

SUBJECT

CONFIDENTIAL



Germany

10 DOWNING STREET

From the Private Secretary

16 June 1981

Dear Francis,

CALL BY HERR AXEN

Herr Hermann Axen, a member of the Politburo of the East German Communist Party and Secretary of the Central Committee responsible for International Relations, called on the Prime Minister this afternoon. He was accompanied by the East German Ambassador. Mr. Foster was also present.

After an initial exchange of courtesies, in the course of which Herr Axen expressed his admiration for the way the Prime Minister had handled Question-time and for the uniquely high level of Parliamentary development in this country, the Prime Minister asked Herr Axen how the Politburo worked. Among the points Herr Axen made in reply were that the Politburo meets once a week, on Tuesdays, usually for five or six hours; that two-thirds of the time at each meeting was spent on general discussion rather than on specific topics; that at its next meeting the Politburo would be evaluating the implementation of the economic plan over the first half of the year; and that the Politburo tried to leave detailed issues to be dealt with by the Government while itself focussing on trends.

The Prime Minister asked about East German attitudes towards the situation in Poland, a neighbouring country which was facing tremendous domestic and economic problems. Herr Axen said that the Prime Minister was right to draw attention to the fact that Poland and the GDR were neighbours. This meant that the problems in Poland raised important political and moral questions for the GDR. There had been centuries of hatred and mistrust between Poland and Germany. This had been primarily the fault of the Germans. The GDR Government had tried hard to develop a common basis of friendship and trust. Poland was a Socialist country, a member of the Warsaw Pact and of CMEA. According to the Polish leadership, this would remain the case. It had been re-affirmed by the Polish Central Committee and Polish Parliament. How the Poles carried forward the present situation was a problem for them to decide. It would be good if they could make up their minds very soon. Otherwise the situation would deteriorate. The economic problem was basic. The Poles had to understand that while they could discuss any problems and

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argue as much as they liked about past mistakes, they should not forget to work. Marx and Friedman were agreed that no system could survive unless the workers worked. If production stopped, so would the creation of new resources. The Polish people would have to make many sacrifices. The situation facing the new leadership was not an easy one. The only thing for them to do was to tell the truth to their people. The message that one must work today in order to live tomorrow was not popular but it was essential. It had been the message conveyed to the population of the GDR at the end of the last war. The Prime Minister said that it was necessary to be patient with Poland. The Poles must be allowed to find their own way. If the Poles asked for assistance, the UK would try to help.

In reply to a question from the Prime Minister, Herr Axen said that the run-down in Polish coal production had caused problems for the GDR. The GDR had only soft coal and had for many years had an agreement with Poland for the supply of hard coal. Substitutes for the supplies from Poland were not easy to find. Herr Axen then described in general terms his Government's energy policy, the use they made of the indigenous lignite resources and the effort the GDR Government had put into technical education.

At the end of the discussion, Herr Axen conveyed Herr Honecker's greetings to the Prime Minister. He said that although there were differences in outlook between Britain and the GDR, he believed relations could advance. It was essential that contact should be maintained between the two Governments. It was far better that they should talk to each other than that there should be a return to the Cold War or open confrontation. There were openings for expanded commercial, industrial, scientific and cultural contacts. The two countries were effectively neighbours in Europe so they must find ways to live together reasonably. The Prime Minister said that she was delighted to have seen Herr Axen and that she hoped he was enjoying his visit to this country.

Yours ever

Michael Alexander.

Francis Richards, Esq.,
Foreign and Commonwealth Office.

He BK
also

Germany



10 DOWNING STREET

THE PRIME MINISTER

19 June 1981

Dear Herr Axen,

Thank you so much for your
generous gift. It was a very kind
thought. I much enjoyed our discussion.

*Yours sincerely
Margaret Thatcher*

Herr Hermann Axen

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