

ANGLO-GERMAN SUMMIT

RECORD OF CONVERSATION BETWEEN THE SECRETARY OF STATE FOR
FOREIGN AND COMMONWEALTH AFFAIRS AND THE FOREIGN MINISTER OF
THE FRG AT THE FOREIGN AND COMMONWEALTH OFFICE: 9.10
AM-10.40 AM, 30 MARCH 1990

Present

Rt Hon Douglas Hurd MP	Mr Genscher
Sir C Mallaby, HM Ambassador, Bonn	Baron von Richthofen, FRG Ambassador
Mr Weston	Dr Kastrup
Mr Kerr, AUSS	Dr Von Kyaw
Mr Wall, Private Secretary	Mr Chrobog
Mr Synnott, WED	Graf Leutrum
Mr Keefe, WED	Mr Mützelburg
	Frau Notbohm (Interpreter)

1. The Secretary of State invited Mr Genscher to set the scene and give his view of the likely timetable of unification; prospects for immigration from the GDR; and the 2+4 talks.

German Unification

2. Mr Genscher said that the three centre-right parties and the liberals in the GDR had a majority, but he wanted to see SPD participation, which would allow the two-thirds majority that was needed for some decisions. The SPD were coming round to this view and now realized the risks of sharing opposition with the former SED. GEMU would need to reach a result soon. Chancellor Kohl had said it should begin, at the latest, before the summer holidays, which started in the GDR on 2 July. If there was any delay the number of refugees would increase. The problems of economic and social union were enormous. An immense number of legal changes would have to be put through the Volkskammer, and

there was a large difference in the level of productivity in the two parts of Germany. GEMU was the focus of public attention in the GDR because it meant higher living standards upon unification. Constitutional unification would follow. The objective remained to sort unification out by the time of the CSCE Summit. There was no longer any question over using Article 23 as the route but all those supporting this realised that it could only be applied once the external aspects of unification had been settled in the 2+4. In answer to a question from the Secretary of State, Herr Genscher expressed the view that it would be the GDR as a whole, rather than the individual Länder which made the application, even if the Länder were re-formed.

3. The process of creating GEMU would in itself introduce additional instability because of, for example, the row over treatment of former Stasi. GEMU would mean unemployment in the short term. Of the three major sectors of the economy, the bureaucracy and manufacturing industry were heavily over-manned. But services were under-manned and there would in due course be an employment explosion there. But people needed to be convinced that retraining was in their interests. There needed to be rapid investment in the modernisation of industry. Mr Genscher was hopeful. Market forces were working already. For example, the 15-20 year waiting list for Trabant cars had disappeared in the expectation of buying West German cars soon for hard currency.

Security Issues

4. The Secretary of State asked how this would affect the timetable of the 2+4 talks. It was to be hoped that official and ministerial level talks could proceed in April, as envisaged. Mr Genscher said that the timetable was realistic. There would soon be a GDR government, and it was vital not to give the Soviet Union the impression that we

were prepared to go ahead with GEMU, but not prepared to make progress on the external aspects. The Secretary of State enquired whether the Federal Government still envisaged a 5-6 year transition period for the departure of Soviet forces in Germany. Herr Genscher replied that we needed to agree a Western strategy on security. The FRG had put forward two important propositions. First, a united Germany would be in NATO. Major Warsaw Pact states supported this. Skubiszewski and Dienstbier had needed no convincing and it was clear from Genscher's conversation with Shevardnadze in Windhoek that the Russians realised privately that neutrality was not an acceptable option for Germany. But they could not say this openly because it was not yet clear what alternative solution there would be. Again Dienstbier had told Genscher that he had made Czechoslovakia's position very clear at the Prague Warsaw Pact conference and that Shevardnadze had thanked him afterwards for doing so. Dienstbier's interpretation was that Shevardnadze wanted to take a clear message back to Moscow. The second important point was that NATO should not expand its frontier into the GDR.

5. It was now time for the Soviet Union to make its response to these positions. It would be dangerous if the West were now to take further steps. It was clear that the Soviet Union was worried. Shevardnadze had said in Windhoek that even if Soviet Troops remained in the territory of the GDR under a Treaty, there was nothing to guarantee that there would not, in a year's time, be demonstrations outside the barracks demanding that they go, as had happened in Poland and Czechoslovakia. The Poles too were concerned that the continuing presence of Soviet Troops in the GDR had implications for Soviet Troops in Poland. That was a difficult pill to swallow when Czechoslovakia and Hungary had secured the withdrawal of Soviet Troops. For such

reasons, disarmament was a basic element of German and European unification.

6. Mr Genscher said that the Soviet Union would soon ask in the 2+4 talks what level of forces there would be in the territory of the present GDR. We would be well advised to avoid replying in 2+4 because this would amount to singularisation of Germany. But we should not avoid the question altogether and should have to reply elsewhere, for example in disarmament talks between the two alliances. There were two ways in which we could reply, though the substance would have to remain the same. The first was to say that we intended to conclude CFE 1 as it stood, but make it clear that we were ready to agree on further moves in CFE 2. The second way was to take what would otherwise be in CFE 2 and put it into CFE 1, which was the Soviet preference.

7. The US position, with which both the UK and FRG agreed, was that we could only have a CSCE Summit once we had a CFE agreement. The Soviets wanted a Summit. The Germans wanted agreement on unification by the time of the Summit. So everyone had an interest in settling all the outstanding issues by the Autumn. There was another argument for presenting the external aspects of German unification to the CSCE Summit. The Summit had not been decided on because of German unification. The question could not wait until the Helsinki Summit of 1992. And it would be impossible to hold another, which would be exclusively concentrated on German unification: this would come very close to a peace treaty negotiation which was unacceptable to the FRG.

8. The Western side needed to agree on what military strength it needed in future. We had agreed two basic principles.

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- (a) There was no linkage between the presence of the US forces in the FRG and the presence of Soviet forces in the GDR.
- (b) Even after German unification, and after conclusion of CFE 2, there would be German and Allied troops in the territory of the FRG.

We now had to build on this and consider what strength the two sides would have. It was urgent, but must be kept out of the 2+4 forum.

9. Mr Genscher said that at Windhoek, Shevardnadze had raised with him the question of a peace treaty. Did we need one? He had replied that a peace treaty would have to involve everyone, even Namibia, which was only two days old. But he had agreed with Shevardnadze that we needed somehow to draw a line and to end allied rights and responsibilities. Shevardnadze had suggested a line by line wrapping up of the Potsdam agreement, deciding what had been resolved, what was obsolete and what was still open. The Potsdam agreement referred to the need to guarantee peace in Europe. We could say that Potsdam had come to an end once this was assured. His impression was that what the Soviets wanted was the substance of a settlement and not a peace treaty in itself. But they would need some good reasons for not having a peace treaty which could be presented to their domestic opinion.

10. The Secretary of State thanked Mr Genscher for his account. It would be very useful for his visit to Moscow, on 9 April, from where Mr Weston had just returned. He saw a number of key issues. On neutrality, the Soviet position was outwardly hardening, but inwardly there was questioning. He would press on this when he was in Moscow. They might want to remain tough as the FRG election process proceeded. This was to be avoided. Hence the 2+4 talks should progress

quickly. Herr Genscher agreed. The Secretary of State said that he would telephone Mr Genscher before he left.

11. The Secretary of State said that Mr Weston had spent a lot of time discussing the question of an overall settlement with the Russians. He had told them that a peace treaty was not on. But we needed to draw a line and agreement on how to do this. It was important to the Soviet Union. Perhaps the answer was a mix of various documents, not a single document. We needed to study this. Mr Genscher agreed. On force levels, it was urgent to reach agreement. The Prime Minister had the previous evening spoken for the first time of reductions in UK forces. The Defence Secretary was working on this. We also needed agreement on nuclear weapons. It was not clear whether all this could be sorted out in CFE 1 or whether we should first agree CFE 1 and then deal with these questions in CFE 2. He inclined to the second point of view. The Secretary of State and Mr Genscher agreed that this was essentially a question of timing, substance would be the same in either case. Finally, we needed to address the future of the NATO alliance, its organisation, its content. As the Secretary of State had told M. Rocard, we should find a way of ending the distinction between FRG and French membership. Mr Genscher said that we should be careful to avoid giving the Soviet Union an opportunity to suggest that this should be done by deintegrating the FRG from the military structure. Hence the French position should not be discussed in the 2+4.

12. Mr Weston said that the Soviet Union was aware that its position on these issues was weak. Bovin's kiteflying article in ISZVESTYA on 23 March was remarkable in suggesting that the inclusion of the GDR in NATO would not have significant security implications for the Soviet Union. They were uneasy over the idea of a peace treaty. He had

pointed out to them the problems of a negotiation involving all "57 varieties" of country. The Soviet Union was also wondering whether the 2+4 talks could discuss the military status of Germany. He had replied that the 2+4 should be a steering group which identified the questions for discussion and satisfied itself that they were being properly covered wherever most appropriate. Meanwhile, the GDR held the chairmanship of 2+4 and had no government. How could we ensure that meetings took place? Mr Genscher said that he hoped there would be a government in 2-3 weeks. The FRG were considering sending officials to strengthen the GDR's MFA.

13. The Secretary of State said that we should meanwhile organise our thoughts on the Western side, eg through the Bonn Group. Mr Weston said that these consultations should agree the basic principles of our position before the next 2+4. These should be that Germany would remain a full member of NATO; Allied stationed forces within an integrated military structure; a sensible mix of nuclear and conventional weapons; transitional arrangements for the territory of the former GDR; and that the North Atlantic Treaty should apply. There seemed to be a lingering question mark over this last point.

14. The Secretary of State recalled that Mr Genscher had told him previously that Articles 5 and 6 of the NATO Treaty should not apply to the GDR. He had said later however that they could begin to apply once the Soviet troops had gone. Mr Genscher said that he saw three options. The first that Articles 5 and 6 should apply only to the present territory of the FRG. He had ruled this out. The second option was that Articles 5 and 6 should apply immediately to the territory of the GDR. The third option was that Articles 5 and 6 should apply to the territory of the GDR in a limited sense. In other words they should only apply if the Soviet

Union violated its obligations under the Treaty governing the stationing of its troops in the GDR. He thought that the question of Articles 5 and 6 would not in fact be decisive for the Soviet Union. The key point for them would be stationing and levels of forces. For our part, we should not allow ourselves to concentrate so much on troop reductions in Central Europe that we ended up with limits on our forces in Central Europe while the Soviet Union had unlimited forces in Eastern Europe (ie in the European territory of the USSR). But the Soviet Union had difficulties about the disposal of the troops it withdrew from Central Europe. This was a financial as well as a military problem and he expected them to raise it soon.

15. The Secretary of State agreed that Articles 5 and 6 were not decisive for the Soviet Union, but the question would need careful handling within the Alliance to avoid offending eg Dutch and Italian sensitivities. Mr Genscher agreed.

Lithuania

16. The Secretary of State said that he had been struck by the gloomy signals that were coming from Moscow. Gorbachev had asked to speak to the Prime Minister before the Anglo-German Summit by telephone. (Mr Genscher expressed his surprise that it had been Mr Gorbachev's initiative.) We had assumed that he wanted to speak about German unification. Instead, there had been an hour's conversation about Lithuania. Gorbachev had refused several opportunities to say that no force would be used. He clearly thought that the Lithuanians were behaving unreasonably. We were concerned that Moscow might have given operational control to the local military. We would need to keep a very close eye on the situation. Gorbachev probably wished to create a looser structure in the Soviet

Union to keep defecting republics in: it was not just a question of Lithuania. There was also the Ukraine. There was a risk that if there was a massacre in, say Vilnius, the whole reform process could go into reverse.

17. Mr Genscher said that the West had handled the situation well so far. Gorbachev wanted to achieve two things. First, an internal procedure for republics to leave the USSR. This could only be solved internally. Second, some external organisation into which departing republics could fit. This could be solved for example through the CSCE. It was mainly a question of saving face. In the long term, Gorbachev knew that several republics would leave the Soviet Union. The problem was that although the USSR was theoretically a federal state, in fact it was monolithic.

18. Mr Genscher asked whether Mr Weston had gained the impression in Moscow that the posting of Adamishin to Rome was a normal personnel decision. Mr Weston said that Adamishin was well qualified for Rome. Of more concern was the fact that his replacement was Kvitsinsky. Those who knew him well said that, in addition to his expertise on Germany, he tended to "play hard ball". His own main impression in Moscow had been that the Russians were at sixes and sevens. Mr Kastrup said that he would be visiting Moscow the day before the Secretary of State's visit.

South Africa

19. The Secretary of State and Mr Genscher discussed their participation in the Namibian Independence celebrations in Windhoek. They agreed that Mr Mandela was the most impressive black leader in Southern Africa. He had great authority because of his time in prison. But this was a wasting asset. He was an old man and would lose credibility if reform did not happen quickly. The Secretary of State said that he had had a long talk with Mr De Klerk. He had

probed him on violence and political prisoners. His impression was that the South African government were ready to move a long way. In private they were already talking about events a long way down the line, for example, how to establish rights for minority groups so that they could not be overturned. Zimbabwe was not a good example. They were looking at other models, eg Switzerland. In the recent budget, the South African government had given 2bn Rand to the Urban Foundation for black education and housing. This was separate from what the government was doing. The UK and US were also doing something in these areas. He hoped that the EC could gear itself up to do something for blacks once apartheid was gone.

Bilateral issues

20. The Secretary of State and Mr Genscher agreed on a number of points of bilateral interest for presentation at the Press Conference later that day.

21. The meeting ended at 10.40 am.

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