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Foreign and Commonwealth Office

London SW1A 2AH

24 April 1989

Prime Minister

Dear Charles,

I think you will find it useful to see this before your meeting

"The FRG: How Reliable an Ally?"

with Chancellor Kohl or

/ The Foreign Secretary thought that you might wish to see the enclosed despatch from Sir Christopher Mallaby in advance of the Prime Minister's visit to Germany this weekend.

the week-end

Yours,

CSD
25/4

Stephen Wall

(J S Wall)

Private Secretary

C D Powell Esq
10 Downing Street

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THE FEDERAL REPUBLIC OF GERMANY: HOW RELIABLE AN ALLY?

SUMMARY

1. There are doubts in the West about the Federal Republic's reliability as an ally. No prospect of its leaving NATO or moving rapidly to achieve reunification. But there are worrying trends - uncritical public enthusiasm for Gorbachev and dislike of military activities in Germany. Will the reasons for concern become greater? (paras 1-2).

2. The Federal Republic's special psychology: little German experience of democracy; Germany's uncertain geographical extent, expressed today in division of the country; Germany's history of looking East in foreign policy as well as West; guilt about Nazism (para 3).

3. For these reasons and others West Germans are prone to excited hopes when East-West relations improve (para 4).

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4. Reunification is still an aspiration of many people as well as an aim embodied in constitutional law; but it is not a worked out policy (para 5).

5. The impressive achievements of the FRG as a member of the West: democracy, security, peace, prosperity (para 6).

6. Nevertheless there is a certain restlessness. It can focus obsessively on specific subjects, eg acid rain. One day the focus could be intense pressure for progress in East-West relations (para 7).

7. The Federal Republic's interests: public support for NATO but uncertain attitudes when East-West relations are improving; the importance and popularity of the EC; the vital interest in Western trade (paras 8-10).

8. Attitudes to America: admiration mostly, but some anti-Americanism. Kohl's conviction about "Pacific Drift" (para 11).

9. Assertion of Federal German interests is a growing theme (para 12).

10. The unspecific vision of a European Peace Order enabling Germans to come together (para 13).

11. German excitement and fears about the metamorphosis in Eastern Europe (para 14).

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12. Party attitudes: the CDU pro-Western but not always firm; the FDP pro-Western but Genscher, the arch-tactician, wants to be seen as the champion of detente who leads NATO's positions forward towards East-West cooperation; the SPD, no longer the party of Schmidt, has irresponsible views on defence and arms control; the Greens even more so (paras 15-18).

13. Open prospects for general election in December 1990 (para 19).

14. Our present difficulties with the FRG about defence policy and East-West relations are unlikely to diminish and could get worse. With a different coalition after 1990 the difficulties posed by our German ally could be much more serious (para 20).

15. Broad ideas on how we should try to influence German policies towards reliability (paras 21-24).

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British Embassy

BONN

The Rt Hon Sir Geoffrey Howe QC MP
Secretary of State for Foreign and
Commonwealth Affairs
Foreign and Commonwealth Office
London SW1A 2AH

10 April 1989

Sir,

THE FEDERAL REPUBLIC OF GERMANY: HOW RELIABLE AN ALLY?

1. There is another burst of doubt in NATO capitals about the reliability of the Federal Republic. This despatch considers which doubts are justified.

2. It would be hard to find any responsible observer in the Federal Republic, German or foreign, who sees any prospect of the Federal Republic leaving the Alliance or of an early move to achieve reunification. But there is debate about how far there is a danger that the lure of detente or a prospect of reunification could one day weaken Federal German alignment in the West. And there are concerns about present attitudes in the Federal Republic. Two worrying trends have recently grown. The first is uncritical enthusiasm for Gorbachev and a willingness to believe that the Soviet threat has gone. The second

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trend, related to the first, is growing public impatience with defence activities in Germany, above all low flying and other military training. The question is whether the causes for concern will grow, and the Federal Republic become an increasingly difficult partner.

A Special Psychology

3. The history and psychology of the Federal Republic are different in important ways from those of our other Allies. German history is full of uncertainties and late political development. Until the founding of the Federal Republic there was little experience of democracy: only the heavily authoritarian version left by Bismarck and the feebly unstable one of the Weimar Republic from 1919 to 1933. Stability has been unusual in German history, and was not present in this century until after 1945. Even the extent of Germany has never been decided. Unity came only in 1871 and lasted but 74 years. Today, the Eastern part of the Germany of 1871-1945 is lost and the remainder is divided. So the Federal Republic is less than half the size of Bismarck's unified Germany. The appalling crimes of Nazism, which many still remember, cause a lack of self-confidence and a tendency to guilt. Germany has a history of looking East as well as West. For centuries Germans colonised areas stretching eastwards to places which are today within the Soviet Union. More recently, the Nazi-Soviet pact was the worst but not the only example of the Eastern connection prevailing for a time over the Western.

4. One of the effects today of this combination of past factors is that the West Germans are prone to emotional surges of hope whenever things seem to be improving in East-West relations.

One reason is the division of Germany and the aspiration to reunification and of course the position of Berlin. Another is Angst about another war, caused by memories of the last one and by the Federal Republic's geographical position as the West's frontline state, bound to suffer terrible destruction in any East-West conflict. Another factor in the wish for reconciliation with the East is guilt, because of Nazi aggression and atrocities. Guilt is strong in the Federal Republic's view of Poland and an element in its view of the Soviet Union. Even West Germans who are agnostic about reunification want to help the East Germans, who are seen as suffering much more for Hitler's wrongs than the free and prosperous Federal Germans.

5. Adenauer's contribution was to establish the principle that the Federal Republic's integration into the West must take priority over efforts to achieve reunification. The aim of reunification was written into the Federal Republic's constitutional law, but the implication was that it was a long term objective. Freedom was to be the condition of reunification not the price. A strong Federal Republic, profitting from the Western connection, would be better able to influence the question of Germany's future. That has remained the general view. Today opinion polls show that a majority, even among the young, still think of the Germans as one people.

/No-one

No-one questions in any serious way the heavy subsidies that are essential to Berlin's viability. But in 1987, 72% of West Germans were found not to expect reunification in the foreseeable future. In 1986, less than half of people in their twenties thought it worth continuing to state the long term goal of reunification. Polls are only indications. But it is safe to conclude that, for most West Germans, the European status quo is a matter for questioning discussion, and for a considerable number it is unsatisfactory as a lasting arrangement.

Reunification is still an aspiration of many people, but definitely not a worked out policy.

The Federal Republic's Achievements

6. This 40th anniversary year is a time to recall the impressive achievements of the Federal Republic. It is the one successful democracy in German history, and has already lasted 3 times as long as Weimar. The Federal Republic has achieved security and peace for a period longer than the tragic stretch from 1914 to 1945. It has achieved great prosperity, building Europe's largest and the world's third largest economy. It has gained considerable international respect and self-respect. For many years people spoke of the Federal Republic, with its economic miracle, as an economic giant but a political dwarf. Today the voice of the Federal Republic in the West and its role in East-West relations have brought the dwarf to normal height, though there still are

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limitations deriving from the war - for instance the FRG is not a Permanent Member of the Security Council and still has serious inhibitions about military activities or exports outside NATO. The Federal Republic's successes have helped to prevent reunification becoming a major issue in this country. The successful development of contacts of many kinds with East Germany in the past 20 years has contributed to that effect.

7. After 40 years, democracy, stability and prosperity are taken for granted. The great successes of the Federal Republic are often left unsung. As the head of the Deutsche Bank put it to me: "Man doth not live by bread alone, especially when he hath plenty of it". People seem to focus on further wishes for the future. The West Germans are always yearning for something and will, I think, continue thus. Sometimes this restlessness is expressed in bouts of emotion about particular issues. The focus seems to change once or twice a year. Sometimes it is an environmental question, such as acid rain. Low flying by military aircraft is a current example. The latest is intense concern about pressure on housing and jobs from the wave of immigrants of German stock from Eastern Europe. But it is possible that the West German need to yearn will focus in due course on something of far greater international importance. Intense pressure for progress in relations with Gorbachev's Soviet Union is a likely candidate. Reunification could theoretically be one in the longer term.

/Federal German Interests

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Federal German Interests

8. The Soviet threat was the biggest factor in causing the Federal Germans to bind themselves to the West. But even if it was lastingly reduced, freedom and prosperity ought to provide reason enough for not tampering with the Western connection that has brought such successes. Public opinion polls show high support, around 75%, for NATO. Support for the Bundeswehr is even higher. But attitudes are muddled: one frequent result of opinion polls is to show a majority for deterrence and a majority against nuclear weapons. And the support for NATO co-exists with the new intolerance of aircraft noise and of other corollaries of credible military preparedness. A threat to freedom or security would bring public opinion back firmly to support of NATO, defence and the American connection. In safer times opinion is uncertain and inconsistent, and in a prolonged period of East-West calm it could become more so.

9. The absence of the nation as a focus of identity, a major element in the West German need to yearn, caused the Federal Republic in its early years to seek success in other things. Prosperity was one. The European Community was another. In the fifties and sixties, the European cause caught the imagination. Today it is still a popular theme, though somewhat dulled by familiarity and by years of press reports about the daily grind in Brussels. While enthusiasm has diminished, German integration

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into the Community has of course advanced, and today permeates innumerable aspects of every day life - from the German passion for tourism via measures to reduce pollution to day to day foreign policy. Another popular cause was and is the new friendship with France, referred to in speech after speech here as a cornerstone in the construction of European Union. The West German public are grateful that the hereditary enemy, which Germany invaded three times in a century, offered unqualified reconciliation. Almost no-one here would question that the Community and Franco-German reconciliation are precious achievements which must be preserved because they are essential to the interests, indeed the very nature, of the Federal Republic.

10. On the economic side, things are clear. The Federal Republic's prosperity depends on exports. Of these 86% go to the Western world, 54% to the Community. Exports to CMEA countries, at 3.5%, are small by comparison. The rate of growth of exports to the Western world is also higher. Indeed the amount by which they grew in 1988 was double the total of Federal German exports to the CMEA countries in that year. As described in my despatch of 27 January, there is great interest in increasing trade with the CMEA countries. But there is no way that the Federal Republic can afford a foreign policy that would jeopardise its economic integration in the Western system, and no voice in the Federal Republic is arguing that there is.

/Other Important Factors

Other Important Factors

11. America is still seen here as the home of democracy and prosperity. The usual German view, since Vietnam, has ceased to be uncritical but still is a generally admiring one. Anti-Americanism exists in certain sections of opinion and was at a high point in the early Reagan years. It could grow again. A separate factor in Federal German attitudes to East-West relations is the perception that America's interest is shifting away from the Atlantic and towards the Pacific. The Federal Chancellor is a strong believer in this view. Most people expect some withdrawals of American forces from the Federal Republic within a matter of years. Kohl's reaction is that everything should be done to hold on to the Americans while efforts are made at strengthening the European pillar of the Alliance. The left is not greatly concerned. All believe that the prospects of a greater German contribution to defence in the Alliance are slight and that it will be hard enough to maintain the present strength and effectiveness of the Bundeswehr.

12. Another significant and growing trend is insistence that Federal German interests be given full weight, in the policies of the West as well as the Federal Republic's own policies. Voices on left and right, including some prominent members of the CDU, say that, so long after the war, the Germans should not have their role in the world prescribed by others.

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The SPD is trying to launch a debate, which may or may not become important, about whether the Federal Republic's rights as a state are limited, because of the reserved rights of the Allies in relation to Berlin and the German question and also the unequal nature, so the SPD would wrongly argue, of the treaties under which Allied forces are stationed in this country. Sometimes the call to assert German interests can get mixed up with aspects of German psychology, so that Germans seem to be saying in one breath that Allies should not discriminate against them because of the now distant Nazi past and that we should discriminate in favour of them because of their special interests, such as the division of Germany.

13. Germans of nearly all persuasions call constantly for major progress in East-West relations, to remove barriers, increase cooperation and eventually attain a European Peace Order. Much weight is placed on CSCE as a framework for progress. The vision of a European Peace Order is undefined but the hope is that one day, in a Europe without divisions, reunification might become possible and natural. The leading German nationalist in the SPD, Egon Bahr, who was the architect of Brandt's Ostpolitik and is a major figure in this debate, sees conventional force reductions and nuclear weapon free zones in central Europe as a part of a policy for producing a state of peace where the two Germanies would cooperate closely over all types of policy. He might put German interests in this, as he

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interprets them, above loyalty to the Alliance. He sees a special responsibility of both Germanies, because of the Nazi past, for peace; and he wants them to make a special joint contribution to progress. He says he does not favour reunification as such. And there are some others, in the SPD and elsewhere, who realise that a big Germany would disturb the balance in Europe and say that a Europe without barriers would enable the two Germanies to cooperate so well that reunification would be superfluous.

14. The metamorphosis taking place in Eastern Europe adds to the excitement in the Federal Republic caused by Gorbachev. There is hope that a better deal for Poles and others would reduce some of the remaining effects of the war; that would be good in itself, contribute to removal of East-West barriers and reduce German feelings of guilt. At the same time there is concern that stability in Eastern Europe could be endangered. West Germans want to develop the successful policy of building close contacts with the GDR, but not to a point where this could provoke a crisis in that country. Indeed, there is a fear that change will set in before long in East Germany, and could reach a point where even Gorbachev might clamp down, so that East-West and inner-German relations could face another crisis. This contradictory concern for Eastern Europe - gratification at the change but fear of instability - is likely to be a major factor in Federal German attitudes so long as the process of change continues in Eastern Europe.

Party Attitudes

15. German leaders insist, as Genscher did to you in Frankfurt in February, that integration in the West is essential to the Federal Republic and permanent. That is undoubtedly Kohl's firm position and that of the CDU/CSU. He led the government steadily and firmly to the stationing of Cruise and Pershing missiles in the early eighties. He has told me that his wish to make progress towards European Union "irreversible" is caused partly by a concern that some other political force in the FRG might give the Western connection less priority. When he affirms the aspiration to reunification, he does it because he believes in the aspiration and in order to deny this theme to the left and the far right in politics; not because he expects soon to make actual progress towards reunification. Yet the fact is that Kohl can cause difficulty in the Alliance. He wavers about modernising short range nuclear forces. I attribute that partly to the current resistance in this country to matters military and the aversion to nuclear weapons which was left behind in parts of public opinion by the INF controversy, and partly to Kohl's weakness as a leader, these elements combining to make him put domestic party interest above the case in terms of security. Kohl's government's concern to ease conditions for the population of the GDR, and to keep inner-German relations on the move, push him towards conceding more to the GDR than other Allies may think safe, particularly in financial matters. The CDU Defence Minister, rather than standing up to popular sentiment against low flying by military aircraft, puts pressure on the Allies to make cuts in flying that in our judgement would

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be harmful to military effectiveness. On the other hand the decision to lengthen national service from 15 to 18 months was recently reaffirmed despite pressures for postponement. One could also imagine Kohl and the CDU bowing to public concerns on some matters concerning the Community, such as pressures against further curbs on subsidies for agriculture or outdated industries. ??

16. The FDP too is pro-Western in its principles. But Genscher is a tactician, driven by domestic political interest. He is liable for the sake of popularity to urge speed rather than careful reflection in seeking East-West progress. That also accords with his own views about East-West relations; his origins in East Germany are among his reasons for championing detente. He is not aiming at a German position separate from NATO's - rather at being seen as the one who leads NATO's positions forward towards East-West cooperation. There is a danger that he will urge concessions to the East which are unnecessary or premature. There is a danger that he will make Western decisions on defence matters very difficult so long as East-West relations are progressing, as he has done recently with his pressure on Kohl against a decision this year on SNF modernisation. So long as Genscher is Foreign Minister, we must expect this kind of difficulty to arise.

17. The SPD under Brandt and Schmidt caused the Alliance some concerns. Brandt sometimes seemed to be going very fast on Ostpolitik. Schmidt's reaction to Soviet misdeeds, such as the

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invasion of Afghanistan, was liable to be weak. But fundamentally the SPD in those days supported the Alliance and the Federal Republic's integration into the Western system. After leaving government in 1982, it abandoned Schmidt's support for modernising NATO's medium range nuclear forces and moved sharply to the left on security policy. The party experimented with East-West arms control and defence policies far from those of the Alliance. Since then it has moved back some distance towards the centre. The party is formally committed to the Alliance. But it is for a third zero in short range nuclear forces, and large sections reject nuclear deterrence altogether. It favours nuclear and chemical weapon free zones in central Europe and a demilitarised strip between the two blocs. Some prominent SPD figures have advocated a citizen's defence in the form of local militias. Lafontaine, who may be the SPD's candidate for Chancellor in the 1990 Federal elections, has been an advocate of German withdrawal from NATO's integrated military structure, but his present position is unclear. The party is attracted by Gorbachev's slogan about a common European house: it tends to view the Soviet Union as a fellow European state which could and should be successfully meshed into a joint European Peace Order. The SPD, if it returned to office, might drop some of its more way-out ideas, but it would remain different from the SPD of Schmidt and would be far more uncomfortable as an ally than the present Federal government.

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18. The Greens are an inchoate movement. Their policies are imprecise and changeable. Insofar as they have a foreign and security policy, it is founded on the primacy of non-violence and the furtherance of peace. They favour the dissolution of NATO and the Warsaw Pact, want the Federal Republic to be neutral, and insist that the Federal armed forces should be unable to threaten other states. While on that basis they might be expected to treat the superpowers evenhandedly, in fact the United States receive a greater share of criticism. One reason is that there are many Communist sympathisers among the Greens. Another is that the Greens see the United States as the greater obstacle to unilateral disarmament and withdrawal from NATO by the Federal Republic. That said, some important voices among the Greens have begun to argue for more traditional positions on defence, including support of NATO, as part of the adjustment needed to increase the prospects of entering Government. If the Greens did join a Federal coalition, it would be as junior partner of the SPD. They might not have great influence on foreign affairs and defence. But such influence as they had would encourage the least welcome trends in the SPD, and such a coalition would cause many problems in the Alliance.

Electoral Politics

19. Adenauer used to win elections with the slogan "no experiments". There are still many in this country who are shy

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of change. But the eighties have seen the reappearance of irresponsibility in politics, with the electoral successes of the Greens. While up to 10% of the electorate were voting Green, the majority seemed to be wary of the idea of having them in office. Just recently, however, that fear has seemed to wane. We shall see whether the behaviour of the new SPD/Green governments in Berlin and Frankfurt will frighten the voters back into their accustomed wariness of Greens in office. The Berlin election at the end of January also threw up another new phenomenon, this one on the right-hand edge of democratic politics - the Republican party. All this flux, as I have argued in reports to your Department, means that the Federal election in December 1990 is wide open. The present coalition of CDU/CSU and FDP may have the best chance of winning, but that bet is no longer reliable. The other horses in the race are a grand coalition of CDU/CSU and SPD, a coalition of SPD and FDP and even, possibly, a coalition of SPD and Greens.

British Policy

20. There is an important question about the Federal Republic's reliability. It is not whether this country will cease to be an ally or will adopt a policy of seeking reunification in the foreseeable future. The question is how willing our German ally will be to take difficult decisions on defence matters and how precipitate it will be in seeking progress in East-West

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relations: in other words, how difficult an ally and partner the Federal Republic will be. I do not see the present difficulties getting easier. There is risk, even with the present government, of their becoming rather worse. Much depends on the general election in December 1990. I believe that the present Federal government, which through lack of will presents certain problems for us, presents distinctly fewer than would any alternative coalition that might then be formed.

21. The Federal Republic matters greatly to the United Kingdom
- to our security and our prosperity. So we have a major interest in a steady pro-Western foreign policy in Bonn. We should do all we can to encourage that, by showing the Federal Republic, in every way possible, the value of its Western connection. Suggesting how this can be done is a major continuing function of this Embassy; I will note some major areas. We should foster our close bilateral relationship with Bonn, notably on defence matters. We should continue to ensure that the consultation processes of European Political Cooperation and in NATO are in active working order, and to encourage the Germans to make full use of them. We should encourage the Americans to act similarly; and also the French, who are prone to worry about German reliability.

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22. We should show understanding where we can of German preoccupations. For instance, if we can adjust our military training here in ways which reduce side-effects on the population but maintain military effectiveness, we should do so. Progress in the European Community is a major tool for maintaining the Federal Republic's interest in integration in the West, and that should be a consideration in our European policies. We should warn of the uncertainties that are inherent in East-West relations even when things are going well. We should cooperate as much as we can with Germany on East-West matters, seeking common ground whenever possible and adjusting our policies where we can in order to achieve this. This is one reason for being seen to seize the opportunity to advance Western interests through East-West negotiations, by setting a demanding Western agenda reaching out to such ambitious goals as the dismantling of the Berlin Wall. We should consult closely on the changes in Eastern European countries, looking actively for joint policies, for this is an area where Bonn and London could diverge.

23. To increase the chance that the Federal Republic will not become actively discontented with Germany's division or actively impatient with the Allies' continued rights in relation to the German question, we should continue to give verbal support from time to time to the aspiration to reunification and more frequently to Bonn's policy of increasing contacts with the GDR. We should maintain our role in Berlin, adapting where necessary as time goes on and public attitudes there change.

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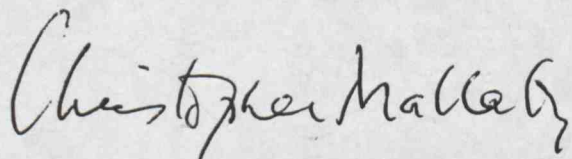
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24. And, if I may conclude with a wider point, we should remember that the Federal Republic's economic and political weight in Western Europe, coupled with the uncertainties about its steadiness, form an additional reason - on top of the dominant reason, namely the sheer size of the Soviet Union - for working to preserve the United States' commitment to Europe.

25. I am sending copies of this despatch to HM Representatives in NATO and EC posts, Moscow, Warsaw, East Berlin, Vienna and the United Nations in New York; to the British Commandant in Berlin and our Consuls-General in the Federal Republic.

I am, Sir,

Yours faithfully

A handwritten signature in dark ink, reading "Christopher Mallaby". The signature is written in a cursive, slightly slanted style.

C L G Mallaby

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