

CONFIDENTIAL

175633
MDADAN 7116

ADVANCE COPY

CONFIDENTIAL
FM MOSCOW
TO IMMEDIATE FCO
TELNO 310
OF 231252Z FEBRUARY 90
INFO IMMEDIATE WASHINGTON, BONN

SIR P CRADOCK'S CALL ON CHERNYAEV: GERMANY

1. SIR P CRADDOCK CALLED ON CHERNYAEV, GORBACHEV'S DIPLOMATIC ADVISER, ON THE MORNING OF 23 FEBRUARY. SIR PERCY ASKED CHERNYAEV TO CONVEY THE PRIME MINISTER'S VERY BEST WISHES TO GORBACHEV AND HER CONTINUED STRONG SUPPORT FOR HIS PLICIES. THE DISCUSSIONS THEREAFTER COPNCENTRATED ON GERMANY, AND ON THE DOMESTIC POLITICAL SITUATION.

GERMANY

2. SIR PERCY OUTLINED THE BRITISH POSITION. OUR VIEWS AND INTERESTS WERE CLOSE TO THOSE OF THE SOVIET UNION. WE BOTH RECOGNISED THAT THE GERMANS HAD THE RIGHT TO UNIFICATION, AND WE ACCEPTED THAT THIS WAS LIKELY TO HAPPEN QUICKLY. BUT WE HAD TO GET THE RIGHT EXTERNAL FRAMEWORK. THE OTTAWA AGREEMENT AMONGST THE SIX HAD BEEN AN IMPORTANT STEP FORWARD. WHERE WE DIFFERED WAS ON THE BEST WAY OF ANCHORING GERMANY IN A WIDER SECURITY SYSTEM. WE BELIEVED THAT FROM THE SOVIET AS WELL AS THE WESTERN POINT OF VIEW CONTINUED GERMAN MEMBERSHIP OF NATO WAS THE BEST ANSWER, SUPPLEMENTED BY ARMS REDUCTION AND THE CSCE PROCESS. SIR PERCY DREW ATTENTION TO THE PRIME MINISTER'S RECENT SPEECH ABOUT CONTINUED STATIONING OF U.S. FORCES IN GERMANY, AND THE POSSIBILITY OF RETAINING SOVIET TROOPS FOR A PERIOD ON THE TERRITORY OF THE FORMER DDR.

3. CHERNYAEV AGREED THAT WE HAD COMMON AIMS, AND SAID THAT THE BRITISH LOGIC WAS ACCEPTABLE DESPITE OUR DIFFERENCES OVER NATO. GORBACHEV WAS IMPRESSED BY KOHL'S REALISM AND UNDERSTANDING OF SOVIET SECURITY NEEDS BUT WAS WORRIED BY THE WAY IN WHICH KOHL'S WORDS AND ACTIONS WERE DISTORTED BY ELECTORAL CONSIDERATIONS. KOHL KNEW THAT THE PROCESS OF UNIFICATION COULD NOT BE COMPLETED RAPIDLY: BUT HE WISHED TO APPEAR AS A PROPONENT OF RAPID INIFICATION AT LEAST UNTIL THE 18 MARCH ELECTIONS IN THE DDR. THEREAFTER HE WOULD ACT MORE SLOWLY AS THE PRACTICAL DIFFICULTIES OF UNIFICATION BECAME CLEARER. INDEED EUPHORIA IN WESTERN GERMANY WAS DECLINING AS PEOPLE THERE REALISED THE DIFFICULTIES MORE CLEARLY.

4. FOR THIS REASON AFTER THEIR INITIAL CONCERN, THE SOVIET GOVERNMENT HAD CONCLUDED THAT PANIS WAS NOT NECESSARY: THEY AND

OTHER WESTERN PARTNERS WOULD HAVE TIME TO REGULATE THE PROCESS OF UNIFICATION, AND TO INFLUENCE IT FROM OUTSIDE. BUT GIVEN THE TEMPO OF EVENTS WITHIN GERMANY, IT WAS IN THE INTEREST OF THE FOUR POWERS AND OTHERS TO ACCELERATE THE EUROPEAN PROCESS AND TO START CONSULTING NOW ABOUT THE SECOND STAGE OF CONVENTIONAL DISARMAMENT IN EUROPE AND ABOUT THE SETTING UP OF A EUROPEAN SECURITY SYSTEM TO SUPERSEDE EXISTING MILITARY POLITICS.

5. ON THIS POINT, CHERNYAEV SAID THAT IT WAS NOT QUITE CORRECT TO SAY THAT THE ''IDEOLOGICAL GLUE'' NO LONGER EXISTED. BUT AS THE EAST EUROPEAN COUNTRIES BEGIN TO STABILISE, THEIR ENTHUSIASM FOR LEAVING THE WARSAW PACT WAS DECLINING: MAZOWIECKI HAD RECENTLY OVERRIDDEN WALESA'S VIEW THAT SOVIET TROOPS SHOULD LEAVE POLAND AS SOON AS POSSIBLE. NATO WOULD THEREFORE HAVE A VALID INTERLOCUTOR FOR SOME TIME. MEANWHILE THE RUSSIANS INTENDED TO GET THEIR TROOPS OUT OF HUNGARY AND CZECHOSLOVAKIA AS SOON AS PRACTICAL CONSIDERATIONS ALLOWED. NO-ONE HAD YET RAISED THE QUESTION OF SOVIET TROOPS IN THE DDR. CHERNYAEV BELIEVED THAT ALLIED TROOPS, THOUGH ON REDUCED LEVELS, SHOULD REMAIN FOR A WHILE ON BOTH SIDES OF THE ELBE AS A STABILISING FACTOR. IT WAS (AS GORBACHEV HAD TOLD KOHL), ''NOT SERIOUS'' TO BELIEVE THAT THE FORMER DDR TERRITORY IN A UNITED GERMANY COULD REMAIN DEMILITARISED. ONCE GERMANY WAS UNITED, THE GERMANS WOULD ACT AS THEY THOUGHT BEST ON THEIR OWN TERRITORY. REALITY WOULD THEREFORE TURN OUT TO BE DIFFERENT FROM WHAT GENSCHER HAD RECENTLY BEEN PROPOSING.

6. IN RESPONSE TO A QUESTION ABOUT THE FUTURE LEGAL BASIS FOR SOVIET TROOPS ON EAST GERMAN TERRITORY, CHERNYAEV SAID THAT THEIR PRESENCE WOULD BE BASED ON VICTORS' RIGHTS AND THE FOUR POWER AGREEMENTS, UNTIL A PEACE TREATY WAS SIGNED. THEREAFTER THE TROOPS WOULD LEAVE. HE DID NOT EXCLUDE THE POSSIBILITY THAT SOME SOVIET TROOPS WOULD REMAIN IN GERMANY ON A NEW CONTRACTUAL BASIS: BUT HE THOUGHT THAT A NEW EUROPEAN SECURITY SYSTEM WAS A MORE PROMISING AVENUE. HIS OWN ENTIRELY PERSONAL VIEW WAS THAT THIS MEANT THAT SOVIET TROOPS WOULD BE ABLE TO REMAIN IN EAST GERMANY FOR ANOTHER TWO YEARS. THE SOVIET GOVERNMENT DID NOT YET HAVE A WORKED OUT SCHEME: EVENTS WERE MOVING TOO FAST. BUT DESPITE THE COGENCY OF WESTERN ARGUMENTS THAT EUROPEAN SECURITY AND SOVIET INTERESTS WOULD BEST BE PRESERVED BY GERMAN MEMBERSHIP OF NATO, THIS WAS AN UNREALISTIC PROPOSITION. THE SOVIET UNION COULD NOT BE EXPECTED TO RELY FOR ITS SECURITY ON A MILITARY ORGANISATION WHICH HAD BEEN SET UP FORTY YEARS AGO TO OPPOSE IT.

7. CHERNYAEV SAID THAT A EUROPEAN SECURITY SYSTEM WOULD HAVE TO PROVIDE FOR CONTROLS AGAINST GERMAN NUCLEAR ARMAMENT. MEANWHILE OF

COURSE THE RUSSIANS HAD THEIR OWN NUCLEAR WEAPONS WITH WHICH TO OPPOSE ANY SUCH THREAT: AS LONG AS THEY DID SO THERE WAS NO RISK OF GERMAN AGGRESSION. IN A BRIEF DISCUSSION ON THE PRINCIPLES OF MINIMUM DETERRENCE, HE SAID (WITH A CHARACTERISTIC GRIN): ''GIVEN OUR PRESENT ECONOMIC AND POLITICAL TROUBLES, NO-ONE WOULD WANT TO TALK TO US IF WE GAVE UP OUR NUCLEAR WEAPONS AS WELL''.

8. AS A FINAL POINT, HE SAID THAT TALK IN THE WESTERN PRESS OF SOME KIND OF SOVIET/GERMAN DEAL BEHIND THE BACKS OF THE OTHER EUROPEAN AND WESTERN POWERS WAS ABSURD. IN AN OBVIOUS REFERENCE TO LIGACHEV'S REMARKS AT THE RECENT PLENUM, HE SAID THAT GORBACHEV WOULD NOT ABANDON HIS FOREIGN POLICY, WHICH EMBRACED THE UNIFICATION OF GERMANY. ORDINARY PEOPLE ACCEPTED THAT UNIFICATION WAS INEVITABLE, AND GORBACHEV'S DOMESTIC OPPONENTS WOULD NOT BE ABLE TO PLAY SUCCESSFULLY ON POPULAR MEMORIES OF THE WAR AND ON TRADITIONAL RUSSIAN MILITARY PATRIOTIC SENTIMENT.

DOMESTIC POLITICS

9. SIR PERCY ASKED ABOUT PLANS FOR AN EXECUTIVE PRESIDENCY. CHERNYAEV SAID THAT GORBACHEV HAD ORIGINALLY AND PUBLICLY OPPOSED THE IDEA OF GIVING STRONG POWERS TO THE PRESIDENCY. HE HAD CHANGED HIS MIND BECAUSE OF TWO CONSIDERATIONS. HE HAD NOT ORIGINALLY APPRECIATED THE EXTENT TO WHICH THE CREATION OF THE NEW DEMOCRATIC INSTITUTIONS - THE PEOPLE'S CONGRESS, THE SUPREME SOVIET, AND NOW A MULTI-PARTY SYSTEM - WOULD UNDERMINE THE ABILITY OF THE EXECUTIVE POWER TO ENSURE THAT REFORMING LAWS AND GOVERNMENT DECISIONS WERE IMPLEMENTED. THE LOGIC OF THE DEMOCRATIC SYSTEM THAT WAS BEING CREATED REQUIRED THAT THE EXECUTIVE POWER NOW BE STRENGTHENED TO BALANCE THE INCREASED POWERS OF THOSE DEMOCRATIC INSTITUTIONS. BUT NEW POWERS WERE ALSO REQUIRED TO DEAL WITH THE CRISIS THROUGH WHICH THE COUNTRY WAS CURRENTLY GOING. GORBACHEV HAD ALWAYS FORESEEN THAT REFORM WOULD, FOR A TRANSITIONAL PERIOD, LEAD THE POLITICAL AND ECONOMIC UPHEAVAL. WHAT HE HAD NOT FORESEEN WAS THE EXTENT TO WHICH THIS WOULD BE ACCOMPANIED BY AN INCREASE IN CRIME AND BY ETHNIC PROBLEMS, PARTICULARLY THE BLOODSHED IN THE SOUTH. IN THE PAST, THE SOVIET LEADERS HAD NOT UNDERSTOOD SOVIET SOCIETY: SOCIOLOGICAL INVESTIGATION AND OTHER METHODS OF DISCOVERING THE GENUINE FEELINGS OF ORDINARY PEOPLE HAD BEEN BANNED. THE ''UNGLUEING'' OF THE PREVIOUS UNITARY STRUCTURE OF THE SOVIET UNION HAD BEEN INEVITABLE, BUT GORBACHEV HAD NOT REALISED THAT IT WOULD LEAD TO THE EXPRESSION OF SUCH SAVAGE FEELINGS. GORBACHEV'S GREATNESS LAY IN HIS WILLINGNESS TO ALLOW ORDINARY PEOPLE TO EXPRESS THEMSELVES, INSTEAD OF IMPOSING HIS IDEAS ON THEM FROM ABOVE. BUT A STRONGER EXECUTIVE WAS NOW CLEARLY NECESSARY. (LAST SUMMER AND AUTUMN HIS POLITICAL

OPPONENTS HAD BEEN CALLING FOR AN ENLIGHTENED DICTATORSHIP. SINCE GORBACHEV HAD ADOPTED SOME OF THEIR IDEAS THEY HAD DONE A U-TURN AND WERE NOW TALKING ABOUT RISKS OF EXCESSIVE AUTHORITY: THIS WAS IN THE NATURE OF OPPOSITIONS. BUT CHERNYAEV WAS CONFIDENT THAT GORBACHEV WOULD GET HIS WAY. THE PEOPLE'S CONGRESS WOULD MEET TO PASS THE NEW MEASURES AND ELECT THE NEW PRESIDENT IN THE FIRST HALF OF MARCH. IN TWO OR THREE YEARS TIME THERE WOULD BE A POPULAR ELECTION ON THE BASIS OF A FULLY WORKED OUT CONCEPT OF THE NEW PRESIDENCY AND ITS ASSOCIATED POWERS AND PREROGATIVES.

10. SIR PERCY CRADOCK ASKED WHETHER THE POWERS WOULD BE USED IN THE FIRST INSTANCE FOR A CRASH ECONOMIC REFORM PROGRAMME. CHERNYAEV SAID THAT THE FIRST PRIORITY WAS TO RE-ESTABLISH ORDER IN THE COUNTRY AND TO ENSURE THAT EXISTING AND NEW LAWS WERE ACTUALLY OBSERVED. OF COURSE ECONOMIC ISSUES COULD NOT BE POSTPONED. BUT THE SUPREME SOVIET WOULD ADOPT THE NEW LAWS ON PROPERTY AND LAND NEXT MONTH, AND WITH HIS ADDITIONAL POWERS THE PRESIDENT WOULD BE ABLE TO ENSURE THAT REFORMING LAWS WERE EXECUTED AS THEY HAD NOT BEEN HITHERTO. THIS WOULD GIVE PEOPLE CONFIDENCE THAT THE ECONOMIC REFORM WAS AT LAST BEGINNING TO BITE. PRICE REFORM WOULD ALSO HAVE TO BE TACKLED SOON, AS GORBACHEV HAD SAID AT THE RECENT PLENUM, THOUGH FOR PRACTICAL REASONS THE REFORM WOULD BE PARTIAL TO BEGIN WITH.

11. IN CONCLUSION CHERNYAEV REMARKED THAT BRITISH VIEWS WERE PERHAPS THE CLOSEST OF THE WESTERN POWERS TO SOVIET VIEWS. HE AGREED WITH SIR PERCY ON THE IMPORTANCE OF CONTINUING OUR CLOSE EXCHANGES AT OFFICIAL AS WELL AS POLITICAL LEVEL.

12. FCO PLEASE PASS ADVANCE COPY IMMEDIATE TO CHARLES POWELL, 10 DOWNING STREET.

BRAITHWAITE

YYYY

DISTRIBUTION

1

ADVANCE

1

HD/SOVIET

NNNN