THE WHITE HOUSE Office of the Press Secretary (London, England) PRESS BRIEFING BY SECRETARY OF STATE JAMES A. BAKER June 1, 1989 The Royal Lancaster Hotel London, England 3:42 P.M. SECRETARY BAKER: Ladies and gentlemen, let me just briefly say that the President's meetings with Prime Minister Thatcher marked the end of a successful week of consultation with our allies. The President thanked the Prime Minister for her steadfast support of our Central American policies, for her work to move the Angola-Namibia Accords along successfully, to keep the agreement in Namibia from unraveling, the excellent work that she did when she was in Southern Africa, and the concern that she and her government have shown for the United States with respect to the tragedy of Pan Am 103. In addition, the President and the Prime Minister discussed matters involving follow-up on the conventional forces initiative that the President presented at the NATO summit. discussed Eastern Europe with reference particularly to the President's speech in Mainz. They discussed the situation in China, they discussed the Middle East, particularly the situation in the occupied territories, and they discussed the problems presented by the influx of Vietnamese boat people to Hong Kong. / So with those remarks, I'll take your questions. Q Mr. Secretary, I wonder if you could give us an idea of the problems, or at least -- well, the difficulties that are ahead in the troop reduction arrangement. There have been suggestions -- storing -- the West pre-stores a lot of equipment. There are other problems about whether the French and British troops -- but I'd like your version of what are the difficult things ahead. SECRETARY BAKER: Well, there are questions involving verification; there are questions, indeed, involving stored equipment; there are questions obviously involving the extent to which troops must be demobilized and deactivated. All of these things have first got to be sorted out within the NATO Alliance so that the Alliance is able to table a specific proposal at the resumption of the discussions in Vienna on September the 7th. And both the Prime Minister and the President focused on the importance of continuing to move the debate within NATO along so that the of continuing to move the debate within NATO along so that the Alliance will be ready to table a position on September --Is the President's timetable still feasible, or is it very optimistic -- about six months --It hasn't changed from what I -- the SECRETARY BAKER: way I characterized it yesterday, which -- it was optimistic, but not unrealistic. I think that's a fair statement. Now, the first thing, as I indicated before, that we have to do, is formalize the Alliance position on this initiative. And we have to work that out within the context of the NATO Alliance and within the organization at Brussels. Mr. Secretary, you spoke about this being the end of a week of successful consultations. Does this have any impact on MORE

- 2 -George Bush's presidency in view of all the criticism that he had had before he came here about being too cautious and too timid in terms of dealing with the Soviet Union? SECRETARY BAKER: Well, I would hope that it might put to rest some of that speculation. It is important, I think, that an American President be seen to be leading the Alliance. And I would respectfully submit that the President was seen actively and aggressively and effectively leading the NATO Alliance during the course of this week. Q Mr. Secretary, I gather that Mrs. Thatcher was rather unhappy with the fact that we still have some military aid going to the Argentinians. Was that the only area that you had contention at your meetings today, and if so, do you see any way that can be resolved? SECRETARY BAKER: Well, there really was not contention, John, with respect to that. The matter of Argentina remains important to the Prime Minister. She expressed her appreciation for our willingness to work closely with the United Kingdom and to consult with them with respect to the modest amounts of military aid that have been suggested for Argentina. So I would not characterize that as a matter of contention. Mr. Secretary, the United States and Great Britain have always had a special relationship. Do you expect that to change at all in 1992 when they join Europe more fully in the open market? SECRETARY BAKER: No, I don't expect it to change. think that the special relationship between the United States and the United Kingdom is strong, it is enduring, it is based on a number of things. But we have been close friends and allies for many, many years, and I don't think that's going to be diminished as a consequence of EC '92. It has not been diminished as a consequence of NATO and other multilateral organizations in which both countries are parties. Mr. Secretary, I was wondering -- the President spoke a lot about Eastern Europe yesterday, in both the communique and the comprehensive concept also did. Is this signaling a new intention to step up the U.S. role in Eastern Europe or an attempt to shape events there? SECRETARY BAKER: I think it's important that we recognize -- and this is what the President's speech did, in my view -- recognize that there is fundamental change taking place in some countries in Eastern Europe. We must be able to properly manage our response to that change. What the President called for, of course, was to end the division of Europe on the basis of Western values. That means that we must be responsive to those countries that are trying to open up both economically and politically. It does not mean that we should abandon our policy of differentiation. Mr. Secretary, Secretary Carlucci, before he left office, recommended a follow-on to Lance system called the MLRS. Will this administration carry through with that decision by Secretary Carlucci, or are you going to go back and rethink the MLRS system as a follow-on to Lance? SECRETARY BAKER: Well, that's a decision that has not as yet been formally taken by the President. He will have to consider that as one possibility, as one option. He may decide that he wants to consider some other options as well. But now we have a situation where the questions on production and deployment are decisions that will be made in calendar year 1992. Mr. Secretary, you said the other day in answer to a question that the President's proposal at NATO did not amount to an abandonment of his policy review, it was not a signal of the MORE

- 3 disappointment with it and indeed that the discussions about this sort of proposal -- it dated way back to the early days of the administration. I wonder if you could elaborate on that further and give us some further description of the steps that were taken that produced this. SECRETARY BAKER: Well, I can't elaborate much beyond what I said. I perhaps could clear up something that I think might have been misinterpreted. What I said was that this proposal was not initially developed within the bureaucracy, and that is true -- the bureaucracies -- and that is true. It was ultimately, however, run by the bureaucracies before the President finally signed off on it. The President himself suggested the idea that we explore this as a possibility early on in the administration --Q You say "this". What do you mean by "this"? SECRETARY BAKER: The conventional forces initiative or something like it -- something like this conventional forces initiative that he has put forward -- his CPI, if you want to call it that -- his conventional parity initiative. Mr. Secretary, did the Prime Minister express objections or reservations to even the modest sale of arms to Argentina by the United States? SECRETARY BAKER: I think that the Prime Minister is -as I tried to put it a moment ago, Craig, is very appreciative of the fact that we consult very, very closely with the United Kingdom with respect to any proposed sales of arms to Argentina. But did she specifically object to any sales? SECRETARY BAKER: Not that I am aware of, no. Q Can you tell us when, exactly, it was decided to table this proposal -- I mean, not to table it, but when it was decided that this was the proposal you were going to make? Because when you said the other day that this is something you've been talking about for months -- the general concept -- I was given to believe that that's exactly what you meant -- the general concept. When did this -SECRETARY BAKER: Yes, I did mean the general concept. Q When did this come into play as a real-life proposal that you could actually make here? Was it in the last three weeks? Can you just tell us --SECRETARY BAKER: In the last three weeks? Yes. SECRETARY BAKER: Probably the final shape of it would have been in the last three weeks, yes. And whose idea was it initially? SECRETARY BAKER: It was the President's idea. He said I'd like to cut forces in Europe and 15 percent of the aircraft? SECRETARY BAKER: He said I would like to look at something in this area. And there were a whole host of things that were initially looked at. But then, it was important to the President, as he has said before, that this have a complete and thorough scrub by the military to make certain that it was militarily MORE

appropriate and sound and made good sense from a military standpoint. And that's what happened. Could I just follow up on that? Was this after your trip to Moscow when you got the inklings of what kind of response they were going to have to the NATO proposal? SECRETARY BAKER: The President's final signoff came after my trip to Moscow. Was the major part of the development of the initiative after the trip to Moscow? SECRETARY BAKER: That's hard -- it's hard to say, but if I had to say, the major part probably. Although I have to tell you that this is something that the President had an interest in going way, way back. And it was discussed among his top advisors -- all of his top advisors. Q Mr. Secretary, Soviet Foreign Minister Shevardnadze has said in Paris that the Soviets would demand a withdrawal of French and British troops from West Germany as well as a condition for acceptance of the 275,000 troop level. What is your reaction to that and what was Mrs. Thatcher's reaction to that? SECRETARY BAKER: Well, I'm not sure that that was specificially discussed with the Prime Minister. I didn't hear that as an item of specific discussion, Jim. But my reaction to that is there are a lot of Warsaw Pact troops in there too that are not included in this proposal. This is a U.S./Soviet proposal to the extent that it involves manpower. With respect to the other elements -- aircraft, helicopters, tanks, artillery and armored personnel carriers, it's Pact to Pact -- Warsaw Pact to Warsaw Pact. Mr. Secretary, can you -- can we fine tune that? You know -- you remember the problem with intermediate range. The U.S.'s argument was look, this is U.S.-Soviet. We're not responsible for German missiles and you had to work out kind of a special deal. Are you saying now that there will be sort of two level negotiations? Troops will not be a NATO --SECRETARY BAKER: No, no. I'm not saying it will be negotiated that way, but I'm answering the question about -- that the Minister has said we want to see what happens to French and British I suppose we will have an interest in knowing what happens to other Warsaw Pact troops other than Soviet troops. negotiation will take place within the Alliance. Q Mr. Secretary, I note some insecurity on the part of Britain. This concentration today -- major concentration on the special relationship. Are the British afraid that we are -- it's a "mirror, mirror on the wall, who do you love the most?" Are they afraid --SECRETARY BAKER: I didn't notice a special I noticed one question at a press conference. concentration. Q Well, the President emphasized it and the British reporters seem to think there is something --SECRETARY BAKER: The President emphasized it in response to a question about it, and what he said was there is a special relationship. He told the Prime Minister this, by the way, during the course of their discussions. It is something that we talk about all the time in bilateral discussions with representatives of the United Kingdom, because it is there. But is it a worry? MORE

- 5 -SECRETARY BAKER: It's not a worry as far as we're concerned and I don't think it's a worry as far as the United Kingdom is concerned. Q Mr. Secretary, you spoke earlier about the need to have further discussions within NATO before a full conventional forces proposal can be tabled. Is there a timetable now about how long that's likely to take and what the process will be? SECRETARY BAKER: Well, as I think I may have said earlier, we would like to see that process completed by the 7th of September so that when the conventional forces talks reconvene in Vienna on that date, we will be able to table a specific proposal -- a proposal that will have been fleshed out to the extent that the questions, some of which have come up here today, will have been resolved. There are questions that have to be resolved. We're shooting at September 7th. Secretary, was there any discussion with the Mr. Prime Minister about the possible withdrawal of some U.S. troops from Britain and also any discussion about British dual capable aircraft being --SECRETARY BAKER: There was no discussion about the withdrawal of United States troops from Britain, but there was a discussion with respect to the question of dual capable aircraft and the President indicated to the Prime Minister that it is not his intention in advancing this initiative that it involve the dual capable aircraft of the United Kingdom or France. I might say that the reservations of each of those countries in this regard had been expressed to us during the course of our prior consultations with those countries about this initiative. We think that the aircraft element in the proposal can be accomplished without getting into the dual capable aircraft of the UK or France. Q Mr. Secretary, can I ask you about the boat people? The British government wants the principle accepted by the international community that the boat people could, if necessary, be sent back against their will to Vietnam. They want this principle to be accepted at the international conference in Geneva next month. The United States has been against this principle until now. I gather it was discussed today. Can you tell us if that is still your position? SECRETARY BAKER: Yes, it is still the position of the United States; that is, that we support the right of first asylum, and we also support freedom of choice where refugees are concerned. We are talking, of course, about political refugees. There will be a discussion in Vienna on the 13th and 14th of June and this matter will come up and be discussed further. But the position of the United States is as you have stated it and as I have just repeated it. Q Mr. Secretary, Shevardnadze is saying that your timetable is too fast, that they can't move that fast. Do you think that the President has managed to put the shoe on the other foot, so to speak? Do you think that the Soviets are on the defensive here and that you have put the President on the offensive? Well, I'm not -- I really -- I don't SECRETARY BAKER: know about that. I'm not going to get into that. I do think this --Well, what's your reaction to what he said? SECRETARY BAKER: I do think this -- that the dynamics now are that the ball is in their court and we do -- a response by them is now clearly called for, and it will be interesting to see MORE

- 6 exactly what that response is. Well, -- follow up -- this is his response and he's saying you're trying to go too fast. What's your answer to that? SECRETARY BAKER: No, no, that -- this is not his response. This may be a preliminary part of his response, but my answer to that is that, yes, this is an optimistic timetable, but it is not an unrealistic timetable, particularly if we have cooperation from the Soviet Union. Q Mr. Secretary, we were told you discussed the Middle East with Mrs. Thatcher today. What in your opinion, if anything, is there that Britain can do about the Middle East? When Mr. Shamir was here recently he was very upset about the speech you made in America. But what in your opinion can Britain do that the Soviet Union and the United States can't do together? SECRETARY BAKER: Well, I think that the United Kingdom, and other countries in Europe for that matter, can join the United States -- and maybe there can be a Soviet component in this -- but at least join the United States in supporting Prime Minister Shamir's proposal for elections in the West Bank as a means to get into a broader political negotiation. And it's in that context that the Prime Minister advanced his elections proposals. And I frankly believe, following these discussions here today, that there is some chance that we will see -- well, I know there's more than some chance -- we will have the active support of the United Kingdom in trying to use the concept of elections to move the peace process forward in the Middle East. You are totally for that election proposal? You are for it, absolutely? SECRETARY BAKER: Oh, yes, as I have said, we are totally for it. We think it offers the best chance to move the peace process forward. MR. FITZWATER: Thank you. I need about a 10-minute filing break to collect papers on the week ahead and we'll come back under regular briefing rules and go through travel schedule and so forth. Thank you. 4:00 P.M. (L) END