

9. On procedure it is too soon to say how Khrushchev may react to de Gaulle's counter suggestion for a nuclear Disarmament Conference limited to powers already possessing nuclear weapons or likely soon to possess them. On substance overall nuclear disarmament looks as difficult as ever.

10. On other hand there have been some indications of Soviet desire to keep open their conversation and channels with USA, FGR, and West in general, and in some cases even to improve them. For example I understand in strict confidence that arrangements for Kennedy-Khrushchev TV debate seem likely to be completed soon. Soviet disinclination to break off conversations on Berlin problem despite lack of progress hitherto is also not repeat not discouraging.

11. As mentioned above there are, in my judgment and that of other Western observers here, reasons to believe that some genuine progress in disarmament field at this time could be of value to Khrushchev. Thus he would probably see genuine economic (and hence domestic political) advantage if he could find some way if not repeat not to reduce his defence budget then at least to prevent further increases in defence spending, in order to permit increased allocation of resources to capital investment particularly for agriculture. Similarly some genuine beginning on real disarmament agreements with West might present a way out for Khrushchev in his dilemmas on Berlin problem. An agreement which included limitation on West German armaments and undertakings not repeat not to transfer nuclear weapons to West Germany (in exchange for corresponding advantages to Western side) could perhaps be presented by Khrushchev to his party and bloc as meeting some basic Soviet objectives in their drive for German peace treaty, and might thus be used, if he so wished, to help justify climb down on Berlin issue itself. In other words as Adenauer and Kroll have long urged, some solution might be found within disarmament framework to meet some Soviet objectives (or proclaimed objectives) on German question which can hardly be met within German framework itself.

12. As stated in my reference telegram I think Soviet attitude on many of these questions is probably still undecided, and probably related to decisions about their relations with China. Soviet-Chinese issue may be coming closer to head, and next few weeks may show whether rift can again be papered over or will become more open as well as deeper. While therefore hard evidence thus far available does not repeat not suggest very promising prospects for success in disarmament negotiations, it is just conceivable that Soviet thinking may take more promising turn on this question.

13. At last Monday Nepalese reception I had talk with Organov (Chairman Praesidium RSFSR Supreme Soviet), Pushkin, and a couple of marshals, partly on disarmament prospects. They did not repeat not seem optimistic. I suggested that unless genuine progress were made soon to limit spread of arms whole problem would become much more difficult and dangerous in few years when China and others got nuclear weapons. I thought their immediate agreement to this point was sincere and significant.

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