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NATIONAL SECURITY COUNCIL MEETING

Tuesday, October 13, 1981

TIME AND PLACE: 2:00-2:45 p.m.
SUBJECTS: Theater Nuclear Forces
Egypt

PARTICIPANTS:

President Ronald Reagan

State

Secretary Alexander M. Haig, Jr.
Deputy Secretary William P. Clark
Mr. Richard Burt, Director, Politico-Military Affairs

Defense

Secretary Caspar Weinberger
Deputy Secretary Frank Carlucci

CIA

Director William Casey

JCS

General David C. Jones
Lieutenant General Paul F. Gorman

ACDA

Acting Director Norman C. Terrell

White House

Mr. Edwin Meese III
Mr. James A. Baker III
Mr. Michael K. Deaver
Mr. Richard V. Allen
Mr. David Gergen
Admiral James W. Nance
Ms. Janet Colson

OMB

Associate Director William Schneider

NSC

Mr. Sven Kraemer

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MINUTES OF MEETING

The President: I know what the agenda items are for today, but I want to touch upon another matter first in the area of Soviet human rights. What is the situation now with Professor McClellan's Russian wife, who is not being allowed to emigrate? What about the Soviet religious group in the basement of our Embassy in Moscow? What about Shcharanskiy? Would some quiet diplomacy help? These should not be part of our TNF negotiations, but is there any way we could indicate to the Soviets that we would be happier in any negotiations if there were progress with these cases?

Secretary Haig: I raised each of these cases with Gromyko, both in the one-on-ones with him and in the larger planning group. Gromyko did not budge. On Shcharanskiy, he told me that Shcharanskiy was well known in the U.S., but was barely known in the USSR. I urged Gromyko to let Shcharanskiy go; to let this sick man leave now, rather than letting him die, thus causing far greater problems.

The President: Well, let's keep track of this. Okay, Dick (Allen), let's get on with the agenda.

Mr. Allen: We have two agenda topics today: First, an update on Theater Nuclear Forces (TNF) negotiations preparations, and secondly, a review of the situation in Egypt. We also have a consent item on bringing Central America/Cuba issues before the NSC as soon as possible.

Issue 1: Theater Nuclear Forces Negotiations Preparations

Mr. Allen: TNF negotiations begin with the Soviets on November 30 in Geneva. We earlier affirmed the Administration's commitment to NATO's "dual track" decision of December 1979 on modernization and arms control, and at an April 30 NSC meeting reviewed the criteria and timing of such negotiations. The preparatory work has progressed through the Interdepartmental Group (IG) process, under Al Haig's personal direction and with participation of Defense, ACDA, and others. Now, Cap will be going to Europe to meet with different defense officials, and on October 26, we will again be consulting with our Allies in NATO at the Special Consultative Group (SCG). Our objective here is not to settle on a negotiation position today, but to get an update on where we stand.

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Secretary Haig: I want to underline that this is not a decision meeting but an update prior to completion of work on our negotiation position. We will need an NSC meeting within a month on the negotiating position we develop.

In their 1979 decision, the Allies agreed to a modernization program that is on track everywhere except in the Netherlands. The Germans, Brits, Italians, and Belgians have all shown great courage. Schmidt and Genscher have both threatened to resign on this issue, even though they face substantial pressures, including the 250,000 protesters who marched in Bonn this weekend. We have had increased concern about the Dutch, but in my meeting in Egypt with Dutch Foreign Minister Talboys, I was assured that the Dutch would not withdraw their deployment decision, but only undertake a necessary delay in reaching a decision.

In 1979, the Allies also agreed to TNF arms control negotiations, and we agreed to consult closely with our Allies. The IG, which State and DOD co-chair, with major ACDA participation, has undertaken extensive work on these issues. The Alliance consultations are important because the primary purpose of the negotiations is political, i.e., to update the TNF modernization program. An actual arms control agreement is secondary and has little prospect because of the imbalance of forces. NATO's Special Consultative Group, the SCG, is the forum for these consultations. It is chaired by Assistant Secretary Eagleburger and will be meeting next on October 26.

Let me summarize where we stand in the IG. There is general agreement that: (1) we will propose a phased, comprehensive approach that seeks reductions to the lowest possible levels on land-based TNF missiles in the first phase; (2) we will insist on equal limits for like systems, and these limits must be global; (3) we will negotiate only U.S. and Soviet systems and will not even compensate for these Allied systems -- a point we may need to reconsider; and (4) we will insist on stringent verification procedures that will almost certainly go beyond National Technical Means (NTM).

More specific elements include IG agreement that: (1) Soviet SS-20's, 4's, and 5's must be limited, and that there must be also constraints on shorter systems, including SS-21's, 22's, and 23's; (2) warheads on launchers will

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be the unit of account; (3) we want to ban refires; and (4) we will not negotiate aircraft in the first phase, but may be required to discuss them in the first phase because of Soviet claims concerning the balance. Gromyko threw the aircraft balance issue at me in our UN talks.

Issues remaining to be resolved include: (1) the TNF-SALT (START) relationship, which is as yet undefined. As the talks go on, they will merge.

The President: What does that mean, merge?

Secretary Haig: The Soviets will not be allowed to double count us.

Secretary Weinberger: Then you don't mean merging negotiations.

Secretary Haig: No. I am referring to an interrelationship. You cannot do one thing in one forum without it relating to the other forum.

Secretary Weinberger: But we may not be ready on an issue in one area and could be dragged into that issue through the other forum.

Secretary Haig: We'll have shrewd negotiators. They can hold the line.

Mr. Allen: We might remind the President that our Chief negotiator for TNF will be Paul Nitze, and that for START, it will be General Ed Rowny.

Secretary Haig: We favor having the two negotiations in the same location to facilitate coordination.

Other issues remaining to be resolved include: (1) levels of reductions, i.e., ceilings and floors; (2) limits on shorter-range missiles; and (3) verification issues. We need to study each of these issues in-depth. Verification could be the most controversial issue for the Allies. We must avoid an Allied perception that we are scuttling the talks at the outset by insisting on verification criteria the Soviets are unlikely to accept; we must treat the Allies gingerly on this matter. In general, the Allies have been supportive on our approach.

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Secretary Weinberger: We at Defense agree with many of the points made by Secretary Haig: (1) the emphasis on land-based missiles, including SS-20's, 4's, 5's, 21's, 22's, and 23's; (2) banning refires; (3) omitting aircraft in any first phase; (4) stringent verification procedures; and (5) Alliance consultations.

There is, however, another point we would also like to bring out. It is the question of what we would like to achieve in these negotiations. We are conscious of several difficult dilemmas. If we are perceived as not engaging in serious negotiations, our modernization program will not go through. If we succeed in reaching only a cosmetic agreement, our modernization program will also come to a halt, being perceived as no longer necessary. Or if we are viewed as not making progress in negotiations, the Soviets will make it seem to be our fault, and our modernization program will be endangered.

We need to assess the nature of our tasks brought on by the strength of Soviet programs. They have 750 SS-20 warheads now. The SS-20's are mobile, accurate, powerful, hard to find and to hit, and they are targeted against all of Europe and against China and Japan. The U.S. has no counter. In addition, a new generation of Soviet shorter-range systems is on the way. We may find our 1979 TNF modernization program to be insufficient.

In this light, we might need to consider a bold plan, sweeping in nature, to capture world opinion. If refused by the Soviets, they would take the blame for its rejection. If the Soviets agreed, we would achieve the balance that we've lost. Such a plan would be to propose a "zero option." Initially, it would, of course, be limited only to long-range land-based missiles, in which the Soviets are preponderant. If it were ultimately decided to adopt this option, it should be proposed by the U.S. in a spectacular Presidential announcement, not at the mid- or lower-level SCG on October 26 or in terms of some "lowest possible numbers" formula. The "zero option" should be considered carefully here, and no parts of it should be given away at the October 26 SCG. We should not be using the "lowest possible numbers" formula at the SCG or in any other forum. -- If we adopt the "zero option" approach and the Soviets reject it after we have given it a good try, this will leave the Europeans in a position where they would really have no alternative to modernization.

The President: Do we really want a "zero option" for the battlefield? Don't we need these nuclear systems? Wouldn't it be bad for us to give them up since we need them to handle Soviet conventional superiority?

Secretary Haig: The "zero option" will not be viewed as the President's initiative. It has already been proposed by the German Social Democrats and by Foreign Minister Genscher in Moscow, and it is a subject of intense debate in Europe. There are also some serious problems with any "zero option." We should be looking for the hooker and must study this issue fully. What would happen in one or two years when it comes time to deploy, if we have a "zero option" on the table? With such an option, the Europeans will surely reject any new deployments.

Secretary Weinberger: The Soviets will certainly reject an American "zero option" proposal. But whether they reject it or they accept it, they would be set back on their heels. We would be left in good shape and would be shown as the White Hats. As to the nuclear battlefield systems we need, we would not be including these shorter battlefield systems, e.g., the Enhanced Radiation Weapons (ERW) systems, only the longer-range ones. Also, we would be insisting on stringent verification criteria and on dismantling.

Mr. Allen: Genscher told me that verification is a popular issue in Europe. -- Norm (Terrell), do you want to express ACDA's views in behalf of Eugene Rostow?

Mr. Terrell: Gene Rostow and Paul Nitze regret that they cannot be here today. They are in Europe discussing some of these issues with our Allies. ACDA supports the IG consensus positions stated by Secretaries Haig and Weinberger. On the "zero option," we believe it requires further study, and that it should be considered principally in terms of its impact on our deployment schedule in 1983. We favor keeping the "lowest possible levels" formula for the October 26 SCG meeting. "Lowest possible" includes zero. We also want to stress the importance of accurate data and of effective verification.

The President: How will we verify an agreement?

Mr. Allen: We will have the national technical means, satellites, and so on. But in addition, we will be looking at on-site inspections and other means. The problem is that because of the Soviet obsession against inspections, our insistence may appear to some Europeans to have the effect of scuttling the negotiations.

The President: Even if you could have inspections, who could really travel and verify in that vast country?

Mr. Casey: With a zero ban, it would be easier.

The President: Even then, the Soviet Union is a large country. Couldn't they easily hide something in Siberia or somewhere else?

Mr. Meese: With a zero ban, we would have an easier indicator of whether or not the Soviets were complying.

Secretary Weinberger: The Soviets would have to dismantle their systems. Third countries and international organizations might need to be involved, but nothing is guaranteeable.

The President: Maybe we should be leasing some of the people from the Third World nations at Cancun to help verify the dismantling.

Mr. Allen: We are running short of time. General Jones, can you comment on the views of the Chiefs?

General Jones: We support TNF negotiations. I think it's important to gain Allied confidence so we can proceed with the modernization program. We agree with the outline presented by Secretaries Haig and Weinberger. However, we have two concerns at present. First, on the reference to warheads-on-launchers as the unit of account. We may want to count warheads-on-missiles instead. We will need to study this further. Secondly, and this is a major concern, we do not want the reference to aircraft not being negotiated in a first phase to imply that aircraft could be negotiated in a future phase. That would be a slippery and dangerous slope. Aircraft are required for both nuclear and conventional roles and involve other special consideration as well.

Secretary Haig: General Jones' points clearly get us into the SALT/TNF relationship. For example, in the data exchange issue on the balance, we will need to count aircraft somehow. That will be our nightmare.

Mr. Allen: Cap, you will be gone until the 24th?

Secretary Weinberger: Yes, I take it from the discussion that in my NATO meetings, I will be reporting on our preliminary preparations and will reaffirm the November 30 starting time for negotiations, but will say nothing substantively on our negotiating approach. I take it we have agreed on a similar position for the October 26 SCG.

Issue 2: Egypt and Other Business

Mr. Allen: We are out of time. For the update on the situation in Egypt, could Al Haig and Bill Casey provide the President with written reports? On a different matter, we have received preliminary indications that if embargoed, two U.S. compressor components, which the Soviets want for their Siberian pipelines, would cause a two-year delay in the pipeline's operation. We will need to check this matter out carefully.

Secretary Haig: I am not so sure that we are confident of the impact of those compressors. We will need to check it out.

Deputy Secretary Carlucci: There is a decision pending before the President on national security considerations in technology transfer. This item should be factored in.

Secretary Weinberger: Senator Percy talked to me on the plane from Egypt about this issue. He is pushing for 200 more caterpillar pipelayers to go to the Soviet Union.

The pipeline brings enormous amounts of hard cash to the Soviet Union, which they use to strengthen themselves militarily.

Mr. Allen: Our next meetings, later this week, will focus on the Central America/Cuba issue and on the East-West paper.

Deputy Secretary Carlucci: The East-West discussion should include the technological transfer issue. Right?

[There was general agreement among participants.]