

MEMORANDUM

SYSTEM II
90307

NATIONAL SECURITY COUNCIL

SECRET

March 28, 1984

File

ACTION

MEMORANDUM FOR ROBERT C. MCFARLANE

FROM: JACK MATLOCK *JEM*

SUBJECT: Consular Review Talks with the USSR

State has submitted, in the memorandum at Tab II, a report with recommendations for next steps in the Consular Review Talks with the USSR. The one point in dispute is the refusal of the FBI to agree to an offer to expand entry/exit points allowed on visas for our respective officials to include Baltimore and San Francisco in return for Brest and Nakhodka. State considers such expansion in the U.S. interest, and the provision for reciprocal expansion of entry/exit points integral to our negotiating package. Without this provision, State sees no merit in continuing the Consular Review Talks.

Discussion

The Consular Review Talks under discussion actually began in the mid-seventies and have been carried on sporadically over the years without conclusion. From the outset, the principal U.S. objective was to secure an expansion of entry/exit points available to U.S. diplomats and officials in the Soviet Union. This is important to us both to facilitate travel relevant to intelligence gathering, and also to provide more efficient access by highway and rail to Western Europe. The Soviets have been in a position, by denying a visa amendment to enter or exit the Soviet Union at points such as Brest and Nakhodka, to prevent important travel without risking retaliation for a travel denial as such. (In 1981, for example, the Soviets routinely refused the Brest entry/exit point to our military attaches, at a time when observation of possible Soviet mobilization on the Polish border was a high-priority objective.) The Soviets hardly ever apply for an additional entry/exit point for their personnel, since they routinely use New York as the port of entry, even for their personnel in San Francisco. Therefore, we have had no means of forcing a more forthcoming policy in this area by retaliation in kind.

~~SECRET~~

Declassify on: OADR

DECLASSIFIED

ILRR MD2-018#1

BY RW KARADATE 1/7/11

During past negotiations, the Soviets showed no interest in expanding the number of entry/exit points, but were eager to obtain diplomatic visas for members of the Supreme Soviet and certain other senior Soviet officials not normally eligible for such visas. Since this is a purely symbolic issue (diplomatic visas not conferring diplomatic immunities under U.S. law), it was decided to tie this issue to the expansion of entry/exit points to provide a Soviet incentive for settlement. Prior to April, 1983, the FBI had approved this arrangement, but withdrew its approval at that time, and its position on the matter is unchanged now.

The FBI rests its objection primarily on the problem of handling Soviet ship visits to Baltimore. This, however, is not relevant to the entry/exit visa question, since issuing visas valid for entry and exit in Baltimore does not constitute permission for Soviet ships to use the port. The latter is an entirely separate issue, and permission for each visit is decided on its own merits, without regard to the visa question. I asked Ken de Graffenreid to point this out to the FBI and request them to provide, if they wished, a more relevant explanation of their position. The FBI reply to this request is at TAB III. While it raises a number of issues, it still seems to be written under the impression that issuance of entry/exit visas valid for Baltimore would somehow result in Soviet ship visits. Since this is not the case, I do not find in the FBI memo a persuasive case that this step would add importantly to their burdens. Other arguments advanced in that paper seem to be based on a misunderstanding of actual practices and an exaggeration of what authorizing entry and exit points really means.

Inasmuch as the Consular Review Talks represent one of the very few areas where it appears that a quick agreement would be possible, and the addition of Brest and Nakhodka would be of substantial benefit to U.S. installations in the Soviet Union, I believe that State should be authorized to renew negotiations on the basis it proposes. However, I believe that your approval should make clear that it does not imply approval of Soviet ship calls, that any arrangements must meet the test of reciprocity, and that implementation should be conducted in close coordination with the FBI and other appropriate counterintelligence organizations.

Recommendation:

That you authorize transmission of the Kimmitt-Hill Memorandum at Tab I, which authorizes State to proceed with the Consular Review Talks on the basis it recommends, but with the caveats noted above.

Approve ____

Disapprove ____

~~SECRET~~

- 3 -

Attachments:

Tab I - Kimmitt-Hill Memorandum
Tab II - Hill-McFarlane Memorandum of March 19, 1984
Tab III - FBI Memorandum of March 28, 1984

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

~~SECRET~~

MEMORANDUM FOR MR. CHARLES HILL
Executive Secretary
Department of State

SUBJECT: Consular Review Talks with the USSR (S)

The report transmitted with your memorandum to Mr. McFarlane of March 19, 1984, containing recommendations for next steps on the Consular Review Talks with the Soviet Union, has been reviewed.
(S)

The Department is authorized to renew the Consular Review Talks with the USSR on the basis it recommends. It should be noted, however, that this approval does not constitute approval for Soviet ship visits to the Port of Baltimore, which should be treated as a separate issue. Any future recommendations in regard to such requests should be submitted following coordination with the FBI and other interested U.S. agencies. (S)

If the Soviets should accept the expansion of entry/exit points as a part of the package of U.S. proposals, the Department should insure that any arrangements made pursuant to the agreement meet the test of strict reciprocity, and that close coordination be maintained with the FBI and other counterintelligence agencies so that appropriate measures can be taken to minimize any potential intelligence benefits to the Soviet Union. (S)

Robert M. Kimmitt
Executive Secretary

~~SECRET~~

Declassify on: OADR

DECLASSIFIED
NLR 102-010#2
BY RW NARA DATE 1/2/4

MEMORANDUM

NATIONAL SECURITY COUNCIL

~~SECRET~~

April 17, 1984

ACTION

MEMORANDUM FOR ROBERT C. MCFARLANE

FROM: JACK MATLOCK

SUBJECT: Consular Review Talks with the USSR

State has submitted, in the memorandum at Tab II, a report with recommendations for next steps in the Consular Review Talks with the USSR. The one point in dispute is the refusal of the FBI to agree to an offer to expand entry/exit points allowed on visas for our respective officials to include Baltimore and San Francisco in return for Brest and Nakhodka. State considers such expansion in the U.S. interest, and the provision for reciprocal expansion of entry/exit points integral to our negotiating package. Without this provision, State sees no merit in continuing the Consular Review Talks.

Discussion

The Consular Review Talks under discussion actually began in 1976 and have been carried on sporadically over the years without conclusion. From the outset, one principal U.S. objective was to secure an expansion of entry/exit points available to U.S. diplomats and officials in the Soviet Union. This is important to us both to facilitate travel relevant to intelligence gathering, and also to provide more efficient access by highway and rail to Western Europe and by ship to the Far East. The Soviets have been in a position, by denying a visa amendment to enter or exit the Soviet Union at points such as Brest and Nakhodka, to prevent important travel without risking retaliation for a travel denial as such. (In 1981, for example, the Soviets routinely refused the Brest entry/exit point to our military attaches, at a time when observation of possible Soviet mobilization on the Polish border was a high-priority objective.) The Soviets hardly ever apply for an additional entry/exit point for their personnel, since they routinely use New York as the port of entry, even for their personnel in San Francisco. Therefore, we have had no means of forcing a more forthcoming policy in this area by retaliation in kind.

~~SECRET~~

Declassify on: OADR

DECLASSIFIED
REF ID: A62-010 #11
BY Ruw
DATE 11/2/11

During past negotiations, the Soviets showed no interest in expanding the number of entry/exit points, but were eager to obtain diplomatic visas for members of the Supreme Soviet and certain other senior Soviet officials not normally eligible for such visas. Since this is a purely symbolic issue (diplomatic visas not conferring diplomatic immunities under U.S. law), it was decided to use Soviet interest in this issue to obtain their agreement on the expansion of entry/exit points. Prior to April, 1983, the FBI had approved this arrangement, but withdrew its approval at that time, and its position on the matter is unchanged now.

The FBI rests its objection primarily on the problem of handling Soviet ship visits to Baltimore. This, however, is not relevant to the entry/exit visa question, since issuing visas valid for entry and exit in Baltimore does not constitute permission for Soviet ships to use the port. The latter is an entirely separate issue, and permission for each visit is decided on its own merits, without regard to the visa question. When consulted on the issue, DIA expressed doubts about the intelligence collection value of the Brest/Nakhodka entry exit points and suggested a thorough study of the intelligence trade-offs relating to this question. These views, and Diane Dornan's covering memorandum, are at TAB IV.

In my opinion, the FBI has not made a strong case that the inclusion of Baltimore and San Francisco as entry/exit points will add importantly to their burdens. As regards the need to give further study to the intelligence trade-offs, I do not believe the relatively trivial magnitude of the changes proposed justify a formal study. The arguments on both sides are readily apparent to those familiar with the issues and procedures, and intelligence trade-offs are only one consideration relevant to the package. There is no question that service attaches in Moscow favor additional entry/exit points, since it does in fact facilitate their ability to perform travel. The additional entry/exit points are also important to staff morale and the Embassy's operational needs.

Inasmuch as the Consular Review Talks represent one of the very few areas where it appears that a quick agreement might be possible, and the addition of Brest and Nakhodka would be of substantial benefit to U.S. installations in the Soviet Union, I believe that State should be authorized to renew negotiations on the basis it proposes. However, I believe that we should be cognizant of the counterintelligence community's concerns by making it clear that approval to proceed with the consular review talks does not imply approval of Soviet ship calls, that any arrangements must meet the test of reciprocity, and that implementation should be conducted in close coordination with the FBI and other appropriate counterintelligence organizations.

Diane Dornan does not concur, and recommends a further study of the intelligence implications.

Recommendation:

That you approve transmission of the Kimmitt-Hill Memorandum at Tab I, which authorizes State to proceed with the Consular Review Talks on the basis it recommends, but with the caveats noted above.

Approve ____

Disapprove ____

Attachments:

- Tab I - Kimmitt-Hill Memorandum
- Tab II - Hill-McFarlane Memorandum of March 19, 1984
- Tab III - "Consular Review Talks": Background paper from State
- Tab IV - Dornan Memo of April 13 with comments by FBI and DIA

~~SECRET~~

90307 Add-On #3

J. MATLOCK

MEMORANDUM

NATIONAL SECURITY COUNCIL

~~SECRET~~

April 13, 1984

INFORMATION

MEMORANDUM FOR ROBERT C. McFARLANE

FROM: DIANE DORNAN *DD*

SUBJECT: Counterintelligence Implications of Proposals for (a) Consular Review Talks, (b) Cultural Exchange Agreement and (c) Review of Agreement on Economic, Industrial and Technical Cooperation

In accordance with John Poindexter's instructions, IG(CI) members were asked Tuesday to comment on the CI implications of proposed negotiating terms for the above agreements by COB Thursday. They and the COMEX Staff were given previous State and FBI comments for reference, and some of them later received a State summary (Tab I) of the complete terms of reference for the Consular Review Talks (CRT). Due to the shortage of time, agencies responded individually and mostly by telephone. As instructed, DIA also submitted a written assessment of potential collection opportunities under the CRT.

My summary of previous views regarding the merits and liabilities of the CRT and the official State and FBI papers presenting their respective positions, and Jack Matlock's evaluation are at Tab II. Most agencies agreed with the FBI assessment of CI concerns regarding the CRT and highlighted the need for a net assessment of collection benefits vs probable CI difficulties. They focused on the entry/exit issue, endorsing all FBI views previously expressed, including the expectation that this would further strain CI resources. NSA elaborated on the problems which might be caused if this agreement effectively undercut our ability to deny entry at San Francisco and Baltimore to either ships or planes of Soviet or Soviet Bloc nationality. These could be fitted with ELINT collection gear and planes could also carry PHOTINT equipment. The problem would be particularly acute in Baltimore, where a ship would have a very extensive radio horizon and a perfect spot to intercept high-volume intergovernmental and defense contractor communications. Should Bloc ships be allowed to dock there, it would be necessary to establish a protected communications zone between the current two encompassing New York and Washington, an extremely expensive and complicated undertaking. The exception was OFM, which foresaw no significant CI problems with the proposed terms.

DECLASSIFIED

~~SECRET~~

Declassify on: OADR

~~SECRET~~

RLRR M02-D10#16

BY *RW*

DATE *11/7/11*

~~SECRET~~

~~SECRET~~

Agencies responsible for collection, on the other hand, disputed the belief that the expansion of entry/exit points would provide the US with a net benefit because of its advantages for intelligence collection. The DIA analysis at Tab III discusses in detail why it would be doubtful that essential data would be collected -- partly because the Soviets would continue to minimize collection opportunities and partly because we already have normal access to the nonessential information we might secure. CIA also said regularization of access to Brest and Nakhodka would not affect its collection program.

Regarding the Agreement on Contacts, Exchanges and Cooperation (Cultural Exchanges), FBI has submitted a memorandum (Tab IV) advocating that technology transfer losses be minimized by requiring that the ratio of exchange personnel and groups in scientific/technical programs be the same for both countries and that there be direct reciprocity in number of groups and participants, types of groups and relative geographical access. DIA (Tab V) has suggested that "young" scholars, and visitors be defined in the treaty as those under 28 years of age, in order to limit access to those who are prime intelligence collectors. Two agencies also insisted that the agreement must drop one sentence (p. 27, para. 8) allowing Soviet scholars to change their course of study after the beginning of the year (when their programs normally are reviewed for technology transfer concerns), since this provides an effective loophole which they may exploit to target programs most desirable from a collection standpoint. CIA indicated that such exchange agreements have not been useful to the US from an intelligence collection standpoint.

Most agencies had no comment on the desirability of renewing Economic, Industrial and Technical Cooperation. They were largely unfamiliar with its terms and past operation (lack of familiarity was also a problem on the Cultural Exchanges issue, especially given time constraints), but most said they did not see obvious and major CI problems. DIA (Tab III, p. 2) objected, as has DOD generally, that the agreement as written offers opportunities for technology acquisition in the US; CIA said it does not affect our collection program in the USSR. DOD's general position is that it should be allowed to lapse but that if eventually revived it should be rewritten more carefully and specifically that it should give priority to Export Administration Act controls. FBI did not comment on this issue.

~~SECRET~~

~~SECRET~~

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

Re: 90307
Add onSECRET

April 6, 1984

MEMORANDUM FOR KEN DeGRAFFENREID/DIANE DORNAN

FROM: JOHN POINDEXTER

SUBJECT: Consular Review

I have reviewed this package and discussed it with Bud. This has to be considered from two aspects. First the President has already authorized Secretary Shultz to proceed ahead with the CRT's and secondly the CI community should have an opportunity to review and have their comments taken into account. I would like for you to go back to FBI with a copy of our proposed approval memo to assure the FBI that we are not approving ship visits and it would perfectly understandable if they caveated their position now that they would be opposed to approving ship visits to these ports. I also want you to go to DIA and get their assessment of the intelligence value of the two entry/exit points that we would get. I would like to have the package returned by the end of next week. Clearly the CI effort would be simpler if we did not have diplomatic relations with the Soviet Union but we do and the President wants to improve them. We need to insist on reciprocity and insure we do not take unnecessary risks that can not be adequately covered.

cc: Jack Matlock (as discussed)
Bob Kimmitt

DECLASSIFIED

NLRR MD2-DID #19

BY RW NARA DATE 1/7/11