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FROM:

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QUADRIPARTITE MEETING OF POLITICAL DIRECTORS, BONN, 7 NOVEMBER

- 1. I held one of a regular series of Quadripartite meetings with my French, German and American opposite numbers (Dufourcq, Kastrup and Seitz) in Bonn on 7 November. I attach a background note on the Quadripartite forum. plays an important role in the formulation of our foreign policy and allows us to share analysis and coordinate policy with our key allies in secret.
 - 2. The most interesting discussion at the meeting in Bonn focussed on East/West relations and developments in the GDR and Eastern Europe. These subjects will be on the agenda for the Secretary of State's meeting with his three colleagues on 13 December in the margins of the NAC.

East/West

3. We all agreed on the need for the West to make the most of the historic opportunity offered by the changes in Eastern Europe. Kastrup (FRG) argued that we should not try

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to establish blueprints for the future of Europe: to do so would confine developments in a strait-jacket. Dufourcq (France) argued for caution in the Western approach. We should avoid destabilisation. He believed we needed to try to foresee Gorbachev's initiatives on arms control and inter-Alliance relations. I pressed the need to maintain Alliance and EC cohesion in light of the uncertainties in Eastern Europe.

- 4. In a remarkably downbeat assessment of developments in the Soviet Union and Eastern Europe Seitz (US) said the US Administration doubted the ability of the Soviet leadership to effect the changes it was seeking. It might be able to demolish the old order but would be unable to create a new order. In Eastern Europe what had changed was the level of Soviet tolerance. The Soviet threshhold was however ill-defined and the West would have to be careful not to press the limits.
- 5. Seitz went on to suggest that there was a real danger of instability in Eastern Europe. He argued that the West needed to be ready to react quickly. I suggested that Ministers might wish to consider whether there was a case for undertaking some contingency planning in the Quadripartite forum. Seitz said that in Washington last weekend there had been concern in the Administration that the demonstration in East Berlin would get out of hand. Given their Berlin responsibilities the Administration had drawn up a list of possible courses of action. Kastrup said the FRG had undertaken no similar contingency planning but had put in hand arrangements to convene a meeting of all West German political leaders if an emergency had developed in the GDR. He argued that contingency planning was difficult in the abstract. Any Western reaction would depend on the precise circumstances. But all of us agreed that the Quad would be the appropriate forum to coordinate any reaction to a crisis in Eastern Europe. I suggested that we might compare notes on contingency planning at a future meeting. (We will submit more specific ideas on this shortly.)

CSCE

6. We all agreed that the CSCE was becoming more important as East/West relations become more fluid. It is the only body that involves all the key players, both European and American. The Western objectives of democracy, the rule of law and human rights are on its agenda. Seitz asked whether we could not use it more creatively to help manage change in

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Eastern Europe. I referred to the work being done by our Planning Staff on the possibility of using the CSCE as a court of appeal to arbitrate between Eastern European countries in dispute or as a sort of UN Regional Council for Europe. We agreed to undertake some more strategic thinking on the future of the CSCE at a forthcoming Quadripartite meeting.

7. The Germans complained that the Americans saw the CSCE as only a human rights forum, forgetting its role in other areas. Kastrup appealed to the Americans not to see the forthcoming Bonn economic forum as simply a question of maintaining COCOM. We should use it to promote economic cooperation with Hungary and Poland.

GDR

- 8. We all agreed that it was difficult to predict what would happen next in the GDR. The only thing that was certain was that the leadership could not remain where it was. It could either opt for a clamp down (but we doubted it now had the confidence to do this), or it could carry on riding the wave of public opinion in the direction of greater democracy. The FRG had heard nothing in public or private from Moscow about the GDR in the last few days. They believed the Soviet Union had ruled out a military solution. Kastrup said the FRG was already having difficulties in dealing with the flood of refugees. There was no more room in the camps. They did not know how many people would eventually leave but there was still great pressure for emigration.
- 9. Kastrup said there was a political consensus in West Germany on current developments in the GDR. He quoted the draft parliamentary resolution under discussion in the Bundestag debate today which says, "The core of the German question is freedom, democracy and self-determination." The demonstrators in the GDR were not demanding reunification, at least not for the time being. I said that we had concentrated in public on self-determination rather than reunification. Kastrup said this was exactly the right line in the view of the FRG.
- 10. Kastrup said that Genscher hoped the Quadripartite Ministerial meeting on 13 December would focus in particular on the German question. We have asked the Bonn Group to prepare a paper giving a joint assessment of events and conclusions to help focus Ministerial discussion.

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Bush/Gorbachev Meeting

- 11. Seitz reported on preparations for the Bush/Gorbachev meeting in Valletta. The rapidity of change in Eastern Europe and the ambiguity of developments in the Soviet Union had persuaded President Bush of the need for an early meeting with Gorbachev. The US and the Soviet Union needed to avoid any misunderstandings at this sensitive moment. Bush believed he had Gorbachev's agreement that there would be no negotiations at the meeting. He was determined to avoid a repeat of Reykjavik. The Americans intend to focus the meeting on:
 - a) Perestroika: what the Soviet Union is doing: what it expects of the West.
 - b) To reconcile the contradictions between what the Soviet Union is saying and what it is doing on regional issues.
 - c) Economic problems in the Soviet Union and, possibly, US/Soviet trade.
 - d) Eastern Europe, where the President would explain US objectives and reassure Gorbachev that these would not pose a threat to Soviet security. The President will also raise the Baltic Republics and will repeat the US legal position and call for self-determination. He would urge Gorbachev to deal with the Baltic Republics as special cases.
- 12. I questioned whether the Soviet Union's record on regional issues was as bad as Seitz suggested. Seitz said that Central America would be a test case for the US. Baker had written to Shevardnadze about the interception of a Nicaraguan arms shipment to the El Salvador guerillas. Shevardnadze's reply had been inadequate. President Bush attached great importance to this subject. His aim was to agree a work programme with Gorbachev running up to the Summit in May.
- 13. Seitz also made it clear that the US is going to take a more forward line on the Baltic Republics than the European allies. They are going to continue to press for self-determination for the Baltic Republics. Baker had asked Shevardnadze on the way to Wyoming about the possibility of a referendum on independence. Shevardnadze had accepted that violence would be destructive but had not accepted the right to self-determination. He had said that

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the Soviet leadership would try to talk the Baltic States out of it on practical grounds (too small, too isolated etc). I expressed doubt about pressing the Russians' hand on this extremely sensitive question at the present time.

Poland

14. Kastrup gave us a brief preview of Chancellor Kohl's letter to President Bush and other Western leaders detailing West German economic assistance for Poland prior to his visit there. Kastrup underlined in particular the German commitment to put \$200 million towards the stabilisation fund and to grant DM3 billion in export credit guarantees, to be monitored by a joint Polish/German team. Seitz said that Walesa's visit to Washington would act as a deadline for an American decision on economic assistance. He expected a compromise between the Administration and Congress on a programme of \$550 million, in addition to the stabilisation fund.

Arms Control

- treaty in 1990. They believed the treaty should establish floors as well as ceilings on force levels. They had heard a hint that the Canadians were thinking of withdrawing their brigade from Germany. They were opposed to any premature cuts by Western governments. He anticipated difficulties in sharing out the reductions under any CFE treaty between the members of the Alliance. He mentioned the idea that we should opt for a cut of 15% across the board for the whole Alliance, but said this was opposed by General Galvin. I agreed that the division of the cuts would be difficult but that we must take into account the advice of the NATO commanders.
 - 16. Kastrup argued for greater flexibility for our CFE negotiators in Vienna. Dufourcq insisted that any decisions should be taken in Brussels by the High Level Task Force. Seitz and I supported him. I underlined the importance we attached to getting a good agreement rather than rushing. A CFE treaty would set the pattern of security structures in Europe for decades to come. It would affect European countries more than the US. Seitz accepted this and said that the US had accordingly altered its position on verification to fit in with French and British concerns.
 - 17. Seitz said that the President still hoped to complete a START treaty by the Summit in May/June 1990. There had however been little progress in Geneva.

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18. The Russians had told the Americans that Gorbachev would shortly be writing to Bush with proposals on the bilateral $\underline{\text{CW}}$ initiaitve. The Americans would also soon receive figures for Soviet CW holdings. They would have to decide how to react.

South Africa

19. The Germans again raised the question of a Western group on South Africa. (This issue was first raised at the Quadripartite Ministerial meeting in New York. We argued then that it should be put off for further discussion at the meeting in Brussels in December in light of the outcome of CHOGM.) I made it clear that we saw no need for a new group to tell South Africa how to run its own affairs. Seitz said the US was open to such a group. It might include South Africa's principal trading partners. The aim would be to consult among ourselves rather than to put pressure on, or negotiate with, South Africa. They did not wish to reinstate the contact group on Namibia. Dufourcq said that France was not enthusiastic about such a group but agreed to put it to Dumas. I fear we shall hear more of this at the Ministerial meeting in December.

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John Fretwell