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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

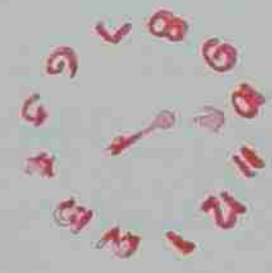
(F N Richards)
Private Secretary

M O D'B Alexander Esq
10 Downing Street
LONDON
SW1

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1. The first part of the document is a letter from the President of the United States to the Congress, dated July 4, 1776. It is a declaration of independence from Great Britain.



1776 JUN 15

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

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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

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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.

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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.

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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.

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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.

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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.

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(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.

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MA. Noted - due PM.
said she wd consider
only. Not not Stewd
cl. ?

1) Miss Stephens to see - 6/5

2) Mr Alexander (Harespoken

6 PM! And 6/5

MFJ

6 May 1981

BF 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.

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(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

Dear Michael, & see Herr Axen for 15 minutes?

Foreign and Commonwealth Office

London SW1A 2AH

Will consider

Has now agreed

29 April 1981

Ambs 6/5

Ambs 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

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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

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30 APR 1987

