INTERVIEW OF BUD MC FARLANE_IL

October 18, 1989

(Side 1)

Q What is your understanding of why did Clark leave as NSC advisor?

MR. MC FARLANE. Well, what he said to me about it was that he just was tired, that he didn't think that he was able to help the President in the same way that he used to. And I'm not sure I quite understand what he meant by that. But I took it that he believed he had been — betrayed is the wrong word — that the well for him had been poisoned by Mike and that in his kind of gentle way he said he thought he had become a source of discord or disharmony or something like that, and that he was no longer as effective with the President as he used to be and he was just tired also and wanted to leave.

Q Do you think there was much of a policy dimension to it or not?

MR. MC FARLANE. I don't think so. Although I wasn't there in the closing months. I had been in the Middle East in August and September and there may have been some discord between Bill that I don't know about. KAL 007, I don't know.

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The next thing I just highlighted here was this command post Awal Archer (3). This comes out of this Gordievsky story. I know one time you talked to Murrey about it and Murrey was all excited. I have since heard that the President's Intelligence Advisory Board made a study of this thing later and came to the conclusion that there was something to it -- something in the sense that the Russians did get very excited. Not something in the sense that they had any reason to get excited, but that -- if you will recall, this guy -- this defector who was the KGB chief in London subsequently said that back here in the fall of '83 they got some kind of a super duper alert the U.S. is about to go to war against the Soviet Union. There was a period of high tension after KAL, the deployments and everything else. Did anything ever cross your screen about this NATO exercise that you recall? Was there any particular thing to it?

MR. MC FARLANE. Well, one of the guys on the staff -- and I've forgotten which staff exercises, but it was probably Vic Boverie and the Defense people. But I remember them raising a concern that in the context of other reports we had had of anxiety on the part of the Russians, that for up to conduct an exercise



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like this with principals in place could be alarming. And I thought that was a valid concern.

And I talked to Cap about it and Cap agreed that there ought to be some very obvious missing players and other ways of telling that this was clearly an exercise, and did. And there were, I think if you'll check back, some folks, notably the President, Vice President and the Chiefs, one of the commanders in EUCOM wasn't playing.

But apart from that, at the time it didn't seem to me to be a genuine crisis at all. If you recall, this was in a matter of less than a week of both the Grenada landing and the Marine bombing of a presidential speech. And I would have thought that certainly the Russians aren't going to expect us to be attacking right now when we had all this on our plates. I didn't give it a lot of thought to tell you the truth.

It wasn't until later when folks from the Dartmouth group or somebody that travels in a fairly -- access to high levels -- it might have been Brent; I don't know -- reported that the Russians rightly or wrongly were genuinely concerned about our so-called preparations for war that I took it a little more seriously and I asked -- because it could be alarming. And my concerns were two-fold and I think I asked Bill Casey about this. Number one, given the kind of sharpness of rhetoric throughout '83 between us and the Soviets, might this just be a kind of a traditional Russian ploy; that is, trying by sowing these stories in Europe to fuel kind of alarmist fears in Europe, and when it's not uncommon to get the Russians to use scare tactics in Europe to try to bring pressure to bear through the Europeans on us, especially in the Reagan administration to behave ourselves a little more. Or was it something genuine, and if so, we ought to be concerned about relieving those fears.

I can't tell you -- in fact, before you mentioned the PFIAB report, I would have thought it was a CIA report. But I know that there was a report. And I guess it was a PFIAB. And I gave it to Reagan. I would have placed it in '84, but I'm not certain of that.

Q It almost would have had to be, because this is November '83 -- the incident itself.

MR. MC FARLANE. That's right. And I remember Reagan reading it. I gave it to him and I told him what it was, but that he might want to read this, and he did read it. Murrey asked me the same thing about whether that was an influence on his course change in early '84. I just can't place the time of the report. I think there had been NID reports - not analytical, but reports of these fears. And so Reagan just absorbing those might well have had some effect on his conclusion that we did need to engage with the

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I began to promote that theme with him and with the Vice President at the time; that is, that the history of the past 20 years with them and a time of uneasy nuclear balance made pretty clear we needed a more stable framework in which their behavior and ours would be more predictable according to certain ground rules, and I went through them: the '72 Nixon/Brezhnev principles for the relations between the two powers that had fallen into suspense in the late '70s when the Soviets began to kind of push the envelope of containment in Angola and various other places. And I said "But that kind of thing is a sensible framework to try for, along with some ground rules that will govern not only arms control, but regional problems and so forth." And I don't think it had much of an impression, except in Reagan having signed on. But I think he signed on for entirely different reasons — signed on to the notion of engaging with the Russians. He never did go for these kind of historical arguments.

And for him I think it was on the one hand just a matter of self-confidence that the personality, that the heroic figure, that Ronald Reagan really can that have an influence on the thinking of the other party. And he wanted to as a personal matter engage with the Russian leaders. Bear in mind, they were still dying on him though, and he recognized that there wasn't going to be very much happen until each of these successors — Andropov, Chernenko — got their own team in place. And so he realized he was just kind of in limbo here in '83 and '84, until they got somebody who really was going to govern.

The second reason, I think, was legacy. He finally did begin to think in terms of legacy in early 784. That we can't just have peace in our time.

Q Let me get to that in a second. Let me just ask you one more thing about this NATO thing. Was this a normal thing or was this rare or what's the point of having an exercise like this?

MR. MC FARLANE. Well, it wasn't without precedent, but it was very rare, yes. As you know, we've always had Reforger and Prested(?) Eap(?) for a generation. But this kind of thing where you go through the escalatory steps to general war -- I don't remember any since the '60s, in fact.

Q Was there something that made people feel that it was important to do this, do you recall? Or why would you bother?

MR. MC FARLANE. I really don't know, Don. I don't. And I think probably Richard Perle may have stimulated it, but I don't know.

Q And did Casey ever give you -- as far as you know -- an answer as to whether this was a ploy or something more serious?

MR. MC FARLANE. Well, he did. And I believed that Fritz and probably Bob Gates put it together and that they took very seriously that this was not a ploy, but that there was a certain amount of bad analysis in the Russian side, but that they had concluded in fact that we were making preparations for a conflict.

Reagan's engagement. You remember there was this speech which is considered often a big turning point in January of 1984 - January 16. And I think I gave you a copy of the speech. Shultz explains that his recollection is there was kind of a three-part thing to it. One was his speech, and it was made as Shultz was leaving to go to Stockholm for I guess it was the final meeting of one phase of CSCE. And he made a speech, and then he met Gromyko at the same time. It was their first meeting after that bad meeting in Madrid, which took place just on the heels of RAL 007. Shultz said to me that he felt he thought Reagan agreed that this was kind of a package -- the speech. CSCE thing, the meeting with Gromyko. But at any rate, it was a clear signal -- intended to be a clear signal -- that the United States was ready now -- not just ready, but prepared to engage in a much more definite way with the Soviets. Do you recall how it got moving? How it got to the point of making the decision or making the speech that was made on January 16?

MR. MC FARLANE. Well, at some point on the trip to or from Japan in November of '83 -- more likely on the way back -- I talked with the President about the purpose of all this buildup and the value of all of the military buildup we were achieving. That it was likely to be -- (inaudible) -- it was fleeting, it was something that had to be used and that I thought we were getting close to the point when the perceptions the Russians had of us in the '80s, or 1980, of decline -- we went over that last week -- was probably beginning to change. We had three straight years of high defense budgets and that I thought we had to give some thought to how to make this last. I mean, the defense buildup would not last. But what ought to last is some kind of treaty framework that is a product of its leverage.

Well, I don't think it had much of an impact, but I mention it because Reagan still -- well, he was willing to give it a try. I think the Vice President may have had some impact on him. My guess is talking in the political context that not only 1984 per se, but in terms of the Reagan legacy again, the second term ought to be a time in which you translate the value of all this first term buildup into something better. I only say that because I talked to the Vice President in that vein hoping to exploit his Thursday lunches with the President to begin to feed that into the boss. It think probably Mike had an effect and Mrs. Reagan,