

The New Challenges Abroad

Recent policy successes have enhanced our security and provide a clear lesson in the art of the possible. However, in the area of national security and defense, we can never afford to rest on our laurels. We must remain vigilant lest the peace and

prosperity we currently enjoy lead us to a dangerous complacency and misjudgment about what is required to maintain that peace. We cannot take our defense capability for granted; nor can we afford to do only simple maintenance. We need to be mindful of the fact that the challenge to our national security has not yet diminished, though it is changing -- its nature is more subtle and, in some ways, far more complex. The nation must be prepared to meet new challenges which could threaten our achievements and undermine the potential for future progress.

The Soviet Union

The changing and complex nature of the threat is apparent when we look at the Soviet Union. We are now confronted with a dynamic new Soviet leadership which acknowledges openly that past ways of doing business must be altered to prevent technological obsolescence and internal economic stagnation. This has prompted some to project major alterations in military doctrine, policies and force posture. However, while we welcome the significant internal reforms implemented and external promises made thus far, and harbor hope of genuine change that will result in more benign Soviet policies internationally, this does not alter the fact that in terms of political philosophy and offensive capability, the Soviet Union remains our greatest adversary. We welcome the first step General Secretary Gorbachev has taken in announcing the withdrawal of certain offensive troops and forces from Eastern Europe. However, we must proceed with caution because great asymmetries in NATO and Warsaw Pact capabilities will remain even after such cuts are carried out.

The U.S. must have a long-term strategy that is consistent and reliable. We must be sufficiently flexible to seize the initiative and explore positive shifts in Soviet

policy that may strengthen U.S. security. But until there is concrete evidence that these shifts have occurred and, in fact, are enduring, we cannot afford to decrease our vigilance. While the rhetoric has indeed changed, the economic and production resources as well as the military forces and policies that support Soviet interests and clients, have not changed commensurately. Moreover, we must remain mindful that the policies of the current Soviet leadership can be read as having a marked strategic cast to them -- they are designed to place the Soviet Union in a more competitive position globally.

Facing this new, more sophisticated challenge, we must continue to maintain our strength -- both nuclear and conventional, including the prospects of strategic defenses -- to deter Soviet aggression anywhere in the world that our interests demand. This, along with the vitality of our alliances, is essential to meeting our global responsibilities. Our goal must remain to convince the Soviet Union that military aggression does not pay, and that a build-up of military forces beyond levels necessary for legitimate national defense will not provide them unilateral advantage.

At the same time, I strongly support complementing our collective determination to provide for our own defense with constructive dialogue with the Soviet Union. The success of the INF negotiations has demonstrated clearly that peace through strength works.

I am confident that, with similar resolve, positive results can be obtained in addressing the conventional asymmetries in Europe in the new negotiations on Conventional Armed Forces in Europe (CAFE Talks). Similarly, progress is possible in negotiations regarding strategic arms, chemical weapons, ballistic missile

proliferation, and nuclear testing. However, we must not lose sight of the fact that the prospects for success in these areas will be small if we are unwilling to maintain our own strength.

Regional Threats

The changing and complex threat we face is not limited to the long-standing challenge posed by the Soviet Union. Regional low intensity conflicts continue to pose a variety of real threats to U.S. interests -- threats ranging from subversion and terrorism to the direct use of military force.

To one degree or another, continued instabilities also can be expected both close to home -- as in Central America -- and farther away -- as in the Middle East, where our deep commitment to the security of Israel, the integrity of moderate Arab states, and our strategic interests in the Persian Gulf region demand a continued role. Each potentially threatens our interests or those of our friends and allies. Regional instabilities are likely to be exacerbated in the future by the spread of new military technologies including ballistic missiles and chemical weapons. To this must be added the continuing threat of international terrorism. We must take care to have the means necessary to address these threats.

Meeting the Threat

Taken together, these challenges require not only that the United States maintain a strong defensive capability, but that our alliance relationships remain healthy and unified. These alliances are a central feature of our ability to protect our own interests throughout the globe.

NATO

Our alliance relationships also are evolving. The post-war period, as we knew it for decades, has ended. We now see a prosperous and self-confident Europe moving toward unprecedented economic integration. Our challenge in this area is to enhance the unity of NATO, proceed with the needed modernization of our conventional and nuclear forces, and ensure an equitable sharing of the burden of maintaining our common defense.

There are some who question the necessity of the enormous U. S. commitment to the defense of Western Europe, suggesting, at best, that we are altruistic--and at worst, that we are permitting ourselves to be exploited. Neither assessment is accurate. We devote a large share of our resources to NATO because its strength, cohesion, and unity are essential to the security of the United States. The repeated and unsuccessful Soviet efforts to drive a wedge between the United States and NATO during the INF deployments testify to the strength of Alliance unity. We must nurture and build upon that strength.

Nonetheless, in the near future, a constellation of factors is likely to combine to test that unity. Positive and innovative approaches are called for if we are to avoid serious stresses and strains within the Alliance. To deal with the challenges of the 1990's, the United States and its European allies must continue to review their respective roles, risks and responsibilities.

Creative policies must also be applied to NATO as we look towards European economic integration in 1992. The emergence of a true European common market

will mark a major advance for freer world trade. To ensure that this evolution not be accompanied by protectionism in the defense trade, which could impair economies of scale, as well as force rationalization and standardization, we must further expand cooperative programs such as those sponsored by Senator Nunn.

In addition, we must work to ensure that Europe's economic "coming of age" also sees expanded efforts in defense, by encouraging our European partners to measure their contributions to the common defense against their great and growing economic capacity.

The Pacific Rim

United States' alliances and friendships in Asia are also a key element of this nation's continued security. The powerful economic transformation of Asia has fostered a strong interdependence with the United States, cementing long-standing security relationships in the region. Our military presence in South Korea and in the Philippines enhances regional stability which, in turn, is essential to continued economic development and democratization.

Cooperation with Japan will be crucial to our security interests in the Pacific region. While significant sentiment holds that Japan is not contributing all that it could towards our common defense, there are indicators that Japan understands and is responding to these concerns. In the past decade, Japan has increased its defense spending and its development assistance to other nations in the Pacific and beyond. We should encourage Japan to do more in this regard. I am confident this key security partnership will remain a sturdy one.

The Pacific region will surely witness rapid economic and political development in the years ahead. Maintaining the peace that permits continued development will be of prime importance.

Conclusion

I do not underestimate the difficulty of the task ahead. I can only repeat to you what President Bush so candidly told the American people about our national agenda at his inauguration, "We have more will than wallet; but will is what we need. We will make the hard choices, looking at what we have and perhaps allocating it differently, making our decisions based on honest need and prudent safety." In defense, the essential ingredient for success will be for the executive and legislative branches of government to work in concert, not competition, to ensure that America remains strong, at peace, and fiscally sound.

This statement appeared on the Op-Ed Page of *The New York Times* on November 3, 1989

The Future of U.S. Strategic Forces

To evaluate the major issues of U.S. strategic force modernization, strategic defense and START, the International Security Council convened a panel of twenty distinguished national security specialists on the theme "The Future of U.S. Strategic Forces" on October 5–6, 1989 in Washington, D.C. The conferees, while expressing a diversity of views, nonetheless produced a summary of recommendations which we present in the public interest.

The Soviet Union continues to assign the highest priority to the modernization and expansion of its strategic nuclear capabilities, both offensive and defensive. **Massive investments, which have actually increased during the Gorbachev regime, have made these forces far more formidable than a decade ago.** Yet, the Soviet threat to the U.S. deterrent force is increasingly being defined in terms of assumed Soviet intentions rather than actual Soviet capabilities and programs.

Neither the public nor most of Congress seems to realize that Soviet military spending under Gorbachev has continued to increase annually while comparable U.S. defense budgets have been reduced for five consecutive years. This combination is producing a widening gap similar to that of the 1970s when the military balance shifted heavily in favor of the Soviets and U.S. deterrent forces became seriously vulnerable to new Soviet capabilities.

The failure of U.S. strategic force modernization to keep pace with Soviet modernization means that in most respects the United States is worse off in the strategic balance today than it was in 1981.

This is due not only to the determined Soviet effort to undercut American deterrent forces, but also on the part of the United States, to the lack of decisive national direction and proper priorities, the adverse effects of arms control, inadequate budgets, and restraints imposed by Congress.

Because of these factors, U.S. strategic forces today do not possess the range of capabilities required by the threat and by official U.S. deterrence doctrine.

Ironically, while the United States has proceeded in recent years in a proper direction in the evolution of its strategic nuclear doctrine, concepts, and objectives, it has not translated these standards into capabilities or into deployment programs that command strong support. Current programs which might improve the situation are under threat of further delay and dilution.

Decisions on U.S. force modernization are being driven more by the federal budget environment than by a clear understanding of the Soviet threat and the requirements of effective deterrence. Lacking purposeful national direction, both the military services and Congress will tax strategic force modernization to pay for other programs. And inadequate funding of offensive force modernization will lead both the services and Congress to kill SDI to pay for those programs.

The Secretary of Defense must maintain firm control over strategic policy and programs. If strategic modernization were left to the military services, it would continue to receive inadequate and parochial attention. In particular, if left to the services, SDI would never move from research to deployment.

Assigning higher priority and a greater sense of urgency to strategic offensive force modernization is essential. **Strategic offensive force modernization alone, however, cannot restore stability to the U.S.-Soviet strategic balance or prevent the Soviets from widening their strategic superiority. What is now required is a firm commitment to unfettered development and the earliest deployment of strategic defenses against ballistic missiles.**

U.S. security will be better served by the deployment of SDI defenses than by continued adherence to the ABM Treaty. The ABM Treaty, in disallowing defense of the United States or its deterrent forces in the hope that the Soviet Union would thereby voluntarily reduce its offensive threat, was ill-conceived. **The ABM Treaty now stands in the way of U.S. development and deployment of the kind of defense that would redress the strategic imbalance and reduce missile threats to the United States. Continued adherence to the treaty is not in our national interest, and President Bush should declare this to be so.**

The strategic arms reduction agreement, as it is currently being formulated, will not improve the current strategic imbalance. In many ways it will worsen it and add to the risks. In our view, START is an important additional reason to proceed with deployment of a ballistic missile defense. **A defense against ballistic missiles would lessen the vulnerability of a reduced U.S. force to continuing modernization of Soviet strategic forces, to unexpectedly rapid changes in the threat, and to Soviet cheating, circumvention of the agreement, and preparations for rapid breakout from START.**

Our first priority, with or without a START agreement, should be to begin deployment of whatever strategic defense systems we can deploy as soon as possible, with the clear intention of proceeding with a well-defined program to deploy a comprehensive strategic defense capability. **Initial deployment of an ABM Treaty-compliant, ground-based system, however, should not jeopardize timely deployment of a far more effective layered system of space- and ground-based defenses, so long as such deployment is seen as the first step toward a layered defense.**

The administration should proceed with the deployment of effective defenses while it attempts to negotiate a satisfactory ballistic missile defense deployment agreement to accompany a START agreement. If such a deployment agreement is not reached in two years, or by the time that START reductions are begun, the United States must continue ABM deployment free of agreed limitations. This is essential to the implementation of a START agreement.

INTERNATIONAL SECURITY COUNCIL
818 Connecticut Avenue, NW
Washington, DC 20006
(202) 828-0802