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From the Private Secretary

21 February 1990

COMMONS DEBATE ON EAST/WEST RELATIONS: 22 FEBRUARY

Thank you for sending me a copy of the Foreign Secretary's speech in tomorrow's debate on East/West relations. I think it is a very convincing exposition of the Government's policies. I have no comments to offer on the substance.

I have read it a second time with a particular eye to those who will try to find in it evidence of disagreement or at least difference of emphasis between the Foreign Secretary and the Prime Minister. From that perspective alone, I have some minor suggestions to offer:

- (i) the passage at the turn-over from page 2 to page 3 carries some slight risk. One current line of attack is to suggest that the Prime Minister was fine for the cold war but is unable to adjust to the new times into which we are entering. In this context the phrase: "It did not need a great deal of original thought" might be seen as patronising. Perhaps: "We did not need to look beyond existing alliances, political systems, certainties".
- (ii) On page 6, I would be inclined to say in line 11: "..... more precise, and my RHF the Prime Minister and I were clear that I should press".
- (iii) On page 8, middle paragraph, should not the reference be to American and other foreign troops and their nuclear weapons.
- (iv) In the passage on the future of NATO on pages 14-16, do we not need some reference to maintaining strong defence and - in our case- an independent nuclear deterrent? I think the absence of such a reference risks being interpreted as the Foreign Secretary being more 'disarmament-minded' than the Prime Minister.

CHARLES POWELL

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COMMONS DEBATE ON EAST-WEST RELATIONS, 22 FEBRUARY

OPENING SPEECH BY THE FOREIGN SECRETARY (FINAL TEXT)

Mr Speaker, we are debating the future shape of our Continent :

- the impetus towards democracy in Eastern Europe and in the Soviet Union;
- the emergence in the centre of Europe of a united Germany;
- the reduction, on an unprecedented scale, of the armed forces which for decades have opposed one another across a divided Europe.

All these developments we can welcome. All these developments will need a mass of continuing work.

Last week my rt hon Friend the Prime Minister and I had talks in London with the Polish Prime Minister and the French and German Foreign Ministers.

President Havel of Czechoslovakia will visit Britain next month. Next week I go to Hungary. In April, I

shall visit the Soviet Union for talks with Soviet leaders. These are just a few of the array of visits and meetings in which we are involved.

The airways of Europe and the Atlantic are thronged with travelling Ministers. At first, all these visits and discussions seem somewhat formless, and that was my own first impression. But now I can see new patterns of consultation and sensible understandings emerging.

The first phase of smashing statues and hunting secret policemen in Eastern Europe is almost over. The harder task of building democratic institutions and creating free market economies is beginning.

In parallel, we are entering a completely new phase of East-West relations. Before, the challenge for the West was to manage a relationship between adversaries. The overriding need was to avert war, and after that to seek progress with arms control, and greater respect for human rights.

Much of our effort was directed to limit the damage of the Cold War; to expose the abuse of human rights; to counter the disruptive influence of the Soviet Union worldwide. This effort required perseverance and sometimes courage. It did not need a great deal of

original thought.

Now, starting with the Soviet Union, those countries are being transformed.

We shall need steadiness and courage. We must also welcome fresh ideas and original thought. That is unmistakably the new mood in this country, in the rest of Europe, and across the Atlantic.

This came across strongly in the remarkable series of meetings in Ottawa last week. Ottawa was a diplomatic festival as well as a formal conference. Foreign Ministers of NATO and the Warssaw Pact were there to discuss an "open skies" regime. In practice, our discussions ranged far more widely. For some of us I think it was less a case of "open skies" than of "open house". It was an extraordinary experience to talk to the Polish, Czech or Hungarian Foreign Minister and hear, for the first time in nearly half a century, a genuinely national point of view.

There was also a strong sense that the Soviet Union is no longer sure of its moorings. The Warsaw Pact is no longer biddable. Democracy is starting to encroach. Soviet foreign policy is much more sensitive than before. I have the impression that, perhaps for this

reason, it at present contains more questions than answers. I admire the Soviet leadership for riding the tide of events but the pace and strength of the tide will increase over the next few months.

The dominating issue at Ottawa was German unification. The Western allies have always supported the principle of German unification, to be brought about as the result of the freely-expressed choice of the peoples of the two Germanies.

So unification in freedom is not the issue. The principle is widely accepted. The momentum towards making it a reality has built up fast, and it is now likely to happen sooner rather than later. There is a political momentum, due in part to the continuing flow of people from the GDR and the FRG, and the desire of those remaining behind to share in the prosperity of their fellow Germans in the West. There is also an emotional momentum, which is understandable when at last it seems that the painful separation of many years is about to be overcome.

These are powerful realities. There are other realities, equally important, to be taken into account. German unification closely affects the interests of other countries : Germany's immediate neighbours; her

partners and allies in the EC and NATO and the Four Powers who retain rights and responsibilities in Germany. So there are also external aspects to the German question. Alongside self-determination goes the need for joint determination of these external issues.

We felt before Ottawa that these aspects were not always being adequately heeded as the German government grappled with the rush of events in the GDR. Until last week, we lacked a framework for discussing these external aspects of German unification.

We were not alone in our concern. Others too were worried that we seemed to be getting into a scramble towards unification, without having established the right framework for handling the external aspects. Among these aspects were membership of NATO by a united Germany: the implications of this for the territory of what would be the former GDR and the Soviet troop presence there; the status of Berlin; the final settlement of borders; the practical implications of unification for the European Community. Our message was not one of obstruction. It was that we risked muddle and instability if these issues were not addressed in an orderly way.

As I say, many felt these anxieties; we were foremost in spelling them out. Because of that, a notion grew up, particularly in parts of the German press, that Britain was in some way going back on our support for the principle of unification. I hope that notion has now been dispelled, to the comfort of us all.

When I visited Washington on 29 January, I stressed to the President and the Secretary of State our view that a framework was needed. We did not discuss in detail what form it should take. By the time I went to Ottawa, our own thoughts had become more precise, and I was clear that I should press as hard as possible for a meeting, or meetings, of the Six - the four former occupying powers and the two Germanies. There are other external aspects which need discussion elsewhere, for example in the EC and NATO, and with Poland. But a Six Power meeting seemed the first step. I found that I was knocking on an open door because the minds of our allies had moved in exactly the same direction. Only the Soviet Union was reticent, and at Ottawa that reticence was overcome within twenty-four hours.

The forum of the Six offers some obvious advantages. It unites those most immediately concerned - the two Germanies themselves - with the four countries which share a unique status in terms of legal rights and

60 107 P

responsibilities in Germany.

We have therefore now achieved what had been our aim all along - to establish a channel which can guide the discussion in future. We welcome this, and plenty of hard work lies ahead. But we are now more optimistic that German unification can be achieved in a way which fits a pattern of European stability and security acceptable to all.

I cannot help adding that, now that a framework is taking shape, everyone is beginning to say how important it is. Everyone is now happy to clamber aboard. Analyses of the importance of discussing the external aspects of German unity, which were regarded as unrealistic footdragging when the Prime Minister and I spoke about them a few weeks ago, were two a penny round the table at Dublin on Tuesday. But here I would say a word of appreciation for the way in which the German Minister of Foreign Affairs, Herr Genscher, has throughout, in private and in public, stressed the importance of consultation and the particular role of the Four Powers.

Nor is it just on procedure that we have begun to make progress. There is a coming together of ideas on substance as well.

First, there is the concept of a united Germany in NATO. This is clearly important for the West. It is also important for the security of Europe as a whole, as a number of Eastern countries now recognise. A neutral Germany outside the existing security arrangements in Europe would inevitably weaken that stability, and the FRG has rightly rejected that option.

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American and other foreign troops will need to remain in Germany in significant numbers as a stabilising element in European security and on this point too there is a growing consensus. But we need to take account of Soviet concerns. That means finding special arrangements for the territory of the GDR, including perhaps the continued presence of Soviet troops for a transitional period. It is too soon to be precise
? about details, but the principles are becoming clear.

I believe that the Soviet Union will come to accept that its own interests in stability will also be served by having Germany as a member of the defensive Western alliance, especially as arms control reduces the level of forces on both sides in Europe.

Second, there is the question of the Eastern border of a united Germany. No-one with any sense of history can be surprised at the Polish emphasis on this subject, stressed to us by Mr Mazowiecki last week. The German government have made it clear that the substance of their position is not in doubt on this issue. A united Germany will comprise the territory of the FRG, the GDR and Berlin. Not more, not less. Nevertheless we are sure that there should be a formal and binding agreement to settle this matter once and for all. A Treaty is the obvious solution. Of course Poland will need to be closely involved in this discussion.

Third, we need to start to consider seriously within the EC the implications of an enlarged Germany. The economy of the GDR is clearly ill-suited to Community life at present. It is massively state-aided; it offends every EC environmental directive; its industrial and manufacturing standards are to put it mildly not those of the Single Market. The Germans will need derogation from Community law. We shall all need transitional arrangements. The Irish Government, as Presidency, propose a special Community Summit to discuss this towards the end of April, and we welcome this. The Commission agreed in Dublin on Tuesday to my proposal for detailed work to begin in preparation for

that meeting.

Fourth, there is the question of Berlin. The Western allies have staunchly defended freedom in their sectors of Berlin during the period when the city and Germany itself was divided. But now that the Berlin wall is coming down and unification is in prospect, we do not want needlessly to perpetuate the occupation regime. It has served a particular and worthwhile purpose during a particular period in Berlin's history. So we need to consult the Russians about the future status of the city, and the two Germanies should be associated with the rather more formal process of Four Power consultation.

I am particularly anxious that, in all these matters, we should work closely with France. We have long had a virtual identity of interest in many of them. I hope that we can work for a virtual identity of view.

The second important outcome of the Ottawa summit was the agreement to hold a CSCE summit later this year at which an agreement on conventional force reductions in Europe would be signed and which would establish a framework for future European cooperation.

For years our negotiators struggled to secure, in the

Helsinki process, a common standard of human rights. The process was long drawn out, painstaking and painful. But the governments of Eastern Europe were in the end brought to sign up to a set of standards by which their own people could then put them to the test. It is worth remembering just what use we were able to make of the Final Act. People like Vaclav Havel and Doina Cornea would have been lost to view - perhaps disappeared for ever - if we had not had a standard to wave on their behalf and a mechanism whereby we could keep demanding their freedom and their rights.

All that effort has been vindicated. The new governments of Eastern Europe, whose members most benefited from the CSCE, rightly want to use it as a framework of negotiations for the future. We agree. It can now play a far greater role than before in strengthening peace and stability in Europe. It has the right membership and the right broad agenda for building trust, security and cooperation on our continent.

The CSCE is like a motorway which carries a good deal of the traffic of East-West relations. In the past, the traffic has been moving, but uncertainly. Because of the existence of conflicting systems, one could say that low speed limits were enforced, and some lanes

were closed off to us. Today, those restrictions no longer apply.

The political work of the CSCE is going to become more important in future. If the CSCE motorway is to fulfil its potential, and carry additional traffic, we need to widen it : to increase the number of lanes, and find other ways to keep the traffic flowing. So we must look for practical new elements with which to strengthen the CSCE's contribution to European security.

Last year, Britain, with the United States, launched a proposal on free elections. We also put forward another, on respect for the rule of law.

In Ottawa, I put forward a new proposal. The Cold War had many undesirable effects, but one of them was to freeze many of the old nationalist emotions and tensions which for centuries have been potential flashpoints in Europe. Now that the ice is thawing there is a risk, particularly in central and Eastern Europe, that national reawakening will be accompanied by some of the uglier aspects of nationalism, as ancient rivalries reassert themselves. In the West we have overcome such rivalries in freedom, but the enforced and artificial uniformity of Communism denied

that chance to our Eastern neighbours.

So the CSCE could provide a means of resolving disputes between its members to defuse tension and to avert the threat of conflict. This would complement the established machinery of the UN.

Nor do I want to get too bogged down in mechanisms. It may be relatively easy to get agreement to a piece of conciliation machinery and then find that the countries who most need it spend their time devising ingenious ways of avoiding it. We need to encourage the countries of Europe to talk and think collectively, and more frequently, about some of the real issues, eg minority rights and their protection, which may be at the heart of existing or future disputes between countries and within them.

The third important agreement to come out of Ottawa was reached between the US and the Soviet Union on the reduction of their stationed forces in Europe.

Alongside that was a consensus between the Alliances that the negotiations in Vienna should go forward as quickly as possible, so we can reach an agreement this year.

Britain will work hard to achieve this outcome.

Although major problems remain, particularly over an effective verification regime, the Ottawa meeting showed the political will necessary to reach an early agreement.

The US-Soviet agreement was significant because it accepts that the US should retain a higher proportion of forces in Europe than the Soviet Union under a CFE regime. This was an important Soviet concession but, as Mr Shevardnadze said, it was a concession to common sense.

I believe we should also begin to look now beyond a Vienna agreement to the future needs of European security. Further measures of arms control will be a part of this. But so too will be the political aspects of security, to which I have already referred. I proposed in Ottawa that we should set this work in hand, and we shall follow this proposal up in NATO and, as I have indicated, in the CSCE.

These developments raise the question of the future of the Alliance. We should not be unduly influenced here by what is happening in the Warsaw Pact. The implications for the Pact of democracy among its membership are likely to be profound. It will change fundamentally or fade away. But only its members can

decide what its fate will be. NATO too is bound to be affected by changes in Eastern Europe. It too will need to adapt. But because it has proper foundation in the consent of governments and peoples, it will endure. We need to distinguish rigorously between those attributes of NATO which will remain important in future, and other aspects which should change in response to events.

Among the permanent characteristics, I would list: NATO's present membership; the presence of significant stationed forces, including those of the US, Canada and Britain on the European continent; a sensible mix of nuclear and conventional forces, and an integrated command structure.

We envisage the Alliance becoming more deeply involved:

- in the management of change in Europe;
- in dialogue with the East;
- in arms control and its verification;
- in consultation about security problems outside, as well as inside, Europe; and
- in developing concepts for the 90s, such as minimum deterrence.

An Alliance which can change with the times still has a lot of offer for the security of its members. It offers a sure link between Europe and North America; a sound framework for cooperation in defence and arms control; and the cheapest insurance policy against the uncertainties and possible turbulence of the 90s.

Europe's long-term security and stability can best be maintained if democratic renewal in the Soviet Union and Eastern Europe remains on track. Reverses and upheavals there are unlikely to bring back the Cold War, but they would send tremors of danger through the whole of our continent. We need the process of democratic renewal to succeed. To ^{the} extent that we can, we should provide practical support for reform.

Time is short, so I shall not attempt to catalogue everything that is being done. Hon. members will be familiar with much of the detail. I will highlight two points.

The first is the key role of the European Community. The Community's response to events in the East has been fast and effective. We are coordinating the work of the wider Group of 24 Western countries. We are sending aid of many kinds. We have launched the idea of a European Development Bank whose emphasis on

helping the private sector owes much to British urging.

Most important are the steps we have taken to develop trade and cooperation agreements with the Eastern countries and, as a British initiative, to look for closer forms of association in the longer term. The aim is to enable the emerging democracies of Eastern Europe to develop their economies and align themselves more closely with the Community as reform proceeds.

The process will, I hope, eventually lead to full membership of the Community. That is for the future. Already the Community provides a stable political, economic and legal framework for European development. The relationship with the Community will help the countries of Eastern Europe cope with the economic and political travail through which some may pass over the next few years.

So we shall continue to give every encouragement to reform in Eastern Europe. We have provided bilateral help and will go on doing so. I add today that we also want to look, on an all party basis, at what help we can give to the political parties in Eastern Europe and perhaps elsewhere. We shall be in touch shortly with others in the House.

We have to encourage in every way possible the amazing task which they have set themselves. In their societies they are transforming the nature of the relationship between the State and the individual.

I have touched on the three main efforts in which we are engaged - moving towards German unification; developing the European security framework; supporting reform in Eastern Europe. All of these tasks stem from events of which the whole House was glad - the breaking down of walls, the freeing of peoples. Lech Walesa said to me recently that he and his fellow-amateurs had done their bit by proving to us professionals that the impossible was possible. Now, he added, the rest was up to the professionals. We professionals, parliamentarians and diplomats, businessmen and bankers, journalists and broadcasters, must show the skill and imagination to follow up worthily the work of, for example, the shipyard workers of Gdansk, the crowds in St Wenceslas Square, and those who through the years defied the Berlin Wall.