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① 155,000 // plus nuclear i.e. Bush's nuclear
NATO's nuclear
commitment

PRIME MINISTER

② ? Oder Neusee line?

who defends?

or do Germans pour over that

and have the Berlin argument
over again.

GERMANY AND NATO

The Foreign Secretary promised you a paper setting out options for Germany's relationship with NATO. It has now arrived. He wants to discuss it with his American, Germans and French colleagues on Monday in Ottawa. We shall need to send him any comments tomorrow.

The paper identifies three main options.

- A. The whole of Germany becomes part of NATO's integrated military structure. NATO's front-line moves a big step Eastward. But its scarcely realistic to expect even a weakened Soviet Union to accept this.
- B. A united Germany remains in NATO, but no non-German forces are deployed in the former GDR. U.S. Forces nuclear in West. Why should all USR forces withdraw?
- C. A united Germany remains part of NATO's political structure but withdraws from the integrated military structure. All stationed forces would be withdrawn from Germany.

Berlin?

D. A united Germany retains U.S. Forces in the West - U.S. Forces in the East. I think these are the broad options: one doesn't have to be a genius to think of them. I have the following comments:

- Since the Americans and Germans are already discussing Option B with the Russians, we are a bit behind the game.
- Option A would undoubtedly be best from the point of view of our overall security, but its not really practicable: first, NATO can hardly take on the defence of a large chunk of new territory at a time when it is reducing its forces. And secondly it is probably more than the Russians can swallow.

security
to let
NATO
and the
USSR -

all
signatories
of Helsinki

On U.S.
USSR in
Berlin.

This must be
urgently dated. It
is surely 10 Feb 90
C.M.

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- Option C would be very bad. Indeed I would argue it is worse than a neutral Germany, because it provides the cover of NATO without the restraints of stationed forces. I suspect, however, that it may be what Genscher at least wants and the Russians may be inclined to seek: and it has received an unfortunate boost from Secretary Baker's slip at his press conference in Moscow yesterday, when he spoke of Germany remaining in or 'being an associate member of NATO'. We shall not be allowed to forget this. *-non will be*
- Option B is probably therefore the most realistic and seems to be what Chancellor Kohl and Herr Genscher currently envisage. It is not free from all risk: for instance, the Russians might press for the territory of the former GDR to be demilitarised completely. And the idea of Berlin, as the capital of a united Germany, being outside the NATO area (and possibly in the heart of a demilitarised zone) is not very reassuring.

But the most important single qualification, which is missing from the FCO paper is that, under Option B, American forces and nuclear weapons should remain in the territory of the FRG. In the light of Teltschik's comments to me yesterday, this is going to be hard to achieve: we must try to get it accepted, at least by the Americans, from the beginning. *They promised it at the last NATO summit.*

Agree that the Foreign Secretary should be guided by the paper, taking account of the comments above?

C.D.T.

Charles Powell

10 January 1990

c: Germany (MJ)

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Foreign and Commonwealth Office

London SW1A 2AH

9 February 1990

Dear Charles,

Germany and NATO

/ I enclose the paper which the Foreign Secretary promised the Prime Minister on how a united Germany could be accommodated within NATO.

We think, from recent discussions with the Americans, French and Germans, that option (b) in the paper could be an acceptable basis for agreement. Option (b) provides for a united Germany to remain a full member of NATO, including of the integrated military structure, but NATO would voluntarily forswear the deployment of non-German forces on the territory of the former GDR, except in time of war.

If the Prime Minister and the Defence Secretary are content with the broad thrust of this paper, the Foreign Secretary proposes to speak to it during his discussions with the American, French and German Foreign Ministers in Ottawa on 11-13 February.

I am copying this letter to Simon Webb (MOD) and Sonia Phippard (Cabinet Office).

Jans,
Shephe Wall

(J S Wall)
Private Secretary

C D Powell Esq
10 Downing Street

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Germany and NATO

1. For the purposes of this paper we assume:

- that the two German States will unite to form a new Federal Germany;
- that there will be a transitional period between the decision to unite and effective unification;
- that the process will begin soon.

Objectives

2. The key British objectives are:

- the retention of NATO, with an integrated military organisation;
- that Germany remain within NATO;
- a continued US military presence in Europe;
- arrangements to achieve these objectives which give an adequate sense of security to other European countries, including Germany's neighbours and in particular the Soviet Union.

/Options



Options

3. There are three main options for continued German membership of NATO.

(a) A unified Germany in NATO, remaining a full member of the Integrated Military Structure

A unified Germany would be a member of NATO, and the North Atlantic Treaty would apply to the whole of its territory. Its forces would form part of the integrated military structure. The Western front line would move to the Oder-Neisse. NATO collectively would become responsible for the defence of what is now the GDR. The present strategy of forward defence at the Inner-German border would be obsolete, as would much of the infrastructure created to implement it. US, British and other stationed forces would need to be deployed on the territory of the former GDR if collective defence was to be implemented. The Bundeswehr and the East German Armed Forces would be merged under one command.

Advantages

- This option could, if accepted by all the key countries in Europe, provide a lasting solution to the German problem. It is the only solution that provides for the complete unification of Germany.
- It would strengthen NATO by the incorporation of additional population and territory.

Disadvantages

- The most humiliating and threatening outcome for the Soviet Union, since the front line in any future conflict would be moved closer to Soviet territory.



- The movement of NATO's front line Eastwards and the potential size of the new Bundeswehr could provoke nervousness on the part of other East European countries and a consequent disinclination on their part to loosen the Warsaw Pact.

- It would be expensive, since NATO would have to invest in new infrastructure to implement the new strategy that would be required to defend former GDR territory.

(b) Germany would remain a member of NATO, but NATO would voluntarily forswear the deployment of non-German forces on the territory of the former GDR

Thin initially upends CRR of 37,000 USR troops have to come one 7 USR
i.e. the frontier is still named West-GDR until Russian forces stationed near border with Poland.
 The North Atlantic Treaty would cover all German territory: we would therefore have a collective obligation to defend any part of Germany against aggression. The Integrated Military Structure, including US and British stationed forces, would continue to operate in the Western part of Germany. But in respect of the territory of the former GDR, NATO (or Germany alone) would undertake:-

- that stationed Western forces would not be deployed or exercise there in peace-time.
- that the number of German troops deployed there would be subject to a numerical ceiling, and would not be part of the Integrated Military Structure.
- that there would be a transitional period permitting the orderly withdrawal of Soviet forces. This could be generous, though public opinion in East Germany might turn against them. The Soviet Union might have the right to retain a permanent inspection mission to assure themselves that the restrictions were being observed.



4. This approach separates the territorial from the functional aspects. There are precedents for such self-imposed restrictions: Norway does not permit the deployment of non-Norwegian troops to Finmark in peace-time.

5. The commitment to defend the territory of the former GDR would be fulfilled by mobile defence based initially on German forces stationed in the territory, reinforced in time of crisis by NATO units from the Western part of Germany and national territories.

6. The declaration giving effect to these new arrangements would need to be discussed in advance with the Soviet Union. But it would remain a unilateral undertaking which could be rescinded if necessary in response to aggressive moves against any part of Germany.

There is no security in this for the Soviet Union.

Advantages

None for Poland.

- It would not involve an Eastward movement of NATO's military front line, so would be more acceptable to Gorbachev. *but would of its political frontier under NATO's oversight*
- US, British and other stationed forces could stay in the Western part of Germany (at reduced levels). *while very small numbers would soldier pulls out of West Germany with their to be replaced by German soldiers?*
- It anchors Germany in the Alliance in a way which may (unlike (a)) be acceptable to the Soviet Union.

Disadvantages

- The need for special arrangements for defending the territory of the former GDR, involving the Bundeswehr operating outside the Integrated Military structure. Could be a source of concern to eg Poland.

USSR



- Continuing vestigial division of German territory, even though these arrangements would have been accepted by Germany and other NATO Allies.

(c) Germany would remain a member of the North Atlantic Council but would withdraw from the integrated military structure

All stationed forces would leave Germany. The German armed forces would be subject to CFE constraints but would not be part of a multinational command. There would be no joint exercises and no NATO nuclear weapons on German soil.

Advantages

- As in (a) and (b) Soviet forces would leave the GDR (but they probably will anyway).
- Savings from withdrawal of BAOR.
- Treats all of Germany equally.
- More reassuring to the Soviet Union in the short term. No

More worry to us all

Disadvantages

- Almost as bad as German neutrality. We would still have a commitment to defend Germany but no direct means of doing so.
- The Integrated Military Structure would cease to have any substance.
- US forces would be withdrawn. Some could remain elsewhere in Europe (UK or Italy), but the great majority would return to the US.
- Germany would not be firmly embedded in the West.



7. One further option mentioned in Germany is that the former territory of the GDR would be excluded from the coverage of the NATO treaty, as well as from the integrated structure. This has, from the Western point of view, crippling disadvantages:

- it leaves the Germans with sole responsibility for the defence of their most vulnerable laender;
- it involves different degrees of security for different Germans - with Berlin, as capital, enjoying less protection than it does under today's arrangements;
- it could be the first step to option (c) or neutrality for the whole of Germany.

Soviet Attitude

✓ 8. Four power rights will continue to apply until a final settlement is reached. These include the right for the Russians (like the Western Allies) to station forces in Germany by virtue of ✓ their original occupation rights. Transitional rights to station some forces in the GDR may make the outcome more tolerable to the Soviet Union. We do not yet know the Soviet Union's bottom line. Option (a) would mark the total defeat of 40 years of Russian policy. Option (c) has long term drawbacks for them (risk of Germans going it alone). We need to convince the Russians that it is better in the long run to have Germany fully within a multilateral framework rather than "a wanderer between the worlds". Option (b) achieves this without allowing NATO forces up to the Oder-Neisse line.

/ Conclusion



Conclusion

9. Of the three options considered above, only the first two would adequately meet the objectives set out in paragraph 2. Option (a) would be a good outcome for NATO but hard for the Russians to swallow and not what the government of the FRG have in mind. Option (b) would also represent a satisfactory outcome for NATO and would be significantly less threatening for the Russians. It would tie the Germans firmly into NATO, avoid any Soviet droit de regard over Germany and any sense that a special regime had been imposed on the GDR laender from outside.

10. Discussion of future security options for Germany is already underway, much of it in public. We therefore need to move quickly to channel debate in the direction of our preferred outcome. Specifically, we should hold very early discussions with the US, France and Germany with the aim of consolidating support for (b). All three are already working on these lines.