

Private Secretary  
Copy No 1

FROM: Sir John Fretwell

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cc: PS/Mr Waldegrave Copy No 2  
 PS/Lord Glenarthur 3  
 PS/Mr Eggar 4  
 PS/PUS 5  
 Mr Gillmore 6  
 Mr Boyd 7  
 Mr Tomkys 8  
 Mr Goulden 9  
 Mr Ratford 10  
 Mr McLaren 11  
 Mr Fearn 12  
 Mr Gore-Booth 13  
 Mr Lever, Sec Pol Dept 14  
 Mr Burns, NAD 15  
 Mr Synnott, WED 16  
 Mr Hemans, Soviet Dept 17  
 Mr Summerscale, CSCE Unit 18  
 Mr Hulse, EED 19  
 Mr Coltman, MCAD 20  
 Mr Davies, ACDD 21  
 Mr Goulty, NENAD 22  
 Mr Colvin, SEAD 23  
 Mr Burns, News Dept 24  
 Mr Powell, Planners 25

#### QUADRIPARTITE MEETING OF POLITICAL DIRECTORS, LONDON, 4 MAY

1. I held a Meeting with my French, German and American opposite numbers (Dufourcq, Kastrup and Thomas) in Lancaster House on 4 May. This was the first meeting since last December and I hope it will bring the Quad back to life as a useful forum for Western co-ordination.

2. As usual the most interesting discussion was on the Soviet Union, Eastern Europe and arms control (less SNF), but Dufourcq also gave briefings on Arafat's visit to Paris and recent progress on Cambodia. Thomas put in a firm request for greater European support for the new US bipartisan policy on Central America.

#### Soviet Internal

3. We all agreed that Gorbachev was very much in control and that the recent Central Committee purge should be seen as a success for him. None of us could quite explain how Gorbachev had managed it.

We were all struck by the publication, for the first time, of the debate in the Central Committee, including speeches critical of Gorbachev. Dufourcq detected particular concern over Gorbachev's proposal to unite local Soviet and Party power. Could he ensure the election of local Party officials (avoiding their recent fate in Leningrad)? Dufourcq suggested we might see some back-sliding on this principle. We also wondered whether Gorbachev had yet established total dominance over the armed forces. We agreed that the crucial problems for Gorbachev would be the economy and the nationalities question. Kastrup was inclined to argue that the election had been genuinely democratic. The West should recognise this. The rest of us questioned its democratic nature and argued that it was only a first step towards real democracy.

#### FRG/Soviet Union

4. Kastrup said Shevardnadze would be visiting Bonn from 12 to 13 May to prepare for Gorbachev's visit from 12 to 15 June. There were a number of agreements in the pipeline but the most important was the joint declaration on bilateral relations. He briefed us - in strict confidence - on the progress he had made in negotiating this document with the Russians. It will consist of the following four sections:

(a) Challenges Ahead: This section had been easy to draft, dealing with the long-term challenges that could be solved by joint action: environment, terrorism, Aids etc. The Germans had secured a reference in this section to the principle of self-determination of all peoples, without any qualification whatsoever. This was of course important in the context of the GDR.

(b) Role of Europe: Here the Russians had accepted the common aim of overcoming the division of Europe and the importance of human rights. The Soviet Union had not surprisingly pressed for a reference to the Common European Home. More alarmingly, the Germans seem ready to accept this, although at the moment they are pushing their own slogan: "Order of Peace in Europe".

(c) Security Questions and Arms Control: Here there were a number of square brackets remaining in the text. Kastrup undertook not to stray from common Western positions.

(d) Bilateral Relations: The Soviet Union was pressing the FRG to describe the two countries as "genuine partners". The FRG would not accept this. They were anxious to avoid the impression of special treatment. The FRG knew that it belonged firmly in the West and would remain there.

US/Soviet Union

5. Thomas expected the Baker/Shevardnadze meeting next week to follow the format established by the Shultz/Shevardnadze meetings. They would cover the usual four-part agenda as well as trans-national issues. A date for a Summit would not be agreed. The Administration had not yet decided when this should take place. He expected the two sides to announce the resumption of the START and nuclear testing negotiations in June. On human rights they would press the Soviet Union to solve the refusenik problem and ask about progress on human rights legislation. On regional issues they would press on Nicaragua, review the situation in the Middle East and touch on Cambodia and Southern Africa. They expected the Soviet Union to raise Afghanistan and press for an arms embargo. On trans-national issues the US intended to raise counter-terrorism, the environment, narcotics control and natural disasters. Baker would brief NATO allies in Brussels on Friday morning.

Eastern Europe

6. Thomas confirmed that the policy review on Eastern Europe was now complete. There would be no significant change in US policy. The US would continue with a policy of differentiation. It would wish to encourage evolution rather than revolution. The Kissinger idea was dead. Baker had wanted to humour Kissinger so that he would not harrass the new Administration. We should not exaggerate Kissinger's influence: Eagleburger and Scowcroft had their own ideas. Kastrup emphasised how negatively the Kissinger idea had been seen in the FRG.

Poland

7. Thomas said that the US were not prepared to support Poland with large credits as in the 1970s. We needed to convince the Polish Government of the need for a market system and for free elections to secure the support of the people. Kastrup welcomed President Bush's speech on economic assistance to Poland and the consultation that had preceded it. He suggested that there was a divergence between the approach of the other three and that of the UK. The FRG believed that reform had reached a stage in Poland and Hungary that justified economic assistance now. We should not make that aid conditional. I said that I thought our positions were close in terms of welcoming and supporting reform, although we saw an agreement with the IMF as a pre-requisite for measures of economic assistance. Kastrup argued that the IMF agreement should be reached quickly. We should not convey the message that we had let Poland down at this critical stage. We should give political, moral and economic support. Thomas agreed with me that we should keep up the pressure for further necessary reform in Poland, gearing our response to that process.

8. Thomas revealed - in confidence - that the President was considering a visit to Poland and Hungary prior to the Paris Economic Summit. Kastrup said that Kohl would be visiting Poland but no date had yet been fixed because of the slow progress of very sensitive negotiations. The Polish foreign minister would be coming to Bonn in June.

#### Hungary

9. Kastrup argued that we should give favourable consideration to Hungary's wish for a closer relationship with the Council of Europe. I said that we were not opposed but we should not compromise the high standards required for membership.

#### Romania

10. We all agreed that Romania was a hopeless case. I raised the idea of asking the Russians to join us in the use of the CDH mechanism against Romania. The others doubted that the Russians would agree. Thomas believed that change in Romania might take a long time. We should be prepared for a long haul.

#### Arms Control

11. We decided that the SNF issue was so fast moving that there was little point in discussing it. Dufourcq briefed us on the carefully worded French public position given in Dumas' response to a Parliamentary Question on 3 May.

12. On START, Thomas said that when the talks resumed in June, the US would be ready to operate from the existing text. There would be some changes in the US position to take into account the new position on Midgetman and MX missiles, but these would not be significant. Negotiations on space and defence would also be reopened, but as the first test in space was not envisaged until 1996, and as the focus had moved to Brilliant Pebbles, it was unlikely to be a live issue.

13. On CFE Thomas believed that the Soviet Union wanted an agreement within two years. He urged allies to defend the Western position more vigorously when the talks resumed. Governments should reinforce their delegations to enable technical discussion to begin in Working Groups. We all agreed that we should not rule aircraft out of court in the negotiations, but should underline the difficulties in including them. Thomas pointed out that the inclusion of aircraft or of qualitative factors would seriously delay an agreement. He said the US was under pressure to come up with a more ambitious proposal on conventional force reductions. They were working on ideas whereby our existing proposal would be seen as a first step to be followed by a more ambitious second step involving major reductions; the third and ultimate step being the

removal of Soviet forces from Eastern Europe. It might even be appropriate to indicate at the NATO Summit that NATO was working on such a second phase. In the field of CSBMs I suggested that we might consider more flexibility on air and naval activities. Thomas said the US was anxious to avoid starting on a slippery slope. They thought we could defend our position adequately on the basis of the Madrid Mandate.

14. On CW I briefed colleagues on the lack of new thinking shown by Gorbachev, Shevardnadze and Karpov. Dufourcq and Kastrup urged the Americans to speed up their policy review on CW. If not, it would be difficult to maintain allied unity in Geneva, given their wish to set up a special committee on verification. Thomas said the review would be unlikely to be complete before June.

#### CSCE

15. Dufourcq revealed that France had invited all 34 foreign ministers to the opening of the first CDH meeting in Paris despite our and US doubts about the precedent for Moscow. He argued that we needed to balance the fact that all foreign ministers had attended the opening of the CFE/CSBM negotiations. We should not give the impression that military security was more important than human rights.

#### Regional Questions

16. Dufourcq briefed us on Arafat's visit to Paris. Arafat had been ready to accept the principle of elections if they were part of a process leading to peace. If Israel would not enter a dialogue with the PLO he would be prepared to agree to an Arab delegation headed by Egypt including Palestinian, Syrian, Lebanese and Jordanian representatives. The conditions for elections in the Occupied Territories should be similar to those for the elections to be held in Namibia. An International Conference was essential. It should be prepared by the Security Council Permanent Five. If this failed, Arafat was prepared to take the question to the UNGA. When the French pointed out the contradiction between the Palestinian Charter and the PNC position in November, Arafat described the Charter as a "caduc" (no longer valid). He had not participated in the drafting of the Charter. The French urged the Palestinians not to push the status question in WHO. This would not serve their longer-term interests. The Palestinians had responded that they were indeed thinking about the consequences, but Dufourcq personally doubted that they would give in on this issue, which was now so public. Kastrup said that the FRG would vote against the Palestinians in the WHO.

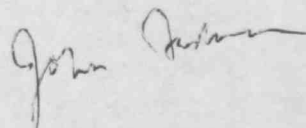
17. On Cambodia Dufourcq said that both Hun Sen and Sihanouk had made important compromises at their recent meeting. Sihanouk had appeared to renounce the scrapping of the Hun Sen Administration and

accept the integration of people from the other factions into the Cambodian Administration, although there was a degree of ambiguity in this. The most important remaining point of disagreement was the supervision of elections. Hun Sen wanted only national suspension but Sihanouk wanted international control. Hun Sen and Sihanouk will meet again in Paris on 24 July, prior to a round-table also in Paris on 25 July. This would be intended to produce the main lines of agreement for ratification by an international conference at the end of August or beginning of September.

18. On Central America, Thomas said the US was disappointed with the European reaction to the change in US policy towards Central America. We needed to get across to the Sandinistas that if they did not comply with the Esquipulas Agreement the Americans would have to change their policy again. He asked the Europeans to support the new US policy and let Ortega know that he had to introduce real democratisation. The US would be raising this question with Shevardnadze in Moscow and complaining at the continued high level of military aid to Nicaragua. I said that the Prime Minister would give Ortega a firm message on democratisation.

#### Ministerial Quadripartite Meeting

19. All agreed in principle that there should be a ministerial Quad breakfast on 29 May in the margins of the NATO Summit, but Thomas said that Baker had still not finally confirmed that he could accept.



John Fretwell