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From the Private Secretary

8 December 1989

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Dear Stople.

EAST/WEST RELATIONS

We are finding that we are almost daily being taken by surprise by the pace of developments in the Soviet Union and Eastern Europe. The Prime Minister would like to be confident that we are properly prepared for some of the things that might happen.

Taking first current developments in East Germany. Several of the telegrams from Bonn and Moscow which the Prime Minister has seen imply that we <u>could</u> face a breakdown of the system of government, the disappearance of authority and economic collapse, with rapidly rising pressure for German unity - an appeal which could prove irresistible on the West German side. This could be accompanied by:

- widespread disorder
- a renewal of mass emigration to West Germany
- some West German involvement in East Germany (either popular in the form of West Germans joining demonstrations in the East, or official in the form of despatch of West German police to help maintain order)
- accelerated progress towards German reunification
- attacks on Soviet forces and their families
- some reassertion of authority by the East German armed forces and/or security police
- Soviet intervention.

I do not suppose that the list is complete but it is a start. Similar developments could occur in other Eastern European countries, most notably Czechoslovakia: and perhaps also in some parts of the Soviet Union, such as the Baltic republics.

I wrote to you this morning about possible <u>diplomatic</u> <u>action</u> in the face of these eventualities. The <u>Prime Minister's</u> thought was that we might take the initiative to convoke

SECRET STRICTLY PERSONAL a quadripartite meeting of the US, UK, France and Germany, which might be followed rapidly by a meeting involving the Soviet Union as well. These could be at the level either of Ambassadors in Berlin, Political Directors, Foreign Ministers or even Heads of Government. The Department are looking urgently at the options. Support for some such action is gathering among our European Allies. M. Dumas has expressed interest and President Mitterrand told the Prime Minister at lunch that Mr. Gorbachev was very concerned at the pace of developments over Germany. (He has now asked to see her for a fuller discussion.) We need soon to involve the Americans in discussion. It is a pity in retrospect that our proposal for a quadripartite Heads of Government meeting in the margins of the NATO Summit was not taken up.

The Prime Minister's view is that the immediate need is to try to assert a greater degree of Allied influence over the actions of the West German government and to reassure the Russians that we are doing so. The risk is, of course, such meetings would provoke a sense of crisis. But the Prime Minister feels that at the moment we are constantly lagging behind developments and there is no sense of direction in the West. We do not want to wake up one morning and find that events have moved entirely beyond our control and that German reunification is to all intents and purposes on us. Her inclination is therefore to initiate the process of quadripartite meetings soon at an appropriate level. But they are not the only possibility. Should we be seeking a meeting between the Foreign Secretary and Shevardnadze? A message from the Prime Minister to Gorbachev? A Ministerial visit to East Germany?

But convoking a meeting presupposes that we have marked out some sort of plan as to what we would seek at it. The fact of consultation could itself be stabilizing. But presumably we would want to go beyond that and bind the West Germans more tightly into common positions as well as a commitment to consult before acting. What exactly would we propose?

I assume some thought is also being given in MOD and FCO to contingency action in relation to our forces in Berlin and in the FRG, in the event of violence in East Germany and a possible crack-down by the East German forces or Soviet intervention, however unlikely these may at present seem. I am not of course suggesting that we would intervene. But there might be steps which we should take - reinforcement of Berlin, higher states of readiness for BFG. I think that the Prime Minister would want to know what plans we have and how they would be implemented.

Looking now into the more distant future, and wondering what we might in certain circumstances have to confront over a period of a few years, the Prime Minister hopes that thought is being given to the consequences for BFG of moves towards a confederation of the two parts of Germany or towards

SECRET STRICTLY PERSONAL reunification. This would probably follow a CFE I and perhaps a CFE II agreement. There would presumably be a major reduction of BFG. What legal steps would we have to take in relation to the Brussels Treaty? What could be the consequences for NATO's strategy (assuming NATO continued to exist — and presumably at least one scenario ought to assume a dissolution of NATO)? What would be the implications for the structure of our forces and their deployment, if some of these developments were to take place? We ought to be speculating similarly on the diplomatic front: a new entente cordiale? an Anglo-American alliance? an Anglo-Russian Reinsurance Treaty?

I realise this is rapidly entering the realm of science fiction. But with the unthinkable happening with alarming regularity, the Prime Minister would like to feel that we are doing some serious thinking on these points and on the shape of the new world which could confront us really quite rapidly. Perhaps some of the work is already being done: I rather hope it is. If not, perhaps a study could be set in hand in FCO and MOD, consulting the Assessments Staff and the Cabinet Office as well.

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

(C.D. POWELL)

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

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