

RESTRICTED

FM BONN

TO PRIORITY FCO

TELNO 1054

OF 221735Z AUGUST 90

INFO PRIORITY WASHINGTON, PARIS, EAST BERLIN, BM BERLIN, UKDEL NATO

INFO PRIORITY UKREP BRUSSELS, MOSCOW

INFO ROUTINE ROME

GERMAN UNIFICATION : THE MOOD IN BONN

SUMMARY

1. THE VIEWS OF THE TOP LEVEL OF CDU AND SPD. KOHL AND GENSCHER WANT UNIFICATION TO BE AFTER THE CSCE FOREIGN MINISTERS MEETING ON 1-2 OCTOBER. SPD ARGUING FOR 15 SEPTEMBER BUT NOT EXPECTING TO PREVAIL. DEEP CONCERN AT THE PROGRESSIVE COLLAPSE OF THE GDR GOVERNMENT AND THE DEEPENING ECONOMIC CRISIS THERE. BREAKDOWN OF PUBLIC ORDER IN GDR NOT WIDELY EXPECTED.

2. GENERAL EXPECTATION THAT CDU/CSU AND FDP WILL WIN THE ALL GERMAN ELECTION NOW FIXED FOR 2 DECEMBER. BUT THE PROBLEMS OF THE GDR COULD STILL CHANGE THAT.

DETAIL

3. I CALLED ON 21 AUGUST ON VOLKER RUEHE, SECRETARY GENERAL OF THE CDU, AND ON 22 AUGUST ON VOGEL, CHAIRMAN OF THE SPD, TO DISCUSS THE APPROACH OF UNIFICATION.

RUEHE

4. LIKE EVERYONE HERE HE WAS VERY WORRIED ABOUT THE ECONOMIC SITUATION IN THE GDR. WEST GERMAN INVESTMENT HAD NOT GOT GOING, LARGELY BECAUSE OF UNCERTAINTY ABOUT PROPERTY OWNERSHIP AND BECAUSE THE EAST GERMAN AGENCY CONCERNED (TREUHANDANSTALT) HAD BEEN INEFFICIENT. THE ECONOMIC PROBLEMS COULD WORK ELECTORALLY AGAINST THE CDU AS THE PARTY IN GOVERNMENT BUT THIS WAS NOT CERTAIN BECAUSE THAT PARTY WAS GENERALLY SEEN AS MORE COMPETENT ECONOMICALLY THAN THE SPD. THE CDU'S STANDING IN THE GDR HAD SUFFERED THROUGH THE WEAK LEADERSHIP OF DE MAIZIERE AND THE COLLAPSE OF HIS COALITION. KOHL, AS CHANCELLOR OF GERMANY IN THE PERIOD FROM UNIFICATION TO THE ELECTIONS ON 2 DECEMBER, WOULD HAVE THE OPPORTUNITY TO EXERT LEADERSHIP AND TAKE CLEAR DECISIONS. THAT SHOULD HELP THE CDU BUT THERE WERE RISKS IN BEING RESPONSIBLE FOR EAST GERMANY AT LEAST SO LONG AS ADMINISTRATIVE STRUCTURES THERE REMAINED INEFFECTUAL.

5. RUEHE SAID THAT KOHL AND GENSCHER DID NOT WANT UNIFICATION TO COME UNTIL AGREEMENT HAD BEEN REACHED IN 2 PLUS 4, WHICH IT WAS IMPORTANT TO ACHIEVE ON 12 SEPTEMBER, AND CSCE FOREIGN MINISTERS HAD MET ON 1-2 OCTOBER. KOHL'S PREFERRED DATE FOR UNITY WAS 14 OCTOBER BUT 6 OCTOBER MIGHT BE FOR CONSIDERATION.

VOGEL

6. HE BEGAN BY EXPRESSING FORMAL THANKS FOR THE CONSTRUCTIVE BRITISH POLICIES IN 2 PLUS 4 AND THE SPEED WITH WHICH PROGRESS HAD BEEN MADE. THE GERMANS WOULD NOT FORGET THE SUPPORT OF THEIR ALLIES. VOGEL ASKED ME FOR A BRITISH VIEW ABOUT THE POSSIBILITY OF UNIFICATION ON 15 SEPTEMBER, WHICH THE SPD SUPPORTED. I SAID THAT MAJOR PROGRESS HAD BEEN MADE TOWARDS AGREEMENT IN 2 PLUS 4 BUT THERE WERE STILL MATTERS TO BE SETTLED. EVERY EFFORT WOULD BE MADE TO ACHIEVE THIS ON 12 SEPTEMBER BUT ONE COULD NOT BE CERTAIN OF SUCCESS IN ADVANCE. MOREOVER, IT WAS IMPORTANT THAT UNIFICATION SHOULD NOT PRECEDE THE CSCE FOREIGN MINISTERS MEETING ON 1-2 OCTOBER. OTHERWISE SOME PARTICIPANTS IN THAT MEETING MIGHT COMPLAIN THAT THE PROPER ORDER OF EVENTS HAD NOT BEEN OBSERVED. VOGEL SAID THERE WAS FORCE IN THIS. BUT HE CAUTIONED THAT THE SITUATION IN THE GDR, ALREADY VERY BAD, COULD GET MUCH WORSE, SO THAT UNIFICATION MIGHT BECOME NECESSARY BEFORE 1-2 OCTOBER.

7. VOGEL SAID THAT THE SPD IN THE GDR WOULD ONLY TABLE A MOTION IN THE VOLKSKAMMER FOR UNITY ON 15 SEPTEMBER IF THEY COULD EXPECT A MAJORITY. THAT WAS NOT IMPOSSIBLE, FOR SOME CDU MEMBERS FAVOURED UNITY NEXT MONTH. VOGEL GAVE THE IMPRESSION THAT, SUBJECT TO A MAJOR CRISIS IN THE GDR, HE WOULD NOT MIND IF THE CDU PREFERENCE FOR UNITY ON 14 OCTOBER PREVAILED. AS OTHER SPD CONTACTS HAVE TOLD ME, THAT WOULD LEAVE THEM WITH THE POLITICAL ADVANTAGE OF HAVING ADVOCATED EVEN EARLIER UNITY.

8. VOGEL AGREED THAT TALK OF A BREAKDOWN IN PUBLIC ORDER IN THE GDR, PREVALENT HERE BEFORE THE SUMMER BREAK, HAD NOW RECEDED. BUT HE SAW THE POSSIBILITY THAT ECONOMIC DIFFICULTY AND UNEMPLOYMENT COULD RAISE THAT QUESTION AGAIN. IF THINGS GOT REALLY BAD IN THE GDR, THE FEDERAL GOVERNMENT MIGHT NEED THE SUPPORT OF THE SPD AND, VOGEL IMPLIED, A GRAND COALITION MIGHT BE NEEDED. HE BLAMED KOHL FOR PLAYING DOWN THE DIFFICULTIES OF UNIFICATION FOR THE PEOPLE OF THE GDR. IT WOULD HAVE BEEN BETTER IF KOHL HAD FOLLOWED CHURCHILL'S EXAMPLE OF PREDICTING QUOTE BLOOD, SWEAT, TOIL AND TEARS UNQUOTE AND CALLING ON EVERYONE TO WORK FOR SUCCESS. DESPITE THE PROBLEMS, SAID VOGEL, THE PUBLIC IN WEST AS WELL AS EAST GERMANY WAS STILL FOR UNITY. IT WAS A SOBER SENTIMENT, WITH NO SIGN OF PATRIOTIC FERVOUR.

ALL GERMAN ELECTIONS

9. OPINION POLLS IN THE FRG CONSISTENTLY GIVE THE CDU/CSU AND FDP A COMFORTABLE OVERALL MAJORITY. THE GENERAL EXPECTATION IS THAT THEY WILL WIN THE ALL GERMAN ELECTION ON 2 DECEMBER. RUEHE WAS CONFIDENT OF THIS, ADDUCING A GENERAL VIEW THAT KOHL AND GENSCHER WERE HANDLING A MAJOR ENTERPRISE WITH STEADINESS AND SKILL. THE RIDER TO THIS FORECAST CONCERNS THE GDR ECONOMY. AS THE SPD EVIDENTLY CALCULATED, THE ECONOMIC PLIGHT OF THE EAST GERMANS AND THE LIKELY COSTS OF UNITY FOR WEST GERMANS COULD CAUSE A BACKLASH AGAINST THE BONN COALITION PARTIES BETWEEN NOW AND 2 DECEMBER.

MALLABY

YYYY

DISTRIBUTION

177

MAIN

150

.BERLIN/INNER-GERMAN RELATIONS
.(WIDE)
LIMITED
WED
SOVIET D
HD/EED
ACDD
ECD(E)
AMD
ECD (I)
SECPOL D
PUSD
CSCE UNIT
NEWS D
INFO D
NAD
PLANNERS
RAD
RMD
CRD
ECONOMIC ADVISERS

LEGAL ADVISERS
CLAIMS D
PS
PS/MR GAREL-JONES
PS/MR WALDEGRAVE
PS/PUS
MR P J WESTON
MR MCLAREN
MR TOMKYS
MR BAYNE
MR BROOMFIELD
MR GREENSTOCK
MR GOULDEN
MISS SPENCER
MR LING
MR GORE-BOOTH
MR BEAMISH
MR KERR
MR TAIT
MR BURNS

ADDITIONAL

27

BERLIN/INNER-GERMAN (WIDE)

PS/No 10PAGE 3
RESTRICTED

NNNN