

SECRET

10 DOWNING STREET

THIS FILE MUST NOT GO OUTSIDE 10 DOWNING ST

551

FILE TITLE:

Internal Situation in East Germany

SERIES

GERMANY

PART:

1

PART BEGINS:

October 1979

PART ENDS:

December 1989.

CAB ONE:



PREM 19/2696

SECRET

PART 1 ends:-

Moscow Tel No. 2161. 29. 12. 89

PART 2 begins:-

East Berlin Tel No 011. 6. 1. 90

PART

CLOSED

CONFIDENTIAL

155076
MDLIAN 7149

CONFIDENTIAL

FM MOSCOW

TO PRIORITY FCO

TELNO 2161

OF 291307Z DECEMBER 89

INFO PRIORITY BONN, BMG BERLIN, EAST BERLIN, PARIS, WASHINGTON, ACTOR

THE GERMAN QUESTION: SOVIET COMMENT
SUMMARY

1. SOVIET OFFICIALS DISPLAY LITTLE NEW THINKING, BUT ASSESS THE SITUATION MORE CALMLY. THE SEVEN QUESTIONS POSED BY SHEVARDNADZE IN BRUSSELS REMAIN THEIR GUIDE. UNDERLYING MISTRUST OF GERMANS.
CONSIDERATION OF FOUR POWER ROLE.

DETAIL

2. THE MINISTER CALLED ON BONDARENKO, HEAD OF THIRD EUROPEAN DEPARTMENT (FRG, BERLIN, AUSTRIA AND SWITZERLAND) IN THE MFA ON 28 DECEMBER. HE ASKED FOR BONDARENKO'S VIEW OF DEVELOPMENTS SINCE THEIR PREVIOUS MEETING AT THE END OF NOVEMBER.
3. BONDARENKO RECALLED ALL THE EXCHANGES THAT HAD TAKEN PLACE IN DECEMBER. THESE UNDERLINED THE IMPORTANCE OF THE GERMAN QUESTION, AND THE FACT THAT IT INVOLVED THE INTERESTS OF ALL EUROPEAN STATES. LOGAN DREW ATTENTION TO RECENT BRITISH STATEMENTS ON SELF-DETERMINATION WITHIN THE FRAMEWORK OF EXISTING AGREEMENTS AND TREATIES. BONDARENKO AGREED THAT THERE WAS SOME SIMILARITY BETWEEN THE APPROACHES BEING TAKEN BY OUR TWO GOVERNMENTS. THERE WERE ALSO POINTS IN COMMON BETWEEN SOVIET AND FRENCH VIEWS, AND SOVIET AND AMERICAN VIEWS. SUCH DIFFERENCES AS EXISTED WERE ONES OF NUANCE. HE WAS NOT, HOWEVER, ADVOCATING A UNITED FRONT AGAINST THE GERMANS.
4. HE WENT ON TO NOTE THAT GERMAN ATTITUDES WERE EVOLVING. CHANCELLOR KOHL WAS NOW TAKING A MORE CAUTIOUS VIEW. HIS SPEECH IN THE BUNDESTAG ON 28 NOVEMBER HAD CREATED THE IMPRESSION THAT HE WANTED A RAPID PROGRAMME OF REUNIFICATION. NOW HE WAS TALKING OF THE LONGER TERM. THE RUSSIANS WOULD SEE WHAT HAPPENED: THEY WOULD NOT REACT TO ONE STATEMENT. WHEN GENSCHER HAD VISITED MOSCOW ON 4-5 DECEMBER HE HAD GIVEN A "BROAD INTERPRETATION" OF KOHL'S TEN POINTS. GENSCHER WAS A "FLEXIBLE POLITICIAN" (COMMENT: BONDARENKO'S INFLECTION MADE IT PLAIN THAT THIS WAS NOT A COMPLIMENT). MEANWHILE THERE WAS A WIDE RANGE OF OPINIONS IN BOTH GERMAN STATES. MECHANISTIC REUNIFICATION DID NOT SEEM POPULAR. BONDARENKO THOUGHT THAT THE CONTINUED EXISTENCE OF MUCH REFORMED GDR WAS NOW THE MOST LIKELY OUTCOME.
5. LOGAN ASKED WHAT INSTRUMENTS WERE AVAILABLE TO THE SOVIET UNION

TO INFLUENCE DEVELOPMENTS IN GERMANY IF THESE APPEARED UNDULY PRECIPITATE TO THE RUSSIANS. BONDARENKO SAID THAT THIS WAS NOT AN EASY QUESTION: THE SOVIET AUTHORITIES WERE GIVING IT CONSTANT THOUGHT. IN HIS VIEWS MANY OF THE LEVERS WERE IN DIFFERENT HANDS. THE FEDERAL REPUBLIC FOR EXAMPLE COULD WORK TO STRENGTHEN THE GDR ECONOMY OR DESTABILISE IT. THE RUSSIANS HAD TOLD GENSCHER THAT THE FRG SHOULD NOT ABUSE THIS SITUATION. BONDARENKO ADDED THAT THE RISKS WOULD BE DIMINISHED IF OTHER WESTERN COUNTRIES STEPPED IN TO COOPERATE WITH THE EAST GERMANS.

6. IN A LENGTHY DIGRESSION BONDARENKO DISMISSED THE CHANCELLOR'S COMMITMENT TO HELSINKI, IN THE ABSENCE OF A GERMAN STATEMENT ON NATIONAL FRONTIERS. HE RECALLED PREVIOUS GERMAN ATTEMPTS TO CHANGE BORDERS BY PEACEFUL MEANS IN THE SAAR AND SUDETENLANDS. PERSUASION HAD DRIFTED INTO SUBVERSION. 'I DO NOT WANT TO DRAW PARALLELS, BUT WE MUST NOT FORGET THE LESSONS OF HISTORY.' LOGAN DISPUTED BONDARENKO'S INTERPRETATION OF KOHL'S COMMITMENT TO HELSINKI.

7. BONDARENKO REFERRED TO THE SPECIAL INTEREST OF THE WARTIME ALLIES, AMONG ALL EUROPEAN STATES, IN THE TYPE OF EUROPE WHICH WOULD BE CREATED BY THE EXERCISE OF GERMAN SELF-DETERMINATION. THIS LATTER RIGHT COULD NOT BE GIVEN EXCLUSIVE PRECEDENCE.

8. REVERTING TO THE QUESTION OF SOVIET LEVERS, BONDARENKO SAID THAT THE RESIDUAL RIGHTS AND OBLIGATIONS IN GERMANY OF THE FOUR POWERS WERE STILL A POWERFUL POLITICAL MECHANISM. LOGAN ASKED FOR A REACTION TO THE FOUR AMBASSADORS' MEETING ON 11 DECEMBER. BONDARENKO SAID THIS HAD BEEN VALUABLE. HE PERSONALLY THOUGHT MEETINGS AT DIFFERENT LEVELS SHOULD CONTINUE. THIS WOULD POSE DIFFICULTIES FOR THE RUSSIANS, IN THE LIGHT OF THEIR PREVIOUS POSITIONS ON GDR COMPETENCE. BUT HE EXPECTED THAT THE RUSSIANS WOULD PUT FORWARD IDEAS FOR FURTHER EXCHANGES IN THE NEAR FUTURE. WE HAD IT CONFIRMED AFTER THE MEETING THAT BONDARENKO WAS NOT (NOT) REFERRING TO MAXIMYCHEV'S PROPOSAL FOR AN EXPERTS' MEETING ON AVIATION.

COMMENT

8. BONDARENKO WAS NOTABLY LESS STRIDENT AND, TAKING HIS CUE FROM SHEVARDNADZE, LESS DOGMATIC THAN PREVIOUSLY ABOUT THE RELATIONSHIP OF THE TWO GERMANIES IN THE LONG TERM. BUT RUSSIAN MISTRUST OF KOHL AND THE CDU WAS NOT FAR BELOW THE SURFACE. IT REMAINS TO BE SEEN HOW THEY WILL TRY TO USE THE FOUR POWER MECHANISM TO MEDIATE THIS.

BRAITHWAITE

YYYY

RESTRICTED

137442
MDADAN 9386

RESTRICTED

FM EAST BERLIN

TO IMMEDIATE FCO

TELNO 488

OF 201405Z DECEMBER 89

INFO PRIORITY BONN, BMG BERLIN, PARIS, MOSCOW, WASHINGTON, UKDEL NATO
INFO PRIORITY UKREP BRUSSELS, CICC(G), ACTOR, BRIXMIS
INFO SAVING EASTERN EUROPEAN POSTS, UKDEL STRASBOURG, PEKING

MY TELNO 486: KOHL'S VISIT TO DRESDEN ON 19 NOVEMBER

SUMMARY

1. AN EMOTIONAL BUT PEACEFUL DAY IN DRESDEN. KOHL CONSISTENTLY ADVISED PATIENCE IN SETTING OUT HIS CONCEPT FOR ACHIEVING THE UNITY OF THE GERMAN NATION

DETAIL

2. AFTER HIS FIRST MEETING WITH MODROW, KOHL SPOKE FOR ABOUT 10 MINUTES TO SEVERAL THOUSAND PEOPLE IN FRONT OF THE FRAUENKIRCHE (HE FIRST LAID A WREATH AT THIS CHURCH WHICH HAS BEEN PRESERVED AS A RUIN IN MEMORY OF THE THOUSANDS WHO DIED IN THE ALLIED BOMBING IN FEBRUARY 1945). AFTER EXPRESSING ADMIRATION FOR THE 'PEACEFUL REVOLUTION IN THE GDR' AND PROMISSING THAT WEST GERMANS WOULD DO EVERYTHING POSSIBLE TO HELP IN THE FUTURE KOHL SAID: 'THE UNITY OF THE NATION REMAINS MY GOAL WHENEVER HISTORY ALLOWS IT. AND, DEAR FRIENDS, I KNOW THAT WE CAN REACH THIS GOAL AND THAT THE TIME WILL COME IF WE WORK TOGETHER WITH REASON, MODERATION AND AN APPRECIATION OF WHAT IS POSSIBLE.

I KNOW ALSO THAT THIS IS NOT TO BE DONE FROM TODAY TO TOMORROW. WE GERMANS DO NOT LIVE ALONE IN EUROPE AND IN THE WORLD. WE SAY YES TO SELF-DETERMINATION, A RIGHT THAT BELONGS TO ALL NATIONS ON THIS EARTH, INCLUDING THE GERMAN ONE. BUT, DEAR FRIENDS, THIS RIGHT TO SELF-DETERMINATION ONLY MAKES SENSE FOR THE GERMANS, IF WE DO NOT LOSE SIGHT OF THE SECURITY NEEDS OF OTHERS. THE GERMAN HOUSE, OUR HOUSE, MUST BE BUILT UNDER A EUROPEAN ROOF, AND THAT MUST BE THE GOAL OF OUR POLICY.

I WISH YOU, AND ALL OF US A PEACEFUL CHRISTMAS CELEBRATION, A HAPPY NEW YEAR IN 1990 AND MAY GOD BLESS OUR GERMAN FATHERLAND.'

3. KOHL WAS GREETED EMOTIONALLY WHEREVER HE WENT IN DRESDEN

PAGE 1
RESTRICTED

RESTRICTED

137442
MDA:AN 9386

BY PEOPLE WAVING THE BLACK, RED AND GOLD FLAG WHICH WAS THE SYMBOL OF THE WEIMAR REPUBLIC AND OF GERMAN FREEDOM AND UNITY UNTIL 1871. KOHL WAS ALSO GREETED AS 'OUR CHANCELLOR IN THE FEDERAL GERMAN PROVINCE OF SAXONY'.

4. MEANWHILE, LATE ON 19 DECEMBER THERE WAS A DEMONSTRATION OF SOME 50,000 PEOPLE IN EAST BERLIN AGAINST A SELL OUT OF THE GDR. THE NEW CHAIRMAN OF THE SED-PDS, GREGOR GYSI, SPOKE TO THE CROWD ABOUT THE NEED TO PRESERVE AN INDEPENDENT GDR VERY MUCH AS HE HAD DONE THE DAY BEFORE TO MR KINNOCK (MY TELNO 478).

COMMENT

5. AS SEEN FROM HERE, KOHL MADE A SUCCESSFUL EFFORT TO CONTROL BOTH HIS OWN EMOTIONS AND THOSE OF THE PEOPLE WHO HAILED HIM AS THEIR SAVIOUR (FROM THE SED) IN DRESDEN. HIS REMARKS ABOUT THE INTERESTS OF OTHERS WERE GREETED WITH RESPECTFUL SILENCE, WHEREAS HIS REFERENCES TO GERMAN UNITY (NOT REUNIFICATION) PROVOKED ECSTATIC APPLAUSE. IT IS A COMMENT ON KOHL'S PERFORMANCE THAT THINGS DID NOT GET OUT OF CONTROL, WHICH THEY EASILY COULD HAVE DONE. AT THE JOINT PRESS CONFERENCE HE ALSO WARNED AGAINST OVER HASTY ACTION AND COUNSELLED PATIENCE AND MODERATION. THE DEMONSTRATION IN EAST BERLIN WAS ALSO IMPRESSIVE IN ITS WAY, BUT IN MY VIEW, MUCH STRONGER TREND OF OPINION HERE IS THE ONE REFLECTED IN KOHL'S RECEPTION IN DRESDEN.

BROOMFIELD

FCO PSE PASS SAVING
YYYY

DISTRIBUTION

14

ADVANCE 14

.BERLIN/INNER-GERMAN RELATIONS
.(WIDE)
PS
PS/PUS
PS/SIR J FRETWELL
MR RATFORD
HD/WED

HD/SOVIET
HD/NEWS
RESIDENT CLERK
MR S MCCARTHY SEC(NATO/UKP)MOD
WG CDR ANDREWS DCTS NATO MOD
PRESS SECRETARY NO 10
MRS GLOVER LEGAL ADV

PAGE 2
RESTRICTED



UNCLASSIFIED

136765
MDADAN 9350

ADVANCE COPY

UNCLASSIFIED
FM EAST BERLIN
TO IMMEDIATE FCO
TELNO 486

OF 201020Z DECEMBER 89

INFO IMMEDIATE BONN, BMG BERLIN

INFO PRIORITY WASHINGTON, MOSCOW, UKDEL NATO, PARIS

INFO ROUTINE UKREP BRUSSELS, PRAGUE, WARSAW, BUDAPEST

INFO SAVING SOFIA, BUCHAREST, BELGRADE, PEKING

FRG/GDR RELATIONS : CHANCELLOR KOHL'S VISIT

SUMMARY

1. THIS TELEGRAM LISTS THE MAIN PRACTICAL AGREEMENTS REACHED DURING THE FIRST DAY OF KOHL'S VISIT (AS REPORTED IN NEUES DEUTSCHLAND). MY TWO IFT'S COVER THE JOINT STATEMENT AND THE ATMOSPHERE. THE FRG WILL GIVE AN EC BRIEFING THIS AFTERNOON.

DETAIL

2. KOHL AND MODROW AGREED TO MEET AGAIN AT THE END OF JANUARY OR EARLY FEBRUARY IN THE FRG.

3. THE CHANCELLOR AND PRIME MINISTER AGREED IN RELATION TO THE 'TREATY PARTNERSHIP' IN RELATIONS BETWEEN FRG AND GDR TO CONCLUDE A JOINT TREATY ON COOPERATION AND GOOD NEIGHBOURLYNESS. THE INTENTION WAS TO SIGN THIS TREATY DURING THE SPRING OF 1990.

4. VISAFREE TRAVEL BY WEST BERLINERS AND WEST GERMANS TO EAST BERLIN AND THE GDR WILL BEGIN ON 24 DECEMBER.

5. ON 24 DECEMBER THE BRANDENBURG GATE SHOULD BE OPEN FOR PEDESTRIAN TRAFFIC.

6. POLITICAL PRISONERS WILL BE SET FREE, IF POSSIBLE BEFORE CHRISTMAS.

7. A JOINT COMMISSION FOR THE FURTHER DEVELOPMENT OF ECONOMIC RELATIONS HAS BEEN SET UP.

8. A WORKING GROUP ON ENERGY AND AN EXPERT GROUP ON TOURISM WILL BE SET UP.

9. IN JANUARY A MEETING BETWEEN LEADING FIRMS IN THE FRG WITH APPROPRIATE PARTNERS IN THE GDR WILL TAKE PLACE.

UNCLASSIFIED

136765
MAN 9350

10. IN FEBURARY A SIMILAR MEETING WILL TAKE PLACE BETWEEN MEDIUM SIZED AND SMALL FIRMS.

11. A WIDE RANGING CULTURAL WORK PLAN FOR 1990/91 WAS SIGNED.

12. A JOINT STATEMENT WAS AGREED DETAILING NUMEROUS AREAS (COMMUNICATIONS, TRANSPORT, AIR TRAFFIC ETC) IN WHICH COOPERAION WOULD BE INTENSIFIED.

13. IN THE MARGINS OF THE CHANCELLOR'S VISIT THE FIRST JOINT VENTURE (TO PRODUCE COMPACT DISCS) WAS SIGNED (70% GDR/30% FRG). THE DRESDEN BANK WILL OPEN A BRANCH IN DRESDEN IN JANUARY 1990.

BROOMFIELD

FCO PSE PASS SAVING
YYYY

DISTRIBUTION

14

ADVANCE

1411

.BERLIN/INNER-GERMAN RELATIONS
.(WIDE)
PS
PS/PUS
PS/SIR J FRETWELL
MR RATFORD
HD/WED

HD/SOVIET
HD/NEWS
~~RESIDENT CLERK~~
MR S MCCARTHY SEC(NATO/UKP)MOD
WG CDR ANDREWS DCTS NATO MOD
PRESS SECRETARY NO 10
MRS GLOVER LEGAL ADV

NNNN



PAGE 2
UNCLASSIFIED

CONFIDENTIAL

140110
MDADAN 9420

CONFIDENTIAL

FM EAST BERLIN

TO DESKBY 201830Z FCO

TELNO 492

OF 201750Z DECEMBER 89

INFO IMMEDIATE BONN, BMG BERLIN

NFO PRIORITY WASHINGTON, MOSCOW, UKDEL NATO, PARIS

INFO ROUTINE UKREP BRUSSELS, PRAGUE, WARSAW, BUDAPEST, ACTOR

INFO ROUTINE CICC(G)

INFO SAVING BUCHAREST, BELGRADE, PEKING, BRIXMIS, UKDEL STRASBOURG

MY TELO 486 : FRG/GDR RELATIONS : KOHL'S VISIT TO DRESDEN

SUMMARY

1. FRG CONSIDER THE VISIT A SUCCESS. MAIN AIM WAS TO CONTRIBUTE TO STABILITY IN THE GDR AND PERSUADE PEOPLE TO STAY THERE. GOOD PERSONAL REALATIONSHIP ESTABLISHED BETWEEN KOHL AND MODROW.

DETAIL

2. BERTELE (HEAD OF FRG PERMANENT REPRESENTATION) GAVE AN EC BRIEFING ON 20 DECEMBER AFTER RETURNING FROM DRESDEN.

3. BERTELE SAID THAT THE VISIT HAD BEEN DIFFICULT TO MANAGE. IN HIS VIEW THE CHANCELLOR HAD ACHIEVED THE MAIN FRG AIMS. THESE WERE TO INITIATE THE PROCESS OF ECONOMIC SUPPORT FOR THE GDR ECONOMY AND TO GIVE PEOPLE A FEELING THAT LIFE WAS GOING TO GET BETTER HERE SO THAT THEY WOULD NOT CONTINUE TO EMIGRATE TO THE FRG.

4. EMOTION IN DRESDEN HAD RUN VERY HIGH. AT THE OUTSET BOTH KOHL AND MODROW HAD BEEN EXTREMELY NERVOUS. BERTELE SAID HE THOUGHT KOHL HAD MANAGED THE PUBLIC MEETING AT THE FRAUENKIRCHE WELL. THE CROWD HAD BEEN EXPECTING A MUCH STRONGER SPEECH ON REUNIFICATION AND HAD BEEN RATHER SUBDUED WHEN THE CHANCELLOR SPOKE OF PATIENCE, RESTRAINT, ETC. NONETHELESS THE STRENGTH OF FEELING FOR UNITY HAD BEEN TREMENDOUS. AT THE END OF THE VISIT EVEN BERGHOFFER (MAYOR OF DRESDEN) HAD TOLD BERTELE THAT IN HIS VIEW ONLY ONE OUTCOME WAS POSSIBLE.

5. MODROW AND KOHL HAD SPOKEN FOR A FULL TWO HOURS TETE-A-TETE. WHEN THEY EMERGED IT WAS CLEAR THAT A GOOD WORKING RELATIONSHIP HAD BEEN ESTABLISHED.

CONFIDENTIAL

140110
MDADAN 9420

6. THE KOHL/MODROW MEETING IN JANUARY OR FEBRUARY HAD BEEN AGREED PRINCIPALLY TO GIVE A PUBLIC SIGNAL THAT THINGS WERE MOVING AHEAD. BERTELE DID NOT KNOW WHETHER THE MEETING WOULD BE IN BONN OR OUTSIDE, POSSIBLY IN KOHL'S AREA OF RHEINLAND PFALZ.

7. THE TREATY ON COOPERATION AND GOOD-NEIGHBOURLINESS WOULD NOT BE A SUBSTANTIAL EXECUTIVE DOCUMENT. IT WAS INTENDED MORE AS A HAT UNDER WHICH SPECIFIC AREAS OF COOPERATION WOULD BE CARRIED ON.

8. MODROW HAD EXPRESSED NERVOUSNESS ABOUT THE INFLUX OF WEST GERMANS AND WEST BERLINERS AFTER 24 DECEMBER. BERTELE COULD NOT EXPLAIN HOW THE EXCHANGE RATE OF 3 EAST MARKS TO 1 DM WOULD WORK. IT HAD BEEN MODROW'S SUGGESTION AND WAS INCORPORATED INTO THE JOINT DECLARATION WITHOUT DISCUSSION. THE IDEA WAS THAT IT SHOULD BE AVAILABLE FOR TOURISM AND NOT THOSE WHO CONDUCTED REGULAR BUSINESS IN THE GDR. BERTELE SAID THAT THE BRANDENBURG GATE WOULD BE OPENED FOR PEDESTRIANS ON 22 (NOT 24) DECEMBER (SEE PARA 5 OF TUR). HE ASKED THAT THIS INFORMATION BE PROTECTED TO PREVENT CROWDS GATHERING BEFORE THE EVENT.

9. THE FRG WOULD BE SENDING EXPERTS TO ADVISE THE GDR ON THE DETAIL OF THE JOINT VENTURE, INVESTMENT PROTECTION, ETC, LEGISLATION.

10. AT THEIR MEETING WITH HIM THE OPPOSITION GROUPS HAD CRITICISED KOHL FOR SUPPORTING MODROW. THIS WOULD GIVE HIM AN UNFAIR ADVANTAGE IN THE ELECTIONS. KOHL HAD REPLIED THAT HIS OVERRIDING AIM WAS TO CONTRIBUTE TO STABILITY IN THE GDR. HE SAID THAT, HOWEVER, THAT THE FRG WOULD DISCUSS THE DETAILS OF THE TREATY TO BE SIGNED WITH THE GDR WITH THE GROUPS. ALL OF THE OPPOSITION GROUPS HAD ASKED FOR HELP FROM THOSE WITH ADMINISTRATIVE AND POLITICAL EXPERIENCE IN MAKING DEMOCRACY AND PARTY POLITICS WORK.

11. I ASKED BERTELE IF THERE WERE ANY POINTS ON WHICH IT HAD NOT BEEN POSSIBLE TO REACH AGREEMENT. HE SAID ONLY ON THE TENTH POINT OF KOHL'S PLAN (FEDERATION) AND OVER A GDR REQUEST FOR REPARATIONS. IN ANSWER TO ANOTHER QUESTION HE SAID THAT MODROW INTENDED TO REESTABLISH THE FIVE GDR LAENDER IN PLACE OF THE PRESENT 14 BEZIRKE.

COMMENT

12. I WOULD SCORE THE VISIT AS A CONSIDERABLE SUCCESS FOR THE FRG. THE JOINT STATEMENT REFLECTS POSITIONS EG OVER THE INCLUSION

CONFIDENTIAL

140110
MDADAN 9420

OF WEST BERLIN, ON WHICH NO PROGRESS WAS POSSIBLE WITH THE PREVIOUS GDR ADMINISTRATION. POLITICALLY AND EMOTIONALLY EVENTS DID NOT GET OUT OF HAND. THE WEST GERMAN INDUSTRIAL STRENGTH HAS NOW BEEN GIVEN AN INTERGOVERNMENTALLY AGREED BASIS ON WHICH TO ENGAGE WITH THE GDR AND LOOKS LIKELY TO DO SO IN A WELL-ORGANISED AND RAPID WAY. KOHL'S CONCERN ABOUT STABILITY IS NOT MISPLACED SINCE EMIGRATION CONTINUES (ACCORDING TO BERTELE) AT BETWEEN 1500 TO 2000 A DAY.

13. IN MY VIEW, HOWEVER, THE STRONGEST SYMBOLIC POINTER TO THE FUTURE, WHICH I BELIEVE WILL BE SEEN AS SUCH BY THE MAJORITY OF PEOPLE IN THE GDR, WILL BE THE OPENING OF THE BRANDENBURG GATE ON 22 DECEMBER.

BROOMFIELD

YYYY

DISTRIBUTION

13

ADVANCE

13

.BERLIN/INNER-GERMAN RELATIONS
.(WIDE)
PS
PS/PUS
PS/SIR J FRETWELL
MR RATFORD
HD/WED

HD/SOVIET
HD/NEWS
MR S MCCARTHY SEC(NATO/UKP)MOD
WG CDR ANDREWS DCTS NATO MOD
PRESS SECRETARY NO 10
MRS GLOVER LEGAL ADV

NNNN

PAGE 3
CONFIDENTIAL



CONFIDENTIAL

SUBJECT a Master



17/12/89

cc PC

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

20 December 1989

EAST GERMANY

The Prime Minister and the Foreign Secretary had a brief discussion last night of the Soviet suggestion - not repeated by Shevardnadze - that she might visit East Germany. The Prime Minister made clear that she did not favour an early visit which would smack of 'me-tooism' after the visits of Chancellor Kohl and President Mitterrand. But she thought the Foreign Secretary ought to go early in the New Year.

CHARLES POWELL

J S Wall Esq
Foreign and Commonwealth Office

CONFIDENTIAL

CONFIDENTIAL

123405
MDADAN 8763

CONFIDENTIAL
FM EAST BERLIN
TO IMMEDIATE FCO
TELNO 468

ADVANCE COPY

OF 150855Z DECEMBER 89
INFO IMMEDIATE UKDEL NATO, BONN, BMG BERLIN
INFO PRIORITY WASHINGTON, MOSCOW
INFO ROUTINE PARIS, UKREP BRUSSELS, PRAGUE, BUDAPEST, CICC(G)
INFO SAVING SOFIA, BELGRADE, BUCHAREST, PEKING

MY TELNO 462 : FRG/GDR RELATIONS

SUMMARY

1. BRIEFING ON BACKGROUD TO KOHL'S VISIT. FRG RECOGNITION OF THE VOLATILITY OF THE SITUATION DURING THE VISIT IN DRESDEN, AND THEREAFTER WHEN WEST-EAST TRAVEL STARTS ON 1 JANUARY (OR BEFORE). INDICATIONS OF WILLINGNESS TO GIVE MORE ECONOMIC HELP TO PREVENT A COLLAPSE ENDANGERING POLITICAL REFORM.

DETAIL

2. ON 14 DECEMBER BERTELE (FRG PERMANENT REPRESENTATIVE) GAVE AN EC MEETING A PREVIEW OF KOHL'S VISIT TO DRESDEN ON 19/20 DECEMBER.

3. BERTELE REFERRED FIRST TO A SHARP INCREASE IN REGIONAL COOPERATION. INTER ALIA PRESIDENTS ENGHOLM (SCHLESWIG-HOLSTEIN) AND SPAETH KBADEN-WURTEMBERG) HAD TALKED RECENTLY TO THE LOCAL AUTHORITIES IN ROSTOCK AND DRESDEN ABOUT COOPERATION IN A NUMBER OF AREAS. BOTH SPAETH AND ENGHOLM ENVISAGED OPENING "LOCAL REPRESENTATIVE" OFFICES IN DRESDEN/ROSTOCK. ROSTOCK WAS CONSIDERING RECIPROCATING IN KEIL. THE BADEN-WURTEMBERG OFFICE MIGHT OPEN IN DRESDEN IN JANUARY.

4. BERTELE HAD BEEN WITH SPAETH IN DRESDEN ON 10 DECEMBER FOR A MEETING WITH MODROW. SPAETH HAD SUBSEQUENTLY GONE ON A PRIVATE WALKABOUT AND VISITED THE NIKOLAI CHURCH. WHEN HE CAME OUT A CROWD OF ABOUT 6000 HAD GATHERED AND CHANTED "DEUTSCHLAND, EINIG VATERLAND" (GERMANY, UNITED FATHERLAND), WHEN THEY SAW SPAETH.

5. ABOUT 1000 JOURNALISTS WOULD ACCOMPANY KOHL TO DRESDEN ON 19/20 DECEMBER. BERTELE WAS OBVIOUSLY WORRIED ABOUT THE EFFECT OF KOHL PLUS THE JOURNALISTS ON THE LOCAL POPULATION. IT WOULD BE A DELICATE PERIOD. BUT FEDERAL POLITICIANS WERE RESPONDING DIRECTLY TO MODROW'S APPEALS FOR CALM AND PATIENCE SHOULD BE SEEN IN THAT

LIGHT.

6. BERTELE ACKNOWLEDGED THAT ANOTHER "'DELICATE MOMENT'" WOULD COME WHEN WEST-EAST TRAVEL BECAME FREE OF VISAS AND MINIMUM EXCHANGE. THE TIMING WAS A MATTER FOR THE GDR. ON A PERSONAL BASIS HE HAD TOLD MODROW THAT 1 JANUARY MIGHT NOT BE THE BEST DATE. AT MIDNIGHT ON 31 DECEMBER HORDES OF WEST GERMANS/WEST BERLINERS WOULD CROSS INTO THE GDR IN FULL FLOW OF THEIR NEW YEAR PARTIES. IT WOULD BE 9 NOVEMBER IN REVERSE. A WEEKDAY BEFORE CHRISTMASS MIGHT BE BETTER.

7. MODROW HAD WARNED ALL HIS FRG INTERLOCUTORS ABOUT THE SERIOUSNESS OF THE SITUATION IN THE GDR. HE HAD ON ONE OCCASION REFERRED TO CIVIL WAR AND TO THE PERSECUTION OF STATE SECURITY OFFICIALS AND THEIR FAMILIES. HE HAD ALSO EXPRESSED CONCERN ABOUT THE INFLUX OF FRG SHOPPERS AFTER 1 JANUARY BUYING UP SUBSIDISED FOOD GOODS. THE INDUSTRIAL SITUATION WAS ALSO DIFFICULT. MODROW HOPED FOR ECONOMIC ASSISTANCE FROM KOHL. CREDITS WOULD DO NO GOOD.

8. MODROW APPEARED TO WANT COMPENSATION FOR THE 300,000 WELL TRAINED WORKERS WHO HAD LEFT THIS YEAR FOR THE FRG. BERTELE COMMENTED THAT FRG INDUSTRY MINISTER HAUSSMANN, WHO HAD MET DEPUTY PRIME MINISTER LUFT ON 13 DECEMBER, HAD HINTED TO HIM (BERTELE) THAT THE FRG GOVERNMENT MIGHT DECIDE TO GUARANTEE CAPITAL INVESTMENT BEFORE GDR LEGISLATION WAS READY, IN ORDER TO GET THE MAJOR INVESTMENT MONEY FLOWING EARLIER.

COMMENT

9. REALISATION QUITE HOW PRECARIOUS MODROW'S POSITION IS HAS ABVIOUSLY SUNK IN ON THE FRG SIDE. (MODROW IS IN FACT USING THE ROUND TABLE FORUM TO TAKE OR ENDORSE IMPORTANT DECISIONS LIKE SETTING THE DATE OF THE ELECTIONS. IT IS MORE A "'LEGITIMATE'" BODY THAN THE VOLKSKAMMER OR THE GOVERNMENT). WHETHER WEST GERMAN APPEALS FOR CALM WILL BE HEEDDED BY THE DRESDEN POPULATION REMAINS TO BE SEEN. THERE MAY BE SOME INDICATION AT THE LEIPZIG DEMONSTRATION ON 18 DECEMBER WHERE THE CHURCH ORGANISERS HAVE CALLED FOR A FINAL SILENT CANDLELIT PROCESSION IN MEMORY OF THE VICTIMS OF STALINISM IN THE GDR, WHETHER THE DEMONSTRATION SHOULD CONTINUE WOULD BE DECIDED BY THE REQUIREMENTS OF THE POLITICAL SITUATION.

BROOMFIELD

YYYY



10 DOWNING STREET

Prime Minister

Jim Baker's speech
in Berlin. It's
admirably full of
substance & generally
should give us
no trouble - indeed
it provides a lot of
useful material for
discussion

C.D. M

JIM BAKER'S SPEECH

(2)

It is a great honor for an American to speak at this time in this city. For me and for millions of my fellow citizens, Berlin is the crucible of half a century of history.

-- Here we have seen clearly what elsewhere hid in shadows.

-- Here the ambiguous disclosed its true nature.

-- Here we made the choices and took the stands that shaped today's world.

In 1945, pictures of a bombed-out Berlin brought home to us the terrible cost of war.

In 1948, the Soviet Union stalked out of the Four Power Control Commission and blockaded Berlin -- the clear declaration of cold war.

In 1953, Berliners staged the first popular revolt against Soviet tyranny in Eastern Europe.

In 1961, the Berlin Wall closed the last escape hatch from the prison camp of nations which Eastern Europe had become.

In 1971, the Quadripartite Agreement on Berlin epitomized the terrible dilemma of detente -- the proposition that cooperation between East and West assumed the continued division of this continent.

Then in 1989, the most important event -- certainly the most dramatic -- of the postwar era occurred, right here in Berlin.

On November 9, the Wall became a gateway. Berliners celebrated history's largest, happiest family reunion. And all of us who watched these scenes felt, once again: We are all Berliners.

Once more images from Berlin flashed around the world, images that again heralded a new reality. This new reality has its roots in those older Berlin scenes -- the scenes of West Berlin's dramatic postwar reconstruction; the scenes of Allied aircraft supplying a blockaded city; the scenes of American and Soviet tanks facing off at Checkpoint Charlie.

(3.)

By standing together, in Berlin as elsewhere, Western nations created the essential preconditions for overcoming the division of this city, of this nation, and of this continent.

As these recent events have unfolded, the Soviet Union has shown a remarkable degree of realism. And President Gorbachev deserves credit for being the first Soviet leader to have the courage and foresight to permit the lifting of repression in Eastern Europe.

But the real impulse for change comes from an altogether different source: the peoples of Poland, of Hungary, of Czechoslovakia, of Bulgaria, and of East Germany.

They have freed themselves.

From the Baltic to the Adriatic, an irresistible movement has gathered force -- a movement of, by, and for the people. In their peaceful urgent multitude, the peoples of Eastern Europe have held up a mirror to the West and have reflected the enduring power of our own best values. In the words of Thomas Jefferson, the first American Secretary of State, "Nothing is more certainly written in the book of fate than that these people are to be free."

The changes amount to nothing less than a peaceful revolution.

Now, as President Bush stated last week, "the task before us is to consolidate the fruits of this peaceful revolution and provide the architecture for continued peaceful change."

The first step is for free men and women to create free governments. The path may appear difficult, even confusing, but we must travel it with understanding. For true stability requires governments with legitimacy, governments that are based on the consent of the governed.

The peoples of Eastern Europe are trying to build such governments. Our view, as President Bush has told President Gorbachev, is that the political and economic reforms in the East can enhance both long-term stability in Europe and the prospects for perestroika. A legitimate and stable European order will help, not threaten, legitimate Soviet interests. An illegitimate order will provide no order at all.

Free men, and free governments, are the building blocks of a Europe whole and free. But hopes for a Europe whole and free are tinged with concern by some that a Europe undivided may not necessarily be a Europe peaceful and prosperous. Many of the

(7)

guideposts that brought us securely through four sometimes tense and threatening decades are now coming down. Some of the divisive issues that once brought conflict to Europe are reemerging.

As Europe changes, the instruments for Western cooperation must adapt. Working together, we must design and gradually put into place a new architecture for a new era.

This new architecture must have a place for old foundations and structures that remain valuable -- like NATO -- while recognizing that they can also serve new collective purposes. The new architecture must continue the construction of institutions -- like the EC -- that can help draw together the West while also serving as an open door to the East. And the new architecture must build up frameworks -- like the CSCE process -- that can overcome the division of Europe and bridge the Atlantic Ocean.

This new structure must also accomplish two special purposes. First, as a part of overcoming the division of Europe there must be an opportunity to overcome through peace and freedom the division of Berlin and of Germany. The United States and NATO have stood for unification for 40 years, and we will not waver from that goal.

Second, the architecture should reflect that America's security -- politically, militarily, and economically -- remains linked to Europe's security. The United States and Canada share Europe's neighborhood.

As President Bush stated in May, "The United States is and will remain a European power". And as he added last week, "The U.S. will maintain significant military forces in Europe as long as our Allies desire our presence as part of a common security effort". This is our commitment to a common future, a recognition of a need for an active United States role in Europe, a need even acknowledged by President Gorbachev.

The charge for us all, then, is to work together toward the New Europe and the New Atlanticism.

New Missions for NATO

In May of this year, President Bush suggested to his NATO colleagues that it was time to begin considering New Missions for NATO.

For over forty years, the North Atlantic Treaty Organization has secured peace in Europe through both deterrence and dialogue with the East. Today, NATO is working in Vienna to build a new security structure for Europe, one in which the military component is reduced and the political is enhanced. This is NATO's first new mission.

A conventional forces agreement is the keystone of this new security structure. In May, NATO adopted President Bush's suggestion to seek such an agreement on an accelerated timetable. President Gorbachev has responded to this opportunity positively. And we have moved significantly closer to concluding an agreement limiting conventional armaments from the Atlantic to the Urals. In Malta, President Bush proposed a summit meeting to sign such an agreement in 1990.

Today, I further propose that the Ministers of the 23 NATO and Warsaw Pact nations take advantage of our February meeting in Ottawa, where we will launch the Open Skies negotiations, to review the status and give a further push to the Vienna Talks on Conventional Forces.

As we construct a new security architecture that maintains the common defense, the non-military component of European security will grow. Arms control agreements, confidence-building measures and other political consultative arrangements will become more important. In such a world the role of NATO will evolve. NATO will become the forum where Western nations cooperate to negotiate, implement, verify and extend agreements between East and West.

In this context, the implementation and verification monitoring of a conventional forces agreement will present a major challenge for enduring security. NATO must make an important contribution.

I therefore invite Allied governments to consider establishing a NATO Arms Control Verification Staff. Verification will remain a national responsibility. But such a new Staff would be able to assist member governments in monitoring compliance with arms control and confidence building measures in Europe. A NATO organization of this sort could be valuable in assisting all Allies and coordinating the implementation of inspections. It could provide a clearinghouse for information contributed by national governments, perhaps joining with collective European efforts through the Western European Union.

As the East-West confrontation recedes, and as the prospects for East-West cooperation advance, other challenges for European and Atlantic security will arise. They point to NATO's second new mission. Regional conflicts -- along with the proliferation of missiles and nuclear, chemical and biological weapons -- present growing dangers. Intensified NATO consultations on these issues can play an important role in forming common Western approaches to these various threats.

Third, NATO should also begin considering further initiatives the West might take, through the CSCE process in particular, to build economic and political ties with the East, to promote respect for human rights, to help build democratic

institutions, and to fashion, consistent with Western security interests, a more open environment for East-West trade and investment.

Finally, NATO may have its greatest and most lasting effect on the pattern of change by demonstrating to the nations of the East a fundamentally different approach to security. NATO's four decades offer a vision of cooperation, not coercion; of open borders, not iron curtains. The reconciliation of ancient enemies, which has taken place under the umbrella of NATO's collective security, offers the nations of Eastern Europe an appealing model of international relations.

Whatever security relationships the governments of Eastern Europe choose, NATO will continue to provide Western governments the optimal instrument to coordinate their efforts at defense and arms control, and to build a durable European order of peace. The interests of Eastern Europe, and indeed the interests of the Soviet Union, will be served by the maintenance of a vigorous North Atlantic Treaty Organization.

The Role of the European Community

The future development of the European Community will play a central role in shaping the New Europe.

The example of Western cooperation through the European Community has already had a dramatic effect on Eastern attitudes toward economic liberty. The success of this great European experiment, perhaps more than any other factor, has caused Eastern Europeans to recognize that people as well as nations cooperate more productively when they are free to choose. The ballot box and the free market are the fundamental instruments of choice.

But the European experiment has succeeded not just because it has appealed to the enlightened self-interest of European producers and consumers. This experiment has succeeded because the vision of its founders encompassed and yet transcended the material. This experiment has succeeded because it also held out the higher goal of political as well as economic barriers overcome, of a Europe united.

This was the goal of Monnet and Schumann. This was the goal supported by the United States of Marshall and Acheson. This was the goal contained in the Treaty of Rome and more recently in the European Single Act. The United States supports this goal today with the same energy it did 40 years ago.

Naturally, the United States seeks a European Community open to cooperation with others. We believe Americans will profit from access to a single European market, just as Europeans have long profited from their access to a single American market. However, it is vital to us all that both these markets remain open -- indeed that both become even more open.

As Europe moves toward its goal of a common internal market, and as its institutions for political and security cooperation evolve, the link between the United States and the European Community will become even more important. We want our transatlantic cooperation to keep pace with European integration and institutional reform.

To this end, we propose that the United States and the European Community work together to achieve, whether in treaty or some other form, a significantly strengthened set of institutional and consultative links. Working from shared ideals and common values, we face a set of mutual challenges -- in economics, foreign policy, the environment, science, and a host of other fields. So it makes sense for us to seek to fashion our responses together as a matter of common course.

We suggest that our discussions about this idea proceed in parallel with Europe's efforts to achieve by 1992 a common internal market so that plans for US-EC interaction would evolve with changes in the Community.

The United States also encourages the European Community to continue and expand cooperation with the nations of the East. The promotion of political and economic reform in the East is a natural vocation for the European Community. That is why we were exceptionally pleased with the agreement at the Paris Economic Summit that the European Commission should assume a special role in the Group of 24 effort to promote reform in Poland and Hungary.

The United States has worked closely with the European Community in mobilizing economic and financial support for Hungary and Poland. Indeed, the United States has authorized almost \$1 billion of assistance to these two nations. This week, we look to the Group of 24 meeting to move as close as possible toward achieving the \$1 billion stabilization fund Poland requested to support its major move toward currency convertibility and macroeconomic reform.

That should be just the start of our common labor. Poland and Hungary have forty years of economic stagnation to overcome, and this will take time and our steady support. As Czechoslovakia, Bulgaria and the German Democratic Republic undertake political and economic reforms comparable to those already underway in Poland and Hungary, we believe the activities of the Group of 24, centered around the EC, should be expanded to support peaceful change in these countries as well.

As the nations of Eastern Europe achieve more open political and economic systems, they may seek new relationships with the European Community, with the Council of Europe and with other institutions serving both Europe and the broader international community. In fact, such ties could be fundamental to our strategy of rebuilding the economies of Eastern Europe through

private capital and initiative: Private investors in Eastern Europe will want to know that they can sell their products in Western markets.

I am confident that creative new arrangements can be devised to encourage and sustain the process of political and economic reform in the countries of Eastern Europe, while at the same time preserving the integrity and the vitality of existing institutions. We need to offer the nations of the East hope, opportunities that can be seized as they take steps toward democracy and economic liberty. Perhaps the recent work on an agreement between the EC and the six nations of the European Free Trade Association will set a pattern for improved ties with others.

We see no conflict between the process of European integration and an expansion of cooperation between the European Community and its neighbors to the East and West. Indeed, we believe that the attraction of the European Community for the countries of the East depends most on its continued vitality. And the vitality of the Economic Community depends in turn on its continued commitment to the goal of a united Europe envisaged by its founders -- free, democratic and closely linked to its North American partners.

The Helsinki Process -- The New Role of CSCE

The institution that brings all the nations of the East and West together in Europe, the Conference on Security and Cooperation in Europe, is in fact an ongoing process launched over 14 years ago in Helsinki. There have been different perceptions as to the functions of this CSCE process. Some saw the Helsinki Final Act of 1975 as a ratification of the status quo, the equivalent of a peace treaty concluding World War II, and thus the legitimization of Europe's permanent division. Others, however, saw this process as a device by which these divisions could be overcome.

The dynamic concept of the CSCE process has prevailed. In 1975, the governments of Eastern Europe may not have taken seriously their commitments to respect a wide range of fundamental human rights. Their populations did. The standards of conduct set by the Helsinki Final Act are increasingly being met through international pressure and domestic ferment. Last month, here in Berlin, we witnessed one of the proudest achievements of the CSCE process as the GDR fulfilled its commitment to allow its people to travel freely.

Now it's time for the CSCE process to advance further. We can look toward filling each of its three baskets with new substance.

(7.)
First, we can give the security basket further content through the 35-nation negotiations on confidence-building measures currently underway in Vienna. The agreements under consideration there should help prevent force, or the threat of force, from being used again in an effort to intimidate any European nation. Apart from reducing further the risk of war, new confidence building measures can create greater openness. They can institutionalize a predictable pattern of military interaction, a pattern that is difficult to reverse and that builds a new basis for trust.

Second, the relatively underdeveloped economic basket can assume new responsibilities. President Bush suggested to President Gorbachev at Malta that we could breathe new life into this CSCE forum by focusing it on the conceptual and practical questions involved in the transition from stalled, planned economies to free, competitive markets. When our nations meet in Bonn in May of next year to discuss economic cooperation, I suggest we concentrate on this issue.

Third, the CSCE process has made its most distinctive mark in the field of human rights. One fundamental right, however, has not yet been fully institutionalized. This is the right for people to choose, through regular, free, open, multi-party elections, those who will govern them.

This is the ultimate human right, the right that secures all others. Without free elections, no rights can be long guaranteed. With free elections, no rights can be long denied.

On May 31, in Mainz, President Bush announced a major new Helsinki initiative to help end the division of Europe. He called for free elections and political pluralism in all the countries of Europe. Now, this is coming to pass.

In June, the United States and the United Kingdom co-sponsored a free elections initiative at the CSCE human rights meeting in Paris. This proposal called on all 35 CSCE participating states to allow periodic, genuine and contested elections based on universal and equal suffrage, by secret ballot, and with international observers. Individuals would be allowed to establish and maintain their own political parties in order to ensure fully democratic procedures.

Free elections should now become the highest priority in the CSCE process. In 1945, Josef Stalin promised free elections and self-determination for the peoples of Eastern Europe. The fact that those elections were not free, and that those peoples were not allowed to determine their destiny, was a fundamental cause of the Cold War.

Now this Stalinist legacy is being removed by people determined to reclaim their birthright to freedom. They should not be denied. They will not be denied.

As all or nearly all the CSCE states move toward fully functioning representative governments, I suggest we consider another step: We could involve parliamentarians more directly in CSCE processes, not only as observers as at present, but perhaps through their own meetings. To sustain the movement toward democracy, we need to reinforce the institutions of democracy.

Germany and Berlin in a New Europe

A new Europe, whole and free, must include arrangements that satisfy the aspirations of the German people and meet the legitimate concerns of Germany's neighbors. Before the Bundestag on November 28, Chancellor Kohl laid out an approach designed to achieve German aspirations in peace and freedom. At last week's NATO Summit, President Bush reaffirmed America's long-standing support for the goal of German unification. He enunciated four principles that guide our policy, and I am pleased to note these ideas were incorporated into the statement issued last week by the leaders of the European Community nations at Strasbourg.

- One, self-determination must be pursued without prejudice to its outcome. We should not at this time endorse nor exclude any particular vision of unity.
- Two, unification should occur in the context of Germany's continued commitment to NATO and an increasingly integrated European Community, and with due regard for the legal role and responsibilities of the Allied powers.
- Three, in the interests of general European stability, moves toward unification must be peaceful, gradual, and part of a step-by-step process.
- Four, on the question of borders, we should reiterate our support for the principles of the Helsinki Final Act.

President Bush concluded that "an end to the unnatural division of Europe, and of Germany, must proceed in accordance with and be based upon the values that are becoming universal ideals, as all the countries of Europe become part of a commonwealth of free nations."

As an American, I am proud of the role my nation has played and will continue to play standing with you. Yet this very positive course will not be easy, nor can it be rushed. It must be peaceful. It must be democratic. It must respect the legitimate concerns of all the participants in the New Europe.

As Berlin has stood at the center of a divided Europe, so it may stand at the center of a Europe whole and free -- no longer the embattled bastion of freedom, but instead a beacon of hope for a better life.

A New Europe, A New Atlanticism

My friends, the changes we see underway today in the East are a source of great hope. But a new era brings different concerns for all of us. Some are as old as Europe itself. Others are themselves the new products of change.

Were the West to abandon the patterns of cooperation that we have built up over four decades, these concerns could grow into problems. But the institutions we have created -- NATO, the European Community, and the CSCE process -- are alive. Rooted in democratic values, they fit well with the people power that is shaping history's new course.

More important, these institutions are also flexible and capable of adapting to rapidly changing circumstances. As we adapt, as we update and expand our cooperation with each other and with the nations of the East, we will create a New Europe on the basis of a New Atlanticism.

NATO will remain North America's primary link with Europe. As arms control and political arrangements increasingly supplement the still vital military component of European security, NATO will take on new roles.

The European Community is already an economic pillar of the transatlantic relationship. It will also take on, perhaps in concert with other European institutions, increasingly important political roles. Indeed, it has already done so, as evidenced by the Community's coordination of a Western effort to support reform in Eastern Europe. And as it continues to do so, the link between the United States and the European Community should become stronger, the issues we discuss more diversified, and our common endeavors more important.

At the same time, the substantive overlap between NATO and European institutions will grow. This overlap must lead to synergy, not friction. Better communication among European and transatlantic institutions will become more urgent.

The CSCE process could become the most important forum of East-West cooperation. Its mandate will grow as this cooperation takes root.

As these changes proceed, as they overcome the division of Europe, so too will the divisions of Germany and Berlin be overcome in peace and freedom.

(12)

This fall a powerful cry went up from the huge demonstrations in Leipzig, Dresden and Berlin. "We are the people!" the crowds chanted at the Party that ruled in their name. On the other side of the globe, Lech Walesa was addressing the U.S. Congress, thanking America for supporting Polish liberty. He began with words written two hundred years ago, the words that open the U.S. Constitution: "We the people."

Between 1789 and 1989, between the expressions "We the people" and "We are the people," runs one of history's deepest currents. What the American Founding Fathers knew, the people of East Germany and Eastern Europe now also know -- that freedom is a blessing, but not a gift. That the work of freedom is never done, and it is never done alone. Between the America of "We the people" and the Europe of "We are the people," there can be no division. On this basis a New Atlanticism will flourish, and a New Europe will be born.

###

UNCLASSIFIED

120644
MDADAN 8636

ADVANCE COPY

UNCLASSIFIED

FM BONN

TO IMMEDIATE FCO

TELNO 1240

OF 141429Z DECEMBER 89

INFO PRIORITY WASHINGTON, BMG BERLIN, EAST BERLIN, MOSCOW, PARIS
INFO PRIORITY UKRE BRUSSELS, ROME, ACTOR, CICC(G), UKDEL NATO

DCCUK PASS CICC(G)

THE GERMAN QUESTION

SUMMARY

1. MORE CRITICISM OF KOHL'S MISHANDLING OF THE PRESENTATION OF HIS TEN POINT PLAN, AND ABOUT THE ABSENCE ANY REFERENCE TO HE GERMAN/POLISH BORDER. FURTHER COMMENTS ON FOREIGN ATTITUDES.

DETAIL

2. DEBATE CONTINUES ABOUT THE MERITS OF THE TEN POINT PLAN. KREMP IN 'DIE WELT' (CONSERVATIVE) STRESSES THAT KOHL'S INTENTION WAS TO PROVIDE NOT A TIMETABLE BUT A COMPASS, SHOWING THE DIRECTION NOT THE PRECISE ROAD. THE WHOLE DESIGN IS CAUTIOUS AND FLEXIBLE IN NATURE,

3. A MORE COMMON VIEW HOWEVER IS THAT EXPRESSED BY THE KOLNER STADT ANZEIGER (LIBERAL), WHICH ARGUES THAT WHILE THE TEN POINTS IN THEMSELVES ARE NOT OVER-AMBITIOUS THE PLAN AS A WHOLE HAS BEEN DEVALUED BY INEPT STAGING, ESPECIALLY KOHL'S FAILURE TO CONSULT THE ALLIES. THIS WAS AN AFFRONT TO THE FOUR POWERS, WHO WANT THEIR RESPONSIBILITY FOR GERMANY PRESERVED AND HAVE NOW CONSPICUOUSLY SHOWED IT. KOHL HAS THUS FOSTERED DOUBTS ABOUT BONN'S RELIABILITY.

4. THERE IS ALSO WIDESPREAD AND GROWING SUPPORT FOR THE VIEW, HELD BY THE FDP, SPD AND GREENS, THAT KOHL ERRED BY NOT COVERING IN HIS PLAN THE QUESTION OF POLAND'S WESTERN BORDER. KOZAKIEWICZ, MARSHAL OF THE POLISH SEJM, SAID IN BONN ON 13 DECEMBER THAT KOHL'S STATEMENTS ON THIS SUBJECT WERE 'AMBIGUOUS' AND THAT THIS REMAINED A 'KEY PROBLEM' FOR POLAND. LAFONTAINE, DEPUTY CHAIRMAN OF THE SPD, IN RESPONSE TO THE RECENT STATEMENT BY DUMAS ON THE POLISH WESTERN BORDER (PARIS TELNO 1656), SAID ON 13 DECEMBER THAT THE MISTRUST CURRENTLY BEING SHOWN BY GERMANY'S NEIGHBOURS OF DEVELOPMENTS IN GERMANY WAS ALL KOHL'S FAULT: HIS 'SOLO VENTURES' HAD CONVERTED PARTNERS BACK INTO VICTORIOUS POWERS. TWO FORMER CHANCELLORS - SCHMIDT AND BRANDT - HAVE COMMENTED IN SIMILAR VEIN.

CONRAD IN ''DIE WELT'', ECHOED BY ''STERN'' (LEFT OF CENTRE), CALLS ON KOHL TO SPEAK UP FOR THE LINE AGREED BY THE BUNDESTAG ON 8 NOVEMBER (MY TELNO 1069). BERGDOLL IN THE ''SUEDDEUTSCHE ZEITUNG'' SAYS THAT WITHOUT A GERMAN GUARANTEE OF THE ODER/NEISSE BORDER AND WITHOUT RENUNCIATION OF GERMANY'S 1937 BORDERS HELSINKI MARK II COULD BECOME A FIASCO FOR GERMAN FOREIGN POLICY, WHICH IS NOW BURDENED BY THE FACT THAT THE SEPARATE ISSUES OF POLAND'S WESTERN BORDER AND THE INNER-GERMAN BORDER HAVE BECOME CONFUSED.

5. THE LATEST COMMENTS ON FOREIGN ATTITUDES ARE A MIXED BAG:

(A) SCHMIDT IN ''DIE ZEIT'' (AN OTHERWISE WELL ARGUED THESIS TELELETTER FOLLOWS) PLEADS WITH HIS FELLOW COUNTRYMEN TO STAY CLOSE TO THE FRENCH: ''NO BRITON CAN BIND 77 MILLION GERMANS TO THE WEST. NOR CAN ANY US PRESIDENT FROM GEORGIA OR CALIFORNIA''.

(B) BRANDT IN THE ''SUEDDEUTSCHE ZEITUNG'' (INDEPENDENT) ADDRESSING THE PRIME MINISTER BY NAME, SAYS THAT THOSE WHO FEAR THE DEUTSCHMARK SHOULD STRENGTHEN THE ECU. USING EVENTS IN EASTERN EUROPE AS AN EXCUSE TO GO SLOW ON EMU IS ''WITH ALL RESPECT'' SIMPLY A DEVICE TO CAMOUFLAGE THE REAL UK ATTITUDE.

(C) HUBER, SECRETARY GENERAL OF THE CSU, NOTES IN ''BILD'' (TABLOID) THAT SOME PEOPLE THINK THAT THERE CAN BE NO QUESTION OF UNIFICATION WITHIN THE NEXT DECADE. HE COMMENTS THAT IN HIS VIEW NEITHER FRANCE NOR THE UK WILL IN THE END OPPOSE SUCH A PROCESS.

(D) KREMP IN ''WELT'' SAYS THAT IT REMAINS TO BE SEEN WHETHER THE PRIME MINISTER CAN OR WILL UNDERSTAND WHAT KOHL IS TRYING TO DO. MITTERRAND UNDERSTANDS IT VERY WELL: HE SIMPLY WISHES TO SEE KOHL'S PLAN BROUGHT INTO HARMONY WITH THE INTERESTS OF THE FOUR POWERS. ANDREOTTI'S OPPOSITION IS RATHER SHARPER. IT IS THE AMERICANS WHO HAVE REACTED MOST CALMLY.

(E) ''STERN'' SAYS THAT WHILE GORBACHEV'S REACTION IS UNDERSTANDABLE, THE COMMENTS MADE BY THATCHER AND MITTERRAND ARE ARROGANT AND INSOLENT.

MALLABY

YYYY

UNCLASSIFIED

120644
MDAD 3636

DISTRIBUTION

13

ADVANCE 13

.BERLIN/INNER-GERMAN RELATIONS
. (WIDE)
PS
PS/PUS
~~PS/SIR J FRETWELL~~
MR RATFORD
HD/WED

HD/SOVIET
HD/NEWS
MR S MCCARTHY SEC(NATO/UKP)MOD
WG CDR ANDREWS DCTS NATO MOD
PRESS SECRETARY NO 10
MRS GLOVER LEGAL ADV

NNNN



UNCLASSIFIED

120213
MDADAN 8580

UNCLASSIFIED
FM EAST BERLIN
TO IMMEDIATE FCO
TELNO 464

ADVANCE COPY

OF 141045Z DECEMBER 89
INFO IMMEDIATE UKDEL NATO, BONN, BMG BERLIN
INFO PRIORITY MOSCOW
INFO ROUTINE PARIS, WARSAW, PRAGUE, CICC(G), UKREP BRUSSELS
INFO SAVING SOFIA, BELGRADE, PEKING

MY TELNO 462 : INNER GERMAN RELATIONS

SUMMARY

1. WEIZSEACKER'S SPEECH ON REUNIFICATION, AS WELL AS OTHER WEST GERMAN CALLS FOR CALM, REPORTED PROMINENTLY IN THE EAST GERMAN PRESS.

DETAIL

2. PRESIDENT WEIZSAECKER'S INTERVIEW ON EAST GERMAN TELEVISION LAST NIGHT WAS REPORTED IN NEUES DEUTSCHLAND TODAY. POINTS PICKED OUT WERE:

A. '' WE HAVE TO PROCEED WITH GREAT CARE. WE SHOULD NOT INTERFERE (IN THE GDR'S AFFAIRS).'' NO-ONE SHOULD USE THIS DEVELOPMENT FOR THEIR OWN PRESENT PURPOSES.''

B. '' NO-ONE FROM HERE (FRG) SHOULD STIR THINGS UP. I THINK THAT WE TOO HAVE SOMETHING TO LEARN ABOUT THE WAY IN WHICH THIS PROCESS WILL CONTINUE. THEREFORE WE SHOULD THINK WITH THEM AND COOPERATE, BUT NOT PRESCRIBE WHAT WILL HAPPEN AND CERTAINLY NOT ACT IN A PATRONISING MANNER.''

C. '' MY VIEW IS THAT WE ARE ONE NATION, AND WHAT BELONGS TOGETHER WILL GROW TOGETHER, BUT IT MUST NOT BE FORCED TOGETHER. WE NEED TIME. IF IT IS TO GROW TOGETHER, THEN IT CAN ONLY DO SO ON THE BASIS OF THE EXISTING SITUATION, NAMELY TWO STATES OF ONE NATION SEMI CLN AND ONLY WHEN THE TWO OF THEM ARE FOLLOWING A SOUND COURSE CAN THEY GROW TOGETHER IN A SOUND WAY.''

D. HE WAS IN FAVOUR OF RAPID HELP FOR THE GDR.

E. '' GERMAN HISTORY HAS ALWAYS BEEN A CHANGING PATTERN OF GERMAN INFLUENCE ON OUR NEIGHBOURS AND OUR NEIGHBOURS' INFLUENCE ON US. THAT IS NOT A LIMITATION OF OUR SELF-DETERMINATION, BUT IT IS

UNCLASSIFIED

120213
MDADAN 80

HOWEVER A CHALLENGE TO OUR GOOD SENSE AND OUR CO-RESPONSIBILITY
FOR EUROPE AS A WHOLE.''

3. NEUES DEUTSCHLAND ALSO REPORTS CALLS BY MISCHNIK (FDP) NOT TO
STIR UP THE DEBATE ABOUT REUNIFICATION AND MOMPER'S REMARKS AT
HIS PRESS CONFERENCE YESTERDAY IN WEST BERLIN ABOUT HIS INTEREST
IN THE SUITABILITY OF THE REFORM PROCESS IN THE GDR. NEUES DEUTSCH-
LAND DID NOT REPORT THAT MODROW HAS ACCEPTED MOMPER'S INVITATION
TO VISIT WEST BERLIN.

COMMENT

4. GIVEN THE FRAGILE STATE OF CENTRAL AUTHORITY IN THE GDR AT THE
MOMENT IT IS NOT SURPRISING THAT STATEMENTS BY PROMINENT WESTERN
POLITICIANS, ABOVE ALL THOSE IN THE FRG WHO COMMAND RESPECT IN THE
GDR, (WHICH VON WEIZSAECKER DOES) HAVE BEEN GIVEN PROMINENCE
HERE.

BROOMFIELD

FCO PSE PASS SAVING
YYYY

DISTRIBUTION

14 11

ADVANCE

14 11

.BERLIN/INNER-GERMAN RELATIONS
.(WIDE)
PS
PS/PUS
PS/SIR J FRETWELL
MR RATFORD
HD/WED

HD/SOVIET

HD/NEWS

~~RESIDENT CLERK~~

MR S MCCARTHY SEC(NATO/UKP)MOD

WG CDR ANDREWS DCTS NATO MOD

PRESS SECRETARY NO 10

MRS GLOVER LEGAL ADV

NNNN

UNCLASSIFIED

115777
MDLIAN 4045

UNCLASSIFIED

FM PARIS

TO PRIORITY FCO

TELNO 1656

OF 131747Z DECEMBER 89

INFO PRIORITY BONN, BMG BERLIN, EAST BERLIN, UKDEL NATO

INFO ROUTINE MOSCOW, WASHINGTON, ROME, UKREP BRUSSELS, ACTOR

THE GERMAN QUESTION : DUMAS STATEMENT

SUMMARY

1. CAREFUL STATEMENT ON NEED FOR MEASURED APPROACH TO GERMAN SELF-DETERMINATION. THE DEFINITIVE CHARACTER OF THE ODER-NEISSE LINE SHOULD BE AFFIRMED WITHOUT RESERVATIONS.

DETAIL

2. DUMAS MADE A CAREFUL STATEMENT ON THE GERMAN QUESTION IN A NATIONAL ASSEMBLY DEBATE ON 12 DECEMBER. (TEXT FAXED TO WED.) HE AVOIDED THE WORD REUNIFICATION. HE SAID THAT A DURABLE SOLUTION TO THE QUESTION REQUIRED RESPECT FOR TWO INDISSOCIABLE PRINCIPLES:

(A) SELF-DETERMINATION: QUOTE THE RIGHT OF THE GERMANS, THOSE OF THE GDR AND THOSE OF THE FRG, TO CHOOSE THEIR FUTURE IN ALL FREEDOM UNQUOTE

(B) PEACEFUL MEANS: QUOTE THIS CHOICE MUST BE ACCEPTED BY THE OTHER EUROPEAN COUNTRIES, PARTICULARLY THE NEAREST. LIBERTY OF CHOICE, IMPRESCRIPTIBLE THOUGH IT BE, CANNOT IN ITS EXERCISE BE CONSIDERED AS AN ABSOLUTE PRINCIPLE WHICH WOULD IMPOSE ITSELF ON THE OTHERS IN THE NAME OF A RECOVERED POWER, AT THE RISK OF BEING PERCEIVED BY SOME AS THE RETURN OF PAST DANGERS UNQUOTE

THE STRASBOURG COUNCIL HAD UNDERLINED THE TWELVE'S WISH TO STRENGTHEN THE STATE OF PEACE IN EUROPE AND TO PLACE THE EVOLUTION OF THE GERMAN QUESTION WITHIN THE PROCESS OF EUROPEAN RAPPROCHEMENT.

3. DUMAS SAID THAT FOR THE FIRST TIME SINCE THE WAR THE GERMAN RIGHT TO SELF-DETERMINATION MIGHT CEASE TO BE THEORETICAL AND BECOME REAL, SO LONG AS IT DID NOT IMPEDE THE MOVEMENT TOWARDS LIBERTY, PEACE AND SOLIDARITY. ONE COULD UNDERSTAND THE IMPATIENCE AND ARDOUR OF THOSE WHO HAD LIVED FOR NEARLY 50 YEARS IN THE HOPE OF COMING TOGETHER AGAIN. BUT TAKING SHORT CUTS (BRULER LES ETAPES) WOULD INVOLVE ILL-CONSIDERED RISKS FOR EUROPE. ALL SHOULD RECOGNIZE THE FORMAL ACT OF SELF-DETERMINATION AS A STEP MADE POSSIBLE AT A GIVEN MOMENT BY

UNCLASSIFIED

115777
MDLIAN 4045

THE PROGRESS REALIZED IN EUROPE AND CAPABLE OF INCLUDING EVOLVING SOLUTIONS IN HARMONY WITH THE FUTURE OF THE CO-OPERATION AMONG ALL EUROPEAN COUNTRIES.

4. DUMAS WARNED AGAINST OBSCURING CERTAIN REALITIES: THE EXISTENCE OF TWO GERMAN STATES, IN DIFFERENT ALLIANCES, OF INTERNATIONAL AGREEMENTS, OF THE PRINCIPLES FREELY AGREED BY ALL AT HELSINKI (INCLUDING RESPECT FOR TERRITORIAL INTEGRITY AND EXISTING FRONTIERS). QUOTE FOR FRANCE THERE IS MORE: THE DEFINITIVE I.E. INTANGIBLE CHARACTER OF POLAND'S WESTERN FRONTIER MUST BE AFFIRMED WITHOUT RESERVATION UNQUOTE.

5. DUMAS HOPED THAT THE SPECIAL RELATIONS BETWEEN THE TWO GERMAN STATES WOULD DEVELOP IN THE NAME OF A SOLIDARITY TO WHICH THE WHOLE EC WOULD CONTRIBUTE.

FERGUSSON

YYYY

DISTRIBUTION

146

MAIN

133

.BERLIN/INNER-GERMAN RELATIONS
.(WIDE)
LIMITED
WED
SOVIET
EED
ECD(E)
ECD (I)
SEC POL D
MAED
PUSD
CSCE UNIT
NEWS
INFO
NAD
PLANNERS

RESEARCH
RMD
CRD
PS
PS/MR MAUDE
PS/MR WALDEGRAVE
PS/PUS
PS/SIR J FRETWELL
MR GILLMORE
MR P J WESTON
MR TOMKYS
MR BAYNE
MR RATFORD
MR GOULDEN
MISS SPENCER

ADDITIONAL 13

BERLIN/INNER GERMAN (WIDE)
PSINOIO.

PAGE 2
UNCLASSIFIED

NNNN

CONFIDENTIAL



Foreign and Commonwealth Office

London SW1A 2AH

12 December 1989

Prime Minister

Dear Charles,

The German Question and some implications for
Security in Europe

The Foreign Secretary thought the Prime Minister
might be interested to see a letter on the German
question sent last week by Sir Christopher Mallaby.
I enclose a copy.

*A useful contribution
in thinking about the
future. At
least we've
got him off
renunciation!*

Yours ever,

R. H. T. Gozney
(R H T Gozney)
Private Secretary

*CDD
12/12*

C D Powell Esq
10 Downing Street

CONFIDENTIAL



CONFIDENTIAL

BRITISH EMBASSY,

BONN.

Sir John Fretwell GCMG
FCO

5 December 1989

1. cc. *Home; CECOMINT.*

2

*Mr. P. ...
Mr. W. ...
Mr. Lyder.*

*We should include a
reply + incorporate
comments from relevant
depts. Grateful for a draft
next week.*

Dear John

*cc PS
PS/PA W. ...
PS/PA ...
PS/PA ...
Mr. ...
Mr. ...
Mr. ...*

*Sec. ...
Sec. ...
Sec. ...
Sec. ...
Sec. ...*

THE GERMAN QUESTION AND SOME IMPLICATIONS FOR SECURITY IN EUROPE

1. This letter offers some further reflections on future policy regarding the German Question, taking into account the Ditchley Conference last weekend and developing some of the ideas discussed there. Much of what follows is intended as a contribution to the thinking process in the FCO about what political and security system we want in the new era in Europe.

2. In my letter of 8 November I wrote that rapid collapse of the old regime in the GDR could bring early change in the structure of the relationship between the two Germanies. Events since then have made early progress towards German unity seem more likely. Kohl said at NATO on 4 December that reunification was not on the agenda today. That statement sits uncomfortably with the last of his ten points of 28 November and would not be endorsed by many people here. The major uncertainties include the Soviet bottom line and the wishes of the people of the GDR. Both seem to be shifting in the direction of possible reunification. Kohl's ten points may now be taken for granted in the debate in the FRG. The debate may continue to quest forwards, focussing not only on the question of the finality of Germany's Eastern frontier but before long perhaps on timetables for movement towards reunification.

/Egon

CONFIDENTIAL



✓ Egon Bahr of the SPD said to me today that the two main parties in the FRG would compete, in the run-up to the General Election here on 2 December 1990, in their support for German unity. The GDR election, at present expected in 1990 (not the timescale of 2-3 years attributed to Kohl in UKDel NATO telno 375), is the trigger set by the Chancellor for introducing "confederative structures" between ^{the} two Germanies and is likely to accelerate change in the inner-German relationship, if that has not happened before then through collapse of the regime or economic problems in the GDR.

- ✓ 3. For reasons of stability among other things, our interest at present is to argue for gradual change, stressing for the time being that genuine self-determination is the big item on the agenda and not giving the impression that we assume that unity will be the outcome. We should have in mind the possibility of suggesting a lengthy period for the complicated and ramified process of implementing reunification if self-determination opts for it. One argument for that would be that Kohl and everyone else wants German unity and a comprehensive settlement in Europe to proceed in parallel, and the latter will take some years. But we should also prepare ourselves to cope with the eventuality of fast movement, ✓ in case events, notably on the streets of the GDR, produce it. This reinforces the point I have made several times that we should think what possible answers to the German Question would suit us best and aim to steer events, insofar as we can, towards those answers.

/4.



CONFIDENTIAL

- 3 -

4. The change in Eastern Europe, where several new democracies seem likely to emerge, is greatly in our interest. But because of the sheer size of the Soviet Union, the expansionist history of Russia, the risk that a truculent and reactionary leadership could one day have its finger on the Soviet nuclear button and also the prospect of years of uncertainty in Eastern Europe, we still need a Western security system including a lasting United States military presence in Europe. That requires on political grounds alone a continuing albeit reduced level of American forces in Germany. I hope that British forces would also stay - a subject for a separate study involving role specialisation in Western defence among many other things. I guess that the Soviet Union, fearing that a strong, united Germany could one day threaten its interests, would want American forces to remain in Germany and that this and other motives would cause the Russians to want to keep some forces of their own in Germany.

5. Agreement on continued stationing of some forces in Germany and elsewhere could be incorporated in the instruments approved by the future Peace Conference to agree the eventual answer to the German Question. But that could be a conspicuous way of doing it, with a risk of the Germans feeling singularised because more forces were to be stationed on their territory than elsewhere. Another approach, perhaps preferable, might be to embed agreement about stationed forces among the many elements of a new pan-European system.

/6.

CONFIDENTIAL



CONFIDENTIAL

- 4 -

6. Before discussing that, I want to deal with a question concerning the structure of a possible united Germany. It would be easier to justify keeping forces in Germany if Germany was a confederation - that is a binary arrangement in which the old FRG and GDR would be two distinct elements each consisting of Laender - than if Germany was a federation of some 16 Laender and a Federal government but no level of government between these two. I think that the Soviet Union, insofar as it can continue to insist on maintaining the statehood of the GDR, might find confederation easier to stomach because the GDR would not completely disappear. I suppose that a confederation would also make it easier to manage an adjustment period if the GDR joined the Community.

7. Kohl's ten points were notable for avoiding the option of confederation. He spoke of "confederative structures ... with the aim of creating a federation, a federal order in Germany". That omission was deliberate. Kohl feared that, if he spoke of confederation, he would be accused by the right in federal politics of foreseeing the continued existence of the bankrupt GDR. Another important objection to confederation is that it is a contrivance to have a confederal government, two governments responsible for the old FRG and GDR and some 16 Land governments. The natural arrangement would omit the middle tier. Contrivance can be hard to preserve.

/8.

CONFIDENTIAL



8. Duisberg of the Federal Chancellery said at the Ditchley Conference that confederation might be what in fact developed in Germany. Egon Bahr told me today that he favoured it but thought it unlikely to emerge. My feeling is that we should have the idea in mind as an answer to the German Question which might suit us, but should be prepared for a situation where the difficulties inherent in it would make it unattainable.

9. We must also think about wider arrangements to preserve Western security in the future. I hope that NATO will be adapted, not replaced. That is a major aim, and we should not lose sight of the possibility of a united Germany belonging to the Alliance. But the point about the Russians at the end of paragraph 4 and other considerations may make NATO and German unity difficult to reconcile. We may anyway need some new system for settling disputes in Eastern Europe and limiting instability there, and the Warsaw Pact (which we should treat neither to resuscitation nor euthanasia) is likely to prove unpopular and ineffective over time. That brings me back to consideration of some kind of pan-European security system. In other words, to the question of what the long-touted proposition of a European peace order ought in our interests to mean.

10. One way of approaching this is to consider a Helsinki Final Act with teeth. Another is to devise a kind of United Nations for Europe. Since CSCE exists and involves the Americans, and also has made headway on human rights, I prefer it as a starting point. The new Final Act would be a treaty, legally and not just politically binding. It would incorporate much (or all) of what is

/in



CONFIDENTIAL

- 6 -

[All
a bit
like the
League
of Nations
- e.g.
inspecting]

in the Helsinki Act as well as provisions to make pluralism and the rule of law and open frontiers etc as irreversible as possible. It would build on Basket II in order to foster market reforms in Eastern Europe. There would have to be some enforcement arrangement. It might be a standing commission, to which suspected violations could be referred. There might be a corps of inspectors to investigate complaints and even a peace keeping force. All this, needless to say, needs a great deal of thought. One of the biggest difficulties is how the correction of violations and the deployment of any peace keeping force would be decided. The United States would need to be involved in these matters. A kind of European Security Council, on the lines of the UN SC, raises the question of permanent membership and of vetoes; we cannot give the Soviet Union a veto over Western European matters and thus arguably more power over us than now. The idea of weighted voting ought to be investigated.

11. The new arrangement could provide for stationing of one member's forces in the territory of another, by mutual agreement. This would render illegal any unilateral reoccupation of an Eastern European country by the Soviet Union under different leadership. The agreement of the two states could be registered with the coordinating organisation of the European security system. Certain stationing arrangements agreed before signature, notably for forces in Germany, could be recorded in the new agreement itself, possibly with a requirement for renewed registration of consent by the sending and receiving states after a stated period of years.

/12.

CONFIDENTIAL



CONFIDENTIAL

- 7 -

12. One big question in all this is whether the Germans, East and West, would tolerate stationing of foreign forces. In the context we are discussing, they would be achieving the goal of unity. They would know that this achievement was altering the system that has kept the peace in Europe for 40 years. They would be getting major reductions in the forces currently present in Germany. I think that there should be a worthwhile chance of pulling it off provided the superpowers were clearly for it. Our standing in relation to the German Question, and the need for our signature on the treaty embodying the answer to it, give us some leverage. We should consult the Americans and French about this and many other aspects, and then try to establish in the public mind in Europe the position that a new security system is going to be needed if there is German unity and that stationing of some foreign forces in Germany must be part of it.

Yours ever

Christopher

C L G Mallaby

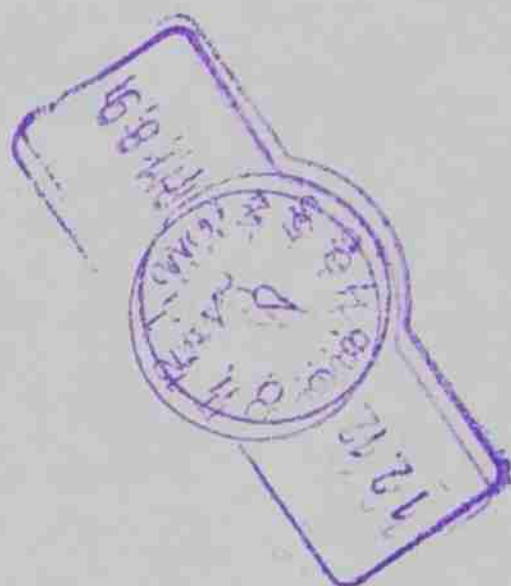
cc Ambassadors in East Berlin, Moscow, Washington
Paris, UKDel NATO

M StE Burton Esq CMG CVO, BMG Berlin

John Weston Esq CMG, FCO

Robert Cooper Esq MVO, Policy Planning Staff, FCO

CONFIDENTIAL



UNCLASSIFIED

105523
MDHIAN 8579

UNCLASSIFIED

FM BONN

TO IMMEDIATE FCO

TELNO 1221

OF 111135Z DECEMBER 89

INFO PRIORITY BMG BERLIN, EAST BERLIN, UKDEL NATO, UKREP BRUSSELS
INFO PRIORITY WASHINGTON, MOSCOW, PARIS, ACTOR, CICC(G)

THE GERMAN QUESTION: FRG PRESS

SUMMARY

1. FACTUAL REPORTS THAT THE AMBASSADORS OF THE FOUR POWERS ARE MEETING TODAY IN BERLIN. MIXED COMMENT ON OUTCOME OF EUROPEAN COUNCIL. SPIEGEL ATTACKS UK AND FRANCE.

DETAIL

2. MOST MAJOR PAPERS HAVE THE DETAILS OF TODAY'S FOUR POWER MEETING IN BERLIN. NO PAPER OF SIGNIFICANCE YET HAS EDITORIAL COMMENT.

3. THE FOUR MAJOR PARTIES ARE ALL REPORTED AS WELCOMING THE TEXT AGREED BY THE EUROPEAN COUNCIL ON THE GERMAN QUESTION. EHMKE, DEPUTY CHAIRMAN OF THE SPD PARLIAMENTARY PARTY, ADDED HOWEVER THAT THE EC STATEMENT SHOULD BE SEEN AS A RESPONSE TO KOHL'S ELECTORALLY MOTIVATED ATTEMPT TO GO IT ALONE.

4. THE PRESS REACTION IS LESS POSITIVE. THE FRANKFURTER ALLGEMEINE (CONSERVATIVE) DESCRIBES THE REACTION OF THE FRG'S EC PARTNERS TO KOHL'S TEN POINT PLAN AS ONE OF SUSPICION RATHER THAN ENCOURAGEMENT. THE SUEDEUTSCHE ZEITUNG (INDEPENDENT) CALLS IT A HESITANT YES, WITH GNASHING OF TEETH IN THE BACKGROUND. DIE WELT (CONSERVATIVE) DESCRIBES THE PRIME MINISTER AS HAVING BEEN OF ALL THE SPEAKERS IN THE EUROPEAN COUNCIL THE MOST RECOGNISABLY OPPOSED TO REUNIFICATION, BUT MAKES PLAIN THAT ANDREOTTI WAS NOT FAR BEHIND.

5. AUGSTEIN IN DER SPIEGEL (INDEPENDENT: LEFT OF CENTRE) COMMENTS THAT FRANCE AND THE UK HAVE JOINED THE SOVIET UNION IN OPPOSING GERMAN UNITY. FULL TRANSLATION BY FAX. IN SEEKING TO PUT OFF THE DISCUSSION FOR 10 - 15 YEARS THE PRIME MINISTER SEEMS TO BE 'OUT OF HER MIND'. REFERRING TO ARTICLE 7 OF THE 1952/54 RELATIONS CONVENTION, AUGSTEIN SAYS THAT IF FRIENDS SIMPLY BREAK TREATIES, THE WEST GERMANS WILL DRAW THEIR OWN CONCLUSIONS. THE GERMANS WILL PROCEED RESPONSIBLY TOWARDS UNITY EVEN IF THEIR ALLIES AND THE USSR DO NOT BACK THEM. THE FRG WOULD HAVE LIKED A COMMUNITY OF TRUST WITH ALL THREE WESTERN ALLIES: INSTEAD, THIS WILL BE MOST EASILY ACHIEVED

UNCLASSIFIED

105523
MDHIAN 8579

WITH THE US ALONE.

MALLABY

YYYY

DISTRIBUTION

146

MAIN

133

.BERLIN/INNER-GERMAN RELATIONS
.(WIDE)
LIMITED
WED
SOVIET
EED
ECD(E)
ECD (I)
SEC POL D
MAED
PUSD
CSCE UNIT
NEWS
INFO
NAD
PLANNERS

RESEARCH
RMD
CRD
PS
PS/MR MAUDE
PS/MR WALDEGRAVE
PS/PUS
PS/SIR J FRETWELL
MR GILLMORE
MR P J WESTON
MR TOMKYS
MR BAYNE
MR RATFORD
MR GOULDEN
MISS SPENCER

ADDITIONAL

13

BERLIN/INNER-GERMAN (WIDE)
PS/NO 10.

NNNN

CONFIDENTIAL

104306
MDHIAN 8473

CONFIDENTIAL

FM BONN

TO DESKBY 110830Z FCO

TELNO 1214

OF 101041Z DECEMBER 89

INFO IMMEDIATE BMG BERLIN, EAST BERLIN, UKDEL NATO

INFO PRIORITY MOSCOW, WASHINGTON, PARIS

BERLIN: AN OVERVIEW

SUMMARY

1. PRESENT STATUS OF BERLIN WILL BE SUBJECT TO INCREASING CHALLENGE. WE SHOULD CONTINUE TO MAINTAIN THE QUADRIPARTITE AGREEMENT FOR THE IMMEDIATE FUTURE BUT A NEW REGIME FOR BERLIN MAY HAVE TO BE CONSIDERED IN DUE COURSE.

DETAIL

2. THE PACE OF CHANGE IN GERMANY IS RAPID AND THERE ARE INCREASING CHALLENGES TO THE STATUS OF BERLIN. STATUS HAS ALWAYS BEEN A TOOL TO PRESERVE FREEDOM AND STABILITY IN THE REGION AND TO KEEP OPEN THE POSSIBILITY OF A REUNIFIED GERMANY IN THE TERMS OF ARTICLE 7 OF THE RELATIONS CONVENTION. IT IS INEVITABLE THAT, AS OTHER MEANS BECOME AVAILABLE TO ADVANCE THESE AIMS, THE TRADITIONAL FRAMEWORK OF BERLIN STATUS SHOULD BE BROUGHT INTO QUESTION.

3. THERE IS LIKELY TO BE PARTICULAR PRESSURE IN THE FOLLOWING AREAS:

(1) AVIATION. IF TEGEL/SCHOENEFELD COOPERATION IS DEVELOPED, AS THE BERLIN SENAT WISHES AND THE FEDERAL GOVERNMENT IS LIKELY TO AGREE, THE FOUR POWERS WILL HAVE TO SHARE RESPONSIBILITY FOR THE CONTROL OF AIR TRAFFIC WITH THE GDR, AND BOTH THE FRG AND GDR WILL HAVE A MORE SIGNIFICANT SAY IN THE COMMERCIAL ASPECTS OF BERLIN AIR SERVICES. IF, AS ALSO SEEMS LIKELY, LUFTHANSA/INTERFLUG PRESS FOR A SHARE OF ROUTES TO BERLIN (AND LUFTHANSA WILL USE SCHOENEFELD IF THEY CANNOT USE TEGEL), ALLIED CORRIDOR SERVICES MAY FACE STIFFER COMPETITION AND THE CASE FOR REVISING THE CORRIDOR REGIME (EG BY RAISING FLIGHT LEVELS) MAY BE STRENGTHENED.

(2) RELATIONSHIP BETWEEN THE WESTERN SECTORS AND THE FEDERAL REPUBLIC. THERE ARE ALREADY PROPOSALS FOR WEST BERLINERS TO ELECT DIRECTLY THEIR BUNDESTAG REPRESENTATIVES, AND FOR THOSE REPRESENTATIVES TO HAVE FULL VOTING RIGHTS IN THE BUNDESTAG (SEE MIFT). THERE MAY SOON BE PRESSURE FOR THE WESTERN SECTORS TO BE

TREATED IN OTHER RESPECTS AS A NORMAL PART OF THE FRG POLITICAL AND LEGAL SYSTEM (FOR EXAMPLE, BY ALLOWING THE DIRECT APPLICATION OF FEDERAL LAW OR EXTENDING TO BERLIN THE JURISDICTION OF THE FEDERAL CONSTITUTIONAL COURT).

(3) EAST BERLIN. CONTACT BETWEEN MOMPER AND KRACK (THE 'MAYOR' OF EAST BERLIN) HAS ALREADY BEEN STRENGTHENED (BMG TELNO 216). THE PROPOSAL FOR A JOINT COMMISSION WITH A REGIONAL COMMITTEE FOR BERLIN WILL, WE UNDERSTAND, GIVE A SIGNIFICANT ROLE TO THE LOCAL EAST BERLIN AUTHORITIES. THE ALLIES HAVE NOT PREVIOUSLY RECOGNISED THE LEGALITY OF KRACK'S POSITION NOR THAT OF THE EAST BERLIN MAGISTRAT. THE ALLIES WILL PROBABLY ALSO HAVE TO FACE THE QUESTION WHETHER TO OBJECT TO VOLKSKAMMER DEPUTIES BEING DIRECTLY ELECTED FROM EAST BERLIN (SEE MIFT).

(4) THE QUADRIPARTITE AGREEMENT. THE IDEAS FOR DIRECT ELECTIONS AND VOTING RIGHTS TOUCH ON THE PROVISIONS IN THE QA CONCERNING THE DEVELOPMENT OF TIES AND ALLIED RESERVATIONS IN RESPECT OF THE BASIC LAW. IF PROPOSALS WERE MADE BY THE GERMANS AND ACCEPTED BY THE ALLIES, ANNEX 2 AS A WHOLE MIGHT NEED REVISION. THE GUARANTEES ON COMMUNICATION AND TRAFFIC MAY STILL PROVE ESSENTIAL BUT IN A REGIME OF FREE TRAVEL IN GERMANY SOME PROVISIONS WILL BECOME OUTDATED. IT IS ALSO LIKELY THAT PROVISIONS CONCERNING THE STATUS OF WEST BERLIN RESIDENTS (ANNEX 4 AND AGREED MINUTE 1) AND SOVIET ACTIVITIES IN WEST BERLIN (AGREED MINUTE 2) WILL NEED TO BE REVIEWED.

4. THE MAINTENANCE OF ACCESS TO BERLIN THROUGH THE AIR CORRIDORS IS STILL ESSENTIAL BUT, PROVIDED THIS GUARANTEE CAN BE RELIABLY RETAINED FOR A TIME OF CRISIS, WE SHOULD BE PREPARED TO CONSIDER CONSIDERABLE CHANGE TO THE AIR REGIME. SIMILARLY, THE QUADRIPARTITE AGREEMENT CONTAINS PRINCIPLES WHICH AT LEAST FOR THE FORESEEABLE FUTURE ARE VITAL TO STABILITY, FOR EXAMPLE THE UNDERTAKING OF THE FOUR GOVERNMENTS (IE INCLUDING THE RUSSIANS) IN PART 1 'TO STRIVE TO PROMOTE THE ELIMINATION OF TENSION AND THE PREVENTION OF COMPLICATIONS' AND THEIR AGREEMENT THAT 'THERE SHALL BE NO USE OR THREAT OF FORCE IN THE AREA AND THAT DISPUTES SHALL BE SETTLED SOLELY BY PEACEFUL MEANS'. BUT, SEEN FROM HERE, REVISION OF OTHER PROVISIONS OF THE QA SHOULD NOT BE EXCLUDED IN PRINCIPLE.

5. WE MAY ALSO HAVE TO ALLOW A SUBSTANTIAL STRENGTHENING OF TIES BETWEEN THE WESTERN SECTORS AND THE FRG. THE RUSSIAN ATTITUDE HERE WILL BE IMPORTANT BUT, IF IT WAS NOT NEGATIVE, IT WOULD BE DIFFICULT TO RESIST PUTTING THE WESTERN SECTORS MUCH MORE ON A PAR WITH FEDERAL LAENDER. ONE REASON FOR RESISTING THIS IN THE PAST HAS BEEN

TO ENSURE THE MAINTENANCE OF THE STATUS OF BERLIN AS A WHOLE. WE MIGHT SEEK TO PRESERVE THIS CONCEPT DE JURE BUT ACCEPT THE DE FACTO TREND OF GREATER INTEGRATION OF THE WESTERN SECTORS INTO THE FRG. WE MIGHT BE SIMILARLY PRAGMATIC WITH EAST BERLIN. WE NEED NOT GO AS FAR AS EXPRESSLY RECOGNISING EAST BERLIN AS THE GDR'S CAPITAL, BUT WE MIGHT ACCEPT VOLKSKAMMER ELECTIONS (AS ENHANCING DEMOCRATIC RIGHTS) AND THE STRENGTHENING OF SENAT COOPERATION WITH THE EAST BERLIN AUTHORITIES (WHICH HELPS TO BIND THE TWO PARTS OF THE CITY TOGETHER). AT THE END OF THE DAY, IT IS THE WELFARE, FREEDOM AND DEMOCRATIC RIGHTS OF ALL BERLINERS WHICH THE ALLIES ARE IN BERLIN TO PROTECT. THE LEGAL FRAMEWORK SHOULD BE APPROPRIATE TO THIS AIM. STATEMENTS OF OUR LEGAL POSITION WILL SOMETIMES PRESERVE THE ESSENTIALS WHILE ACTUAL PRACTICES ARE ALLOWED TO ALTER.

MALLABY

YYYY

DISTRIBUTION 146MAIN 133

.BERLIN/INNER-GERMAN RELATIONS
.(WIDE)
LIMITED
WED
SOVIET
EED
ECD(E)
ECD (I)
SEC POL D
MAED
PUSD
CSCE UNIT
NEWS
INFO
NAD
PLANNERS

RESEARCH
RMD
CRD
PS
PS/MR MAUDE
PS/MR WALDEGRAVE
PS/PUS
PS/SIR J FRETWELL
MR GILLMORE
MR P J WESTON
MR TOMKYS
MR BAYNE
MR RATFORD
MR GOULDEN
MISS SPENCER

ADDITIONAL 13

BERLIN/INNER-GERMAN (WIDE)

PS/NO 10.

NNNN

SECRET AND STRICTLY PERSONAL

My Record
cc Master.



11(a-c)

FILE
DA
PC

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

8 December 1989

Dear Sir,

GERMANY

President Mitterrand asked to see the Prime Minister immediately following the session of the European Council this afternoon. He got down to business without delay. There were other problems of much greater importance than the Social Charter, which had just been discussed in the Council, which he and the Prime Minister needed to talk about. He was very worried about Germany. Gorbachev had spoken to him very harshly on the subject and the time had come for action. He and the Prime Minister needed to consider what role might be played by the Four Powers.

The Prime Minister said her reaction had been much the same. She felt the Four Powers ought to meet soon and she had already mentioned this idea to one or two other Heads of Government. All reports from East Germany were indicating that there could be a total collapse of the system with increasing demands for reunification. If we were not careful, reunification would just come about. If that were to happen all the fixed points in Europe would collapse: the NATO front-line: the structure of NATO and the Warsaw Pact: Mr. Gorbachev's hopes for reform. No doubt Britain and France and other European countries would try to resist. But we would probably face a fait accompli. This was why she thought we must have a structure to stop this happening and the only one available was the Four Power arrangement. The Four Powers still had certain responsibilities for Germany and Berlin. President Mitterrand interjected that the Germans seemed completely to have forgotten this. The Prime Minister said that Chancellor Kohl had no conception of the sensitivities of others in Europe, and seemed to have forgotten that the division of Germany was the result of a war which Germany had started. Before taking a decision on summoning a Four Power meeting we would all need to consult the United States. It was also possible that we would be pre-empted by the Soviet Union. She had just heard that a message was on the way from Mr. Shevardnadze proposing a meeting.

President Mitterrand repeated that he had found Mr. Gorbachev much harsher on the subject of Germany than he had expected.

SECRET AND STRICTLY PERSONAL

b

He was particularly worried about his troops in East Germany and their families. But in practice there was not much Gorbachev could do. If his forces were attacked, they would no doubt open fire. But he could hardly move his divisions forward. The Germans had probably analysed this which was why they were pressing towards reunification. President Mitterrand said that he was very critical of Chancellor Kohl's ten point plan and speech. At least Brandt's statements were much more thoughtful. He acknowledged the need for two German states. But Kohl was speculating on the national adrenalin of the German people and it seemed that nothing could stop him. Indeed it was very difficult to withstand the drive of a people. In history Germany had never found its true frontiers: they were a people in constant movement and flux. At this, the Prime Minister produced her map showing various configurations of Germany from her handbag to underline President Mitterrand's point. President Mitterrand continued that the German people were in a process of motion and we did not have many cards to stop them. Nor could the Russians do much. It seemed that the United States did not have the will. All that was left was Britain and France. He was fearful that he and the Prime Minister would find themselves in the situation of their predecessors in the 1930s who had failed to react in the face of constant pressing forward by the Germans. For the moment he agreed with the Prime Minister that all that could be done was to have a Four Power meeting. This might reassure Gorbachev.

The Prime Minister said it would also be important to have a strong communique from the European Council referring to the Helsinki Agreement and the need to maintain the structure of NATO and the Warsaw Pact. President Mitterrand said that he had given Herr Genscher a piece of his mind on the matter, warning him that Germany's behaviour was a lesson which others in Europe would not forget. It might be a case of Britain, France, the Soviet Union and Italy coming together to contain Germany. Indeed he had even put this thought to Mr. Gorbachev. German reunification depended on many elements, most of them beyond our control. It might happen. It would happen. But if it did so simply as a result of German diktat which took no notice of the Allies it would be disastrous.


The Prime Minister said that the meeting of EC Heads of Government in Paris had come up with the right answer and the aim ought to be to reaffirm that now. President Mitterrand agreed but noted that Chancellor Kohl had already strayed well beyond the conclusions of the Paris meeting. He felt we were on the threshold of momentous events. We might find ourselves in a position where we had to say no to the Germans. At moments of great danger in the past France had always established special relations with Britain. He felt that such a time had come again. We must draw together and stay in touch. If the Russians were indeed proposing a meeting, we should co-ordinate our response. He would be happy to come across to the UK at any time to see the Prime Minister and continue their discussion. He hoped there would be discussions between the Foreign Secretary and M. Dumas. He and the Prime Minister

should meet again tomorrow before she left Strasbourg. The Prime Minister said that she agreed it was very important for the two of them and their governments to keep in touch, although knowledge of their discussions should be very tightly restricted. She would brief only the Foreign Secretary.

The Prime Minister noted that President Mitterrand was shortly going to East Germany. President Mitterrand said that Chancellor Kohl had been panicked by this and brought forward his own visit to be sure that he got there first.

My record may sound rather breathless but this actually reflects President Mitterrand's manner and approach. The subject matter is clearly sensitive and should be held very tight.

I am copying this letter to Brian Hawtin (Ministry of Defence) and Sir Robin Butler.

Ken Sicory


(C.D. POWELL)

J.S. Wall, Esq.,
Foreign and Commonwealth Office.



10 DOWNING STREET

Prime Minister

This underlines the
importance of development.

You should NOT

refer to these
exchanges openly. but

will want to have

them in mind, as

you pursue your
discussion.

CD.

ZCZC
LNUEAN 4394 MXHPAN 9666
CONFIDENTIAL
DD 080900Z STDEL
FM MOSCO TO FCOLN
080749Z DEC
GRS 1265

CONFIDENTIAL
FM MOSCOW
TO DESKBY 080900Z FCO
TELNO 2054
OF 080749Z DECEMBER 89
AND TO DESKBY 080900Z UKDEL STRASBOURG
INFO IMMEDIATE BONN, EAST BERLIN, BMB BERLIN, PARIS, WASHINGTON
INFO IMMEDIATE UKDEL NATO
INFO ROUTINE WARSAW, PRAGUE, BUDAPEST, UKREP BRUSSELS

SOVIET VIEWS ON GERMANY

SUMMARY

1. GORBACHEV'S SENIOR ADVISER ON GERMAN AFFAIRS, FALIN:
 - EXPRESSES DEEP CONCERN AT SCALE AND TEMPO OF EVENTS
 - WARNS OF POSSIBLE DRAMATIC CONSEQUENCES
 - DEFENDS KRENZ: THE UPHEAVAL HAD INTERRUPTED HIS PLANS FOR PERESTROIKA
 - HAS NO IDEA OF LIKELY OUTCOME OF SED CONGRESS
 - RECALLS DARK LESSONS OF GERMAN HISTORY.
2. FALIN SPEAKS BITTERLY OF WEST GERMAN INTERFERENCE, AND ESPECIALLY OF KOHL. KOHL HAD NOT/NOT CONSULTED THE SOVIET UNION ON HIS 10-POINT PLAN, BUT WAS TRYING TO PUSH THROUGH A FAIT ACCOMPLI. HE WAS IN BREACH OF THE FRG'S OBLIGATIONS TO THE GDR, THE USSR AND TO OTHERS. HE HAD DEPARTED FROM THE EUROPEAN PEACE ORDER ENVISAGED IN THE MOSCOW TREATY.
3. MITTERRAND REPORTED TO HAVE AGREED WITH GORBAHCEV ON THE IMPORTANCE OF SUSTAINING ALLIANCES AND OF INTENSIFYING WORK ON COMMON EUROPEAN STRUCTURES.

DETAIL

4. I SAW FALIN (HEAD OF CENTRAL COMMITTEE INTERNATIONAL DEPARTMENT AND FORMER AMBASSADOR TO BONN) FOR AN HOUR ON THE EVENING OF 7 DECEMBER. HE WAS EXHAUSTED AND LUGUBRIOUS.
5. FALIN SAID THE SOVIET LEADERSHIP HAD TRIED OVER SEVERAL YEARS TO WARN THE SED THAT ITS POLICIES WERE DIVERGING FROM OBJECTIVE PROCESSES IN SOCIETY. BUT, EVEN DURING GORBACHEV'S VISIT TO BERLIN, THIS HAD NOT HAD THE DESIRED EFFECT. SINCE MARCH, THE RUSSIANS HAD SEEN THE SITUATION AS CRITICAL, AND VULNERABLE TO DESTABILISATION FROM A SINGLE SPARK. HOWEVER, WHILE GIVING THEIR OPINIONS, THEY HAD MAINTAINED THEIR POLICY OF NON-INTERFERENCE.
6. THE SOVIET LEADERSHIP HAD THEREFORE EXPECTED A SHOCK. BUT THEY, LIKE US, HAD NOT BARGAINED FOR THE SCALE AND NATURE OF THE UPHEAVAL - THE PRODUCT OF ANGUISH AND EMOTION WHICH HAD BUILT UP OVER YEARS. THE LEAD HAD NOW BEEN TAKEN BY FORCES WHO WANTED THE LIQUIDATION, NOT SIMPLY THE RENEWAL, OF EXISTING STRUCTURES, AND A SOLUTION TO THE QUESTION OF REUNIFICATION. FALIN HIMSELF HAD WARNED BOTH HONECKER AND SOVIET LEADERS THAT EAST AND WEST GERMANY CONSTITUTED AN UNBALANCED PYRAMID, WHICH COULD NOT LAST. THEY HAD IGNORED THIS UNWELCOME ADVICE.

FALIN SAID THE WEST GERMAN MEDIA AND EAST GERMAN EXILES HAD EXERCISED CONTINUOUS INFLUENCE OVER THE GDR POPULATION. AS HAD HAPPENED IN POLAND AND THE BALTIC STATES, EXTERNAL MEDIA HAD ADVERTISED AND BOOSTED DEMONSTRATIONS. IF EVENTS CONTINUED ALONG THEIR PRESENT PATH, HE WARNED THAT THERE COULD BE "DRAMATIC CONSEQUENCES." THE ACTION OF DEMONSTRATORS IN IMPEDING THE NATIONAL ARMY OVER THE LAST DAY OR TWO WAS VERY SERIOUS. HE FEARED A "DRAMATISATION" AND THE END OF PEACEFUL DEVELOPMENT.

8. FALIN FRANKLY LAMENTED THE LOSS OF KRENZ. HE HAD BEEN WORKING FOR CHANGE FOR THREE YEARS: HAD NARROWLY ESCAPED HONECKER'S ATTEMPTS TO SHIFT HIM: AND HAD FIRMLY RESISTED THE USE OF FORCE AGAINST DEMONSTRATORS. HE WAS NOT HEAVILY IMPLICATED IN CORRUPTION, AND HAD GIVEN THE GREEN LIGHT TO RENEWAL. FALIN PERSONALLY KNEW THAT KRENZ AND MODROW HAD WORKED OUT PLANS FOR PERESTROIKA IN ADVANCE. BUT THE ILL-CONSIDERED AND EMOTIONAL REACTION OF THE DEMONSTRATORS HAD UNHORSED THEM. THE ECONOMIC COST WAS ENORMOUS: SEE, FOR EXAMPLE, THE FALLING OSTMARK, THE RATE FOR WHICH WAS NO REFLECTION OF ITS TRUE VALUE.

9. THE SED CONGRESS FACED A VERY DIFFICULT TASK IN DECIDING WHAT TO DO, AND CHOOSING LEADERS TO RESTORE ITS GOOD NAME AND AUTHORITY. IN THE NEXT DAY OR TWO WE WOULD KNOW WHAT TO EXPECT: BUT REASON AND COMMON SENSE WERE LACKING, IN THE FACE OF NATIONALIST FEELINGS WHICH HAD BROUGHT GRIEF TO THE GERMANS AND TO THEIR NEIGHBOURS IN THE PAST.

BEHAVIOUR OF FRG/KOHL PLAN

10. FALIN OBSERVED THAT KOHL HAD NOT INFORMED HIS WESTERN ALLIES NOR HIS COALITION PARTNER GENSCHER IN ADVANCE ABOUT HIS 10 POINTS. HE HAD BREACHED THE FRG'S OBLIGATIONS TO THE GDR. KOHL WAS NOW TRYING TO IMPOSE HIS PLAN ON THE GDR DE FACTO THROUGH ECONOMIC MEASURES AND PROPOSALS ON CITIZENSHIP. THIS "ARROGANCE AND NATIONAL EGOISM" CONTRADICTED THE FRG'S OBLIGATIONS TO THE USSR, THE UK AND OTHERS, AND IN INTERNATIONAL LAW. RECALLING THE "FANTASIES" OF 1953, FALIN SAW THIS AS A VERY RISKY ACT: FOR REASONS OF PERSONAL AND ELECTORAL AMBITION KOHL WAS TRYING TO SUCCEED WHERE ADENAUER HAD FAILED.

11. FALIN ACKNOWLEDGED THAT CONFEDERATION COULD BE INTERPRETED IN DIFFERENT WAYS, AND THAT KOHL HAD NOT BEEN PRECISE. BUT THE EAST GERMANS SAW IT AS A PLAN FOR A COMMON DEFENCE AND EXTERNAL POLICY - EFFECTIVELY UNIFICATION. GIVEN THE DISPROPORTIONATE WEIGHT OF THE FEDERAL GERMAN STATE (AND BUSH'S INSISTENCE IN MALTA THAT ANY REUNIFIED GERMANY SHOULD BE A MEMBER OF NATO), THIS WAS TANTAMOUNT TO REVERTING TO DULLES'S FORMULAS OF THE COLD WAR. BUT STATESMEN ON BOTH SIDES WERE SAYING THAT NATO AND WARSAW PACT SHOULD REMAIN AS INSTRUMENTS OF STABILITY: AND THAT MEANT THAT THE BORDER ALONG THE ELBE WOULD CONTINUE.

12. THOUGH MORE COULD HAVE BEEN DONE, MANY PRACTICAL LINKS HAD EVOLVED BETWEEN THE GERMANIES OVER THE PAST 20 YEARS WHICH RESPECTED "THE FACTS". FALIN DESCRIBED THE OLD SOVIET DOGMA OF "TWO GERMAN NATIONS" AS IDIOTIC. WITH SO MANY RELATIVES ON EITHER SIDE, RELATIONS BETWEEN THE GDR AND THE FRG WERE BOUND TO BE SPECIAL. IN THE PAST THEY HAD BEEN ESPECIALLY BAD. NOW THEY COULD BE ESPECIALLY GOOD. THE MOSCOW TREATY HAD ENVISAGED THAT THE GERMANS WOULD COME TOGETHER IN THE FRAMEWORK OF A EUROPEAN PEACE ORDER. BUT IT HAD BEEN A PRINCIPLE FROM POTSDAM ONWARDS THAT A THREAT OF WAR MUST NEVER AGAIN BE ALLOWED TO ARISE FROM GERMANY. WE SHOULD NOT FORGET THAT HITLER HAD FOUGHT UNDER THE SLOGAN OF UNITING ALL GERMANS.

13. I ARGUED THAT NEITHER KOHL NOR ANYONE ELSE WANTED DESTABILISATION, AND ASKED WHY THE SOVIET ATTITUDE HAD BECOME SO MUCH SHARPER DURING GENSCHER'S VISIT (MY TELEGRAMS 2039 AND 20391). FALIN INDICATED THAT THIS WAS A REACTION BOTH TO EVENTS IN THE GDR, AND TO KOHL'S PLAN. LITERALLY TWO DAYS BEFORE HE ANNOUNCED HIS PLAN, KOHL HAD TOLD GORBACHEV THAT THE FRG WOULD NOT LAUNCH ANY PAN-GERMAN INITIATIVE: AND PROMISED TO CONSULT HIM ON ANY IMPORTANT DEVELOPMENTS, IN THE SPIRIT OF THEIR TALKS THIS YEAR IN BONN. FALIN SAID CATEGORICALLY THAT KOHL HAD NOT CONTACTED THE RUSSIANS ABOUT HIS 10 POINTS. THEY HAD NO OPTION BUT TO SEE THE PLAN AS A POLITICAL MANOEUVRE. MOREOVER THE RUSSIANS WERE CONCERNED AT WHAT THEY SAW OF WEST GERMAN BEHAVIOUR INSIDE THE GDR - BOTH BY THE WEST GERMAN MEDIA AND BY THEIR SPECIAL SERVICES - TO GIVE EFFECT TO KOHL'S INTENTION OF DISMANTLING SOCIALISM. THIS WAS INTERFERENCE IN THEIR ALLY'S INTERNAL AFFAIRS. THE USSR HAD TO SHOW THE SERIOUS VIEW IT TOOK.

14. FALIN SAID: "THE GERMANS ARE THE GERMANS. DEUTSCHLAND UBER ALLES IS NOT JUST A PHRASE." THE RUSSIANS HAD LOST 26 MILLION PEOPLE IN THE WAR. HE WAS NOT ANTI-GERMAN, BUT HE KNEW THE SORT OF PEOPLE WHO WERE ADVISING KOHL.

MITTERRAND VISIT

15. MITTERRAND HAD SPOKEN OF THE IMPORTANCE OF THE TWO ALLIANCES FOR STABILITY. HIS ANSWER TO REUNIFICATION PRESSURE WAS TO DRAW BOTH GERMANIES INTO MORE INTENSIVE WORK ON COMMON EUROPEAN STRUCTURES.

FUTURE CONTACT/FOUR POWER TALKS

16. I SAID OUR GOVERNMENTS SHOULD KEEP IN CLOSE TOUCH, TO AVOID SURPRISES. I ASKED ABOUT THE SOVIET ATTITUDE TO FOUR POWER TALKS. FALIN SAID THE RUSSIANS DID NOT YET HAVE THE LATTER IN MIND: BUT THAT HE DID NOT EXCLUDE THE POSSIBILITY. FOR POLITICAL REASONS IT WOULD PROBABLY HAVE TO COME AS A WESTERN INITIATIVE. HE AGREED THAT WE SHOULD KEEP IN TOUCH THROUGH DIFFERENT CHANNELS, THOUGH THE VALUE OF THIS DEPENDED ON THE DEGREE OF FRANKNESS AND CONSTRUCTIVENESS.

17. SEE MIFT FOR COMMENT

BRAITHWAITE

YYYY

MXHPAN 9666

NNNN

LNUEAN 4895 MXHPAN 9667
CONFIDENTIAL
DD 080900Z STDEL
FM MOSCO TO FCOLN
080820Z DEC
GRS 577

CONFIDENTIAL
FM MOSCOW
TO DESKBY 080900Z FCO
TELNO 2055
OF 080820Z DECEMBER 89
AND TO DESKBY 080900Z UKDEL STRASBOURG
INFO IMMEDIATE BONN, EAST BERLIN, BMG BERLIN, PARIS, WASHINGTON
INFO IMMEDIATE UKDEL NATO
INFO ROUTINE WARSAW, PRAGUE, BUDAPEST, UKREP BRUSSELS

MIPT: SOVIET VIEW ON GERMANY: COMMENT

1. I DO NOT KNOW FALIN'S MOOD (THE GERMAN AMBASSADOR, WHO KNOWS HIM WELL, SAYS HE IS TEMPERAMENTALLY APOCALYPTIC). BUT HE HAD THE DEPRESSED AIR OF A MAN WHOSE LIFE'S WORK WAS CRUMBLING.
2. FALIN, LIKE SIR C MALLABY (BONN TEL NO 1191) SEES KOHL AS PLAYING FOR HIGH STAKES. BUT AS FAR AS FALIN IS CONCERNED, KOHL IS OVERPLAYING HIS HAND, AND HAS REOPENED THE BREACH WHICH WAS CLOSED WITH DIFFICULTY WHEN GORBACHEV VISITED BONN. FALIN WAS OPENLY WORRIED THAT EVENTS IN THE GDR WERE ABOUT TO TAKE A VIOLENT TURN, AND THAT THE TEMPO OF DISORDER PLUS REUNIFICATION PRESSURES SERIOUSLY THREATENED STABILITY.
3. FALIN IS ONLY PART OF THE MOSCOW PICTURE, AND HAS NO EXECUTIVE RESPONSIBILITY. HE WAS BEWAILING THE SITUATION, RATHER THAN SUGGESTING WAYS OF MASTERING IT. HE IS ONE OF GORBACHEV'S CLOSE ADVISERS ON THE SUBJECT OF GERMANY, BUT GORBACHEV HAS TAKEN THE MORE STATESMANLIKE APPROACH OF TONING DOWN THE RHETORIC, PLAYING FOR TIME, AND LEAVING OPTIONS OPEN (INCLUDING REUNIFICATION).
4. NEVERTHELESS THE COLLAPSE OF POLITICAL AUTHORITY IN EAST GERMANY IS BOUND TO WORRY THE RUSSIANS INTENSELY. IT PROBABLY IS SUFFICIENT EXPLANATION FOR THE DISTINCT SHARPENING OF THE TONE OF PUBLIC COMMENT ON 5 DECEMBER, WHICH IS NO DOUBT INTENDED TO CONVEY TO THE FEDERAL GOVERNMENT THAT THIS IS DEFINITELY NOT THE MOMENT TO SAY OR DO ANYTHING WHICH COULD BRING NEARER A REAL CRISIS, INCLUDING A VIOLENT BREAKDOWN OF ORDER IN EAST GERMANY.
4. IT WOULD NOT BE SURPRISING IF KOHL'S OWN PERFORMANCE IN THE LAST WEEK OR SO HAD AROUSED WIDE SOVIET SUSPICIONS OF THE FEDERAL GOVERNMENT, WHICH ARE ALWAYS JUST BELOW THE SURFACE. FALIN WAS STRIKINGLY BITTER ABOUT KOHL'S ALLEGED FAILURE TO WARN GORBACHEV ABOUT THE 12 POINTS (DESPITE THE NUMEROUS CONTACTS BETWEEN KOHL'S AND GORBAHCEV'S ADVISERS REFERRED TO BY TELTSCHIK: BONN TELEGRAM 1156). AS SEEN FROM HERE, ONE MAJOR STEP KOHL COULD MAKE TO REPAIR THE DAMAGE WOULD BE TO STATE FIRMLY, PUBLICLY AND UNEQUIVOCALLY THAT HE AGREES WITH GENSCHER THAT THE POST-WAR BOUNDARIES OF GERMANY (IE THE ODER-NEISSE LINE: NOT THE ELBE, WHICH IS A QUALITATIVELY DIFFERENT MATTER) ARE DEFINITIVE, AND THAT THERE IS NO QUESTION OF THEM BEING CHALLENGED BY THE FEDERAL GOVERNMENT, OR EVEN DISCUSSED, AT AN EVENTUAL PEACE CONFERENCE OR ANYWHERE ELSE. THIS WOULD GO VERY FAR TO ALLAY SOVIET (AND POLISH: SEE WARSAW TELEGRAM 745) FEARS OF REVANCHISM. I KNOW THAT IT WOULD UPSET THE SUSCEPTIBILITIES OF GERMAN INTERNATIONAL LAWYERS: AND THAT IT WOULD COMPLICATE KOHL'S ELECTORAL CALCULATIONS (AS GENSCHER INDICATED TO YOU: FCO TEL 694 TO BONN). BUT NOW THAT THINGS ARE GOING SO MUCH HIS WAY, HE CAN SURELY AFFORD THIS GESTURE OF INTERNATIONAL STATEMANSHIP.

5. WITH THE RUSSIANS IN A SUSPICIOUS AND EMOTIONAL MOOD, IT IS DESIRABLE TO MAXIMISE EXCHANGES WITH THEM ABOUT GERMANY AT ALL LEVELS. FALIN FAVOURED BILATERAL EXCHANGES BETWEEN THE ALLIED AMBASSADORS IN BERLIN, AND SAID HE WOULD PASS TO SHEVARDNADZE THE THOUGHT THAT HIS MINISTRY SHOULD INTENSIFY THEIR CONTACTS WITH ME AND MY COLLEAGUES. THE PROPOSED DINNER FOR SHEVARDNADZE AND THE EUROPEAN AMBASSADORS ON 19 DECEMBER WILL PROVIDE A GOOD OCCASION, THOUGH AT THE PRESENT SPEED OF EVENTS IT LOOKS RATHER A LONG WAY AWAY

BRAITHWAITE

YYYY

MXHPAN 9667

NNNN

AND THAT OK PSE K

CONFIDENTIAL

075665
MDHIAN 8085

CONFIDENTIAL

FM BONN

TO IMMEDIATE FCO

TELNO 1196

OF 071138Z DECEMBER 89

INFO IMMEDIATE MOSCOW, EAST BERLIN, STRASSBOURG, BMG BERLIN

INFO PRIORITY PARIS, WASHINGTON, UKDEL NATO

STRASSBOURG FOR SECRETARY OF STATES PARTY

THE SOVIET UNION AND THE GERMAN QUESTION

SUMMARY

1. INDICATIONS OF SOVIET ATTITUDES FROM THE WEST GERMANS AND THE SOVIET AMBASSADOR IN EAST BERLIN.

DETAIL

2. SUDHOFF (PUS EQUIVALENT AT THE AUSWAERTIGES AMT) TELLS ME THAT THE RUSSIANS WERE VERY FIRM AGAINST REUNIFICATION THROUGHOUT GENSCHER'S VISIT TO MOSCOW. THE GERMANS SAW THE TASS PIECE WHICH WAS LESS NEGATIVE ABOUT REUNIFICATION AS THE EXCEPTION: SHEVARDNADZE'S FIRMNESS AGAINST REUNIFICATION WAS THE RULE.

3. MY FRENCH COLLEAGUE SAW THE SOVIET AMBASSADOR IN EAST BERLIN ON 5 DECEMBER. BOIDEVAIX DESCRIBED KOCHEMASOV TO ME AS VERY CONCERNED AND DEPRESSED ABOUT EVENTS IN THE GDR BUT NOT REALLY EXCITED. KOCHEMASOV HAD SAID THAT EVENTS IN THE GDR COULD CREATE A DANGEROUS SITUATION AND HAD HARPED ON THE NEED FOR STABILITY. KOCHEMASOV HAD INSISTED THAT THE STATUS OF BERLIN MUST NOT BE CHANGED. BOIDEVAIX PROMISED US A FULL READ-OUT IN BERLIN. I AM LIKELY TO SEE KOCHEMASOV ON 19 DECEMBER, IN LINE WITH THE PRIME MINISTER'S RECENT MESSAGE TO GORBACHEV.

4. SUDHOFF CONFIRMED TO ME THAT THE FEDERAL AUTHORITIES STILL KNEW OF NO SIGNIFICANT INCIDENTS INVOLVING SOVIET FORCES IN THE GDR. SOVIET MILITARY PERSONNEL WERE STILL STAYING LARGELY IN BARRACKS. SUDHOFF COMMENTED THAT INCIDENTS INVOLVING SOVIET FORCES WOULD BE A DISASTER FOR EVERYONE.

MALLABY

YYYY

PAGE 1
CONFIDENTIAL

DISTRIBUTION

140

MAIN 127

.BERLIN/INNER-GERMAN RELATIONS
.(WIDE)
LIMITED
WED
SOVIET
EED
ECD(E)
SEC POL D
MAED
PUSD
CSCE UNIT
NEWS
INFO
NAD
PLANNERS

RESEARCH
RMD
CRD
PS
PS/MR MAUDE
PS/MR WALDEGRAVE
PS/PUS
PS/SIR J FRETWELL
MR GILLMORE
MR P J WESTON
MR TOMKYS
MR BAYNE
MR RATFORD
MR GOULDEN
MISS SPENCER

ADDITIONAL 13

BERLIN/INNER-GERMAN (WIDE)
PS/NO 10.

NNNN

File

STRASBOURG PERSONAL FOR WALL - No distribution

SUMMARY

DETAIL

2. I HAVE DISCUSSED THE POSITION AND PROSPECTS OF THE GDR IN RECENT DAYS WITH SEITERS (CDU), LAMBSDORFF AND MISCHNICK (FDP) AND VOGEL, BRANDT AND BAHR (SPD). I HAVE SET OUT OUR CASE THAT SELF-DETERMINATION WITHOUT PREJUDICE TO THE RESULT IS THE SUBJECT NOW ON THE AGENDA, THAT REUNIFICATION IS NOT A CURRENT ISSUE, THAT A MEASURED TREAD AND PRESERVATION OF STABILITY ARE ESSENTIAL, AND THAT NOTHING SHOULD BE DONE TO COMPLICATE THINGS FOR GORBACHEV. I HAVE SAID THAT THE ALLIES ATTACH IMPORTANCE TO THEIR RIGHTS AND HAVE STRESSED THE IMPORTANCE OF NATO FOR THE FUTURE. THESE POINTS ARE NOT CONTESTED. BUT THE FUTURE SHOULD BE SHAPED BY THE GERMANS THEMSELVES. MOST OF MY DISCUSSIONS ARE REPORTED BY BAG. BUT SEITERS, AS THE RESPONSIBLE CABINET MINISTER, AND VOGEL, AS LEADER OF THE OPPOSITION, ARE WORTH REPORTING HERE.

COMMENT

5. ON TOP OF THE UNITY OF NATION, LANGUAGE AND CULTURE WHICH HAS CONTINUED TO EXIST IN GERMANY, THE NEW FREEDOM OF TRAVEL IN BOTH DIRECTIONS IS A BIG EVENT. A PROLIFERATION OF COOPERATION AGREEMENTS BETWEEN THE TWO GOVERNMENTS AND A BURST OF JOINT VENTURE ACTIVITY BY FRG INDUSTRY IN THE GDR ARE LIKELY TO BE THE NEXT STAGES. THE FEDERAL CHANCELLOR'S VISIT AND THE OTHER MINISTERIAL MEETINGS PLANNED THIS MONTH (MY TELNO 1193) ARE LIKELY TO SET THE SCENE FOR THAT STAGE.

6. THE GENERAL VIEW IN THE FRG NOW IS THAT THE SED CAN NO LONGER PLAY A SERIOUS ROLE AND COULD DISAPPEAR AT ANY MOMENT, AND THAT THE ONLY LEADERSHIP IN THE GDR WILL BE A VERY WEAK GOVERNMENT. ALMOST NO ONE BUT THE GREENS IS TALKING ANY LONGER ABOUT THE ANSWER TO THE GERMAN QUESTION BEING TWO GERMAN DEMOCRACIES. A UNITED AND UNMISTAKABLE CALL FOR GERMAN UNITY IN THE GDR IS CONSIDERED POSSIBLE WITHIN WEEKS, SINCE THAT IS SEEN AS THE ONLY WAY THE PEOPLE OF THE GDR CAN BE CONFIDENT OF DEMOCRACY AND PROSPERITY. POLITICIANS INCREASINGLY ASSUME THAT 1990 WILL BE THE YEAR WHEN UNIFICATION BECOMES A CERTAINTY, THOUGH THE MEANS BY WHICH THAT WOULD HAPPEN REMAIN UNCLEAR. THE METHODS DISCUSSED ARE THE GDR ELECTION, REFERENDA IN THE GDR AND THEN THE FRG, OVERWHELMING DEMONSTRATIONS, OR A NEW WAVE OF EMIGRATION.

7. THE POLITICAL PARTIES OF THE FRG, EXCEPT THE GREENS, ARE COMING OUT FOR REUNIFICATION AS THE GOAL. IF THERE WAS A CLEAR CALL FOR UNITY IN THE GDR, I AM SURE THEY WOULD ALL SUPPORT IT. I EXPECT THAT KOHL, AGAIN FEARING BEING LEFT BEHIND BY THE DEBATE, WOULD MAKE ANOTHER MAJOR SPEECH MOVING THE FEDERAL GOVERNMENT'S POSITION FORWARD. AT PRESENT THE SPD IS AHEAD OF THE GOVERNMENT IN PLAYING UP A PARTICULAR FORM OF UNIFICATION, NAMELY CONFEDERATION. OTHER SUBJECTS THAT I THINK MAY APPEAR SOON IN THE PUBLIC DEBATE IN THE FRG ARE A TIMETABLE FOR MOVING TOWARDS UNITY, INCLUDING THE IDEA OF A LONG TRANSITION PERIOD BETWEEN THE DECISION AND THE ACT OF UNITY, AND THE POSSIBLE NEED FOR A VAST PACKAGE OF WEST GERMAN ECONOMIC HELP FOR THE GDR THIS WINTER SOME POLITICIANS MAY START SAYING THAT, WITH THE GDR WEAK AND WITHOUT LEADERSHIP, THE FRG WOULD NEED TO TAKE THE LEAD IN MOVING TOWARDS UNITY.

3. OUR LINE CAN HOLD AT PRESENT. BUT WE NEED TO PREPARE TO COPE WITH FASTER MOVEMENT ON THE GERMAN QUESTION IN CASE WE ARE FACED WITH IT.

MALLABY .

YYYY

BPLNAN 7939

NNNN

CONFIDENTIAL

062212
MDHIAN 7333

CONFIDENTIAL

FM EAST BERLIN

TO DESKBY 040900Z FCO

TELNO 433

OF 040900Z DECEMBER 89

INFO DESKBY 040900Z UKDEL NATO (PSE PASS PS/NO 10 AND PS)

INFO IMMEDIATE BONN, BMG BERLIN

INFO PRIORITY MOSCOW, WASHINGTON, PARIS

INFO ROUTINE WARSAW, PRAGUE, SOFIA, BUDAPEST

INFO SAVING BELGRADE, PEKING

PS TO PRIME MINISTER
NO 10 DOWNING ST

GDR: POLITBURO AND CENTRAL COMMITTEE RESIGNATION

SUMMARY

1. FOLLOWING REVELATIONS ABOUT WIDESCALE CORRUPTION AMONG SENIOR PARTY OFFICIALS, THE POLITBURO AND CENTRAL COMMITTEE AS A WHOLE RESIGNED ON 3 DECEMBER. PARTY UNITY AND MORAL IS SHATTERED. NO LEGITIMATE SOURCE OF AUTHORITY IN THE COUNTRY.

DETAIL

2. ON 1 DECEMBER THE VOLKSKAMMER HEARD A A DRAARD A PRELIMINARY REPORT BY THE CHAIRMAN OF THE COMMITTEE LOOKING INTO ABUSE OF OFFICE AND CORRUPTION AMONG SENIOR (SED) PARTY FIGURES IN THE PREVIOUS REGIME. THE REVELATIONS WERE DETAILED AND SENSATIONAL. HOUSES HAD BEEN BUILT FOR THE SONS AND DAUGHTERS OF POLITBURO MEMBERS (STOPH, KLEIBER AND KROLIKOWSKY) USING PUBLIC FUNDS. 20 PER CENT OF THE FOREST IN NEUBRANDENBURG HAD BEEN RESERVED FOR SHOOTS AND HOUSES FOR SENIOR PARTY FIGURES. MITTAG AND HONECKER HAD RECEIVED 20,000 MARKS A YEAR EACH SINCE 1978 ON THE ORDERS OF THE PREVIOUS MINISTER FOR CONSTRUCTION, ETC ETC.

3. SED DEPUTIES LAID THEIR HEADS ON THEIR ARMS IN THE VOLKSKAMMER IN DESPAIR. OTHER PARTIES REACTED WITH VIOLENT CRITICISM OF THE OLD GUARD. KRENZ SOUGHT TO DISSOCIATE HIMSELF, BUT FAILED TO CARRY CONVICTION. ON THE FOLLOWING DAY HE WAS BOOED AND HECKLED BY A CROWD OF PARTY MEMBERS OUTSIDE THE CENTRAL COMMITTEE BUILDING WHEN HE SOUGHT TO SPEAK TO THEM.

4. THE UPSHOT WAS AN EXTRAORDINARY CENTRAL COMMITTEE MEETING ON 3 DECEMBER WHERE AFTER STORMY DEBATE THE CENTRAL COMMITTEE AND POLITBURO AS A WHOLE RESIGNED. THE PARTY IS TO BE DIRECTED BY A SPECIAL 'WORKING COMMITTEE', 25 STRONG, NONE FROM THE PRESENT POLITBURO, TO PREPARE THE SPECIAL PARTY CONGRESS ON 15-17 DECEMBER.

PAGE 1
CONFIDENTIAL

5. MITTAG, TISCH AND MUELLER, EX POLITBURO MEMBERS, HAVE BEEN ARRESTED AND ARE TO STAND TRIAL. HONECKER AND 11 OTHER MEMBERS OF THE PREVIOUS POLITBURO AND CENTRAL COMMITTEE HAVE BEEN EXPELLED FROM THE PARTY.

6. ALTHOUGH DISPUTED THERE HAS BEEN A CALL IN KARL MARX STADT FOR A GENERAL STRIKE ON 6 DECEMBER.

COMMENT

7. SCANDALS AND REVELATIONS WILL CONTINUE. SCHALK GOLODKOWSKI, STATE SECRETARY IN CHARGE OF HARD CURRENCY FINANCE HAS ESCAPED ARREST BY GOING INTO HIDING ABROAD AND HAS ASKED LAWYER VOGEL TO REPRESENT HIM IN THE GDR.

8. DISARRAY AND DISUNITY IN THE PARTY IS NOW TOTAL. ITS MORAL AUTHORITY IN THE COUNTRY HAS COLLAPSED. IN THE SEARCH FOR LEGITIMACY SOME HAVE NOW BEGUN TO QUESTION THE RIGHT OF THE EXISTING PARLIAMENT, FULL OF OLD TIME FIGURES, TO CONTINUE TO REPRESENT THE PEOPLE. PRESSURE COULD ONCE AGAIN BUILD UP FOR VERY EARLY ELECTIONS EVEN THOUGH THE OPPOSITION GROUPS SAY THEY DO NOT WANT THIS.

9. AS FOR THE FUTURE IT IS CLEAR THAT THE PARTY CONGRESS WILL BE DOMINATED BY REFORMERS. THE PARTY MAY SPLIT INTO TWO ORIGINAL CONSTITUENT PARTS - A SOCIAL DEMOCRATIC PARTY AND A SMALLER HARD-CORE COMMUNIST PARTY.

10. THE ONLY SENIOR FIGURE TO EMERGE WITH HIS REPUTATION ENHANCED IS PRIME MINISTER MODROW. HE WAS ASKED TO BE A MEMBER OF THE 'WORKING COMMITTEE' BUT DECLINED ON GROUNDS THAT HE NEEDED TO CONCENTRATE ON GOVERNMENT BUSINESS. KRENZ REMAINS AS HEAD OF STATE BUT HIS DAYS ARE NUMBERED.

11. THERE WILL ALSO BE AN EFFECT ON THE UNITY/REUNIFICATION DEBATE. IN A LONG CONVERSATION WITH LAWYER VOGEL ON 2 DECEMBER, IE BEFORE THE POLITBURO/CENTRAL COMMITTEE RESIGNATION, HE TOLD ME HE SAW NO HOPE OF THE GDR PRESERVING ITS SEPARATE IDENTITY. THE PARTY WHICH TOOK THE CLEAREST POSITION IN FAVOUR OF UNITY WITH THE FRG WOULD WIN THE NEXT ELECTION WHICH WOULD PROBABLY HAVE TO BE ADVANCED FROM SEPTEMBER 1990. I AM INCLINED TO AGREE WITH HIM.

12. ONCE AGAIN EVENTS HAVE OVERTAKEN THOSE SUPPOSEDLY DIRECTING

3. BRIEFING THE US AND FRENCH AMBASSADORS AND MYSELF TODAY, SEITERS SAID THAT THE SED WAS COLLAPSING. THE PARTY CONGRESS TOMORROW COULD PRODUCE NO CREDIBLE LEADERSHIP AND MIGHT WIND UP THE PARTY OR ITS MAJOR INSTITUTIONS. THE GDR COULD BECOME A COUNTRY WHERE THE GOVERNMENT (NOT THE PARTY) DID THE GOVERNING. BUT EVEN THAT MIGHT NOT BE POSSIBLE: ALL AUTHORITY COULD FAD AWAY WITHIN WEEKS. IT WAS MORE A QUESTION OF THE DEATH OF INSTITUTIONS THAN OF CHAOS IN THE SENSE OF PUBLIC ORDER BREAKING DOWN. SEITERS MADE CLEAR THAT THIS PREDICTION WAS NOT THE ONLY POSSIBLE ONE. THINGS MIGHT NOT COLLAPSE FAST, BUT THE MAJOR LESSON OF RECENT EVENTS WAS THAT THE PACE OF CHANGE HAD ACCELERATED. IT WAS STILL ACCELERATING. A DEPRESSING NOVELTY IN RECENT DAYS WAS THE AGGRESSIVE MOOD OF THE DEMONSTRATORS IN THE GDR. THE FEDERAL GOVERNMENT HOPED THAT THE NEW AGREEMENT ON TRAVEL BY WEST GERMANS TO THE GDR (MY TELNO 1136) AND THE FEDERAL CHANCELLOR'S VISIT TO DRESDEN ON 19 DECEMBER (MY TELNO 1193) MIGHT CALM THE EAST GERMAN POPULATION, BUT THIS WAS ONLY AN UNCERTAIN POSSIBILITY. IT WAS PROBABLE THAT 60-80 PER CENT OF THE PEOPLE OF THE GDR WERE NOW FOR UNITY, AND THE MAIN REASON WAS THAT THEY HAD BECOME CONVINCED THAT THEIR OWN LEADERS COULD NOT COPE AND THAT REFORM COULD NOT BE ACHIEVED IN A SEPARATE GDR. ELECTIONS IN THE GDR WERE NOW LIKELY BEFORE AUTUMN 1990: THEY MIGHT BE EVEN SOONER OR MIGHT BE OVERTAKEN BY EVENTS. IF THINGS GET WORSE IN THE GDR, THE RUSH OF EMIGRATION WOULD RESUME. SEITERS AGREED THAT THE EAST MARK WAS EXTREMELY WEAK BUT THOUGHT THAT IT WOULD NOT BE COMPLETELY SWAMPED BY THE DMARK IN THE VERY NEAR FUTURE.

VOGEL

4. VOGEL, ON WHOM I CALLED TODAY, SAID THE SED WAS IN RUINS AND EVEN THE GOVERNMENT WAS WEAK. MODROW WAS THE ONLY FIGURE ON THE SCENE BUT HE WOULD PROVE TRANSITIONAL. PUBLIC CALLS FOR UNITY WERE MULTIPLYING IN THE GDR. IT WAS POSSIBLE THAT, WITHIN A MATTER OF WEEKS OR MONTHS, IT WOULD BECOME CLEAR AND CERTAIN THAT THE PEOPLE OF THE GDR IN GREAT MAJORITY WANTED GERMAN UNITY. ALL THE WEST GERMAN POLITICAL PARTIES EXCEPT THE GREENS WOULD SUPPORT UNITY IN THOSE CIRCUMSTANCES. VOGEL WONDERED WHETHER THERE WOULD BE A REFERENDUM ON UNITY IN THE GDR IN 1990 AND WHETHER THAT WOULD BE FOLLOWED BY ONE IN THE FRG. HE SAID THAT A TRANSITION PERIOD OF YEARS WOULD BE NEEDED BETWEEN A DECISION FOR UNITY AND THE COMPLETION OF ITS IMPLEMENTATION. LIKE BRANDT AND BAHR IN CONVERSATIONS WITH ME, AND BRANDT IN PUBLIC, VOGEL KEPT OF CONFEDERATION AS A DESIRABLE STRUCTURE OF GERMAN UNITY, WHERE THE TWO GERMANIES WOULD RETAIN THEIR IDENTITY WITHIN A NEW ARRANGEMENT AND THUS COULD STAY IN THEIR ALLIANCES. SUCH A CONFEDERATION MIGHT LAST UNTIL A PAN-EUROPEAN SETTLEMENT WAS ACHIEVED AND THE GERMAN QUESTION THUS LOST ITS SEPARATE IMPORTANCE. HE SAID THAT THE GERMAN QUESTION WOULD BE THE BIGGEST ISSUE IN THE FEDERAL ELECTION CAMPAIGN NEXT YEAR. THE SPD WOULD CLAIM THAT THE CHANGES IN EASTERKKEPE WERE THE FRUIT OF THE OSTPOLITIK OF BRANDT AND SCHMIDT. THE SPD SUPPORTED KOHL'S TEN POINTS BECAUSE THEY HAD INVENTED MOST OF THEM. ONE ISSUE THAT MIGHT BE SENSITIVE IN THE RUN-UP TO THE FEDERAL ELECTION WOULD BE HOW LIVING STANDARDS IN THE FRG WOULD BE AFFECTED IF THE LATTER UNDERTOOK A VAST ECONOMIC RESCUE OPERATION FOR THE GDR.

CONFIDENTIAL



UNITED KINGDOM PERMANENT REPRESENTATIVE
ON THE NORTH ATLANTIC COUNCIL
OTAN/NATO
1110 BRUSSELS
TELEPHONE 2426775

DECEMBER

3 November 1989

The Rt Hon Margaret Thatcher MP
Prime Minister
10 Downing Street
London SW1

Dear Prime Minister,

*Seen by the
Rie Minister, &
discussed by me
with Sir R. Alexander
CBP
7/11*

THE GERMAN QUESTION

1. When I last wrote to you on a policy issue, some 18 months ago, it was to make a point about the likelihood of growing instability in the Soviet Union and Eastern Europe. The trend of events since then seems to have been only too predictable even if the pace and detail of the drama could not have been foreseen.

2. I did not deal explicitly in that letter with the German question. But it was Germany I had in mind when I referred to the need for Western Europe, in the face of the gathering uncertainties, to be held together by "stronger glue". I know from the discussions at Chequers in September how deeply the problem concerns you. Having spent 48 hours in East Berlin earlier this week I venture now to write in greater detail since "Germany" is ever more obviously the critical European issue (apart from the fate of the USSR itself) for the next decade.

3. Two things must strike any visitor to East Germany today:

(a) the still appalling state of the urban infrastructure and environment once one gets away from the main show places. Life for the average East German may be somewhat better than for his counterpart in Poland or Czechoslovakia. But not much. In any case the contrast with the situation in West Berlin and the Federal Republic is stunning; and

(b) the rapidly accelerating unease in the country. The causes are self-evident eg the influence of the reform movement in other East European countries and

/...



the gulf between the indigence of the East and the prosperity of the West. In recent weeks the pre-existing problems have been exacerbated by the apparent loss of will on the part of the authorities and by the impact of the mass emigration to the West. It is of course the young and the employable who are leaving - the doctors, the dentists, the technicians and the skilled workers. Their exodus will have an increasingly severe knock-on effect on the quality of life for those who remain in the GDR. Policies such as importing Vietnamese are essentially irrelevant. The present situation cannot be sustained for very long - and a self reinforcing downwards spiral may already be in motion.

4. It would be wrong to assume that an explosion is imminent. The self control shown by the East Germans has been remarkable. The street parades and mass meetings have so far revealed a people peacefully taking their destiny into their own hands. It is conceivable that violence can still be avoided. Krenz may prove willing to accept the role of a transitional figure and to be ready to surrender his party's monopoly of power. On the other hand he may not. What matters is that in East Germany, even more perhaps than in the rest of the Warsaw Pact, there can now be no going back. Any attempt to reverse course will provoke a massive increase in emigration, an upheaval of some kind and an unpredictable reaction in the Federal Republic.

5. The implications of this are, obviously, profound. There has been a tendency in recent months to focus on the question of German unity. Whatever one's private thoughts on the subject, reunification can no longer be ruled out. As I said at Chequers, I do not see how we can deny the Germans the right of self-determination which we accord, indeed urge upon, everyone else. Nor can we now try to obscure the prospect of a unity which Western governments have accepted as the right of the Germans in innumerable public statements over the last generation. To attempt to do so will be to risk triggering off the resentment which has caused so much trouble in the past.

6. But while reunification is a prospect with which, in my judgement, the rest of Europe is going to have to come to terms in the years ahead, I do not believe it is the immediate problem. No-one can be sure. But in so far as the initiative lies with the East Germans they will, I suspect, approach the unity issue with caution - so long at least as a descent into chaos is avoided. The same probably goes for the West Germans.

/7.



7. The immediate problems are those flowing from the rapprochement, short of reunification, between the two Germanies and the need for the rest of us to respond to this. My own guess is that whatever the precise evolution of events in the GDR there is bound to be a quantum jump in the mutual involvement of the two states in the months ahead. Emigration will intensify unless and until some form of democratic government is installed in East Berlin. The progress of events in East Germany will be overwhelmingly more important for the government and the electorate of the Federal Republic than any other issue. The West Germans will insist on being involved and on helping their neighbours (if only, to be cynical, to stem the flow of emigrants since the Federal Republic cannot absorb them indefinitely). In the slightly (but not much) longer term, and assuming a reforming government in East Berlin, this will mean public and private assistance on a vast scale to help put the East German political and social system, the economy, the environment etc to rights. Whether or not reunification is in prospect, the two countries will become interdependent. Assuming, again, that chaos is avoided East Germany will become more efficient and more productive more rapidly than any other member of COMECON. The weight of the economic and political power of the Germans will quickly make itself felt throughout Eastern Europe - not least by contrast with the situation in the other Warsaw Pact states. I doubt whether there is now anyone who can stop this happening.

8. You will know at first hand how President Gorbachev views this prospect. I can only draw from the statements of his own spokesmen (as well as from those from official spokesmen in Warsaw and Budapest who presumably know which way the wind is blowing) the conclusion that he is increasingly resigned to letting the countries of Eastern Europe, including the GDR, go their own way. In any case, whatever his intentions, it becomes daily more difficult to see how he could hope to reimpose order on a bloc which is visibly disintegrating. The will and the means to discipline not one but a growing number of recalcitrant allies seems bound to diminish in proportion to the intensification of the Soviet Union's internal problems. Cohesion in and among authoritarian regimes is not something which is available in moderate doses: either one has it or one does not.

9. You said to me at Chequers that I was better at identifying problems than at providing answers. I doubt whether problems now presenting themselves in Europe have any answers as such. But it seems to me vital that the German problem is publicly acknowledged by HMG as being of crucial importance and that we make plain our determination

/...



to be involved, sympathetically, in the search for solutions. Given the unattractiveness - not least in its likely approach to the German question - of any alternative government in Bonn, this means indicating understanding for the line now being taken by Chancellor Kohl (who has been careful to play down the reunification issue). It would also seem to mean underlining our welcome for the events in East Germany and our recognition, without too much qualification, that German unity is a possible eventual outcome which we would not seek to prevent.

10. Our policy in the period beyond the next German election depends too heavily on events which cannot now be forecast to be worth speculating about in this letter. But, for the reasons already stated, I am sure that we should eschew in our statements any suggestion that we hanker after several Germanies instead of one. That may be where we will end up but not if we are actively seen to be seeking such an outcome.

11. Recognition of the need to support the present Bonn government is a principal explanation of the stance adopted by the Bush Administration towards the Federal Republic in recent months. You may, I imagine, hear more of this during your visit next week. If the UK distances itself too obviously from Bonn and the German question in general we shall inevitably diminish our ability to influence events. I doubt whether even the French (whose distaste for the prospect of a central Europe dominated by Germany is great indeed) would at this stage join us in sounding a negative note. The French have always seen their European policy (including their defence policy) as much in terms of coping with the German problem as anything else. It has often seemed to me that we would be wise to think in the same terms.

12. I would have thought that there was now an opportunity for you to make a major statement on European issues looking beyond the (as they appear for the moment) more parochial issues of the Community. A speech from you describing the need, which I know you feel, for a strong and cohesive association of Western European states within the Alliance to provide stability in the dangerous, if exciting, years ahead, coupled with a sympathetic and generous analysis of the German question as well as a clear presentation of our policy towards Eastern Europe and the Soviet Union, would have a very considerable impact throughout all the countries of the Alliance - and beyond. I cannot help thinking - though I am of course less well placed to judge - that it would also have a positive echo at home.

/13.



13. Reverting to the Chequers discussion, I should perhaps record that the events described above are in my judgement going to cause increasing trouble in the months immediately ahead with at least two aspects of the issues raised at your seminar:

(a) if the Soviet Union is indeed increasingly resigned to a progressive reduction of its involvement in Eastern Europe, it will be anxious that others reduce their presence in Western Europe. Our negotiators in Vienna are going to hear a lot more of the Soviet proposal that all stationed forces should be included in the CFE and, in the longer term, that all such forces should be withdrawn from Europe. Both in the immediate and in the ultimate sense this approach is going to beguile many Germans - in both camps. We shall have to remind them forcefully of the implications for the Alliance; and

(b) the deployment in the FRG of modernised short range nuclear forces - particularly of a follow-on to Lance - is going to be even more difficult to achieve than had hitherto seemed likely.

14. I fear this is a long letter to have stemmed from a mere 48 hours in East Berlin. But the issues are enormously important. Your views on them should be heard.

Yours ever

Michael

Michael Alexander

RESTRICTED

056472
MDHIAN 7131

RESTRICTED

FM BONN

TO DESKBY 011330Z

TELNO 1177

OF 011239Z DECEMBER 89

INFO PRIORITY BMG BERLIN, EAST BERLIN, MOSCOW, PARIS, WASHINGTON

INFO PRIORITY UKDEL NATO

INFO ROUTINE UKREP BRUSSELS, WARSAW, BUDAPEST, VIENNA, PRAGUE, ACTOR

OUR TELNO 1169 : THE GERMAN QUESTION

SUMMARY

1. CRITICISM OF LACK OF CONSULTATION OVER KOHL'S PLAN. SPD FURTHER QUALIFY THEIR SUPPORT. MORE PRESS COMMENT.

DETAIL

2. THE BUNDESTAG YESTERDAY PASSED A CAOLITION MOTION SUPPORTING KOHL'S TEN-POINT PLAN. THE SPD HAD TABLED A SEPARATE MOTION CALLING FOR THE PLAN TO INCLUDE A FINAL RECOGNITION OF POLAND'S PRESENT WESTERN BORDER AND A COMMITMENT AGAINST MODERNISATION OF SNF.

3. SPD CHAIRMAN VOGEL AND VOIGT REPORTEDLY INITIALLY DECIDED TO OFFER UNQUALIFIED SUPPORT TO KOHL'S PLAN AFTER IT HAD BEEN GREETED WITH STRONG APPLAUSE BY SPD POLITICIANS. THE LEFT WING OF THE SPD ARE NOW CRITICISING VOGEL AND QUESTIONING HIS LEADERSHIP FOR ALLOWING KOHL TO HIJACK POLICIES WHICH THEY CONSIDER TO BE THEIR OWN. THERE ARE ALSO THOSE WHO SEE THE GDR AS A SOCIALIST STATE THAT OUGHT TO BE PRESERVED.

4. THE FDP ARE REPORTED TO HAVE JUDGED THAT KOHL'S STATEMENT ON 8 NOVEMBER TO THE BUNDESTAG HAD RECOGNISED THAT POLAND'S BORDERS SHOULD NOT BE BROUGHT INTO QUESTION AND THAT IT WAS NOT NECESSARY TO REPEAT IT. BUT FDP CHAIRMAN LAMBSDORFF CRITICISED THE GOVERNMENT FOR NOT CONSULTING THE FOUR POWERS AND THE GDR OVER THE PLAN. LAMBSDORFF SAID THE GOVERNMENT WAS ITSELF GUILTY OF WHAT IT HAD OFTEN ACCUSED THE AMERICANS OF: ACTING WITHOUT CONSULTATION. HORST EHMKE, DEPUTY CHAIRMAN OF THE SPD PARLIAMENTARY PARTY, QUESTIONED THE FACT THAT THE AUSWAERTIGES AMT HAD NOT BEEN BROUGHT IN AND THAT GERMAN AMBASSADORS HAD BEEN ACTIVATED AFTER THE EVENT.

5. THE SUEDEDEUTSCHE (INDEPENDENT) COMMENTS THAT KOHL'S PLAN HAS HAD THE EFFECT OF CONFUSING RATHER THAN CALMING. WHAT WAS SURPRISING WAS THE RETURN TO THE LANGUAGE OF THE COLD WAR, RATHER THAN THAT THE PLAN DID NOT PLEASE THE RUSSIANS AND THEIR ALLIES. THE CHANCELLOR

HAD CLEARLY UNDERESTIMATED GORBACHEV'S CONVICTION THAT REUNIFICATION WAS NOT ON THE AGENDA. BOTH IN THE WEST AND IN THE EAST THERE WAS REGRET THAT THE CHANCELLOR HAD NOT GIVEN HIS WORD ON THE PRESENT EUROPEAN BORDERS. EVEN THOSE WHO WISHED TO SEE THE GERMANS COMING CLOSER TOGETHER DID NOT WANT ANY ARGUMENTS ABOUT BORDERS. THE FRANKFURTER ALLGEMEINE (RIGHT OF CENTRE) NOTES THAT WESTERN REACTION HAS BEEN ALMOST UNANIMOUS IN STATING THAT REUNIFICATION WAS NOT ON THE AGENDA. THIS CAUTION REFLECTED FEARS THAT GORGACHEV COULD FALL BECAUSE OF THE GERMAN QUESTION. BUT POLLS SHOWED THAT 85 PER CENT OF FRENCH PEOPLE BELIEVED THAT REUNIFICATION WAS SAFE, PROBABLE AND DESIRABLE. BONN'S POLICIES MUST BE BASED ON THE ADVANCEMENT OF THIS 'PROCESS OF NORMALISATION'.

6. THE FRANKFURTER RUNDSCHAU (LEFT OF CENTRE) SAYS THAT THE CHANCELLOR'S PROPOSAL HAD NOT BEEN RECEIVED WELL ANYWHERE. THE WORLD WAS SWEATING AT THE PROSPECT OF AN 80 MILLION-STRONG GERMAN REICH: ALTHOUGH MISTRUST IN THE GERMANS OF TODAY MIGHT BE UNFAIR, IT WAS A POLITICAL REALITY. THE MOVEMENT FOR FREEDOM IN EASTERN EUROPE GAVE RISE TO GREAT HOPE BUT WAS ALSO A TEMPTATION: THE GERMANS WERE DUTY BOUND TO PROCEED WITH CAUTION. THE WAY THE PLAN WAS DRAWN UP NOT ONLY SNUBBED ALL PARTNERS BUT ALSO CONFIRMED EVER PRESENT SUSPICIONS ABOUT THE GERMANS.

COMMENT

7. THE SPD NOW THINK THEY TRIPPED OVER THEIR FEET IN RUSHING TO SUPPORT KOHL'S PLAN: THEY MISSED THE CHANCE TO CRITICISE KOHL AND COMPLICATE THE ISSUE BY INTRODUCING THE QUESTION OF POLAND'S BORDERS AND DISARMAMENT. KOHL IS ALSO FACING CRITICISM FOR FAILING TO CONSULT HIS FRIENDS AND ALLIES. BUT THESE FACTORS MAY BE SHORT-LIVED. UNLESS OVERTAKEN BY EVENTS (EG ECONOMIC COLLAPSE IN THE GDR), KOHL'S PROPOSALS WILL REMAIN THE FRAMEWORK FOR THE FEDERAL GOVERNMENT'S DEUTSCHLANDPOLITIK.

NEVILLE-JONES

YYYY

UNCLASSIFIED

FM BONN

TO DESKBY 301500Z FCO

TELNO 1169

OF 301319Z NOVEMBER 89

INFO PRIORITY BMG BERLIN, EAST BERLIN, MOSCOW, PARIS, WASHINGTON

INFO PRIORITY UKDEL NATO

INFO ROUTINE UKREP BRUSSELS, WARSAW, BUDAPEST, VIENNA, PRAGUE

INFO ROUTINE ACTOR

MY TELNO 1164 : THE GERMAN QUESTION

SUMMARY

1. SPD'S UNQUALIFIED SUPPORT FOR KOHL'S PLAN PROVES SHORT-LIVED. KOHL'S SPOKESMAN GIVES A FRANK ACCOUNT OF ITS GENESIS. SOME FRANCO-GERMAN FRICTION. FEDERAL GOVERNMENT CONTINUES GLOBAL DIPLOMATIC CAMPAIGN. SUPPORT FOR KOHL FROM TWO MAJOR NEWSPAPERS.

DETAIL

2. THE ORIGINAL SPD WELCOME FOR KOHL'S TEN POINTS (MY TUR) COOLED ON 29 NOVEMBER AS ARGUMENT DEVELOPED OVER A DRAFT RESOLUTION EXPRESSING THE BUNDESTAG'S SUPPORT FOR THE CHANCELLOR. A SECTION OF THE PARTY CLEARLY REGRETTED THE ORIGINAL DECISION TO SUPPORT THE PLAN, AND IN NEGOTIATION WITH THE COALITION PARTIES THE SPD NOW SOUGHT TO ADD TO THE RESOLUTION NOT ONLY A REITERATION OF THE CONTROVERSIAL STAND ADOPTED BY THE BUNDESTAG ON 8 NOVEMBER (MY TELNO 1069) BUT ALSO A FIRM STATEMENT OF OPPOSITION TO SNF MODERNISATION AND A COMMITMENT TO A SUBSTANTIAL CUT IN DEFENCE EXPENDITURE, DESIGNED TO FREE RESOURCES FOR INVESTMENT IN THE CONSTRUCTION OF THE COMMON EUROPEAN HOUSE. THE COALITION PARTIES NOT SURPRISINGLY THEN BROKE OFF THE NEGOTIATIONS.

3. FEDERAL SPOKESMAN KLEIN TOLD THE PRESS ON 29 NOVEMBER THAT KOHL HAD ONLY DECIDED TO PREPARE THE NEW PLAN AT THE BEGINNING OF THE PREVIOUS WEEK. IT HAD BEEN DRAWN UP OVER THE WEEKEND BY KOHL AND HIS CLOSEST ASSISTANTS, AND PUT FORWARD WITHOUT HAVING BEEN AGREED WITH THE FDP, THE AUSWAERTIGES AMT OR THE WESTERN ALLIES.

4. THE FRENCH SEEM TO BE READY TO LET THEIR IRRITATION SHOW: THEIR EMBASSY HERE RELEASED ON 29 NOVEMBER A BULLETIN QUOTING A NEWS AGENCY REPORT STRESSING THAT BONN'S PLAN WAS NOT COORDINATED WITH THE ALLIES WHO CARRY RESPONSIBILITY FOR GERMANY AS A WHOLE. FOR THEIR PART THE GERMANS ARE IRRITATED THAT MITTERRAND DID NOT CONSULT THEM OVER DATES FOR HIS VISIT TO THE GDR, WHICH HAS MADE DATES FOR A

VISIT BY KOHL BEFORE CHRISTMAS VERY HARD TO FIND.

5. TODAY'S FRG PRESS REPORTS THAT THE FEDERAL GOVERNMENT IS MOUNTING A WORLDWIDE EXERCISE IN SUPPORT OF KOHL'S PLAN. ALL FRG AMBASSADORS HAVE BEEN INSTRUCTED TO SEND THE FULL TEXT TO THEIR HOST GOVERNMENTS. KOHL TELEPHONED PRESIDENT BUSH ON 29 NOVEMBER. GENSCHER IS IN PARIS TODAY AND WILL BE IN MOSCOW FROM 4-5 DECEMBER.

6. TODAY'S FRANKFURTER ALLGEMEINE (RIGHT OF CENTRE) COMMENTS THAT MORE IMPORTANT THAN THE DETAILED SUGGESTIONS IN THE TEN-POINT PLAN IS THE DECLARED INTENTION OF THE GERMANS TO ACHIEVE A FEDERATION, A NEW FEDERAL STATE OF THE GERMANS, IF THEY THEMSELVES WANT IT. IF THIS BECOMES THE CHANCELLOR'S POLICY, THEN NOT ONLY THE DEMONSTRATORS IN THE GDR BUT THE FEDERAL REPUBLIC TOO WILL BE PLAYING A ROLE IN DEUTSCHLANDPOLITIK. KOHL HAS CONSIDERED HIS POLICIES CAREFULLY. HIS SPEECH CONTAINED CAREFULLY CHOSEN QUOTES TO REMIND THE THREE WESTERN ALLIES OF THEIR COMMITMENT TO THE UNIFICATION OF GERMANY AND MOSCOW OF THE JOINT DECLARATION GORBACHEV SIGNED IN BONN IN JUNE. KOHL HAS CAREFULLY AVOIDED MAKING ANY DEMANDS UPON THE GDR WHICH COULD BE REJECTED: INSTEAD HE HAS MADE OFFERS WHICH THEY ARE AT LIBERTY TO ACCEPT. AN ADVANTAGE OF KOHL'S SUGGESTIONS IS THAT THEY CAN BE BROUGHT INTO EFFECT BETWEEN THE TWO GERMAN STATES WITHOUT AFFECTING THE QUADRIPARTITE AGREEMENT.

7. ROBERT LEICHT ARGUES IN THE ''DIE ZEIT'' (LIBERAL) OF 1 DECEMBER THAT AS A RESULT OF KOHL'S PLAN CONFLICT ABOUT REUNIFICATION HAS OVERNIGHT BECOME CONSENSUS OVER CONFEDERATION. KOHL'S PLAN OFFERS BOTH CHANCES AND RISKS. ON THE PLUS SIDE, THE IDEA OF A CONFEDERATION MAKES A MORE MODERATE IMPACT THAN SCENARIOS INVOLVING UNITY. BECAUSE KOHL'S PLAN INVOLVES THE CONTINUED EXISTENCE OF THE GDR AS A SEPARATE STATE AND IMPLIES RESPECT FOR THE RIGHT TO SELF-DETERMINATION OF A GENUINELY DEMOCRATIC SECOND GERMAN REPUBLIC, IT NEED CAUSE NO FEAR IN THE EAST OF PATRONISING BEHAVIOUR BY THE GERMANS IN THE WEST. ON THE NEGATIVE SIDE, RECENT EVENTS HAVE BEEN SO UNPREDICTABLE THAT THE RISK CANNOT BE RULED OUT THAT BOTH GERMAN STATES MIGHT TRY TO GO IT ALONE, EXACTLY BECAUSE CONFEDERATION SEEMS SO MUCH LESS DISTANT A PROSPECT THAN COMPLETE UNITY. IT IS THEREFORE IMPORTANT TO BE QUITE CLEAR ABOUT THE FACT THAT THE COLLAPSE OF COMMUNISM DOES NOT ELIMINATE THE CAUSES OF THE DIVISION OF GERMANY. THIS DIVISION IS DUE TO THE SECOND WORLD WAR, A PRODUCT OF THE FACT THAT FROM 1871 ON THE UNIFIED GERMAN STATE NEVER FOUND A SATISFACTORY PLACE IN EUROPE. BOTH GERMAN STATES NEED TO BE BOUND MORE FIRMLY INTO THE EUROPEAN ORDER OF THINGS.

8. NONNENMACHER IN THE FRANKFURTER RUNDSCHAU REPORTS ON BRITISH REACTIONS. HE QUOTES GOVERNMENT CIRCLES AS BEING RELIVED THAT KOHL HAS NOT PUT ANY DATES TO HIS PLAN FOR A FEDERATION, AND THAT FREE ELECTIONS FOR THE GDR HAVE BEEN MADE A PRE-REQUISITE FOR THE CONVERGENCE OF THE TWO GERMAN STATES. HE ADDS HOWEVER THAT THE LONG TERM AIM OF REUNIFICATION REMAINS A HEADACHE FOR MANY IN THE UK INCLUDING THE PRIME MINISTER.

MALLABY

YYYY

DISTRIBUTION

138

MAIN

125

.BERLIN/INNER-GERMAN RELATIONS
.(WIDE)
LIMITED
WED
SOVIET
EED
ECD(E)
SEC POL D
MAED
PUSD
CSCE UNIT
NEWS
INFO
NAD

PLANNERS
RESEARCH
RMD
CRD
PS
PS/MR MAUDE
PS/MR WALDEGRAVE
PS/PUS
PS/SIR J FRETWELL
MR P J WESTON
MR BAYNE
MR RATFORD
MR GOULDEN
MISS SPENCER

ADDITIONAL 13

BERLIN/INNER-GERMAN (WIDE)

PS/NO 10.

NNNN

UNCLASSIFIED

052334
MDHIAN 6850

UNCLASSIFIED

FM MOSCOW

TO IMMEDIATE FCO

TELNO 2004

OF 300957Z NOVEMBER 89

INFO IMMEDIATE BONN, BMG BERLIN, EAST BERLIN, WASHINGTON, PARIS
INFO IMMEDIATE UKDEL NATO

OUR TELNO 1996: THE GERMAN QUESTION - SOVIET COMMENT
SUMMARY

1. KOHL'S SPEECH NOW REPORTED CURSORILY BY IZVESTIA. MFA SPOKESMAN
REACTS ADVERSELY. HOSTILE TASS COMMENTARY

DETAIL

2. IZVESTIYA OF 29 NOVEMBER REPORTED CHANCELLOR KOHL'S SPEECH IN THE
BUNDESTAG IN THREE PARAGRAPHS. THE REPORT BEGAN BY SAYING HE
SUPPORTED THE IDEA OF A 'TREATY-BASED COMMUNITY' PUT FORWARD BY
MODROW, ENVISAGING A RAFT OF BILATERAL AGREEMENTS ON CONCRETE
COOPERATION. THEN THE PAPER REPORTED THE CHANCELLOR'S OPINION THAT
THIS COULD LEAD TO A CONFEDERATIVE STRUCTURE WITH THE ULTIMATE AIM OF
A SINGLE FEDERATION ON THE MODEL OF THE FRG. KOHL IS REPORTED AS
SAYING THAT THE 'ARCHITECTURE OF GERMANY' IS A KEY PART OF THE
ARCHITECTURE OF EUROPE. 'THE FINAL GOAL WHICH KOHL PUT BEFORE THE
INHABITANTS OF THE FEDERAL REPUBLIC WAS TO CREATE A STATE OF PEACE IN
WHICH THE GERMAN PEOPLE IN BOTH STATES CAN IN CONDITIONS OF FREEDOM
AND SELF-DETERMINATION, REALISE ITS RIGHT TO UNITY.'

3. IZVESTIYA GIVES EQUAL PROMINENCE TO MORE CAUTIOUS REACITONS TO
THE SPEECH, INCLUDING THE SPD'S WARNING ABOUT 'PATRONISING' THE
GDR. IT SAYS THAT KOHL'S SPEECH HAS INSPIRED SOME OF THE CDU/CSU TO
SHORT-SIGHTED PROPOSALS SUCH AS MOVING THE BUNDESTAG TO BERLIN. THE
CORRESPONDENT ALSO POINTS OUT THAT KOHL'S PROPOSALS WERE HIS OWN AND
SPECULATES THAT THE REACTION OF HIS ALLIES IS LIKELY TO BE
RESTRAINED.

MFA SPOKESMAN

4. AT THE MFA BRIEFING ON 29 NOVEMBER THE SPOKESMAN, GREMITSKIKH,
SAID 'THE SO-CALLED PHASED PLAN OFFERED BY WEST GERMAN CHANCELLOR
KOHL YESTERDAY, WAS AN ATTEMPT TO MAKE THE ACHIEVEMENT OF
'REUNIFICATION' A SUBJECT OF PRACTICAL POLITICS (SIC) AND EVEN TO
MAKE IT A MAJOR ITEM ON THE ALL-EUROPEAN AGENDA.' HE ADDED THAT
'THE PLAN DOES NOT TAKE INTO ACCOUNT THE INTERESTS AND OPINIONS OF
OTHER EUROPEAN STATES, ABOVE ALL THE GERMAN DEMOCRATIC REPUBLIC. ONE
CAN OBSERVE ATTEMPTS TO CHANNEL THE RENEWAL PROCESSES IN THE GDR IN A

NATIONALISTIC DIRECTION.'" GREMITSKIKH SAID THAT '"THESE ACTIONS ARE AT VARIANCE WITH THE HELSINKI PRINCIPLES.'" HE EXPRESSED THE HOPE THAT '"THE SENSE OF REALISM WILL NOT BE LOST COMPLETELY IN BONN.'" "

5. TASS IN ENGLISH FOR ABROAD PUBLISHED A HOSTILE COMMENTARY BY YURI KORNILOV, ONE OF THEIR WRITERS ON EAST-WEST ISSUES. HE CONTRASTED THE INTERNAL INITIATIVES OF THE GDR WHICH '"MEET THE INTEREST OF EUROPE'" AND '"ARE IN KEEPING WITH THE HELSINKI PROCESS AND THE SITUATION WHEN A PLAN IS DEvised IN A WESTERN EUROPEAN CAPITAL TO MODIFY THE EXISTING REALITIES WITHOUT THE CONSENT AND PARTICIPATION OF NEIGHBOURS AND PARTNERS, IE ALL PARTIES TO THE HELSINKI PROCESS.'" "

BRAITHWAITE

YYYY

DISTRIBUTION

138

MAIN

125

.BERLIN/INNER-GERMAN RELATIONS
.(WIDE)
LIMITED
WED
SOVIET
EED
ECD(E)
SEC POL D
MAED
PUSD
CSCE UNIT
NEWS
INFO
NAD

PLANNERS
RESEARCH
RMD
CRD
PS
PS/MR MAUDE
PS/MR WALDEGRAVE
PS/PUS
PS/SIR J FRETWELL
MR P J WESTON
MR BAYNE
MR RATFORD
MR GOULDEN
MISS SPENCER

ADDITIONAL 13

BERLIN/INNER-GERMAN (WIDE)

PS/NO 10.

NNNN

UNCLASSIFIED

052113
MDHIAN 6832

UNCLASSIFIED
FM WASHINGTON
TO IMMEDIATE FCO
TELNO 3105
OF 300402Z NOVEMBER 89
INFO IMMEDIATE BONN, BMG BERLIN, EAST BERLIN, MOSCOW, PARIS
INFO IMMEDIATE UKDEL NATO
INFO PRIORITY UKREP BRUSSELS, WARSAW, BUDAPEST, VIENNA, PRAGUE

MIPT (NOT TO ALL): BAKER'S PRESS CONFERENCE: GERMAN
REUNIFICATION

1. IN RESPONSE TO QUESTIONS, BAKER MADE THE FOLLOWING COMMENTS:
QUOTE ON THE QUESTION OF GERMAN REUNIFICATION, LET ME SIMPLY SAY
THAT I THINK THAT OUR POSITION ON THAT SHOULD ESSENTIALLY
EMBRACE FOUR PRINCIPLES. FIRST OF ALL, THAT SELF DETERMINATION
MUST BE PURSUED WITHOUT PREJUDICE AS TO ITS OUTCOME. THAT IS,
WE REALLY SHOULDN'T ENDORSE OR EXCLUDE ANY PARTICULAR VISION OF
UNITY. UNITY CAN MEAN A LOT OF THINGS: IT CAN MEAN A SINGLE
FEDERAL STATE, IT CAN MEAN A CONFEDERATION, OR IT COULD MEAN
SOMETHING ELSE.

SECOND PRINCIPLE: I THINK IF THERE'S UNIFICATION, IT SHOULD
OCCUR IN THE CONTEXT OF GERMANY'S CONTINUED ALIGNMENT WITH NATO
AND AN INCREASINGLY INTEGRATED EUROPEAN COMMUNITY. THAT IS,
THERE SHOULD BE NO TRADE OF NEUTRALISM FOR UNITY, AND THERE
SHOULD BE NO DILUTION OF THE FEDERAL REPUBLIC OF GERMANY'S
LIBERAL DEMOCRATIC CHARACTER.

THIRD PRINCIPLE: IN THE INTEREST OF GENERAL EUROPEAN STABILITY,
I THINK I WOULD PREFER TO SEE MOVES TOWARD UNIFICATION BE
PEACEFUL, GRADUAL, AND PART OF A STEP BY STEP PROCESS.

AND LASTLY, WITH RESPECT TO THE QUESTION OF BORDERS, WHICH WAS
NOT ADDRESSED IN CHANCELLOR KOHL'S SPEECH, I THINK WE SHOULD
REITERATE OUR SUPPORT FOR THE PRINCIPLES OF THE HELSINKI FINAL
ACT, RECOGNIZING THE INVIOABILITY OF FRONTIERS IN EUROPE, AND
ALLOWING FOR THE POSSIBILITY OF CHANGE IN THOSE BORDERS ONLY
THROUGH PEACEFUL MEANS.

THOSE ARE THE PRINCIPLES THAT I THINK OUGHT TO GUIDE OUR
APPROACH TO GERMAN REUNIFICATION. UNQUOTE.

UNCLASSIFIED

052113
MDH 6832

2. IN RESPONSE TO A FURTHER QUESTION ON THE NEED FOR QUOTE
FORMAL EUROPEAN CONSIDERATION OF THE GERMAN QUESTION UNQUOTE,
PERHAPS IN A CSCE CONTEXT, BAKER SAID THAT CSCE MEMBERS HAD A
DEFINITE INTEREST IN THE QUESTION OF GERMAN UNIFICATION. BUT
THE TIME WAS NOT RIPE FOR A QUOTE CONVOCATION UNQUOTE OF
EUROPEAN COUNTRIES (WITH OR WITHOUT THE US AND THE SOVIET
UNION), BECAUSE THE GDR NEEDED FIRST TO TAKE VERY CLEAR STEPS TO
CREATE THE NECESSARY QUOTE CONDITIONS PRECEEDING UNQUOTE. THESE
INCLUDED MOVES TOWARDS PLURALISM (WHICH MEANT QUOTE FREE, FAIR
AND MULTI-PARTY ELECTIONS UNQUOTE) AND A FREE ECONOMIC SYSTEM).

ACLAND

YYYY

DISTRIBUTION

138

MAIN

125

.BERLIN/INNER-GERMAN RELATIONS
.(WIDE)
LIMITED
WED
SOVIET
EED
ECD(E)
SEC POL D
MAED
PUSD
CSCE UNIT
NEWS
INFO
NAD

PLANNERS
RESEARCH
RMD
CRD
PS
PS/MR MAUDE
PS/MR WALDEGRAVE
PS/PUS
PS/SIR J FRETWELL
MR P J WESTON
MR BAYNE
MR RATFORD
MR GOULDEN
MISS SPENCER

ADDITIONAL 13

BERLIN/INNER-GERMAN (WIDE)

PS/NO 10.

NNNN

CONFIDENTIAL

053465
MDADAN 6481

CONFIDENTIAL

FM BONN

TO IMMEDIATE FCO

TELNO 1171

OF 301445Z NOVEMBER 89

INFO IMMEDIATE EAST BERLIN, BMG BERLIN, MOSCOW, PARIS, WASHINGTON

WASHINGTON TELNO 3105 AND PARIS TELNO 1581 : THE GERMAN QUESTION :
PUBLIC LINE

SUMMARY

1. I RECOMMEND AN EARLY STATEMENT BY YOU ON KOHL'S TEN POINT PLAN.

DETAIL

2. COMPARED WITH THE STATEMENTS BY BAKER AND DUMAS REPORTED IN TURS, OUR RETICENCE SO FAR IN RESPONSE TO KOHL'S TEN POINT PLAN (MY TELNO 1154) IS CONSPICUOUS HERE.

Don't wish to
3. I RECOMMEND THAT YOU MAKE AN EARLY STATEMENT, DESIGNED TO EMPHASISE THE NEED FOR STABILITY IN EUROPE AND THE UNDESIRABILITY OF SPEED, TO OVERLAP WITH WHAT ALLIES ARE SAYING AND NOT TO ALIENATE THE FRG UNNECESSARILY. IT MIGHT INCLUDE THE FOLLOWING POINTS:

(A) THE BRITISH, WHO HAVE SHARED DIFFICULT TIMES WITH THE BERLINERS, NOW SHARE THE JOY OF ALL GERMANS AT THE OPENING OF THE WALL AND THE INNER GERMAN BORDER AND THE INCREASED FREEDOM OF TRAVEL

This statement is nearly as much as Kohl's own
(B) THE FUNDAMENTAL PRINCIPLE IN THE GERMAN QUESTION IS THAT THE GERMAN PEOPLE SHOULD HAVE THE OPPORTUNITY FOR SELF-DETERMINATION, WITHOUT PREJUDICE TO THE OUTCOME. WE LOOK FORWARD TO FREE AND DEMOCRATIC ELECTIONS IN THE GDR. THAT IS THE CURRENT QUESTION

(C) WELCOME THE CHANCELLOR'S STRESS ON THE NEED TO MAINTAIN SECURITY IN EUROPE. THE FEDERAL REPUBLIC PLAYS A CRUCIAL ROLE IN THE WESTERN ALLIANCE. WE ACKNOWLEDGE THE FEDERAL GOVERNMENT'S REPEATED REAFFIRMATION OF FULL COMMITMENT TO NATO *and after reunification?*

Don't wish to
(D) IF DEMOCRATIC REFORM IS TO SUCCEED IN THE GDR AND ELSEWHERE, STABLE CONDITIONS IN EUROPE WILL BE NEEDED. THAT ARGUES FOR AVOIDING SPEED ON THE GERMAN QUESTION

(E) GLAD THAT THE CHANCELLOR SET NO TIMETABLE AND LINKED HIS APPROACH ON THE GERMAN QUESTION TO PROGRESS IN EUROPE AS A WHOLE

PAGE 1
CONFIDENTIAL

CONFIDENTIAL

053465
MDAD/ 6481

4. A REFERENCE TO FRONTIERS AND THE FINAL ACT COULD BE ADDED. BUT I SUGGEST NOT, BECAUSE WE HAVE MADE THE POINT SEVERAL TIMES AND THERE IS CURRENTLY AN ARGUMENT BETWEEN CDU AND SPD ON AN ASPECT OF IT (MY TELNO 1169) SUCH THAT WE COULD APPEAR TO BE SIDING WITH THE SPD.

MALLABY

YYYY

DISTRIBUTION

14

ADVANCE

14

.BERLIN/INNER-GERMAN RELATIONS
. (WIDE)
PS
PS/PUS
PS/SIR J FRETWELL
MR RATFORD
HD/WED

HD/SOVIET
HD/NEWS
RESIDENT CLERK
MR S MCCARTHY SEC(NATO/UKP)MOD
WG CDR ANDREWS DCTS NATO MOD
MRS GLOVER LEGAL ADV
PS/NO 10 DOWNING ST

NNNN

PAGE 2
CONFIDENTIAL



Botschaft der Bundesrepublik Deutschland
Embassy of the Federal Republic of Germany
Pol 330.00

Mr. Charles D. Powell
Private Secretary of the
Prime Minister
No. 10 Downing Street

L o n d o n

23, Belgrave Square / Chesham Place
London, SW1X 8PZ

Tel.: 01 - 235 5033
Hausanschluß: Extension:
Sprechstunden: Office hours:
Montag-Freitag Monday-Friday 9.00-12.00
Fernschreiber - Telex Nr. 28 191
Telegrammanschrift-Telegrams:
Diplogerma London

London, 30 November 1989
Ro/Et

Az.: Pol 330.00
(Bitte bei Antwort angeben)

Henry J. ...
CA 12/11

Dear Mr. Powell,

I have the honour to transmit the complete version of the Federal
Chancellor's Speech of 28 November 1989.

A courtesy translation is attached.

Yours sincerely,

Klaus-Peter Klaiber

(Dr. Klaus-Peter Klaiber)
Minister-Counsellor

Presse- und Informationsamt der Bundesregierung



28. November 1989

Nr. 575/89

Pressemitteilung

S e n d e s p e r r f r i s t : Beginn der Ausführungen
Es gilt das gesprochene Wort!

A u s f ü h r u n g e n

von

Bundeskanzler Dr. Helmut Kohl

zur Deutschlandpolitik

in der Haushaltsdebatte

des Deutschen Bundestages

am 28. November 1989

B i t t e S p e r r f r i s t b e a c h t e n !

Meine Damen und Herren! Seit Öffnung der innerdeutschen Grenze und der Sektorengrenze in Berlin am 9. November ist die Deutschlandpolitik in eine neue Phase eingetreten - mit neuen Chancen und neuen Herausforderungen.

Wir alle empfinden große Freude über die neugewonnene Reisefreiheit für die Menschen im geteilten Deutschland. Mit den Deutschen in der DDR sind wir glücklich, daß nach Jahrzehnten Mauer und Grenzsperren endlich friedlich überwunden werden konnten.

Und wir empfinden Stolz darüber, daß die Deutschen in der DDR mit ihrem kraftvollen und friedlichen Eintreten für Freiheit, Menschenrechte und Selbstbestimmung vor aller Welt ein Beispiel ihres Mutes und ihrer Freiheitsliebe gegeben haben - ein Beispiel, das überall in der Welt gewürdigt wird.

Wir alle sind tief beeindruckt vom lebendigen und ungebrochenen Freiheitswillen, der die Menschen in Leipzig und vielen anderen Städten bewegt. Sie wissen, was sie wollen. Sie wollen ihre Zukunft selbst bestimmen - im ursprünglichen Sinne des Wortes. Wir werden dabei jede Entscheidung, die die Menschen in der DDR in freier Selbstbestimmung treffen, selbstverständlich respektieren.

Wir im freien Teil Deutschlands stehen unseren Landsleuten solidarisch zur Seite.

Bundesminister Seiders hat Anfang letzter Woche mit dem Staatsratsvorsitzenden Krenz und Ministerpräsident Modrow über die Vorstellungen der neuen DDR-Führung gesprochen. Es ging uns darum zu erfahren, wie das angekündigte Reformprogramm vollzogen werden soll und in welchem Zeitrahmen die konkreten Schritte zu erwarten sind.

Es ist verabredet, das Gespräch Anfang Dezember fortzusetzen. Wenn sich - wie wir hoffen - in diesen Gesprächen erste Ergebnisse abzeichnen, möchte ich auch selbst noch vor Weihnachten mit den Verantwortlichen in der DDR zusammentreffen.

Bundesminister Seiders hat in Ost-Berlin auch mit Vertretern der Opposition und der Kirchen gesprochen. Ich selbst habe in der letzten Woche Vertreter der Opposition in Bonn empfangen. Wir halten es für geboten, bei allem, was wir jetzt tun und entscheiden, die Auffassungen, Meinungen und Empfehlungen

der Opposition in der DDR zu berücksichtigen. Auf diese Kontakte legen wir weiterhin großen Wert. Wir wollen sie auch in Zukunft intensiv pflegen.

Es eröffnen sich Chancen für die Überwindung der Teilung Europas und damit unseres Vaterlandes. Die Deutschen, die jetzt im Geist der Freiheit wieder zusammenfinden, werden niemals eine Bedrohung, dafür um so mehr ein Gewinn für das zusammenwachsende Europa sein.

Der Aufbruch, den wir heute erleben, ist zunächst das Verdienst der Menschen, die ihren Freiheitswillen so eindrucksvoll demonstrieren. Er ist aber auch das Ergebnis von vielen politischen Entwicklungen der vergangenen Jahre. Wir haben mit unserer Politik maßgeblich dazu beigetragen.

- Entscheidend dafür war zunächst, daß wir diese Politik auf dem festen Fundament unserer Einbindung in die Gemeinschaft freiheitlicher Demokratien betrieben haben. Geschlossenheit und Standfestigkeit des Bündnisses in der schweren Bewährungsprobe des Jahres 1983 haben sich ausgezahlt. Mit unserem klaren Kurs in der Atlantischen Allianz und in der Europäischen Gemeinschaft haben wir den Reformbewegungen in Mittel-, Ost- und Südosteuropa den Rücken gestärkt.
- Mit dem Übergang zu neuen Stufen der wirtschaftlichen und politischen Integration in der Europäischen Gemeinschaft haben wir erfolgreich das Modell des freien Zusammenschlusses europäischer Völker fortentwickelt - eines Zusammenschlusses, der weit über die Gemeinschaft hinaus Anziehungskraft ausübt.
- Auf der anderen Seite waren eine entscheidende Voraussetzung die Reformpolitik von Generalsekretär Gorbatschow im Innern der Sowjetunion und das neue Denken in der sowjetischen Außenpolitik. Ohne die Anerkennung des Rechts der Völker und Staaten auf den eigenen Weg wären die Reformbewegungen in anderen Staaten des Warschauer Paktes nicht erfolgreich gewesen.
- Zu der dramatischen Entwicklung in der DDR wäre es nicht gekommen, wenn nicht Polen und Ungarn mit tiefgreifenden Reformen in Politik, Wirtschaft und Gesellschaft vorangegangen wären. Ich begrüße es, daß sich jetzt auch in Bulgarien und in der CSSR ein Wandel abzeichnet. Ich freue mich ganz besonders, daß der diesjährige Friedenspreisträger des

Deutschen Buchhandels, Václav Havel, jetzt endlich die Früchte seines langjährigen Wirkens und Leidens für die Freiheit ernten kann. Seine großartige Dankesrede in der Frankfurter Paulskirche, die er nicht selbst vortragen durfte, war eine beeindruckende Abrechnung mit dem sozialistisch-kommunistischen System.

- Eine bedeutende Rolle hat nicht zuletzt der KSZE-Prozeß gespielt, in dem wir gemeinsam mit unseren Partnern stets auf einen Abbau von Spannungsursachen, auf Dialog und Zusammenarbeit und ganz besonders auch auf die Achtung der Menschenrechte gedrängt haben.
- Ein neues Vertrauen in den West-Ost-Beziehungen konnte wachsen dank der kontinuierlichen Gipfeldiplomatie der Großmächte und den zahlreichen intensiven Begegnungen der Staats- und Regierungschefs zwischen West und Ost. Der historische Durchbruch bei der Abrüstung und Rüstungskontrolle ist sichtbarer Ausdruck dieses Vertrauens.
- Die breit angelegte Vertragspolitik der Bundesregierung gegenüber der Sowjetunion und allen anderen Warschauer-Pakt-Staaten hat zur Entwicklung des West-Ost-Verhältnisses wesentliche Beiträge geleistet und ihr wichtige Impulse gegeben.
- Zu den Ursachen der jüngsten Veränderungen gehört auch die konsequente Politik für den Zusammenhalt unserer Nation. Seit 1987 haben uns jährlich viele Millionen Landsleute aus der DDR besucht, darunter zahlreiche junge Menschen. Unsere "Politik der kleinen Schritte" hat in schwierigen Zeiten das Bewußtsein für die Einheit der Nation wachgehalten und geschärft und das Zusammengehörigkeitsgefühl der Deutschen vertieft.

Das kommt in diesen Tagen ganz besonders stark zum Ausdruck.

Diese Entwicklungen widerlegen alle düsteren Prognosen jener, die seit Beginn meiner Regierungszeit eine "neue Eiszeit" in den West-Ost-Beziehungen vorausgesagt und uns - auch mich persönlich - der Friedensunfähigkeit bezichtigt haben. Genau das Gegenteil ist eingetreten: Heute haben wir mehr Verständigung und Gemeinsamkeit in Deutschland und Europa als jemals zuvor seit dem Ende des Zweiten Weltkrieges.

Heute stehen wir - für jedermann erkennbar - am Beginn eines neuen Abschnitts der europäischen und der deutschen Geschichte - eines Abschnitts, der über den status quo, über die bisherigen politischen Strukturen in Europa hinausweist.

Der Wandel ist zuallererst ein Werk der Menschen, die auf der Gewährung von Freiheit bestehen, auf der Achtung ihrer Menschenrechte und auf dem Recht, über ihre Zukunft selbst zu bestimmen.

Alle, die in und für Europa Verantwortung tragen, müssen diesem Willen der Menschen und Völker Rechnung tragen. Wir alle sind jetzt aufgerufen, eine neue Architektur für das europäische Haus, für eine dauerhafte und gerechte Friedensordnung auf unserem Kontinent zu gestalten - wie es auch Generalsekretär Gorbatschow und ich in unserer Gemeinsamen Erklärung vom 13. Juni dieses Jahres bekräftigt haben.

Dabei müssen die legitimen Interessen aller Beteiligten gewahrt werden. Das gilt selbstverständlich auch für die deutschen Interessen.

Wir nähern uns damit dem Ziel, das sich das Atlantische Bündnis bereits im Dezember 1967 gesetzt hatte - ich zitiere -: " Eine endgültige und stabile Regelung in Europa ist ... nicht möglich ohne eine Lösung der Deutschlandfrage, die den Kern der gegenwärtigen Spannungen in Europa bildet. Jederartige Regelung muß die unnatürlichen Schranken zwischen Ost- und Westeuropa beseitigen, die sich in der Teilung Deutschlands am deutlichsten und grausamsten offenbaren."

Den Weg zur Einheit können wir nicht vom "grünen Tisch" aus oder mit dem Terminkalender in der Hand planen. Abstrakte Modelle helfen nicht weiter. Aber wir können schon heute jene Etappen vorbereiten, die zu diesem Ziel hinführen. Ich möchte sie anhand eines Zehn-Punkte-Programms erläutern:

- * Erstens: Zunächst sind Sofortmaßnahmen erforderlich, die sich aus den Ereignissen der letzten Wochen ergeben, insbesondere durch die Fluchtbewegung und die neue Dimension des Reiseverkehrs.

Die Bundesregierung ist zu sofortiger konkreter Hilfe dort bereit, wo diese Hilfe jetzt benötigt wird. Wir werden im humanitären Bereich und bei der medizinischen Versorgung helfen, soweit dies gewünscht wird.

Wir wissen auch, daß das Begrüßungsgeld, das wir jedem Besucher aus der DDR einmal jährlich zahlen, keine Lösung für die Finanzierung von Reisen sein kann. Letztlich muß die DDR selbst ihre Reisenden mit den nötigen Devisen ausstatten. Wir sind aber bereit, für eine Übergangszeit einen Beitrag zu einem Devisenfonds zu leisten. Voraussetzung dafür ist allerdings, daß der Mindestumtausch bei Reisen in die DDR entfällt, Einreisen in die DDR erheblich erleichtert werden und die DDR einen eigenen substantiellen Beitrag zu dem Fonds leistet.

Unser Ziel ist ein möglichst ungehinderter Reiseverkehr in beide Richtungen.

- * Zweitens: Die Bundesregierung wird wie bisher die Zusammenarbeit mit der DDR in allen Bereichen fortsetzen, die den Menschen auf beiden Seiten unmittelbar zugute kommt. Das gilt insbesondere für die wirtschaftliche, wissenschaftlich-technologische und kulturelle Zusammenarbeit. Besonders wichtig ist eine Intensivierung der Zusammenarbeit im Bereich des Umweltschutzes. Hier kann schon in Kürze über neue Projekte entschieden werden.

Außerdem wollen wir daran mitwirken, daß das Telefonnetz der DDR rasch ausgebaut werden kann.

Über den Ausbau der Eisenbahnstrecke Hannover-Berlin wird weiter verhandelt. Darüber hinaus sind Gespräche nötig über grundsätzliche Fragen der Linienführung in einem Europa offener Grenzen und der Anbindung des DDR-Verkehrsnetzes - vor allem im Blick auf die modernen Hochgeschwindigkeitszüge.

- * Drittens: Ich habe angeboten, unsere Hilfe und unsere Zusammenarbeit umfassend auszuweiten, wenn ein grundlegender Wandel des politischen und wirtschaftlichen Systems in der DDR verbindlich beschlossen und unumkehrbar in Gang gesetzt wird. "Unumkehrbar" heißt für uns, daß sich die DDR-Staatsführung mit den Oppositionsgruppen auf eine Verfassungsänderung und auf ein neues Wahlgesetz verständigt.

Wir unterstützen die Forderung nach freien, gleichen und geheimen Wahlen in der DDR unter Beteiligung unabhängiger, auch nichtsozialistischer Parteien. Das Machtmonopol der SED muß aufgehoben werden. Die geforderte

Einführung rechtsstaatlicher Verhältnisse bedeutet vor allem auch die Abschaffung des politischen Strafrechts.

Wirtschaftliche Hilfe kann nur wirksam werden, wenn grundlegende Reformen des Wirtschaftssystems erfolgen. Dies zeigen die Erfahrungen mit allen RWG-Staaten. Die bürokratische Planwirtschaft muß abgebaut werden.

Wir wollen nicht unhaltbar gewordene Zustände stabilisieren. Wirtschaftlichen Aufschwung kann es nur geben, wenn sich die DDR für westliche Investitionen öffnet, marktwirtschaftliche Bedingungen schafft und privatwirtschaftliche Betätigungen ermöglicht. In Ungarn und Polen gibt es bereits Beispiele dafür, an denen sich die DDR orientieren kann. Joint ventures wären unter dieser Voraussetzung sehr bald möglich. Es besteht schon jetzt große Bereitschaft dazu bei zahlreichen Unternehmen im In- und Ausland.

Dies sind alles keine Vorbedingungen, sondern sachliche Voraussetzungen, damit unsere Hilfe überhaupt greifen kann. Im übrigen kann kein Zweifel bestehen, daß die Menschen in der DDR eine Wirtschaftsordnung wollen, die ihnen auch wirtschaftliche Freiheit und damit Wohlstand gibt.

- * Viertens: Ministerpräsident Modrow hat in seiner Regierungserklärung von einer Vertragsgemeinschaft gesprochen. Wir sind bereit, diesen Gedanken aufzugreifen. Denn die Nähe und der besondere Charakter der Beziehungen zwischen den beiden Staaten in Deutschland erfordern ein immer dichteres Netz von Vereinbarungen in allen Bereichen und auf allen Ebenen.

Diese Zusammenarbeit wird zunehmend auch gemeinsame Institutionen erfordern. Bereits bestehende gemeinsame Kommissionen können neue Aufgaben erhalten, weitere Kommissionen können gebildet werden. Ich denke dabei insbesondere an die Bereiche Wirtschaft, Verkehr, Umweltschutz, Wissenschaft und Technik, Gesundheit und Kultur. Es ist selbstverständlich, daß Berlin in diese Zusammenarbeit voll einbezogen wird.

Ich rufe alle gesellschaftlichen Gruppen und Institutionen auf, an der Ausgestaltung einer solchen Vertragsgemeinschaft mitzuwirken.

- * Fünftens: Wir sind aber auch bereit, noch einen entscheidenden Schritt weiterzugehen, nämlich konföderative Strukturen zwischen beiden Staaten in Deutschland zu entwickeln mit dem Ziel, danach eine Föderation, das heißt eine bundesstaatliche Ordnung in Deutschland zu schaffen. Das setzt zwingend eine demokratisch legitimierte Regierung in der DDR voraus.

Dabei könnten wir uns bald nach freien Wahlen folgende Institutionen vorstellen:

- einen gemeinsamen Regierungsausschuß zur ständigen Konsultation und politischen Abstimmung,
- gemeinsame Fachausschüsse,
- ein gemeinsames parlamentarisches Gremium.

Die bisherige Politik gegenüber der DDR mußte sich im wesentlichen auf kleine Schritte beschränken, die die Folgen der Teilung für die Menschen mildern und das Bewußtsein für die Einheit der Nation wachhalten und schärfen sollten. Wenn uns künftig eine demokratisch legitimierte, das heißt freigewählte Regierung als Partner gegenübersteht, dann eröffnen sich völlig neue Perspektiven.

Stufenweise können neue Formen institutioneller Zusammenarbeit entstehen und ausgeweitet werden. Ein solches Zusammenwachsen liegt in der Kontinuität der deutschen Geschichte. Staatliche Organisation in Deutschland hieß immer Konföderation und Föderation. Wir können uns auch jetzt wieder diese historischen Erfahrungen zunutze machen.

Wie ein wiedervereinigtes Deutschland schließlich aussehen wird, weiß heute niemand. Daß aber die Einheit kommen wird, wenn die Menschen in Deutschland sie wollen - dessen bin ich sicher.

- * Sechstens: Die Entwicklung der innerdeutschen Beziehungen bleibt eingebettet in den gesamteuropäischen Prozeß und in die West-Ost-Beziehungen. Die künftige Architektur Deutschlands muß sich einfügen in die künftige Architektur Gesamteuropas. Hierfür hat der Westen mit seinem Konzept der

dauerhaften und gerechten europäischen Friedensordnung Schrittmacherdienste geleistet.

Generalsekretär Gorbatschow und ich sprechen in unserer Gemeinsamen Erklärung vom Juni dieses Jahres von den Bauelementen eines "gemeinsamen europäischen Hauses". Ich nenne beispielhaft:

- Die uneingeschränkte Achtung der Integrität und der Sicherheit jedes Staates. Jeder Staat hat das Recht, das eigene politische und soziale System frei zu wählen.
- Die uneingeschränkte Achtung der Grundsätze und Normen des Völkerrechts, insbesondere Achtung des Selbstbestimmungsrechts der Völker.
- Die Verwirklichung der Menschenrechte.
- Die Achtung und Pflege der geschichtlich gewachsenen Kulturen der Völker Europas.

Mit alledem wollen wir - so haben es Generalsekretär Gorbatschow und ich festgeschrieben - an die geschichtlich gewachsenen europäischen Traditionen anknüpfen und zur Überwindung der Trennung Europas beitragen.

- * Siebtens: Die Anziehungs- und Ausstrahlungskraft der Europäischen Gemeinschaft ist und bleibt eine Konstante der gesamteuropäischen Entwicklung. Wir wollen sie weiter stärken.

Die Europäische Gemeinschaft ist jetzt gefordert, mit Offenheit und Flexibilität auf die reformorientierten Staaten Mittel-, Ost- und Südosteuropas zuzugehen. Dies haben die Staats- und Regierungschefs der EG-Mitgliedstaaten bei ihrem kürzlichen Treffen in Paris einmütig festgestellt.

Hierbei ist die DDR selbstverständlich eingeschlossen:

- Die Bundesregierung befürwortet deshalb den baldigen Abschluß eines Handels- und Kooperationsabkommens mit der DDR, das den Zugang der

DDR zum Gemeinsamen Markt - auch in der Perspektive 1992 - erweitert und absichert.

- Wir können uns für die Zukunft bestimmte Formen der Assoziation vorstellen, die die Volkswirtschaften der reformorientierten Staaten Mittel- und Südosteuropas an die EG heranzuführen und damit das wirtschaftliche und soziale Gefälle auf unserem Kontinent abbauen helfen.

Den Prozeß der Wiedergewinnung der deutschen Einheit verstehen wir als europäisches Anliegen. Er muß deshalb auch im Zusammenhang mit der europäischen Integration gesehen werden. In diesem Sinne muß sich die Europäische Gemeinschaft für eine demokratische DDR und für andere demokratische Staaten Mittel- und Südosteuropas offenhalten. Die EG darf nicht an der Elbe enden, sondern muß die Offenheit auch nach Osten wahren.

Nur in diesem Sinne kann die EG Grundlage einer wirklich umfassenden europäischen Einigung werden. Nur in diesem Sinne wahrt, behauptet und entwickelt sie die Identität aller Europäer. Diese Identität ist nicht nur in der kulturellen Vielfalt Europas, sondern auch und vor allem in den Grundwerten von Freiheit, Demokratie, Menschenrechten und Selbstbestimmung begründet.

Soweit die Staaten Mittel- und Südosteuropas die erforderlichen Voraussetzungen erfüllen, würden wir es auch begrüßen, wenn sie dem Europarat - und insbesondere auch der Konvention zum Schutze der Menschenrechte und Grundfreiheiten - beitreten.

* Achtens: Der KSZE-Prozeß ist und bleibt Herzstück dieser gesamteuropäischen Architektur und muß energisch vorangetrieben werden. Dazu müssen die bevorstehenden KSZE-Foren genutzt werden:

- Die Menschenrechtskonferenzen in Kopenhagen 1990 und Moskau 1991.
- Die Konferenz über wirtschaftliche Zusammenarbeit in Bonn 1990.
- Das Symposium über das kulturelle Erbe in Krakau 1991 und
- nicht zuletzt das nächste Folgetreffen in Helsinki.

Dort sollten wir auch über neue institutionelle Formen der gesamteuropäischen Zusammenarbeit nachdenken. Wir können uns eine gemeinsame

Institution zur Koordinierung der West-Ost-Wirtschaftszusammenarbeit sowie die Einrichtung eines gesamteuropäischen Umweltrates vorstellen.

- * Neuntens: Die Überwindung der Trennung Europas und der Teilung Deutschlands erfordert weitreichende und zügige Schritte in der Abrüstung und Rüstungskontrolle. Abrüstung und Rüstungskontrolle müssen mit der politischen Entwicklung Schritt halten und deshalb möglicherweise beschleunigt werden.

Dies gilt im besonderen für die Wiener Verhandlungen über den Abbau konventioneller Streitkräfte in Europa und für die Vereinbarung vertrauensbildender Maßnahmen sowie für das weltweite Verbot chemischer Waffen. Dies erfordert auch, daß die Nuklearpotentiale der Großmächte auf das strategisch erforderliche Minimum reduziert werden. Das bevorstehende Treffen zwischen Präsident Bush und Generalsekretär Gorbatschow bietet eine gute Gelegenheit, den laufenden Verhandlungen neue Schubkraft zu geben.

Wir bemühen uns - auch in zweiseitigen Gesprächen mit den Staaten des Warschauer Paktes einschließlich der DDR -, diesen Prozeß zu unterstützen.

- * Zehntens: Mit dieser umfassenden Politik wirken wir auf einen Zustand des Friedens in Europa hin, in dem das deutsche Volk in freier Selbstbestimmung seine Einheit wiedererlangen kann. Die Wiedervereinigung, das heißt die Wiedergewinnung der staatlichen Einheit Deutschlands, bleibt das politische Ziel der Bundesregierung. Wir sind dankbar, daß wir in der Erklärung des Brüsseler NATO-Gipfels vom Mai dieses Jahres dafür erneut die Unterstützung unserer Verbündeten gefunden haben.

Wir sind uns bewußt, daß sich auf dem Weg zur deutschen Einheit besonders schwierige Fragen stellen, auf die wir heute noch nicht abschließend antworten können. Dazu gehört vor allem die Frage übergreifender Sicherheitsstrukturen in Europa.

Die Verknüpfung der deutschen Frage mit der gesamteuropäischen Entwicklung und den West-Ost-Beziehungen - wie ich sie in zehn Punkten eben erläutert habe - ermöglicht eine organische Entwicklung, die den Interessen aller

Beteiligten Rechnung trägt und ein friedliches Zusammenleben in Europa garantiert.

Nur miteinander und in einem Klima des wechselseitigen Vertrauens können wir die Teilung Europas und Deutschlands friedlich überwinden. Wir brauchen auf allen Seiten Besonnenheit, Vernunft und Augenmaß, damit die jetzt begonnene Entwicklung stetig und friedlich verläuft.

Was diesen Prozeß stören könnte, sind nicht Reformen, sondern deren Verweigerung. Nicht Freiheit schafft Instabilität, sondern deren Unterdrückung. Jeder gelungene Reformschritt bedeutet für ganz Europa ein Mehr an Stabilität und einen Zugewinn an Freiheit und Sicherheit.

UNCLASSIFIED

050175
MDHIAN 6749

UNCLASSIFIED

FM PARIS

TO IMMEDIATE FCO

TELNO 1581

OF 291744Z NOVEMBER 89

INFO PRIORITY BONN

INFO ROUTINE EAST BERLIN, BMG BERLIN, MOSCOW, WASHINGTON, UKDEL NATO
INFO ROUTINE UKREP BRUSSELS, WARSAW, BUDAPEST, VIENNA, PRAGUE

BONN TELNO 1154 : THE GERMAN QUESTION: KOHL PROPOSALS : FRENCH VIEWS

SUMMARY

1. CAUTION : DUMAS REMINDS OF INTERNATIONAL DIMENSION : EC THE KEY.

DETAIL

2. IN THE NATIONAL ASSEMBLY ON 29 NOVEMBER DUMAS SAID THAT KOHL'S DECLARATION HAD BEEN MADE UNILATERALLY: IT WAS NOT A PLAN BUT A PROPOSAL, WHICH DESERVED CLOSE ATTENTION, QUOTE MATTER FOR REFLECTION RATHER THAN FOR PRECIPITATION UNQUOTE. DUMAS REPEATED THE FRENCH VIEW THAT THE GERMAN DESIRE FOR UNITY WAS FUNDAMENTALLY LEGITIMATE BUT UNDERLINED THAT THE GERMAN PROBLEM HAD AN INTERNATIONAL DIMENSION AND THAT ONE COULD NOT DISPENSE WITH THE AGREEMENT OF THE STATES CONCERNED, THE FRG AND GDR AND THE FOUR POWERS.

3. DUMAS EMPHASISED THE EC ROLE: QUOTE THE FRENCH GOVERNMENT ATTACH FUNDAMENTAL IMPORTANCE TO THE CHANCELLOR'S DECLARATION WHEREBY THE RECOVERY OF GERMAN UNITY SHOULD BE CONSIDERED IN THE CONTEXT OF EUROPEAN INTEGRATION. I HOPE THAT THE FRG, CONFOUNDING THE SCEPTICS, WILL SHOW THAT THERE IS NO CHOICE TO BE MADE BETWEEN THE COMMUNITY AND THE GDR UNQUOTE. DUMAS SAID THAT HE WAS CONVINCED THAT AT THE STRASBOURG EUROPEAN COUNCIL THE FRG WOULD PROVIDE STRIKING PROOF OF ITS UNDOUBTED AND MUCH AFFIRMED WILLINGNESS TO ADVANCE TOWARDS EUROPEAN UNITY.

COMMENT

4. DUMAS'S COMMENT ON THE CHOICE BETWEEN COMMUNITY AND GDR REFLECTS CONCERNS EXPRESSED BY OTHERS IN THE POLITICAL WORLD HERE, INCLUDING FABIUS, FOLLOWING KOHL'S STATEMENT IN THE BUNDESTAG.

FERGUSSON

YYYY

UNCLASSIFIED

05175
MDHIAN 49

DISTRIBUTION

138

MAIN 125

.BERLIN/INNER-GERMAN RELATIONS
. (WIDE)
LIMITED
WED
SOVIET
EED
ECD(E)
SEC POL D
MAED
PUSD
CSCE UNIT
NEWS
INFO
NAD

PLANNERS
RESEARCH
RMD
CRD
PS
PS/MR MAUDE
PS/MR WALDEGRAVE
PS/PUS
PS/SIR J FRETWELL
MR P J WESTON
MR BAYNE
MR RATFORD
MR GOULDEN
MISS SPENCER

ADDITIONAL 13

BERLIN/INNER-GERMAN (WIDE)

PS/NO 10.

NNNN

CONFIDENTIAL

047770

MDHIAN 6729

Christopher Nelson
seems to welcome
reunification *mb*

CONFIDENTIAL

FM BONN

TO IMMEDIATE FCO

TELNO 1166

OF 291546Z NOVEMBER 89

INFO IMMEDIATE EAST BERLIN, BMG BERLIN, MOSCOW, PARIS, WASHINGTON

INFO IMMEDIATE UKDEL NATO

INFO PRIORITY UKREP BRUSSELS, WARSAW, BUDAPEST, VIENNA, PRAGUE

MY TELNO 1156 : KOHL AND THE GERMAN QUESTION

SUMMARY

1. FURTHER COMMENTS ON KOHL'S LANDMARK SPEECH. REUNIFICATION IN THE FORM OF A GERMAN FEDERATION IS NOW CLEARLY AN AIM OF POLICY, THOUGH WITHOUT A TIMESCALE. SUBJECT TO REFORM IN THE GDR, AN ORGANIC PROCESS OF THE TWO GERMANIES COMING TOGETHER THROUGH COOPERATION AGREEMENTS AND 'CONFEDERATIVE STRUCTURES' MAY NOW BEGIN. KOHL'S PROGRAMME COULD BE OVERTAKEN BY EVENTS, AS ELECTIONS IN BOTH GERMANIES APPROACH.

DETAIL

2. KOHL'S 10-POINT PLAN HAS GONE DOWN WELL WITH GENSCHER AND THE OPPOSITION, AND VERY WELL WITH THE MEDIA. HE HAS MANAGED TO SATISFY THE DOMESTIC CONSTITUENCIES HE WAS ADDRESSING, AND WILL BE AWAITING WITH ANTICIPATION THE REACTIONS OF THE EXTERNAL ONES - THE GDR LEADERSHIP, THE WESTERN ALLIES AND THE USSR.

3. I SEE KOHL'S SPEECH AS A MAJOR EVENT. FOR THE FIRST TIME, IT TAKES REUNIFICATION OUT OF THE REALMS OF ASPIRATION AND MAKES IT THE CULIMINATION AND AIM OF A STAGED PROGRAMME. HE HAS MADE CLEAR, HOWEVER, THAT UNITY IS SUBJECT TO THE GERMANS WANTING IT, AND THIS SHIELDS HIM FROM THE ACCUSATION OF TELLING THE EAST GERMANS WHAT THEY SHOULD WANT.

4. MANY OF THE 10 POINTS ARE FAMILIAR, BUT THEY GAIN IN IMPACT BY BEING ASSEMBLED IN A PROGRAMME. THE KEY NOVELTY IS 'CONFEDERATIVE STRUCTURES'. AS I ARGUED IN TUR, THESE MAY NOT BE HARMFUL IN THEMSELVES BUT THEY COULD DEVELOP INTO THE ELEMENTS OF A FUTURE GERMAN FEDERATION, AND KOHL SAID EXPLICITLY THAT THIS WAS THE AIM. ANOTHER NOVELTY IS THAT IT IS NOW THE FEDERAL GOVERNMENT'S EXPLICIT POSITION THAT A UNITED GERMANY SHOULD BE FEDERAL IN STRUCTURE.

5. ASSUMING THE GDR FALLS IN WITH MAJOR PARTS OF THE PLAN, THE TWO GERMANIES LOOK LIKE EMBARKING ON A PROCESS OF COMING TOGETHER

PAGE 1

CONFIDENTIAL

CONFIDENTIAL

047770
MDHIAN 29

THROUGH INTENSIFIED COOPERATION AND FAR REACHING BILATERAL AGREEMENTS AS WELL AS 'CONFEDERATIVE STRUCTURES'.

6. KOHL NO DOUBT HOPES THAT HIS NEW POSITION WILL HOLD THE RING FOR QUITE A TIME AND PROVIDE A BASIS FOR THE CDU'S ELECTION PLATFORM. BUT HIS 10 POINTS MAY WELL BE TAKEN INCREASINGLY FOR GRANTED, AS THE DEBATE ON THE GERMAN QUESTION MOVES FORWARD. IT IS HELPFUL THAT KOHL HAS SET NO TIMESCALES AND HAS LINKED HIS PROGRAMME TO WIDER EUROPEAN DEVELOPMENTS WHICH WILL TAKE CONSIDERABLE TIME. BUT IN AN ELECTION YEAR IN BOTH GERMANIES, HIS NEW POSITION COULD BE OVERTAKEN BY EVENTS.

MALLABY

YYYY

DISTRIBUTION

138

MAIN

125

.BERLIN/INNER-GERMAN RELATIONS
.(WIDE)
LIMITED
WED
SOVIET
EED
ECD(E)
SEC POL D
MAED
PUSD
CSCE UNIT
NEWS
INFO
NAD

PLANNERS
RESEARCH
RMD
CRD
PS
PS/MR MAUDE
PS/MR WALDEGRAVE
PS/PUS
PS/SIR J FRETWELL
MR P J WESTON
MR BAYNE
MR RATFORD
MR GOULDEN
MISS SPENCER

ADDITIONAL

13

BERLIN/INNER-GERMAN (WIDE)

PS/NO 10.

NNNN

UNCLASSIFIED

FM EAST BERLIN

TO IMMEDIATE FCO

TELNO 421

OF 291430Z NOVEMBER 89

INFO IMMEDIATE BONN, BMG BERLIN

INFO PRIORITY PARIS, MOSCOW, WASHINGTON,

INFO ROUTINE UKDEL NATO, UKREP BRUSSELS, WARSAW, PRAGUE, BUDAPEST

INFO SAVING CICC(G), OTHER EAST EUROPEAN POSTS, PEKING

INFO SAVING UKDEL STRASBOURG

GDR REACTION TO KOHL'S TEN POINTS

SUMMARY

1. OFFICIAL REJECTION OF THE POLITICAL PREMISE, AS SEEN FROM HERE, OF KOHL'S 10 POINT STATEMENT. SHADES OF OPINION FROM OTHER OFFICIAL PARTIES AND OPPOSITION GROUPS.

DETAIL

2. THE GDR'S OFFICIAL REACTION TO CHANCELLOR KOHL'S BUNDESTAG STATEMENT ON 28 NOVEMBER WAS GIVEN IN THE GDR OFFICIAL SPOKESMAN'S REPLY READ OUT ON TELEVISION LAST NIGHT AND REPRINTED IN NEUES DEUTSCHLAND THIS MORNING. KRENZ ALSO COMMENTED ON TELEVISION.

3. ND REPORTED THAT KRENZ HAD REJECTED PRECONDITIONS FOR NEGOTIATIONS BETWEEN THE GDR AND THE FRG. 'WHEN ONE SETS OUT THE WORD CONFEDERATION ... IN A WAY WHICH MEANS THAT YOU ARE PROCEEDING ON THE BASIS OF THE EXISTENCE OF TWO INDEPENDENT SOVEREIGN GERMAN STATES, THEN ONE CAN TALK ABOUT EVERYTHING'. BUT THE UNITY OF GERMANY WAS NOT ON THE AGENDA.

4. THE GOVERNMENT SPOKESMAN SAID THAT SUCH STATEMENTS (KOHL'S) NOT ONLY BYPASS REALITY, BUT COULD VERY EASILY LEAD TO IRRITATION SINCE THEY IGNORED NOT ONLY THE BASIC TREATY BETWEEN THE TWO GERMAN STATES, BUT ALSO THE HELSINKI FINAL ACT WHICH LAYS DOWN THE SOVEREIGNTY AND INDEPENDENCE OF THE TWO GERMAN STATES.

5. MEYER REACTED POSITIVELY, HOWEVER, TO KOHL'S SPECIFIC PROPOSALS FOR COOPERATION WITH THE GDR. THIS CONCERNED CONSIDERATIONS TO DO WITH 'THE POSSIBILITY OF SETTING UP A JOINT COMMISSION' WHICH COULD CONTRIBUTE TO THE TREATY RELATIONSHIP ALREADY SUGGESTED BY PRIME MINISTER MODROW. MEYER NOTED THAT KOHL HAD NOT MENTIONED PEACE AND DISARMAMENT AS THEMES FOR DISCUSSION. THE GDR ATTACHED IMPORTANCE TO THEM. IT HAD ALSO BEEN

OF INTEREST IN THE GDR THAT WHEN KOHL SPOKE ABOUT A ''CONFEDERATIVE STRUCTURE'' HE HAD OMITTED TO MENTION THAT SUCH A CONFEDERATION COULD ONLY BE CONCERNED WITH TWO SOVEREIGN STATES.

6. PROMINENCE HAS ALSO BEEN GIVEN IN THE GDR PRESS AND TELEVISION TO AN APPEAL ''FOR OUR COUNTRY'' LAUNCHED LAST NIGHT BY A RANGE OF WRITERS, CHURCHMEN, REPRESENTATIVES OF SOME OF THE OPPOSITION GROUPS AND OTHERS. THE APPEAL WAS READ OUT BY STEFAN HEYM AND OFFERED CITIZENS OF THE GDR A CHOICE EITHER OF STANDING ON THEIR OWN FEET AND DEVELOPING A COOPERATIVE SOCIETY IN WHICH PEACE, SOCIAL JUSTICE, INDIVIDUAL FREEDOM AND FREEDOM TO TRAVEL FOR ALL WERE GUARANTEED, OR OF ACCEPTING THAT THE GDR WOULD BE BOUGHT OUT BY THE STRENGTH OF ECONOMIC AND OTHER INFLUENCES FROM THE FRG. PEOPLE ARE BEING URGED TO EXPRESS THEIR SOLIDARITY WITH THE FIRST OPTION.

7. VIEWS FROM OTHERS IN THE OPPOSITION GROUPS HAVE ALSO BEEN REPORTED. BOEHME (SDP) SAID THAT HE WAS NOT IN FAVOUR OF A TOO RAPID PROPOSAL FOR CONFEDERATION. UNITY SHOULD TAKE PLACE IN THE EUROPEAN FRAMEWORK. THE CDU (EAST) CHAIRMAN, DE MAIZIERE, SPOKE OF AN INTERESTING CONCEPT WHICH UNITED IMPORTANT ELEMENTS OF HIS OWN APPROACH ''CONFEDERATIVE STRUCTURES BETWEEN THE TWO GERMAN STATES SHOULD BE IMPLEMENTED WITHIN '' THE ALL EUROPEAN PROCESS''.'' MS BOHLEY, NEW FORUM, THOUGHT THAT THINGS WERE ALREADY MOVING IN THE DIRECTION OF CONFEDERATION. THE GDR NEEDED ABOVE ALL RAPID HELP FROM THE FEDERAL REPUBLIC THROUGH INVESTMENT. FOR THE DEMOCRATIC AWAKENING, EPPELMANN SPOKE OF A ''PREMATURE PROPOSAL''. THE POPULATION OF THE GDR SHOULD HAVE THE RIGHT TO CHOOSE FOR THEMSELVES. THE NATIONAL DEMOCRATS SAW THE POSSIBILITY OF A CONFEDERATION BUT WITHIN A EUROPEAN HOUSE.

8. COMMENT IN MIFT.

BROOMFIELD

FCO PASS SAVING

YYYY

UNCLASSIFIED

FM BONN

TO DESKBY 291300Z FCO

TELNO 1164

OF 291216Z NOVEMBER 89

INFO IMMEDIATE BMG BERLIN, EAST BERLIN, MOSCOW, PARIS, WASHINGTON

INFO IMMEDIATE UKDEL NATO

INFO PRIORITY UKREP BRUSSELS, WARSAW, BUDAPEST, VIENNA, PRAGUE

INFO PRIORITY ACTOR

MY TELNO 1154: THE GERMAN QUESTION: BUNDESTAG DEBATE AND PRESS COMMENT

SUMMARY

1. KOHL'S PLAN SUPPORTED BY ALL PARTIES EXCEPT THE GREENS. IT GETS A GOOD PRESS.

DETAIL

2. AFTER KOHL HAD SPOKEN IN THE BUNDESTAG VOIGT FOR THE SPD WELCOMED KOHL'S TEN POINT PLAN AND OFFERED SUPPORT IN REALISING IT. THE TREATY-BASED ASSOCIATION MENTIONED BY MODROW AND KOHL (POINT 4 IN THE LATTER'S PROGRAMME) COULD LEAD TO A CONFEDERATION OF EQUAL STATES WITH COMMON INSTITUTIONS OR A FEDERAL STATE IN A UNITED EUROPE. NO-ONE HOWEVER SHOULD TRY TO DICTATE TO THE EAST GERMANS WHAT COURSE THEY SHOULD FOLLOW.

3. GENSCHER (MY TELNO 1159) SUPPORTED KOHL'S PLAN. FDP LEADER LAMBSDORFF SAID THAT HELP AND SUPPORT TO THE GDR SHOULD BE CONDITIONAL ONLY ON SELF-DETERMINATION. BUT CERTAIN REQUIREMENTS SHOULD BE FULFILLED, TO PREVENT MONEY BEING WASTED.

4. THE GREENS REJECTED KOHL'S PLAN AND CALLED FOR IMMEDIATE RECOGNITION OF TWO SEPARATE GERMAN STATES.

5. PRESS COMMENT SUPPORTS KOHL'S PLAN. THE SUEDEDEUTSCHE (INDEPENDENT) SAID THAT THE PLAN POSSESSED A CERTAIN FASCINATION. ITS REAL ATTRACTION WAS THAT IT WAS MORE A CONTRIBUTION TO DISCUSSION ON NEW WAYS OF LIVING TOGETHER IN GERMANY THAN A TIMETABLE FOR REUNIFICATION. KOHL'S SPEECH WRITERS HAD CLEARLY TRIED TO AVOID INTIMIDATING GERMANY'S NEIGHBOURS TO THE EAST AND TO THE WEST BUT HAD ALSO BORNE IN MIND THE MORE CONSERVATIVE SUPPORTERS OF THE CDU/CSU. KOHL HAD AVOIDED DEFINING WHAT HE MEANT BY CONFEDERATIVE STRUCTURES. THIS WAS REALLY AN EMPTY PHRASE COVERING ALL FORMS OF PRACTICAL COOPERATION: A CONTINUATION OF THE POLICY OF

SMALL STEPS WITH A NEW LABEL. IN PRINCIPLE, AFTER THIS DEBATE ALL POLITICAL PARTIES COULD DRAW A LINE UNDER THE SUBJECT: BUT IT WAS MORE LIKELY THAT THE PACE OF EVENTS IN EASTERN EUROPE AND THE NEARNESS OF THE NEXT ELECTION WOULD MAKE IT A CONTINUING THEME OF DISCUSSION. THE GENERAL ANZEIGER (INDEPENDENT CONSERVATIVE) CALLED KOHL'S SPEECH A PERSONAL TRIUMPH TO COMPENSATE HIM FOR RECENT EMBARRASSMENTS, EG HIS BARRACKING IN WEST BERLIN ON 10 NOVEMBER. HIS TEN POINT PROGRAMME SHOWED THE WAY FORWARD IN EASILY MANAGEABLE STEPS, BASED ON A PROJECTION OF THE NEW REALITIES IN THE GDR. KOHL'S PLAN SHOULD HELP THE REFORM PROCESSES IN EASTERN EUROPE BECAUSE IT MEANT A GAIN IN FREEDOM, SECURITY AND STABILITY FOR EUROPE. HOWEVER WORDS HAD TO FOLLOW DEEDS AND THE FULFILMENT OF KOHL'S PROMISES DEPENDED ON SELF-DETERMINATION FOR THE EAST GERMANS.

6. THE FRANKFURTER ALLGEMEINE (CONSERVATIVE) SAID THAT KOHL UNDERSTOOD THE OPPORTUNITY AND DICTATES OF THE DAY: HE HAD TAKEN THE FORMER AND RESPONDED TO THE LATTER. IT WAS TO THE CREDIT OF THE OPPOSITION THAT THEY HAD SUPPORTED KOHL: THIS COMMITTED THEM FOR THE FUTURE. THE FRANKFURTER RUNDSCHAU (LEFT OF CENTRE) SAID THAT KOHL HAD AGAIN TAKEN THE LEAD. IN OUTLINING BONN'S POSITION HE HAD DISPELLED LATENT UNCERTAINTY AMONG THE ALLIES IN THE WEST AND PARTNERS IN THE EAST. IN HIS NUMEROUS PHONE CALLS WITH BUSH, MITTERRAND AND GORBACHEV, KOHL HAD REALISED THAT CLARIFICATION WAS URGENTLY NECESSARY. THESE CONTACTS HAD NEVER BEEN SO CLOSE AS IN THE PAST FEW WEEKS.

MALLABY

YYYY

DISTRIBUTION

138

MAIN

125

.BERLIN/INNER-GERMAN RELATIONS
.(WIDE)
LIMITED
WED
SOVIET
EED
ECD(E)
SEC POL D
MAED

PLANNERS
RESEARCH
RMD
CRD
PS
PS/MR MAUDE
PS/MR WALDEGRAVE
PS/PUS
PS/SIR J FRETWELL

1107e/1-2911: comments by federal chancellor dr. helmut kohl
in the german parliamentary budget debate
on november 29, 1990
concerning

policy towards germany

(unofficial translation)

since the opening of the inner-german border and sector
boundary in berlin on november 9th, german-german
politics has entered into a new phase, which offers new
chances and new challenges.

we are all overjoyed about the newly won freedom of
movement for those living in divided germany. we, along
with those germans in the gdr, are happy that the wall
and border blockades could finally, after decades, be
overcome peacefully.

we are also proud that germans in the gdr have, with
their powerful and peaceful intercession for freedom,
human rights and self-determination, provided an example
of their courage and love of freedom for the whole world,
an example which is being esteemed throughout the world.

we are all deeply impressed by the lively and unbroken
desire for freedom, which is moving the people of leipzig
and other cities. they know what they want. they want to
determine their own future, in the original sense of the
word. we will, of course, respect every decision met by
the people of the gdr via free self-determination.

we, in the free part of germany, stand in solidarity
alongside our fellow countrymen.

at the beginning of last week, federal minister seifers
spoke with the chairman of the state council, krenz, and
prime minister, modrow about the new east german
leadership's position. we wanted to learn how the
announced reform programme shall be put into effect and
in which time frame concrete steps are to be expected.

it has been agreed to continue discussions at the
beginning of december. if, as we hope, initial results
can be seen in these discussions, i myself would like to
meet the responsible parties in the gdr before christmas.

Prime Minister

*The full text of Kohl's
speech. Points 5 e
(to some extent) 10 are the
difficult ones.*

CD

29/xi

in berlin, federal minister seifers also spoke with representatives of the opposition and the church. in the last few weeks, i myself have welcomed representatives of the opposition in bonn. we regard it as advisable, in all we are currently doing and in all the decisions we are making, to take into account the views, opinions and recommendations of the opposition in the gdr. we continue to place great value upon these contacts. we want to carefully cultivate these in the future.

chances are arising to overcome the division of europe and that of our fatherland. the germans, who are reuniting in the spirit of freedom, will never pose a threat to, but will rather be an asset for, a europe which is growing together.

the move to change, which we are currently experiencing, is primarily the deserts of the people who are so impressively demonstrating their will for freedom. it is also, however, the result of the many political developments of past years. we have, with our policy, substantially contributed to this.

- decisively important was the fact that we initially conducted this policy based on the solid foundation of our integration in the community of free democracies. the uniformity and steadfastness on the part of the alliance during the difficult test of 1983 have paid off. we have strengthened the backbone of the reform movement in central, eastern and south-eastern europe by pursuing our clear course within the atlantic alliance and in the european community.

- we have, with the transition to new stages of economic and political integration within the european community, successfully further developed the model for the free coalition of european peoples, which has attractive powers far beyond the community.

- on the other hand, general secretary gorbachev's reform policy within the soviet union and the new way of thinking in soviet foreign policy were a decisive prerequisite. without the recognition of the rights of peoples and countries to choose their own way, the reform movements in other countries of the warsaw pact would not have been successful.

TELEX TELEEX TELEEX TELE

X TELEX TELEX TELEX

- the dramatic occurrences in the gdr would not have taken place if poland and hungary had not led the way with far-reaching political, economic and social reforms. i welcome the fact that changes are also becoming apparent in bulgaria, and the cssr. i am particularly pleased that this year's german book trade peace prize winner, vaclav havel, is now finally able to harvest the fruits of his longstanding work and suffering for freedom. his magnificent acceptance speech at the paulskirche in frankfurt, which he himself could not deliver, was an impressive final reckoning with the socialist-communist system.

- the csce process also played an important role, whereby we, together with our partners, have always insisted on the dismantling of sources of tension, on dialogue and co-operation, and most particularly on the respect of human rights.

- thanks to the continual summit diplomacy of the major powers and the numerous intensive east-west meetings of heads of state and government, a new trust was able to develop in east-west relations. the historical breakthrough in disarmament and arms control is a visible expression of this trust.

- the broadly based contractual policy of the federal government towards the soviet union and all other warsaw pact states has made considerable contributions to the development of east-west relations and has given them important impulses.

- the consistent policy with regard to the coherence of our nation is amongst the causes of the most recent changes. since 1987, millions of fellow countrymen from the gdr have visited us, amongst them many young people. our "small step policy" has, in difficult times, kept awake and sharpened the consciousness for the, unity of the nation, and has deepened the germans sense of togetherness.

this is particularly apparent at the present time. (if)

+++

allatlallallallallallallallallallall

1107e/2-2011: chancellor kohl (cont.)

these developments refute all gloomy predictions by those people who, since the beginning of my term of office, have been predicting a new "ice age" in east-west relations, and who have accused us and myself personally - of being unable to foster peace. exactly the opposite has occurred. today, we have a greater sense of understanding and community in germany and europe than has ever been felt since the end of world war ii.

today, as everyone can see, we have reached a new epoch in european and german history, an age which points beyond the status quo, and beyond the former political structures in europe.

the change is primarily the work of people who insist on the concession of freedom, on the respect of their human rights and on their right to determine their own future.

all who carry responsibility in and for europe have to make allowance for the will of people and nations. we are all called upon to design a new architecture for the house of europe and for a permanent and just order of peace on our continent as both general secretary gorbachev and i reaffirmed in our common declaration of june 13th this year.

hereby the legitimate interests of all parties concerned must be guaranteed. this, of course, is also true of german interests.

we are therefore approaching the goal already set by the atlantic alliance in december 1967 - i quote: "a final and stable settlement in europe is not possible without a solution to the german question, which forms the nucleus of the current tensions in europe. any settlement of that kind must remove the unnatural barriers between eastern and western europe, which are manifested in the clearest and ugliest fashion in the division of germany."

1967

EX TELEEX TELEEX TELE

we cannot plan the way to unity from our "armchairs" or with our appointment calendars. abstract models will help us no farther. we can today, however, already prepare those stages which lead to this goal. i would like to elucidate these using a ten-point-programme:

+ firstly: immediate measures need to be taken. these result from the events of the past few weeks, particularly from the movement of refugees and the new dimensions of inter-german traffic.

the federal government is prepared to provide immediate concrete aid where it is needed. we will assist in the humanitarian sector and provide medical assistance as far as is required.

we are also aware that the welcoming money, which is given once a year to every visitor from the gdr, can provide no long-term solution for the financing of journeys. the gdr must equip its nationals with the necessary currency. we are, however, prepared to contribute to a currency fund for the transition period. the prerequisites for this are, that the minimum sum of exchange imposed when travelling to the gdr must be relinquished, that entry into the gdr must be made easier and that the gdr itself makes a considerable contribution to this fund.

our aim is to establish the most unhindered form of tourist traffic possible in both directions.

secondly: the federal government will, as before, continue its co-operation with the gdr in all areas where it is of direct benefit to people on both sides. this is particularly true of economic, scientific and technological co-operation and of co-operation in cultural fields. it is of particular importance to intensify co-operation in the field of environmental protection. here we will be able to shortly take decisions concerning new projects.

additionally, we also want to help to ensure that the telephone network in the gdr is extended as quickly as possible.

we are continuing negotiations pertaining to the extension of the railway network hanover-berlin. in addition, dialogue is necessary concerning fundamental questions of rail traffic within a europe with open borders, and concerning the linking of the gdr network, with particular reference to modern high-speed trains.

thirdly: i have offered to extensively extend our aid and co-operation should fundamental change of the political and economic system in the gdr be firmly agreed upon and put irrevocably into effect. by irrevocable, we mean that the east german leadership comes to an understanding with opposition groups concerning constitutional change and a new electoral law.

we support the demands for free, equal and secret elections in the gdr which incorporates independent and non-socialist parties. the power monopoly of the sed must be lifted.

the introduction of constitutional state conditions means, above all, the abolition of laws concerning political crimes.

economic aid can only be effective if fundamental reforms within the economic system take place. former experience with all comecon states proves this. the bureaucratic planned economy must be dismantled.

we do not want to stabilize conditions which have become indefensible. economic improvement can only occur if the gdr opens its doors to western investment, if conditions of free enterprise are created and if private enterprise becomes possible. there are already examples of this in hungary and poland, examples which can be used by the gdr for orientation. under these conditions, joint-ventures would soon be possible. there is already a large degree of willingness to undertake such ventures both at home and abroad.

these are not official preconditions but factual prerequisites needed before our aid can take effect. additionally there can be no doubt that the people in the gdr want an economic order which can also provide them with economic freedom and prosperity. (if)

+++

TELEX
TELEX
TELEX
TELE

1107e/3-2811: chancellor kohl (cont.)

fourthly: prime minister modrow spoke in his governmental declaration of a contractual community. we are prepared to accept these thoughts. the proximity and the special nature of the relationships between our two states in germany demand an increasingly close-knit network of agreements in all sectors and at all levels.

this co-operation will also increasingly demand common institutions. commissions which already exist can be given new tasks and further commissions can be called into being. here i am particularly thinking of the economic, transport, environmental, scientific and technical, health and cultural sectors. it goes without saying that berlin will be fully included in these co-operative efforts.

i call upon all social groups and institutions to actively participate in the development of such a contractual community.

fifthly: we are also prepared to take a further decisive step, namely, to develop confederative structures between the two states in germany with the goal of creating a federation, a federal state order in germany. a legitimate democratic government within the gdr is unrelinquishable prerequisite.

we can envisage that after free elections the following institutions be formed:

- a common governmental committee for permanent consultation and political harmonization,
- common technical committees,
- a common parliamentary gremium.

TELEX ■■■■■ TELEX ■■■■■ TELEX

8

previous policy with reference to the gdr had to essentially concentrate itself on small steps, these strove to alleviate the results of being a divided nation and uphold and sharpen the consciousness for the unity of the nation. if in the future, a democratically legitimized, that is a freely elected government becomes our partner, totally new perspectives are available.

new forms of institutional co-operation could be created and further developed in stages. such a coming together is in the interest of the continuation of german history. state organizations within germany are always confederations or federations. at this time, we can once again make use of this historical precedence.

nobody knows how a reunified germany will look. i am however sure that unity will come, if it is wanted by the german nation.

sixthly; the development of inner-german relations remains bedded in the pan-european process and in east-west relations. the future structure of germany must fit into the future architecture of europe as a whole. the west has to provide peace-making aid here with its concept for a permanent and just european order of peace.

in our common declaration of june this year, the soviet leader gorbachev and i speak of the building components of a "common european house." i can name, for example:

- the unlimited respect of the integrity and safety of each state. each state has the right to choose its own political and social system.
- the unlimited respect of the principles and standards of international law, particularly respect for the peoples right of self-determination.
- the realization of human rights.

TELEX
TELEX
TELEX

- 9
- respect for, and the upholding of the historically based cultures of the people of europe.

with all of these points, as mr. gorbachev and i prescribed, we want to link onto the historically based european traditions and help to overcome the divisions in europe.

seventhly: the powers of attraction and the aura of the european community is and remains a constant feature in the pan-european development. we want to strengthen this further.

the european community is now required to approach the reform-oriented states in central, eastern, and southern europe with openness and flexibility. this was ascertained unanimously by the heads of state and government of the eec member states during their recent meeting in paris.

this of course includes the gdr.

- the federal government therefore approves the quick conclusion of a trade and co-operation agreement with the gdr. this would expand and secure the gdr's entry within the common market, including the perspectives of 1992.

- we can envisage for the future specific forms of association which would lead the economies of the reform-oriented countries of central and south-eastern europe to the ec, and thereby dismantle the economic and social gradients on our continent.

we understand the process leading to the recovery of the german unity to be of european concern. it must, therefore, be considered together with european integration. in keeping with this, the european community must remain open to a democratic gdr and to other democratic countries from central and south-eastern europe. the ec must not end on the elba, but must remain open to the east.

only in this way is it possible that the foundation of the ec truly include a comprehensive european unity. only in this way can it maintain, assert and develop an identity characteristic of all europeans. this identity is not only based on the cultural diversity of europe, but also, and especially, on the fundamental values of freedom, democracy, human rights and self-determination.

if the countries of central and south-eastern europe fulfil the necessary prerequisites, we would also greet their entrance into the european council, especially into the convention for the protection of human rights and fundamental freedoms.

TELEX
TELEX
TELEX
TELEX
TEL

1107e/4-2811: chancellor kohl (cont.)

eighthly: the csce process is and remains a crucial part of the total european architecture and must be further advanced. in order to do this, the following csce forums must be taken advantage of:

- the human rights conference in copenhagen, in 1990, and in moscow, in 1991.
- the conference on economic co-operation in bonn, in 1990.
- the cultural inheritance symposium in cracow, in 1991 and
- last but not least, the next csce meeting in helsinki.

there we should think about new institutional forms for pan-european cooperation. we envisage a common

institution for the coordination of east-west economical cooperation, as well as, the creation of a pan-european environmental council.

ninthly: the surmounting of the separation of europe and the division of germany demands far-reaching and speedy steps pertaining to disarmament and arms control. disarmament and arms control must keep step with political developments and therefore, might have to be accelerated.

this is particularly true of the negotiations in vienna for the dismantling of conventional armed forces in europe and for the agreement upon measures to establish trust, such as the worldwide ban of chemical weapons. this also demands that the nuclear potential of world powers be reduced to a strategic minimal level. the upcoming meeting between president bush and general secretary gorbachev offers a good opportunity to add new impetus to current negotiations.

TELEX
TELEX
TELEX
TELEX

we are trying via bilateral discussions with the countries of the warsaw pact, including the gdr to support this process.

venthly: with this sweeping policy, we are working towards the attainment of freedom within europe, whereby the german people can, via free self-determination, restore their unity. reunification, the reattainment of german state unity, remains the political goal of the federal government. we are grateful that we once again found support pertaining to this point from our allies in the announcement made at the nato summit in brussels, in may of this year.

we are conscious of the fact that particularly difficult problems will be encountered on the road to german unity that we can not yet completely answer. this also includes questions pertaining to overlapping security structures within europe.

the joining of the german question with pan-european developments and east-west relations, as i have explained in the previous ten points, enables an organic development which is of concern to all members and guarantees a peaceful co-existence in europe.

we can only peacefully overcome the division of europe and germany together and in an atmosphere of mutual trust. we need discretion, understanding and sound judgement on all sides in order for the current developments to steadily and peacefully continue.

this process could not hampered by reforms, but rather by the non-acceptance thereof. freedom does not cause instability, but rather the oppression thereof. every successful reform step means more stability and increased freedom and security for all of europe. (if) /

+++

EX ■ TELEEX ■ TELEEX ■ TE

CONFIDENTIAL

042430
MDHIAN 6402

CONFIDENTIAL

FM BONN

TO IMMEDIATE FCO

TELNO 1151

OF 271956Z NOVEMBER 89

INFO IMMEDIATE EAST BERLIN, BMG BERLIN

INFO PRIORITY MOSCOW, PARIS, WASHINGTON, UKDEL NATO, WARSAW

INFO PRIORITY BUDAPEST, VIENNA, PRAGUE

THE GERMAN QUESTION

SUMMARY

1. FEDERAL MINISTERS, ESPECIALLY GENSCHER, CONTINUE TO TAKE A RESPONSIBLE LINE. GOVERNMENT NOT MANAGING TO GIVE APPEARANCE OF BEING MASTER OF EVENTS. BICKERING BETWEEN AND WITHIN PARTIES GROWING, ESPECIALLY ABOUT CONDITIONS TO BE ATTACHED TO NEW AID TO GDR. REUNIFICATION AND CONFEDERATION FEATURING MORE IN THE DEBATE.

DETAIL

2. THE DOMINANT PUBLIC FEELING IN THE FRG ABOUT EVENTS IN THE GDR IS STILL STRONG SATISFACTION. THE GOVERNMENT HAS GENERALLY MAINTAINED ITS RESPONSIBLE LINE. GENSCHER, WHOM YOU WILL SEE AGAIN ON 29 NOVEMBER, IS PARTICULARLY CAREFUL. HE IS THE MOST POPULAR POLITICIAN IN THE FRG AND HIS RESTRAINT IS INFLUENTIAL IN THE POLITICAL DEBATE. HE CONTINUES TO AVOID THE WORD REUNIFICATION AND ALWAYS COUPLES THE IDEA OF GERMAN UNITY WITH THAT OF A FREE, UNITED AND STABLE EUROPE.

3. THERE IS A FEELING IN THE AIR THAT THE FEDERAL GOVERNMENT, ESPECIALLY KOHL IS NOT RISING TO THIS HISTORIC MOMENT AND LOOKING LIKE THE MASTER OF EVENTS. ONE REASON IS THAT THE GOVERNMENT IS OBLIGED TO REFRAIN FROM CLEAR STATEMENTS ON VARIOUS MATTERS BY ITS LINE THAT THE PEOPLE OF THE GDR SHOULD BE ALLOWED TO DECIDE THEIR OWN FUTURE AND THE WEST GERMANS SHOULD NOT TELL THEM WHAT TO THINK. THERE IS ALSO INCREASING ARGUMENT ABOUT ASPECTS OF THE GERMAN QUESTION WITHIN AND BETWEEN THE POLITICAL PARTIES.

4. ONE MAJOR SUBJECT OF CONTROVERSY IS THE CONDITIONS TO BE ATTACHED TO NEW AID TO THE GDR. THE SPD ARGUES THAT INTRUSIVE PRECONDITIONS AMOUNT TO TUTELAGE. EVEN GENSCHER AND THE FDP ARE NOW ARGUING AGAINST CONDITIONS FOR NEW AID. THE CDU TODAY HAS SAID THERE WILL BE NO FINANCIAL INJECTIONS TO SAVE SOCIALISM AND THAT MAJOR NEW HELP WILL DEPEND ON LAWS BEING INTRODUCED IN THE GDR TO ABOLISH THE LEADING ROLE OF THE COMMUNIST PARTY AND TO ENSURE FREE ELECTIONS.

THE GOVERNMENT HAS ALREADY MODIFIED ITS INSISTENCE ON CONDITIONS FOR AID BY STATING THAT HUMANITARIAN AND INFRASTRUCTURE SUPPORT CAN TAKE PLACE BEFORE REFORM. THERE IS A RISK THAT ECONOMIC CONDITIONS IN THE GDR COULD DETERIORATE BEFORE REFORM, POSING ACUTE DILEMMAS, AS WELL AS A THREAT OF A NEW WAVE OF IMMIGRANTS, FOR THE BONN GOVERNMENT.

5. THE FLOW OF PERMANENT EMIGRANTS FROM THE GDR TO THE FRG HAS FALLEN FROM 10,000 A DAY BEFORE THE FRONTIER WAS OPENED TO ABOUT 3000. THAT IS A GREAT IMPROVEMENT BUT THE FIGURE IS STILL HIGH. AND IT WOULD PROBABLY RISE AGAIN IF PEOPLE IN THE GDR BECOME MORE DISSATISFIED FOR POLITICAL OR ECONOMIC REASONS. THAT WOULD FURTHER INTENSIFY THE HOUSING PROBLEM AND COULD CAUSE A POLITICAL BACKLASH. AN OPINION POLL IN THE FRG HAS INDICATED THAT 67 PER CENT OF WEST GERMANS NO LONGER SEE A VALID REASON FOR PERMANENT EMIGRATION FROM THE GDR. THERE ARE ALSO THE BEGINNINGS OF A PUBLIC FEELING THAT WEST GERMANS OUGHT TO GAIN SOMETHING FROM THE CHANGES ON THE INNER GERMAN BORDER. HENCE THE INCREASING STRESS ON THE CDU ON THE DEMAND FOR EASIER VISA ARRANGEMENTS FOR WEST GERMANS VISITING THE GDR AND THE ABOLITION OF THE MINIMUM EXCHANGE REQUIREMENT. ONE MOTIVE IN THE FEDERAL GOVERNMENT'S INTEREST IN A FUND TO REPLACE WELCOME MONEY FOR GDR VISITORS IS THAT THE LATTER WOULD MAKE A PAYMENT IN EAST MARKS AND THUS WOULD NOT BE GETTING SOMETHING FOR ABSOLUTELY NOTHING, WHICH ANNOYS A PROPORTION OF WEST GERMANS.

6. LAFONTAINE, LEFT-WING MINISTER-PRESIDENT OF THE SAARLAND AND A CANDIDATE TO LEAD THE PARTY IN THE FEDERAL ELECTION IN DECEMBER 1990, HAS ARGUED THAT, BECAUSE OF THE PROSPECTIVE PRESSURES ON THE FRG'S SOCIAL SECURITY SYSTEM, IT IS NO LONGER SENSIBLE TO MAINTAIN OPEN ACCESS TO, AND AUTOMATIC CITIZENSHIP OF, THE FRG FOR ALL GERMANS. AUTOMATIC CITIZENSHIP IS A HALLOWED PRINCIPLE, AND LAFONTAINE HAS BEEN SHARPLY CRITICISED BY PEOPLE WITHIN AS WELL AS OUTSIDE HIS OWN PARTY. BUT HE HAS A SHARP NOSE FOR WHAT THE PUBLIC WANTS TO HEAR, AND HIS REMARKS SUGGEST THAT HE BELIEVES THAT ORDINARY PEOPLE ARE GETTING WORRIED ABOUT THE MONEY SPENT ON EAST GERMANS IN THE FRG.

7. THE THEME OF REUNIFICATION, THOUGH STILL SHUNNED BY KOHL AND GENSCHER, IS GRADUALLY BECOMING MORE PROMINENT IN POLITICAL DEBATE. BELIEF IN THE LIKELIHOOD OF REUNIFICATION WITHIN 10 YEARS IS GROWING: ONE POLL SUGGESTS THAT IT DOUBLED FROM 24 PER CENT TO 48 PER CENT IN THE PAST FOUR WEEKS. IT HAS BEEN WIDELY REPORTED THAT KRENZ MENTIONED THE IDEA OF CONFEDERATION IN HIS INTERVIEW WITH THE FINANCIAL TIMES ON 25 NOVEMBER AND THE FRANKFURTER ALLGEMEINE ZEITUNG HAS SAID IT SHOULD NOT BE DISMISSED OUT OF HAND. IT HAS ALSO

CONFIDENTIAL

042430
MDHIAN 6402

BEEN WIDELY REPORTED THAT REUNIFICATION HAS BEGUN TO APPEAR ON PLACARDS IN DEMONSTRATIONS IN THE GDR. LABOUR MINISTER BLUEM, ON THE LEFT OF THE CDU, NOW AGREES WITH DREGGER ON THE PARTY'S EXTREME RIGHT THAT REUNIFICATION MUST BE THE AIM OF CDU POLICY, AND PLANS TO INCLUDE IT IN HIS PLATFORM AS CDU CANDIDATE FOR MINISTER-PRESIDENT IN NORTH-RHINE WESTPHALIA'S LAND ELECTION IN MAY. ON THE OTHER HAND THE EXECUTIVE COMMITTEE OF THE CDU DECIDED TODAY NOT TO MAKE AN UNEQUIVOCAL COMMITMENT TO REUNIFICATION. IT SAID THAT IT DID NOT EXPECT THERE TO BE TWO GERMAN DEMOCRACIES BUT THAT IT WOULD RESPECT A VOTE BY THE PEOPLE OF THE GDR TO MAINTAIN THEIR OWN STATE.

MALLABY

YYYY

DISTRIBUTION

138

MAIN

125

.BERLIN/INNER-GERMAN RELATIONS
.(WIDE)
LIMITED
WED
SOVIET
EED
ECD(E)
SEC POL D
MAED
PUSD
CSCE UNIT
NEWS
INFO
NAD

PLANNERS
RESEARCH
RMD
CRD
PS
PS/MR MAUDE
PS/MR WALDEGRAVE
PS/PUS
PS/SIR J FRETWELL
MR P J WESTON
MR BAYNE
MR RATFORD
MR GOULDEN
MISS SPENCER

ADDITIONAL

13

BERLIN/INNER-GERMAN (WIDE)
PS/NO 10

NNNN

file



c:\updocs:modrow.
disg

bc: PC

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

22 November 1989

GDR: MESSAGE TO HERR MODROW

Thank you for your letter of 21 November enclosing a draft message from the Prime Minister to Herr Modrow. This may issue.

Charles Powell

Richard Gozney, Esq.,
Foreign and Commonwealth Office.

6



Foreign and Commonwealth Office

London SW1A 2AH

21 November 1989

Dear Charles,

GDR: Message to Herr Modrow

Herr Modrow has now been appointed Prime Minister by the Volkskammer and has presented his Government and programme. He appears bent on serious reform but it is too early to form a definite view of his programme.

According to soundings taken by our Embassy in East Berlin, other EC Heads of Government intend to send messages. / I enclose a draft message which the Prime Minister might wish to send Herr Modrow.

Yours ever,

(R H T Gozney)
Private Secretary

C D Powell Esq
PS/10 Downing Street

OUT TELEGRAM

		Classification UNCLASSIFIED	Caveat	Precedence PRIORITY
ZCZC	1	ZCZC		
TC	2	UNCLASSIFIED		
CAVEAT	3			
FM	4	FM FCO		
TO	5	TO PRIORITY EAST BERLIN		
TELNO	6	TELNO		
OF	7	OF 17 Z NOVEMBER 89		
AND TO	8	INFO PRIORITY BONN, BMG BERLIN, PARIS, WASHINGTON, MOSCOW		
	9			
	10	MESSAGE FROM PRIME MINISTER TO HERR MODROW		
	11	1. Grateful if you would pass the following message from the		
	12	Prime Minister to Herr Modrow:		
	13	BEGINS		
	14	I send you my best wishes on your appointment as Chairman of		
	15	the Council of Ministers of the German Democratic Republic. I		
	16	warmly welcome the changes which you have introduced to date		
	17	and will be following with great interest the future far		
	18	reaching reforms of which you have spoken.		
	19	ENDS		
	20	2. There will be no signed original.		
	21			
	22	HURD		
	23			
	24			
	25	YYYY		
///	26	MAIN		
//	27	LIMITED		
/	28	WED		
	29	PS		
		Said D ECD(E) Planners News (EEI)		
YYYY		Catchword: PS/MR WALDEGRAVE		
MAIN		File number	Dept	Drafted by (Block capitals)
ADDITIONAL		TG4AIW	WED	J C J RAMSDEN
NNNN		Telephone no	270 2400	
		Authorised for	Initials	Date/time
		despatch by:		
		For COD	Comcen reference	Telegram number
		use only		Processed by

OUT TELEGRAM (CONT)

	Classification	Caveat	Precedence
	UNCLASSIFIED		PRIORITY

<<<<

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

33

34

35

36

37

38

39

40

41

42

43

PS/MR WALDEGRAVE

← PS/N. Nande

PS/PUS

PS/SIR J FRETWELL

MR RATFORD

NNNN

For distribution order see Page

Catchword:

171936Z

ADVANCED PS TO NO 10

COMMENT:

UNCLASSIFIED

FM EAST BERLIN

TO DESKBY 171800Z FCO

TELNO 398

OF 171600Z NOVEMBER 89

INFO PRIORITY BONN, BMG BERLIN, PARIS

INFO SAVING EAST EUROPEAN POSTS, CICC(G) , BRIXMIS

NEW GDR GOVERNMENT

SUMMARY

1. LIST OF NEW MINISTERS.

DETAIL

2. FOLLOWING IS THE GOVERNMENT PROPOSED BY PRIME MINISTER
MODROW ON 17 NOVEMBER:

- DR HANS MODROW (SED), MINISTER- PRESIDENT (IE CHAIRMAN OF
COUNCIL OF MINISTERS, OR PRIME MINISTER)
- PROF DR CHRISTA LUFT (SED), DEPUTY CHAIRMAN OF THE COUNCIL OF
MINISTERS, RESPONSIBLE FOR ECONOMICS
- DR PETER MORETH (LDPD), DEPUTY CHAIRMAN OF THE COUNCIL OF
MINISTERS AND MINISTER FOR LOCAL
GOVERNMENT
- HERR LOTHAR DE MAIZIERE (CDU), DEPUTY CHAIRMAN OF THE COUNCIL
OF MINISTERS, RESPONSIBLE FOR
CHURCH AFFAIRS.
- DR H E GERHARD SCHUERER (SED), CHAIRMAN OF THE STATE PLANNING
COMMISSION
- DR - ING KURT SINGHUBER (SED), MINISTER FOR HEAVY INDUSTRY
- PROF DR KARL GRUENHELD (SED), MINISTER FOR MACHINE BUILDING
- DR GUNTER HALM (SED), MINISTER FOR LIGHT INDUSTRY
- DR KLAUS WOLF (CDU), MINISTER FOR POSTS AND TELE COMMUNICATIONS
- HERR HEINRICH SCHOLZ (SED), MINISTER FOR TRANSPORT
- HERR MANFRED FLEGEL, MP (NDPD), MINISTER FOR (INTERNAL) TRADE
AND SUPPLY
- PROF DR-ING GERHARD BAUMGAERTEL, (CDU) MINISTER FOR CONSTRUCTION
AND HOUSING
- DR HANS WATZECK, MP (DBD), MINISTER FOR AGRICULTURE, FORESTRY
AND FOOD
- DR HANS REICHELT, MP (DBD), MINISTER FOR ENVIRONMENTAL PROTECTION
AND WATER (NO CHANGE)

- PROF DR PETER-KLAUS BUDIG (LDPD), MINISTER FOR SCIENCE AND RESEARCH
- FRAU UTA NICKEL (SED), MINISTER FOR FINANCE AND PRICES
- FRAU HANNELORE MENSCH (SED), MINISTER FOR LABOUR AND WAGES
- DR GERHARD BEIL, MP (SED), MINISTER FOR EXTERNAL ECONOMIC RELATIONS (NO CHANGE)
- HERR OSKAR FISCHER, MP (SED), MINISTER FOR FOREIGN AFFAIRS (NO CHANGE)
- VICE ADMIRAL THEODOR HOFFMAN (SED), MINISTER FOR NATIONAL DEFENCE
- DR HANS-JOACHIM HEUSINGER, MP (LDPD), MINISTER FOR JUSTICE (NO CHANGE)
- DR WILFRED POSSNER (SED), MP, MINISTER FOR EDUCATION AND YOUTH
- DR DIETMAR KELLER (SED), MINISTER FOR CULTURE
- LIEUT GENERAL LOTHAR AHRENDT (SED), MINISTER FOR INTERNAL AFFAIRS
- PROF DR KNLAUS THIELMANN (SED), MINISTER FOR HEALTH AND SOCIAL AFFAIRS (NO CHANGE)
- PROF DR BRUNAD BENTHIEN, MP (LDPD), MINISTER FOR TOURISM
- LIEUT GENERAL DR WOLFGANG SCHWANITZ (SED), HEAD OF OFFICE FOR NATIONAL SECURITY
- HERR WOLFGANG MEYER (SED), GOVERNMENT SPOKESMAN AND HEAD OF THE PRESS OFFICE (NO CHANGE)

BROOMFIELD

FCD PSE PASS SAVING EAST BERLIN WILL PASS SAVNG TO CICC(G)
AND BRIXMIS
YYYY

ADVANCE	13	
.BERLIN/INNER-GERMAN RELATIONS		1
.(WIDE)		1
PS		1
PS/PUS		1
PS/SIR J FRETWELL		1
MR RATFORD		1
HD/WED		1
HD/SOVIET		1
HD/NEWS		1
RESIDENT CLERK		1
MR S MCCARTHY SEC(NATO/UKP)MOD		1
WG CDR ANDREWS DCTS NATO MOD		1
MRS GLOVER LEGAL ADV		1
MAIN	123	
.BERLIN/INNER-GERMAN RELATIONS		1
.(WIDE)		1
LIMITED		6
WED		9

SOVIET	5
EED	6
ECD (E)	6
SEC POL D	6
MAED	6
PUSD	26
CSCE UNIT	4
NEWS	9
INFO	11
NAD	4
PLANNERS	3
RESEARCH	1
RMD	1
CRD	2
PS	7
PS/MR MAUDE	1
PS/MR WALDEGRAVE	1
PS/PUS	1
PS/SIR J FRETWELL	1
MR P J WESTON	1
MR BAYNE	1
MR RATFORD	1
MR GOULDEN	1
MISS SPENCER	1
ADDITIONAL 13	
BERLIN/INNER-GERMAN (WIDE)	8
MR MANNING CABINET OFFICE	1
PS/NO 10.	4
SAVING 7	
BELGRADE	1
BUCHAREST	1
BUDAPEST	1
MOSCOW	1
PRAGUE	1
SOFIA	1
WARSAW	1
[J ARCHER]	

Bf 23/11
171936Z
FOR PS/NO 10
COMMENT:

UNCLASSIFIED
FM EAST BERLIN
TO DESKBY 171800Z FCO
TELNO 399
OF 171600Z NOVEMBER 89
INFO PRIORITY BONN, BMG BERLIN, PARIS
INFO SAVING EAST EUROPEAN POSTS, CICC(G) , BRIXMIS

MIPT: NEW GDR GOVERNMENT

COMMENT

1. MODROW'S LIST HAS STILL (1700Z ON 17 NOV) TO BE CONFIRMED BY THE VOLKSKAMMER. WE WILL TELEGRAPH IF UNEXPECTEDLY ANY ARE NOT VOTED THROUGH.

2. MODROW HAS PROPOSED A COUNCIL OF 28 MINISTERS COMPARED WITH THE PREVIOUS 45. RUMOURS CIRCULATING ON 16 NOVEMBER THAT NON-COMMUNIST "BLOC" PARTIES WOULD GET "ALMOST HALF THE GOVERNMENT POSTS" HAVE NOT BEEN BORNE OUT. THE SED HAVE 28 POSTS: THE OTHER PARTIES IN THE "NATIONAL FRONT" 11. 4 HAVE GONE TO THE LIBERALS (LDPD), 3 TO THE CHRISTIAN DEMOCRATS (CDU), 2 TO THE NATIONAL DEMOCRATS (NDPD) AND 2 TO THE FARMERS (DBD). THE SED HAVE RETAINED MOST OF THE KEY PORTFOLIOS, INCLUDING THE ECONOMY AND FINANCE, DEFENCE, FOREIGN AFFAIRS AND INTERNAL SECURITY.

3. THE BLOC PARTIES HAVE GREATLY IMPROVED THEIR REPRESENTATION WITH 11 OUT OF 28 PORTFOLIOS AS OPPOSED TO 4 OUT OF 45. MOREOVER, SOME OF THEIR PORTFOLIOS SUCH AS ENVIRONMENT, JUSTICE, CHURCH AFFAIRS, LOCAL GOVERNMENT, HOUSING AND CONSTRUCTION ARE CENTRAL TO MODROW'S PLANS FOR REFORMING THE GDR. THE BLOC PARTIES WILL BE ENCOURAGED TO MAKE A REAL CONTRIBUTION BY MODROW'S EVIDENT INTENTION THAT MINISTERS CONTROLLED BY PARLIAMENT WILL ACTUALLY GOVERN THE COUNTRY WITHOUT INTERFERENCE FROM THE SED PARTY APPARATUS.

4. THE MOST PROMINENT MINISTERS TO RETAIN THEIR OLD PORTFOLIOS ARE FISCHER (FOREIGN AFFAIRS, WHOSE APPOINTMENT WAS GREETED WITH A BURST OF APPLAUSE), BEIL (WHOSE RESPONSIBILITIES HAVE BEEN WIDENED FROM FOREIGN TRADE TO FOREIGN ECONOMIC RELATIONS), REICHELT (WHO REMAINS IN CHARGE OF THE ENVIRONMENT) AND HEUSINGER, THE LIBERAL WHO WILL HAVE NEW OPPORTUNITIES AT THE MINISTRY OF JUSTICE. BEIL HAD BEEN EXPECTED TO CONTINUE IN VIEW OF HIS EVIDENT ABILITIES AND IS LIKELY TO PLAY A ROLE AS LONG AS THE SED HAS INFLUENCE IN THIS COUNTRY. FISCHER ON THE OTHER HAND HAD WANTED TO RETIRE IN 1988 WHEN HE WAS 65. HE HAS BEEN KEPT ON WITH BEIL TO ENSURE CONTINUITY AND EXPERIENCE IN THE GDR'S EXTERNAL RELATIONS AT A TIME OF DOMESTIC CHANGE.

5. THE NEW SED MINISTERS ARE PEOPLE WITH QUALIFICATIONS AND EXPERIENCE RELEVANT TO THEIR PORTFOLIOS. THE NEW MINISTER OF ECONOMICS, PROFESSOR CHRISTA LUFT, WHO IS KNOWN TO THE

EMBASSY, HAS BEEN RECTOR OF THE BECONOMICS HIGH SCHOOL
(A SORT OF LSE) SINCE 1988 (AND PROFESSOR OF FOREIGN ECONOMIC
RELATIONS THERE SINCE 1971). THE NEW MINISTER OF DEFENCE,
VICE ADMIRAL HOFFMANN MADE A GOOD IMPRESSION WHEN HE
RECEIVED THE COMMANDER OF HMA ACHILLES AT THE GDR NAVAL ACADEMY IN
STRALSUND IN JUNE. THE NEW MINISTER OF EDUCATION IS A
QUALIFIED TEACHER OF GERMAN AND HISTORY ETC. MODROW CLEARLY
INTENDS SED MINISTERS TO GIVE A GOOD ACCOUNT OF THEMSELVES
IN PARLIAMENT AND IN THE COUNTRY.

BROOMFIELD

FCO PSE PASS SAVING
EAST BERLIN WILL PAS TO CICC(G) AND BRIMXMIS
YYYY

ADVANCE	13	
.BERLIN/INNER-GERMAN RELATIONS		1
.(WIDE)		1
PS		1
PS/PUS		1
PS/SIR J FRETWELL		1
MR RATFORD		1
HD/WED		1
HD/SOVIET		1
HD/NEWS		1
RESIDENT CLERK		1
MR S MCCARTHY SEC(NATO/UKP)MOD		1
WG CDR ANDREWS DCTS NATO MOD		1
MRS GLOVER LEGAL ADV		1
MAIN	123	
.BERLIN/INNER-GERMAN RELATIONS		1
.(WIDE)		1
LIMITED		6
WED		9
SOVIET		5
EED		6
ECD(E)		6
SEC POL D		6
MAED		6
PUSD		26
CSCE UNIT		4
NEWS		9
INFO		11
NAD		4
PLANNERS		3
RESEARCH		1
RMD		1
CRD		2
PS		7
PS/MR MAUDE		1
PS/MR WALDEGRAVE		1
PS/PUS		1
PS/SIR J FRETWELL		1
MR P J WESTON		1
MR BAYNE		1
MR RATFORD		1
MR GOULDEN		1
MISS SPENCER		1
ADDITIONAL	13	

BERLIN/INNER-GERMAN (WIDE)
MR MANNING CABINET OFFICE
PS/NO 10.
SAVING 7
BELGRADE
BUCHAREST
BUDAPEST
MOSCOW
PRAGUE
SOFIA
WARSAW
[J ARCHER]

8
1
4
1
1
1
1
1
1
1

171937Z
ADV PS/NO 10
COMMENT:

UNCLASSIFIED
FM EAST BERLIN
TO DESKBY 171800Z FCO
TELNO 400

OF 171700Z NOVEMBER 89
INFO IMMEDIATE BONN
INFO PRIORITY BMG BERLIN, PARIS, UKREP BRUSSELS, MOSCOW, UKDEL NATO
INFO ROUTINE PRAGUE, WARSAW, BUDAPEST, SOFIA
INFO SAVING EAST EUROPEAN POSTS, PEKING

MY TELNO 384: GDR: GOVERNMENT POLICY STATEMENT

SUMMARY

1. POLITICAL RENEWAL THROUGH PUBLIC CONTROL ON THE BASIS OF LEGAL GUARANTEES. ECONOMIC RENEWAL THROUGH DECENTRALISATION AND ELIMINATION OF PARTY INTERFERENCE, ALTHOUGH CENTRAL PLANNING WILL REMAIN. THE GOVERNMENT TO BE RESPONSIBLE TO PARLIAMENT. NEW ELECTORAL LAW AND CHANGES TO THE CONSTITUTION TO BE DEALT WITH IN COMMISSIONS. A NEW STYLE AND TONE.

DETAIL

2. THIS TELEGRAM GIVES THE TONE AND FLAVOUR OF PRIME MINISTER MODROW'S DECLARATION OF POLICY AT THIS MORNING'S SESSION OF THE VOLKSKAMMER. A FULLER REPORT FOLLOWS BY BAG.

3. MY TELNO 398 (NOT TO ALL) REPORTS THE COMPOSITION OF THE NEW GOVERNMENT. MODROW REDUCED THE CABINET FROM 45 TO 28. THE MAIN ECONOMIC AND SECURITY PORTFOLIOS REMAIN IN THE HANDS OF PARTY MEMBERS ALTHOUGH 11 PLACES GO TO MEMBERS OF THE OTHER PARTIES.

4. MODROW EMPHASISED THE DIVISION BETWEEN PARTY AND GOVERNMENT. "THE GOVERNMENT IS AND REMAINS AN ORGAN OF PARLIAMENT".

ECONOMIC

5. MODROW INDICATED THAT THE ECONOMY IS IN SERIOUS DIFFICULTY. EMIGRATION WHICH WAS STILL CONTINUING HAD "IN VITAL AREAS ALREADY CROSSED THE PAIN THRESHOLD". MODROW APPEALED TO ALL NOT TO CAUSE FURTHER DAMAGE TO THE ECONOMY OR PUBLIC SERVICES.

6. THE AIM OF THE ECONOMIC REFORM WAS TO REDUCE TO A SENSIBLE LEVEL CENTRAL DIRECTION AND PLANNING. BUT "ECONOMIC REFORM DID NOT MEAN DOING AWAY WITH THE PLAN".

7. FACTORIES AND COLLECTIVES SHOULD HAVE THEIR TASKS REDEFINED AND RESPONSIBILITY FOR INVESTMENT AND PRODUCTION DECISIONS DECENTRALISED TO THEM.

8. THE GDR WAS OPEN TO PROPOSALS FROM CAPITALIST PARTNERS. JOINT VENTURES, PARTICIPATION IN INVESTMENT, TRANSFER OF PROFITS, PILOT PROJECTS IN ENVIRONMENT "ARE NO LONGER FOREIGN WORDS FOR US".

Ri Minister

Some interesting

points.

CBM. 17/K

POLITICAL

9. "A NEW SOCIALIST SOCIETY" IS TO BE BUILT. THE SOCIALIST STATE SHOULD NOT DIRECT ITS CITIZENS BUT SERVE THEM.

10. IN THE STATE, BASED ON THE RULE OF LAW, WHICH WE WANT, "BASIC AND HUMAN RIGHTS ARE GUARANTEED". "THE EQUALITY OF ALL CITIZENS BEFORE THE LAW WILL BE STRICTLY OBSERVED BY THE ORGANS OF THE STATE".

11. THE REFORM OF EDUCATION IS NECESSARY. YOUNG PEOPLE ARE NO LONGER TO BE BROUGHT UP AS "YES-SAYERS" OR TWO-FACED CONFORMISTS. INDIVIDUALITY AND TALENT ARE TO BE PROMOTED.

FOREIGN

12. THE GDR REMAINS TRUE TO ITS OBLIGATIONS IN THE WARSAW PACT.

13. THE RIGHTS AND DIGNITY OF ALL PEOPLE ARE TO BE GUARANTEED EVERYWHERE. "IN THIS SENSE THE GDR WOULD WORK IN THE CSCE PROCESS IN FUTURE".

FRG

14. THE REFORMS NOW UNDER WAY ARE THE WAY OF PRESERVING THE SELF-DETERMINATION OF THE GDR ON A NEW FOUNDATION. NOT THROUGH PROTESTATIONS BUT THROUGH THE NEW REALITY OF LIFE IN THE GDR WILL BE ABLE TO REBUFF FIRMLY SPECULATION ABOUT REUNIFICATION AS A PRESENT TASK. SUCH SPECULATION IS BOTH UNREALISTIC AND DANGEROUS.

15. "THE GOVERNMENT OF THE GDR IS PREPARED TO RAISE COOPERATION WITH THE FRG TO A NEW LEVEL. THIS APPLIES TO ALL FIELDS".

16. THE GDR IS PREPARED TO EXPRESS ITS POSITION IN A "TREATY PARTNERSHIP" WHICH GOES WELL BEYOND THE BASIC TREATY AND OTHER TREATIES SO FAR CONCLUDED.

EC

17. THE 1992 INTERNAL MARKET IS A GREAT CHALLENGE WHICH WE ALSO CONSIDER TO BE AN OPPORTUNITY. "WE ARE MAKING EFFORTS TO AGREE AS RAPIDLY AS POSSIBLE COOPERATIVE RELATIONS WITH THE EUROPEAN COMMUNITY."

18. MODROW REFERRED TO A WHOLE RANGE OF OTHER AREAS WHERE REFORM WAS NECESSARY EG, A MEDIA LAW, CULTURAL POLICY, ADMINISTRATIVE REFORM, ETC. HE MENTIONED BRIEFLY THE NEW LAW ON ELECTIONS AND CHANGE TO THE CONSTITUTION. THESE LATTER TWO POINTS APPEAR AS SPECIFIC ITEMS ON THE VOLKSKAMMERS AGENDA AND WILL BE DEALT WITH LATER TODAY OR POSSIBLY TOMORROW.

19. NEUES DEUTSCHLAND (ND) HAS, HOWEVER, ALREADY REPORTED THAT, AT YESTERDAY'S MEETING OF THE COALITION PARTIES, AGREEMENT HAD BEEN REACHED TO RECOMMEND TO THE VOLKSKAMMER THAT COMMISSIONS SHOULD BE SET UP TO PREPARE DRAFTS ON BOTH POINTS FOR PUBLIC DISCUSSION AND CONSIDERATION IN THE VOLKSKAMMER. I EXPECT POSITIVE VOTES ON BOTH RECOMMENDATIONS.

20. THE VOLKSKAMMER'S AGENDA ALSO INCLUDES THE ESTABLISHMENT OF A TEMPORARY COMMITTEE TO INVESTIGATE CORRUPTION, A PROPOSAL FOR THE MODERNISATION OF THE PROCEDURES OF THE CHAMBER AND

ITS COMMITTEES, AND THE RECEIPT OF THE ATTORNEY-GENERAL'S
REPORT ON THE SECURITY FORCES' BEHAVIOUR ON 7/8 OCTOBER.

COMMENT

21. MODROW SPOKE CONFIDENTLY AND CLEARLY INTENDED TO ESTABLISH
HIS OWN AUTHORITY AND THAT OF HIS GOVERNMENT. HE ACKNOWLEDGED
THAT CHANGE HAD BEEN INITIATED BY THE PEOPLE. MOST OF WHAT HE
HAD TO SAY WAS FORESHADOWED IN THE COMMUNIQUE TO EMERGE FROM
THE LAST CENTRAL COMMITTEE MEETING (MY TELNO 377). BUT HIS
STYLE AND TONE WERE A WORLD AWAY FROM HIS PREDECESSOR
(STOPH 75). THERE IS NOW A SECOND POWER CENTRE IN THE GDR.

BROOMFIELD

FCD PSE PASS SAVING

YYYY

ADVANCE	13	
.BERLIN/INNER-GERMAN RELATIONS	1	
. (WIDE)	1	
PS	1	
PS/PUS	1	
PS/SIR J FRETWELL	1	
MR RATFORD	1	
HD/WED	1	
HD/SOVIET	1	
HD/NEWS	1	
MR S MCCARTHY SEC(NATO/UKP)MOD	1	
WG CDR ANDREWS DCTS NATO MOD	1	
MRS GLOVER LEGAL ADV	1	
RESIDENT CLERK	1	
MAIN	123	
.BERLIN/INNER-GERMAN RELATIONS	1	
. (WIDE)	1	
LIMITED	6	
WED	9	
SOVIET	5	
EED	6	
ECD(E)	6	
SEC POL D	6	
MAED	6	
PUSD	26	
CSCE UNIT	4	
NEWS	9	
INFO	11	
NAD	4	
PLANNERS	3	
RESEARCH	1	
RMD	1	
CRD	2	
PS	7	
PS/MR MAUDE	1	
PS/MR WALDEGRAVE	1	
PS/PUS	1	
PS/SIR J FRETWELL	1	
MR P J WESTON	1	
MR BAYNE	1	
MR RATFORD	1	
MR GOULDEN	1	

RESTRICTED

012175
MDADAN 4733

RESTRICTED

FM BONN

TO DESKBY 171300Z FCO

TELNO 1126

OF 171212Z NOVEMBER 89

INFO IMMEDIATE BMG BERLIN, EAST BERLIN

INFO ROUTINE PARIS, WASHINGTON, MOSCOW, WARSAW, BUDAPEST

INFO ROUTINE UKREP BRUSSELS

ECONOMIC REFORM IN THE GDR : POSSIBLE LONG TERM IMPLICATIONS

SUMMARY

1. IF THE GDR UNDERTAKES ECONOMIC REFORM, IT CAN EXPECT MASSIVE ASSISTANCE FROM THE FRG. THE GDR MIGHT TAKE 10 YEARS OR MORE TO CATCH UP. ONE DAY, THE COMBINED ECONOMIC WEIGHT OF THE TWO GERMANIES MIGHT BE UP TO 30 PER CENT GREATER THAN THAT OF THE FRG ALONE AND MIGHT REPRESENT 30 PER CENT OF THE EUROPEAN COMMUNITY'S GDP. THE PRESENT SWING CREDIT SYSTEM OF INNER GERMAN TRADE SEEMS UNLIKELY TO CONTINUE AFTER REAL ECONOMIC REFORM. AT SOME STAGE THE SPECIAL EUROPEAN COMMUNITY CONCESSIONS FOR INNER GERMAN TRADE WILL NEED TO BE LOOKED AT AGAIN, BUT WE CAN AFFORD TO LET FRANCE AND THE BENELUX MAKE THE RUNNING. POTENTIAL OPPORTUNITIES FOR BRITISH EXPORTS.

DETAIL

2. THE DEBATE HERE ON PROSPECTS IN THE FIELD IS ONLY NOW BEGINNING. THIS TELEGRAM SUMMARISES AN INITIAL ANALYSIS WHICH WE HAVE SENT BY BAG.

3. THE FRG IS UNIQUELY WELL-PLACED TO HELP THE GDR. A MAJOR INCREASE IN COMMERCIAL LINKS IS DESIRED HERE. HOW FAST THIS CAN HAPPEN WILL DEPEND ON HOW FAR THE GDR REGIME UNDERTAKES ECONOMIC REFORM (MY TELNO 1105). IF THE GDR DOES REFORM, IT CAN EXPECT MASSIVE ASSISTANCE FROM THE FEDERAL GOVERNMENT AND GREAT INTEREST BY THE FRG PRIVATE SECTOR IN INVESTMENT AND INCREASED TRADE. THE CONDITIONS FOR ECONOMIC GROWTH IN THE GDR ARE BETTER THAN IN POLAND AND HUNGARY. BUT MOST WEST GERMAN EXPERTS THINK THERE IS A LONG WAY TO GO BEFORE THERE ARE REAL PROSPECTS OF RAPID ECONOMIC GROWTH THERE. ESTIMATES FROM LEADING POLITICAL FIGURES HERE OF AN ECONOMIC MIRACLE IN THE GDR IN 5-10 YEARS' TIME ARE PROBABLY OPTIMISTIC.

4. FROM A BRITISH PERSPECTIVE THERE ARE THE FOLLOWING QUESTIONS:

(I) HOW FAR WOULD THE COMBINED WEIGHT OF THE TWO GERMAN ECONOMIES,

IF CLOSELY INTEGRATED, BRING AN ADVANTAGE/POSE A THREAT TO OUR
(A) ECONOMIC, (B) COMMERCIAL INTERESTS?

(II) MIGHT THE SPECIAL ARRANGEMENTS IN THE TREATY OF ROME GOVERNING
INNER GERMAN TRADE (IGT) CREATE DIFFICULTIES WITHIN THE
COMMUNITY UNDER THE NEW CIRCUMSTANCES OF A REFORMING GDR?

EFFECTS OF INTEGRATING THE FRG AND GDR ECONOMIES

5. HOW LARGE MIGHT A COMBINED GERMAN ECONOMY BE IF INTEGRATION TOOK PLACE IN THE NEXT FEW YEARS, WITH OR WITHOUT POLITICAL RE-UNIFICATION? IN THE ABSENCE OF RELIABLE STATISTICS ON THE GDR ECONOMY, IT IS NOT POSSIBLE TO MAKE RELIABLE PROJECTIONS. BUT THE GAP BETWEEN THE TWO ECONOMIES IS VAST: TO CATCH UP WITH AN FRG GROWING AT 3 PER CENT PER YEAR, THE GDR WOULD PROBABLY HAVE TO GROW BY 10 PER CENT PER YEAR FOR A DECADE (THE ASSUMPTION HERE IS NECESSARILY MASSIVE). AT THE END OF THAT PROCESS THE COMBINED ECONOMY OF THE TWO GERMANIES MIGHT BE SOME 25-30 PER CENT GREATER THAN THAT OF THE FRG ALONE. IF THE GDR HAD BEEN LIBERALISED 10 YEARS AGO AND HAD NOW ACHIEVED THE SAME PER CAPUT GDP AS THE FRG THE COMBINED GDP OF THE TWO ECONOMIES WOULD REPRESENT SLIGHTLY LESS THAN 30 PER CENT OF THE EUROPEAN COMMUNITY'S GDP, STILL WELL BEHIND THE US AND JAPAN (TODAYS FIGURES IS 23 PER CENT).

6. IT IS TOO EARLY TO ASSESS THE POSSIBLE BENEFITS TO THE FRG ECONOMY OF THE PROCESS OF INTEGRATION. IN THE INITIAL YEARS, ECONOMIC ASSISTANCE TO THE GDR (AND POLAND AND HUNGARY) WOULD DIVERT CAPITAL AND MIGHT WELL HAVE THE EFFECT OF CHECKING THE FRG'S OWN INDUSTRIAL GROWTH AND INCREASE ITS PROPENSITY TO IMPORT. THE BENEFITS FOR THE FRG THROUGH THE SYNERGY WHICH SOME COMMENTATORS HAVE SUGGESTED, ARE UNLIKELY TO BE SEEN FOR SEVERAL YEARS. IN THE LONG TERM, THE FRG IS WELL-PLACED TO GAIN A POTENTIALLY VALUABLE MARKET IN EASTERN EUROPE AND CAN BE EXPECTED TO TAKE FULL ADVANTAGE OF THIS. BUT EASTERN EUROPE IS NOT IN A POSITION TO COMPETE WITH THE FRG'S WESTERN SUPPLIERS AND WILL NOT BE ABLE TO DO SO FOR MANY YEARS. ITS INABILITY TO TRADE ON EQUAL TERMS IMPLIES A CONSIDERABLE VOLUME OF CREDIT FROM WESTERN SOURCES TO FINANCE TRADE FOR AN EXTENDED PERIOD. FOR THIS REASON ALONE, WESTERN TRADING AND ECONOMIC LINKS WILL REMAIN MUCH MORE IMPORTANT TO THE FRG FOR THE FORSEABLE FUTURE.

THE GDR AS A FUTURE EXPORT MARKET.

7. THE REGENERATION OF THE GDR ECONOMY ON FREE MARKET LINES WOULD CREATE OPENINGS FOR OUTSIDE SUPPLIERS OF BOTH CAPITAL AND CONSUMER GOODS. IT WILL BE IMPORTANT TO ENSURE THAT THE FRG DEVELOPS THE

RELATIONSHIP IN WAYS WHICH KEEP THE EC/GDR PLAYING FIELD LEVEL. EVEN SO, THE FRG STANDS TO BENEFIT MOST BECAUSE OF EXISTING LINKS, LANGUAGE, GEOGRAPHICAL ADVANTAGE AND COMMON STANDARDS AND TRAINING PATTERNS. THE PACKAGE OF ASSISTANCE BEING DRAWN UP BY THE FEDERAL GOVERNMENT WILL ALMOST CERTAINLY INCLUDE TRAINING AND THE PROVISION OF EQUIPMENT, BOTH OF WHICH WILL BE TIED TO THE USE OF FRG MACHINE TOOLS AND OTHER CAPITAL EQUIPMENT. BUT IN DUE COURSE THERE WILL BE OPENINGS FOR BRITISH CAPITAL AND CONSUMER GOODS PRODUCERS TO SELL DIRECT INTO A REFORMED GDR, TO BECOME PARTNERS OR SUPPLIERS IN FRG PROJECTS IN THE GDR, TO SUPPLY A MARKET IN THE FRG TEMPORARILY DEPLETED BY EXPORTS TO THE EAST OR TO COMPETE IN THIRD MARKETS WHICH THE FRG MAY BE TEMPORARILY UNABLE TO SUPPLY.

INNER GERMAN TRADE

8. ECONOMIC REFORM IN THE GDR WILL CLEARLY HAVE IMPORTANT IMPLICATIONS FOR THE SPECIAL ARRANGEMENTS GOVERNING INNER GERMAN TRADE. IT REMAINS TO BE SEEN HOW MUCH IF ANY OF THE EXPECTED INCREASE IN COMMERCIAL CONTACTS BETWEEN THE TWO GERMANIES WILL FALL UNDER THE CURRENT SWING ARRANGEMENTS, BUT THE INITIAL ASSESSMENT IN BONN IS THAT THE SWING CREDIT AND ASSOCIATED MEASURES ARE NOT LIKELY TO BE THE CENTRAL PILLAR OF THE NEW ECONOMIC RELATIONSHIP. THE FEDERAL GOVERNMENT IS UNLIKELY TO WANT TO CONTINUE TO GRANT TAX CONCESSIONS TO GOODS COMING FROM THE GDR IF THESE ARE IN PRACTICE THE RESULT OF CAPITAL INVESTMENT BY FRG FIRMS, ONCE THIS IS ALLOWED. MORE IMPORTANT, FRG INDUSTRY IS FAR MORE KEEN TO BE ALLOWED TO ESTABLISH JOINT VENTURES IN THE GDR AND TO TRADE ON NORMAL HARD CURRENCY TERMS THAN TO SEE A MAJOR INCREASE IN INNER GERMAN TRADE UNDER THE PRESENT SYSTEM, WITH ALL THE MARKET DISTORTIONS ASSOCIATED WITH COUNTER TRADE.

8. THOUGHT WILL HAVE TO BE GIVEN TO HOW FAR THE EC SPECIAL ARRANGEMENTS MIGHT HAVE TO BE MODIFIED IF THERE WERE A MASSIVE INCREASE IN INNER GERMAN TRADE. THE PRESENT ARRANGEMENTS IN PRACTICE ONLY PERMIT IMPORT INTO THE FRG: GDR GOODS MAY ONLY BE RE-EXPORTED ELSEWHERE WITHIN THE COMMUNITY AFTER REPAYMENT OF THE TAX CONCESSIONS. THIS MAKES LEGAL ONWARD SHIPMENT UNECONOMIC. THE RISK OF ILLEGAL ONWARD TRANSFER IS LESS SERIOUS THAN MIGHT AT FIRST BE THOUGHT BECAUSE GDR SUPPLIERS FREQUENTLY INFLATE THEIR PRICES TO TAKE ACCOUNT OF THE TAX AND CUSTOMS CONCESSIONS, AND BECAUSE THE PRESENT PATTERN OF GDR EXPORTS CONSISTS TO A LARGE EXTENT (SOME 50 PER CENT) OF BASIC COMMODITIES SUCH AS LIGNITE, CHEMICALS, LOW QUALITY STEEL AND MINERALS, WHICH IT IS NOT (NOT) ECONOMIC TO RE-EXPORT. BUT IF FRG/GDR TRADE INCREASED RAPIDLY THE EC WOULD NO DOUBT WANT TO RECONSIDER ITS RELATIONSHIP WITH THE GDR. FOR OBVIOUS

[But in practice this does not happen]

REASONS THE FRG WILL BE HIGHLY SENSITIVE ABOUT THIS, THOUGH IT MAY BE LOOKING FOR CHANGE, AND GIVEN KNOWN ANXIETIES IN FRANCE AND THE BENELUX COUNTRIES, WHICH FEEL EXPOSED, THIS MAY BE AN AREA IN WHICH WE CAN EXPECT THEM TO MAKE THE RUNNING. FOR THE REASONS SET OUT ABOVE, IT IS NOT LIKELY IN ANY CASE TO BE A SHORT TERM PROBLEM.

9. EAST BERLIN MAY WISH TO COMMENT.

FCO PLEASE ADVANCE TO PRIVATE SECRETARY FRETWELL, KERR, RATFORD AND SYNOTT.

MALLABY

YYYY

DISTRIBUTION

20

ADVANCE 20

.BERLIN/INNER-GERMAN RELATIONS
.(WIDE)
PS
PS/PUS
PS/NO 10
PS/MR WALDEGRAVE
PS/MRS CHALKER
PS/LORD BRABAZON
PS/MR SAINSBURY
PS/HON MAUDE

PS/SIR J FRETWELL
MR RATFORD
MR KERR
MR SYNOTT
HD/WED
HD/SOVIET
HD/NEWS
MR S MCCARTHY SEC(NATO/UKP)MOD
WG CDR ANDREWS DCTS NATO MOD
MRS GLOVER LEGAL ADV

NNNN

UNCLASSIFIED

006430
MDHIAN 4863

UNCLASSIFIED

FM MOSCOW

TO IMMEDIATE FCO

TELNO 1920

OF 161335Z NOVEMBER 89

INFO IMMEDIATE BONN, EAST BERLING, BMG BERLIN, WASHINGTON

INFO IMMEDIATE UKDEL NATO

INFO ROUTINE OTHER CSCE POSTS

A. file

GDR AND EUROPEAN STABILITY: SOVIET COMMENT: 15/16 NOVEMBER

SUMMARY

1. IN OFF THE CUFF REMARKS, GORBACHEV AGAIN DECLARES THAT REUNIFICATION IS NOT ON THE AGENDA.

DETAIL

2. AT A STUDENT FORUM ON 15 NOVEMBER GORBACHEV REPLIED TO QUESTIONS ON THE GDR. (HIS MAIN SPEECH TO THE FORUM WAS PRINTED IN FULL IN PRAVDA AND REPORTED ON THE EVENING TV NEWS, BUT HIS REMARKS ON THE GDR WERE REPORTED ONLY BY TASS.)

3. GORBACHEV WELCOMED WHAT WAS HAPPENING IN THE GERMAN DEMOCRATIC REPUBLIC. TRANSFORMATIONS THERE WERE WITHIN THE FRAMEWORK OF THE PROCESSES OF RENEWAL TAKING PLACE IN ALL SOCIALIST COUNTRIES. 'THE EXISTENCE OF THE TWO GERMAN STATES IS A RESULT OF HISTORIC DEVELOPMENT, OF THE SECOND WORLD WAR. THIS FACT HAS BEEN RECOGNISED BY THE WORLD COMMUNITY, AND ONE SHOULD PROCEED FROM THIS REALITY. THE QUESTION OF THE REUNIFICATION OF THESE TWO STATES IS NOT A MATTER OF TOPICAL POLITICS. TALKING ABOUT REUNIFICATION WOULD MEAN INTERFERENCE IN THE AFFAIRS OF WEST GERMANY AND THE GDR.' (TASS TRANSLATION).

4. THE SOVIET UNION HAD PROPOSED BUILDING A NEW WORLD ORDER IN THE FRAMEWORK OF NEW POLITICAL THINKING. THE PREVIOUS STAGE, THE COLD WAR, HAS ILLUSTRATED THAT BANKING ON THE ARMS RACE AND CONFRONTATION WAS UNTENABLE. CERTAIN FORCES IN THE WEST WERE TRYING TO CREATE AN IMPRESSION THAT PROFOUND CHANGES IN SOCIALIST COUNTRIES SIGNIFIED THE FAILURE OF SOCIALIST IDEAS. THIS WAS WISHFUL THINKING: 'WE ARE REFORMING SOCIETY, TAKING INTO ACCOUNT NEW REALITIES. WE ARE EXPANDING THE POTENTIAL OF THE SOCIALIST SOCIAL SYSTEM. WE SHALL BE ADVANCING ON THE CHOSEN ROAD, AND WE SHALL CONTINUE TO ADHERE TO SOCIALIST IDEAS.'

UNCLASSIFIED

000000
MDHIAN 4863

OTHER PRESS COVERAGE

5. COVERAGE OF THE GDR IN THE CENTRAL PRESS HAS REMAINED BRIEF AND LARGELY FACTUAL. IN PRAVDA ON 16 NOVEMBER, COMMENTATOR GEORGY VASILEEV ASSESSED THE US ADMINISTRATION'S RESPONSE TO EVENTS IN EASTERN EUROPE AND QUOTED APPROVINGLY BAKER'S RECENT REMARKS (ON ABC NIGHTLINE) ON THE IMPORTANCE OF MAINTAINING STABILITY IN EUROPE AND OF PURSUING A PEACEFUL PATH TO REFORM. 'THE USA, IF ONE CAN JUDGE FROM PAST ANNOUNCEMENTS BY A RANGE OF THE LEADERS OF THE AMERICAN ADMINISTRATION, IS IN FAVOUR OF THE PEACEFUL DEVELOPMENT OF THE PROCESSES OF RENEWAL IN SOCIALIST COUNTRIES. THEY REALISE THAT THE PRESERVATION OF STABILITY IN EUROPE IS IN THE INTERESTS OF ALL THE COUNTRIES OF THE REGION AND OF THE WORLD'.

6. THIS WEEKS MOSCOW NEWS PUBLISHED AN INTERVIEW WITH PROFESSOR JENS REICH OF NEW FORUM. REICH DESCRIBED THE ORIGINAL AIMS OF NEW FORUM AS OVERCOMING PEOPLE'S FEAR AND APATHY AND TRYING TO FIND REAL SOLUTIONS TO THE COUNTRY'S PROBLEMS. 'WE HAVE FOLLOWED PERESTROIKA IN THE USSR WITH OUR HEARTS IN OUR MOUTHS'. ON REUNIFICATION THEY STARTED 'FROM THE EXISTENCE OF ONE GERMAN NATION BUT OF TWO GERMAN STATES'. THEY WERE NOW CONCERNED TO END THE FEELING OF ALIENATION IN THE GDR. REICH COMMENTED THAT 'SOCIALISM IN THE GDR HAS NO ALTERNATIVE. PEOPLE BELIEVE IN IT'. NEW FORUM INTENDED TO REMAIN AS AN INFORMAL MOVEMENT IN THE FUTURE, RATHER THAN A PARTY.

BRAITHWAITE

YYYY

DISTRIBUTION

136

MAIN

123

.BERLIN/INNER-GERMAN RELATIONS
.(WIDE)
LIMITED
WED
SOVIET
EED
ECD(E)
SEC POL D
MAED
PUSD
CSCE UNIT

PLANNERS
RESEARCH
RMD
CRD
PS
PS/MR MAUDE
PS/MR WALDEGRAVE
PS/PUS
PS/SIR J FRETWELL
MR P J WESTON
MR BAYNE

FLASH

RESTRICTED

007753

MDADAN 4597

ADVANCE COPY

RESTRICTED

FM BONN

TO FLASH FCO

TELNO 1121

OF 161754Z NOVEMBER 89

INFO IMMEDIATE BMG BERLIN, EAST BERLIN, WASHINGTON, PARIS

INFO IMMEDIATE UKDEL NATO, MOSCOW

INFO ROUTINE WARSAW, PRAGUE, BUDAPEST, UKREP BRUSSELS

FRG/GDR RELATIONS: STATEMENT BY KOHL TO THE BUNDESTAG ON 16 NOVEMBER

SUMMARY

1. MORE DETAIL ON KOHL'S THINKING ON INNER-GERMAN RELATIONS.
DETERMINATION TO HELP.

DETAIL

2. MUCH OF KOHL'S STATEMENT TO THE BUNDESTAG FOLLOWING HIS VISIT TO POLAND WAS DEVOTED TO RELATIONS WITH THE GDR. TO SOME EXTENT HE RETRACED THE GROUND COVERED IN HIS STATEMENTS OF 8 NOVEMBER (OUR TELNO 1061) AND 11 NOVEMBER (OUR TELNO 1090).

3. HE SAID THAT SINCE THE NIGHT OF 9 NOVEMBER THE STATE OF THE NATION HAD FUNDAMENTALLY CHANGED. AFTER NEARLY THIRTY YEARS OF SEPARATION, THE WORLD HAD SEEN THE PEOPLE OF BERLIN AND GERMANY CELEBRATE SEEING EACH OTHER AGAIN, A FESTIVAL OF TOGETHERNESS AND UNITY. BERLINERS HAD SHOWN THEY WISHED TO LIVE TOGETHER IN ONE CITY. BUT THIS WAS ONLY A BEGINNING. THE RIGHT OF ALL GERMANS TO SELF-DETERMINATION HAD NOT YET BEEN REALISED, NOR HAD THE COMMITMENT OF THE BASIC LAW TO THE UNITY AND FREEDOM OF GERMANY YET BEEN FULFILLED. IT WAS IMPORTANT TO STAY LEVEL-HEADED AND REMAIN COOL.

4. HE THEN TOUCHED ON VARIOUS ASPECTS OF RELATIONS WITH THE GDR:

(A) FIRST THERE WERE CERTAIN FORMS OF IMMEDIATE HELP WHICH COULD AND SHOULD BE GIVEN TO ALLEVIATE PROBLEMS ARISING FROM THE EXODUS. HE INSTANCED ESPECIALLY HOSPITALS AND MEDICAL HELP. TWINNED CITIES SHOULD TAKE INITIATIVES TO PROMOTE CONTACT AND TRAVEL BETWEEN ORDINARY PEOPLE.

(B) THERE WERE ALSO OTHER FIELDS IN WHICH THE FRG STOOD READY TO COOPERATE AT ONCE. FOR EXAMPLE, VISITORS FROM THE GDR NEEDED HARD CURRENCY. THE FRG WANTED TO HELP, BUT THE GDR WOULD HAVE TO MAKE ITS OWN CONTRIBUTION: A PART OF THE HARD CURRENCY EARNED THROUGH INNER-GERMAN TRAVEL SHOULD BE PUT AT THE DISPOSAL OF THOSE WHO

PAGE 1
RESTRICTED

FLASH

WANTED TO LEAVE ON VISITS. COOPERATION ON ENVIRONMENTAL ISSUES, ESPECIALLY ON PROJECTS THAT WERE ALREADY IN THE PIPELINE, SHOULD GO AHEAD. THE INNER-GERMAN TELEPHONE SERVICE SHOULD BE IMPROVED. THE JOINT ECONOMIC COMMISSION AGREED AT THE TIME OF HONECKER'S VISIT TO BONN SHOULD GET UNDER WAY. BERLIN SHOULD NOT BE LEFT OUT OF THE DEVELOPMENT OF INNER-GERMAN CONTACTS.

(C) IN THE LONGER TERM, AS AND WHEN FUNDAMENTAL CHANGE IN THE POLITICAL AND ECONOMIC SYSTEM OF THE GDR HAD DEFINITELY AND IRREVERSIBLY BEEN SET IN MOTION, THEN THE FEDERAL GOVERNMENT WOULD AS ANNOUNCED ON 11 NOVEMBER BE READY TO OFFER A 'NEW DIMENSION' OF HELP AND COOPERATION. NO ONE SHOULD BE FORCED TO ACCEPT THE FRG'S IDEAS, BUT IN THE GDR AS ELSEWHERE SOCIALISM HAD FAILED. PEOPLE WANTED A SYSTEM THAT ALLOWED THEM THE FRUITS OF THEIR LABOURS.

5. THE PEOPLE OF THE GDR WANTED:

- FREEDOM OF OPINION AND INFORMATION (WESTERN NEWSPAPERS SHOULD BE MADE AVAILABLE):

- A FREE PRESS, FREE TRADE UNIONS AND FREE AND INDEPENDENT POLITICAL PARTIES:

THE SED WOULD HAVE TO GIVE UP ITS MONOPOLY ON POWER, AND THE CRIMINAL LAW SHOULD BE COMPLETELY REVISED. TRAVEL WITHOUT VISAS SHOULD BE ALLOWED IN BOTH DIRECTIONS.

6. THE FLOW OF PEOPLE FROM THE GDR SEEMED TO BE EBBING, APPARENTLY BECAUSE THE INHABITANTS OF THE GDR WERE NOW MORE OPTIMISTIC ABOUT THE CHANCES OF FURTHER REFORMS. KOHL HAD TOLD KRENZ IN THEIR TELEPHONE CONVERSATION OF 11 NOVEMBER THAT ALONG WITH POLITICAL REFORMS THE GDR NEEDED TO TAKE QUICK AND COMPREHENSIVE ACTION TO IMPROVE LIVING CONDITIONS, IN ORDER TO MAKE PEOPLE FEEL THEY HAD NO REASON TO LEAVE THE COUNTRY.

7. SUPPORTING THE REFORM MOVEMENT IN THE GDR WAS NOT JUST A NATIONAL RESPONSIBILITY FOR THE FRG: THE TASK ALSO HAD A COLLECTIVE EUROPEAN DIMENSION. THE FAILURE OF REFORMS IN ONE WARSAW PACT COUNTRY COULD AFFECT PROSPECTS FOR REFORM IN ANOTHER, SO IT WAS IN THE INTEREST OF ALL EC COUNTRIES TO SUPPORT REFORM IN THE GDR. KOHL HAD TOLD MITTERRAND THAT HE WANTED THIS TO BE A CENTRAL THEME OF THE STRASBOURG EUROPEAN COUNCIL. HE ALSO WELCOMED THE OPPORTUNITY TO DISCUSS THE LATEST DEVELOPMENTS AT THE PARIS SUMMIT ON 18 NOVEMBER, AND THE READINESS OF THE COMMISSION TO PROPOSE A MANDATE FOR THE

PLA

NEGOTIATION OF AN EC/GDR TRADE AGREEMENT.

8. HE THEN REFERRED TO THE SUPPORT THE PRIME MINISTER, BUSH AND MITTERRAND HAD VOICED FOR EVENTS IN THE GDR AND THE ATTITUDE ADOPTED BY THE FRG. HE STRESSED THAT THE FRG WOULD REMAIN A PART OF THE WESTERN COMMUNITY. QUOTE WE KNOW THAT THE SOLUTION OF THE GERMAN QUESTION IS INSEPARABLY CONNECTED TO THE PROCESS OF BRINGING AN END THE DIVISION OF EUROPE UNQUOTE.

9. IT WOULD BE A SERIOUS MISTAKE TO SLOW DOWN EC INTEGRATION BECAUSE OF DEVELOPMENTS IN EASTERN EUROPE. THE EC SHOULD REMAIN OPEN FOR ALL (UNDERLINED) DEMOCRATIC EUROPEAN STATES.

10. THE CORE OF THE GERMAN QUESTION WAS FREEDOM. THE PEOPLE OF THE GDR MUST BE GIVEN THE CHANCE TO DECIDE THEIR OWN FUTURE: QUOTE TO DO THAT THEY NEED NO ADVICE FROM OTHERS - FROM ANY QUARTER. THEY THEMSELVES KNOW BEST WHAT THEY WANT. THAT GOES FOR THE QUESTION OF REUNIFICATION AND FOR GERMAN UNITY, TOO UNQUOTE.

COMMENT

11. FURTHER EMPHASIS ON THE FRG'S DETERMINATION TO REMAIN FIRMLY EMBEDDED IN THE WEST. BUT THE MAIN POINT OF INTEREST HERE IS THE TIGHTROPE KOHL NOW HAS TO WALK IN SEEKING TO MOVE FORWARD FRG/GDR RELATIONS. HE KNOWS HE MUST LAY DOWN PRECONDITIONS FOR LARGE SCALE FRG HELP. BUT HE KNOWS TOO THAT HIS AIM MUST BE TO DO THAT WITHOUT SOUNDING PATRONISING AND WITHOUT APPEARING TO TELL THE PEOPLE OF THE GDR HOW TO RUN THEIR OWN AFFAIRS. HENCE THE STRONG EMPHASIS ON SELF-DETERMINATION.

12. THE FIRST SENTENCE OF THE DIRECT QUOTATION IN PARA 10 MAY BE A RIPOSTE TO THE STATEMENT BY GORBACHEV REPORTED IN PARA 3 OF MOSCOW TELNO 1920.

13. SEPARATE COMMENT FOLLOWS ON THE FRG VIEW OF KOHL'S VISIT TO POLAND.

14. FCO ADVANCE NO 10.

NEVILLE-JONES

YYYY

EL

RESTRICTED

007753
MDADAN 4597

DISTRIBUTION

13

ADVANCE

13/11

.BERLIN/INNER-GERMAN RELATIONS
.(WIDE)

PS

PS/PUS

PS/SIR J FRETWELL

MR RATFORD

HD/SOVIET

[Ho WED]

HD/NEWS

RESIDENT CLERK

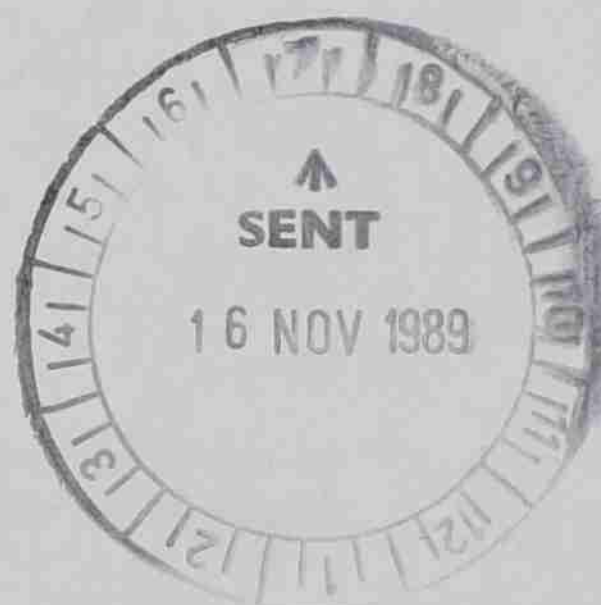
MR S MCCARTHY SEC(NATO/UKP)MOD

WG CDR ANDREWS DCTS NATO MOD

MRS GLOVER LEGAL ADV

PS/NO 10.

NNNN



PAGE 4
RESTRICTED

FL 11



10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

15 November 1989

EAST GERMANY

I enclose the reply to President Gorbachev's message which the Prime Minister has authorised. You will see that it is substantially different in some parts from the draft which you sent me earlier today. I do not think it is in any way inconsistent with the general lines of the text which we cleared with the Americans and the Germans. But you may like to assure yourself that the Foreign Secretary is content with it before having it delivered in Moscow. We should aim to do this tomorrow morning if possible.

Charles Powell

Richard Gozney Esq
Foreign and Commonwealth Office

CONFIDENTIAL

OUT TELEGRAM

		Classification CONFIDENTIAL	Caveat /	Precedence DESKBY																				
ZCZC TC CAVEAT FM TO TELNO OF AND TO	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29	ZCZC CONFIDENTIAL FM FCO TO DESKBY Z MOSCOW TELNO OF 15 Z NOVEMBER 89 AND TO DESKBY WASHINGTON, BONN, PARIS INFO IMMEDIATE EAST BERLIN, UKDEL NATO, BMG BERLIN MIPT: MESSAGE FROM THE PRIME MINISTER TO GORBACHEV MESSAGE BEGINS Thank you for your message conveyed to me on 10 November by Ambassador Zamyatin. Historic events are taking place and I share your view that developments in East Germany are encouraging. The lifting of travel restrictions for GDR citizens is most particularly welcome. The events in Berlin over the weekend have made a great impression on public opinion in Britain and in other Western countries. I have been struck by the good sense of all concerned and their readiness to work together. Very great credit is due to your policies of glasnost and democratisation, and I have paid sincere tribute to your role in my public statements. I agree with you that the speed with which these changes are taking place carries its own risks of instability. I have publicly underlined the need to proceed in an orderly way which																						
YYYY MAIN ADDITIONAL NNNN	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="2" style="height: 20px;"></td> <td colspan="2">Catchword:</td> </tr> <tr> <td style="width: 25%;">File number</td> <td style="width: 15%;">Dept</td> <td style="width: 35%;">Drafted by (Block capitals)</td> <td style="width: 25%;">Telephone no</td> </tr> <tr> <td colspan="2" style="height: 20px;"></td> <td colspan="2"></td> </tr> <tr> <td colspan="2"> Authorised for despatch by: </td> <td colspan="2"> Initials Date/time </td> </tr> <tr> <td style="width: 15%;">For COD use only</td> <td style="width: 25%;">Comcen reference</td> <td style="width: 35%;">Telegram number</td> <td style="width: 25%;">Processed by</td> </tr> </table>						Catchword:		File number	Dept	Drafted by (Block capitals)	Telephone no					Authorised for despatch by:		Initials Date/time		For COD use only	Comcen reference	Telegram number	Processed by
		Catchword:																						
File number	Dept	Drafted by (Block capitals)	Telephone no																					
Authorised for despatch by:		Initials Date/time																						
For COD use only	Comcen reference	Telegram number	Processed by																					

OUT TELEGRAM (CONT)

		Classification CONFIDENTIAL	Caveat /	Precedence DESKBY
<div style="display: flex; justify-content: space-between;"> <div style="width: 10%;"> <p><<<<</p> <p>1</p> <p>2</p> <p>3</p> <p>4</p> <p>5</p> <p>6</p> <p>7</p> <p>8</p> <p>9</p> <p>10</p> <p>11</p> <p>12</p> <p>13</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p> <p>26</p> <p>27</p> <p>28</p> <p>29</p> <p>30</p> <p>31</p> <p>32</p> <p>33</p> <p>34</p> </div> <div style="width: 85%;"> <p>preserves stability and to take a measured view of the way ahead.</p> <p>As I told your Ambassador the firmest basis for stability in the longer-term is thorough-going reform in East Germany - including free elections with a multi-party system and complete freedom of movement, so that there is genuine democracy and an economic system which can support it.</p> <p>There is <u>no</u> intention on the part of any Western country to intervene in the GDR or to act in a way which might damage GDR or Soviet security interests. I am confident that Britain's allies and partners share this view. West Germany's leaders have been at pains to stress the importance of a step-by-step approach to change in the GDR and the need to avoid destabilising the wider European situation: and Chancellor Kohl has assured me of this personally when we spoke on the telephone.</p> <p>We are very ready to enter into contacts with representatives of the Soviet Union in Berlin, as you suggest. The contacts which have already taken place between British officials in Berlin and the Soviet Embassy have proved useful and I hope that they will continue. Our Ambassador in Bonn is ready to meet the Soviet Ambassador in the GDR at any time. In this connection, the British Government remain committed to the Quadripartite Agreement on Berlin of 1971 and attach importance to the provision by which the four governments concerned will strive to promote the elimination of tension and the prevention of complications.</p> <p>I very much hope that you and I can remain in regular contact about these issues.</p> <p>MESSAGE ENDS</p> <p>HURD</p> </div> <div style="width: 5%;"> <p>///</p> <p>//</p> <p>/</p> </div> </div>				
		<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;">For distribution order see Page</div> <div style="width: 45%;">Catchword:</div> </div>		

PRIME MINISTER

REPLY TO MR. GORBACHEV'S MESSAGE

I attach a draft reply to Mr. Gorbachev's letter which I suggest we should send this evening if possible. I have heavily amended the Foreign Office draft in parts because it seemed to me unbearably stilted. We had consulted the Americans, Germans and French in advance about the general tone and substance and I am confident that my revised version continues to reflect the same general approach which the Americans will also be taking in their reply.

I attach the Foreign Office draft as well in case you want to see it.

C.D.P.

(C. D. POWELL)

15 November 1989

a:\foreign\Gor.srw

OUT TELEGRAM (CONT)

Classification		Caveat		Precedence	
CONFIDENTIAL				DESKBY	
<div> <div> <div>1</div> <div>2</div> <div>3</div> <div>4</div> <div>5</div> <div>6</div> <div>7</div> <div>8</div> <div>9</div> <div>10</div> <div>11</div> <div>12</div> <div>13</div> <div>14</div> <div>15</div> <div>16</div> <div>17</div> <div>18</div> <div>19</div> <div>20</div> <div>21</div> <div>22</div> <div>23</div> <div>24</div> <div>25</div> <div>26</div> <div>27</div> <div>28</div> <div>29</div> <div>30</div> <div>31</div> <div>32</div> <div>33</div> <div>34</div> </div> <div> <p>preserves stability and to take a measured view of the way ahead.</p> <p>As I told your Ambassador the firmest basis for stability in the longer-term is thorough-going reform in East Germany - including the free elections with a multi-party system and complete freedom of movement, so that there is genuine democracy and ^{support} of an economic system which can underpin it.</p> <p>There is <u>no</u> intention on the part of any Western country to intervene in the GDR or to act in a way which might damage GDR or Soviet security interests. I am confident that Britain's allies and partners share this view. West Germany's leaders have been at pains to stress the importance of a step-by-step approach to change in the GDR and the need to avoid destabilising the wider European situation: and Chancellor Kohl has assured me of this personally when we spoke on the telephone.</p> <p>We are very ready to enter into contacts with representatives of the Soviet Union in Berlin, as you suggest. The contacts which have already taken place between British officials in Berlin and the Soviet Embassy have proved useful and I hope that they will continue. Our Ambassador in Bonn is ready to meet the Soviet Ambassador in the GDR at any time. In this connection, the British Government remain committed to the Quadripartite Agreement on Berlin of 1971 and attach importance to the provision by which the four governments concerned will strive to promote the elimination of tension and the prevention of complications.</p> <p>I very much hope that you and I can remain in regular contact about these issues.</p> <p>MESSAGE ENDS</p> <p>HURD</p> </div> </div>					
For distribution order see Page		Catchword:			



Foreign and Commonwealth Office

London SW1A 2AH

15 November 1989

Jean Charles,

East Germany

As requested in your letter of 14 November, I enclose
a draft reply to Mr Gorbachev's message, which has now
been seen by the Foreign Secretary. *at flet*

The draft takes account of the coordinated views
of the governments of the United States, France and the
FRG following a meeting in Bonn yesterday attended by
the FRG Political Director.

In the interests of speed, the message is in the
form of a telegram which includes instructions to Posts.

I am copying this letter and enclosure to Brian Hawtin
(Ministry of Defence) and to Trevor Woolley (Cabinet Office).

Yours ever

Richard Sore

(R H T Gozney)
Private Secretary

C D Powell Esq
PS/10 Downing Street

CONFIDENTIAL

DESKBY

ZCZC

CONFIDENTIAL

FM FCO

TO DESKBY Z MOSCOW

TELNO

OF 15 Z NOVEMBER 89

AND TO DESKBY WASHINGTON, BONN, PARIS

INFO IMMEDIATE BMG BERLIN, UKDEL NATO, EAST BERLIN

MESSAGE FROM THE PRIME MINISTER TO GORBACHEV

1. MIFT contains the text of a message which should, if possible, be delivered personally to Gorbachev very soon. If this would involve delay, it should be passed to him by the quickest possible means.
2. Washington, Bonn and Paris should pass a copy to their host governments, noting that the message takes account of the coordination meeting in Bonn on 14 November (Bonn telno 1108).

HURD

YYYY

BERLIN/INNER GERMAN RELATIONS (WIDE)

NNNN

P05ABP

WED

H N H SYNNOTT

270 2397

CONFIDENTIAL

DESKBY

ZCZC

CONFIDENTIAL

FM FCO

TO DESKBY Z MOSCOW

TELNO

OF 15 Z NOVEMBER 89

AND TO DESKBY WASHINGTON, BONN, PARIS

INFO IMMEDIATE EAST BERLIN, UKDEL NATO, BMG BERLIN

MIPT: MESSAGE FROM THE PRIME MINISTER TO GORBACHEV

MESSAGE BEGINS

Thank you for your message conveyed to me on 10 November by Ambassador Zamyatin. Important events are taking place and I share your view that many correct and worthwhile decisions are now being taken by the GDR leadership. The lifting of travel restrictions for GDR citizens is most welcome. It is right that all those concerned should keep in close touch and share their thoughts.

For my part, I have been most impressed by the moving events in Berlin over the weekend. The prevailing atmosphere has been happy and exuberant. The manifest good sense of all concerned and their readiness to cooperate has been most striking. Without your own courageous promotion of glasnost and democratisation, these developments would not be taking place. We should still be facing the dangers and uncertainties of decades of suspicion and confrontation.

But

P05AB0

WED

H N H SYNNOTT

270 2397

CONFIDENTIAL

DESKBY

But I agree with you that the speed with which these changes are taking place carries its own risks of instability. We must ensure that the situation continues to evolve in the positive direction to which you referred in your message.

In my view the only real basis for longer-term stability in the area is thorough-going reform in the GDR - including the provision of free elections and complete freedom of movement. Thereafter people in the GDR must apply themselves to the construction of democracy and of an economic system which can underpin it.

There is no intention on the part of any Western country to intervene in the GDR or to act in ~~such~~ a way which might damage GDR or Soviet security interests. I am certain that Britain's allies and partners share this view. The leadership of the FRG in particular have been at pains to stress the importance of a step-by-step approach to change in the GDR and the need to avoid destabilising the wider European situation.

We are very ready to enter into contacts with representatives of the Soviet Union in Berlin, as you suggest. The contacts which have already taken place between British officials in Berlin and the Soviet Embassy have proved to be useful and I hope that they will continue. Her Majesty's Ambassador in Bonn is ready to meet the Soviet Ambassador in the GDR at any time. In this connection, the British Government remain committed to the Quadripartite Agreement on Berlin of 1971 and attach importance to the provision by which the four governments concerned will strive to promote the elimination of tension and the prevention of complications. We also continue to stand by all our commitments in the Helsinki Final Act and to the

principle

CONFIDENTIAL

DESKBY

principle of peaceful change and self-determination.

I very much hope that you and I and all those concerned can remain in regular contact about these issues.

MESSAGE ENDS

HURD

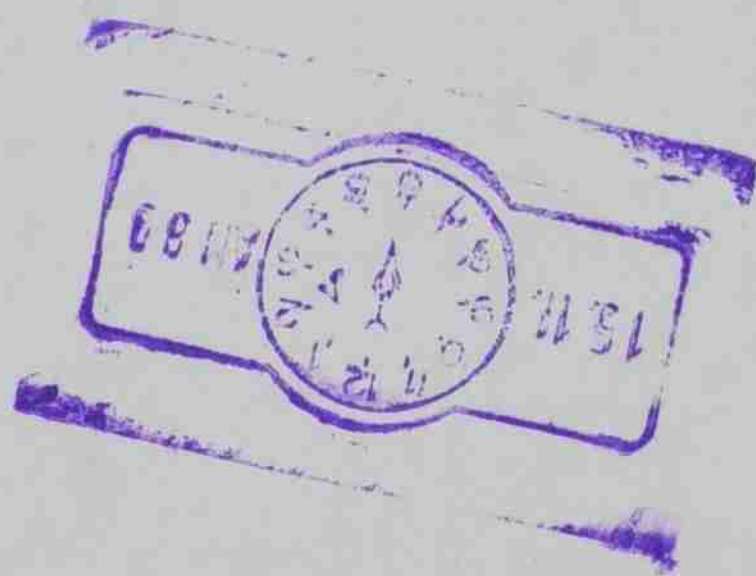
YYYY

BERLIN/INNER GERMAN RELATIONS (WIDE)

NNNN



GERMANY: Situation West Germany Oct 79.



SECRETfile at 11
(COWPDOC-1 Foreign
Eastwest, das)

10 DOWNING STREET

bc: PC

LONDON SW1A 2AA

From the Private Secretary

14 November 1989

Dear Stephen,

EAST/WEST RELATIONS

The Prime Minister and the Foreign Secretary had a talk this evening about the present state of East/West relations and the action required by the Government over the next week or so.

The following points were agreed:

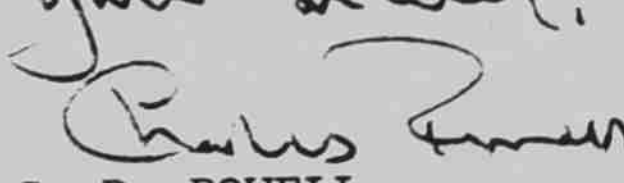
- the Prime Minister should reply as soon as possible to Mr Gorbachev's message conveyed to her by the Soviet Ambassador on 10 November. The reply ought to issue on the evening of 15 November.
- the Prime Minister will send a message to President Bush setting out her views on the way ahead in East/West relations, and telling him of the general line she proposes to take at the meeting of EC Heads of Government in Paris on 18 November (for which see below).
- this message would be the prelude to a telephone call to the President, probably on the evening of 17 November, to underline our intentions to consult and keep in close touch with the United States at every stage. The message will therefore need to issue in time for the President to have read it before the telephone call.
- the Foreign Secretary will let the Prime Minister have his reflections on the handling of the Paris meeting in a minute following his own visits to Bonn and Berlin on 15/16 November.
- the Prime Minister will want a discussion with the Foreign Secretary and Defence Secretary before she goes to Washington on 23 November about the general line she should follow in her talks with the President. We will be in touch to set a time for this on 21 or 22 November.
- we should plan to circulate a paper at Strasbourg with proposals on how the Community might in future manage its relations with Eastern Europe. This would draw on the ideas in the Prime Minister's speech at the Lord Mayor's Banquet and answers in the House of Commons this afternoon, and make clear recommendations about the future structure of these relations and the form they should assume (eg Association Agreements, Co-operation Agreements or something new). The

SECRET

options should cover not only association with the Community but also membership of the Council of Europe. The paper would not be discussed in advance with our other partners but launched as a United Kingdom initiative at Strasbourg.

As regards the handling of the Paris meeting, we obviously need the best assessment we can make of President Mitterrand's intentions and no doubt the Embassy will be letting us have that. The Prime Minister suspects that the meeting will be used to try to clear East/West relations from the agenda of the Strasbourg European Council, in order to leave that meeting free to concentrate on EMU and the Social Charter. The Prime Minister would not regard that as satisfactory. She sees the Paris meeting as only a preliminary to a full discussion of East/West relations at Strasbourg. This argues against any agreed conclusions or text at the Paris meeting or any mandate to President Mitterrand to meet President Bush or President Gorbachev on behalf of the Twelve (should that be in his mind).

The Prime Minister's own remarks at the Paris meeting should be based on what she said at the Lord Mayor's Banquet, in her various statements to the press and in the House. She would say that our twin priorities should be to see democracy securely established in East Germany and elsewhere in Eastern Europe, while managing the situation in such a way that it does not undermine or put at risk Mr Gorbachev. This will require the West Europeans to show the same degree of restraint and discipline as have the East Europeans, bearing in mind that the risks and penalties for them if the present situation were to be reversed would be far greater than for Western Europe. We should make clear that it is not Western Europe's intention to exploit the current situation in the GDR against the Soviet Union or in ways which would damage its perceived security interests. Our public statements should be based on the assumption that the existing Alliances will continue, and acknowledge that reunification is not for now on the agenda. While others of us understand the strong emotions which recent developments arouse in West Germany, we hope they will equally show understanding for the emotions of others. We are all playing for very high stakes, and the crucial element is Gorbachev's survival. If we undermine his position and there is a reversion to a much more hard-line approach by the Soviet Union which extinguishes the new freedom enjoyed in Eastern Europe, we should all be culpable. We must therefore proceed with the maximum prudence and restraint, concentrating on building up democracy in Eastern Europe. We should co-ordinate our position very closely with the United States at every point. And we should have a further and more considered discussion at Strasbourg.

Yours sincerely,

C. D. POWELL

Stephen Wall, Esq.
Foreign and Commonwealth Office

CONFIDENTIAL

174310
MDHIAN 4268

CONFIDENTIAL

FM MOSCOW

TO IMMEDIATE FCO

TELNO 1896

OF 131636Z NOVEMBER 89

INFO IMMEDIATE WASHINGTON, BONN, EAST BERLIN, BMG BERLIN, UKDEL NATO
INFO ROUTINE OTHER CSCE POSTS

USSR/GDR

SUMMARY

1. DHM CALLED ON HEAD OF MFA DEPARTMENT DEALING WITH THE FRG.
CONVERSATION CENTRED ON EVENTS IN THE GDR, AND SOVIET CONCERNS OVER
REUNIFICATION.

DETAIL

2. BONDARENKO, HEAD OF THE THIRD EUROPEAN DEPARTMENT (WHICH DEALS
WITH THE GERMAN-SPEAKING COUNTRIES OF WESTERN EUROPE) DEVOTED THE
WHOLE OF AN INTRODUCTORY CALL BY LOGAN TO DISCUSSION OF EVENTS IN THE
GDR AND THEIR WIDER IMPLICATIONS. HE SPOKE AT LENGTH ON SOVIET
CONCERNS OVER CALLS FOR REUNIFICATION. PREVIOUSLY THESE HAD SURFACED
FROM TIME TO TIME IN POLITICAL DEBATES, BUT HAD NOT REALLY BEEN
CONSIDERED PRACTICAL. NOW THERE WAS A DIFFERENT FEELING IN THE AIR.
IN HIS SPEECH IN HAMBURG KOHL HAD NOT TREATED THE QUESTION AS
ENTIRELY HYPOTHETICAL, AND MANY WEST GERMAN POLITICIANS HAD SPOKEN OF
THE NEED TO MOVE RAPIDLY TO REUNIFICATION.

3. THE USSR WAS PARTICULARLY CONCERNED ABOUT THE LLEGAL POSITION
TAKEN BY THE FRG. IN THE EARLY SEVENTIES THE FRG HAD SIGNED
AGREEMENTS WITH THE SOCIALIST COUNTRIES OF EUROPE, WHICH INCLUDED THE
ACCEPTANCE OF THE EXISTING BOUNDARIES AS INVIOABLE. A JUDGEMENT OF
THE FEDERAL CONSTITUTIONAL COURT IN 1973 REJECTED THESE AGREEMENTS BY
DECLARING THAT ANY DECISIONS TAKEN BY THE GOVERNMENT OF THE FRG WERE
OF A TEMPORARY NATURE, AND WOULD NOT BE BINDING ON A SINGLE REUNIFIED
GERMANY. ACCORDING TO THE LOGIC OF THIS JUDGEMENT, A REUNIFIED
GERMANY WOULD NO LONGER BE BOUND BY, FOR EXAMPLE, THE QUADRIPARTITE
AGREEMENTS OR THE PARIS TREATY.

5. LOGAN SAID THAT THE PRIME MINISTER HAD MADE CLEAR TO ZAMYATIN
WHEN HE DELIVERED GORBACHEV'S MESSAGE ON 10 NOVEMBER HER VIEW THAT
CHANCELLOR KOHL'S APPROACH WAS BOTH CAUTIOUS AND RESPONSIBLE. SHE
HERSELF HAD EMPHASISED, IN HER PUBLIC STATEMENTS ON 10 NOVEMBER, THAT
IT WAS IN EVERYONE'S INTERESTS THAT THE SITUATION SHOULD DEVELOP IN A
CONTROLLED MANNER AND NOT HAVE A DESTABILISING EFFECT ON EUROPE. THE
RUSSIANS SHOULD REMEMBER THAT IN WESTERN DEMOCRACIES POLITICAL
LEADERS HAD TO TAKE ACCOUNT OF DOMESTIC POLITICAL CONCERNS. IT WAS

PAGE 1
CONFIDENTIAL

IMPOSSIBLE FOR FRG LEADERS SIMPLY TO IGNORE THE ISSUE OF REUNIFICATION. EQUALLY, HOWEVER, WE WERE CONFIDENT THAT WESTERN LEADERS, INCLUDING THOSE IN THE FRG UNDERSTOOD SOVIET SENSITIVITIES. IT WAS IMPORTANT THAT THE INTERESTED POWERS SHOULD KEEP IN CLOSE TOUCH AS THE SITUATION DEVELOPED.

6. BONDARENKO AGREED THAT CONTACT WAS IMPORTANT: THE RUSSIANS WOULD BE READY TO MEET THEIR BRITISH COUNTERPARTS AT ANY TIME. HE THOUGHT THAT THE EAST GERMANS SHOULD BE LEFT ALONE TO WORK OUT A REFORM PROGRAMME. THEY HAD TO BE GIVEN TIME. ANY MAJOR REFORM POLICY HAD AN ELEMENT OF RISK BUT THE GDR HAD GREAT POTENTIAL FOR DEVELOPMENT. IT HAD A GOOD ECONOMIC AND TECHNICAL BASE AND A DISCIPLINED POPULATION. THE EUROPEAN PROCESS, WHICH HAD BEEN MOVED ALONG BY REFORMS IN EASTERN EUROPE AND THE USSR AND BY ARMS REDUCTIONS, SHOULD NOT BE THROWN INTO JEOPARDY BECAUSE OF EVENTS IN GERMANY.

6. LOGAN SAID THAT IN THE UK'S VIEW THE OBJECTIVE OF AN ORDERLY EVOLUTION IN THE GDR WOULD BEST BE ACHIEVED BY POLITICAL REFORM WHICH PROPERLY REFLECTED THE ASPIRATIONS OF THE EAST GERMANS. WE FULLY SUBSCRIBED TO THE STATED RUSSIAN VIEW THAT THIS WAS A MATTER FOR THE PEOPLE OF EAST GERMANY TO DETERMINE. BUT THIS ENTAILED THAT SOVIET POLICY-MAKERS SHOULD TAKE ACCOUNT OF THE POSSIBILITY OF FREEDOM WHICH RISKED THE NULLIFICATION OF THE THEORETICAL BASIS OF THE EAST GERMAN STATE. SIMILARLY SOVIET SPOKESMEN SPOKE OF THE DISSOLUTION OF BLOCs AS A LONGTERM AIM, BUT FAILED TO GIVE REALISTIC SIGNPOSTS INDICATING HOW TO REACH THIS LONG-TERM GOAL. IT WAS ABSENCE OF POLICIES WHICH OFFERED ANSWERS TO THESE QUESTIONS WHICH WAS PARTLY RESPONSIBLE FOR THE SITUATION ABOUT WHICH BONDARENKO WAS NOW EXPRESSING CONCERN.

7. BONDARENKO REPLIED THAT THE OFFER OF REUNIFICATION HAD BEEN MADE BY THE EAST EARLY IN THE COLD WAR PERIOD BUT HAD BEEN REFUSED BY THE FRG. THIS, HE CLAIMED, DEMONSTRATED THAT THE GDR DID NOT EXIST SIMPLY BY VIRTUE OF ITS COMMUNIST SYSTEM. AS FOR THE MEANS BY WHICH THE DISSOLUTION OF THE BLOCs WOULD BE ACHIEVED, THE KEY LAY IN THE SUCCESSFUL CONCLUSION OF THE CFE NEGOTIATIONS WHICH WOULD LEAD TO A RADICAL REDUCTION IN THE LEVELS OF ARMAMENTS ON BOTH SIDES. LOGAN REPLIED THAT BONDARENKO WOULD NOT EXPECT HIM TO ACCEPT BONDARENKO'S INTERPRETATION OF THE POST-WAR POSITION: AND THE FACT WAS THAT IT WAS THE RUSSIANS THEMSELVES WHO WERE NOW EXPRESSING CONCERN ABOUT TALK OF REUNIFICATION. NOR DID WE BELIEVE THAT A SUCCESSFUL CONCLUSION OF THE CFE NEGOTIATIONS, IMPORTANT THOUGH THOSE WERE, REPRESENTED A POLICY FOR THE EVOLUTION OF EUROPEAN RELATIONS. IN THE END, ARMS CONTROL DEPENDED UPON A RESOLUTION OF INTERNATIONAL DIFFERENCES RATHER THAN VICE VERSA.

COMMENT

8. BONDARENKO REPRESENTS THE CONSERVATIVE END OF THE SPECTRUM IN SOVIET OFFICIAL OPINION AND HIS REMARKS SHOULD BE SEEN IN THAT LIGHT. NONETHELESS, HIS ANXIETY ABOUT FRG INTENTIONS IS PROBABLY WIDELY SHARED. IT DEMONSTRATES THE IMPORTANCE OF AVOIDING ROOM FOR RUSSIAN MISUNDERSTANDING OF WESTERN INTENTIONS

BRAITHWAITE

YYYY

DISTRIBUTION

135

MAIN

123

.BERLIN/INNER-GERMAN RELATIONS
.(WIDE)
LIMITED
WED
SOVIET
EED
ECD(E)
SEC POL D
MAED
PUSD
CSCE UNIT
NEWS
INFO
NAD

PLANNERS
RESEARCH
RMD
CRD
PS
PS/MR MAUDE
PS/MR WALDEGRAVE
PS/PUS
PS/SIR J FRETWELL
MR P J WESTON
MR BAYNE
MR RATFORD
MR GOULDEN
MISS SPENCER

ADDITIONAL

12

BERLIN/INNER-GERMAN (WIDE)

NNNN

UNCLASSIFIED

174617
MDLIAN 6138

UNCLASSIFIED

FM PARIS

TO PRIORITY FCO

TELNO 1501

OF 131701Z NOVEMBER 89

INFO PRIORITY BONN, WASHINGTON, MOSCOW, BMG BERLIN, EAST BERLIN

INFO PRIORITY UKDEL NATO

INFO ROUTINE UKREP BRUSSELS, OTHER CSCE POSTS

GDR CHANGES : FRENCH REACTIONS

SUMMARY

1. OFFICIAL COMMENT CONTINUES OPTIMISTIC BUT MEASURED. OPPOSITION CALLS FOR FRANCE TO CONVENE EUROPEAN COUNCIL. INITIAL MEDIA EUPHORIA SHADES INTO WORRIES ABOUT EUROPEAN INSTABILITY AND CONCERN THAT MALTA SUMMIT WILL BE A NEW YALTA.

DETAIL

2. MY TELNO 1492 REPORTED PRESIDENT MITTERRAND'S COMMENTS IN COPENHAGEN. THEY WERE ON THE LINES OF HIS PREVIOUS DECLARATIONS: WELCOMING THE PROGRESS OF REFORM AND SHOWING NO FEAR OF REUNIFICATION, BUT NOTING THE COMPLEXITIES: STRESSING THAT GERMAN SELF-DETERMINATION WAS THE KEY AND OBSERVING THAT IT MIGHT NOT LEAD TO A UNION OF STATES: PUTTING DOWN A MARKER ABOUT THE NEED FOR BALANCE AND URGING AN ACCELERATION OF EUROPEAN INTERGATION. HE WAS NOT ASKED ABOUT AND DID NOT VOLUNTEER, HIS VIEWS ON A POSSIBLE DISSOLUTION OF THE WARSAW PACT.

3. ROCARD SPOKE IN SIMILAR TERMS ON 10 NOVEMBER, SAYING THAT IT WAS FOR THE GERMAN PEOPLE TO DECIDE WHAT THEY WANTED. A CONVERGENCE OF WILLS BETWEEN EAST AND WEST WOULD TAKE TIME TO BE PUT INTO PRACTICE AND THE ROAD TO DEMOCRACY AND ECONOMIC DEVELOPMENT IN THE EAST WOULD BE DIFFICULT. BUT PEACE AND SECURTIY IN EUROPE DEPENDED ON THE GERMAN PEOPLE RECOVERING THEIR HISTORY AND DESTINY IN FRIENDSHIP WITH AND WITH THE TRUST OF, ALL GERMANY'S NEIGHBOURS.

4. DELORS SAID ON 12 NOVEMBER THAT THERE WERE DANGERS AHEAD. GORBACHEV MIGHT FAIL AS A RESULT OF ECONOMIC AND NATIONALITY PROBLEMS IN THE SOVIET UNION AND THE DESTABILISING MOVEMENT IN THE GDR. THERE WERE ALSO DANGERS OF BALKANIZATION AND OF THE EC SLOWING DOWN AND BEING OVERTAKEN BY EVENTS. THE CONDITIONS FOR A POSITIVE EVOLUTION WERE RECOGNITION OF THE EAST GERMANS' RIGHT TO

SELF-DETERMINATION AND OF THE INTANGIBILITY OF FRONTIERS - THUS NO REUNIFICATION, CONTINUING ECONOMIC RELATIONS BETWEEN THE SOVIET UNION AND THE EAST EUROPEAN COUNTRIES, AND HELP FROM THE WESTERN COUNTRIES, AS ALREADY (BUT INSUFFICIENTLY) FOR POLAND AND HUNGARY.

5. DUMAS SAID THAT EUROPE WAS CHANGING PROFOUNDLY BUT THAT THERE WERE MANY DIFFICULTIES AHEAD AND EACH SIDE SHOULD KEEP ITS SANG FROID. HE PAID TRIBUTE TO THE GERMAN PEOPLE'S PATRIOTISM AND WISDOM AND TO THE GDR AUTHORITIES 'WHO HAD UNDERSTOOD WHAT THEY MUST DO'.

6. GISCARD D'ESTAING (UDF) HOPED THAT DEMOCRATISATION WOULD CONTINUE WITHIN THE GDR AND THAT THE WEST EUROPEANS WOULD CONTINUE TO WORK FOR UNION. IT SHOULD BE TO A FEDERAL EUROPE RATHER THAN TO THE FRG THAT IN DUE COURSE THE EAST GERMANS ADHERED: OTHERWISE A UNIFIED GERMAN NATION WOULD HAVE SERIOUS CONSEQUENCES FOR EUROPE. IF EUROPEAN UNION WERE ACHIEVED, THE ADMISSION OF THE GDR, PERHAPS BEFORE THE YEAR 2000, WOULD NOT HAVE DESTABILISING EFFECT. HE REGRETTED THAT MITTERRAND HAD NOT TAKEN A STRONG INITIATIVES AND URGED A MEETING OF THE EUROPEAN COUNCIL BEFORE STRASBOURG. CHIRAC (RPR) HAS ALSO ATTACKED THE RELATIVE SILENCE OF THE FRENCH GOVERNMENT AND URGED FRANCE TO TAKE INITIATIVES, BILATERALLY WITH THE GERMANS, WITH THE OTHER BERLIN POWERS AND WITHIN THE TWELVE, FOR EARLY DISCUSSION OF RECENT DEVELOPMENTS AND OF THE FUTURE OF EUROPE.

7. AN OPINION POLL CONDUCTED BY TELEPHONE ON 9/10 NOVEMBER SHOWED 60 PER CENT AGREEMENT THAT GERMAN REUNIFICATION WOULD BE A GOOD THING FOR FRANCE (19 PER CENT DISAGREED) AND 62 PER CENT EXPECTING THAT THE TWO GERMANIES WOULD SOON FORM A SINGLE GERMAN STATE.

8. PRESS COVERAGE AND COMMENT CONTINUE ABUNDANT. AFTER INITIAL EXPRESSIONS OF EUPHORIA ABOUT THE BREACH OF THE BERLIN WALL, MORE CONCERN IS NOW BEING EXPRESSED ABOUT THE UNCERTAINTIES AND LIKELY INSTABILITY AHEAD. A FREQUENT THEME IS THAT THE WEST EUROPEANS MUST MAKE THEIR VOICE HEARD SO THAT PRESIDENTS BUSH AND GORBACHEV DO NOT DO A DEAL OVER THEIR HEADS ('A NEW YALTA') WHEN THEY MEET IN VALETTA HARBOUR ON 2/3 DECEMBER. BUT DESPITE A WIDESPREAD FEELING THAT THE POST-WAR SETTLEMENT IS CHANGING RADICALLY, THERE HAS BEEN LITTLE SERIOUS DISCUSSION YET OF THE FUTURE OF THE WARSAW PACT AND NATO, OR EVEN OF THE ROLE OF THE PARIS/BONN RELATIONSHIP IN THESE CHANGING CIRCUMSTANCES. BUT THE THEME THAT THE TWELVE/EUROPEAN COMMUNITY HAVE AN IMPORTANT ROLE TO PLAY COMES THROUGH STRONGLY.

FERGUSON

CONFIDENTIAL

175315
MDHIAN 4300

CONFIDENTIAL

FM BONN

TO IMMEDIATE FCO

TELNO 1098

OF 131934Z NOVEMBER 89

INFO IMMEDIATE BMG BERLIN

INFO PRIORITY PARIS, WASHINGTON, MOSCOW, EAST BERLIN, WARSAW

INFO PRIORITY BUDAPEST, UKREP BRUSSELS, UKDEL NATO

YOUR VISIT TO BONN 15 NOVEMBER: SCENE SETTER

SUMMARY

1. TURNING POINT IN POST WAR GERMAN HISTORY SEEMS IN SIGHT. DOMESTIC DEBATE BEGINNING ON NEW BASIS FOR RELATIONS WITH THE GDR. FEDERAL GOVERNMENT WANTS TO CONSULT CLOSE ALLIES. GENSCHER RIDING HIGH. GERMAN QUESTION, EASTERN EUROPE, EUROPEAN INTEGRATION AND ARMS CONTROL AT THE TOP OF HIS AGENDA. WILL WANT A GOOD DISCUSSION OF THESE. OPPORTUNITY TO GET YOUR VIEWS ACROSS AND LAY BASIS FOR CLOSE CONTACT IN MONTHS AHEAD. RECOMMENDED PRESS LINE.

DETAIL

2. WEST GERMANS FEEL INCREASINGLY THAT A TURNING POINT IN THE POST WAR HISTORY OF GERMANY AND EUROPE IS COMING INTO SIGHT. THE GREAT SATISFACTION OF RECENT DAYS WITH PEOPLE WITNESSING THE DRAMATIC EVENTS IN BERLIN VIA TELEVISION, IS GIVING WAY TO DEBATE ABOUT RELATIONS WITH THE GDR (MY TELNO 1096). THERE IS GREATER CONFIDENCE THAT SOME SERIOUS REFORM WILL COME. FEARS OF A BREAKDOWN IN PUBLIC AND IN THE GDR HAVE RECEDED FOR THE MOMENT. THE PRESSURE OF NEW IMMIGRATION ON RESOURCES HERE HAS EASED AS THE GREAT MAJORITY OF VISITORS FROM THE GDR ARE NOT (NOT) STAYING IN THE FRG. THE GOVERNMENT NEEDS A STRATEGY AND DOES NOT HAVE ONE. PART OF BEING MASTER OF EVENTS WILL BE TO BE SEEN TO CONSULT, ESPECIALLY WITH THE 3 BERLIN POWERS, OVER ISSUES AFFECTING THE ALLIANCE AS A WHOLE. THEY WILL WANT TO KEEP IN STEP OVER HANDLING THE SOVIET UNION.

GENSCHER'S POSITION

3. GENSCHER SEEMS IN REASONABLY GOOD HEALTH AND POLITICALLY IS RIDING HIGH. HE IS CURRENTLY THE MOST POPULAR POLITICIAN IN THE FRG. HE FEELS THAT HIS FORECASTS ABOUT EAST WEST RELATIONS AND REFORM IN THE WARSAW PACT HAVE BEEN BORNE OUT.

4. HE CAN BE IRRITATING, SOMETIMES DEVIOUS, AND SOME OF HIS THEMES - NOTABLY FULL SPEED AHEAD TO EUROPEAN UNION - ARE AGAINST OUR

INTERESTS. BUT HE IS BEING RESPONSIBLE ABOUT THE GERMAN QUESTION. HE DOES NOT USE THE WORD REUNIFICATION. HE INSISTS THAT FEDERAL POLICY SHOULD CONTINUE TO BE BASED FULL SQUARE ON THE COMMUNITY AND NATO. HE HAS BEEN MOVED BY RECENT EVENTS IN THE GDR, WHERE HE GREW UP AND STAYED UNTIL 1952 (AGED 25). HE MAKES REGULAR VISITS TO HIS HOME TOWN THERE. A FEW MONTHS AGO, HE SAID TO THE BUNDESTAG THAT IN HIS OATH OF OFFICE AT FOREIGN MINISTER HE HAD UNDERTAKEN TO REPRESENT THE INTERESTS OF ALL GERMANS.

5. AT THE TOP OF GENSCHER'S AGENDA ARE:

- BREAKING DOWN THE BARRIERS BETWEEN THE GERMAN PEOPLE:
- THE EMANCIPATION OF EASTERN AND THE RAPID INTEGRATION OF WESTERN EUROPE, AND THE INTERPENETRATION OF THE TWO HALVES OF THE CONTINENT:
- EARLY PROGRESS IN ARMS CONTROL.

INNER GERMAN RELATIONS

6. GENSCHER WILL HAVE A LOT TO SAY WHEN YOU MEET. I THINK HE WILL BE CAUTIOUS ON SUBSTANCE AND WILL NOT SUGGEST THAT THE TIME HAS COME FOR A MAJOR CHANGE IN THE ROLE OF THE ALLIES IN BERLIN. BUT IT WILL BE RIGHT TO SHOW THAT, WHILE DISCHARGING OUR RESPONSIBILITIES IN BERLIN WITH UNDERSTANDING AND EFFICIENCY, WE ARE WILLING TO MOVE WITH THE TIMES, ADJUSTING OUR PRACTICES IN COOPERATION WITH THE BERLIN AND FEDERAL AUTHORITIES. I SUGGEST YOU WELCOME GENSCHER'S PROPOSAL FOR THOROUGH DISCUSSION OF THE GERMAN QUESTION AMONG THE FOUR FOREIGN MINISTERS ON 13 DECEMBER.

7. OUR GOOD RELATIONS WITH MOSCOW ENHANCE OUR STANDING IN GENSCHER'S EYES AND OUR INFLUENCE WITH THE AUSWAERTIGES AMT. HE WILL WANT TO KNOW YOUR VIEWS ON HANDLING THE RUSSIANS. HE AGREES THAT THEY SHOULD BE REASSURED ABOUT EVENTS CONCERNING BERLIN AND THE GDR.

8. GENSCHER WILL PROBABLY THANK YOU FOR UK HELP WITH ACCOMMODATION ON RESETTLERS IN BERLIN AND THE FRG. IT WOULD BE HELPFUL TO STATE OUR READINESS TO CONSIDER MORE ASSISTANCE IF NEEDED.

EASTERN EUROPE

9. GENSCHER ATTACHES GREAT IMPORTANCE TO THE PROCESS OF REVIVIFYING EASTERN EUROPE. HE WOULD BE INTERESTED TO HEAR AT FIRST HAND ABOUT OUR 'KNOW HOW' PROGRAMMES FOR POLAND AND HUNGARY. OUR READINESS OVER THE LAST FEW MONTHS TO WORK TOGETHER WITH THE GERMANS OVER

CONFIDENTIAL

175315
MDHIAN 4300

OSTPOLITIK HAS MET WITH A CONSISTENTLY WARM RESPONSE FROM THE AUSWAERTIGES AMT (AS WELL AS FROM THE FEDERAL CHANCELLERY). THIS IS AN AREA WHERE THE FRENCH HAVE TENDED TO HANG BACK, AND WHERE WE CAN GAIN FROM GETTING CLOSE. IT WOULD BE USEFUL IF YOU AND GENSCHER WERE TO AGREE THAT, IN THE WAKE OF THE TALKS BETWEEN OFFICIALS IN LONDON ON 24 OCTOBER, WE AND THE GERMANS SHOULD TAKE FORWARD OUR BILATERAL COOPERATION IN THIS FIELD.

ARMS CONTROL

10. IN BERLIN ON 10 NOVEMBER GENSCHER REPEATED HIS CALL FOR EARLY PROGRESS IN ARMS CONTROL NEGOTIATIONS IN STEP WITH POLITICAL DEVELOPMENTS AND IMPROVEMENTS IN HUMAN RIGHTS. THE CSCE PROCESS, WHICH INTEGRATES ALL THREE, IS AT THE HEART OF HIS POLICY. EVEN BEFORE THE LATEST DEVELOPMENTS, HE AND OTHER GERMANS SAW CFE AND THE PARALLEL NEGOTIATIONS ON FURTHER CONFIDENCE AND SECURITY BUILDING MEASURES AS MEANS TOWARDS THE LARGER GOAL OF OVERCOMING THE DIVISION OF EUROPE. HE WILL NOW PRESS HARDER THAN EVER FOR A CFE AGREEMENT DURING 1990. AS THAT COMES INTO SIGHT, WE CAN EXPECT HIM TO PRESS FOR NATO TO START PREPARING FOR SNF ARMS CONTROL NEGOTIATIONS, SO THAT HE CAN FACE THE ELECTORATE IN DECEMBER 1990 WITH A CFE AGREEMENT IN THE BAG AND SNF NEGOTIATIONS ON THE WAY.

PRESS LINE

11. THE FEDERAL GOVERNMENT HAS WELCOMED THE STATEMENTS BY THE PRIME MINISTER AND YOURSELF SINCE THE GDR OPENED ITS BORDERS. YOU WILL BE EXPECTED IN BONN AND BERLIN TO COMMENT ON THE GERMAN QUESTION. THE KEYNOTE, I SUGGEST, SHOULD BE TO WELCOME THE NEW FREEDOM OF MOVEMENT AND CALL FOR DEMOCRATIC REFORM IN THE GDR INCLUDING FREE ELECTIONS INVOLVING DIFFERENT PARTIES COMPETING ON AN EQUAL BASIS (IE WITHOUT THE LEADING ROLE OF THE SED GUARANTEED). IF ASKED ABOUT REUNIFICATION, I SUGGEST THAT YOU REPEAT THE FORMULA ('WE WOULD WELCOME UNIFICATION BASED ON FREE INSTITUTIONS SUCH AS THOSE IN THE FRG') IN YOUR INTERVIEW ON BBC WORLD SERVICE ON 10 NOVEMBER.

12. SEE SEPARATE TELEGRAM ON EC ISSUES.

MALLABY

YYYY

CONFIDENTIAL

17 15
MDHIAN 4300

DISTRIBUTION

135

MAIN

123

.BERLIN/INNER-GERMAN RELATIONS
.(WIDE)
LIMITED
WED
SOVIET
EED
ECD(E)
SEC POL D
MAED
PUSD
CSCE UNIT
NEWS
INFO
NAD

PLANNERS
RESEARCH
RMD
CRD
PS
PS/MR MAUDE
PS/MR WALDEGRAVE
PS/PUS
PS/SIR J FRETWELL
MR P J WESTON
MR BAYNE
MR RATFORD
MR GOULDEN
MISS SPENCER

ADDITIONAL

12

BERLIN/INNER-GERMAN (WIDE)

NNNN

CONFIDENTIAL

174350
MDHIAN 4270

CONFIDENTIAL

FM BONN

TO IMMEDIATE FCO

TELNO 1096

OF 131633Z NOVEMBER 89

INFO IMMEDIATE BMG BERLIN, EAST BERLIN, WASHINGTON, PARIS, MOSCOW

INFO IMMEDIATE UKDEL NATO

INFO PRIORITY WARSAW, PRAGUE, BUDAPEST, UKREP BRUSSELS

EVENTS IN THE GDR: THE MOOD IN THE FEDERAL REPUBLIC

SUMMARY

1. KOHL TO VISIT GDR IN EARLY DECEMBER. MOOD OF POLITICIANS AND MEDIA DELIBERATELY RESTRAINED. SOME BICKERING BETWEEN GOVERNMENT AND OPPOSITION. THE GOVERNMENT LACKS A LONG-TERM STRATEGY. WIDESPREAD FEELING THAT GDR MUST SORT OUT ITS OWN FUTURE.

DETAIL

2. IT WAS ANNOUNCED OVER THE WEEKEND THAT KOHL WOULD PROBABLY MEET KRENZ IN THE GDR (NOT IN EAST BERLIN) AT THE BEGINNING OF DECEMBER. SEITERS (HEAD OF THE FEDERAL CHANCELLERY) WILL VISIT EAST BERLIN ON 20 NOVEMBER FOR PREPARATORY TALKS WITH KRENZ AND MODROW.

3. THE OPENING OF THE GDR'S BORDERS HAS QUICKLY CAUSED A REDUCTION IN THE NUMBER OF IMMIGRANTS INTO THE FRG. BEFORE THE BORDERS WERE OPENED THE FIGURE WAS 10,000 A DAY. YESTERDAY THE NUMBER DECIDING TO STAY WAS 3400 OR LESS THAN 1 PER CENT OF THE 416,000 VISITORS TO THE FRG.

4. THERE HAVE BEEN SOME SHARP EXCHANGES BETWEEN GOVERNMENT AND OPPOSITION, SYMPTOMATIC OF UNCERTAINTY ON ALL SIDES ABOUT THE RIGHT POLICY IN THE NEW SITUATION. KOHL, EMBARRASSED BY THE JEERING WHICH GREETED HIS SPEECH BEFORE THE SCHOENEBERGER TOWN HALL IN BERLIN ON 10 NOVEMBER, ATTACKED GOVERNING MAYOR MOMPER FOR REFERRING TO 'THE PEOPLE OF THE GDR' IN HIS SPEECH ON THAT OCCASION. KOHL QUESTIONED WHETHER MOMPER HAD THE SAME UNDERSTANDING OF THE CONSTITUTION AS HIMSELF. MOMPER ACCUSED KOHL OF A 'SPECTACULAR FAILURE AT A DECISIVE MOMENT IN GERMAN HISTORY' IN NOT RESPONDING ADEQUATELY TO THE CHANGES TAKING PLACE IN THE GDR.

5. PRESS COMMENT IS GENERALLY STEADY. BUT THERE ARE A FEW SHARP NOTES. SOME COMMENTATORS POINT OUT THAT THE GOVERNMENT HAS NO COHERENT POLICY TO COPE WITH THE PRESENT CHALLENGES. 'SINGING THE

NATIONAL ANTHEM IS NO SUBSTITUTE''. SINCE GERMAN UNITY HAS BEEN THE AIM OF ALL FEDERAL GERMAN GOVERNMENTS, WHERE ARE THE CONTINGENCY PLANS? COMMENTATORS ALSO NOTE THAT THE GDR IS NOT PREPARED TO BE DICTATED TO BY THE FRG, AND IS NOT LOOKING FOR 'ALMS' FROM THE WEST. THERE IS A WIDESPREAD FEELING THAT THE FRG SHOULD NOT TRY TO TELL THE PEOPLE OF THE GDR WHAT THEIR FUTURE SHOULD BE, BUT SHOULD BE CONTENT TO CALL FOR SELF-DETERMINATION, FREE ELECTIONS AND REFORM. THE FRANKFURTER ALLGEMEINE (RIGHT OF CENTRE) SEES THE EMERGENCE OF A 'GRAND COALITION' BETWEEN THOSE IN BOTH GERMAN STATES WHO WANT DEMOCRATIC SOCIALISM IN THE GDR. KOHL, WAIGEL (CSU LEADER) AND LAMBSDORFF (FDP LEADER) ARE SAID TO HAVE RECOGNISED THIS RISK AND TO INTEND TO ENSURE THAT THE GDR CARRIES OUT THOROUGH ECONOMIC REFORM.

COMMENT

6. THE POLITICAL STATEMENTS ARE DELIBERATELY RESTRAINED. ONE PURPOSE IS TO DISCOURAGE EMOTIONS AMONG THE PEOPLE, ANOTHER TO AVOID CAUSING CONCERN AMONG NEIGHBOURS, ESPECIALLY REFORMING STATES IN EASTERN EUROPE. THE PRESS MOSTLY ECHOES THE SOBRIETY OF THE POLITICIANS. THE TONE IS CERTAINLY NOT TRIUMPHALIST. THE ELEMENT OF SURPRISE AT THE DRAMATIC DEVELOPMENTS IS STILL STRONG.

7. KOHL IS IN A DIFFICULT POSITION. HE IS SEEKING TO OCCUPY THE WIDEST POSSIBLE GROUND, SO HE PLAYS DOWN THE THEME OF REUNIFICATION BUT DOES NOT AVOID IT ALTOGETHER, FOR FEAR OF LEAVING IT TO BE HIJACKED BY THE RIGHT OF THE CDU/CSU AND ESPECIALLY THE REPUBLIKANER. BUT THIS PRODUCES A LINE WHICH THE OPPOSITION AND SOME OF THE MEDIA FIND TOO NATIONALISTIC. GENSCHER, BY CONTRAST, IS MANAGING TO STRIKE A NOTE WHICH GOES DOWN WELL WITH ALL BUT THE NATIONALIST WING OF THE CDU/CSU AND THE REPUBLIKANER.

8. THE EXCHANGES BETWEEN GOVERNMENT AND OPPOSITION OVER ECONOMIC REFORM IN THE GDR REFLECT EMERGING DIFFERENCES ABOUT WHAT SHOULD BE EXPECTED OF THE GDR AND WHAT THE ROLE OF THE FRG IN THE PROCESS SHOULD BE. SUPPORTING 'DOMOCRATIC SOCIALISM' IS A TRAP FOR THE GOVERNMENT. BUT APPEARING TO DICTATE TO THE GDR IS TOO. KOHL IS SAYING THAT NEW ECONOMIC HELP DEPENDS ON ECONOMIC REFORM. BUT HELP COULD BECOME URGENT BEFORE REFORM HAS BEEN DECIDED. FOR THE PRESENT THE GOVERNMENT IS TEMPORISING. ONE OF SEITERS' TASKS DURING HIS VISIT TO EAST BERLIN WILL BE TO FIND OUT MORE ABOUT THE ECONOMIC ELEMENTS IN THE SED'S NEW ACTION PROGRAMME.

MALLABY

CONFIDENTIAL

174030
MDHIAN 4252

CONFIDENTIAL
FM BMG BERLIN
TO IMMEDIATE BONN
TELNO 194
OF 131450Z NOVEMBER 1989
AND TO IMMEDIATE FCO
INFO IMMEDIATE MOSCOW, EAST BERLIN
INFO PRIORITY PARIS, WASHINGTON, UKDEL NATO

FROM BURTON

THE ALLIES IN BERLIN: BEGINNING OF THE ENDGAME

SUMMARY

1. TIME TO START CONSIDERING FUTURE OF THE ALLIED ROLE IN BERLIN.
SOME RECOMMENDATIONS.

BACKGROUND

2. IN THE WAKE OF THE MOMENTOUS EVENTS OF THE LAST FEW DAYS IN BERLIN QUESTIONS ARE ALREADY BEING ASKED, PARTICULARLY BY THE HUGE INTERNATIONAL PRESS CORPS HERE, ABOUT THE CONTINUING RELEVANCE OF THE ALLIED ROLE IN THE CITY. IT IS THEREFORE NOT TOO SOON FOR US TO START THINKING ABOUT THE IMPLICATIONS FOR THE ALLIES AT WHAT IS, I BELIEVE, THE BEGINNING OF THE ENDGAME OF OUR LONG AND SUCCESSFUL COMMITMENT TO BERLIN. THE FOLLOWING IS A SUMMARY OF OUR IMMEDIATE THOUGHTS ON THIS SUBJECT WHICH I AM EXPANDING IN A LETTER IN THE NEXT BAG.

3. MOST BERLINERS WOULD ACCEPT THAT THE RECENT HISTORIC EVENTS COULD NOT HAVE OCCURED BUT FOR THE UNWAVERING ALLIED COMMITMENT TO BERLIN. THEY WOULD SEE THAT OUR ROLE AS PROTECTING POWERS HAS BEEN THE FOUNDATION ON WHICH THE SUCCESS OF WEST BERLIN HAS BEEN BASED - AS AN ECONOMICALLY DYNAMIC CITY, WITH A WORLD ROLE AS A CENTRE OF CULTURE, SCIENCE AND MUCH ELSE. MOST BERLINERS WOULD BE UNCOMFORTABLE AT THE ALLIED ROLE BEING CALLED IN QUESTION AT A TIME WHEN THE FUTURE IS SO UNCERTAIN.

4. BUT THERE WILL BE THOSE WHO SAY THAT THE SITUATION IS NOW TRANSFORMED. TODAY'S 'BILD BERLIN' CARRIES THE MASSIVE HEADLINE PRINTED IN THE NATIONAL COLOURS 'GUTEN MORGEN DEUTSCHLAND'. THE COMING TOGETHER OF SUCH VAST NUMBERS OF BERLINERS OVER THE WEEKEND AND THE OPENING OF NEW CROSSING POINTS HAS CREATED THE FEELING THAT ONCE AGAIN BERLIN HAS BECOME A WHOLE CITY OF FOUR MILLION PEOPLE. THIS EMOTION OF NATIONAL TOGETHERNESS MAY LEAD TO PRESSURES ON

FOUR-POWER AGREEMENTS AND ARRANGEMENTS, FOR EXAMPLE FOR CHANGES IN THE AIR REGIME SO THAT GERMAN AIRLINES CAN SERVE BERLIN.

5. THE GOVERNING MAYOR, WALTER MOMPER, HAS HOWEVER BEEN A RESTRAINING VOICE. IN CONTRAST TO HIS PREDECESSOR, DIEPGEN, HE IS NOT A MAN FOR THE BROAD RHETORICAL SWEEP. HE HAS CONSISTENTLY SUPPORTED THE TRADITIONAL SPD POLICY OF PUTTING THE ULTIMATE GOAL OF REUNIFICATION ON ONE SIDE. I JUDGE THAT HE WILL BE CONCENTRATING ON DEVELOPING LINKS BETWEEN THE TWO PARTS OF THE CITY AS FAR AS POSSIBLE WITHOUT TOO MUCH SPECULATION ABOUT ITS EVENTUAL FATE.

6. THAT FATE OF COURSE REMAINS DEPENDENT ON MANY EXTERNAL FACTORS OF WHICH THE MAIN ONE IS THE POSITION OF THE SOVIET UNION. THE EXPECTATION HERE IS THAT IT COULD STILL BE A LONG TIME BEFORE REUNIFICATION BECOMES A PRACTICAL POSSIBILITY. IN THIS POSSIBLY LONG DRAWN-OUT INTERIM PERIOD THE WEST BERLINERS WILL SEEK TO MAKE A REALITY OF THE AMBITION OF RECENT YEARS FOR WEST BERLIN TO BECOME A HINGE BETWEEN THE TWO GERMANIES. THEY WILL SEEK TO DEVELOP LINKS IN EVERY FIELD INCLUDING INDUSTRY AND COMMERCE, SPORT, THE ARTS, TRANSPORT, CONFERENCES AND SO ON. IN MY VIEW A GRADUAL COMING TOGETHER OF THE TWO PARTS OF THE CITY IS INEVITABLE.

7. HOW DO THE ALLIES IN BERLIN FIT INTO THIS PICTURE? THE FORMAL POSITION IS THAT OUR RIGHTS AND RESPONSIBILITIES IN BERLIN AND FOR GERMANY AS A WHOLE OBTAIN PENDING A PEACE SETTLEMENT. IT IS, HOWEVER, INCONCEIVABLE THAT THE ALLIES WOULD REMAIN IN BERLIN AGAINST THE WISHES OF THE FEDERAL REPUBLIC AND WEST BERLIN. THE IMMEDIATE CHALLENGE WILL BE TO ADAPT OUR ROLE AND DEMONSTRATE OUR RELEVANCE IN THE CHANGING CIRCUMSTANCES. OUR HANDLING OF THIS CHALLENGE WILL INEVITABLY BE AN IMPORTANT FACTOR IN OUR RELATIONSHIP WITH THE GERMANS. THE RESOURCES THAT THE ALLIES HAVE IN THE CITY ARE LIKELY TO COME UNDER INCREASING PRESSURE. THERE HAVE ALREADY BEEN CALLS FOR A REDUCTION IN THE ALLIED GARRISON. IN A CITY WITH A CHRONIC AND GROWING HOUSING SHORTAGE FOR EXAMPLE, COVETOUS EYES MAY BE DIRECTED AT THE ALLIED AIRFIELDS OF TEMPELHOF (US) AND RAF GATOW.

8. THE RUSSIANS WILL ALSO HAVE TO FACE UP TO PRESSURES ON THE ESTABLISHED FOUR-POWER ORDER. THEIR POPULARITY PROBLEM IS LIKELY TO BE INFINITELY GREATER THAN THAT OF THE WESTERN ALLIES AND THEY MAY WELL BE SEEKING FOR A LEGITIMISATION OF THEIR CONTINUED ROLE IN THE GDR. THEY MAY THEREFORE SHOW NEW INTEREST IN THE POSSIBILITY OF FOUR-POWER TALKS. THEIR POSITION SHOULD BECOME CLEARER AT GORBACHEV'S MEETING WITH PRESIDENT BUSH.

9. NEITHER OF THE GERMAN GOVERNMENTS WILL BE ATTRACTED BY REVERSION TO A 'BIG FOUR' FORMULA. EXPERIENCE OF THE WEEKEND'S EVENTS IN BERLIN HAS REINFORCED THE FEELING THAT GERMANS ON BOTH SIDES WILL WANT TO DECIDE THEIR OWN FUTURE. IT MAY BE THEREFORE THAT IF THE RUSSIANS BELATEDLY DECIDE TO ACCEPT THE ALLIED OFFER FOR FOUR POWER TALKS ON BERLIN UNDER THE TERMS OF THE ALLIED INITIATIVE, THEY WOULD FIND IT HAD BECOME TOO LATE, SINCE SUCH TALKS WOULD BE SEEN AS TALKS ON THE FUTURE OF GERMANY BY ANOTHER NAME. IT FOLLOWS THAT THE TWO GERMAN STATES WOULD NEED TO BE CENTRAL PLAYERS IN ANY FORMULA FOR NEGOTIATIONS.

10. MY RECOMMENDATIONS ARE AS FOLLOWS:

(I) WE SHOULD CONTINUE ACTIVELY TO MAKE IT CLEAR THAT WE SHARE THE GERMANS' JOY,

(II) WE SHOULD BE GENEROUS IN PRAISING THE HANDLING OF THE SITUATION BY THE FEDERAL GOVERNMENT AND THE SENAT,

(III) IN CONCERT WITH THE FEDERAL GOVERNMENT AND THE OTHER WESTERN ALLIES, WE SHOULD SAY THAT WE ARE ADHEREING TO THE STEADY AND SUCCESSFUL POLICIES WHICH HAVE HELPED TO PROVIDE THE FRAMEWORK IN WHICH THE CURRENT MOMENTOUS DEVELOPMENTS COULD TAKE PLACE,

(IV) AT THE SAME TIME WE SHOULD CARRY ON WITH THE MODERNISATION OF OUR POSTURE IN BERLIN AND WHERE NECESSARY SPEED THIS UP SO THAT JARRING AND ANACHRONISTIC ELEMENTS ARE REMOVED,

(V) WE SHOULD SUPPORT THE SENAT'S EFFORTS TO PROMOTE WEST BERLIN'S ROLE AS A HINGE BETWEEN THE TWO GERMANIES. WE SHOULD AVOID ARGUMENT OVER MINOR STATUS POINTS (SUCH AS MOMPER'S MEETING WITH MAYOR KRACK OF EAST BERLIN AT POTSDAMER PLATZ ON 12 NOVEMBER),

(VI) WE SHOULD BE READY TO SAY THAT WE RECOGNISE THE SIGNIFICANCE OF THE CHANGES TAKING PLACE. ON THE BRITISH SIDE WE HAVE ALWAYS SAID WE WOULD REMAIN IN BERLIN ONLY AS LONG AS NEEDED (E.G. THE QUEEN'S SPEECH HERE IN 1987). BUT WE MUST BE CAUTIOUS ABOUT RUSHING INTO CHANGES WHICH COULD EFFECT THE PRESENT FOUNDATIONS OF THE CITY'S SECURITY AND PROSPERITY. OUR RESPONSIBILITY FOR BERLIN MUST REMAIN UNTIL SATISFACTORY NEW FOUNDATIONS FOR THE CITY'S FUTURE HAVE BEEN LAID,

(VII) AS YOU SAID IN BMG BERLIN TELNO 84 TO FCO WE SHOULD EXPLORE THE FRG, US AND FRENCH VIEWS ABOUT HOW TO PLAY FOUR-POWER CONTACTS.

CONFIDENTIAL

174030
MDHIAN 252

CORBETT

YYYY

DISTRIBUTION

135

MAIN

123

.BERLIN/INNER-GERMAN RELATIONS
. (WIDE)
LIMITED
WED
SOVIET
EED
ECD(E)
SEC POL D
MAED
PUSD
CSCE UNIT
NEWS
INFO
NAD

PLANNERS
RESEARCH
RMD
CRD
PS
PS/MR MAUDE
PS/MR WALDEGRAVE
PS/PUS
PS/SIR J FRETWELL
MR P J WESTON
MR BAYNE
MR RATFORD
MR GOULDEN
MISS SPENCER

ADDITIONAL

12

BERLIN/INNER-GERMAN (WIDE)

NNNN

CONFIDENTIAL

173741
MDHIAN 4242

CONFIDENTIAL
FM EAST BERLIN
TO IMMEDIATE FCO
TELNO 381

PS TO PRIME MINISTER
NO 10 DOWNING ST

OF 130910Z NOVEMBER 89

INFO IMMEDIATE BONN, BMG BERLIN, WASHINGTON, MOSCOW, PARIS
INFO IMMEDIATE UKDEL NATO
INFO ROUTINE EASTERN EUROPEAN POSTS
INFO SAVING EC POSTS, UKREP BRUSSELS, PEKING

MY TELNO 377 : FUTURE DEVELOPMENTS IN THE GDR

SUMMARY

1. A NEW CHAPTER IN GERMANY'S POST WAR HISTORY.

DETAIL

2. IT IS NOT FOR ME TO COMMENT ON THE EFFECT ON WEST BERLIN AND THE FRG OF THE INFLUX OF SOME THREE MILLION EAST GERMANS OVER THE PAST FOUR DAYS. BUT VIEWED FROM EAST BERLIN THE LAST FOUR DAYS MARK A DECISIVE CHANGE IN THE POLITICAL LIFE OF THE GDR.

3. EVEN THOUGH 4.2 MILLION VISAS WERE ISSUED SINCE 9 NOVEMBER, ONLY 10,144 WERE FOR EMIGRATION ACCORDING TO GDR FIGURES. THIS IS AN ENCOURAGING RATIO FOR THE LEADERSHIP, AND INDEED THERE ARE REPORTS OF PEOPLE RETURING. BUT THE SITUATION REMAINS FLUID, THE EXODUS COULD BEGIN AGAIN AT ANY TIME IF THE LEADERSHIP STARTED TO RESILE ON THE NUMEROUS PROMISES THEY HAVE GIVEN IN THE LAST FEW DAYS ABOUT NEW POLICIES. THE POLITBURO WILL HAVE TO LEARN TO LIVE UNDER THIS SWORD OF DAMOCLES.

4. THE BREACHING OF THE BERLIN WALL, THE OPENING OF A NEW CROSSING AT POTSDAMER PLATZ, THE SCENE OF THE 1953 UPRISING AND THE HEART OF OLD BERLIN, BY THE MAYORS OF EAST AND WEST BERLIN, ARE DEEPLY SYMBOLIC ACTS. THE MILLIONS WHO CROSSED INTO WEST BERLIN AND THE FRG SINCE 9 NOVEMBER ARE FUNDAMENTAL POLITICAL FACTS FOR THE FUTURE OF THIS COUNTRY.

5. THE TEARS AND EUPHORIA WILL DIE DOWN AND NO DOUBT AGGRAVATIONS AND RESENTMENTS WILL SURFACE IN SOME AREAS BUT FIRST HAND KNOWLEDGE OF THE OTHER GERMAN STATE AND OF THEIR FRIENDLY RECEPTION THERE OVER THIS WEEKEND HAS SPREAD VERY WIDELY AMONG THE POPULATION HERE AND NOT JUST AS BEFORE, AMONG THE PRIVILEGED FEW WITH RELATIVES IN THE WEST. THIS CANNOT BE TAKEN AWAY AGAIN WITHOUT RISKING AN OVERWHELMING POLITICAL REACTION.

6. KRENZ MAY CLAIM AS HE DID ON GDR TELEVISION ON 11 NOVEMBER AFTER TALKING TO KOHL AND AGREEING TO MEET ''SOON'', THAT WHAT HAD HAPPENED WERE SOVEREIGN DECISIONS BY THE GDR AND THAT FOR HIM REUNIFICATION WAS NOT ON THE AGENDA. BUT POWER HAS PASSED IN SUBSTANTIAL MEASURE TO THE PEOPLE AND IT IS THEY WHO FROM NOW ON WILL INCREASINGLY DECIDE THE FUTURE OF THIS COUNTRY. HOW THEY WILL DECIDE IS NOT YET CLEAR.

7. UNLESS A CATACLYSM OCCURS IN THE SOVIET UNION AND SETS BACK WITH IT THE REFORMS IN POLAND AND HUNGARY I CAN NOT SEE HOW A RAPID PROCESS OF GROWING TOGETHER OF THE TWO GERMAN STATES CAN BE AVOIDED. KRENZ MAY BE REPLACED BY MODROW, WHO MAY SUCCEED FOR A TIME IN MAKING THE PARTY POPULAR AGAIN. THERE IS WIDE SUPPORT AMONG THE BLOC PARTIES AS WELL AS THE PROTEST GROUPS FOR THE PRINCIPLES OF SOCIALISM VARIOUSLY DEFINED. BUT THE PRESENT SYSTEM OF PLANNING THE ECONOMY BASED ON WIDESPREAD PUBLIC OWNERSHIP CAN NOT SATISFY THE PEOPLE'S, DEMANDS SHARPENED AS THEY WILL BE BY INCREASING FAMILIARITY WITH WEST BERLIN AND THE FRG.

8. WHETHER IN A DRAMATIC MOVE TO STAVE OFF ECONOMIC COLLAPSE IN THE NEXT FEW MONTHS OR IN A MORE GRADUAL PROCESS, THE STRENGTH OF THE FRG ECONOMY ACTING ON THE STRUCTURAL AND SYSTEMIC WEAKNESSES OF THE GDR IS BOUND TO HAVE A PROFOUND EFFECT. (I THINK IT IMPOSSIBLE THAT THE STRUCTURAL ALTERATIONS TO THE GDR'S ECONOMY CAN TAKE PLACE BY THE TIME KOHL AND KRENZ HAVE THEIR FIRST MEETING IN NOVEMBER/DECEMBER. AND WITHOUT THESE ALTERATIONS KOHL HAS SAID, QUITE SENSIBLY IN MY VIEW, INVESTMENT FROM THE FRG WILL NOT BE ATTRACTED TO THE GDR. THE THREAT OF IMMINENT ECONOMIC COLLAPSE LOOKS TO BE A MORE LIKELY TRIGGER FOR WEST GERMAN ASSISTANCE THAN SLOW STRUCTURAL CHANGE.)

9. I DO NOT THINK IT FANCIFUL TO SEE SOMETHING OF THE SAME PROCESS HAPPENING ON THE POLITICAL FRONT WITH EXISTING LINKS BETWEEN PARTIES IN EAST AND WEST GERMANY. THE CDU (WEST) HAS JUST BEGUN TO HAVE CONTACT WITH THE CDU (EAST). THE SAME IS TRUE FOR THE SPD (WEST) AND THE SDP (EAST, STILL UNOFFICIAL) WHOSE MEMBERSHIP OF THE SOCIALIST INTERNATIONAL THE FORMER WILL SUPPORT. THE FDP (WEST) HAS LONG HAD LINKS WITH THE LDPD (EAST, ''LIBERAL''). THE SED WILL DERIVE LITTLE BENEFIT FROM ITS CLOSE CONTACTS WITH DKP (WEST) AND THE SEW (WEST BERLIN).

10. THERE WILL NO DOUBT BE MANY TWISTS AND SURPRISES IN THE WAY EVENTS ACTUALLY WORK OUT BETWEEN THE TWO GERMAN STATES. BUT FROM

THE POINT OF VIEW OF OUR POLICY TOWARDS THE GDR WE SHOULD
TAKE NOTE OF UNDERLYING REALITIES WHICH THE EVENTS OF THE LAST FEW
DAYS AND WEEKS HAVE EXPOSED SO CLEARLY.)

BROOMFIELD

YYYY

DISTRIBUTION

142

MAIN

123

.BERLIN/INNER-GERMAN RELATIONS
.(WIDE)
LIMITED
WED
SOVIET
EED
ECD(E)
SEC POL D
MAED
PUSD
CSCE UNIT
NEWS
INFO
NAD

PLANNERS
RESEARCH
RMD
CRD
PS
PS/MR MAUDE
PS/MR WALDEGRAVE
PS/PUS
PS/SIR J FRETWELL
MR P J WESTON
MR BAYNE
MR RATFORD
MR GOULDEN
MISS SPENCER

ADDITIONAL

8

BERLIN/INNER-GERMAN (WIDE)

SAVING

11

ATHENS
UKREP BRUSSELS
BRUSSELS EMBASSY
COPENHAGEN
DUBLIN
LISBON

LUXEMBOURG
MADRID
ROME
THE HAGUE
PEKING

NNNN

Handled over by
Soviet Ambassador
at 2200 on 10 November.

H. file
CDP 13/K.

I am instructed to convey to You, Mrs. Prime Minister, the following oral message from Mr. Gorbachev.

"Taking into account the rather extreme situation, which presently emerged in connection with the events in the GDR, its capital and West Berlin and also noting the drastic and, in my opinion, correct and worth-while character of decisions being taken by the new GDR leadership, I have just conveyed to Chancellor Kohl an oral message, the content of which I consider necessary to disclose to You.

According to reports a meeting with the participation of FRG and West Berlin officials is to take place in West Berlin tonight. A parallel meeting is being planned in the capital of the GDR. In conditions of the present openness and mass movement of people in both directions a chaotic situation with unpredictable consequences may emerge.

I appealed to Chancellor G. Kohl to take necessary and most urgent measures in order to prevent the deterioration of the situation, its destabilization.

Our Ambassador in Berlin is instructed to enter, without delay, into contact with representatives of the three powers' Administration in West Berlin. I hope that you, on your part, will give your representative appropriate instructions so that the events would not take an undesirable turn.

In general I consider it useful to emphasize the depth and seriousness of the changes occurring presently in the GDR. But when in FRG statements are made, aimed at stirring emotions, in the spirit of contradiction to the post-war realities - coexistence of two German states - these expressions of political extremism cannot be judged otherwise than aimed at undermining the processes in the GDR. These processes are developing dynamically towards democratization and renovation of all spheres of the society's life. And looking ahead - it could lead to destabilization of situation not only in the centre of Europe but on a wider scale.

I would like to express a hope for an understanding of all this on your part."

131020Z

COMMENT:

CONFIDENTIAL

FM MOSCOW

TO DESKBY 111430Z FCO

TELNO 1884

OF 111403Z NOVEMBER 89

INFO IMMEDIATE WASHINGTON, PARIS, BONN, EAST BERLIN, BMG BERLIN

INFO IMMEDIATE UKDEL NATO

MY 2 IPTS: POSSIBLE MESSAGE TO GORBACHEV.

1. ELEMENTS FOR A REPLY FROM THE PRIME MINISTER TO GORBACHEV'S MESSAGE MIGHT INCLUDE:

(A) ANALYSIS OF THE SITUATION BASED ON THE PRIME MINISTER'S INTERVIEW WITH THE PRESS ON 10 NOVEMBER, EMPHASISING OUR AGREEMENT THAT IT NEEDS TO BE MANAGED WITHIN THE FRAMEWORK OF THE QUADRIPARTITE AGREEMENTS, WHILE LOOKING FORWARD TO A LONGER TERM SETTLEMENT WHICH WOULD TAKE ACCOUNT OF A CFE AGREEMENT. THIS SECTION OF THE MESSAGE WOULD EMPHASISE THAT THERE WAS NO PROSPECT OF STABILITY UNLESS THE GDR LEADERSHIP RESPONDED TO POPULAR DEMANDS FOR REFORM AND INTRODUCED A POLITICAL SYSTEM WHICH REFLECTED THESE. (I.E. THIS POINT WOULD BE MADE AS AN ANALYTICAL PROPOSITION RATHER THAN A WESTERN POLITICAL SLOGAN):

(B) RE-EMPHASIS THAT THE WESTERN ALLIES HAVE NO WISH OR INTENTION TO INTERFERE IN DEVELOPMENTS IN THE GDR: WE HAVE MADE THIS POINT PUBLICLY AND WILL CONTINUE TO DO SO:

(C) AT THE SAME TIME REASSURANCE THAT, WHILE THE WEST HAS A LIMITED ROLE TO PLAY AND IT IS UP TO THE PEOPLE OF THE GDR TO DETERMINE THEIR FUTURE, WE BELIEVE THAT IT IS IN ALL OUR INTERESTS THAT CURRENT DEVELOPMENTS SHOULD BE MANAGED COOPERATIVELY BETWEEN EAST AND WEST.

(D) MENTION OF THE FACT THAT THE PRIME MINISTER WOULD BE HAVING TALKS WITH PRESIDENT BUSH ON 24 NOVEMBER, AND THAT SHE WOULD BE GLAD TO CONVEY TO BUSH PERSONALLY ANY POINTS WHICH GORBACHEV MIGHT LIKE TO MAKE IN RESPONSE.

2. MOSCOW IS NOT THE BEST VANTAGE POINT FROM WHICH TO MAKE RECOMMENDATIONS ON HOW TO PURSUE THE POINT IN PARA 1 (C) ABOVE. BUT SEEN FROM HERE IT WILL BE IMPORTANT TO TRY TO LOCK THE RUSSIANS INTO QUADRIPARTITE DISCUSSION OF HOW TO PROCEED AS A MEANS OF REDUCING THE RISK OF HASTY UNILATERAL ACTION TAKEN IN RESPONSE TO SOVIET DOMESTIC OR WARSAW PACT PRESSURES AND OF CALMING SOVIET NERVES. THIS COULD PERHAPS BE ACHIEVED IN A FRAMEWORK OF A QUADRIPARTITE COMBINED WITH INNER GERMAN TALKS ON THE MODEL OF THE NEGOTIATIONS WHICH LED TO THE QUADRIPARTITE AND RELATED AGREEMENTS. BUT OF COURSE A RESPONSE TO GORBACHEV'S MESSAGE WILL NOT WAIT FOR AGREEMENT AMONG THE FOUR ON MODALITIES SUCH AS THIS, LET ALONE THE AGENDA FOR SUCH TALKS, EVEN IF THIS SUGGESTION IS NOT LEGALLY IMPOSSIBLE, PRACTICALLY UNMANAGEABLE, OR SIMPLY TOO COMPLICATED TO PUT TOGETHER IN THE FACE OF FAST MOVING DEVELOPMENTS.

BRAITHWAITE

YYYY

ADVANCE

13

CONFIDENTIAL

172225
MDHIAN 4133

CONFIDENTIAL

FM BMG BERLIN

TO DESKBY 130800Z FCO

TELNO 84

OF 121730Z NOVEMBER 1989

AND TO DESKBY 130700Z BONN

AND TO DESKBY 130600Z MOSCOW

INFO IMMEDIATE PARIS, UKDEL NATO, WASHINGTON, EAST BERLIN

FROM AMBASSADOR

MOSCOW TELNO 1884: GORBACHEV'S MESSAGE ABOUT GDR

SUMMARY

1. SOVIET EMBASSY IN EAST BERLIN REASONABLY CONFIDENT. GRATEFUL FOR ACTION TAKEN BY ALLIES. SUGGESTIONS FOR MESSAGE TO GORBACHEV.

DETAIL

2. I AGREE WITH SIR R BRAITHWAITE THAT, WITH THE GDR IN CRISIS, WE HAVE A STRONG INTEREST IN REASSURING THE SOVIET UNION ABOUT WESTERN INTENTIONS SO THAT REFORM IN THE GDR SHOULD BE ABLE TO PROCEED WITH AS LITTLE EAST-WEST TENSION AS POSSIBLE.

3. THE MOOD OF THE SOVIET EMBASSY IN EAST BERLIN YESTERDAY, AFTER THEY HAD MADE CONTACT WITH THE ALLIES IN LINE WITH GORBACHEV'S MESSAGE TO THE PRIME MINISTER, IS SHOWN BY BMG BERLIN TELNO 192 TO HAVE BEEN REASONABLY POSITIVE. THE RUSSIANS WERE GRATEFUL FOR MEASURES WE HAD TAKEN TO DEFUSE THE SITUATION AT THE BRANDENBURG GATE, THE ONLY POTENTIALLY UGLY ONE THAT HAS SO FAR ARISEN.

4. AT MY PROMPTING THE US AMBASSADOR, NEXT IN LINE AMONG THE ALLIES TO SEE KOCHEMASOV, HAS FOR SEVERAL WEEKS BEEN ASKING FOR A MEETING WITH THE LATTER. IT TOOK PLACE TODAY. AT A MEETING LAST EVENING OF THE THREE WESTERN AMBASSADORS, I SUGGESTED TO WALTERS THAT HE SHOULD DESCRIBE TO KOCHEMASOV THE ORDERLINESS AND RESPONSIBILITY OF PUBLIC BEHAVIOUR IN WEST BERLIN AND THE SOBRIETY OF THE PUBLIC LINE OF FRG AND WEST BERLIN POLITICIANS (NOTABLY THEIR AVOIDANCE OF THE THEME OF REUNIFICATION), AND THAT HE SHOULD SAY THAT FURTHER REFORM AND ELECTIONS IN THE GDR WERE THE ONLY WAY OF REGAINING STABILITY AND THAT THE WEST HAD NO INTENTION OF INTERVENING IN ANY WAY IN THE GDR OR OF HARMING SOVIET INTERESTS. I AGREED WITH WALTERS' INTENTION TO PRESS KOCHEMASOV ON WHEN THE RUSSIANS WOULD BE READY FOR PREPARATORY TALKS ON THE WESTERN ALLIES' BERLIN INITIATIVE OF DECEMBER 1987. IF WE COULD GET SUCH TALKS GOING, THEY COULD POSSIBLY PROVIDE A

CONVENIENT AND UNCONTROVERSIAL WAY OF DISCUSSING WIDER BERLIN AND GERMAN MATTERS AS NECESSARY AMONG THE FOUR POWERS.

5. THE WALTERS/KOCHEMASOV MEETING WAS FRIENDLY. FULL DESCRIPTION IN IFT. KOCHEMASOV SHOWED HIMSELF CONCERNED, BUT FAIRLY CONFIDENT. THE US IMPRESSION WAS THAT SOVIET NERVES WERE NOT FRAZZLED. KOCHEMASOV GAVE THE IMPRESSION THAT HE THOUGHT THINGS HAD GONE BETTER IN THE PAST 36 HOURS. HE AGREED WITH WALTERS THAT THE RISKY PERIOD FOLLOWING THE OPENING OF THE FRONTIERS SHOULD BE OVER IN ANOTHER DAY OR TWO. HE WAS SATISFIED WITH COOPERATION AMONG THE ALLIES. ALL THROUGH THE MEETING KOCHEMASOV SPOKE OF TWO DEMOCRATIC GERMANIES CONTINUING TO EXIST AND OF THE IMPORTANCE OF STABILITY AND THE ALLIES' RESPONSIBILITY FOR WORKING FOR IT. HE SAID THAT IT SHOULD BE POSSIBLE TO ACCOMPLISH SOMETHING WITH THE ALLIES' BERLIN INITIATIVE.

6. I VISITED THE WALL ON 11 AND 12 NOVEMBER. THERE ARE ENORMOUS CROWDS ON THE WESTERN SIDE, MANY OF THEM EAST GERMANS. THE ATMOSPHERE IS HAPPY AND RELAXED AND IMPRESSIVELY SOBER. BUT THERE MUST BE SOME RISK OF INCIDENTS. THE GOVERNING MAYOR HAS APPEALED TO THE PUBLIC TO BE RESPONSIBLE AND RESTRAINED. THE ALLIES WILL SUGGEST TO MOMPER THAT HE REPEATS THAT APPEAL. PARTICULAR ATTENTION IS BEING PAID BY THE POLICE TO THE SOVIET WAR MEMORIAL IN WEST BERLIN.

RECOMMENDATION

7. THE RUSSIANS IN BERLIN SEEM REASONABLY STEADY. BUT A REASSURING MESSAGE TO GORBACHEV IS STILL DESIRABLE. I SUGGEST THAT IT SHOULD:

- STRESS THAT REFORM IN THE GDR IS THE ONLY BASIS FOR STABILITY:
- DESCRIBE THE SOBER AND RESPONSIBLE LINE OF LEADERS IN THE FRG AND WEST BERLIN - THEIR STRESS ON GRADUALISM AND THEIR AVOIDANCE OF THE THEME OF REUNIFICATION:
- REITERATE OUR SUPPORT FOR THE QUADRIPARTITE AGREEMENT, QUOTING ITS PROVISION THAT WE WILL QUOTE STRIVE TO PROMOTE THE ELIMINATION OF TENSION AND THE PREVENTION OF COMPLICATIONS UNQUOTE
- SAY THAT BRITISH OFFICIALS IN BERLIN ARE IN CLOSE TOUCH WITH THE SOVIET EMBASSY, THAT THIS HAS BEEN USEFUL, THAT WE WANT IT TO CONTINUE AND THAT I SHOULD BE GLAD TO MEET KOCHEMASOV AT ANY TIME:
- ASSURE GORBACHEV THAT THE WEST HAS NO INTENTION OF INTERVENING IN ANY WAY IN THE GDR OR OF HARMING LEGITIMATE SOVIET INTERESTS:

MDHIAN 172
AND
- INVITE GORBACHEV TO STAY IN REGULAR CONTACT:

- MENTION THE PRIME MINISTER'S MEETING WITH BUSH AND YOURS WITH GENSCHER ON 15 NOVEMBER.

8. I HAVE OMITTED FROM PARA 7 MENTION OF FOUR POWER CONTACTS ABOUT BERLIN AND GERMANY. WE MAY WELL NEED AN INITIATIVE OF THIS KIND SOON, BUT WE SHOULD DISCOVER FIRST THE VIEWS OF THE FRG AS WELL AS THE US AND FRANCE. TO LAUNCH THIS IDEA IMMEDIATELY WOULD LOOK TO THE FRG LIKE AN EXPRESSION OF GREAT ALLIED CONCERN ABOUT THE RELIABILITY OF THE GERMANS AND AN ATTEMPT TO TAKE MATTERS INTO ALLIED HANDS. THAT WOULD INTENSIFY EMOTION AND CAUSE RESENTMENT DETRIMENTAL TO ALLIED INFLUENCE ON GERMAN BEHAVIOUR. KOHL AND GENSCHER HAVE FLATLY REJECTED SUGGESTIONS OF A FOUR POWER CONFERENCE BY A COUPLE OF WEST GERMAN POLITICIANS. IT IS BETTER FOR NOW TO PURSUE CONTACT WITH THE RUSSIANS IN LESS NEWSWORTHY WAYS.

CORBETT

YYYY

DISTRIBUTION

131

MAIN

123

.BERLIN/INNER-GERMAN RELATIONS
.(WIDE)
LIMITED
WED
SOVIET
EED
ECD(E)
SEC POL D
MAED
PUSD
CSCE UNIT
NEWS
INFO
NAD

PLANNERS
RESEARCH
RMD
CRD
PS
PS/MR MAUDE
PS/MR WALDEGRAVE
PS/PUS
PS/SIR J FRETWELL
MR P J WESTON
MR BAYNE
MR RATFORD
MR GOULDEN
MISS SPENCER

ADDITIONAL

8

BERLIN/INNER-GERMAN (WIDE)

NNNN

131019Z

COMMENT:

CONFIDENTIAL

FM MOSCOW

TO DESKBY 111430Z FCO

TELNO 1884

OF 111342Z NOVEMBER 89

INFO IMMEDIATE WASHINGTON, PARIS, BONN, EAST BERLIN, BMG BERLIN

INFO IMMEDIATE UKDEL NATO

MIPT: EAST GERMANY - POSSIBLE RESPONSE TO GORBACHEV

1. I NOTE THAT YOU MAY BE SENDING ME INSTRUCTIONS.
2. I RECOMMEND THAT THE PRIME MINISTER SHOULD RESPOND AS QUICKLY AS POSSIBLE - IN WRITING AND WITH AS MUCH SUBSTANCE AS POSSIBLE IN THE TIME AVAILABLE - TO GORBACHEV'S MESSAGE. JOINT CRISIS MANAGEMENT WITH THE WEST IS ONLY ONE OF A NUMBER OF OPTIONS WHICH WE MUST ASSUME THE RUSSIANS ARE DEBATING. GORBACHEV MAY BE UNDER PRESSURE - PERHAPS FROM HIS COLLEAGUES, OR EVEN THE GENERAL STAFF, WHO MAY BE INCREASINGLY WORRIED ABOUT THE ROLE AND SECURITY OF THEIR FORCE IN EAST GERMANY IN THE EVENT OF AN UNCONTROLLABLE CRISIS THERE - TO ACT UNILATERALLY, OR BILATERALLY WITH THE EAST GERMAN APPARATUS. TO HEAD THIS OFF, THE WEST SHOULD CONSIDER WAYS OF DRAWING THE RUSSIANS INTO DIALOGUE. IN PARTICULAR, SOME MEANS NEEDS TO BE FOUND OF FILLING IN THE THREE WEEK GAP BETWEEN NOW AND GORBACHEV'S SUMMIT WITH BUSH. THAT WILL HELP GORBACHEV TO SHOW HIS DOMESTIC CRITICS THAT HE HAS A VIABLE POLICY, AND THAT THE WEST IS SUPPORTING IT RATHER THAN EXPLOITING HIS TROUBLES.
3. IN MIPT, I SUGGEST ELEMENTS FOR A WRITTEN REPLY BY THE PRIME MINISTER TO GORBACHEV'S MESSAGE. I RECOMMEND THAT I SHOULD BE INSTRUCTED TO DELIVER THIS MESSAGE BY THE MOST DIRECT AVAILABLE MEANS. I HAVE SUGGESTED THAT THE EMPHASIS SHOULD BE ON PROPOSALS FOR PRACTICAL ACTION. THIS IS INTENDED TO DEFUSE IMMEDIATE SOVIET CONCERN ABOUT THE DESTABILISATION OF EUROPE AND THE RISK OF A HEADLONG RUSH TOWARDS GERMAN REUNIFICATION.
4. ASIDE FROM PRIVATE MESSAGES AND A MEASURE OF PRACTICAL CO-OPERATION, YOU WILL ALSO BE CONSIDERING WHAT FURTHER LINE WE SHOULD TAKE IN PUBLIC. THE RUSSIANS WILL HAVE BEEN REASSURED BY THE EMPHASIS GIVEN IN BRITISH STATEMENTS OVER THE PAST 24 HOURS TO MAINTAINING THE PRESENT FRAMEWORK OF NATO AND THE WARSAW PACT. BUT THEY WILL HAVE BEEN ALARMED BY TRIUMPHALIST STATEMENTS BY LEADING WEST GERMANS ON BOTH LEFT AND RIGHT. I CANNOT JUDGE FROM HERE WHAT CHANCE WE HAVE OF COOLING RHETORIC IN THE FRG OR THE UNITED STATES. I AM ACUTELY AWARE OF THE - LEGITIMATE - POPULAR PRESSURES BUILDING UP IN BOTH GERMANIES. BUT I HOPE THAT WE CAN MAKE THE OBVIOUS POINTS TO THE WESTERN ALLIES THAT EVERY STATEMENT ABOUT GERMAN REUNIFICATION STRENGTHENS THE HAND OF THOSE RUSSIANS WHO MUST BE ADVOCATING MEASURES TO PROTECT THE POST-WAR SETTLEMENT.

BRAITHWAITE

YYYY

UNCLASSIFIED

172001
MDHIAN 4120

UNCLASSIFIED

FM BONN

TO IMMEDIATE FCO

TELNO 1090

OF 111448Z NOVEMBER 89

INFO IMMEDIATE BMG BERLIN, EAST BERLIN, MOSCOW, PARIS, WASHINGTON

INFO IMMEDIATE UKDEL NATO

INFO PRIORITY WARSAW, PRAGUE, BUDAPEST

FRG/GDR: PRESS STATEMENT BY KOHL

SUMMARY

1. KOHL CALLS FOR CALM.

DETAIL

2. FOLLOWING A SPECIAL MEETING OF THE FRG CABINET EARLY ON 11 NOVEMBER KOHL MADE A STATEMENT TO THE PRESS. HE CALLED ON ALL GERMANS TO REMAIN LEVEL-HEADED AND TO KEEP A SENSE OF PERSPECTIVE.

3. HE REITERATED HIS WILLINGNESS TO ANSWER REFORM IN THE GDR WITH SUBSTANTIAL ECONOMIC HELP. BUT FREEDOM OF TRAVEL WAS NOT ENOUGH. HE THEN OUTLINED, AS IN HIS SPEECH TO THE BUNDESTAG ON 8 NOVEMBER (OUR TELNO 1061), THE REFORMS WHICH WERE REQUIRED.

4. KOHL SAID HE HAD SPOKEN TO GORBACHEV ON 10 AND 11 NOVEMBER. HE HAD ALSO SPOKEN TO KRENZ: THEY HAD AGREED TO REMAIN IN FREQUENT CONTACT BY TELEPHONE AND TO MEET SOON IN THE GDR.

5. HE HAD ALREADY SUGGESTED TO PRESIDENT MITTERRAND THAT THE IMPLICATIONS OF RECENT DEVELOPMENTS IN THE GDR SHOULD BE DISCUSSED BY THE STRASBOURG EUROPEAN COUNCIL.

MALLABY

YYYY

UNCLASSIFIED

FM BONN

TO IMMEDIATE FCO

TELNO 1089

OF 111447Z NOVEMBER 89

INFO IMMEDIATE BMG BERLIN, EAST BERLIN, WASHINGTON, MOSCOW, PARIS

INFO IMMEDIATE UKDEL NATO

INFO PRIORITY WARSAW, PRAGUE, BUDAPEST

FRG/GDR: FRG PRESS COMMENT.

SUMMARY

1. PRESS REFLECTS MUCH ELATION BUT ALSO WIDESPREAD SURPRISE AT SUDDENNESS OF DEVELOPMENTS, AND A FEELING THAT THE WAY FORWARD IS NO LONGER CLEAR. MOST COMMENT IS RESPONSIBLE. SOME NEW ACCENTS.

DETAIL

2. FRG PRESS COMMENT FOCUSES TODAY ON HOW EVENTS ARE LIKELY TO UNFOLD IN THE GDR AND THE IMPLICATIONS FOR INNER-GERMAN RELATIONS.

3. THE FRANKFURTER RUNDSCHAU (LEFT OF CENTRE) NOTES THAT POLAND AND OTHER EAST EUROPEAN COUNTRIES COULD BE CONCERNED THAT THE FRG WILL IN FUTURE CONCENTRATE ON HELPING THE GDR. IN ORDER FOR THE FRG TO CARRY OUT ITS 'NATIONAL DUTIES' WITHOUT DISAPPOINTING OTHER REFORMING EAST EUROPEAN COUNTRIES. OTHER WESTERN COUNTRIES WILL HAVE TO SHARE IN THE BURDEN. THEY HAVE NOT YET SHOWN MUCH ENTHUSIASM FOR DOING SO. THE WEST AS A WHOLE, BY PLAYING A LEADING ROLE IN SUPPORTING REFORMS, CAN HELP ALLAY FEARS ABOUT THE FRG'S INTENTIONS.

4. THE GENERAL ANZEIGER (INDEPENDENT) REMARKS ON THE MIXTURE OF ASTONISHMENT AND FEAR AT THE LOSS OF WHAT HAD BEEN CONSIDERED AS FIXED POINTS OF ORIENTATION. IT NOTES HOWEVER THAT THERE HAVE BEEN NO DEMONSTRATIONS FOR REUNIFICATION: THIS REMAINS FAR AWAY ON THE HORIZON. NOR IS ANY WEST GERMAN POLITICIAN PROPAGATING ANYTHING BUT FREEDOM FOR THE EAST GERMANS TO DETERMINE THEIR OWN DESTINY.

5. THE FRANKFURTER ALLGEMEINE (CONSERVATIVE) NOTES THAT THE EC HAS DEVELOPED ONLY ONE PLAN FOR THE FUTURE. DELORS WELCOMES ANY DEVELOPMENTS, EVEN GERMAN REUNIFICATION, SO LONG AS THEY DO NOT IMPAIR THE 'GRAND DESIGN' OF QUICKENING EUROPEAN INTEGRATION. BUT THE EVENTS OF 9 NOVEMBER HAVE MADE THAT DOUBTFUL.

6. A SECOND LEADER IN THE FRANKFURTER ALLGEMEINE COMMENTS THAT REUNIFICATION IS STILL A LONG WAY OFF. BUT THE INTRODUCTION OF

CONSIDERABLE FREEDOM OF MOVEMENT BETWEEN THE TWO STATES HAS SET IN MOTION A PROCESS THAT COULD ONLY BE CHECKED BY AN ACT OF VIOLENCE. THE DAY WILL COME WHEN EAST GERMANS WILL BE ABLE TO DECIDE IF THEY WISH TO JOIN WITH THE WEST GERMANS AND LIVE IN ONE STATE. THE NOTION THAT THE QUESTION OF GERMAN UNITY WILL SOMEHOW BE SOLVED OR SETTLED THROUGH THE GRADUAL INTEGRATION OF THE TWO HALVES OF EUROPE IS OPEN TO DOUBT. THE QUESTION OF GERMAN UNITY MUST BE DECIDED FIRST. ONLY THEN WILL COME THE DECISION AS TO WHICH INTERNATIONAL FRAMEWORK A GERMANY OF THAT KIND, IF THAT IS WHAT THE NATION DECIDES ON, SHOULD FIT INTO.

7. A THIRD COMMENT IN THE FRANKFURTER ALLGEMEINE SAYS THAT FEARS THAT GERMANS COMING TOGETHER COULD RESULT IN A GERMANY TOO BIG FOR EUROPE ARE ANACHRONISTIC. FOUR DECADES HAVE CREATED A STABLE FRAMEWORK IN WHICH A SOLUTION OF THE GERMAN QUESTION MUST NOW BE MADE POSSIBLE. EUROPEAN POLICY AND DEUTSCHLANDPOLITIK ARE EACH CONDITIONAL ON THE OTHER: SEPARATING THE TWO IS DANGEROUS.

8. THE SUEDEDEUTSCHE (INDEPENDENT) CALLS THE END TO TRAVEL RESTRICTIONS A CAESURA IN POST-WAR HISTORY THAT CHANGES THE ENTIRE RELATIONSHIP BETWEEN THE TWO GERMAN STATES. THE OPENING OF THE BORDER HAS NOT SOLVED THE GERMAN QUESTION. BUT THE ISSUE NOW IS NOT WHETHER THE GERMAN QUESTION EXISTS BUT HOW, AND WITH WHAT COURAGE AND IMAGINATION, GERMANS IN BOTH STATES WILL ANSWER IT.

MALLABY

YYYY

DISTRIBUTION

131

MAIN

123

.BERLIN/INNER-GERMAN RELATIONS
.(WIDE)
LIMITED
WED
SOVIET
EED
ECD(E)
SEC POL D
MAED
PUSD

PLANNERS
RESEARCH
RMD
CRD
PS
PS/MR MAUDE
PS/MR WALDEGRAVE
PS/PUS
PS/SIR J FRETWELL
MR P J WESTON

CONFIDENTIAL

171777
MDHIAN 4111

CONFIDENTIAL

FM BONN

TO DESKBY 111400Z FCO

TELNO 1088

OF 111305Z NOVEMBER 89

INFO IMMEDIATE WASHINGTON, PARIS, UKDEL NATO, EAST BERLIN

INFO IMMEDIATE BMG BERLIN, MOSCOW

INFO PRIORITY WARSAW, UKREP BRUSSELS, BUDAPEST

GENSCHER BRIEFS NATO AMBASSADORS ON EAST GERMANY

SUMMARY

1. GENSCHER BRIEFS NATO AMBASSADORS ON FRG POLICY. MUCH STRESS ON FRG'S WESTERN ALIGNMENT AND CONTINUITY OF POLICIES. WESTERN ACHIEVEMENTS SEEN AS CAUSE OF CHANGE IN WARSAW PACT. FEDERAL MINISTER SEITERS TO VISIT EAST BERLIN THIS WEEK. KOHL LATER TO SEE KRENZ.

DETAIL

2. GENSCHER, FLANKED BY MOST OF HIS TOP STAFF, THIS MORNING BRIEFED AMBASSADORS OF NATO AND IRISH REPUBLIC ABOUT EVENTS IN THE GDR.

3. HE BEGAN BY THANKING THE UNITED STATES, FRANCE AND THE UNITED KINGDOM FOR THEIR SUPPORT, HELP AND SYMPATHY, GENERALLY AND IN THEIR ROLES AS PROTECTING POWERS IN BERLIN, AT THIS MOVING MOMENT FOR ALL GERMANS. THE HAPPY SCENES ON THE BERLIN STREETS SHOWED THAT THE UNITY OF THE GERMAN NATION WAS UNHARMED AFTER ALL THE YEARS OF SEPARATION. THE QUESTION WHETHER THE GDR WOULD BE FREE HAD BEEN PUT ON THE AGENDA BY THE PEOPLE OF THE GDR, AND IN A WAY THAT WAS PEACEFUL AND REMARKABLY RESPONSIBLE. AS HE HAD SAID IN HIS SPEECH IN BERLIN YESTERDAY, FREE GERMANS HAD NEVER BEEN A THREAT TO OTHER NATIONS. THE FEDERAL REPUBLIC'S DESTINY WAS INSEPARABLE FROM EUROPE'S. GERMANY WOULD NOT TAKE A SEPARATE PATH. ALL GERMANS WANTED FREEDOM. RECENT EVENTS WERE THE RESULT OF THE ALLIANCE AND THE COMMUNITY, OF OUR JOINT POLICIES, OUR FIRMNESS IN BERLIN AND ELSEWHERE, OUR SUCCESSES IN CSCE AND OUR DEFENCE EFFORTS. THE FEDERAL REPUBLIC WOULD CONTINUE TO PURSUE THOSE POLICIES CONSISTENTLY AND WITH DETERMINATION. THE WEST SHOULD MAKE EVEN GREATER EFFORTS IN ARMS CONTROL, SO THAT THIS SHOULD NOT FALL BEHIND POLITICAL AND HUMANITARIAN DEVELOPMENTS.

4. GENSCHER SAID THAT THE WESTERN ALLIES SHOULD DO WHAT THEY COULD TO PROMOTE STABLE CONDITIONS FOR THE CHANGE THAT WAS TAKING PLACE IN

CENTRAL EUROPE. PART OF THAT WAS TO DEMONSTRATE THE FRG'S COMMITMENT TO THE WEST. THE STRASBOURG EUROPEAN COUNCIL WOULD BE ESPECIALLY IMPORTANT. IT MUST DEMONSTRATE THAT THE DEEPENING OF THE COMMUNITY, FAR FROM FALTERING BECAUSE OF THE CHANGES IN EUROPE, WAS ACCELERATING. THE FEDERAL REPUBLIC WOULD ALSO SEEK TO PROMOTE STABILITY BY MAKING CLEAR ITS FIRM INTENTION TO STAND BY THE EASTERN TREATIES. FEDERAL GERMAN POLICY WOULD BE GUIDED BY THE FEDERAL REPUBLIC'S CONVICTION THAT TWO THINGS NEEDED ABOVE ALL HAD CAUSED GORBACHEV TO INITIATE REFORM: THE WEST'S FIRM ANSWER TO THE SS-20 AND FASCINATION WITH THE SUCCESSES OF THE COMMUNITY.

5. GENSCHER SAID THAT THE FEDERAL CHANCELLOR HAD SPOKEN THIS MORNING BY TELEPHONE TO KRENZ. HE HAD WELCOMED THE DECISION TO ALLOW MOVEMENT ACROSS FRONTIERS. HE HAD REPEATED HIS OFFER THAT THERE WOULD BE NEW ECONOMIC SUPPORT IF THERE WAS REAL REFORM IN THE GDR. THE FEDERAL CABINET, MEETING THIS MORNING, HAD DECIDED THAT FEDERAL MINISTER SEITERS SHOULD HOLD TALKS WITH THE GDR GOVERNMENT IN THE COMING WEEK (DUISBERG OF THE FEDERAL CHANCELLERY HAS SINCE TOLD US THIS WILL BE ON 20 NOVEMBER. SEITERS WILL SEE KRENZ). THE FEDERAL REPUBLIC WOULD DISCUSS WITH THE POLITICAL PARTIES AND OTHERS IN THE FRG THE POSSIBLE NATURE OF A PACKAGE OF ECONOMIC SUPPORT.

6. GENSCHER SAID THAT HE HAD ALSO SPOKEN TODAY TO SHEVARDNADZE. HE HAD WELCOMED THE OPENING OF THE GDR BORDERS AND STRESSED THE IMPORTANCE OF GENUINE REFORM. HE HAD SAID THAT THE FRG WANTED STABILITY AND WOULD STAND BY THE EASTERN TREATIES. SHEVARDNADZE HAD SAID THAT STABILITY IN THE GDR WAS OF ESPECIAL IMPORTANCE FOR THE SOVIET UNION.

7. IN HIS PERORATION TO THE AMBASSADORS, GENSCHER REPEATED THAT THE FEDERAL REPUBLIC STOOD FIRM IN THE EC AND THE ALLIANCE. IT WOULD MAINTAIN THE POLICY COURSE OF RECENT YEARS. IT WOULD WORK FOR PROGRESS IN EAST-WEST RELATIONS, NOTABLY IN CSCE. HE HOPED THAT THE FRG'S FRIENDS WOULD AGREE THAT IT WAS A MAJOR GAIN FOR EUROPE THAT GERMANS IN THE FRG AND THE GDR WERE FOR FREEDOM.

8. IN REPLY TO QUESTIONS, GENSCHER SAID THAT IT WAS IMPOSSIBLE TO FORESEE EVENTS IN THE GDR. THE FEDERAL REPUBLIC WAS CALLING FOR FREE ELECTIONS BUT DECISIONS ON FUTURE INTERNAL MOVEMENTS IN THE GDR MUST BE TAKEN BY THE PEOPLE THERE. HE SAID THAT THE FEDERAL CHANCELLOR INTENDED TO MEET KRENZ IN THE GDR (NOT IN BERLIN), AT A TIME TO BE AGREED IN THE TALKS THIS COMING WEEK BETWEEN SEITERS AND GDR MINISTERS. HE SAID THAT THE FEDERAL CABINET THIS MORNING HAD AGREED THAT ECONOMIC HELP FOR THE GDR WOULD BE FUTILE UNLESS THERE WAS

CONFIDENTIAL

171777
MDHIAN 4111

GENUINE ECONOMIC REFORM. IF SUCH REFORM TOOK PLACE, THE GDR ECONOMY SHOULD BE ABLE TO MAKE PROGRESS, SINCE THE SKILLS, THE BASIC INDUSTRY AND THE INFRASTRUCTURE THERE WERE BETTER THAN ELSEWHERE IN EASTERN EUROPE.

9. GENSCHER ALSO MADE SOME REMARKS ABOUT KOHL'S VIST TO POLAND. THE CHANCELLOR WOULD RETURN THERE TODAY, TO RESUME HIS PROGRAMME (WHICH INCLUDED A MEETING WITH JARUZELSKI). DURING THE FIRST PART OF KOHL'S VISIT IT HAD BECOME CLEAR THAT THE POLES, WHILE THEY WELCOMED EVENTS IN THE GDR, FEARED THAT THESE COULD CAUSE WESTERN INTEREST IN REFORM IN POLAND TO DIMINISH. GENSCHER HAD CAUSE TO BELIEVE THAT HUNGARY FELT THE SAME. THESE WERE ARGUMENTS FOR A CONFERENCE OF THE FOREIGN MINISTERS OF THE 24 WESTERN COUNTRIES ENGAGED IN HELPING POLAND. IT MIGHT TAKE PLACE BEFORE OR AFTER THE NATO FOREIGN MINISTERS' MEETING, WHEN THE UNITED STATES AND CANADIAN FOREIGN MINISTERS WOULD ANYWAY BE IN EUROPE. THE PURPOSE WOULD BE TO SIGNAL CONTINUED WILLINGNESS TO SUPPORT REFORM IN POLAND AND HUNGARY. GENSCHER DID NOT SUGGEST THAT SUCH A CONFERENCE SHOULD DISCUSS THE GDR.

COMMENT

10. GENSCHER'S PURPOSE IN CALLING THIS MEETING WAS CLEARLY TO DEMONSTRATE CONFIDENCE AND TO CONVINCe NATO AMBASSADORS THAT THE FEDERAL REPUBLIC WOULD NOT WAVER IN ITS WESTERN COMMITMENTS. HE WAS IN GOOD FORM AND PUT THE MESSAGE ACROSS CLEARLY. THIS MESSAGE IS ALSO A KEYNOTE OF HIS CURRENT PUBLIC LINE: SEE FOR INSTANCE MY TELNO 1076.

MALLABY

YYYY

DISTRIBUTION

131

MAIN

123

.BERLIN/INNER-GERMAN RELATIONS
.(WIDE)
LIMITED
WED
SOVIET
EED
ECD(E)

PLANNERS
RESEARCH
RMD
CRD
PS
PS/MR MAUDE
PS/MR WALDEGRAVE

PAGE 3
CONFIDENTIAL



Foreign and Commonwealth Office

London SW1A 2AH

CONFIDENTIAL

10 November 1989

See Charles

East Germany: Telephone Call by Chancellor Kohl

The Prime Minister's statement this morning will be welcome to the Germans. The FRG Ambassador has said he was very pleased to hear it. When Chancellor Kohl telephones this evening, the Prime Minister may wish to take the line that recent developments in East Germany represent a triumph of freedom. The priority must now be the establishment of a genuinely democratic form of government. We shall give whatever practical help we can in coping with the refugees. The Prime Minister might also say to Chancellor Kohl that heads of government will clearly want to discuss developments in Eastern Europe at Strasbourg, and she hopes he will give a lead to that discussion.

Sir Christopher Mallaby had a meeting this morning with Seiders, Minister in charge of the Federal Chancellery, in company with the American and French Ambassadors. Seiders stressed the historic nature of current developments. He referred to the need for help in Berlin, especially over accommodation. We have already been very helpful in Berlin (providing land, tents and blankets) and the Berlin Mayor and Senat have pronounced themselves well satisfied. But further, more urgent help may be needed if the numbers swell: there is already an acute housing shortage there. MOD are able to make available some more land, in the FRG itself. We shall let you have details separately.

Chancellor Kohl is reaffirming the FRG's offer of economic help to the GDR provided that free elections and the end of one-party rule are bindingly declared.

Chancellor Kohl will be speaking later today also to Gorbachev, Krenz, Bush and Mitterrand.

Chancellor Kohl is to visit Berlin tonight for a large public meeting outside the Rathaus (City Hall), intended to mirror a similar event in 1961 when the Wall was erected.

The Federal authorities believe that the new liberal travel arrangements leave the East German authorities with no alternative but to hold free elections since, without them, there will be no holding back the exodus. The only question that remains is one of timing.

I am copying this letter to Brian Hawtin (MOD) and Trevor Woolley (Cabinet Office).

James, Stephen
(J S Wall)
Private Secretary

C D Powell Esq
10 Downing Street

CONFIDENTIAL

CONFIDENTIAL

4/c immediate N^o Powell, N^o 10

W/xi

From: S J Wordsworth

Western European Department

Date: 10 November 1989

cc: Mr Ramsden

*PS/Mr Mende
PS/Mr Waldgrave*

News Department

Mr Synnott

Private Secretary

UK ASSISTANCE TO RESETTLERS IN THE FRG

1. You asked for a note on the assistance we are providing for resettlers from the GDR in Berlin and, now, the FRG.

2. In Berlin we have already offered the following material:

- Tentage for 2820 persons;
- Mattresses/bedding for 2500 persons;
- Beds for 270 persons;
- the use of engineers and other servicemen on short term tasks. They have already carried out a reconnaissance of a derelict building in the British sector which the Senat (City Government) may want to use for resettlers. We stand ready to help with the work if the Senat decide to go ahead;
- two hangars at RAF Gatow. Security work, and the provision of essential services at this site, is being undertaken at the expense of the Senat. They will be allowed the use of the land for nine months initially, with a possible extension for a single additional period of nine months.

SW3AGF/1

CONFIDENTIAL

3. The assistance we are now offering in the FRG comprises the offer of four sites:

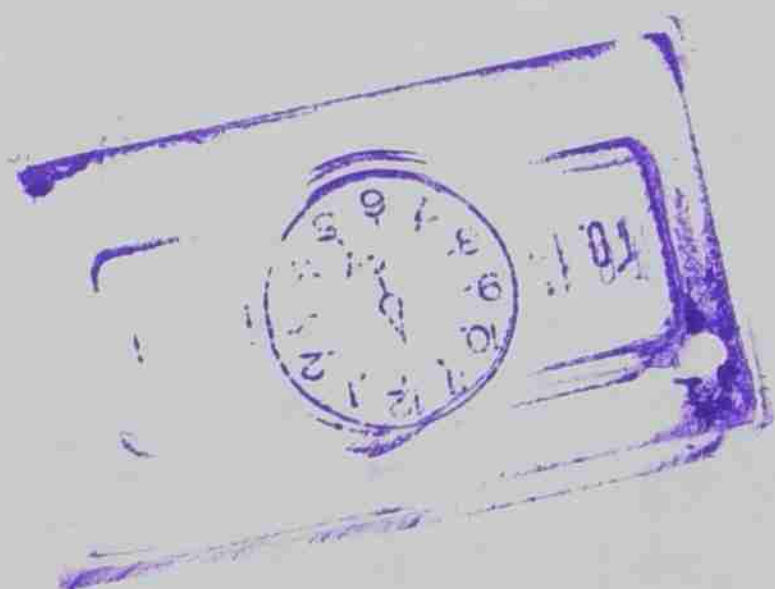
- a. Woodlands Camp, Sennelager. This is a greenfield site with a capacity for around 1000 people.
- b. Two sites on the Holten training area; Barkenberg (a hutted camp for around 150) and Laversum Camp (a greenfield site for some 700).
- c. Balaclava barracks, a brickbuilt barracks for 150.

6. The Ministry of Defence have said that since the Germans already own the land and buildings, there will be no charge for their provision. There is to be a meeting of the Sending States on Monday to discuss the financial details involved in the provision of services, etc. We expect, however, that the Federal Government will pay for these.



Steve Wordworth

S J Wordsworth



CONFIDENTIAL



SUBJECT cc MASTER

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

10 November 1989

Dear Stephen,

EAST GERMANY

Chancellor Kohl telephoned the Prime Minister this evening to discuss developments in East Germany.

The conversation opened with the Prime Minister remarking that it was a great day for freedom. Chancellor Kohl said he wanted to give the Prime Minister his impressions following his visit to Berlin. But he would start by making a few remarks about Poland where he was returning tomorrow. The situation there was very difficult and the Poles needed support. The new government was not very practised in the art of politics but had great idealism. He would be writing to the Prime Minister and other colleagues at the end of his visit to give fuller impressions and make some suggestions. But there was one urgent point. The Poles were in negotiation with the IMF and he had urged them to get things straight as rapidly as possible. It is no less important that the IMF itself should act rapidly. He hoped that the British representative could be instructed to encourage the IMF to get through the negotiations with Poland as soon as possible, so that they could be completed by the end of November or early December at the latest. That would give the Polish Government a clear basis on which to pursue their economic policies. The Prime Minister said that she would discuss this with the Chancellor of the Exchequer. We certainly wanted to see the negotiations with the IMF completed as soon as possible. She asked Chancellor Kohl to give the new Polish government and General Jaruzelski her warm regards.

The Prime Minister said that she had been watching the scenes in Berlin on television both last night and this morning. They were some of the most historic which she had ever seen. She was anxious to hear Chancellor Kohl's impressions. It seemed to her that the most important task now was to establish a genuine democratic government in East Germany. Chancellor Kohl said that the scene in Berlin was incredible. There were hundreds of thousands of people in the streets. He had attended a rally organised by the Senat, at which there had been a lot of left wing rowdies. Following that, the CDU had organised a rally with between 120 - 200,000 participants, at least half of whom

CONFIDENTIAL

CONFIDENTIAL

- 2 -

were from East Berlin and elsewhere in the GDR. Enormous numbers of people had passed through the wall into West Berlin during the day, mostly just to have a drink, look around the shops and wander about. The most noticeable thing was that they were all happy. The Chancellor continued that he had visited Checkpoint Charlie and spoken to the young British soldiers there. They had never experienced anything like the scenes in their lives, with thousands of people going in both directions.

Chancellor Kohl said that one could not avoid the conclusion that the political system in East Germany had been mortally wounded. He was not sure what would happen next. A new government would probably be formed next week. But there still seemed to be two groups fighting for leadership of the Party. One group continued to believe that the GDR could do without pluralism. The other group was ready to follow the example of Poland and Hungary, but at least for the time being they were in a minority. Without real change, he did not think the situation would calm down. More and more people would leave and the economic situation would rapidly become disastrous. The next six weeks would be crucial. One thing that had struck him about the demonstrations in East Germany was the enormous discipline. He hoped that would remain the case. The West Germans would do everything possible to avoid anything provocative which could lead to conflicts or upheavals. He would like to keep in touch with the Prime Minister as the situation developed and contact her immediately if there was anything dramatic.

The Prime Minister asked whether the East Germans would take advice from anyone about the political situation. Chancellor Kohl did not think they would, for the time being at least. The Prime Minister continued that it would be a great mistake for them to do too little now. The demand for political change was so great that they must move towards genuine democracy. Chancellor Kohl said that Krenz had told him that he did not want to follow the Polish and Hungarian example. He had replied that he was very sceptical whether Krenz could succeed without doing so - and he had been proved right. The Prime Minister asked whether Chancellor Kohl was keeping in touch with President Gorbachev, who would be anxious about the turn which events had taken. Chancellor Kohl said that Gorbachev was indeed extremely concerned. He intended to speak to him within the next day or two and would say that without pluralism the situation in East Germany could not be resolved.

The Prime Minister thanked Chancellor Kohl for telephoning. It was important they should keep in touch. If he would like her to come over for half a day before the European Council in Strasbourg she would be delighted to do so. Alternatively he might like to come over here. Either way they must remain in contact. Chancellor Kohl said he thought this was a good idea and he would telephone the Prime Minister again on his return from Poland.

CONFIDENTIAL

CONFIDENTIAL

- 3 -

The Prime Minister referred to the help our Forces in Germany were providing for refugees from East Germany. Chancellor Kohl expressed gratitude for this.

I am copying this letter to Brian Hawtin (Ministry of Defence), John Gieve (HM Treasury) and to Trevor Woolley (Cabinet Office).

Yours sincerely,

Charles Powell

CHARLES POWELL

J. S. Wall, Esq.,
Foreign and Commonwealth Office

CONFIDENTIAL

CONFIDENTIAL



SUBJECT cc MASTER

File
C: GERMANY, CDP

(MEM)

10 DOWNING STREET

LONDON SW1A 2AA

cc PC

From the Private Secretary

10 November 1989

EAST GERMANY

The Soviet Ambassador came to see the Prime Minister at 2200 hours tonight with what he described as an urgent personal message from Mr. Gorbachev. I enclose the text which he handed over.

After reading the note, the Prime Minister said that she had spoken to Chancellor Kohl earlier in the evening. The impression she had received was that the situation in Berlin was cheerful but orderly and that the West German Government was determined that it should not get out of hand. In her own public statement she had been at pains to emphasise that matters should develop step by step and that the most urgent task was to establish a genuinely democratic government in East Germany. Her main concern was that the present leadership in East Germany had not sufficiently appreciated the need for political reform. Only if they could hold out hope for the future to their people would they be able to stop the exodus from East Germany. Her own view was that people should be encouraged to stay in East Germany, and build a better life there. But it all depended on the willingness of East Germany's political leaders to carry through the necessary reforms.

The Soviet Ambassador said that what worried Mr. Gorbachev most was that emotions might run high, leading to demonstrations and calls for reunification. There seemed to be some in West Germany who were keen to whip up such feelings. The Prime Minister said there had not been the slightest evidence of this in her talk with Chancellor Kohl. He had been at pains to emphasise the sober and cautious approach of the West German authorities. She thought he appreciated very well the sensitivities on the Soviet side. She had clearly understood Mr. Gorbachev's insistence during their talks in Moscow that, while the countries of Eastern Europe could choose their own course in their domestic affairs, the borders of the Warsaw Pact must remain intact.

CONFIDENTIAL

CONFIDENTIAL

- 2 -

The Prime Minister continued that it would certainly be right for the Berlin Powers to keep in close touch. The Soviet Ambassador said that the key phrase in Mr. Gorbachev's message was the reference to the post-war realities, the co-existence of two German States. The Prime Minister repeated that her purpose had been to urge the need for a measured approach, with priority for establishing a genuine democracy in East Germany. She assumed that the Ambassador had reported the text of her various interviews earlier in the day. The Soviet Ambassador said that he had indeed done so and they had been noted with satisfaction. There were nonetheless worries in Moscow about public statements about reunification made by some of the other Western leaders.

I have subsequently spoken to General Scowcroft in the White House and given him an account of this exchange. He confirmed that the Americans had received a similar approach and had responded in very similar terms. They were not disposed to take at all an alarmist view of the Soviet approach, and were impressed more by its positive features. That said, there was certainly a risk that the situation would get out of hand. I said that I assumed that the Americans were making clear to the Russians that there was no intention of exploiting the present situation to the detriment of the Soviet Union's security. General Scowcroft confirmed that this was so.

I subsequently also informed Herr Never in the Federal Chancellery in Bonn.

You will no doubt want to take more formal action to draw this demarche to the attention of the Americans, French and Germans, and consider whether any further instructions are needed to our Mission in Berlin. The Prime Minister would also like the Foreign Secretary's advice on whether it would be appropriate for her to send messages to President Bush and President Gorbachev about the situation in the next few days.

I am copying this letter and enclosure to Brian Hawtin (Ministry of Defence) and to Trevor Woolley (Cabinet Office).

CHARLES POWELL

J. S. Wall, Esq.,
Foreign and Commonwealth Office

CONFIDENTIAL

I am instructed to convey to You, Mrs. Prime Minister, the following oral message from Mr. Gorbachev.

"Taking into account the rather extreme situation, which presently emerged in connection with the events in the GDR, its capital and West Berlin and also noting the drastic and, in my opinion, correct and worth-while character of decisions being taken by the new GDR leadership, I have just conveyed to chancellor Kohl an oral message, the content of which I consider necessary to disclose to You.

According to reports a meeting with the participation of FRG and West Berlin officials is to take place in West Berlin tonight. A parallel meeting is being planned in the capital of the GDR. In conditions of the present openness and mass movement of people in both directions a chaotic situation with unpredictable consequences may emerge.

I appealed to chancellor G.Kohl to take necessary and most urgent measures in order to prevent the deterioration of the situation, its destabilization.

Our Ambassador in Berlin is instructed to enter, without delay, into contact with representatives of the three powers' Administration in West Berlin. I hope that you, on your part, will give your representative appropriate instructions so that the events would not take an undesirable turn.

In general I consider it useful to emphasize the depth and seriousness of the changes occurring presently in the GDR. But when in FRG statements are made, aimed at stirring emotions, in the spirit of contradiction to the post-war realities - coexistence of two German states - these expressions of political extremism cannot be judged otherwise than aimed at undermining the processes in the GDR. These processes are developing dynamically towards democratization and renovation of all spheres of the society's life. And looking ahead - it could lead to destabilization of situation not only in the centre of Europe but on a wider scale.

I would like to express a hope for an understanding of all this on your part."

71. file
an

1. A GREAT DAY FOR FREEDOM AND FOR THE GERMAN PEOPLE.

WE HOPE IT IS ONLY A PRELUDE TO THE BERLIN WALL COMING DOWN. SHOWS YOU CANNOT SUPPRESS PEOPLE'S YEARNING FOR LIBERTY.
2. SHALL BE DISCUSSING THE SITUATION WITH CHANCELLOR KOHL THIS EVENING WHEN HE RETURNS TO BONN.
3. THE TASK NOW IS TO BUILD GENUINE DEMOCRACY IN EAST GERMANY, WITH FREE ELECTIONS AND A MULTI-PARTY SYSTEM. THAT WILL BE A VERY DIFFICULT TASK AND WILL REQUIRE GREAT APPLICATION AND DETERMINATION.
4. WE HAVE SEEN DEMOCRACY SPREAD TO POLAND, HUNGARY AND NOW EAST GERMANY, AND WE HOPE OTHERS WILL FOLLOW SUIT.
5. OF COURSE THERE WILL BE IMPLICATIONS FOR THE EUROPEAN COMMUNITY - AS I SAID IN MY BRUGES SPEECH. WARSAW,

PRAGUE AND BUDAPEST ARE JUST AS MUCH A PART OF
EUROPE AS PARIS, BONN AND LONDON. THE EUROPEAN
COMMUNITY MUST KEEP ITSELF OPEN, NOT BECOME OBSESSED
WITH ITS OWN INTERNAL AFFAIRS.

6. WE VERY MUCH ADMIRE THE RESPONSE OF THE WEST GERMAN
PEOPLE AND THE WAY THEY HAVE TAKEN IN REFUGEES FROM
EAST GERMANY. WE SHALL BE READY TO PROVIDE HELP IF THE
WEST GERMAN AUTHORITIES REQUIRE IT THROUGH OUR
MILITARY INSTALLATIONS IN WEST GERMANY.



FILE

PM

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

10 November 1989

See reply.

EAST GERMANY

I enclose a copy of a statement which the No.10 Press Office are putting out this morning in the Prime Minister's name. You will want to ensure that a copy goes to our Embassy in Bonn so that they can draw it to the attention of the West German authorities before the Prime Minister's telephone conversation with Chancellor Kohl tonight.

C. D. POWELL

J.S. Wall, Esq.,
Foreign and Commonwealth Office.

STATEMENT TO BE ISSUED IN THE PRIME MINISTER'S NAME

EAST GERMANY

I very much welcome the decision to lift travel restrictions on the people of East Germany, so that they can travel freely to the West. We all hope this is only a prelude to the dismantling of the Berlin Wall. Events are unfolding very rapidly and we must take them a step at a time. The priority must be to see a genuinely democratic form of government in East Germany. We fully support the demand of the East German people for free elections and multi-party system.

The response of the West German Government and people in providing refuge and jobs for those leaving East Germany - some 200,000 already this year - commands great admiration in this country. We have agreed to provide any practical help needed to cope with refugees at our military installations in West Berlin and in the Federal Republic.

SECRET

10a
Zia Austin
CBN
10/11
m

PRIME MINISTER

9 November 1989

GERMANY

The speed of events in East Germany prompts me to set down some thoughts on the German question. I see Michael Alexander has also written on the issue.

If we were asked a year ago, most of us would have answered that, of all the satellites, East Germany (perhaps with Romania) would prove the most resistant to change and that the Russians, with their immense military investment there, would do their utmost to ensure that this was the case. It has not worked out that way. By his general philosophy and by his talks with Honecker and Krenz, Gorbachev has played a crucial part in stimulating reform in the GDR. At the same time, his preoccupation with his domestic troubles has meant that East European governments generally have been permitted to carry out change in their own way. The condition of adherence to the Warsaw Pact which he laid down to you in September still applies and, in the case of the GDR, Falin has added the rider that "the statehood of the GDR must not be called into question". But what Gorbachev could do about it in practice if these bounds were over-stepped is becoming increasingly questionable.

There are a number of possible scenarios in the GDR:

- (a) It is still, I suppose, conceivable that demonstrations may be forcibly suppressed by hard-line elements. The army and security forces are intact and are not yet ready to acquiesce in change of which they would prove the main victims. We cannot entirely rule out martial law. But it becomes increasingly unlikely. If it came, it is doubtful if it could be long maintained. Soviet reaction would probably be adverse.

SECRET

6

SECRET

- (b) A different but dangerous situation could arise if in a demonstration someone lost his head and there was accidental loss of life. So far, many demonstrations have not been closely organised and have relied heavily on individual good sense. Such an incident could spark off violent reaction in the FRG and would call for rapid East/West, essentially US/Soviet, communication.
- (c) The most likely and, from our point of view, the most attractive scenario is one of gradual liberalisation. The GDR would remain in the Warsaw Pact, thus reassuring the Russians. According to West German intelligence, the preferred prospect from a Soviet point of view is development into a humane and pluralistic state in which Soviet security interests would remain protected. According to the same sources, Krenz has been told he must come to terms with West Germany. Under this scenario, the GDR would approximate more and more to West Germany. There would be greater interdependence and, over time, a series of overarching institutions to bring the two states into closer consultation. But the proprieties would still be observed: strictly speaking, there would still be two Germanies.
- (d) There is, however, another scenario of very rapid change. Under this, the Communist Party rule in East Germany collapses; the people are given a free choice and sweep the SED away. They then take the natural next step and vote for reunification. This process could be accelerated by a continued exodus from East Germany, leaving an untenable situation there. Faced with such a proposal, West Germany would be bound to accept and the Western

C

SECRET

powers, already publicly committed to reunification or at least self-determination, could not object, whatever their private doubts. For Gorbachev, this would be a painful and dangerous situation.

→ As he has told you, he does not want reunification. ←
Particularly he would not want it on Western terms - in effect the absorption of the GDR into the Western security system. He would be alive to the dangers to him in the Soviet Union if he acquiesced. But again, we face the question of what could he do without posing unacceptable risks to perestroika and his international image. He could refuse to withdraw his forces, and could use them as a bargaining counter in a long haggle. But even this would be damaging in the light of local hostility and his professed adherence to the right of self-determination.

- e (e) It is just possible that, faced with this crisis and trying to extract some benefit from it, he would offer reunification on the basis of neutrality, as Stalin did in 1952. But this would probably be rejected by West Germany and again it is hard to see what Gorbachev could do to force his way at a tolerable price.

What are the policy implications for us?

- (a) First, we must welcome the process of change in the GDR and press the need for freedom and democracy there as the essential prerequisites. The emphasis should be on self-determination and a step by step approach, as in your statement today.
- (b) At the same time, whatever our private reflections, we cannot afford to show ourselves hostile to the prospect of German reunification. The thought

of a powerful German state, or two closely linked German states, in the centre of Europe, exercising great influence both to east and west, is highly unattractive. It is an ironic conclusion to our efforts and bloodshed over several generations. But we are publicly committed and, most important, there is little we can do to stop it. We can, however, do something to mitigate its effects, by ensuring a Germany well tied in to the West. Both Bush and Mitterand have recently publicly endorsed the right of Germans to self-determination and eventual reunification. If we stand out against that, or even remain silent, we shall merely sour our relations with our allies and diminish our influence, particularly in Washington.

- (c) We need to maximise our contacts and influence in Bonn. This does not mean tagging behind the Germans on every issue. When we have complaints on German surpluses or subsidies, we should not hesitate to make them forcefully in the appropriate forum. But if we are to use to the full our influence, which is potentially great, we need to be in a position of regular and sympathetic communication with Bonn. This bears not only on East/West but also on Community relations. There may, for example, be an opening we can exploit in Kohl's wish for a Community more open to the East. This may modify his enthusiasm for deeper integration in the West.
- (d) We need a thorough discussion with Bush, for which your visit this month provides an admirable opportunity. But we shall have to take account of his public sympathy for reunification, the great weight the Administration place on relations with the FRG and Kohl's Government and their hope for close UK/German understanding.

SECRET

- e
- (e) We should also discuss with the French, who share many of our security concerns
 - (f) There could be advantage in talks with the French, US and Germans based on our common security interests in Berlin, and as NATO partners.
 - (g) There are more immediate steps to be taken. You have already applauded the lifting of travel restrictions for East Germans. Given the inevitable Soviet worries, we might remind the US of the need for Western messages of assurance to Gorbachev to the effect that in the process of change, which we of course welcome, we have no intention of threatening vital Soviet security interests.

The object of all this would be to reduce the dangers in a process of change which neither East nor West can entirely control, also to ensure that we swim with the tide. From the wider standpoint, what is happening is an immense victory for us and for principles you have been foremost in upholding. It is not unalloyed pleasure, for the reasons given above. But it would be tragic if, because of this qualification, we failed to be given the credit due and allowed ourselves to be edged away from the centre of influence in the new Europe that is emerging.

The above are hasty thoughts in a fluid situation. I should welcome an opportunity for an early discussion.


-PERCY CRADOCK

5

SECRET

THIS IS A COPY. THE ORIGINAL IS
RETAINED UNDER SECTION 3 (4)
OF THE PUBLIC RECORDS ACT

ZCZC
LNCYAN 8107 SVLNAN 3263
UNCLASSIFIED
FFFF CAB OFFICE FOR PM'S PARTY AIRBORNE
DD 081930Z CAOFF
FM FCOLN TO NYMIS
081832Z NOV
GRS 385

UNCLASSIFIED
FM FCO
TO DESKBY 081900Z UKMIS NEW YORK
TELNO 795
OF 081832Z NOVEMBER 89

FOR PRIME MINISTER'S PARTY
FOLLOWING TELEGRAM NOW REPEATED TO YOU AT REQUEST OF DEPT
BEGINS:

UNCLASSIFIED
FM BONN
TO FLASH FCO
TELNO 1061
OF 081037Z NOVEMBER 89
AND TO IMMEDIATE EAST BERLIN, BMG BERLIN
INFO PRIORITY UKDEL NATO, OTHER EAST EUROPEAN POSTS, PARIS
INFO PRIORITY WASHINGTON

KOHL ON THE GDR AND THE GERMAN QUESTION

SUMMARY

1. KOHL DEFINES THE FEDERAL GERMAN DEUTSCHLANDPOLITIK TO THE BUNDESTAG. EMPHASIS ON NEED FOR REFORM IN THE GDR.

DETAIL

GDR

2. IN HIS ANNUAL REPORT TO THE BUNDESTAG ON 8 NOVEMBER ON THE STATE OF THE NATION IN DIVIDED GERMANY KOHL SAID THAT ONLY THE GDR LEADERSHIP COULD IMPROVE CONDITIONS IN THE GDR AND PERSUADE THE PEOPLE TO REMAIN THERE. COSMETIC CHANGE WAS NOT ENOUGH; CLEAR AND PROFOUND REFORMS WERE REQUIRED. THE FRG WAS READY TO PROVIDE SUPPORT.

3. THE SED WOULD HAVE TO:

- GIVE UP ITS MONOPOLY ON POWER:
- ALLOW INDEPENDENT POLITICAL PARTIES:
- ASSURE FREE ELECTIONS.

THE CHANCELLOR WOULD THEN BE PREPARED TO DISCUSS A 'NEW DIMENSION' OF ECONOMIC HELP. BUT THIS HELP WOULD BE FUTILE UNLESS THE CENTRALLY PLANNED ECONOMY WAS REPLACED BY A MARKET ECONOMY. IT WAS THE 'NATIONAL TASK' TO SUPPORT FUNDAMENTAL ECONOMIC AND POLITICAL CHANGE. LASTING SOCIAL, POLITICAL AND ECONOMIC CHANGE IN CENTRAL AND EASTERN EUROPE, SPECIFICALLY INCLUDING THE GDR, WAS IN THE INTEREST OF ALL WESTERN COUNTRIES. HE CALLED ON ALL EC AND NATO COUNTRIES TO PROMOTE THIS PROCESS BY A 'READINESS TO COOPERATE.'

THE GERMAN QUESTION

4. KOHL SAID THIS WAS A QUESTION OF 'FREEDOM AND SELF-DETERMINATION FOR ALL GERMANS'. BUT FAILURE IN THE REFORM PROCESS IN POLAND AND HUNGARY WOULD AFFECT CHANCES FOR CHANGE IN THE GDR.

5. KOHL EMPHASISED THAT THE FRG WAS FIRMLY ROOTED IN THE ATLANTIC ALLIANCE AND THE COMMUNITY OF FREE NATIONS OF THE WEST. THIS WAS IRREVOCABLE. REUNIFICATION AND INTEGRATION IN THE WEST, DEUTSCHLANDPOLITIK AND EUROPEAN POLICY WERE 'TWO SIDES OF THE SAME COIN'. WITHOUT THE DYNAMICS OF WESTERN INTEGRATION THE REFORMS IN EASTERN EUROPE WOULD NOT BE HAPPENING. IF THE FRG HAD NOT BEEN FIRMLY ROOTED IN THE WESTERN COMMUNITY IT WOULD NOT HAVE EARNED THE TRUST OF ITS WESTERN PARTNERS WHO SUPPORTED IT IN ITS EFFORTS ON DEUTSCHLANDPOLITIK. HE THANKED MITTERRAND AND BUSH WHO HAD CLEARLY VOICED THEIR SUPPORT IN THE LAST FEW DAYS.

MALLABY

YYYY

SVLNAN 3263

NNNN

3x Doty Clerk
1x File

ZCZC
LNCYAN 8105 SVLNAN 3260
CONFIDENTIAL
FFFF CAB OFFICE FOR PM'S PARTY AIRBORNE
DD 081930Z CAOFF
FM FCOLN TO NYMIS
081823Z NOV
GRS 507

CONFIDENTIAL
FM FCO
TO DESKBY 081900Z UKMIS NEW YORK
TELNO 793
OF 081823Z NOVEMBER 89

FOR PRIME MINISTER'S PARTY
FOLLOWING TELEGRAM NOW REPEATED TO YOU AT REQUEST OF DEPT
BEGINS:

CONFIDENTIAL
UK COMMS ONLY
FM BONN
TO DESKBY 081515Z FCO
TELNO 1064
OF 081439Z NOVEMBER 89
INFO IMMEDIATE EAST BERLIN, BMG BERLIN
INFO PRIORITY UKDEL NATO, EAST EUROPEAN POSTS, PARIS, WASHINGTON
INFO PRIORITY MODUK, CICC GERMANY

SIC

MIPT: FRG REACTIONS TO DEVELOPMENTS IN THE GDR.

SUMMARY

1. KOHL'S SPEECH TODAY WAS DELIBERATELY SOBER. BUT EXCITEMENT ABOUT EVENTS IN THE GDR IS BUILDING UP IN THE FRG. ALTHOUGH THE FEDERAL GOVERNMENT IS RETICENT ABOUT IT, REUNIFICATION IS BEGINNING TO BE A THEME OF THE DEBATE ABOUT THE GERMAN QUESTION. KOHL DOES NOT SUPPORT CSU CALL FOR 4-POWER CONFERENCE ON GERMANY. FEDERAL GOVERNMENT'S ACUTE INTEREST IN STEMMING THE FLOOD OF REFUGEES.

DETAIL

2. THE RAPID EVENTS IN THE GDR NOW DOMINATE POLITICS AND THE MEDIA IN THE FRG. KOHL'S SPEECH TO THE BUNDESTAG TODAY (MY TELNO 1063) CONTINUES TO PUT ALL THE EMPHASIS ON THE NEED FOR REFORM IN THE GDR. MAJOR REFORM IS NOW SEEN HERE AS THE ONLY HOPE OF RESTORING STABILITY IN THE GDR. REAL REFORMS ARE CONSIDERED PROBABLE BUT, WITH THE EAST GERMAN REGIME'S CONTINUING STRESS ON THE LEADING ROLE OF THE PARTY, THERE IS NO CONFIDENCE THAT IT WILL BE ENOUGH TO SATISFY THE PEOPLE.

3. KOHL TODAY AGAIN PLAYED DOWN THE THEME OF REUNIFICATION, NOT EVEN MENTIONING THE WORD ITSELF. ONE REASON FOR HIS AND GENSCHER'S RETICENCE ON THIS IS THE WISH TO AVOID MAKING DIFFICULTIES FOR THE REFORMERS IN EAST GERMANY AND ALSO POLAND, HUNGARY AND THE SOVIET UNION. POLAND ESPECIALLY WAS ON KOHL'S MIND ON THE EVE OF HIS VISIT THERE. MOREOVER, REUNIFICATION HAS NOT HITHERTO BEEN BROUGHT MUCH BY OTHERS INTO THE POLITICAL DEBATE. BUT NOW IT IS BEGINNING TO BECOME AN ACTIVE THEME, ESPECIALLY AMONG BACKBENCHERS. THIS TREND WILL NO DOUBT GROW.

4. ANOTHER EXAMPLE OF THE INTENSIFIED DEBATE IS THE CALL BY A PROMINENT CSU BACKBENCHER (MIPT) FOR AN EARLY FOUR POWER CONFERENCE ON GERMANY. KOHL'S OFFICE TELL US THAT THE IDEA CAN BE DISREGARDED. KOHL HAS NO PLAN FOR ANY FOUR POWER INITIATIVE ON GERMANY. BUT THIS AGAIN IS AN ASPECT OF WHICH WE SHALL HEAR MORE IN THE FEDERAL GERMAN DEBATE.

5. THE FEDERAL GOVERNMENT NOW HAS A STRONG AND IMMEDIATE INTEREST OF ITS OWN IN REFORM IN THE GDR, AS A MEANS OF STEMMING THE FLOW OF REFUGEES. 45,000 HAVE COME SINCE 3 NOVEMBER, AND SOME 190,000 SO FAR THIS YEAR. THE RECEPTION ARRANGEMENTS ARE STRAINED TO THE ABSOLUTE LIMIT. IF THE FLOW GOES ON, IT WILL NOT ONLY CAUSE AN ECONOMIC BREAKDOWN IN THE GDR BUT WILL BRING MAJOR PRACTICAL PROBLEMS HERE. THE GOVERNMENT, WHICH SO FAR HAS BENEFITTED POLITICALLY FROM THE EXODUS AND THE EFFICIENT ARRANGEMENTS FOR RECEIVING REFUGEES, COULD FACE A NASTY BACKLASH, ESPECIALLY BECAUSE OF PRESSURE ON THE ALREADY TIGHT MARKET FOR LOW-COST HOUSING.

6. GIVEN THE INTENSITY OF THE PROBLEMS CAUSED BY THE INFLUX OF REFUGEES, I HOPE VERY MUCH THAT WE CAN RESPOND QUICKLY AND POSITIVELY TO THE FEDERAL GOVERNMENT'S EXPLORATORY APPROACH YESTERDAY TO BAOR FOR TEMPORARY ACCOMMODATION.

MALLABY

YYYY

SVLNAN 3260

NNNN



UNITED KINGDOM PERMANENT REPRESENTATIVE
ON THE NORTH ATLANTIC COUNCIL
OTAN/NATO
1110 BRUSSELS
TELEPHONE 2426775

3 November 1989

Charles Powell Esq
10 Downing Street
London SW1

CA

Dear Charles,

1. It is some time since I used my licence to write to the Prime Minister on policy issues (my letter to you of 6 June 1988). A visit to East Berlin earlier this week has prompted me to send another letter, attached, in this very occasional series.
2. To be frank it was not only the sights (and smells) of East Germany which motivated me. Last weekend (at a seminar in Bath) I had a rather open disagreement with David Howell who was arguing, to a not undistinguished audience, the merits of three or four Germanies as opposed to one or two. I told him that, whatever our private thoughts, this was in my view an inappropriate - and indeed dangerous - line to be taking in public. If repeated at all regularly, it was only too likely to produce exactly the opposite result to that which was sought.
3. I know that the Prime Minister has other preoccupations just now. I also know how strongly she feels on the German issue. However the plain fact is that history is being made around us. As viewed from Brussels, HMG's silence and apparent non-involvement is becoming uncomfortably obvious. I wonder if Bush will raise the point?
4. I am sending a copy of this letter and its enclosure, for his personal information alone, to Percy Cradock.

Yours ever

Michael.

Michael Alexander

CONFIDENTIAL

150035
MDHIAN 3148

CONFIDENTIAL

DISTRIBUTION AMENDED 6TH NOVEMBER

FM EAST BERLIN

TO DESKBY 051900Z FCO

TELNO 354

OF 051600 NOVEMBER 89

INFO DESKBY 051900Z UKREP BRUSSELS

INFO DESKBY 060800Z BONN, BMG BERLIN, UKDEL NATO, PRAGUE

INFO DESKBY 060600Z MOSCOW

INFO DESKBY 061300Z WASHINGTON

INFO PRIORITY PARIS, EAST EUROPEAN POSTS

INFO ROUTINE PEKING, CICC(G)

TOP COPY
Q DIST ?

c: PS/no10

FOLLOWING FOR SECRETARY OF STATE PARTY

+73
6/1

MY TELELETTER OF 31 OCTOBER TO SIR J FRETWELL

GDR : A COUNTRY IN CRISIS

SUMMARY

1. KRENZ'S APPEAL ON 3 NOVEMBER, ON THE EVE OF A MASSIVE DEMONSTRATION, FAILS TO HALT A SECOND EXODUS VIA CZECHOSLOVAKIA. THE 'ACTION PROGRAMME', TO BE PUBLISHED AT THE CENTRAL COMMITTEE MEETING ON 8/10 NOVEMBER, PROMISES MUCH. BUT IT MAY WELL BE TOO LATE TO SAVE THE SED, WITHOUT A MOVE ON ITS LEADING ROLE'.

DETAIL

2. IN THE EVENING OF 3 NOVEMBER KRENZ WENT ON GDR TELEVISION WITH AN APPEAL TO THE CITIZENS OF THE GDR TO STAND FIRM AND TO DO ALL THEY COULD FOR THEIR COMMON HOMELAND. 'I APPEAL AGAIN TO THOSE CITIZENS WHO ARE THINKING OF LEAVING THE GDR : HAVE FAITH IN OUR POLICY OF RENEWAL'.

3. DETAILS OF THE FAR REACHING REFORMS PROMISED BY KRENZ TOGETHER WITH A FURTHER ROUND OF DISMISSALS OF THE OLD GUARD FROM THE POLITBURO, ARE SET OUT IN MIFT. MY 2 IFT COVERS THE DEMONSTRATION. (BOTH SAVING TO SOME.)

4. KRENZ HAS SO FAR RECEIVED TWO ANSWERS, NEITHER SATISFACTORY FROM HIS POINT OF VIEW. THE MOST IMMEDIATE CAME FROM THE CONTINUING STREAM OF PEOPLE LEAVING THE GDR FOR THE FRG VIA CZECHOSLOVAKIA. THE SECOND AND MOST DAMAGING IN MY VIEW, CAME FROM A RECORD CROWD OF ABOUT A MILLION DEMONSTRATORS IN THE ALEXANDERPLATZ IN EAST BERLIN ON 4 NOVEMBER (CARRIED LIVE ON GDR TELEVISION). THE MOST TANGIBLE FEELING WAS OF ANTIPATHY TO THE RULING SED AND THE MOST

INSISTENT DEMAND WAS FOR AN END TO ITS MONOPLY OF POWER.

5. ON 4 NOVEMBER A NEW GDR ARRANGEMENT AGREED WITH THE CZECHOSLOVAK GOVERNMENT CAME INTO EFFECT 'TEMPORARILY UNTIL THE ENTRY INTO FORCE OF THE (NEW) GDR TRAVEL LAW' UNDER WHICH PEOPLE LIVING IN THE GDR CAN LEAVE ON THEIR ID CARDS AND CROSS CZECHOSLOVAKIA WITHOUT A VISA. ALL WOULD BE ALLOWED TO RETURN TO THE GDR. THE LATEST WEST GERMAN ESTIMATE TODAY, 5 NOVEMBER, IS THAT ABOUT 10,000 PEOPLE HAVE TAKEN ADVANTAGE OF THIS TO EMIGRATE. QUEUES OF CARS ARE REPORTED TO BE CUTTING ACROSS THE SMALL SLICE OF CZECHOSLOVAKIA WHICH LIES BETWEEN THE SOUTH WEST BORDER OF THE GDR AND BAVARIA.

6. THE DRAFT OF THE NEW TRAVEL LAW IS DUE TO BE PUBLISHED ON 6 NOVEMBER FOR OPEN DISCUSSION FOLLOWED BY RATIFICATION BY THE VOLKSKAMMER. IT IS NOT YET CLEAR WHEN IT MIGHT COME INTO EFFECT. BUT IT LOOKS AS IF THE CZECHOSLOVAK EXIT MAY REMAIN OPEN FOR A FEW MORE WEEKS AT LEAST. PARTY CONTACTS HAVE TOLD US THAT THE NEW TRAVEL LAW WILL ENABLE PEOPLE TO TRAVEL FREELY TO THE WEST FOR 30 DAYS WITH THEIR FAMILIES. WE WILL SEE IF THIS LINE IS MAINTAINED IN THE LIGHT OF THE CZECHOSLOVAK EXPERIENCE.

COMMENT

7. EVENTS ARE SNOWBALLING OUT OF THE SED'S CONTROL. EVERY ATTEMPT TO TAKE THE INITIATIVE HAS BEEN OVERTAKEN BY EVENTS. OFFERED A YEAR AGO, KRENZ'S PACKAGE WOULD HAVE SEEMED REVOLUTIONARY AND COULD HAVE GAINED THE PARTY THE TRUST WHICH IT SO CRITICALLY LACKS NOW. BUT KRENZ'S PRESENT CONCESSIONS ARE SEEN AS BEING EXACTED UNDER DURESS. THIS TOGETHER WITH THE STRONG PERSONAL DISTRUST OF KRENZ HAS UNDERMINED THE EFFECT OF WHAT HAS BEEN DONE SO FAR AND PROMISED FOR THE FUTURE.

8. THE STRUGGLE BETWEEN THE PARTY AND THE PEOPLE HAS NOW FOCUSED ON POWER SHARING- THE LEADING ROLE OF THE PARTY. KRENZ HAS SO FAR BEEN UNYIELDING ON THIS WHILE THE DEMONSTRATORS HAVE BECOME MORE INSISTENT. I SPOKE ON 3 NOVEMBER TO GERLACH (HEAD OF THE LIBERAL DEMOCRATIC PARTY) WHO HAS CALLED FOR THE GOVERNMENT TO RESIGN. REMINDED HIM THAT HE HAD PREVIOUSLY ACKNOWLEDGED THE LEADING ROLE OF THE PARTY. BUT ONLY IF THE PARTY HAD THE CONFIDENCE OF THE PEOPLE, WAS HIS REPLY - AND THAT IS A WIDELY HELD VIEW.

9. THE NEXT FEW DAYS WILL BE CRITICAL FOR THE SED. IF THEIR 'ACTION PROGRAMME' AND NEW DRAFT TRAVEL LAW FAIL TO HALT THE EXODUS, THE COUNTRY WILL BE ON COURSE FOR POLITICAL AND ECONOMIC

150035
3148

CONFIDENTIAL

150035
MDHIAN 3148

COLLAPSE. KRENZ'S GAMBLE IS THAT BY ALLOWING PEOPLE TO GO AND RETURN AND BY OFFERING A PERSPECTIVE OF REAL POLITICAL AND ECONOMIC REFORM, THEY WILL AGREE TO STAY. BUT SO FAR HIS PACKAGE LACKS THE CRITICAL INGREDIENT OF LEGALLY GUARANTEED POWER SHARING. AND THAT TOGETHER WITH 40 YEARS OF ACCUMULATED DISLIKE AND DISTRUST IS LIKELY TO TILT THE BALANCE AGAINST HIM.

10. IN THE MIDDLE OF A REVOLUTION, ALBEIT A PEACEFUL ONE, IT IS HARD TO PREDICT THE EXACT COURSE OF EVENTS. I BELIEVE VERY MANY EAST GERMANS WOULD PREFER TO STAY HERE BUT CHANGE THE SYSTEM. I ALSO THINK THAT THE CHANGES ON OFFER HAVE MADE AN IMPRESSION ON PEOPLE AND THE THE 'WIR BLEIBEN HIER' (WE REMAIN HERE) ELEMENT HAS BECOME STRONGER. THERE ARE NEVERTHELESS MANY PEOPLE WHO WILL CONTINUE TO VOTE WITH THEIR FEET UNTIL THE SED AGREE TO MOVE ON THE LEADING ROLE OF THE PARTY AND PUT INTO EFFECT THE PROMISES THEY ARE NOW MAKING. IF ONLY 50 TO 60 THOUSAND MORE WERE TO GO THEN I THINK THE ECONOMY COULD START ON A DOWNWARD SPIRAL WHICH IN A RELATIVELY SHORT TIME SCALE WOULD GIVE RISE TO A SECOND CRISIS (UNLESS THEY GET HELP FROM SOMEWHERE. BERTELE HAS TOLD ME THAT HE EXPECTS MINISTER SEITERS HERE ON 30 NOVEMBER).

11. HONECKER WAS DISMISSED AT THE SAME TIME AS THE EARTHQUAKE HIT SAN FRANCISCO. THE AFTER-SHOCKS ON THE POLITICAL ST ANDREAS FAULT LINE IN EUROPE ARE GATHERING RATHER THAN DIMINISHING IN INTENSITY.

BROOMFIELD

YYYY

DISTRIBUTION

131

MAIN

123

.BERLIN/INNER-GERMAN RELATIONS
.(WIDE)
LIMITED
WED
SOVIET
EED
ECD(E)
SEC POL D
MAED
PUSD

PLANNERS
RESEARCH
RMD
CRD
PS
PS/MR MAUDE
PS/MR WALDEGRAVE
PS/PUS
PS/SIR J FRETWELL
MR P J WESTON

PAGE 3
CONFIDENTIAL

CONFIDENTIAL

150035
MDHIAN 3148

CSCE UNIT
NEWS
INFO
NAD

MR BAYNE
MR RATFORD
MR GOULDEN
MISS SPENCER

ADDITIONAL 8

BERLIN/INNER-GERMAN (WIDE)

NNNN

PAGE 4
CONFIDENTIAL



Foreign and Commonwealth Office

London SW1A 2AH

26 October 1989

2

Dear Charles

ms
Rich Martin
CDR27/K.

The UK and the German Question

You should see the enclosed letter dated 23 October from Sir Christopher Mallaby to David Ratford.

Ackermann's congratulations about HMG's public position on the German Question chime in well with other West German reactions. The leadership are sensitive to the fact that the prospect of reunification can cause alarm both in Eastern Europe and among the FRG's friends and allies.

Yours ever,

Richard Son

(R H T Gozney)
Private Secretary

C D Powell Esq
10 Downing Street



Mr. Synnott

This is very important. It should be conveyed to No. 10 - please consult the Polish Office over mechanics.

25/10

D J E Ratford Esq CMG CVO
FCO

Dear David

BRITISH EMBASSY,
BONN.

23 October 1989

cc. Polish Secretary
PS/M. Mander
PS/M. Walden
PS/Pus
Sir J. Fretwell
Head of Planning Staff
EEJ
Sec Gen
News Dept

THE UK AND THE GERMAN QUESTION

1. I called on Ackermann, a senior political adviser in the Federal Chancellery and longstanding confidant of Kohl, on 19 October. Ackermann began by conveying to me formally, on Kohl's instructions, the Federal Government's thanks for the public position taken recently by HMG on developments in Eastern Europe and on the German Question. Ackermann particularly mentioned the Prime Minister's speech at the Conservative Party Conference, where she had demonstrated "in exemplary fashion" the importance of the movement towards freedom in parts of Eastern Europe and had pressed for change in East Germany. Ackermann said that we were right to stress self-determination, more than reunification as such, in our comments on the German Question, as the Secretary of State had done here on 20 September. The British media had also taken, in general, a responsible attitude towards recent developments involving Germany.

2. Ackermann contrasted the British position with that of Andreotti who, when asked about reunification at his joint press conference with Kohl on 18 October, had avoided giving any answer.

/3.

RESTRICTED



RESTRICTED

- 2 -

3. Ackermann said that the main operational message to get across in commenting publicly on the GDR was the need for reform and for full observance of human rights and the freedoms set out in CSCE documents.

4. Ackermann's compliments stem, I think, from two considerations. First, satisfaction at the line we have taken. The French line, as well as the Italian, is considered less helpful, while American statements are in general considered helpful. The Germans are always grateful for supportive statements and political solidarity when they face a difficult problem having associations with Nazism and the War. The second reason for Ackermann's bouquet, I believe, is that Kohl intends to emphasise the theme of freedom in the Federal election campaign in 1990, much in the way the Prime Minister presented it at Blackpool.

Yours ever

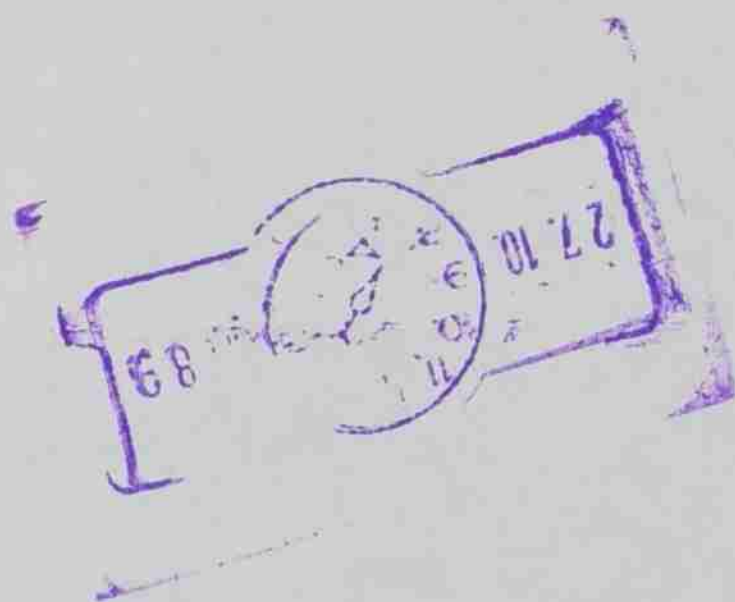
Chris Giller

C L G Mallaby

cc N H R A Broomfield Esq CMG
EAST BERLIN

Sir Derek Thomas KCMG
ROME

RESTRICTED



SECRET AND PERSONAL



10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

22 October, 1989.

Dear Stephen.

EAST GERMANY

Thank you for your letter of 21 October.
I enclose the Prime Minister's reply to
Mr. Gorbachev, and would be grateful if
you could arrange for it to be despatched
as soon as possible.

Yours sincerely,

(C.D. Powell)

Stephen Wall, Esq.,
Foreign and Commonwealth Office.

SECRET AND PERSONAL

subject cc Master
ops

CONFIDENTIAL

PRIME MINISTER'S

PERSONAL MESSAGE

SERIAL No. 1866/89

MESSAGE FROM THE PRIME MINISTER TO MR. GORBACHEV

Thank you very much for your personal message about the election of Mr. Krenz in the German Democratic Republic, which you sent via your Ambassador in London. I am following the changes in the GDR with greatest interest. I am encouraged by what you say about the new GDR leadership and the prospects for reform. Changes would undoubtedly be in the interests of the people of the GDR as well as the peoples of Europe more widely.

I endorse your wish to use private exchanges of messages of this sort to keep in contact, something which I greatly value.

Margaret Thatcher

CONFIDENTIAL

JD63



Foreign and Commonwealth Office

London SW1A 2AH

SECRET AND PERSONAL

21 October 1989

See Charles,

East Germany

Thank you for your letter of 19 October. *attached*

It rather looks as if Gorbachev is using the first available opportunity to refer on the record to that part of the discussion with the Prime Minister which was off the record.

The Foreign Secretary thinks that the Prime Minister should send a brief reply on the following lines:

"Thank you very much for your personal message about the election of Mr Krenz in the German Democratic Republic, which you sent via your Ambassador in London. I am following the changes in the GDR with the greatest interest. ~~and~~ I am encouraged by what you say about the new GDR leadership and the prospects for reform. ~~Positive~~ Changes would undoubtedly be in the interests of the people of the GDR as well as the peoples of Europe more widely.

keep in contact

I warmly endorse your wish to use ~~a~~ private exchanges of messages of this sort to ~~widen the scope of our mutual understanding~~, something which I greatly value."

Yours,

Stephen Wall

(J S Wall)
Private Secretary

C D Powell Esq
10 Downing Street

SECRET AND PERSONAL

2020

German: East Germany

Die Zeit

001

LMUZAN 0463 PTMIAN 3463

RESTRICTED

PP CHOGM

FM FCOLN TO CHOGM

202216Z OCT

GRS 501

RESTRICTED

FM FCO

TO PRIORITY UKDEL KUALA LUMPUR

TELNO 95

OF 202216Z OCTOBER 89

FOR S OF S'S PARTY.

FOLLOWING TELEGRAM NOW REPEATED TO YOU AT REQUEST OF PO
WAS RECEIVED FROM EAST BERLIN TELNO 325 OF 20 OCTOBER.

BEGINS

OF 200340Z OCTOBER 89

INFO PRIORITY BONN, BMG BERLIN

INFO ROUTINE MOSCOW, WASHINGTON, UKDEL NATO, WARSAW, PRAGUE

INFO SAVING EASTERN EUROPEAN POSTS, PEKING, UKREP BRUSSELS

GDR INTERNAL DEVELOPMENTS

SUMMARY

1. KRENZ DEMONSTRATES NEW STYLE. MEETINGS WITH WORKERS AND CHURCH
LEADERS. PRESS GLASNOST CONTINUES.

DETAIL

2. TRUE TO HIS WORD, KRENZ LOST NO TIME IN GOING ON THE OFFENSIVE
(PARA 3 OF MY TELNO 323). HIS OPENING ENGAGEMENT ON HIS FIRST
FULL DAY IN OFFICE AS GENERAL SECRETARY WAS TO VISIT A FACTORY
IN EAST BERLIN. HE WAS ACCOMPANIED BY SCHABOWSKI (BERLIN FIRST
SECRETARY) AND A FLOCK OF GDR PRESS WHO RECORDED HIS EXCHANGES
WITH THE WORKERS. GDR TELEVISION RECORDED THEIR FRANK COMMENTS
ON THE FAILINGS OF SUPPLIES, INVESTMENTS, FOREIGN TRAVEL, ETC.
GDR VIEWERS WOULD HAVE BEEN ASTONISHED TO SEE AN ORDINARY WORKER
TELL THE GENERAL SECRETARY THAT UNTIL ALL THESE "BUNGLES"
WERE PUT RIGHT PEOPLE WOULD NOT STOP "SCARPERING".

3. KRENZ WENT ON TO AN UNEXPECTED MEETING WITH THE LEADERS OF THE EVANGELICAL CHURCH UNION, BISHOP LEICH, STOLPE, BISHOP DEHMKE AND OTHERS. LEICH AND KRENZ ANSWERED QUESTIONS AFTERWARDS. LEICH SAID THAT THE CHURCH LEADERS HAD BEEN IMPRESSED BY THE REFERENCE IN KRENZ'S STATEMENT ON 18 OCTOBER WHERE HE SAID THAT MORE UNITED CHRISTIANS AND OTHERS IN THE GDR THAN DIVIDED THEM. LEICH SAID THAT THE DIALOGUE WITH KRENZ WAS VERY OPEN AND WITHOUT RESERVATIONS. THE MORE OPEN AND CLEAR WE ARE WITH EACH OTHER THE GREATER THE TRUST IN THE FUTURE.

4. THE FRONT PAGE OF NEUES DEUTSCHLAND TODAY MAKES CLEAR THE PARTY'S AIMS. PRIDE OF PLACE WAS GIVEN TO KRENZ'S MEETING WITH THE WORKERS. OTHER POLITBURO MEMBERS HAD SIMILAR MEETINGS. THE OTHER HEADLINES REFER TO 2.5 MILLION MORE PAIRS OF JEANS IN THE SHOPS THIS YEAR, THE COUNCIL OF MINISTERS TAKING MEASURES TO SECURE PRODUCTION AND SUPPLIES, THE MINISTER FOR INTERNAL AFFAIRS DIRECTED TO PRODUCE A DRAFT LAW ON TRAVEL ABROAD, ETC. (ON TELEVISION LAST NIGHT (19 OCTOBER) REINHOLD (CENTRAL COMMITTEE MEMBER) SAID IN ANSWER TO A QUESTION THAT CONSIDERATION WAS BEING GIVEN TO ENABLING ALL GDR CITIZENS TO HAVE A PASSPORT AS A RIGHT AND TO APPLY FOR VISAS).

COMMENT

5. KRENZ HAS CLEARLY DECIDED TO TRY TO TAKE THE INITIATIVE AND TO ENERGISE HIS POLITBURO COLLEAGUES INTO FOLLOWING HIS EXAMPLE. NOTHING THAT HE HAS SAID IN ANSWER TO THE QUESTIONS PUT TO HIM BY THE WORKERS OR IN WHAT HE SAID AFTER HIS MEETING WITH THE CHURCH BROKE NEW GROUND. AND IT IS CLEARLY IN HIS INTEREST TO ENHANCE THE ROLE OF THE CHURCH AS A PARTNER IN DIALOGUE WITH THE PARTY AS OPPOSED TO THE UNOFFICIAL GROUPS. ON TRAVEL KRENZ HAS PROMISED A NEW LAW BUT HAS ALSO REFERRED TO THE DIFFICULTY OF ALLOWING TRAVEL SO LONG AS THE FRG CONTINUES TO REGARD ALL GERMANS AS ITS CITIZENS. BE THAT AS IT MAY, KRENZ WILL HAVE IMPRESSED MANY WITH HIS ENERGY AND OPENNESS ON HIS FIRST DAY.

BROOMFIELD

ENDS

MAJOR

PTMIAN 846P

SECRET AND PERSONAL



FILE 80
7a-b

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

19 October 1989

See Stephen.

EAST GERMANY

I enclose the text of a message which the Prime Minister has received from Mr. Gorbachev about the change of leadership in East Germany. The message is more interesting for the fact that it was sent than for its content. It would be helpful to have advice in due course on whether the Prime Minister should respond.

Yours sincerely,

(C. D. POWELL)

Stephen Wall, Esq.,
Foreign and Commonwealth Office.

SECRET AND PERSONAL

SECRET



10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

19 October 1989

*me from
a: / Gor 6
celc*

PERSONAL MESSAGE FROM MR. GORBACHEV TO THE PRIME MINISTER

I attach a message from Mr. Gorbachev to the Prime Minister which the Soviet Ambassador delivered to Downing Street yesterday evening. This has already been sent to the Prime Minister, and I understand Charles Powell has also shown it to the Foreign Secretary. I understand from the party in Malaysia that no need is seen for any further action at this stage.

The Soviet Ambassador was at pains to stress the confidential nature of the message, and I should be grateful if you would ensure that it is therefore handled on a restricted basis.

PAUL GRAY

Richard Gozney, Esq.,
Foreign and Commonwealth Office.

SECRET

SECRET AND PERSONAL

MR. GRAY

RA

5

MESSAGE FROM MR. GORBACHEV

Thank you for sending this. I have shown it to the Foreign Secretary and will send a copy to his office here. I would be grateful if you would also copy it to the FCO. I do not see any need for further action at this stage.

e d ?

(C. D. POWELL)

19 October 1989

SECRET AND PERSONAL

Germany
Lnt Jt.

Dist. PLS/PM
PS/PM
MR INGHAM
Duty clerk

PS/ S of S.
APs/ S of S.
Miss McGinty.

ZCZC

LNUZAN 0271 OVMIDN 2870

CONFIDENTIAL

DD 182330Z CHOGM

FM FCOLN TO CHOGM

182053Z OCT

GRS 347

CONFIDENTIAL

FM FCO

TO DESKBY 182330Z UKDEL KUALA LUMPUR

TELNO 55

OF 182053Z OCTOBER 89

((FOR PS/PM (PS/S OF S)

FOLLOWING TELEGRAM NOW REPEATED TO YOU AT REQUEST OF PRIVATE OFFICE
WAS RECEIVED FROM EAST BERLIN TELEGRAM NUMBER 318 OF 18 OCTOBER.

BEGINS:

INFO IMMEDIATE BONN, BMG BERLIN, MOSCOW, WASHINGTON, UKDEL NATO
INFO PRIORITY PARIS, PRAGUE, WARSAW
INFO ROUTINE OTHER EAST EUROPEAN POSTS, UKREP BRUSSELS
INFO SAVING PEKING

TELECON WEEKS/WORDSWORTH (WED) : GDR LEADERSHIP CHANGE

SUMMARY

1. HONECKER, STEPS DOWN FROM ALL THREE OF HIS JOBS. KRENZ
REPLACES HIM. NOT YET CLEAR WHETHER OTHER LEADERSHIP CHANGES
WILL BE ANNOUNCED.

DETAIL

2. RUMOURS BEGAN CIRCULATING THIS MORNING WITH THE ARRIVAL
IN EAST BERLIN OF CENTRAL COMMITTEE MEMBERS FROM THE PROVINCES
THAT A SPECIAL CENTRAL COMMITTEE MEETING WAS ABOUT TO TAKE PLACE.
THESE RUMOURS WERE GIVEN FURTHER SUBSTANCE BY INFORMAL REMARKS
MADE BY A MEMBER OF THE SOVIET EMBASSY THAT THEY "HOPED" THAT
"CHANGES" WOULD BE ANNOUNCED.

3. AT 14.01 HRS ADN ANNOUNCED THAT A SPECIAL CENTRAL COMMITTEE MEETING HAD BEGUN. AT 14.12 HRS ADN ANNOUNCED THAT AT HIS REQUEST AND ON HEALTH GROUNDS HONECKER HAD ASKED TO BE RELIEVED OF ALL THREE OF THE POSTS HE CURRENTLY HOLDS. THE CENTRAL COMMITTEE ACCEPTED THIS AND VOTED EGON KRENZ (52) TO SUCCEED HONECKER AS GENERAL SECRETARY AND AGREED TO RECOMMEND TO THE VOLKSKAMMER (PARLIAMENT) THAT KRENZ SHOULD ALSO BE ELECTED AS THE HEAD OF THE STATE COUNCIL (HEAD OF STATE), AND ALSO HEAD OF THE DEFENCE COUNCIL.

4. THE CENTRAL COMMITTEE IS STILL MEETING AND IT IS NOT CLEAR YET WHETHER FURTHER LEADERSHIP CHANGES MAY BE ANNOUNCED.

5. THERE ARE UNCONFIRMED RUMOURS THAT LEV ZAIKOV (MOSCOW PARTY CHIEF) HAS ARRIVED IN EAST BERLIN FROM PRAGUE.

COMMENT

6. THE CENTRAL COMMITTEE HAS ACTED TO CHECK THE GROWING UNCERTAINTY ABOUT HONECKER'S FUTURE. IN ELECTING KRENZ THEY HAVE CHANGED GENERATIONS. IF OTHER MEMBERS OF THE POLITBURO OF HONECKER'S GENERATION ARE ALSO RETIRED BY THIS CENTRAL COMMITTEE MEETING THEN IT WILL BEGIN TO LOOK MORE AS IF A CHANGE OF POLICY MAY ALSO BE INTENDED. (SEE PARA 6 OF MY LETTER OF 16 OCTOBER TO RATFORD).
ENDS:

MAJOR

OVMIDN 2870

NNNN

671527Z
FM
TO
INFO
10/16/72
11-22

MR POWELL

MESSAGE FROM MR GORBACHEV

Earlier this evening our time I had a call from your friend Mr Kossov who said he had an urgent message from Mr Gorbachev to the Prime Minister. Thirty minutes later the Soviet Ambassador and Mr Kossov came to No.10 with it. I took delivery and undertook that it would be got to the Prime Minister as soon as possible, and that we would respect its "strictly confidential" nature.

It is now attached. You will see it related to the replacement of Mr Honnecker, which we reported earlier in the day.

I assume you will show it to the Foreign Secretary as well as to the Prime Minister, and will advise on the terms of the reply the Prime Minister wishes to send.

Unless you advise to the contrary, I will send a copy to the Foreign Office first thing Thursday morning our time, asking for it to be handled on a restricted basis.

Does the Prime Minister want any further action, e.g. to notify the Americans of the message, to be undertaken?

RG6.

Paul Gray

18 October 1989

SECRET AND PERSONAL

MJ a:GOR

PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. 1186/89

Strictly Confidential

SUBJECT CC OPS
MASTER

Personal Message from M.S. Gorbachev to M. Thatcher

M.S. Gorbachev instructed the Soviet Ambassador to inform the Prime-Minister of the following:

The Plenary meeting of the Socialist United Party of Germany's Central Committee has just finished its work in Berlin. Mr. E. Krenz has been elected to the post of the General Secretary to replace Mr. Honnecker.

We view these events as an internal affair of the GDR. The conditions have ripened within the Socialist United Party of Germany itself.

We are sufficiently certain, that the new GDR leadership will aim its course to the improvement and renewal of society while safeguarding those achievements, which are really existing. Undoubtedly, one can expect a steady, step by step, movement towards reform.

Well recollecting the recent talk in Moscow with M. Thatcher, including that part, which was off the record, M.S. Gorbachev would like to emphasise, that new leadership of GDR adheres to the interests of stability of two German states, all the principles and provisions of the Helsinki all-European process, the ideas of perestroika.

We hope that this confidential message will widen the scope of mutual understanding, worked out at Soviet-British summit meetings.



With the compliments of

THE PRIVATE SECRETARY

FOREIGN AND COMMONWEALTH OFFICE
SW1A 2AH

RESTRICTED

EAST GERMANY: Dist 5.1

070043

MDHIAN 0461

U/EC/Norms, N70
19/10/89

RESTRICTED
FM EAST BERLIN
TO DESKBY 181700Z FCO
TELNO 320
OF 181545Z OCTOBER 89
AND TO IMMEDIATE KUALA LUMPUR

IN FCO FOR WED AND EED
KUALA LUMPUR FOR SECRETARY OF STATE'S PARTY

MY TELNO 318 : LEADERSHIP CHANGE : MESSAGES

SUMMARY

1. NO MESSAGES TO BE SENT AT THIS STAGE.

DETAIL

2. KRENZ HAS BEEN ELECTED SECRETARY GENERAL OF THE SED AS HONECKER'S SUCCESSOR. IT WOULD NOT BE APPROPRIATE TO SEND MESSAGES ON A CHANGE OF PARTY LEADERSHIP.
3. WHEN THE VOLKSKAMMER MEETS (POSSIBLY NOT UNTIL ITS SCHEDULED SESSION IN EARLY DECEMBER) TO ELECT KRENZ (AS PROPOSED BY THE SED CENTRAL COMMITTEE) AS HEAD OF STATE IT WOULD THEN BE 'NORMAL' PROCEDURE FOR THE QUEEN TO SEND HIM A MESSAGE (AS HEAD OF STATE OF A COUNTRY WITH WHICH THE UK IS IN DIPLOMATIC RELATIONS).
4. DSP VOL 75 DOES NOT COVER THIS QUESTION AND THERE IS NO LOCAL PRECEDENT. HONECKER REPLACED ULBRICHT IN 1971 BEFORE THE UK ESTABLISHED RELATIONS WITH THE GDR.
5. WE SHALL COMPARE NOTES WITH EC/NATO PARTNERS AND SEND CONSIDERED ADVICE. ANY GUIDANCE YOU COULD GIVE US BASED ON PRECEDENT IN OTHER EAST EUROPEAN COUNTRIES WOULD BE WELCOME.

BROOMFIELD

YYYY

RESTRICTED

070043
MDHIAN 0461

DISTRIBUTION

131

MAIN 123

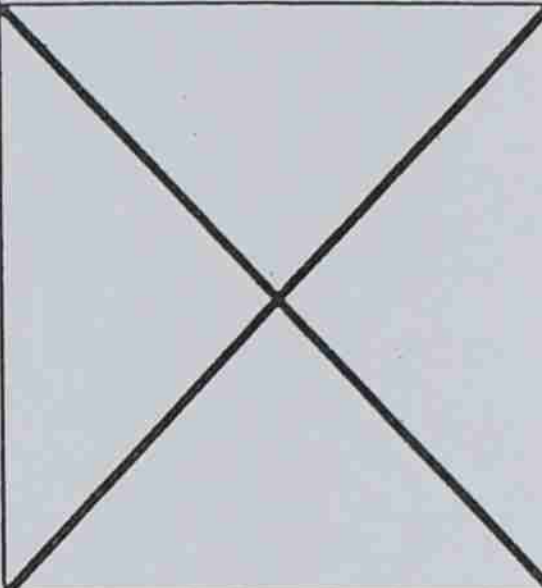
.BERLIN/INNER-GERMAN RELATIONS
.(WIDE)
LIMITED
WED
SOVIET
EED
ECD(E)
SEC POL D
MAED
PUSD
CSCE UNIT
NEWS
INFO
NAD

PLANNERS
RESEARCH
RMD
CRD
PS
PS/MR MAUDE
PS/MR WALDEGRAVE
PS/PUS
PS/SIR J FRETWELL
MR P J WESTON
MR BAYNE
MR RATFORD
MR GOULDEN
MISS SPENCER

ADDITIONAL 8

BERLIN/INNER-GERMAN (WIDE)

NNNN

DEPARTMENT/SERIES <i>PREM 19</i> PIECE/ITEM <i>2696</i> (one piece/item number)	Date and sign
Extract details: <i>Cadock to Powell dated 6 October</i> <i>1989</i> <i>with attachments</i>	
CLOSED UNDER FOI EXEMPTION	
RETAINED UNDER SECTION 3(4) OF THE PUBLIC RECORDS ACT 1958	<i>29/9/2016</i> <i>G. Gray</i>
TEMPORARILY RETAINED	
MISSING AT TRANSFER	
NUMBER NOT USED	
MISSING (TNA USE ONLY)	
DOCUMENT PUT IN PLACE (TNA USE ONLY)	

Instructions for completion of Dummy Card

Use black or blue pen to complete form.

Use the card for one piece or for each extract removed from a different place within a piece.

Enter the department and series,
eg. HO 405, J 82.

Enter the piece and item references, .
eg. 28, 1079, 84/1, 107/3

Enter extract details if it is an extract rather than a whole piece.
This should be an indication of what the extract is,
eg. Folio 28, Indictment 840079, E107, Letter dated 22/11/1995.
Do not enter details of why the extract is sensitive.

If closed under the FOI Act, enter the FOI exemption numbers applying to the closure, eg. 27(1), 40(2).

Sign and date next to the reason why the record is not available to the public ie. Closed under FOI exemption; Retained under section 3(4) of the Public Records Act 1958; Temporarily retained; Missing at transfer or Number not used.

DEPARTMENT/SERIES <i>PREM 19</i>	Date and sign
PIECE/ITEM <i>2696</i> (one piece/item number)	
Extract details: <i>Macrae to Chairman dated 14 September 1989</i> <i>with attachments</i>	
CLOSED UNDER FOI EXEMPTION	
RETAINED UNDER SECTION 3(4) OF THE PUBLIC RECORDS ACT 1958	<i>29/9/2016</i> <i>G. Gray</i>
TEMPORARILY RETAINED	
MISSING AT TRANSFER	
NUMBER NOT USED	
MISSING (TNA USE ONLY)	
DOCUMENT PUT IN PLACE (TNA USE ONLY)	

Instructions for completion of Dummy Card

Use black or blue pen to complete form.

Use the card for one piece or for each extract removed from a different place within a piece.

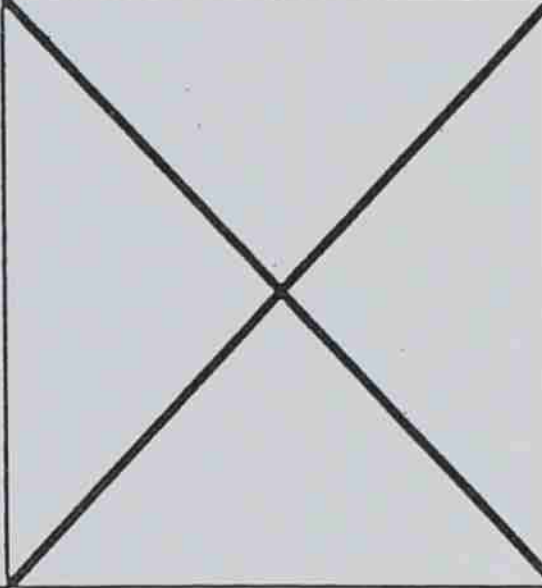
Enter the department and series,
eg. HO 405, J 82.

Enter the piece and item references, .
eg. 28, 1079, 84/1, 107/3

Enter extract details if it is an extract rather than a whole piece.
This should be an indication of what the extract is,
eg. Folio 28, Indictment 840079, E107, Letter dated 22/11/1995.
Do not enter details of why the extract is sensitive.

If closed under the FOI Act, enter the FOI exemption numbers applying to the closure, eg. 27(1), 40(2).

Sign and date next to the reason why the record is not available to the public ie. Closed under FOI exemption; Retained under section 3(4) of the Public Records Act 1958; Temporarily retained; Missing at transfer or Number not used.

DEPARTMENT/SERIES <i>PREM 19</i> PIECE/ITEM <i>2696</i> (one piece/item number)	Date and sign
Extract details: <i>Craddock to Powell dated 6 September 1989 with attachment</i>	
CLOSED UNDER FOI EXEMPTION	
RETAINED UNDER SECTION 3(4) OF THE PUBLIC RECORDS ACT 1958	<i>29/9/2016</i> <i>G. Gray</i>
TEMPORARILY RETAINED	
MISSING AT TRANSFER	
NUMBER NOT USED	
MISSING (TNA USE ONLY)	
DOCUMENT PUT IN PLACE (TNA USE ONLY)	

Instructions for completion of Dummy Card

Use black or blue pen to complete form.

Use the card for one piece or for each extract removed from a different place within a piece.

Enter the department and series,
eg. HO 405, J 82.

Enter the piece and item references, .
eg. 28, 1079, 84/1, 107/3

Enter extract details if it is an extract rather than a whole piece.
This should be an indication of what the extract is,
eg. Folio 28, Indictment 840079, E107, Letter dated 22/11/1995.
Do not enter details of why the extract is sensitive.

If closed under the FOI Act, enter the FOI exemption numbers applying to the closure, eg. 27(1), 40(2).

Sign and date next to the reason why the record is not available to the public ie. Closed under FOI exemption; Retained under section 3(4) of the Public Records Act 1958; Temporarily retained; Missing at transfer or Number not used.

CONFIDENTIAL

2

Secretary of State

From: S J Wordsworth

R.d./y

Western European Department

Date: 10 April 1989

cc: PS/Mrs Chalker

PS/Mr Waldegrave

PS/PUS

Sir J Fretwell

Prime Minister

Mr Ratford

Mr Synnott

*You asked
about these
incidents.*

*COP
10/4*

Mr Ramsden

Signature

Private Secretary

BERLIN WALL ESCAPE INCIDENTS

1. You asked Mr Ramsden for an account of the three escape attempts which took place in Berlin over the weekend.

A 2. BMG telno 19 provides details:

i) On 8 April two young men tried to run across one of the sector crossing points. A warning shot was fired and they were recaptured, apparently without injury;

ii) On the same day a lorry tried to crash through the defences. The fate of the occupants is not known;

iii) On 9 April a single man was captured in the "death strip".

B 3. The first incident was recorded by a West German photographer. His pictures have been published widely in the Western press. The GDR side have already given their own account of this incident, claiming that two men tried to cross the border illegally after a warning shot had been fired. They claim that their initial investigations show that the incident was "organised and instigated from Berlin

SW1AFD/1

CONFIDENTIAL

CONFIDENTIAL

(West)".

4. In view of the interest expressed by No 10, BMG's telegram has been passed to them.

A handwritten signature in cursive script, reading "Stephen Wordsworth". The signature is written in dark ink and features a long, horizontal flourish extending to the right.

S J Wordsworth

SW1AFD/2

CONFIDENTIAL

101 52

COMMENT

UNCLASSIFIED
FM BMG BERLIN
TO DESKBY 101600Z FCO
TELNO 019
OF 101530Z APRIL 89
INFO ROUTINE BONN. EAST BERLIN

TELECON WORDSWORTH/ CHARLTON: BERLIN WALL INCIDENTS

SUMMARY

1. THREE UNSUCCESSFUL ESCAPE ATTEMPTS OVER THE WEEKEND. ALLIED PROTEST OVER INCIDENT AT CHAUSSEE STRASSE SECTOR CROSSING POINT (PHOTOGRAPHS IN THE TIMES OF 10 APRIL). UNSUBSTANTIATED REPORTS OF A POSSIBLE FATALITY AT BERNAUERSTRASSE INCIDENT.

DETAIL

2. AT 0930 ON 8 APRIL TWO YOUNG MEN TRIED TO ESCAPE ACROSS THE CHAUSSEE STRASSE CROSSING POINT BETWEEN THE SOVIET AND FRENCH SECTORS. GDR BORDER GUARDS BRANDISHED WEAPONS AND A SHOT WAS FIRED JUST BEFORE THE MEN REACHED THE FINAL BARRIER. A WEST GERMAN JOURNALIST ON THE SPOT TOOK PHOTOGRAPHS (REPRODUCED IN THE TIMES OF 10 APRIL). THE FRENCH COMMANDANT ISSUED A PRESS STATEMENT OF PROTEST ON BEHALF OF THE ALLIES. THE SENAT HAVE ALSO PROTESTED.

3. ON THE EVENING OF 8 APRIL A LORRY RAN INTO BORDER DEFENCES AT BERNAUERSTRASSE (ADJACENT TO FRENCH SECTOR) APPARENTLY IN AN UNSUCCESSFUL ESCAPE ATTEMPT. AN EYE-WITNESS REPORTED THAT BORDER GUARDS APPROACHED THE LORRY AND ISSUED THE ORDER "COME OUT". NO OCCUPANTS WERE SEEN. THE LORRY WAS SUBSEQUENTLY TOWED AWAY. NEARLY TWO HOURS LATER TWO WITNESSES REPORTED HEARING SHOT-LIKE SOUNDS AND ONE CLAIMED TO HAVE SEEN 2-3 BORDER GUARDS CARRYING AWAY A LIFELESS BODY FROM THE SCENE. THE FRENCH AUTHORITIES TELL US THAT THESE REPORTS COINCIDED WITH THE NOISE OF FIREWORKS IN THE AREA. THEY DO NOT (NOT) CONSIDER THAT THE EVIDENCE AVAILABLE SO FAR IS FIRM ENOUGH TO WARRANT A PROTEST.

4. ON 9 APRIL A MAN WAS SEEN SPREADEAGLED AND SURROUNDED BY BORDER GUARDS IN THE DEATH STRIP ADJACENT TO THE WILDENBRUCHSTRASSE IN NEUKOELLN (US SECTOR). THE MAN WAS TAKEN AWAY APPARENTLY UNINJURED. NO SHOTS WERE REPORTED.

CORBETT

YYYY

ADVANCE 13

.BERLIN/INNER-GERMAN RELATIONS 1

. (WIDE) 1

PS 1

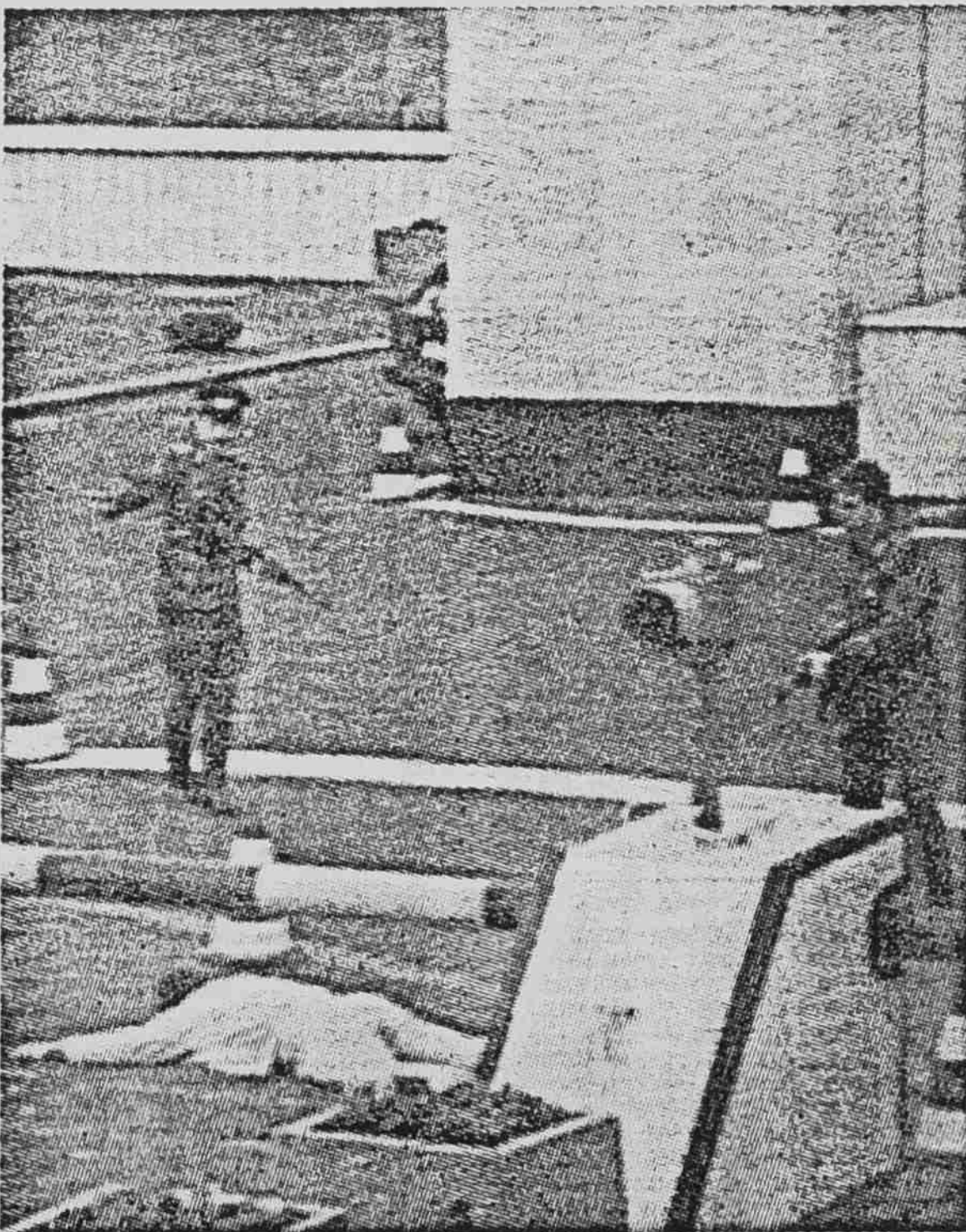
PS/PUS 1

PS/SIR J FRETWELL 1

MR RATFORD 1

HD/WED 1

MAIL PICTURE POWER



Freedom runners caught at the Wall

Mail Correspondent
in West Berlin

TWO men run desperately, a rifle shot rings out ... and another dream of freedom dies on the streets of divided Berlin.

The East Germans made their break (top) at the Chausseestrasse crossing point and were only yards from the Western sector.

But Communist border guards were at their heels and one warning shot was enough to halt the runaways. The guards then closed in, guns pointing menacingly (left) at one man lying helpless.

Both were taken away unharmed. The drama was one of three along the Berlin Wall at the weekend. Guards detained another man on Saturday night after he rammed a truck through frontier fences in the north of the city.

The guards were seen leading the apparently uninjured man away and removing the vehicle.

Yesterday another man was held at the Wall.

Jp 0717

MR. POWELL *CP*

c Sir Robin Butler

GDR Announcement of Force Cuts

On the evening of 23 January, Honecker announced the following unilateral cuts:

- (a) a reduction of the armed forces by 10,000 men (out of a total of 120,000);
- (b) the disbandment of six tank regiments and the reduction of 600 tanks, which would be converted to civilian use or scrapped (this is out of a current total of 3,000 tanks);
- (c) the disbandment of an air force squadron and the withdrawal from service of 50 combat aircraft (out of a total of 350).

At the same time a reduction of 10 per cent would take place in expenditure on national defence.

2. Honecker said that these measures would be completed by the end of 1990. The structure of the armed forces would be changed so as to have "an even stricter defensive character". Honecker also gave details of the withdrawals of Soviet tank divisions from the GDR in 1989 and 1990 in the context of Gorbachev's announcement at the UN.

Comment

3. This is a significant cut, no doubt co-ordinated with Moscow. But, as with the cuts announced by Gorbachev at the UN on 7 December, it will still leave the Warsaw Pact with a

major overall numerical advantage. The effect will in any case depend in part on the nature of the tanks and aircraft that are chosen for removal. The main purpose is no doubt to intensify pressure on the FRG over SNF modernisation in the wake of the announcement on 19 January by Shevardnadze of the withdrawal of some tactical nuclear systems from Eastern Europe. The initiative will also help the GDR in its relations with the Soviet Union by showing support for Gorbachev's recent approach to arms control, an area where Honecker may have had some reservations. There will also be welcome economic benefits for the GDR in terms of defence savings.

4. Also on 23 January a senior Polish General, Tadeusz Szacilo, said that the Polish armed forces were considering cutting back their numbers from the current level of 400,000 (a figure higher than our estimates and probably including paramilitary troops) by reducing conscription and lowering the two-year period of service. He did not give any further details. It is possible that we may soon see a similar announcement by the Czechoslovak or even the Hungarian leadership, although there is so far no evidence for this.



PERCY CRADOCK

24 January 1989



10 DOWNING STREET

Prime Minister *ms*

East Germany

This is the note
of Julian Bullard's
impressions, on a brief
visit last year, which
Anthony Adair promised
to send you.

C.D.P.
11/1

CONFIDENTIAL

WIRE 020		1
REC- 24 JUL 1984		
INDEX		
	✓	W

PS/Mr Rifkind

CC: Private Secretary
PS/Lady Young
PS/PUS
Mr Jenkins
WED
EED
Soviet Dept
Planning Staff

Mr DND Thomas c/a

THE GDR

1. I spent three days in the GDR last week, half of the time in East Berlin and the rest in Weimar and Potsdam. I found it absorbing both as a tailpiece to my previous job and as a curtain raiser to my next - especially the latter. This was the week in which the Permanent Representation of the FRG in East Berlin had to close its doors to the public because of the numbers seeking political asylum there. It was also the week of Weizsäcker's inaugural speech, in which he came close to declaring himself President of the whole German people. It is a sign of the maturity of the GDR that these events were taken calmly by all my official interlocutors. But they illustrate the basic problem for the GDR: how to secure the loyalty of 17 million people in the face of the counter-magnet of the FRG.

2. It seemed to me that the regime is not only a very long way from this goal, but not making much progress towards it either. The FRG presence is so ubiquitous that the authorities are reduced to managing rather than trying to control it. Hence the interships and the other devices for sucking in hard currency. Hence the police cars which cruise the laybys along the autobahns, checking for stowaways. And hence the editorial policy of the official media, which is (so I was told by the deputy editor of Neues Deutschland) not to try to compete with the West German TV stations which are watched by three quarters of the population, but simply to record the doings of the GDR elite and to supply (after whatever delay may be necessary) a GDR Communist Party perspective on recent rather than current events. The hope presumably is to use the adversary's superior weight and strength to his own disadvantage, as in Chinese wrestling, and certainly the FRG has sometimes overreached itself or been made to look clumsy. But although the GDR may have survived several rounds, so to speak, I wonder how long this feat of bluff and agility can continue.

3. Everything really depends on public attitudes. I hesitate to comment on these after so short a stay. At one extreme, the Mayor of Potsdam and his wife talked like the carthorse Snowball in 'Animal Farm'. At the other, I met an East German couple 'celebrating' their 15th wedding anniversary in a state of deepest melancholy: they saw nothing in the GDR for themselves or their children to live for, and no prospect of things improving. From this and a few other conversations I wonder whether Mr Maxey's farewell despatch, critical though it was, did not underestimate the degree of popular discontent with the regime, the controls on daily life and the forced relationship with Moscow.

CONFIDENTIAL

4. I am thus more than ever inclined to regard Weizsäcker as in earnest when he asks what is 'the German people' and speaks of 'the still-open German question'. At the very least, I believe that Mr Everard and I will need to keep an ear cocked for this subject from our respective vantage points in East Berlin and Bonn.

5. On Anglo-GDR relations, I see a dilemma. We obviously need our own contacts, and I was impressed by the earnestness with which the Hungarians urged us recently not to underrate the significance of the GDR. We would not wish to leave this target to be covered entirely by the FRG, especially at a time when so much more seems to be going on between Bonn and East Berlin than we hear about. As to the level of contacts, to confine these to the East German Ministry of Foreign Affairs is to be condemned to disappointment. Nier, Mr Rifkind's opposite number, manages to be limp and wooden at the same time. Fischer should have rather more to offer, and I hope the Secretary of State will find time to see him in New York. But as Felfe showed, conversation even with a member of the Polit Bureau can have its limitations. Only if the Secretary of State or the Prime Minister went to the GDR and saw Honecker would I expect a really illuminating encounter. In any case, I do not see the components on which a more intimate, valuable Anglo GDR relationship could be built - whereas I do see very clearly the gain to the GDR in adding British scalps to those which they have recently been accumulating (Palme, Papandreou, Craxi) and in further elevating their status internationally and within the Eastern block. On the whole, therefore, I would be in favour of proceeding fairly steadily, raising the level of our contacts a notch at a time and making the most of alternative channels such as the East German equivalent of Chatham House where I spent a valuable hour. I wish I could think of a really well placed unofficial operator, but to mention the name of Mr Robert Maxwell is to make the point that the field is limited.

J. L. Bullard

J L Bullard

9 July 1984

CONFIDENTIAL

GRS 350

RESTRICTED

RESTRICTED

FM EAST BERLIN 111600Z MARCH 82

TO ROUTINE F C O

TELEGRAM NUMBER 32 OF 11 MARCH

INFO SAVING BEIRUT DAMASCUS TEL AVIV CAIRO AMMAN KUWAIT BAGHDAD JEDAH
MOSCOW WASHINGTON BONN BMG BERLIN PARIS WARSAW PRAGUE BUDAPEST
BUCHAREST SOFIA BELGRADE VIENNA

VISIT OF YASSER ARAFAT TO EAST BERLIN, AND ESTABLISHMENT OF PLO
EMBASSY.

1. YASSER ARAFAT LED A PLO DELEGATION ON QUOTE AN OFFICIAL FRIENDLY VISIT UNQUOTE TO EAST BERLIN ON 9 AND 10 MARCH AT HONECKER'S INVITATION. HE REPORTEDLY ARRIVED FROM BEIRUT AND RETURNED THERE AFTERWARDS. HE WAS GIVEN RED-CARPET TREATMENT OF THE KIND NORMALLY RESERVED FOR THE HEADS OF STATE OF THE WARSAW PACT'S CLOSEST ALLIES IN THE THIRD WORLD. IT WAS ANNOUNCED THAT THE PLO REPRESENTATION HERE WHICH HAS HAD DIPLOMATIC STATUS FOR THE PAST FOUR YEARS WILL BE RAISED TO THE LEVEL OF EMBASSY.
2. THE COMMUNIQUE SHARPLY CONDEMNS UNITED STATES POLICY IN EUROPE (NEW NUCLEAR MISSILES, INTERFERENCE IN POLAND'S INTERNAL AFFAIRS) AND IN THE NEAR AND MIDDLE EAST (ATTEMPTS TO ACHIEVE HEGEMONY, STRATEGIC ALLIANCE WITH ISRAEL). IT WELCOMES THE SOVIET CALL FOR AN INTERNATIONAL CONFERENCE TO SOLVE THE PALESTINIAN PROBLEM AND REHEARSES WARSAW PACT ATTITUDES TO CURRENT INTERNATIONAL PROBLEMS ON STANDARD LINES.
3. ARAFAT IS DESCRIBED IN THE COMMUNIQUE AND ELSEWHERE AS CHAIRMAN OF THE PLO EXECUTIVE COMMITTEE AND COMMANDER IN CHIEF OF THE ARMED FORCES OF THE PALESTINIAN REVOLUTION. HE HAS NOT PREVIOUSLY BEEN ACCORDED THIS LATTER DESIGNATION HERE, WHICH GIVES A MILITARY FLAVOUR TO THE VISIT (AS DID HIS APPEARANCE IN WHAT LOOKS LIKE INFORMAL UNIFORM).
4. IN HIS SPEECH AT DINNER ON 9 MARCH, ARAFAT LAUNCHED A BITTER ATTACK ON THE UNITED STATES AND WENT ON: QUOTE TODAY WE ARE HARMONIOUSLY LINKED IN FIRM SOLIDARITY WITH YOU, WITH THE SOCIALIST COMMUNITY, AND ESPECIALLY WITH OUR GREAT FRIEND THE SOVIET UNION, TOGETHER WITH THE OTHER DEMOCRATIC PEACE-LOVING FORCES OF THE WORLD. UNQUOTE
5. THIS IS ARAFAT'S THIRD VISIT HERE IN THE LAST FIFTEEN MONTHS. A PLO MILITARY DELEGATION ALSO VISITED THE GDR LAST NOVEMBER AND WAS RECEIVED BY HONECKER. DIE WELT HAS QUOTED ONE ABU DSCHIHAD AS DESCRIBING THE DISCUSSIONS HE THEN HAD WITH THE GDR MINISTER OF DEFENCE AS QUOTE THE BEGINNING OF ORGANISED MILITARY RELATIONS UNQUOTE BETWEEN THE PLO AND EAST BERLIN. THE NEWSPAPER ALSO ASSERTS THAT PLO COMMANDOS HAVE BEEN RECEIVING TRAINING HERE SINCE 1981.

FCO PLEASE PASS TO ALL SAVING ADDRESSEES
MAXEY

REPEATED AS REQUESTED

STANDARD

NENAD
MED
NAD
UND
EESD
ECD
WED
RID

MAED
ES & SD
ERD
ESID

CABINET OFFICE

ADDITIONAL DISTRIBUTION
ARAB/ISRAEL DISPUTE

THIS TELEGRAM
WAS NOT
ADVANCED

RESTRICTED

GRS 340

CONFIDENTIAL

CONFIDENTIAL

FM EAST BERLIN 151145Z DEC 81

TO PRIORITY FCO

TELEGRAM NUMBER 194 OF 15 DECEMBER

INFO PRIORITY BONN BMG BERLIN MOSCOW PARIS WASHINGTON UKDEL NATO
INFO SAVING WARSAW PRAGUE BUDAPEST BUCHAREST SOFIA BELGRADE

MY TELS NOS 188, 189, 190 AND 193: INNER GERMAN SUMMIT.

1. THE EAST GERMAN LEADERS MUST BE HIGHLY PLEASED WITH THE OUTCOME OF THE CHANCELLOR'S VISIT. HONECKER HAS AT LAST BEEN GIVEN THE SATISFACTION OF BEING SEEN TO BE TALKING TO THE CHANCELLOR ON EQUAL TERMS AND ON HIS HOME GROUND: THE GDR'S INTERNATIONAL STATUS HAS BEEN GIVEN A BOOST, NOT LEAST BECAUSE OF THE ACKNOWLEDGEMENT IT HAS BROUGHT OF THE GDR AS AN INTERLOCUTEUR VALABLE OF THE FEDERAL REPUBLIC ON QUESTIONS OF EUROPEAN SECURITY AND ARMS CONTROL: AND NO CONCESSIONS AFFECTING GDR INTERESTS HAVE BEEN MADE.
2. THE SETBACK OF EAST/WEST RELATIONS CAUSED BY AFGHANISTAN AND THE MEASURES TAKEN BY THE GDR IN 1980 TO REDUCE CONTACT BETWEEN THE TWO GERMAN STATES (ABGRENZUNG) HAVE BLOCKED ANY PROGRESS IN INNER-GERMAN RELATIONS FOR OVER A YEAR, AND THE CHANCELLOR'S PRIME OBJECTIVE IN COMING HERE WAS TO CREATE THE CONDITIONS FOR RENEWED MOVEMENT. HE HAS IN EFFECT PRESENTED A CATALOGUE OF POSSIBLE FUTURE DEALS OF CONSIDERABLE ECONOMIC INTEREST TO A REGIME FACING A DIFFICULT PERIOD IN ITS ECONOMIC DEVELOPMENT AND LACKING HARD CURRENCY: BUT AT THE SAME TIME HE HAS CLEARLY INDICATED THAT THE DEALS WILL ONLY COME OFF IF THE GDR IS PREPARED TO MOVE IN AREAS OF INTEREST TO THE FEDERAL REPUBLIC (SUCH AS MER, HUMAN CONTACTS).
3. IT IS TOO EARLY TO SAY TO WHAT EXTENT THE CHANCELLOR HAS SUCCEEDED IN HIS AIM. BUT HE APPEARS TO HAVE ESTABLISHED A RELATIONSHIP WITH HONECKER AND CREATED AN ATMOSPHERE WHICH ARE FAVOURABLE TO PROGRESS. THE NEW CRISIS IN POLAND, WHICH COINCIDED WITH THE END OF HIS VISIT, PROVIDED HOWEVER A SHARP REMINDER OF HOW VULNERABLE INNER-GERMAN RELATIONS WILL CONTINUE TO BE TO DEVELOPMENTS IN THE WIDER EAST/WEST RELATIONSHIP. AND THE STAGE-MANAGEMENT OF THE VISIT TO GUESTROW, WHICH WAS PACKED WITH IMPORTED PARTY FAITHFUL, WAS A REMINDER, IF ANY WAS NECESSARY, OF THE CHARACTER OF THIS REGIME AND ITS DEEP DISTRUST OF ITS OWN CITIZENS. THE GDR LEADERS MAY ACCEPT THE NEED FOR SOME REDUCTION IN THE PRESENT LEVEL OF ABGRENZUNG. BUT THEY WILL GO SLOWLY AND WITH GREAT CAUTION AND WILL EXTRACT THE MAXIMUM PRICE AT EVERY STAGE.

FCO PLEASE PASS TO ALL SAVING ADDRESSEES

MAXEY

[REPEATED AS REQUESTED]
[THIS TELEGRAM WAS NOT ADVANCED]

FCO/WHITEHALL

WED

CONFIDENTIAL

Germany
14 July, 1981.

I am writing on the Prime Minister's behalf to thank you for your letter to her of 14 July. The message to the Prime Minister which you enclosed from the Chairman of the Council of Ministers of the German Democratic Republic has been placed before her.

M. O'D. B. ALEXANDER

His Excellency Herr Martin Bierbach

010

London, 14th July, 1981

Madam,

I have the honour to transmit to you the following message from the Chairman of the Council of Ministers of the German Democratic Republic:

Premierminister des Vereinigten Königreiches
von Großbritannien und Nordirland
Ihre Exzellenz
Frau Margaret Thatcher
London

Exzellenz!

Ich danke Ihnen für die mir aus Anlaß meiner Wahl zum Vorsitzenden des Ministerrates der Deutschen Demokratischen Republik übermittelten Glückwünsche.

Willi Stoph
Vorsitzender des Ministerrates
der Deutschen Demokratischen Republik

Please accept, Madam, the assurances of my highest consideration.

W. Stoph

010

Translation

Prime Minister of the United Kingdom
of Great Britain and Northern Ireland
Her Excellency
Mrs. Margaret Thatcher

Excellency,

I thank you for the congratulations transmitted to
me on the occasion of my being elected Chairman of the
Council of Ministers of the German Democratic Republic.

Willi Stoph
Chairman of the Council of Ministers
of the German Democratic Republic

GR80

CONFIDENTIAL

Germany
TOP COPY

CONFIDENTIAL

FM FCO 011025Z JUL 81
TO PRIORITY EAST BERLIN
TELEGRAM NUMBER 070 OF 1 JUL

RECEIVED IN REGISTRY NO. 11	
13 JUL 1981	
DESK OFFICER	
INDEX	PA
	Action Taken

TELECON ASTLEY/BARNES:

MESSAGE OF CONGRATULATIONS TO GDR PRIME MINISTER

1. PLEASE CONVEY THE FOLLOWING MESSAGE FROM THE PRIME MINISTER TO HERR STOPH:

BEGINS.

PLEASE ACCEPT MY CONGRATULATIONS AND BEST WISHES UPON YOUR APPOINTMENT AS CHAIRMAN OF THE COUNCIL OF MINISTERS OF THE GERMAN DEMOCRATIC REPUBLIC.

YOURS SINCERELY,
MARGARET THATCHER.

ENDS

2. AS IN 1976, WE ARE NOT (NOT) RECOMMENDING THAT THE QUEEN SEND A MESSAGE HONECKER ON HIS RE ELECTION AS HEAD OF STATE.

CARRINGTON

MINIMAL

WED

CONFIDENTIAL



14 JUL 1981



Prime Minister
Content?
Foreign and Commonwealth Office
London SW1A 2AH

1
wn
30/6

30 June 1981

Dear Michael,

GDR Elections: Message to Herr Stoph

Following the recent elections to the People's Chamber of the GDR, Herr Willy Stoph has been reappointed Chairman of the Council of Ministers. Despite the ritual character of such appointments, it has been the practice for the Prime Minister to send a short message of congratulations, and we see no reason to depart from it in this instance. Herr Stoph sent the Prime Minister a message following her own election in May 1979.

/ A draft telegram is enclosed.

Agreed
mb

Yours ever.

Francis Richards
(F N Richards)
Private Secretary

M O D B Alexander Esq
10 Downing Street
LONDON
SW1

at Press

wn
1/7

File No.

Department

Drafted by

(Block Capitals)

Tel. Extn.

OUTWARD

TELEGRAM

Security Classification
CONFIDENTIAL

~~Precedence~~
PRIORITY

DESKBYZ

FOR
COMMS. DEPT.
USE

Despatched

(Date)

(Time)Z

POSTBYZ

PREAMBLE

(Time of Origin) Z (G.M.T.)

(Security Class.) CONFIDENTIAL

(Codeword)

(Restrictive Prefix)

(Caveat/
Privacy marking)

(Deskby) Z

TO PRIORITY ☒ EAST BERLIN Tel. No. of
(precedence) (post)

AND TO (precedence/post)

AND SAVING TO

REPEATED TO (for info)

SAVING TO (for info)

Distribution:-
Minimal
WED

[TEXT]

Telecon Astley/Barnes:

MESSAGE OF CONGRATULATIONS TO GDR PRIME MINISTER

1. Please convey the following message from the Prime
Minister to Herr Stoph:

BEGINS.

Please accept my congratulations and best wishes upon
your appointment as Chairman of the Council of Ministers
of the German Democratic Republic. Yours sincerely,

Margaret Thatcher.

ENDS

2. As in 1976, we are not (not) recommending that The
Queen send a message to Honecker on his reelection as Head
of State.

Copies to:-



4861 1987

He BK
also

Germany



10 DOWNING STREET

THE PRIME MINISTER

19 June 1981

Dear Herr Axen,

Thank you so much for your
generous gift. It was a very kind
thought. I much enjoyed our discussion.

*Yours sincerely
Margaret Thatcher*

Herr Hermann Axen

B

SUBJECT

CONFIDENTIAL



Germany

10 DOWNING STREET

From the Private Secretary

16 June 1981

Dear Francis,

CALL BY HERR AXEN

Herr Hermann Axen, a member of the Politburo of the East German Communist Party and Secretary of the Central Committee responsible for International Relations, called on the Prime Minister this afternoon. He was accompanied by the East German Ambassador. Mr. Foster was also present.

After an initial exchange of courtesies, in the course of which Herr Axen expressed his admiration for the way the Prime Minister had handled Question-time and for the uniquely high level of Parliamentary development in this country, the Prime Minister asked Herr Axen how the Politburo worked. Among the points Herr Axen made in reply were that the Politburo meets once a week, on Tuesdays, usually for five or six hours; that two-thirds of the time at each meeting was spent on general discussion rather than on specific topics; that at its next meeting the Politburo would be evaluating the implementation of the economic plan over the first half of the year; and that the Politburo tried to leave detailed issues to be dealt with by the Government while itself focussing on trends.

The Prime Minister asked about East German attitudes towards the situation in Poland, a neighbouring country which was facing tremendous domestic and economic problems. Herr Axen said that the Prime Minister was right to draw attention to the fact that Poland and the GDR were neighbours. This meant that the problems in Poland raised important political and moral questions for the GDR. There had been centuries of hatred and mistrust between Poland and Germany. This had been primarily the fault of the Germans. The GDR Government had tried hard to develop a common basis of friendship and trust. Poland was a Socialist country, a member of the Warsaw Pact and of CMEA. According to the Polish leadership, this would remain the case. It had been re-affirmed by the Polish Central Committee and Polish Parliament. How the Poles carried forward the present situation was a problem for them to decide. It would be good if they could make up their minds very soon. Otherwise the situation would deteriorate. The economic problem was basic. The Poles had to understand that while they could discuss any problems and

/ argue

argue as much as they liked about past mistakes, they should not forget to work. Marx and Friedman were agreed that no system could survive unless the workers worked. If production stopped, so would the creation of new resources. The Polish people would have to make many sacrifices. The situation facing the new leadership was not an easy one. The only thing for them to do was to tell the truth to their people. The message that one must work today in order to live tomorrow was not popular but it was essential. It had been the message conveyed to the population of the GDR at the end of the last war. The Prime Minister said that it was necessary to be patient with Poland. The Poles must be allowed to find their own way. If the Poles asked for assistance, the UK would try to help.

In reply to a question from the Prime Minister, Herr Axen said that the run-down in Polish coal production had caused problems for the GDR. The GDR had only soft coal and had for many years had an agreement with Poland for the supply of hard coal. Substitutes for the supplies from Poland were not easy to find. Herr Axen then described in general terms his Government's energy policy, the use they made of the indigenous lignite resources and the effort the GDR Government had put into technical education.

At the end of the discussion, Herr Axen conveyed Herr Honecker's greetings to the Prime Minister. He said that although there were differences in outlook between Britain and the GDR, he believed relations could advance. It was essential that contact should be maintained between the two Governments. It was far better that they should talk to each other than that there should be a return to the Cold War or open confrontation. There were openings for expanded commercial, industrial, scientific and cultural contacts. The two countries were effectively neighbours in Europe so they must find ways to live together reasonably. The Prime Minister said that she was delighted to have seen Herr Axen and that she hoped he was enjoying his visit to this country.

Yours ever

Michael Alexander.

Francis Richards, Esq.,
Foreign and Commonwealth Office.

CONFIDENTIAL



Foreign and Commonwealth Office

London SW1A 2AH

15 June 1981

Dear Michael,

Visit by Herr Axen

The Prime Minister has agreed to receive Herr Hermann Axen, the GDR Politburo Foreign Affairs specialist, for a short courtesy call at 15.45 hours on 16 June in the House of Commons.

/ Subject to the Prime Minister's views, Lord
/ Carrington suggests that, in the short time available,
/ the Prime Minister might wish to mention our disappointing
/ trade relationship with the GDR, Poland and the GDR
/ treatment of Northern Ireland. I attach a short brief
/ for the Prime Minister's use covering these three
/ subjects. I also attach by way of background a copy
/ of the Steering Brief prepared for this visit and
a copy of the programme.

detached SP 15/6

Yours ever,

Francis Richards

(F N Richards)
Private Secretary

M O D'B Alexander Esq
10 Downing Street
LONDON
SW1

CONFIDENTIAL



VISIT TO UK BY HERR HERMANN AXEN: 15 - 18 JUNE 1981

STEERING BRIEF

Introduction

1. Herr Axen, who is to visit the UK at the invitation of Lord Carrington, is a member of the Politburo of the SED ('Socialist Unity Party of Germany', ie. the Communist Party of the German Democratic Republic) and Secretary of the Central Committee responsible for international relations. He is probably the third most important man in the GDR, and out-ranks Ministers of the GDR Government. His visit is the first to the UK by a high-ranking SED member.

2. Since we established relations with the GDR in 1973, we have maintained a polite but somewhat distant dialogue with the government. The most senior visitor in either direction was the GDR Foreign Minister, who came here as Mr Crosland's guest in 1976. The GDR have since then consistently been trying to raise the level of visits. According to protocol, it would be for the British Foreign Secretary to reciprocate the visit by his GDR colleague, but Herr Axen has for some time been pressing for his own visit to take place first.

3. The GDR's internal régime is probably less oppressive than some others in Eastern Europe, eg Romania and Czechoslovakia, but it has many objectionable features (see Brief No 12) and with the walls, barbed wire and minefields round its Western perimeter, the country has some of the characteristics of a

/well-run

well-run prison. Its public image in the West is poor. Nevertheless, the GDR has come to occupy a key position in central Europe. Of all the Soviet Union's allies, it is ideologically the most sound, economically the most advanced and militarily the most powerful. The fact that it is also both German and geographically exposed means that the Russians take a special interest in developments there. Conversely, GDR views must always carry weight in Moscow. These are expressed with increasing self-confidence by a leadership (including Axen) which appears fully in control of its domestic affairs (despite some economic problems, see Brief No 12, and despite anxiety over Poland).

4. The GDR also has a special interest for the UK as one of the four Powers with special responsibilities for Berlin and Germany as a whole. Although we do not accept the GDR as a valid interlocutor on Berlin affairs (Brief No 3), geography gives them a hand in events there and Soviet policies on Berlin have in the past been influenced by GDR considerations and special pleading. In addition, the FRG's concern for Inner-German relations and their need for our support require us to take a keen interest in GDR affairs if we are not to be dependent on FRG assessments which are not always wholly objective or reliable.

5. In inviting a senior Party member¹ to visit the UK we have had the following considerations in mind:-

- (a) We should like to increase our present tiny share of the GDR market (Brief No 7). GDR spokesmen have
/consistently

consistently stressed the linkage they see between political and economic relations. The GDR has developed its relations with our Allies, in particular the FRG and France, and trade with these countries has expanded.

- (b) We are developing our relations with Eastern Europe in a deliberately differentiated manner. The GDR is now a significant country in its own right (see paragraph 3 above).

6. For their part, GDR leaders are probably sincere in protesting their wish to improve their relations with us, though with different ends in view:

- (a) to improve their country's credentials as an accepted member of the international community;
- (b) as loyal allies of the Soviet Union, to play their full part in putting across to Western audiences the Eastern view on current issues;
- (c) to lessen their dependence on the FRG as their main Western interlocutor and trade partner;
- (d) to exploit such latitude as they have to pursue their own interests within the framework of Warsaw Pact orthodoxy.

/Strategy

CONFIDENTIAL

Strategy and Tactics

7. Herr Axen (see Personality Note at Annex A) is a tough nut. His experiences as a Communist Jew in a Concentration Camp have evidently left him with a considerable fund of quiet self-confidence and inner conviction (besides a heart condition). He is secure in his position and comes across as urbane, quiet-spoken and even humorous by comparison with most of his fellow countrymen. He is not a man with whom it is natural or easy to be sharp: he tends to talk in a relaxed, allusive style. But this urbanity and a teddy-bearish exterior conceal a sharp intellect and a shrewd political sense. He is also conscious of his position and sensitive to real or imagined slights.

8. These characteristics point to a correct and courteous approach on our part, in which the significance of his call on the Prime Minister can be highlighted. This will facilitate the broaching of issues where our views differ and on which we shall wish to speak frankly and plainly. The four essential messages we want Herr Axen to take home are:

(a) that any further progress in UK/GDR political relations must await tangible evidence that British firms are going to be given a fair share of the GDR market (Brief No 7);

(b) that we expect the visit to be reflected in the tone of GDR comment on HMG's policies, in particular on Northern Ireland (Brief No 8);

/(c)

(c) that there will be severe consequences for East/West and international relations if the Soviet Union and its allies invade Poland, and that the GDR will share the responsibility for this (Brief No 2);

(d) that HMG sees a satisfactory development of the inner-German relationship as a stabilizing factor in central Europe and that we accordingly support the Federal Government's attempts to secure an early reduction in the minimum exchange requirement for Western visitors to the GDR (Brief No 3).

9. Herr Axen does not speak good English and will use an interpreter on all occasions. He will probably speak at length when given the floor. He will seek to give the impression that GDR policies on these and other issues are of studied reasonableness and need give HMG no cause for concern. A useful tactic, in return, might be for us to direct our attack at the policies of the Warsaw Pact as a whole. If Axen chooses then to defend them, he will thereby assume co-responsibility. But he would also have the option of indicating, if only by silence, a certain independence of view.

10. As a leading party figure, Axen is responsible for formulating foreign policy rather than merely for executing it. We should make clear to him that we cannot accept the dichotomy, which the Russians and East Europeans attempt to establish, between inter-State relations and the 'ideological struggle'. Axen should be told that desire to improve inter-State relations cannot co-exist with below-the-belt attacks on

/our

CONFIDENTIAL

our system; and that such an approach cannot be reconciled with genuine detente.

11. He should also be left in no doubt at the GDR's wish for a close political dialogue must be matched by a new approach to our dismal commercial relationship. The circumstances in which the Leipzig Foundry contract was awarded to the Japanese (Brief No 7) cannot be justified by commercial considerations and bear the mark of calculated political discrimination. Our political relations must be based on more solid foundations of shared interest if they are to prosper.

CONFIDENTIAL

CALL ON THE PRIME MINISTER BY HERR HERMANN AXEN: 16 JUNE
POINTS TO MAKE

UK/GDR TRADE

1. Despite the efforts of British firms, UK exports to the GDR are disappointing. In the long term, political relations can develop only on firm foundation of expanding trade. Difficult to understand sudden award of Leipzig Foundry contract to Japan when GKN still negotiating. Need reassurance that GDR still interested in developing commercial relations.

POLAND: NON-INTERFERENCE

2. West not interfering. Accusations in GDR press unfounded. But cannot remain indifferent. Poles must solve problems themselves without outside interference.

GDR TREATMENT OF NORTHERN IRELAND

3. Surprised that Northern Ireland was included in 'Solidarity Appeal' issued by 10th SED Party Congress and in similar declaration by the XI Parliament of Party Youth Organisation (FDJ). Such remarks unhelpful, based on ignorance. Compatible with principle of non-interference in internal affairs?

4. GDR media reports inaccurate and provocative. Not conducive to good bilateral relations.

CONFIDENTIAL

CALL ON THE PRIME MINISTER BY HERR HEPMANN AXEN: 16 JUNE
ESSENTIAL FACTS

UK/GDR TRADE

1. The current level of trade is low, particularly when trade in silver is excluded from the figures.

	1980
	£m
UK exports	93.6 (53.6 without silver)
UK imports	88.1 (77.0 without silver)

We should leave Axen in no doubt that we attribute the poor showing of UK firms in the GDR market to political discrimination, and reject any claim that our exporters do not try hard.

2. GKN secured a £40m contract in March 1980 and had high hopes of a contract for a foundry at Leipzig (£68m): this was awarded to the Japanese during the recent visit of Honecker to Japan. GKN are now trying for a wheel rim plant at Ronneburg (£30m).

3. The GDR economy is slowing down, and there will be less scope for hard currency purchases in future. But there are still opportunities for the UK especially in high technology industries.

POLAND: NON-INTERFERENCE

4. GDR press coverage of Poland has been harsh throughout the crisis, attacking Solidarity and calling for much more decisive measures from the Polish party. Also frequent allegations of Western interference.

CONFIDENTIAL

CONFIDENTIAL

5. Russians deeply concerned about revisionist trend in Polish Party. CPSU Central Committee sent letter on 5 June to Polish leadership calling for action against counter revolution and offering assistance. Kania survived CC P on 9 June; the 'renewal' continues.

GDR TREATMENT OF NORTHERN IRELAND

6. The 10th SED Congress issued (presumably with Axen's concurrence) a 'Solidarity Appeal' expressing support for those imprisoned by 'anti-popular régimes' and subject to torture, repression and discrimination. Northern Ireland was mentioned alongside South Africa, Chile, El Salvador etc. The Youth Organisation made a similar appeal on 5 June.

7. A typical example of GDR press coverage is attached.

CONFIDENTIAL

EXTRACT FROM 'HORIZONT', EDITION OF 11 - 17 MAY

1. British colonial terror in Northern Ireland has claimed a further tragic victim: on 12 May the IRA Civil Rights fighter Francis Hughes died at the age of 25 in a British dungeon near Belfast. With his 59-day hunger strike he had protested at the inhuman conditions of imprisonment and demanded the recognition of imprisoned Northern Irish resistance fighters as political prisoners. At the same time as representatives of NATO States in Madrid were making demagogic accusations against the Socialist states in respect of alleged violation of human rights, the martyrdom of Francis Hughes and Bobby Sands in the British concentration camp Long Kesh accused before the whole world the barbaric imperialist repression in Northern Ireland, and the denial of the most elementary democratic and human rights to the population of Northern Ireland. Further Northern Irishmen - comrades in arms of the two who have already starved to death - face death themselves. How long will the inhuman terror against them continue to last?

HERR HERMANN AXEN

Member of the Politburo since 1970. Secretary of SED Central Committee responsible for International Affairs and Fraternal Parties. Member of the Volkskammer since 1958, and chairman of its Committee for Foreign Affairs since 1971.

Born Leipzig 1916 of Jewish origin. Son of a KPD functionary who was imprisoned in a concentration camp in 1934. Joined Communist Youth Organisation in 1932 and KPD in 1942. Axen himself was sentenced to three years' imprisonment for his Communist activities in 1934. 1938 emigrated to France where he was interned. According to his official biography in the Volkskammer handbook he spent the years 1940-45 in concentration camps at Vernet in France and at Auschwitz and Buchenwald. In January 1975 he addressed the rally commemorating the 30th anniversary of the liberation of Auschwitz in his capacity as an ex-inmate. Some Western sources allege, however, that he spent most of the war years in the Soviet Union and taught at Party schools and in anti-Fascist camps. Returned to Germany 1945 and played an important part in building up FDJ. Elected a member of SED Central Committee in 1950, and took over the Agitation Department of Central Committee Secretariat. In 1953 he became head of the Cadre Department, a post of which he was relieved a few months later when he became Second Secretary of SED Bezirksleitung Berlin, an inferior position which he held until his appointment as Editor-in-Chief of 'Neues Deutschland' in August. Elected a Candidate Member of SED Politburo in January 1963. Left his Neues Deutschland post to become a Secretary of the Central Committee in February 1966. In 1970 he was made a full member of the Politburo and since Honecker came to power has continued to play a prominent role.

/A

CONFIDENTIAL

(100)

A tubby little man, normally with a cheerful grin, he is said to be a hard-liner. He is certainly hard-working, well read, shrewd and self confident. Intellectually he is probably some way ahead of most of his colleagues. He speaks good French and quite passable English, which he claims to have learnt by reading Shakespeare in prison, and plays a prominent role in relations with the Western European Communist parties. He is married. Suffers from acute diabetes and is therefore kept under constant medical supervision when travelling abroad.

CONFIDENTIAL

MA. Noted - due PM.
said she wd consider
only. Not not stand
cl. ?

1) Miss Stephens to see - 6/5

2) Mr Alexander (Harespoken

6 PM! And 6/5

MFJ

6 May 1981

BR 12/6

Herr Hermann Axen

The Prime Minister has seen your letter to me of 29 April about Herr Axen's visit. She has agreed to receive Herr Axen for a short courtesy call at the House of Commons immediately after Questions on Tuesday 16 June.

MODBA

F.J. Richards, Esq.,
Foreign and Commonwealth Office.

27/12

CONFIDENTIAL

(1)



Prime Minister.

We have discussed Herr Axen before. The new elements in the situation are (a) he is actually coming to London &

(b) he is coming in the same week as the Yugoslav & Polish Foreign Ministers.

Developments in Poland may overtake the visit before it happens but, subject to that, would you be willing to reconsider

Foreign and Commonwealth Office

London SW1A 2AH

29 April 1981

Dear Michael, & see Herr Axen for 15 minutes? *Will consider*
Has now agreed
Ans 6/5
Ans 30/4

In your letter of 21 July 1980 you said that the Prime Minister had not agreed to the proposal in Paul Lever's letter of 18 July that she should receive Herr Hermann Axen, the GDR Politburo member responsible for foreign affairs, for a short courtesy call during his visit to London. I understand that there was some discussion later in the Prime Minister's aircraft on the way back from The Hague on 8 February. Herr Axen's visit to Britain, at the invitation of the Foreign and Commonwealth Secretary, will now take place from 15-18 June, and we must shortly put proposals for the programme to the East Germans. Before we do this, however, Lord Carrington would be grateful if the Prime Minister would reconsider her decision.

The arguments in summary form are as follows:-

- (a) Political: The GDR is a key country in the Warsaw Pact and CMEA and the case for a political link with its leaders is no less strong than that of other countries of Eastern Europe. ~~But~~ A call would not be a mark of favour, but a chance to warn the East Germans about intervention in Poland.
- (b) Commercial: The East Germans make an explicit link between their political and trade relations with individual Western countries, which hitherto has worked more to the advantage of our competitors.
- (c) Formal: Under the East European system, Axen's status as a senior member of the Politburo gives him higher standing and more real power than most if not all members of the Council of Ministers, and he was received in Paris by Barre.
- (d) Personal: The Prime Minister has agreed to receive the Yugoslav Foreign Minister on 15 June, and we shall be recommending that she also receive the Polish Foreign Minister who will be here later that week. Although the reasons might be clear

/enough

CONFIDENTIAL

CONFIDENTIAL



enough to us, the East Germans could manufacture a grievance if she did not likewise receive Herr Axen. The value of the visit would be reduced, perhaps even to a minus quantity.

Lord Carrington therefore suggests that the Prime Minister agree to receive Herr Axen, either at No 10 or at the House of Commons, for a courtesy call which need last no more than a quarter of an hour. The draft programme allows time for such a call on the afternoon of 15 June, or any time on 16 June (before 1045 or after 1430).

Yours ever,

Francis Richards

(F N Richards)
Private Secretary

M O'D B Alexander Esq
10 Downing Street

CONFIDENTIAL

30 APR 1987



CONFIDENTIAL

GRS 1130

CONFIDENTIAL

FM EAST BERLIN 06 1300Z NOV 80

TO PRIORITY FCO

TELEGRAM NUMBER 197 OF 6 NOVEMBER

INFO PRIORITY BORN AND BMG BERLIN

INFO ROUTINE WARSAW MOSCOW UKD EL NATO AND VIENNA

INFO SAVING WASHINGTON PARIS PRAGUE BUDAPEST SOFIA BUCHAREST

BELGRADE MADRID (FOR CSCE DELEGATION)

INNER GERMAN RELATIONS

1. DURING A TETE A TETE LUNCH TODAY (ARRANGED OVER A WEEK AGO) MY GERMAN COLLEAGUE GAVE ME AN ACCOUNT OF A TWO HOUR INTERVIEW WITH HONECKER TO WHICH HE WAS SUMMONED ON 3 NOVEMBER.

2. HONECKER BEGAN WITH AN HOUR'S UNBROKEN DISSERTATION ON THE BACKGROUND TO THE CURRENT DIFFICULTIES IN INNER-GERMAN RELATIONS AND BY IMPLICATION OF THE INCREASE IN THE MINIMUM EXCHANGE REQUIREMENT (MER) AND OTHER MANIFESTATIONS OF GDR POLICY SUCH AS HIS GERA SPEECH. HIS COMPLAINTS AGAINST THE FEDERAL GOVERNMENT AND THE CHANCELLOR IN PARTICULAR CAME UNDER TWO BROAD HEADINGS, FOREIGN/DISARMAMENT POLICY AND ALL-GERMAN POLICY, BOTH TO BE SEEN AS ACQUIRING ADDED SHARPNESS IN THE LIGHT OF DEVELOPMENTS IN POLAND.

2. UNDER THE FIRST HEADING HONECKER COMPLAINED THAT FOR SOME TIME FEDERAL POLICY HAD NOT IN PRACTICE LIVED UP TO BONN'S PRETENSIONS OF WISHING TO PRESERVE AND DEVELOP DETENTE BOTH IN THE WIDER INTERNATIONAL FIELD AND MORE PARTICULARLY WITHIN THE INNER GERMAN RELATIONSHIP. HE MENTIONED IN PARTICULAR THE LEAD WHICH SCHMIDT HAD GIVEN TO THE ALLIANCE IN RESPECT OF THE TNF RENEWAL, CULMINATING IN THE BRUSSELS DECISION, AND HIS HARD LINE IN VIENNA, WHERE THE FEDERAL GOVERNMENT HAD BEEN AMONG THE FRONT RUNNERS PRESSING REMORCELESSLY FOR DATA. HONECKER CLAIMED THAT HE HAD PLAYED A PERSONAL PART IN PERSUADING BREZHNEV TO ENSURE THE SUCCESS OF SCHMIDT'S VISIT TO MOSCOW, BY GIVING HIM SOME BACON TO BRING HOME IN THE FORM OF THE PRECEDING ANNOUNCEMENT OF A REDUCTION OF THE SOVIET MILITARY PRESENCE IN AFGHANISTAN AND MORE ESPECIALLY THE WILLINGNESS OF MOSCOW TO ENTER INTO NEGOTIATIONS ON MEDIUM RANGE NUCLEAR WEAPONS IN EUROPE WITHOUT INSISTENCE ON THE PRIOR REVERSAL OF NATO'S TNF DECISION. BUT SCHMIDT'S ATTITUDE AND SOME OF HIS SUBSEQUENT PUBLIC STATEMENTS HAD DISAPPOINTED MOSCOW AND EMBARRASSED HONECKER. (IN OTHER WORDS SCHMIDT HAD BEEN TOO LOYAL TO HIS ALLIANCE.)

CONFIDENTIAL

/4. IN INNER

4. IN INNER GERMAN RELATIONS SCHMIDT'S PERFORMANCE HAD BEEN EQUALLY DISAPPOINTING. HONECKER MADE NO SECRET OF HIS IRRITATION OVER BOTH THE FACT AND THE MANNER OF THE CANCELLATION OF THE AUGUST MEETING, EVEN THOUGH HE HAD HELD HIS FIRE TILL AFTER THE FEDERAL ELECTIONS. MORE GENERALLY THE FEDERAL GOVERNMENT HAD FOR SOME TIME BEEN PROVOCATIVELY TRUMPETING ITS ALL GERMAN POLICY, WHICH WAS INCONSISTENT WITH LONG TERM PEACE AND SECURITY IN EUROPE. IT HAD FOR EXAMPLE BEEN LARGELY RESPONSIBLE FOR THE GRATUITOUS INCLUSION IN THE ANKARA COMMUNIQUE OF REFERENCES TO THE REUNIFICATION OF GERMANY. IT WAS WELL KNOWN THAT THE GDR HAD LONG STANDING REQUIREMENTS FOR THE NORMALISATION OF RELATIONS WITH THE FEDERAL REPUBLIC, AS HE HAD MENTIONED IN HIS GERA SPEECH. (THE FOUR "CONDITIONS") FAR FROM RESPONDING TO THESE REQUIREMENTS BONN HAD CONTINUED TO PROPAGATE A POLICY AND DOCTRINE INCONSISTENT WITH THE ONLY BASIS ON WHICH RELATIONS BETWEEN THE TWO GERMANYS COULD BE CONDUCTED AND DEVELOPED. (HE IMPLIED THAT ALL THIS HAD NOT ONLY IRRITATED HIM PERSONALLY BUT SHOWN LITTLE SENSITIVITY FOR THE CONSTRAINTS IMPOSED UPON HIM FROM MOSCOW.)

5. WHEN GAUS WAS FINALLY ABLE TO REPLY, HE ASKED WHETHER HONECKER'S EXPOSE INDICATED A BASIC CHANGE OF COURSE ON THE PART OF THE GDR GOVERNMENT OR WHETHER IT SHOULD BE SEEN IN THE LIGHT OF A HOPEFULLY TRANSITIONAL SITUATION. THIS ELICITED A RECAPITULATION IN SUMMARISED BUT NO LESS VEHEMENT FORM OF HONECKER'S COMPLAINTS AGAINST FEDERAL POLICY AND SCHMIDT'S BEHAVIOUR IN PARTICULAR. THEREAFTER HONECKER INDICATED THAT:

- (A) IT WAS USELESS TO EXPECT ANY SIGNIFICANT IMPROVEMENT IN INNER GERMAN RELATIONS, FOR EXAMPLE A RESUMPTION OF HIGH-LEVEL POLITICAL CONTACTS, UNTIL THE POLISH SITUATION HAD BEEN STABILISED. HE LINKED THE MER DECISION TO THIS CONTEXT AND IN AN ASIDE GAVE GAUS A FAINT HINT THAT IT MIGHT IN DUE COURSE BE NEGOTIABLE,
- (B) IN PRINCIPLE, SUBJECT TO (A) ABOVE, HE WISHED TO RESUME INNER-GERMAN CONTACTS, INCLUDING A MEETING WITH SCHMIDT, AT WHICH LONG-STANDING GDR DEMANDS (EG THE FOUR "CONDITIONS") WOULD HAVE TO BE DISCUSSED. THEY WERE NOT HOWEVER PRIOR CONDITIONS FOR A RESUMPTION OF CONTACT.

6. HONECKER ADDED THAT DETENTE IN EUROPE REMAINED THE GDR'S AND WARSAW PACT'S POLICY. HE ALSO INDICATED (WHICH GAUS HAS UNDERLINED TO BONN AS SIGNIFICANT) THAT IT WAS NOT THE INTENTION TO RAISE THE TEMPERATURE IN BERLIN. HE DID THIS BY SAYING THAT HE HAD A LONG LIST OF INSTANCES OF VIOLATIONS OF THE TRANSIT ARRANGEMENTS AND OTHER INFRINGEMENTS OF THE QUADRIPARTITE AGREEMENT ON THE PART OF THE FRG WHICH HE HAD DELIBERATELY SOFT PEDALLED.

CONFIDENTIAL

/7. GAUS

CONFIDENTIAL

7. GAUS HAS OF COURSE SENT A VERY FULL ACCOUNT TO BONN. (HIS ACCOUNT TO ME CONTAINED MORE DETAIL THAN REPRODUCED ABOVE, BUT I WAS NOT ABLE TO MAKE NOTES OVER THE LUNCH TABLE). AS REGARDS THE TIMING OF THE INTERVIEW, HE BELIEVED THAT HONECKER ATTACHED THE HIGHEST IMPORTANCE TO HIS COMING VISIT TO AUSTRIA, WHERE HE WILL PRESUMABLY BE SPEAKING, IN PART AT LEAST, ON BEHALF OF THE EAST BLOC AS A WHOLE, AND WILL WANT TO MAKE THE BEST POSSIBLE IMPRESSION ON KREISKY AS BEING STILL A MAN OF DETENTE. HE MAY THEREFORE HAVE WANTED TO ANTICIPATE THE QUESTION WHETHER HE HAD ALREADY GIVEN SCHMIDT AN EXPLANATION OF HIS POSITION.

8. I SHOULD ADD THAT, ALTHOUGH THE FRG INTENTION WAS TO KEEP HONECKER'S CONVERSATION WITH GAUS STRICTLY CONFIDENTIAL, THE FACT OF THE INTERVIEW TOGETHER WITH A CERTAIN AMOUNT OF GLOSS ON IT LEAKED THROUGH THE BONN CORRESPONDENT OF THE "BERLINER MORGENPOST". THIS LED TO GAUS HAVING TO TELEPHONE BACK HERMANN (POLITBURO) URGENTLY BEFORE WE STARTED OUR LUNCH AND MAY PRESAGE A FURTHER GDR REACTION.

9. FCO PLEASE PASS TO ALL SAVING ADDRESSEES.

FOSTER

STANDARD
WED
EESD
CSCE UNIT
ECD
NAD
SED
CABINET OFFICE

[REPEATED AS REQUESTED]

[COPIES SENT TO NO 10
DOWNING ST]

GRS 630

CONFIDENTIAL

CONFIDENTIAL

Germany
Read in full,

FM BONN 151715Z OCT 80

TO IMMEDIATE FCC

TELEGRAM NUMBER 751 OF 15 OCTOBER

INFO PRIORITY DMG BERLIN, EAST BERLIN, WARSAW, MOSCOW, WASHINGTON,
PARIS, UKDEL NATO

MY TELNO 752: GDR CURRENCY REQUIREMENTS AND HONECKER SPEECH

1. THESE DEVELOPMENTS WERE DISCUSSED AT A TWO AND A HALF HOUR MEETING OF THE FEDERAL GERMAN CABINET THIS MORNING. THE CHANCELLOR INTERRUPTED HIS POST-ELECTION HOLIDAY TO TAKE THE CHAIR. BRAEUTIGAM (UNDER-SECRETARY IN THE KANZLERAMT RESPONSIBLE FOR INNER-GERMAN AFFAIRS), WHO WAS PRESENT, HAS GIVEN US THE FOLLOWING ACCOUNT.
2. IT WAS THE UNANIMOUS VIEW THAT THE NEW GDR MEASURES WOULD PRODUCE A SUBSTANTIAL REDUCTION IN INNER-GERMAN TRAVEL AND CONTACTS. THE FACILITATION OF THIS TRAVEL WAS A CENTRAL OBJECTIVE OF FEDERAL GERMAN DETENTE POLICY, AND IT HAD TO BE RECOGNISED THAT THIS POLICY HAD SUFFERED A SERIOUS SETBACK. IT WAS IMPOSSIBLE TO BELIEVE THAT THE GDR HAD BEEN MOTIVATED BY A DESIRE TO INCREASE REVENUE: ON THE CONTRARY, IT WAS CLEAR THAT THE REASONS FOR THEIR CHANGE OF COURSE LAY IN THE POLISH SITUATION. THE INITIATIVE MIGHT WELL HAVE COME FROM THE SOVIET UNION, AND THE DECISION WOULD CERTAINLY NOT HAVE BEEN TAKEN WITHOUT SOVIET AGREEMENT. BUT THE OVERRIDING NEED FOR THE GDR REGIME TO MAINTAIN INTERNAL STABILITY MUST HAVE PLAYED A PART TOO. IT SEEMED POSSIBLE THAT THE FRG HAD OVERESTIMATED THE INTERNAL STABILITY OF THE GDR AND UNDER-ESTIMATED THE REGIME'S FEARS ABOUT THE IMPACT OF EVENTS IN POLAND.
3. AGAINST THIS BACKGROUND GERMAN MINISTERS HAD AGREED THAT THE FEDERAL GOVERNMENT COULD NOT SIMPLY ACQUIESCE IN THE EAST GERMAN MEASURES. THE AIM MUST BE TO GET THEM RESCINDED. IN THE PRESENT POLITICAL CLIMATE - I.E. UNTIL THE POLISH SITUATION HAD QUOTE BEEN STABILISED UNQUOTE - IT WAS NOT PRACTICABLE TO ACHIEVE THIS. PINPRICKING COUNTER-MEASURES AGAINST THE GDR WOULD SERVE NO PURPOSE. THE ONLY POSSIBLE LEVERAGE LAY IN THE FORTHCOMING ECONOMIC NEGOTIATIONS - THE RENEWAL OF THE SWING CREDIT, THE ELECTRIFICATION OF THE RAILWAYS AND THE EVENTUAL NEGOTIATIONS ON ENERGY - IN WHICH THE GDR HAD A MAJOR INTEREST. BUT THIS LEVERAGE WOULD NOT BECOME AVAILABLE UNTIL THE OVERALL POLITICAL SITUATION RETURNED TO SOME DEGREE OF NORMALITY AND THE GDR FELT ABLE TO ALLOW ITS ECONOMIC INTERESTS TO REASSERT THEMSELVES. FOR THE MOMENT THEREFORE (AND PROBABLY WELL INTO NEXT YEAR) THE FEDERAL GOVERNMENT WOULD HOLD BACK FROM ENTERING INTO ANY OF THE ABOVE-MENTIONED NEGOTIATIONS. BUT WHEN THE POLITICAL CLIMATE SEEMED RIGHT, THEY WOULD AIM TO REOPEN THE DIALOGUE WITH THE GDR WITH A VIEW TO USING THE LEVERAGE WHICH THESE NEGOTIATIONS WOULD GIVE THEM IN ORDER TO INDUCE THE GDR

CONFIDENTIAL

/A)

CONFIDENTIAL

1
A) TO RESCIND THEIR CURRENCY MEASURES: AND B) TO AGREE NEW BASIC GUIDELINES FOR THE FURTHER DEVELOPMENT OF INNER-GERMAN RELATIONS. MEANWHILE THERE WAS TO BE NO QUESTION OF THE FEDERAL GOVERNMENT ASSUMING RESPONSIBILITY FOR THE ADDITIONAL TRAVEL CHARGES (SUBVENTIONIERUNG) OR DOING A LUMP SUM DEAL OVER THEM WITH THE GDR (PAUSCHALIEREN). EXISTING TREATIES AND AGREEMENTS, BOTH WITH THE GDR AND THE SOVIET UNION, WOULD CONTINUE TO BE SCRUPULOUSLY OBSERVED AND CARE WOULD BE TAKEN BY THE FEDERAL GOVERNMENT IN ITS PUBLIC STATEMENTS TO AVOID DRAMATISING WHAT HAD HAPPENED. BUT THE FEDERAL GERMAN LINE AT MADRID WOULD INEVITABLY HAVE TO BE HARDENED. THEY WOULD STILL BE SEEKING A CONSTRUCTIVE OUTCOME TO THE MADRID MEETING, BUT THEY WOULD VIGOROUSLY CRITICISE THE GDR'S MEASURES IN THE CONTEXT OF THE DEBATE ON IMPLEMENTATION. THE OPPOSITION WOULD BE FULLY BRIEFED (BRAEUTIGAM SAID THAT THIS WAS BEING DONE THIS AFTERNOON) AND WOULD BE URGED NOT TO ALLOW THE GDR MOVES TO BE EXPLOITED FOR PURPOSES OF INTERNAL POLITICAL CONTROVERSY.

4. BRAEUTIGAM SAID THAT THE FOREGOING ACCOUNT REFLECTED BOTH THE COURSE OF DISCUSSION AND THE POINTS CONTAINED IN THE CHANCELLOR'S SUMMING UP. HE EMPHASISED THAT THE FEDERAL CABINET HAD REACHED THESE CONCLUSIONS WITHOUT OPTIMISM, AND AGAINST A BACKGROUND OF DEEP ANXIETY ABOUT THE LIKELY COURSE OF EVENTS IN POLAND. IT MIGHT BE A VERY LONG TIME BEFORE PROGRESS IN INNER-GERMAN RELATIONS COULD BE RESUMED.

WRIGHT

[COPIES SENT TO NO 10 DOWNING ST]

STANDARD

EEED

CSCE UNIT

CONS D

NAD

SED

ECD(E)

ECON D

ERD

SEC D

OLA

CABINET OFFICE

COPIES TO:

PS/S OF S)
MR DICK)
MR POWNALL) DOT

PS/CHANCELLOR)
SIR K COUZENS) TREASURY
MISS BAKER)

MR P J BULL BANK OF ENGLAND

MR COTTERILL ECGD
MR WOOLGAR. OAS D/EMPLOYMENT
CAXTON HOUSE. TOTHILL ST

2.
CONFIDENTIAL

GRS 420

CONFIDENTIAL

CONFIDENTIAL

FM EAST BERLIN 141655Z OCT 80

TO IMMEDIATE FCO

TELEGRAM NUMBER 171 OF 14 OCTOBER

INFO IMMEDIATE BONN BMG BERLIN

INFO PRIORITY WARSAW MOSCOW

INFO ROUTINE WASHINGTON PARIS UKDEL NATO

INFO SAVING PRAGUE BUDAPEST BUCHAREST SOFIA

MIPT: HONECKER'S SPEECH AT GERA

1. HONECKER'S LATEST SPEECH RECAPITULATES WITH ADDED EMPHASIS AND A MORE THREATENING TONE THE MAIN THEMES OF THE NEUES DEUTSCHLAND EDITORIAL OF 4 SEPTEMBER (MYTELS NOS 139 AND 140) AND HIS SPEECH OF 6 OCTOBER (EAST BERLIN TEL NO 163).
2. WHILE THE ASSERTION OF THE GDR'S INTEREST IN A STABLE POLAND IS AN ALMOST WORD FOR WORD REPRODUCTION OF THE 6 OCTOBER SPEECH, THE SECTION ON THE UNCHANGABLE NATURE OF POLAND'S MEMBERSHIP OF THE SOCIALIST WORLD IS MORE TRENCANT. THE VERSION CARRIED ON GDR TELEVISION, CONTINUED WITH A PASSAGE DROPPED FROM THE NEWSPAPER TEXT TO THE EFFECT THAT QUOTE WE TOGETHER WITH OUR FRIENDS WILL ENSURE THAT THIS IS SO UNQUOTE. THUS THE THREAT HINTED AT IN THE 4 SEPTEMBER EDITORIAL AND 6 OCTOBER SPEECH IS NOW MORE EXPLICIT.
3. THE SECTION ON THE FRG IS ALSO TOUGHER THAN IN THE EARLIER SPEECH, WITH VIRULENT ALLEGATIONS ABOUT BONN'S AGGRESSIVE POLICIES AND WEST GERMAN INTERFERENCE IN INTERNAL AFFAIRS. THE ELABORATION OF DEMANDS (RECOGNITION OF GDR NATIONALITY, ETC) IS A NEW ELEMENT. THOUGH THESE ARE ALL LONG-STANDING EAST GERMAN GRIEVANCES, THEY MAY NOW BE INTENDED AS CONDITIONS FOR THE FURTHER DEVELOPMENT OF RELATIONS.
4. THE FULL SPEECH HAS BEEN GIVEN MASSIVE COVERAGE IN THE GDR MEDIA, THOUGH THE SUMMARY WHICH APPEARS ON THE FRONT PAGE OF NEUES DEUTSCHLAND GIVES A SOMEWHAT TONED DOWN VERSION, WITH THE PASSAGE ON POLAND BEING ACCORDED GREATER PROMINENCE THAN THAT ON THE FRG.
5. AS WITH HONECKER'S 6 OCTOBER SPEECH, THE THRUST CAN BE VARIOUSLY INTERPRETED. ALTHOUGH THE NEW COMPULSORY EXCHANGE REGULATION IS NOT MENTIONED (THE OFFICIAL LINE BEING THAT IT REFLECTS PURELY ECONOMIC CONSIDERATIONS), YESTERDAY'S SPEECH IS PRESUMABLY INTENDED NEVERTHELESS TO CONVEY TO THE PARTY FAITHFUL AND THE POPULACE AT LARGE THE POLITICAL JUSTIFICATION FOR THIS WIDELY UPOPULAR STEP, AS WELL AS A WARNING AGAINST EXTERNAL INFECTIONS, WHETHER OF THE POLISH OR WEST GERMAN VARIETY. IT IS ALSO OF COURSE CLEAR EVIDENCE OF A FURTHER TWIST IN THE DOWNWARD SPIRAL OF INNER-GERMAN RELATIONS, EMPHASISED BY THE DEMAND FOR CONCESSIONS KNOWN TO BE UNACCEPTABLE TO BONN.

CONFIDENTIAL

16. BUT THE

CONFIDENTIAL

6. BUT THE SPEECH MAY BE AS SIGNIFICANT IN THE POLISH AS IN THE INNER-GERMAN CONTEXT. AT THE VERY LEAST IT MUST PRESUMABLY BE SEEN AS PART OF MOSCOW'S WAR OF NERVES AGAINST THE POLISH REFORMERS: AND PERHAPS AS A REFLECTION OF REAL ANXIETY THAT RECENT DEVELOPMENTS IN POLAND CONSTITUTE A SERIOUS THREAT TO THE SECURITY OF THE COMMUNIST GRIP ON EASTERN EUROPE WHICH UNTIL RECENTLY STILL SEEMED TO PROVIDE A FIRM BASE FOR THE PROSECUTION OF DETENTE AGAINST THE WEST.

7. FCO PLEASE PASS TO ALL SAVING ADDRESSEES.

FOSTER

[REPEATED AS
REQUESTED]

POLAND SPECIAL

STANDARD

EESD

CSCE UNIT

CONS D

NAD

SED

WED

ECD(E)

ECON D

ERD

SEC D

OLA

CABINET OFFICE

[COPIES SENT TO NO 10 DOWNING ST]

COPIES TO:

PS/S OF S)
MR DICK)
MR POWNALL) DOT

PS/CHANCELLOR)
SIR K COUZENS) TREASURY
MISS BAKER)

MR P J BULL BANK OF ENGLAND

MR COTTERILL ECGD

MR WOOLGAR. OAS D/EMPLOYMENT
CAXTON HOUSE. TOTHILL ST

CONFIDENTIAL

GRS 750

CONFIDENTIAL

CONFIDENTIAL

FM EAST BERLIN 131600Z OCT 80

TO PRIORITY FCO

TELEGRAM NUMBER 168 OF 13 OCTOBER

INFO PRIORITY BONN AND BMG BERLIN

INFO SAVING WASHINGTON MADRID(FOR CSCE UNIT) UK DEL NATO

MOSCOW WARSAW PRAGUE BUDAPEST BUCHAREST SOFIA

Read in full

ms

EAST BERLIN TELEGRAMS NOS 164 AND 165:

GDR: INCREASE IN VISITORS' COMPULSORY EXCHANGE

1. AT A MEETING OF THE NINE THIS MORNING MY GERMAN COLLEAGUE GAVE US A SUMMARY OF THINKING IN BONN, WHERE HE WAS AT THE END OF LAST WEEK.
2. HE SAID THAT HE HAD SELDOM SEEN SUCH UNANIMITY OF VIEW AS DURING HIS RECENT CONSULTATIONS. THE EAST GERMAN MEASURES WERE SEEN AS THE MOST SERIOUS SETBACK IN INNER-GERMAN RELATIONS SINCE THE ESTABLISHMENT OF DIPLOMATIC REPRESENTATION. HE HAD ON INSTRUCTIONS MADE A QUOTE MASSIVE INTERVENTION UNQUOTE WITH THE MFA(THE DIVISION DIRECTOR IN THE ABSENCE OF KOHL) WHICH HAD BEEN FIRMLY REJECTED, THE WEST GERMANS WOULD ALSO BE MAKING REPRESENTATIONS IN MOSCOW AND HOLDING FURTHER DISCUSSIONS WITH THEIR ALLIES, AS WELL AS RAISING THE MATTER IN MADRID.
3. BONN'S PROVISIONAL ANALYSIS WAS THAT ACTION OF THIS KIND MUST HAVE BEEN APPROVED BY THE SOVIET GOVERNMENT AND MIGHT INDEED BE PART OF A BLOC POLICY RELATED TO THE SITUATION IN POLAND, THE IMMEDIATE TRIGGER BEING PERHAPS LAST WEEK'S TOKEN STRIKE. (THE FEDERAL ELECTIONS WOULD ALSO HAVE BEEN RELEVANT TO THE TIMING). BUT THE FEDERAL GOVERNMENT HAD NOT YET CONCLUDED THAT IT WAS EVIDENCE OF A FUNDAMENTAL CHANGE OF EAST BLOC POLICY: THIS REMAINED A QUESTION.
4. IN DISCUSSION THE FOLLOWING FURTHER IDEAS WERE FLOATED:
 - (A) GAUS SAID THAT IN THE COURSE OF HIS DEMARCHE AT THE MFA SEIDEL HAD HINTED AT SUPPLY DIFFICULTIES IN THE GDR, MEANING IN PARTICULAR FOODSTUFFS. THIS MIGHT IMPLY THAT THE GDR WOULD BE REQUIRED TO MAKE SUBSTANTIAL DELIVERIES TO HELP POLAND THROUGH THE WINTER, WHERE THE SITUATION WAS APPARENTLY EXACERBATED BY A POOR HARVEST. THIS COULD PROVIDE AN ADDITIONAL REASON FOR THE GDR GOVERNMENT WANTING TO REDUCE THE FLOW OF VISITORS, WHO MIGHT AGGRAVATE THE GDR SUPPLY PROBLEM, AS WELL AS STIMULATING LOCAL UNREST.
 - (B) THE FEDERAL GOVERNMENT WERE INCLINED TO DISCOUNT AS A MAJOR GDR MOTIVE THE ACQUISITION OF FOREIGN CURRENCY BECAUSE EXTRA REVENUE FROM INCREASED CHARGES WOULD BE OFFSET TO A LARGE EXTENT BY A SUBSTANTIAL FALL IN THE NUMBER OF VISITORS. THE EXTENT OF THIS FALL WAS, HOWEVER, GUESSWORK AND THE GDR GOVERNMENT MIGHT SUCCEED IN TAKING MORE MONEY FROM A REDUCED FLOW.

CONFIDENTIAL

/(C) ASKED

CONFIDENTIAL

(C) ASKED WHETHER THE NEW MEASURES MIGHT BE INTENDED TO PUT PRESSURE ON THE FEDERAL GOVERNMENT IN FUTURE NEGOTIATIONS, IE TO SERVE AS A BARGAINING COUNTER IN LATER HORSE TRADING, GAUS REPLIED THAT IF SO THE STRATEGY WAS MISCONCEIVED: GIVEN THE PRESENT MOOD IN BONN IT WAS MORE LIKELY TO HAVE THE OPPOSITE EFFECT. AT MOST THE FEDERAL GOVERNMENT MIGHT AGREE FOR PURELY COMMERCIAL REASONS TO RENEW THE SWING ARRANGEMENTS.

(D) THERE HAVE BEEN INDICATIONS, BASED ADMITTEDLY ON SO FAR LIMITED EXPERIENCE, THAT VISITORS STAYING WITH DIPLOMATS IN EAST BERLIN WILL NO LONGER BE EXEMPT AS HITHERTO FROM COMPULSORY EXCHANGE. GAUS INVITED HIS COLLEAGUE TO EXPLORE THIS FURTHER. GIVEN THE MUCH MORE SERIOUS HUMANITARIAN IMPACT OF THE MEASURES ON EG PENSIONERS, HE DID NOT FEEL IN A POSITION TO TAKE UP THIS ASPECT HIMSELF.

5. MY CHIEF PERSONAL IMPRESSION HAVING JUST RETURNED FROM A SHORT ABSENCE FROM BERLIN, IS THAT THE PICTURE IN REGARD TO GDR (OR SOVIET) MOTIVATION IS STILL UNCLEAR. THE FEDERAL GOVERNMENT MAY BE RIGHT IN BELIEVING THAT THE MAIN AIM IS TO REDUCE THE FLOW OF VISITORS WITH A PARTICULAR EYE ON POLAND, WHETHER FOR POLITICAL OR ECONOMIC REASONS OR A MIXTURE OF BOTH. BUT, ALTHOUGH GAUS SCOUTED SUCH SUGGESTIONS, I WONDER WHETHER THE GDR AND SOVIET GOVERNMENTS HAVE ENTIRELY MISCALCULATED THE LONGER-TERM IMPACT ON THE FEDERAL GOVERNMENT, IE WHETHER THE LATTER WILL NOT IN THE END FEEL OBLIGED TO NEGOTIATE A REDUCTION OF THE CHARGES BY OFFERING CONCESSIONS IN OTHER FIELDS, AS I UNDERSTAND HAPPENED IN 1974. NOR MAY THE GDR AUTHORITIES HAVE NECESSARILY GOT THEIR SUMS WRONG (B ABOVE).

FOSTER

STANDARD
WED

EESD
CSCE UNIT
CONS D
NAD
SED

ECD (E)
ECON D
ERD

OLA
CABINET OFFICE

[COPIES SENT TO NO 10 DOWNING ST]

COPIES TO:

PS/S OF S)
MR DICK)
MR POWNALL) DOT

PS/CHANCELLOR)
SIR K COUZENS) TREASURY
MISS BAKER)

MR P J BULL. BANK OF ENGLAND

MR COTTERILL ECGD
MR WOOLGAR. OAS D/EMPLOYMENT
CAXTON HOUSE. TOTHILL ST

- 2 -
CONFIDENTIAL

GRS 400
CONFIDENTIAL

CONFIDENTIAL

FM BONN 101510Z OCT 80

TO PRIORITY FCO

TELEGRAM NUMBER 739 OF 10 OCTOBER

AND TO PRIORITY EAST BERLIN, BMG BERLIN, WARSAW, UKDEL NATO,
MOSCOW, WASHINGTON AND PARIS

FRG REACTION TO GDR EXCHANGE REQUIREMENTS

1. THE FEDERAL GOVERNMENT WERE COMPLETELY SURPRISED BY THE GDR ANNOUNCEMENT OF THEIR INTENTION TO INCREASE THE DAILY MINIMUM EXCHANGE REQUIREMENTS FOR WESTERN VISITORS FROM 13 TO 25 DEUTSCHE MARKS. THE FEDERAL GOVERNMENT SPOKESMAN, BOELLING, SAID TODAY THAT THE GDR ANNOUNCEMENT WAS QUOTE A SEVERE BLOW UNQUOTE TO INNER-GERMAN RELATIONS AND QUOTE DIRECTLY CONTRAVENED NOT ONLY HELSINKI AND THE PRINCIPLE OF DETENTE BUT ALSO THE NUMEROUS GDR DECLARATIONS WHICH STATED THEIR DESIRE TO IMPROVE INNER-GERMAN RELATIONS UNQUOTE. BOELLING CONDEMNED THE GDR TAKING SUCH AN IMPORTANT DECISION AFFECTING INNER-GERMAN RELATIONS UNILATERALLY. THE FRG WAS PARTICULARLY CONCERNED AT THE MEASURES AFFECTING OLD AGE PENSIONERS AND CHILDREN.
2. BOELLING STATED THAT THE FRG'S PERMANENT REPRESENTATIVE IN EAST BERLIN, GAUS, WOULD BE LODGING A PROTEST WITH THE GDR FOREIGN MINISTRY TODAY. THE FRG WOULD ALSO RAISE THE MATTER AT MADRID WITH A VIEW TO EMBARRASSING THE GDR. BOELLING SAID THE ANNOUNCEMENT COULD AFFECT THE FRG'S WILLINGNESS TO PAY FOR COMMON PROJECTS IN FUTURE.
3. OFFICIALS WITH WHOM WE HAVE SPOKEN AT THE KANZLERAMT AND THE INNER-GERMAN MINISTRY BELIEVE THAT THE MAIN FACTOR BEHIND THE GDR ANNOUNCEMENT WAS CONCERN AT EVENTS IN POLAND AND THEIR CONSEQUENT DESIRE TO REDUCE THE NUMBER OF WESTERN VISITORS TO THE GDR. A DESIRE FOR MORE DEUTSCHMARKS IS DISCOUNTED AS THE NUMBER OF VISITORS TO THE GDR IS EXPECTED TO FALL SHARPLY AS A RESULT OF THE PRICE RISE, THUS CURTAILING THE GDR'S INCOME FROM THIS SOURCE.
4. AS TO TIMING, OFFICIALS HERE BELIEVE THAT THE DECISION WAS TAKEN SOME TIME AGO BUT DELAYED UNTIL AFTER THE FRG ELECTIONS AND THE GDR NATIONAL DAY CELEBRATIONS. THE LOSS OF FACE THE GDR MIGHT SUFFER AT MADRID WOULD NOT HAVE PLAYED A MAJOR ROLE IN INFLUENCING THE DECISION.
5. COMMENT:

ALTHOUGH THE FIRST PUBLIC REACTION HERE IS ONE OF SHARP DISMAY, IT IS TOO EARLY TO ASSESS THE IMPLICATIONS FOR INNER-GERMAN RELATIONS. IF THERE IS NO GIVE IN THE GDR POSITION, IT WOULD SEEM THAT A SCHMIDT-HONECKER SUMMIT MUST NOW BE OUT OF THE QUESTION FOR SOME TIME. COOPERATIVE PROJECTS EG ON ENERGY, ELECTRIFICATION OF RAILWAYS, ETC ARE LIKELY TO BE PUT ON THE BACK-BURNER. BUT THE FRG'S FINANCIAL ROOM FOR MANOEUVRE HAD BEEN REDUCED THIS YEAR AND OFFICIALS HERE RECKON THE GDR MAY HAVE CALCULATED THERE WAS LITTLE CHANCE OF SUCH PROJECTS GETTING OFF THE GROUND IN THE FORESEEABLE FUTURE IN ANY CASE AND THEREFORE THEY HAD LITTLE TO LOSE IN ANNOUNCING THE NEW MEASURES.

WRIGHT

POLAND SPECIAL

STANDARD - 15
WED

EESD

CSCE UNIT

NAD

SED

ECD(E)

ECON D

ERD

SEC D

OLA

CABINET OFFICE

THIS TELEGRAM
WAS NOT
ADVANCED

[COPIES SENT TO NO 10 DOWNING ST]

COPIES TO:

PS/S OF S)
MR DICK)
MR POWNALL) DOT

PS/CHANCELLOR)
SIR K COUZENS) TREASURY
MISS BAKER)

MR P J BULL BANK OF ENGLAND

MR COTTERILL ECGD

MR WOOLGAR. OAS D/EMPLOYMENT
CAXTON HOUSE. TOTHILL ST

CONFIDENTIAL

FILE

RH

CONFIDENTIAL

Foreign Policy

21 July, 1980

Herr Axen

The Prime Minister has seen your letter to me of 18 July about the proposed visit to London by Herr Axen of the GDR Politburo. The Prime Minister would not be prepared to receive Herr Axen.

I am sending a copy of this letter to Stuart Hampson, (Department of Trade).

M. O'D. B. ALEXANDER

Paul Lever, Esq
Foreign and Commonwealth Office

CONFIDENTIAL

Out

CONFIDENTIAL

NO

ms.



Prime Minister ①

Foreign and Commonwealth Office

London SW1A 2AH

Apa, in principle, to see
Herr Axen?

Phd 18/7

18 July 1980

Dear Michael,

The GDR Ambassador in London has told us that Herr Axen, senior GDR Politburo member responsible for foreign affairs, has accepted HMG's invitation to visit the UK and is ready to discuss dates. However, he also made it clear that his authorities would first like to know whether the Prime Minister would be receiving Herr Axen during his visit.

The Foreign and Commonwealth Secretary recommends that the Prime Minister should in principle receive Herr Axen. Despite his cumbersome title he equates with a senior Cabinet Minister and is in practice much more important than the titular Foreign Minister. He visited France in 1977, where he was received by M. Barre. It would therefore be appropriate for the Prime Minister to see him, if at the time she were in London.

A key consideration is the link which the GDR, in common with other East European countries, makes between political and trade relations with Western countries; the first is largely a determinant of the second. We are making a major effort to improve our hitherto disappointing trade performance with the GDR, with promising results to date. In March, GKN signed the first major contract to be awarded by the GDR to a British firm for some years. Significantly, the deal was concluded during a visit to Leipzig Fair by Mr Parkinson, and GDR officials later said that the political symbolism of the Minister's visit, in the post-Afghanistan atmosphere, had been noted by their side. During a visit to this country in June by their State Secretary responsible for Foreign Trade, we received clear assurances that the GDR is interested in developing bilateral trade. Dr Beil told Mr Blaker that for political and economic reasons, the GDR wishes to decrease its dependence on the FRG and to develop new contacts with France and the UK. France has already pursued a policy of high level bilateral political visits to and from the GDR and is reaping commercial benefit: if we do not take advantage of this opportunity, our French competitors most certainly will.

Trade figures for the first five months of 1980 show an improvement in our trade balance with the GDR, (despite some distortion introduced by irregular movements of silver). Figures are (in £ million):-

	1978	1979	First five months of 1980
UK exports	47.4	58.2	51.6
UK imports	88.4	111.7	47.2

British companies are currently at various stages of negotiation with the GDR over contracts worth more than £500 million, more /than

CONFIDENTIAL

CONFIDENTIAL



than with any other Eastern European country and, excluding the USSR, probably more than in the whole of the rest of Eastern Europe. Barring a major downturn in the GDR's economy and doubts about its credit worthiness, which we would discount, the contracts now under discussion can be regarded as the precursors of considerable growth in export opportunities in the future.

The sectors of industry in which the GDR has the greatest interest in expanding its trade include the process plant, heavy engineering and automotive industries where few other countries are buying at present and where British industry is consequently badly in need of the stimulus of major new contracts.

In view of the above, Lord Carrington considers that agreement by the Prime Minister to receive Herr Axen for a short courtesy call could pay substantial dividends in terms of improved commercial prospects for British industry in the GDR. A call would also, of course, offer an opportunity to put across the UK position on East/West relations forcibly to a key politician in what is arguably now the Soviet Union's key ally.

I am sending a copy of this letter to Stuart Hampson (Dept of Trade).

Yours etc

Paul

(P Lever)
Private Secretary

M O'D B Alexander Esq
10 Downing Street
LONDON

CONFIDENTIAL



18 JUL 1980

GR 910

RESTRICTED

RESTRICTED

DESKBY FCO 071200Z

FM EAST BERLIN 071055Z OCT 79

TO IMMEDIATE FCO

TELEGRAM NUMBER 137 OF 7 OCTOBER

INFO IMMEDIATE MOD.

INFO PRIORITY BONN, BMG BERLIN, MOSCOW, WASHINGTON, UKDEL NATO,
UKMIS NEW YORK, SOFIA, PRAGUE, WARSAW, BUDAPEST, BUCHAREST,
VIENNA (FOR UKDEL MBFR)

MY TELNO 134 (NOT TO ALL)

THIRTIETH ANNIVERSARY CELEBRATIONS: 6 OCTOBER

1. HIGHLIGHT OF THE DAY WAS AN EVENING GALA GATHERING (FESTVERANSTALTUNG) AT THE PALACE OF THE REPUBLIC ON UNTER DEN LINDEN, AT WHICH THE CHIEF SPEAKERS (IN THAT ORDER) WERE HONECKER AND BREZHNEV. IN SUBSTANCE THE MAIN INTEREST WAS THE LATTER-S ANNOUNCEMENT THAT THE SOVIET UNION INTENDED IN THE COURSE OF THE COMING YEAR TO WITHDRAW 20,000 MEN AND 1,000 TANKS FROM THE GDR.

2. THIS WOULD BE A UNILATERAL CONTRIBUTION TO PEACE AND DETENTE. IT WAS NOW UP TO THE WEST TO SHOW A MATCHING SPIRIT. BREZHNEV ALSO PROPOSED IN THE CONTEXT OF CBM'S THAT BOTH SIDES SHOULD GIVE EARLIER WARNING OF MILITARY MANOEUVRES, THAT THE CEILING FOR NOTIFICATION BE REDUCED FROM 25,000 TO 20,000 PARTICIPANTS, THAT NO MANOEUVRES INVOLVING OVER 40-50,000 TROOPS SHOULD BE HELD AT ALL, AND THAT MOVEMENTS (AS DISTINCT FROM MANOEUVRES) OF GROUND FORCES OF OVER 20,000 MEN SHOULD BE NOTIFIED. HE ALSO REPEATED THE SOVIET PROPOSAL FOR AN ALL-EUROPEAN CONFERENCE AT POLITICAL LEVEL, BUT MADE NO REFERENCE TO THE APPLICATION OF DETENTE OUTSIDE EUROPE. NOR DID HE MENTION CUBA. HE ALSO REFERRED TO THE IMPORTANT NEGOTIATIONS FOR SALT III THAT LAY AHEAD. ONCE SALT II HAD COME INTO FORCE, THE SOVIET UNION WOULD BE PREPARED TO DISCUSS POSSIBILITIES OF LIMITING NOT ONLY INTERCONTINENTAL WEAPONS, BUT OTHER WEAPONS AS WELL.

RESTRICTED

/3. THESE

3. THESE PROPOSALS FOLLOWED PASSAGES IN WHICH HE ATTACKED WESTERN IMPERIALISM AND NATO REARMAMENT IN FAMILIAR TERMS AND MAINTAINED THAT ALLEGATIONS ABOUT INCREASES OF SOVIET MILITARY STRENGTH WERE WITHOUT FOUNDATION AND A MERE PRETEXT FOR WESTERN MILITARISM. NEITHER SOVIET TROOP STRENGTHS IN CENTRAL EUROPE NOR SOVIET MEDIUM-RANGE ROCKETS AND BOMBERS IN WESTERN RUSSIA HAD BEEN INCREASED NUMERICALLY (HE WAS SILENT ABOUT QUALITY) IN THE PAST TEN YEARS. THE SOVIET GOVERNMENT WAS EVEN PREPARED TO REDUCE THE NUMBER OF ITS MEDIUM-RANGE MISSILES AND BOMBERS PROVIDED THAT NO NEW MISSILE CAPABLE OF STRIKING AT THE SOVIET UNION WAS DEPLOYED IN WESTERN EUROPE. HE ISSUED A PARTICULAR WARNING TO THE FEDERAL REPUBLIC AGAINST ACCEPTING MEDIUM-RANGE MISSILES ON ITS TERRITORY, TOGETHER WITH AN ASSURANCE THAT THE SOVIET UNION WOULD NEVER USE NUCLEAR WEAPONS AGAINST COUNTRIES WHICH HAD RENOUNCED THEIR USE, PRODUCTION AND DEPLOYMENT ON THEIR TERRITORY. IF HOWEVER NEW MISSILES WERE INTRODUCED INTO WESTERN EUROPE, THE SOCIALIST COUNTRIES WOULD HAVE TO TAKE APPROPRIATE MEASURES TO SAFEGUARD THEIR SECURITY, THE SITUATION IN EUROPE WOULD BE EXACERBATED AND THE INTERNATIONAL ATMOSPHERE POISONED.

4. HONECKER'S SPEECH, DELIVERED (IN CONTRAST TO BREZHNEV'S) IN A MONOTONOUSLY STRIDENT TONE, EULOGISED THE GDR'S POLITICAL AND ECONOMIC ACHIEVEMENTS IN THE PAST THIRTY YEARS, ATTACKED THE UNREGENERATE SHORTCOMINGS OF CAPITALISM (IN PARTICULAR ITS TOLERATION OF HIGH RATES OF UNEMPLOYMENT) AND DENOUNCED IMPERIALISM AND THE AGGRESSIVE MOOD OF NATO, AND ESPECIALLY OF THE FRG. INSTEAD OF ALLOWING THE STATIONING ON ITS TERRITORY OF MEDIUM-RANGE MISSILES, THE LATTER SHOULD JOIN IN CO-OPERATION BETWEEN THE TWO GERMANIES TO PROMOTE DISARMAMENT IN THE FRAMEWORK OF PEACEFUL COEXISTENCE.

5. THE PROCEEDINGS WERE OPENED BY NAUMANN, POLITBURO BOSS OF EAST BERLIN, WHO WELCOMED THE VARIOUS FRATERNAL DELEGATIONS PRESENT (SEE MY TELNO 134) TO THE ACCOMPANIMENT OF ENTHUSIASTIC AUDIENCE PARTICIPATION (PARTICULARLY FROM THE KAMPUCHEAN REPRESENTATIVE), MOST OF THEM BEING SALUTED AS QUOTE COMRADES UNQUOTE. NKOMO, CONTRARY TO PRIOR BILLING, WAS NOT PRESENT, MSIKA BEING GREETED IN HIS STEAD. ARAFAT, CALLED A QUOTE FRIEND UNQUOTE RATHER THAN QUOTE COMRADE UNQUOTE, OCCUPIED A SEAT IN THE FRONT ROW NEXT TO AXEN (POLITBURO MEMBER RESPONSIBLE FOR FOREIGN AFFAIRS) WHO HAD SEKOU TOURE ON HIS OTHER SIDE. APART FROM THEM, THE ONLY NON-EAST EUROPEAN DIGNITARY ON THE FRONT ROW OF THE DAIS WAS GIAP, APPROPRIATELY NEXT TO HOFFMANN, MINISTER OF DEFENCE. AT THE END OF THE PROCEEDINGS BREZHNEV MADE A POINT OF GREETING ARAFAT EFFUSIVELY.

RESTRICTED

6. BREZHNEV'S PHYSICAL PERFORMANCE WAS BETTER THAN I HAD EXPECTED. IN THE MORNING HE TOOK PART INTER ALIA IN THE WREATH-LAYING CEREMONY AT TREPTOW, WALKING SEVERAL HUNDRED YARDS, ALBEIT WITH A STIFF, SHUFFLING GAIT, TO THE FOOT OF THE SOVIET WAR MEMORIAL WITH HONECKER AND AN AIDE ON EITHER SIDE TO STEADY HIM. AT THE EVENING FESTVERANSTALTUNG HE LEFT HIS CHAIR IN THE CENTRE OF THE FRONT ROW OF THE DAIS AND PROCEEDED ALONE AND UNAIDED TO THE END OF THE ROW, DOWN FIVE STEPS, AND UP TO THE LECTERN OUT IN FRONT, WHERE HE STOOD TO DELIVER HIS 20-MINUTE SPEECH, BEFORE RETURNING, AGAIN ALONE AND UNAIDED, TO THE DAIS. HIS VOICE THROUGHOUT WAS FIRM, ALTHOUGH QUIETER AND MORE MEASURED THAN HONECKERS.

7. THE WHOLE AFFAIR WAS DOMINATED BY THE THEME OF BLOC, IN PARTICULAR SOVIET-GDR SOLIDARITY. HONECKER'S SPEECH WAS REplete WITH APPROPRIATE SYCOPHANCY, WITH SPECIAL MENTION OF THE AGREEMENT SIGNED ON 5 OCTOBER FOR SPECIALISATION AND CO-OPERATION IN PRODUCTION BETWEEN THE TWO COUNTRIES. BREZHNEV WAS EVERYWHERE THE CENTRAL FIGURE. AS WE ENTERED THE PALACE OF THE REPUBLIC A CLAUQUE OF FDJ (FREE GERMAN YOUTH) LINING THE HALL AND STAIRS DEAFENED US WITH THEIR CHANT OF QUOTE FRIENDSHIP AND SOLIDARITY UNQUOTE. NAUMANN'S WELCOME TO THE FRATERNAL DELEGATIONS, AS WELL AS HONECKER'S SPEECH, BROUGHT OUT THE THEME OF THE IRRISISTABLE PROGRESS OF THE CAMP OF SOCIALISM AND PEACE AND THE FORCES OF REVOLUTION AND LIBERATION, WITH THE GDR NOW PLAYING A WORLD-WIDE ROLE IN THE HISTORIC PROCESS.

FOSTER

FCO/WHITEHALL DISTRIBUTION
EESD