



10 DOWNING STREET

Prime Minister

This underlines the
importance of development.

You should NOT

refer to these
exchanges openly. but

will want to have

them in mind, as

you pursue your
discussion.

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ZCZC
LNUEAN 4394 MXHPAN 9666
CONFIDENTIAL
DD 080900Z STDEL
FM MOSCO TO FCOLN
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CONFIDENTIAL
FM MOSCOW
TO DESKBY 080900Z FCO
TELNO 2054
OF 080749Z DECEMBER 89
AND TO DESKBY 080900Z UKDEL STRASBOURG
INFO IMMEDIATE BONN, EAST BERLIN, BMB BERLIN, PARIS, WASHINGTON
INFO IMMEDIATE UKDEL NATO
INFO ROUTINE WARSAW, PRAGUE, BUDAPEST, UKREP BRUSSELS

SOVIET VIEWS ON GERMANY

SUMMARY

1. GORBACHEV'S SENIOR ADVISER ON GERMAN AFFAIRS, FALIN:
 - EXPRESSES DEEP CONCERN AT SCALE AND TEMPO OF EVENTS
 - WARNS OF POSSIBLE DRAMATIC CONSEQUENCES
 - DEFENDS KRENZ: THE UPHEAVAL HAD INTERRUPTED HIS PLANS FOR PERESTROIKA
 - HAS NO IDEA OF LIKELY OUTCOME OF SED CONGRESS
 - RECALLS DARK LESSONS OF GERMAN HISTORY.
2. FALIN SPEAKS BITTERLY OF WEST GERMAN INTERFERENCE, AND ESPECIALLY OF KOHL. KOHL HAD NOT/NOT CONSULTED THE SOVIET UNION ON HIS 10-POINT PLAN, BUT WAS TRYING TO PUSH THROUGH A FAIT ACCOMPLI. HE WAS IN BREACH OF THE FRG'S OBLIGATIONS TO THE GDR, THE USSR AND TO OTHERS. HE HAD DEPARTED FROM THE EUROPEAN PEACE ORDER ENVISAGED IN THE MOSCOW TREATY.
3. MITTERRAND REPORTED TO HAVE AGREED WITH GORBAHCEV ON THE IMPORTANCE OF SUSTAINING ALLIANCES AND OF INTENSIFYING WORK ON COMMON EUROPEAN STRUCTURES.

DETAIL

4. I SAW FALIN (HEAD OF CENTRAL COMMITTEE INTERNATIONAL DEPARTMENT AND FORMER AMBASSADOR TO BONN) FOR AN HOUR ON THE EVENING OF 7 DECEMBER. HE WAS EXHAUSTED AND LUGUBRIOUS.
5. FALIN SAID THE SOVIET LEADERSHIP HAD TRIED OVER SEVERAL YEARS TO WARN THE SED THAT ITS POLICIES WERE DIVERGING FROM OBJECTIVE PROCESSES IN SOCIETY. BUT, EVEN DURING GORBACHEV'S VISIT TO BERLIN, THIS HAD NOT HAD THE DESIRED EFFECT. SINCE MARCH, THE RUSSIANS HAD SEEN THE SITUATION AS CRITICAL, AND VULNERABLE TO DESTABILISATION FROM A SINGLE SPARK. HOWEVER, WHILE GIVING THEIR OPINIONS, THEY HAD MAINTAINED THEIR POLICY OF NON-INTERFERENCE.
6. THE SOVIET LEADERSHIP HAD THEREFORE EXPECTED A SHOCK. BUT THEY, LIKE US, HAD NOT BARGAINED FOR THE SCALE AND NATURE OF THE UPHEAVAL - THE PRODUCT OF ANGUISH AND EMOTION WHICH HAD BUILT UP OVER YEARS. THE LEAD HAD NOW BEEN TAKEN BY FORCES WHO WANTED THE LIQUIDATION, NOT SIMPLY THE RENEWAL, OF EXISTING STRUCTURES, AND A SOLUTION TO THE QUESTION OF REUNIFICATION. FALIN HIMSELF HAD WARNED BOTH HONECKER AND SOVIET LEADERS THAT EAST AND WEST GERMANY CONSTITUTED AN UNBALANCED PYRAMID, WHICH COULD NOT LAST. THEY HAD IGNORED THIS UNWELCOME ADVICE.

FALIN SAID THE WEST GERMAN MEDIA AND EAST GERMAN EXILES HAD EXERCISED CONTINUOUS INFLUENCE OVER THE GDR POPULATION. AS HAD HAPPENED IN POLAND AND THE BALTIC STATES, EXTERNAL MEDIA HAD ADVERTISED AND BOOSTED DEMONSTRATIONS. IF EVENTS CONTINUED ALONG THEIR PRESENT PATH, HE WARNED THAT THERE COULD BE "DRAMATIC CONSEQUENCES." THE ACTION OF DEMONSTRATORS IN IMPEDING THE NATIONAL ARMY OVER THE LAST DAY OR TWO WAS VERY SERIOUS. HE FEARED A "DRAMATISATION" AND THE END OF PEACEFUL DEVELOPMENT.

8. FALIN FRANKLY LAMENTED THE LOSS OF KRENZ. HE HAD BEEN WORKING FOR CHANGE FOR THREE YEARS: HAD NARROWLY ESCAPED HONECKER'S ATTEMPTS TO SHIFT HIM: AND HAD FIRMLY RESISTED THE USE OF FORCE AGAINST DEMONSTRATORS. HE WAS NOT HEAVILY IMPLICATED IN CORRUPTION, AND HAD GIVEN THE GREEN LIGHT TO RENEWAL. FALIN PERSONALLY KNEW THAT KRENZ AND MODROW HAD WORKED OUT PLANS FOR PERESTROIKA IN ADVANCE. BUT THE ILL-CONSIDERED AND EMOTIONAL REACTION OF THE DEMONSTRATORS HAD UNHORSED THEM. THE ECONOMIC COST WAS ENORMOUS: SEE, FOR EXAMPLE, THE FALLING OSTMARK, THE RATE FOR WHICH WAS NO REFLECTION OF ITS TRUE VALUE.

9. THE SED CONGRESS FACED A VERY DIFFICULT TASK IN DECIDING WHAT TO DO, AND CHOOSING LEADERS TO RESTORE ITS GOOD NAME AND AUTHORITY. IN THE NEXT DAY OR TWO WE WOULD KNOW WHAT TO EXPECT: BUT REASON AND COMMON SENSE WERE LACKING, IN THE FACE OF NATIONALIST FEELINGS WHICH HAD BROUGHT GRIEF TO THE GERMANS AND TO THEIR NEIGHBOURS IN THE PAST.

BEHAVIOUR OF FRG/KOHL PLAN

10. FALIN OBSERVED THAT KOHL HAD NOT INFORMED HIS WESTERN ALLIES NOR HIS COALITION PARTNER GENSCHER IN ADVANCE ABOUT HIS 10 POINTS. HE HAD BREACHED THE FRG'S OBLIGATIONS TO THE GDR. KOHL WAS NOW TRYING TO IMPOSE HIS PLAN ON THE GDR DE FACTO THROUGH ECONOMIC MEASURES AND PROPOSALS ON CITIZENSHIP. THIS "ARROGANCE AND NATIONAL EGOISM" CONTRADICTED THE FRG'S OBLIGATIONS TO THE USSR, THE UK AND OTHERS, AND IN INTERNATIONAL LAW. RECALLING THE "FANTASIES" OF 1953, FALIN SAW THIS AS A VERY RISKY ACT: FOR REASONS OF PERSONAL AND ELECTORAL AMBITION KOHL WAS TRYING TO SUCCEED WHERE ADENAUER HAD FAILED.

11. FALIN ACKNOWLEDGED THAT CONFEDERATION COULD BE INTERPRETED IN DIFFERENT WAYS, AND THAT KOHL HAD NOT BEEN PRECISE. BUT THE EAST GERMANS SAW IT AS A PLAN FOR A COMMON DEFENCE AND EXTERNAL POLICY - EFFECTIVELY UNIFICATION. GIVEN THE DISPROPORTIONATE WEIGHT OF THE FEDERAL GERMAN STATE (AND BUSH'S INSISTENCE IN MALTA THAT ANY REUNIFIED GERMANY SHOULD BE A MEMBER OF NATO), THIS WAS TANTAMOUNT TO REVERTING TO DULLES'S FORMULAS OF THE COLD WAR. BUT STATESMEN ON BOTH SIDES WERE SAYING THAT NATO AND WARSAW PACT SHOULD REMAIN AS INSTRUMENTS OF STABILITY: AND THAT MEANT THAT THE BORDER ALONG THE ELBE WOULD CONTINUE.

12. THOUGH MORE COULD HAVE BEEN DONE, MANY PRACTICAL LINKS HAD EVOLVED BETWEEN THE GERMANIES OVER THE PAST 20 YEARS WHICH RESPECTED "THE FACTS". FALIN DESCRIBED THE OLD SOVIET DOGMA OF "TWO GERMAN NATIONS" AS IDIOTIC. WITH SO MANY RELATIVES ON EITHER SIDE, RELATIONS BETWEEN THE GDR AND THE FRG WERE BOUND TO BE SPECIAL. IN THE PAST THEY HAD BEEN ESPECIALLY BAD. NOW THEY COULD BE ESPECIALLY GOOD. THE MOSCOW TREATY HAD ENVISAGED THAT THE GERMANS WOULD COME TOGETHER IN THE FRAMEWORK OF A EUROPEAN PEACE ORDER. BUT IT HAD BEEN A PRINCIPLE FROM POTSDAM ONWARDS THAT A THREAT OF WAR MUST NEVER AGAIN BE ALLOWED TO ARISE FROM GERMANY. WE SHOULD NOT FORGET THAT HITLER HAD FOUGHT UNDER THE SLOGAN OF UNITING ALL GERMANS.

13. I ARGUED THAT NEITHER KOHL NOR ANYONE ELSE WANTED DESTABILISATION, AND ASKED WHY THE SOVIET ATTITUDE HAD BECOME SO MUCH SHARPER DURING GENSCHER'S VISIT (MY TELEGRAMS 2039 AND 20391). FALIN INDICATED THAT THIS WAS A REACTION BOTH TO EVENTS IN THE GDR, AND TO KOHL'S PLAN. LITERALLY TWO DAYS BEFORE HE ANNOUNCED HIS PLAN, KOHL HAD TOLD GORBACHEV THAT THE FRG WOULD NOT LAUNCH ANY PAN-GERMAN INITIATIVE: AND PROMISED TO CONSULT HIM ON ANY IMPORTANT DEVELOPMENTS, IN THE SPIRIT OF THEIR TALKS THIS YEAR IN BONN. FALIN SAID CATEGORICALLY THAT KOHL HAD NOT CONTACTED THE RUSSIANS ABOUT HIS 10 POINTS. THEY HAD NO OPTION BUT TO SEE THE PLAN AS A POLITICAL MANOEUVRE. MOREOVER THE RUSSIANS WERE CONCERNED AT WHAT THEY SAW OF WEST GERMAN BEHAVIOUR INSIDE THE GDR - BOTH BY THE WEST GERMAN MEDIA AND BY THEIR SPECIAL SERVICES - TO GIVE EFFECT TO KOHL'S INTENTION OF DISMANTLING SOCIALISM. THIS WAS INTERFERENCE IN THEIR ALLY'S INTERNAL AFFAIRS. THE USSR HAD TO SHOW THE SERIOUS VIEW IT TOOK.

14. FALIN SAID: "THE GERMANS ARE THE GERMANS. DEUTSCHLAND UBER ALLES IS NOT JUST A PHRASE." THE RUSSIANS HAD LOST 26 MILLION PEOPLE IN THE WAR. HE WAS NOT ANTI-GERMAN, BUT HE KNEW THE SORT OF PEOPLE WHO WERE ADVISING KOHL.

MITTERRAND VISIT

15. MITTERRAND HAD SPOKEN OF THE IMPORTANCE OF THE TWO ALLIANCES FOR STABILITY. HIS ANSWER TO REUNIFICATION PRESSURE WAS TO DRAW BOTH GERMANIES INTO MORE INTENSIVE WORK ON COMMON EUROPEAN STRUCTURES.

FUTURE CONTACT/FOUR POWER TALKS

16. I SAID OUR GOVERNMENTS SHOULD KEEP IN CLOSE TOUCH, TO AVOID SURPRISES. I ASKED ABOUT THE SOVIET ATTITUDE TO FOUR POWER TALKS. FALIN SAID THE RUSSIANS DID NOT YET HAVE THE LATTER IN MIND: BUT THAT HE DID NOT EXCLUDE THE POSSIBILITY. FOR POLITICAL REASONS IT WOULD PROBABLY HAVE TO COME AS A WESTERN INITIATIVE. HE AGREED THAT WE SHOULD KEEP IN TOUCH THROUGH DIFFERENT CHANNELS, THOUGH THE VALUE OF THIS DEPENDED ON THE DEGREE OF FRANKNESS AND CONSTRUCTIVENESS.

17. SEE MIFT FOR COMMENT

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LNUEAN 4895 MXHPAN 9667
CONFIDENTIAL
DD 080900Z STDEL
FM MOSCO TO FCOLN
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CONFIDENTIAL
FM MOSCOW
TO DESKBY 080900Z FCO
TELNO 2055
OF 080820Z DECEMBER 89
AND TO DESKBY 080900Z UKDEL STRASBOURG
INFO IMMEDIATE BONN, EAST BERLIN, BMG BERLIN, PARIS, WASHINGTON
INFO IMMEDIATE UKDEL NATO
INFO ROUTINE WARSAW, PRAGUE, BUDAPEST, UKREP BRUSSELS

MIPT: SOVIET VIEW ON GERMANY: COMMENT

1. I DO NOT KNOW FALIN'S MOOD (THE GERMAN AMBASSADOR, WHO KNOWS HIM WELL, SAYS HE IS TEMPERAMENTALLY APOCALYPTIC). BUT HE HAD THE DEPRESSED AIR OF A MAN WHOSE LIFE'S WORK WAS CRUMBLING.
2. FALIN, LIKE SIR C MALLABY (BONN TEL NO 1191) SEES KOHL AS PLAYING FOR HIGH STAKES. BUT AS FAR AS FALIN IS CONCERNED, KOHL IS OVERPLAYING HIS HAND, AND HAS REOPENED THE BREACH WHICH WAS CLOSED WITH DIFFICULTY WHEN GORBACHEV VISITED BONN. FALIN WAS OPENLY WORRIED THAT EVENTS IN THE GDR WERE ABOUT TO TAKE A VIOLENT TURN, AND THAT THE TEMPO OF DISORDER PLUS REUNIFICATION PRESSURES SERIOUSLY THREATENED STABILITY.
3. FALIN IS ONLY PART OF THE MOSCOW PICTURE, AND HAS NO EXECUTIVE RESPONSIBILITY. HE WAS BEWAILING THE SITUATION, RATHER THAN SUGGESTING WAYS OF MASTERING IT. HE IS ONE OF GORBACHEV'S CLOSE ADVISERS ON THE SUBJECT OF GERMANY, BUT GORBACHEV HAS TAKEN THE MORE STATESMANLIKE APPROACH OF TONING DOWN THE RHETORIC, PLAYING FOR TIME, AND LEAVING OPTIONS OPEN (INCLUDING REUNIFICATION).
4. NEVERTHELESS THE COLLAPSE OF POLITICAL AUTHORITY IN EAST GERMANY IS BOUND TO WORRY THE RUSSIANS INTENSELY. IT PROBABLY IS SUFFICIENT EXPLANATION FOR THE DISTINCT SHARPENING OF THE TONE OF PUBLIC COMMENT ON 5 DECEMBER, WHICH IS NO DOUBT INTENDED TO CONVEY TO THE FEDERAL GOVERNMENT THAT THIS IS DEFINITELY NOT THE MOMENT TO SAY OR DO ANYTHING WHICH COULD BRING NEARER A REAL CRISIS, INCLUDING A VIOLENT BREAKDOWN OF ORDER IN EAST GERMANY.
4. IT WOULD NOT BE SURPRISING IF KOHL'S OWN PERFORMANCE IN THE LAST WEEK OR SO HAD AROUSED WIDE SOVIET SUSPICIONS OF THE FEDERAL GOVERNMENT, WHICH ARE ALWAYS JUST BELOW THE SURFACE. FALIN WAS STRIKINGLY BITTER ABOUT KOHL'S ALLEGED FAILURE TO WARN GORBACHEV ABOUT THE 12 POINTS (DESPITE THE NUMEROUS CONTACTS BETWEEN KOHL'S AND GORBAHCEV'S ADVISERS REFERRED TO BY TELTSCHIK: BONN TELEGRAM 1156). AS SEEN FROM HERE, ONE MAJOR STEP KOHL COULD MAKE TO REPAIR THE DAMAGE WOULD BE TO STATE FIRMLY, PUBLICLY AND UNEQUIVOCALLY THAT HE AGREES WITH GENSCHER THAT THE POST-WAR BOUNDARIES OF GERMANY (IE THE ODER-NEISSE LINE: NOT THE ELBE, WHICH IS A QUALITATIVELY DIFFERENT MATTER) ARE DEFINITIVE, AND THAT THERE IS NO QUESTION OF THEM BEING CHALLENGED BY THE FEDERAL GOVERNMENT, OR EVEN DISCUSSED, AT AN EVENTUAL PEACE CONFERENCE OR ANYWHERE ELSE. THIS WOULD GO VERY FAR TO ALLAY SOVIET (AND POLISH: SEE WARSAW TELEGRAM 745) FEARS OF REVANCHISM. I KNOW THAT IT WOULD UPSET THE SUSCEPTIBILITIES OF GERMAN INTERNATIONAL LAWYERS: AND THAT IT WOULD COMPLICATE KOHL'S ELECTORAL CALCULATIONS (AS GENSCHER INDICATED TO YOU: FCO TEL 694 TO BONN). BUT NOW THAT THINGS ARE GOING SO MUCH HIS WAY, HE CAN SURELY AFFORD THIS GESTURE OF INTERNATIONAL STATEMANSHIP.

5. WITH THE RUSSIANS IN A SUSPICIOUS AND EMOTIONAL MOOD, IT IS DESIRABLE TO MAXIMISE EXCHANGES WITH THEM ABOUT GERMANY AT ALL LEVELS. FALIN FAVOURED BILATERAL EXCHANGES BETWEEN THE ALLIED AMBASSADORS IN BERLIN, AND SAID HE WOULD PASS TO SHEVARDNADZE THE THOUGHT THAT HIS MINISTRY SHOULD INTENSIFY THEIR CONTACTS WITH ME AND MY COLLEAGUES. THE PROPOSED DINNER FOR SHEVARDNADZE AND THE EUROPEAN AMBASSADORS ON 19 DECEMBER WILL PROVIDE A GOOD OCCASION, THOUGH AT THE PRESENT SPEED OF EVENTS IT LOOKS RATHER A LONG WAY AWAY

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