November 30, 1989

NATIONAL SECURITY COUNCIL MEETING

DATE: November 30, 1989
LOCATION: Cabinet Room
TIME: 9:30 a.m. - 10:30 a.m.

FROM: BRENT SCOWCROFT

1. PURPOSE

This session gives you an opportunity to lay out your plans and objectives for the Malta meeting and to hear the views of the NSC members concerning your discussions with Gorbachev.

II. BACKGROUND

You should begin with a brief overview of how you see the Malta meeting -- emphasizing its informal nature and reaffirming that you do not intend to negotiate with Gorbachev but will probe his views on a wide range of issues. You may want to reiterate that it is important to you personally not play the role of naysayer. This does not preclude caution, but does mean that you want to demonstrate the readiness of the United States to engage what is clearly a changing Soviet Union.

After explaining your objectives, you should review the issues that you intend to discuss with Gorbachev. Following your presentation, the NSC members will express their views, both on the substance of the issues and on how to approach key problems in the U.S.-Soviet relationship at this meeting.

Finally, you might ask your advisors to express any concerns that they have about proposals or ideas that Gorbachev might raise.

III. PARTICIPANTS

A list of participants is at Tab C.

IV. PRESS PLAN

White House photographer

cc: Vice President
    Chief of Staff
V. SEQUENCE

Meeting

Attachments
Tab A  Agenda
Tab B  Points to be Made
Tab C  List of Participants
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PRESIDENT'S TRIP TO MALTA

Agenda

I. Introduction .................................. President
II. Discussion ................................. All participants
III. Summary ................................. Brent Scowcroft

CONFIDENTIAL

Declassify on: OADR

Declassified/Released on 7/3/90
under provisions of EO 12958
by R. Soubers, National Security Council
F93-1317
POINTS TO BE MADE IN NSC MEETING ON YOUR DISCUSSION WITH GORBACHEV

-- I am looking forward to this chance to sit down with Gorbachev -- face to face -- and explore a wide range of issues.

-- Yesterday I tried to put a damper on expectations about the purpose of this meeting.

-- I understand why people are getting carried away -- a lot has happened in Eastern Europe and the Soviet Union in recent weeks and those events have fueled expectations about what Gorbachev and I might achieve.

-- But I want to assure you that the purpose of this meeting has not changed. It is a chance to meet informally without the pressures of a full-blown Summit -- to get a better handle on how we can move the U.S.-Soviet relationship forward during this time of great opportunity.

-- I do not want to be perceived as a naysayer at this meeting. I am serious when I say that I do not intend to miss any chance to push ahead toward greater cooperation with the Soviet Union.

-- That doesn't mean that I am going to go into the meeting with reckless abandon either and I am not -- as I have said
many times -- going to negotiate arms control; the future of Europe; or economic issues.

-- But if Gorbachev has some ideas, I want to hear them and I hope that he will come with an open mind too so that we can emerge from this meeting with a clearer view of the barriers that we face and a more precise understanding of what we need to do to overcome our differences.

PERESTROIKA IN THE SOVIET UNION AND CHANGE IN EASTERN EUROPE

-- This is a time of remarkable change and I thought it important that I hear Gorbachev's own views of the problems that he faces in reforming the Soviet Union as well as his views of the events taking place in Eastern Europe.

-- We will not try to negotiate the future of Europe. I will explain that we are not trying to take unilateral advantage of the Soviet Union in Eastern Europe but that the peoples of the region must be allowed to determine their own political and economic futures.

ECONOMIC RELATIONS

-- Given the state of the Soviet economy, I expect Gorbachev to press his case for the expansion of U.S.-Soviet economic ties.
I intend to express my desire to see better economic relations as a normal part of an improving overall relationship.

But I will emphasize that the greatest barrier to a more fruitful economic relationship for the Soviet Union with the United States -- and other Western countries -- is the Soviet economy itself.

U.S. trade, private investment and joint ventures will not flourish in a Soviet economy that provides no incentives for foreign businesses and few products that are competitive on the international market.

One way that we can "help" the Soviets to overcome the constraints of their economy is through technical cooperation -- just providing know-how on the basics of building a more market-oriented economy.

Jim Baker and Shevardnadze have been talking about exchanges of economic specialists and I want to explore a few ideas with Gorbachev about expanding this program.

As you know, the Soviets are anxious to have Most Favored Nation trading status (MFN) which requires a commercial agreement and a waiver of the Jackson-Vanik amendment.
They have not yet codified their emigration law, but I am told that it will most certainly pass the Supreme Soviet when it comes up for a vote.

I want to be responsive on this issue and I will tell Gorbachev that when the law is passed and implemented faithfully I want to move quickly to negotiate a trade agreement and waive Jackson-Vanik.

The Soviets also want to be granted observer status in GATT.

Obviously, they are not ready for membership because their economy is incompatible with that of the world economic system.

And membership in the IMF or the World Bank is out of the question.

But I do not want to appear too reticent about observer status. Gorbachev will need to understand that we could not recommend that the Soviets become observers until after the current Uruguay Round is finished. Perhaps by then the Soviets will have made progress on economic reform that would make observer status in GATT more natural.
REGIONAL ISSUES

-- I want to have a frank discussion with Gorbachev on regional issues and to tell him that Soviet behavior in the regions is out of step with "new thinking."

-- I intend to press Gorbachev to live up to his commitments to support the political process in Nicaragua. He must do something about continuing arms supplies to the Sandinistas from the Soviet allies.

-- I will also raise the recent discovery of SA-7s in the FMLN's arsenal -- contradicting Soviet assurances that those weapons would not be introduced into the Salvador conflict.

-- Similarly, Soviet arms shipments to Cambodia, the Horn of Africa and, of course, Afghanistan, are destabilizing to the regions and a constant source of tension in our relationship.

OTHER ISSUES

-- I think it is important to put forward a few ideas for increased cooperation.

-- I am going to suggest that our Ministers of Education work together to expand the number of American and Soviet
undergraduates studying in this country by 1000 and vice versa by the opening of the 1991 school year.

-- I think that the United States and the Soviet Union share an interest in arresting the spread of narcotics and I hope to exchange views on how we might cooperate in that area.

ARMS CONTROL

-- We will, of course, discuss arms control. But as I have said this is not an arms control meeting and we are not going to Malta to negotiate.

-- I do want to emphasize with Gorbachev that I want to make rapid progress on START; that I am serious about signing a CFE treaty next year; that the Threshold Test Ban Treaty and Peaceful Nuclear Explosives Treaty are within our grasp; that I am committed to the abolition of chemical weapons; and that I believe an "Open Skies" regime is an important step forward for openness in the relationship.

-- I am going to challenge the Soviets on military glasnost' as well. I will ask Gorbachev to publish the details of their military budget; force posture; and Soviet weapons' production figures.
Finally, I intend to talk with Gorbachev about how we might personally give a push to these ongoing arms control efforts so that we can make real progress over the next year.

I would like to hear your views.
PARTICIPANTS

The President
The Vice President
James A. Baker, Secretary of State
Nicholas Brady, Secretary of Treasury
Richard Cheney, Secretary of Defense
Brent Scowcroft, Assistant to the President for National Security Affairs
 Judge William Webster, Director of Central Intelligence
General Colin Powell, Chairman of the Joint Chiefs of Staff
Robert Gates, Assistant to the President and Deputy for National Security Affairs
Robert Blackwill, Special Assistant to the President for European and Soviet Affairs
Condoleezza Rice, Director for Soviet and East European Affairs
NSC Staff