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April 21, 1988

MEMORANDUM OF CONVERSATION

SUBJECT: The Secretary's Second Meeting with Shevardnadze

TIME & PLACE: April 21, 1988, 3:30 - 5:15 p.m., Foreign
Ministry Guest House (Osobnyak), Moscow

PARTICIPANTS: U.S.

USSR

George P. Shultz, Secretary
of State
Colin Powell, the President's
National Security Advisor
Jack F. Matlock, Ambassador
to the USSR
Rozanne L. Ridgway, Assistant
Secretary of State (EUR)
Richard Murphy, Assistant
Secretary of State (NEA)
Richard Solomon, Director,
Policy Planning Staff
Dennis Ross, NSC Staff
Thomas W. Simons, Jr., Deputy
Assistant Secretary of
State (notetaker)
Dmitry Zarechnak (interpreter)

Eduard Shevardnadze, Minister
of Foreign Affairs
Aleksandr A. Bessmertnykh, Deputy
Foreign Minister
Viktor Karpov, Department Head, MFA
Polyakov, Department Head,
MFA
Yuriy Dubinin, Ambassador to the USA
Sergei Tarasenko, Special Assistant
to the Foreign Minister
Evgeniy Gusev, Deputy Section Chief,
MFA (notetaker)
Pavel Palazhchenko (interpreter)

Shevardnadze welcomed the Secretary, and said he wished to respond quickly to two questions the Secretary had asked earlier. The first concerned a visit of U.S. physicians. There had been no request as yet for such a visit. If a request were received, there would be no problem. The second question concerned the 17 persons on the U.S. list. Of these, 7 were in possession of state secrets. They were still being refused departure for this reason, but their cases were still being considered. 3 were family reunification cases; they were being considered. 7 were in prison or in exile. The U.S. side had asked that they be allowed to leave the Soviet Union. Their cases were being considered. These were not simple cases, and he was giving the Secretary an interim report, Shevardnadze said.

Shevardnadze continued that there was one question the Secretary had raised which he did not wish to leave open. This was the number of political prisoners in the Soviet Union. On December 10 in Washington General Secretary Gorbachev had mentioned the figure of 22. Since then it had been reduced. There were now 17 persons in prison under Article 70, which was widely considered in the West to be the article providing

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for political imprisonment. Only 17 persons are in prison under that article. This was not the 300 to 400 the Secretary had mentioned. He had wished to give the Secretary a rapid response.

The Secretary thanked Shevardnadze.

The Secretary continued that he had some comments to make on the Middle East. He was anxious to have Shevardnadze's views and the results of the visits the Soviet side had had. But he first wished to describe American views.

Afghanistan was not strictly the Middle East, the Secretary began, but as Shevardnadze had noted earlier it involved success in resolving difficult issues, although there were also problems ahead. It was important for the two countries to do all they could to encourage stability there. If an interim government could be achieved, the U.S. would favor that. It was important that the refugees be helped to return. It was essential that Pakistan not be subject to threats, or to the kind of violence that had taken place there. We thought that the accords were constructive.

But they were also the only constructive step he could point to in the area, the Secretary went on. Otherwise things were not going well.

Turning to Iran-Iraq, the Secretary noted that chemical weapons were being used by both sides. As Shevardnadze had remarked to President Reagan, it was important to get hold of this problem. But the weapons were being used with terrible effects. There was also a proliferation of ballistic missiles and other kinds of missiles in the area. Many had been deployed, most recently to Saudi Arabia. They added a new dimension of peril. Chemical weapons were associated with some of these missiles, and that added to that problem. The uprisings in the West Bank and Gaza underlined something we all knew: the existence of a mass of displaced persons called Palestinians. They also underlined the fact that the security problems of the State of Israel were unresolved. It was hard to come to grips with these issues. The situation could explode, get out of hand.

But the area was also replete with opportunities to help put things on a stable basis, the Secretary continued. So we were faced with both these opportunities and genuine deterioration. We were witnessing a spread of radicalism, of fundamentalism. There was no doubt that the Middle East was troubling. He did not doubt that the Soviets saw it the same way.

The Secretary said he thought it was important to follow up on the image resulting from Afghanistan and the image resulting from Resolution 598 last summer to see if we could not do something on the Iran-Iraq war. In the last week the Iraqis had taken back Al-Faw. That might make things easier, since Iran would not have to retreat from it. There was also the war of the cities, which the Soviets had brought up in the UN. We were not in Tehran, but it appeared to be having a devastating effect there, with millions leaving the city. Iran had stepped up terrorism. We were not sure how directly it was involved in the Kuwait airliner affair, but Hisbollah, which was associated with Iran, had certainly instigated it. Terrorism was being used also against Saudi Arabia. And Iran had returned to mining the Gulf. We could not stand by and watch the mining of waterways. The mines could hit Soviet ships, could hit U.S. ships. They had not been laid in a very scientific manner, but so shallowly that they could hit anything, not just tankers or warships. The U.S. action had been limited. We had tried to end it quickly, and when Iran chose not to end it, we had still acted with restraint. He was not arguing the merits or demerits, he was simply pointing out the tendency of the area to erupt, the Secretary said.

It was important to take action to end the war, the Secretary went on. The Secretary General had tried and tried, with no result. Iraq accepted Resolution 598, and Iran did not. It was time to take action.

The Secretary said he had now taken three trips to the Middle East. He had kept the Soviets posted. Assistant Secretary Murphy had talked to Shevardnadze in Moscow; he and Shevardnadze had talked. As he had said publicly, no one had wanted to say no to an initiative for peace. He thought this was not simply to let the others take the blame, but because of a sense that though the problems were difficult, progress was possible, a sense that opportunities should not be missed.

The Secretary said he had made some proposals he wanted to talk to Shevardnadze about. The tender points had to do with what an international conference, eventually, might do; how Palestinian interests should be represented -- there was no issue as to whether the Palestinians should not be represented by valid people who could speak in a legitimate way; the only issue was how; and what the terms of reference of a negotiation should be.

He had listened carefully to what Shevardnadze and Gorbachev had said on these issues in February, the Secretary continued, and had tried to reflect what they had said in our

proposals. We held that the initiative had to be comprehensive in scope, that it had to hold out the possibility of dealing with all the issues. It had to include the Palestinians. It had to be based on Resolutions 242 and 338; thus it involved a trade of territory for peace, applied to all three negotiating fronts. He thought these elements were at the basis of Soviet thinking as well.

The Secretary said he wished to describe our thinking, and then hear Shevardnadze's thinking, that of the Palestinians, of Mr. Arafat, of other leaders in the region, and Shevardnadze's own plans.

The Secretary continued that we envisaged the conference has the event that would start the process. We felt it should be in no position to be authoritative, to tell people what to do, to veto what they did. Why did we feel this way?, the Secretary asked.

In the first place, he continued, we did not think that in the end states would go along with what outsiders told them to do about their borders, or about their fundamental security. They would resist that kind of advice. Second, it was his feeling -- and also his experience -- that when force was present at intervention points, for instance the threat of government intervention in labor negotiations, it tended to abort the negotiations. Parties saved their compromise positions for other fora than bilateral negotiations, where they saw that the problem was theirs and they had to work it out themselves. If the conference were a point of reference that could be brought into bilateral negotiations, we thought it would tend to abort them. This was a view generally held in Israel. On that there was no difference between Shamir and Peres. They had a difference as to whether there should be any conference at all, but Peres certainly saw a conference as having only a limited initial role.

What, then, was the point of a conference? the Secretary asked rhetorically. First, he answered, it would get things started. It would show the international community was interested. It would receive reports on the direct negotiations. And, if by miracle they succeeded, the parties would probably want international guarantees for the results. Moreover, if there were a final status agreement, there would be major refugee problems, and they would be the kind the international community dealt with best. Unlike Afghanistan, it was not going to be clear where the refugees would go. There were limited resources in the area; these were small states; they were packed close together. There was little they could do on a regional basis. Here an international effort could help. It could bring in other countries that wanted to be included, like West Germany, Japan and Saudi Arabia.

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But the important thing a conference could do was get things started, the Secretary went on. Bilaterals like those between Egypt and Israel would not just happen. They would take an outside effort to get going. The U.S. was prepared for that. We saw the Permanent Members of the Security Council as one side, Israel and the states around Israel as another. Other variants were not excluded. There was the 1973 precedent, with the U.S. and the Soviet Union, rather than all five Permanent Members. That could be considered. He had to say that King Hussein was thinking in terms of all five. If an alternative proposal came from the U.S. and the Soviet Union, he might listen to it. But that was where he was currently.

Turning to Palestinian representation, the Secretary said we thought it important that it be associated with Jordan. It might also be associated with Egypt, but with Jordan there were historical associations, and association in terms of law, of education. The relationship was not warm now, but the association was there. We did not rule out association with Egypt, but we thought it important that the Palestinians be associated with states. He thought -- and he found that most Arab leaders agreed -- that an independent Palestinian state on the West Bank and in Gaza would not be viable. It would not be stable. It would be a dependency. So it was not likely to provide the kind of long-term result that would hold up.

The Secretary continued that of course the Palestinians had a sense of nationhood, of identity. He knew them reasonably well. During his business days he had worked in the Middle East; many Palestinians had subcontracted for his company. He understood and sympathized with them. But he also knew it was possible to combine a sense of identity with a larger identity. Shevardnadze felt himself to be in part Georgian; he himself these days felt himself to be Californian in that way. Being part of a federated structure could give a lot more stability. Association with Jordan would tend to do that for the Palestinians.

The Secretary went on to say that we ourselves were struggling with where to go with the initiative. Our conclusion was that we ought to try to make it more operational. On one aspect, the conference, the Soviet Union was involved, and he would be interested in Shevardnadze's thought on the structure of a conference. We welcomed Soviet moves toward greater recognition of Israel. We had noted Gorbachev's remarks to Arafat, which Arafat had been quick to

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deny. But he thought it had been good advice. And, he noted, the greater sense the Israelis had of an improved Soviet attitude, the greater the confidence they would have in the Soviet presence. And of course their immense interest in Soviet Jewry was also relevant, quite aside from the aspects he and Shevardnadze had often discussed.

Thus, the Secretary concluded, the situation in the area was boiling, and the U.S. wanted to do its part. We had no hangups about working with the Soviets. It was constructive results that counted.

The Secretary noted that Ambassador Murphy had worked on the area for years and years, and asked if he had anything to add. Murphy reported that he and Polyakov had had one session. He was afraid he had done most of the talking, and he looked forward to hearing Soviet views on Palestinian issues, and on conference structure.

Shevardnadze said he would like to make a few remarks, beginning with Afghanistan.

A major step had been taken in terms of a political settlement, Shevardnadze said. Important agreements had been signed. They were not without drawbacks. The Soviet side admitted they had flaws. But they represented the first important attempt to work together to resolve one of the important issues of our time. It seemed to him that after the signing cooperation was just beginning. The situation would become more complex. The conflict continued. He wished to confirm that Soviet troop withdrawals would begin May 15, and be completed within the timeframe that had been stated. But having signed as guarantors made the Soviet Union and the U.S. in a sense morally responsible to the Afghan people and to the world, if the bloodshed were aggravated.

Shevardnadze said the Secretary had been right to point out that Afghanistan, the Middle East and the Iran-Iraq war in a way constituted a common complex. There were of course important differences. But there were also elements in common. It would be good to continue our cooperation, to help stabilize and then resolve the Afghan problem.

What worries the Soviets, Shevardnadze went on, is that the regime in Kabul -- whether it ruled well or not well was another question -- but the leaders of that regime signed the Geneva documents with the Soviets. There were also opposition leaders. They represented genuine forces, that had to be reckoned with. But recently the most extremist forces among them had been coming to the fore. Hekmatyar and

other leaders had declared their opposition to the Geneva accords. They were declaring they would fight to the end. They wished to establish a fundamentalist regime. The U.S. should be aware of that, and assess it soberly. On the other hand there was the king, others, and other members of the Alliance Seven, who were more or less moderate. It was hard to see how a solution could be arrived at soon. But it was important to continue efforts to bring about a neutral, non-aligned Afghanistan, not hostile to the U.S., and friendly -- or at least not hostile -- to the Soviet Union. We should continue cooperation on that platform, Shevardnadze said.

The Secretary interjected that a neutral, non-aligned Afghanistan was also what the U.S. wanted. It would of course be up to the Afghans to decide. But it would be up to us to abide by the conditions for neutrality and non-alignment. The U.S. side would abide by that notion.

Shevardnadze noted that both the government and the moderate opposition had spoken in favor of neutrality and non-alignment. Neither wanted extremism. Both the Soviets and the U.S. knew what extremist power was. They should work for a status for Afghanistan that was not against the interests of its neighbors, of the Soviet Union, of the U.S. Since they were guarantors, they were in a way responsible for making sure that all the provisions were complied with by all sides. The Secretary could be assured that the Soviet Union and the leadership in Kabul would honestly observe them. The same should be true of Pakistan and others. The most crucial work lay ahead. The U.S. and the Soviet Union had to demonstrate their ability to cooperate at this crucial stage.

Shevardnadze said he did not wish to debate the question of arms supplies. They had discussed it in Washington. But they should agree to discourage extremism. The Secretary had mentioned fundamentalism. He should have a sober view of it, in the country and in the area around.

Turning to Iran-Iraq, Shevardnadze said the actions the U.S. had taken had aroused serious Soviet concerns. That was not propaganda. Nor was it inspired by concern for the Soviet Union's relations with its neighbor Iran. He had told the Secretary the Soviets knew Iran well. They were worried that this incident would not end where it was. He was not predicting anything. But there might be complications. The Soviets wanted to contribute to resolving the war. They could not be indifferent. They were neighbors. But they also knew the situation in Iran. No group was clearly in charge. Various outcomes, various responses to the U.S. action, were possible. He prayed God that all would end well.

A second point, Shevardnadze went on, was one he was not raising for the first time: it was undesirable, in fact inadmissible for the U.S. to have such a massive naval presence in the Gulf. He was not suggesting it should leave that day or the next. But the U.S. should look to that as the final outcome. The moderate Arab states felt the same way. The people in Amman were thinking of an international agency that could create normal conditions on international waterways. The Soviets had made a similar suggestion. They thought it had to be looked into.

Turning to sanctions, Shevardnadze said, he wished to repeat that the Soviet Union was ready to cooperate in preparing a second resolution. But it had now seen new elements in the situation. He wished the Secretary to look at them, and take them into account. The Secretary had met with the Secretary General, and so had he (Shevardnadze). He had had contacts with the Iraqis and the Iranians. Shevardnadze had asked the Secretary General if his contacts permitted him to state that the Iranians did not accept 598. He had replied that he could not say that. That had been new to Shevardnadze. He had stressed that recognition by the Iranians of Perez de Cuellar's implementation plans was tantamount to accepting 598. He had even said that there was no need for formal Iranian acceptance, since in accepting the implementation plans Iran had said it had in effect accepted the resolution.

Shevardnadze said the Soviets were ready to continue preparing the new resolution, but this element was new. It was important to get a statement from the Secretary General that Iran did not accept 598. He had asked Soviet lawyers to look into the matter. He could not say he got a clear answer; he had only a tentative opinion. But the Secretary should take the real situation into account. At the same time, the Soviet Union was ready to work and see the matter through to its logical conclusion.

The Secretary said he had also talked to the Secretary General. His view was that he can only describe what has been said by parties to Security Council members, and that it is up to the Security Council itself to decide whether or not Iran had accepted the resolution. He personally thought the Secretary General should have taken a stronger position, but that was his view. He personally thought Iran was playing games in order to buy time, although it might turn out time was not on its side. The test of whether both accepted 598 would be if there were a ceasefire; so in a sense the ceasefire was the test of Iranian acceptance. But Iran had been dawdling. He and Shevardnadze had been discussing the issue now for four or five months.

In the meantime the war dragged on. The important thing now was a ceasefire. It seemed to him that the two sides ought to press for the second resolution. Shevardnadze had said the Soviets were willing to do so, but in the end their ambassador in New York had never been furnished with adequate instructions. His understanding was therefore that Shevardnadze was reluctant. And the result was that there was no ceasefire in the war.

Shevardnadze said he had asked Perez de Cuellar what should be done now. He had said now was the time for a ceasefire. He thought Iran would be amenable, and then the body to investigate could begin its work. There was a second point, he continued. Iran and Iraq should sit down to negotiate, either directly or indirectly. The Secretary knew the previous position, from Geneva. This was different. The Soviets wanted the war ended. But he had to mention the new elements in the situation. If Iran and Iraq could be gotten into direct negotiations, that would be the best. It was perhaps not realistic for now, but that was his idea.

The Secretary said he was all for direct negotiation. (Shevardnadze smiled wanly.)

Shevardnadze continued that it would of course be up to the Security Council to make a final decision. The Secretary said he thought Shevardnadze was wasting his time. He did not see a prospect for the Secretary General to get a ceasefire. He would be encouraged if he did, but he did not. Since Iran was taking losses, had lost the Al-Faw peninsula, the question of Iraqi control had perhaps become less complicated. Perhaps the Iranians would think it over, although it was also true that parties hesitate to compromise if they are losing. Perhaps their capacity to decide was limited, as Shevardnadze had said. But to him that only made the second resolution more desirable, since it would limit Iranian ability to prosecute the war. The U.S. would keep urging that the Soviets step up to the second resolution.

Shevardnadze said he agreed it was necessary to step up now to preparation of the resolution. But he did not agree that passing it now would accelerate solution of the problem. He had often pointed out to the Secretary how many weapons were available to Iran, either from the black market or from Iran's newly developed arms industry. An embargo would complicate Iran's task, but would not resolve the problem.

Shevardnadze continued that the two sides should keep considering the matter. They should give Perez de Cuellar time to report to the Security Council, and the Security Council

time to decide. That process could be accelerated. The U.S. could help. The Soviets had recommended a special representative, who would be continuously working on the issue. The comparison would be Cordovez on Afghanistan. He would be constantly on the move, going to one or another capital, presenting drafts. The Secretary General had not been engaged in that way. His recent contacts had been just the fourth round since 598 was passed, and he had been to the area just once. The Soviets had great respect for him. But his activity was not adequate to the complexity of the region. Shevardnadze said he thought the Secretary shared his view on the necessity of having such a special representative.

The Secretary replied that he believed a special representative would be desirable. The concept we had put forward in February had envisaged a second resolution with an implementation time lag to permit such a special representative to work. But the lag we had suggested was already past. The time had been wasted. If Shevardnadze was ready for a second resolution the next day, he would be ready for a special representative the next day.

Shevardnadze said appointment of a special representative would not damage the chances of a second resolution, on the contrary. The Soviets would like to hear from Perez de Cuellar that the Iranians did not accept 598. PDQ had told him that the fact the Iranians accepted his implementation plan meant they had accepted the resolution.

Then there should be a ceasefire, the Secretary said. The Secretary General and Iran would never say they did not accept 598. They would keep the waters muddy. Perez de Cuellar would say the matter was for the Security Council to decide. The Secretary said he would have preferred him to make the judgment himself, but he would not. It was up to the U.S. and the Soviet Union. General Secretary Gorbachev had agreed in December that the situation was very clear. It was now four months later, and the Soviets had not acted on that judgment.

The Secretary asked Colin Powell if he had anything to add. General Powell said he thought the Secretary had covered the topic well. The U.S. had, frankly speaking, been hoping for more movement. Shevardnadze had said the last time that we should wait to see what the Secretary General said. Powell said he thought all the bases were there to move out quickly. The situation had become more rather than less dangerous. He shared the Secretary's disappointment.

Shevardnadze said he was not surprised to hear the General support the Secretary. Powell said he was serving as an objective referee. The Secretary asked for Murphy's opinion. His region,

it was sometimes said, ran from Marrakesh to Bangladesh. Murphy said it ran mostly downhill. He was afraid that if we did not move in the Council things were going to putrify in the region, in the war. The Iranians could be slowed down, over several months, if we cooperated, if we got the Chinese to cooperate. The mullahs can count. If the resolution were in effect, in six months there could be a major impact. The U.S. and Soviets had to do it. The Secretary General would not bring it about. He would not take the initiative.

Shevardnadze said the Secretary General could not resolve everything, but it was essential to have his report and suggestions soon, and then the Security Council could act. The Soviets were cooperating with the U.S. They should proceed then to work out the text. Whether this happened in ten days or a month was not important. What was important was that the Secretary General exhaust all his functions in the area.

Noting that the longest time Shevardnadze had mentioned was a month, the Secretary asked whether he would be willing to state that. A sense of deadline in a statement would be helpful. There had been such language in the draft statement in Washington, but Shevardnadze had taken it out. Perhaps he was ready for it now.

Shevardnadze said he did not think it would be appropriate to set a date two or three months from now. The issue could be ready for a vote in ten days. But no limit should be set.

Shevardnadze said there was a reason he had raised Afghanistan and the Middle East in this context. There was a reason the Soviets wished to wait a little bit. The Soviets would begin their withdrawal from Afghanistan May 15. There were interlacing interests involved, Soviet and American. They should wait for the Secretary General to report. He did not know if that would take ten or fourteen days. They should negotiate the text. There would be struggle over every word, and this would not be mainly among Permanent Members either. But he could say in this context that the recent U.S. action had been a moral or a psychological factor too. It was hard to follow it immediately with a resolution. Perhaps without the action it could have been quicker. It was for the U.S. to decide its actions, but it had made things more difficult. He did not know if tomorrow or the day after would be the time. But he asked the Secretary not to require a set date.

The Secretary recalled that Shevardnadze had mentioned U.S. naval forces and the Soviet desire that they decrease. We had said that when the threat receded, for instance when there was

a ceasefire, our naval forces could return to more normal levels. We did not have any particular desire to have them there. It was tough duty, lasting a long time, a long way from home. Shevardnadze could be sure that the outcome he and the General Secretary desired was in the cards if there were a ceasefire.

The Secretary asked Shevardnadze whether they could say in a statement that they urged the Secretary General to report his judgment concerning acceptance of 598 by the parties within a week. He was suggesting something with a timeline. He asked Shevardnadze what he thought of the idea.

Shevardnadze said he thought Iran and Iraq should be in their joint statement, and not just in general terms, of ceasing the war, but in more specific terms, describing a more specific approach, encouraging the Secretary General to come forward rapidly -- though it would be unethical to specify five or seven days -- with his report. The Secretary said the report should be on what the parties accepted. They should ask Bessmertnykh and Ridgway to try to show them some language the next day, something with punch in it. Shevardnadze said it was not just a formal question; it would take some real work.

The Secretary commented that the Middle East seemed to be taking all their time. Shevardnadze asked if they should break. The Secretary said he was anxious to discuss the peace process. He was personally involved, and our government was involved.

Shevardnadze said he had talked about the peace process with Murphy, and their experts had met on it. The Soviet side welcomed the fact that the U.S. and the Secretary had been active. It thought conditions were developing that were better than before for moving things forward in the Middle East. He did not want to focus on our differences. Rather, as he had said to Murphy and to the Secretary, the Soviets saw positive elements in the Secretary's plan, and had said so to the Arabs. What were those elements?, he asked.

First, Shevardnadze answered, there was the recognition of the need to convene an international conference. Of course there were continuing serious differences about the substance of the task, but the general approach was positive. Second, the U.S. had said the plan should be comprehensive. Third, the Soviets agreed with the step-by-step approach. It would be ideal if everything could be achieved at once, but this was not realistic. Arab leaders shared that view. Fourth, on the legal basis, the Soviets agreed it should be the well-known

Security Council resolutions.

Is that the basis for a common platform?, Shevardnadze asked. He thought that prospect was available.

There had been meetings, Shevardnadze continued. The General Secretary and he had met with Arafat. His impression was that one could work with the Palestinians. They had shown flexibility. Some people who said one should not reckon with the movement made a mistake. Without working with the movement one could not reach a solution. One test is its impact on the situation in Israel. His impression, Shevardnadze said, was that the movement was in control of the events there, to the extent that extremists had not taken charge of the protests. The Soviets had told the movement that that would be undesirable for the Palestinian cause, would damage it.

The Palestinians were quite properly raising the need for clarity on the question of Palestinian representation, Shevardnadze went on. The U.S. thought they should be represented within a common Jordanian-Palestinian delegation. They however were also not ruling out the possibility of a common Arab delegation. He thought that should be explored.

The Palestinians thought the step-by-step approach was possible, Shevardnadze said. Polyakov was a great expert on that.

Concerning the legal basis for negotiations, Shevardnadze continued, the Palestinians also thought it should be Resolutions 242 and 338. But -- and there was a "but," he said -- they also thought it should include other Security Council and UN resolutions. He knew that was a complicating factor. But he thought there was a possibility of working with them and others on that.

He had had interesting meetings with the Jordanians and Syrians, Shevardnadze said. There were very major differences between them, but the Soviets thought that was normal at this stage. After all the major work was just beginning.

The Soviets believed that without the participation of the Security Council members, including the U.S. and the Soviet Union, no solution would be possible. And they were not being used.

The Soviets believed that the content and substance of the conference was now the major issue. They thought one should start by solving major issues. The U.S. had a different approach. But the difference was not hopeless.

The two sides should work on it together. With regard to structure he felt they were getting closer.

Active work would be necessary, Shevardnadze continued. He was not ruling out the possibility that perhaps their colleagues could come up with a joint approach. Perhaps this was not something for right away, but perhaps it could be for the summit. There might be a joint statement. They could ask their experts to work on one. He was making just general remarks. Perhaps at the next meeting they could discuss common principles for the main approaches.

It seemed to him that the greatest difficulties were in Israel, Shevardnadze said. The Secretary had said that no one had said "no." But Shamir has. There is a question of who is in charge there, the Prime Minister or the Foreign Minister. Shamir was more negative than Arafat. He was ready to work with the Syrians, with the Jordanians. But the Israelis were the most intransigent.

The Secretary had said that Soviet diplomatic relations with Israel would help. The General Secretary and he, Shevardnadze, had both said the Soviet Union would like to normalize relations with Israel. But that should be linked to the launching of a conference, the beginning of the Middle East settlement. That was the Soviet position, and properly so.

Shevardnadze said he did not see the need to discuss a Palestinian state explicitly, to say how the Soviets interpreted the principle of self-determination. Experts could discuss that. But without a solution to the Palestinian problem there could be no settlement. The Palestinians should choose themselves. If they wanted a federation, the Soviets said "why not?" But if they wanted an independent state they should not be deprived of it; that would be against principles.

The U.S. and Soviet sides needed continuous mechanisms for consulting on these things, Shevardnadze concluded.

The Secretary suggested that they see what Murphy and Polyakov could develop. But he thought they were pretty far apart. With regard to the U.S. initiative, Assad rejected it all, but wanted us to keep working on it. Shamir rejected some elements of it, but he accepted interrelationships, and accepted international auspices. He was leery of a conference because he feared it would be authoritative. Peres accepted a conference, but was against its being authoritative.

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The Secretary said that he had provided an agenda that gave people something to talk about. They could agree or disagree with it, but the label of a peace initiative was attractive. No one wanted a vacuum.

Shevardnadze said Murphy and Polyakov should focus on the conference. The Soviets would present what they meant by a full-scope and authoritative conference. Perhaps it would not be so terrible as the American side feared. No one except perhaps the Israelis rejected an international conference. The others were for it. We needed to get an acceptable idea of what a conference would be. That was the most essential task if we wanted cooperation for a settlement.

The Secretary said the U.S. side would listen carefully. We did not think an authoritative conference would work. Perhaps there was something in the Soviet concept we did not understand.

The Secretary suggested that that evening they move on to other regional issues, and listen to the reports of the arms control working group. Shevardnadze said he thought the ministers should have their own exchange on arms control, and hear the working group report at the end of the day, or even the next morning. The Secretary said that was fine with him. Shevardnadze said they should hear the working group the next day.

The Secretary said he wished to raise one topic in connection with the very fine work their people were doing on nuclear testing. It concerned the PNET protocol. Apparently Shevardnadze's instructions to the Soviet Geneva delegation were that the 1976 PNET protocol had to remain intact, without changes. Changes could be introduced in the form of "explanations," but in a very awkward way. The result had been lawyerly language which the U.S. side had read to itself for a good laugh, it was so complicated.

The Secretary continued that the U.S. suggestion was that since the situation was different from 1976, the sides should draft a new protocol. The old one had been signed under Ford and Brezhnev, and had never been ratified. There was no reason why it could not be changed. PNET was practically agreed with regard to substance, but it was proving agonizing to express this. It should certainly be possible to have it ready for the summit. That was just a suggestion.

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Shevardnadze replied that he thought the current task was to give a blessing to the joint experiment. That was the principal task. The issue of the PNET protocol was not related to the experiment. They should ask the working group what it could propose to them on the protocol. Concerning the experiment they should decide in the current meeting.

The Secretary said he thought that was a constructive move. It provided running room on the protocol. With regard to the JVE, the basic draft was there. Details needed to be worked out, but the sides should have them by the summit. He suggested that at this meeting the ministers say that the summit schedule is agreed, that the JVE text is agreed, but work on technical backup remains to be done. While things should be saved up for the summit, agreement on the basic text should be recorded, so that it would be done.

The Secretary said he would just like to read the Soviet PNET draft to Shevardnadze. It showed how difficult it was to write a protocol on a protocol.

The text read as follows:

"3. Information specified in paragraphs 3 and 4 of Article II of the Protocol, in addition to cases provided for in the aforementioned paragraphs, shall also be provided to the other Party in the case where it sends notification, pursuant to Article II of this Additional Protocol and paragraph 1 of Article IV of the Protocol, to the Party conducting an explosion of its intent to determine the yield of that explosion pursuant to Article VI of the Protocol.

4. Procedures specified in paragraph 2 of Article III of the Protocol shall be applied in the case where the other Party sends the Party conducting an explosion notification, pursuant to Article II of this Additional Protocol and paragraph 1 of Article IV of the Protocol, of its intent to determine the yield of that explosion pursuant to Article VI of the Protocol."

(The Soviet side was moderately amused. The meeting broke up.)

Drafted:EUR:TWSimons, Jr.

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