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TELNO 2766  
OF 242115Z OCTOBER 1989  
INFO PRIORITY MOSCOW, NATO POSTS, UKMIS NEW YORK, MODUK

OUR TELNOS 2710-12 : US/SOVIET RELATIONS : BAKER SPEECH ON  
ARMS CONTROL

SUMMARY

1. BAKER FOLLOWS UP SPEECH ON US RESPONSE TO PERESTROIKA WITH COMPANION PIECE ON ARMS CONTROL. NO NEW PROPOSALS. BUT NOTABLY UPBEAT ACCOUNT OF PROSPECTS FOR PROGRESS AND CASE STATED IN DETAIL FOR ENERGETIC ENGAGEMENT WITH THE SOVIET UNION, WHILE OPPORTUNITY EXISTS. THE POSITIVE NOTE OF BOTH SPEECHES, WITH THEIR COMPREHENSIVE RATIONALES, DESIGNED TO ANSWER DOMESTIC CRITICS AS MUCH AS TO MOVE THE AGENDA FORWARD.

DETAIL

2. BAKER'S SECOND US/SOVIET SPEECH, ENTITLED PREREQUISITES AND PRINCIPLES FOR ARMS CONTROL, WAS DELIVERED IN SAN FRANCISCO ON 23 OCTOBER (AFTER A FOUR DAY DELAY BECAUSE OF THE EARTHQUAKE). IT WAS BILLED - AND CONSTRUCTED - AS A COMPANION PIECE TO THE EARLIER SPEECH, DEVELOPING THE THEME OF THE OPPORTUNITIES FOR US FOREIGN POLICY CREATED BY SOVIET INTERNAL DEVELOPMENTS AND ILLUSTRATING HOW THESE COULD BEST BE PURSUED IN THE ARMS CONTROL FIELD. LIKE ITS COUNTERPART, THE SPEECH WAS AN ATTEMPT TO SET PRESENT POLICY IN A BROAD CONCEPTUAL FRAMEWORK, RATHER THAN A VEHICLE FOR MAKING SPECIFIC PROPOSALS. NO NEW ARMS CONTROL POSITIONS WERE UNVEILED. BOTH SPEECHES WERE ALSO ESSENTIALLY AN ELABORATION OF THE PRESIDENT'S THEME OF MOVING BEYOND CONTAINMENT, AS SET OUT IN THE FIVE SPEECHES (FROM HAMTRAMCK TO MAINZ) IN THE SPRING, AND SOUGHT TO SHOW HOW ACTIVE ENGAGEMENT WITH THE RUSSIANS AT THIS PARTICULAR JUNCTURE CAN LEAD TO MUTUAL FOREIGN POLICY AND SECURITY ADVANTAGE.

3. NEVERTHELESS THE SPEECHES, AND THIS LATEST ONE IN PARTICULAR, ARE OF SIGNIFICANCE BY VIRTUE OF THEIR TONE. A STRIKINGLY POSITIVE NOTE IS SOUNDED FOR PRESSING AHEAD WITH THE US/SOVIET AND ARMS CONTROL AGENDA. BAKER CALLED FOR STEADY STEPS OF PROGRESS ACROSS THE RANGE OF ARMS CONTROL NEGOTIATIONS, DECLARING THAT QUOTE WE FACE THE CLEAREST

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OPPORTUNITY TO REDUCE THE RISK OF WAR SINCE THE DAWN OF THE NUCLEAR AGE UNQUOTE. HE FURTHER ARGUED THAT UNCERTAINTY ABOUT THE FATE OF PERESTROIKA WAS NOT, AS SOME (SUCH AS CHENEY AND EAGLEBURGER) HAVE IMPLIED RECENTLY, JUSTIFICATION FOR CAUTION, BUT WAS ON THE CONTRARY QUOTE, ALL THE MORE REASON FOR US TO SEIZE THE PRESENT OPPORTUNITY... IF THE SOVIETS HAVE ALREADY DESTROYED WEAPONS IT WILL BE DIFFICULT, COSTLY AND TIME-CONSUMING FOR ANY FUTURE KREMLIN LEADERSHIP TO REVERSE THE PROCESS... AND WITH MILITARY AGREEMENTS IN PLACE, ANY ATTEMPT TO BREAK OUT OF TREATIES WILL SERVE AS ONE INDICATOR OF AN OUTBREAK OF OLD THINKING UNQUOTE.

4. THE PURPOSE OF THE SPEECHES IS ALSO OF INTEREST. SOME ELEMENT OF REASSURANCE FOR THE SOVIET UNION MAY WELL HAVE BEEN INTENDED (THOUGH THIS WILL HAVE BEEN SEEN AS A DIMINISHING NEED AFTER THE BAKER/SHEVARDNADZE MEETING IN WYOMING, WHICH IS REFERRED TO EXTENSIVELY TO ILLUSTRATE PROGRESS). CONTACTS IN STATE DEPARTMENT PLACE MORE EMPHASIS ON THE DOMESTIC CONSIDERATIONS TO WHICH BAKER'S EAR IS EVER ACUTELY ATTUNED. THEY SAID US THAT BAKER WAS RESPONDING DELIBERATELY TO TWO CRITICISMS WHICH HAVE BEEN APPEARING WITH INCREASING REGULARITY IN THE PRESS AND CONGRESS OF LATE: FIRST, THAT THE ADMINISTRATION HAS HAD AN UNIMAGINATIVE AND OVER CAUTIOUS RESPONSE TO CHANGE IN THE SOVIET UNION AND EASTERN EUROPE: AND SECOND, THAT BAKER (AND INDEED THE PRESIDENT) HAVE BEEN REACTING TO EVENTS AD HOC RATHER THAN HAVING A CLEAR SET OF GUIDING OBJECTIVES. AS ONE CYNICAL BAKER AIDE PUT IT TO US, THE NEXT TIME BAKER IS ACCUSED OF MERE DEAL-CUTTING, HE WILL BE ABLE TO POINT TO THESE SPEECHES TO SHOW THAT THERE IS A CONSISTENT POLICY UNDERPINNING.

5. THERE HAS INDEED BEEN A GENERALLY FAVOURABLE IMPACT ON DOMESTIC PUBLIC OPINION. MOST COMMENTATORS WELCOMED THE SPEECH LAST WEEK AS CONSTITUTING A CLEARER ENDORSEMENT FOR A MORE FORTHCOMING EAST-WEST POLICY THAN HAD PREVIOUSLY BEEN THE CASE. STATE DEPARTMENT OFFICIALS WERE OPENLY PLEASED WITH THE RESULT. INITIAL REACTIONS TO THE SAN FRANCISCO SPEECH ARE SIMILARLY POSITIVE, ALTHOUGH THERE ARE SOME RUMBLINGS OF CONCERN FROM THE RIGHT. AND THE SPEECH WAS SOMEWHAT OVERSHADOWED IN THE MEDIA BY SHEVARDNADZE'S MORE DRAMATIC PRONOUNCEMENTS.

6. FURTHER DETAILS IN MIFT.

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MEETING BETWEEN SIR J FRETWELL AND HERR HARTMANN (FEDERAL GERMAN  
CHANCELLERY), 1100 HRS, 11 OCTOBER 1989

CDP  
B/x

## PRESENT:

Sir J Fretwell

Herr Hartmann

Mr Ryder (WED)

1. Sir J Fretwell said the pace of change in Eastern Europe had become so rapid it was difficult to predict even two weeks ahead. There had been remarkable changes in Poland and Hungary and on the arms control front. There were signs that perhaps even in the GDR some change might be possible. Herr Hartmann agreed. There were indications that even within the SED there were voices of reform. Honecker seemed to be acting as a moderating influence. During his illness the problem of refugees in the FRG Embassy had escalated and met with no GDR response. Honecker had taken decisions, but he might not last long. Medical bulletins suggested as much.

2. Sir J Fretwell commented that we had not previously thought of Honecker as a moderating influence. In our view the short-term prospect was for the maintenance of a fairly hard line with no basic shift in GDR policy, but with a few ameliorating gestures. Herr Hartmann said the GDR could not hold out indefinitely if the Soviet Union, Poland and Hungary remained on their present courses. In 3-4 years there could be changes.

3. On Poland Herr Hartmann said a date for Kohl's visit had been agreed. There would be a Joint Declaration and some bilateral agreements. He hoped that Hermes would be prepared to guarantee loans. But the FRG thought the US could do more. The future of Eastern Europe was not just a European problem. Sir J Fretwell commented that the US was already doing a lot. For our part we planned to increase our Know-How Fund. There was a great need for training in management. We were also looking at training in Western practices for political parties and other institutions.

Had the FRG succeeded in resolving the problems relating to the German minority in Poland? Herr Hartmann said that there was a formula in the joint declaration. Both sides had agreed to respect the identity of cultural minorities. The Germans in Poland would be allowed to form associations, print German newspapers and books, and make special arrangements for schools and teaching. But there were far more sensitivities in the FRG relating to Poland than to the Soviet Union. There was resentment in some quarters, and some people had sought to link the present discussions to insoluble legal questions.

4. Herr Hartmann said that in all there were about 1 million ethnic Germans in Poland, but 250,000 were likely to have moved permanently to the FRG in the course of 1989. In addition 30,000 Poles were seeking asylum in the FRG and another million had visited. 90,000 ethnic Germans would have left the Soviet Union for the FRG by the end of 1989. There had been talk of Soviet Germans returning to the Volga, but the Soviet Union had said there was resistance from the area's present inhabitants.

5. Sir John Fretwell asked how the FRG saw the large movements of people and the changes in Eastern Europe in relation to the EC, and particularly to the question of enlargement. Herr Genscher had spoken favourably about the admission of Austria.

Herr Hartmann said Genscher did not believe that the EC should be an instrument of Ostpolitik. But COMECON was disintegrating. The Hungarians were fed up with it, and he had the impression the Soviet Union was becoming resigned to its collapse. Turkey's application caused the FRG particular problems. The security argument was important, but the FRG could not accept the free circulation of Turks within the EC. There were already 1.5 million in the FRG, and new migrants would be likely to go to the FRG first. Many member states shared the FRG's reluctance on this issue, but no-one spoke out clearly. Sir J Fretwell commented that the Alliance should not be prejudiced. We would have to rely on the skills of the Commission to sound a positive note without actually opening the door. Herr Hartmann agreed. Kohl had urged Ozal not to apply for full membership, but to no avail.



6. Herr Hartmann asked how the UK saw the timetable for CFE talks. Sir J Fretwell said we disliked the idea of a rigid timetable. It tended to pressurise the Western side more than the Eastern, particularly in the last few months of negotiations. We were hesitant too about fixing ministerial meetings far in advance. Problems would be remitted to them instead of being tackled by the negotiators. But if there were problems which could not otherwise be solved, or alternatively major progress to register, we would not exclude one. Herr Hartmann commented that the FRG elections in December 1990 would influence the German approach. There could be interest on the German side in a Heads of Government meeting.

7. Herr Hartmann asked if we saw more possibilities for joint action on East/West matters. Sir J Fretwell said we were keen on a stepped up dialogue. He was expecting to meet Dr Kastrup in November, and there was provision for exchanges on human rights and on economic cooperation with Eastern Europe. We would not exclude specific joint action. Herr Hartmann said the UK and FRG should talk more about matters concerning the GDR. There had been much misrepresentation in the press and unfounded speculation about the FRG Government's position. There was no wish to endanger the GDR's stability. Chevènement had said to him on 10 October that the prospect of a German nation of 80 million people as a neighbour was an alarming one to the French. But as Chancellor Kohl was keen to make clear, reunification was not an immediate concern. Boundaries were not in question.

8. The meeting ended at 1145.

Western European Department

11 October 1989

Distribution:

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