

No. 209

Letter from Mr Powell (No. 10) to Mr Wall

[WRL 020/1]

Confidential

10 DOWNING STREET, 8 June 1990

Dear Stephen,

*Prime Minister's Meeting with President Gorbachev in the Kremlin
on Friday 8 June¹*

The Prime Minister had a two and a half hour talk with President Gorbachev in the Kremlin this morning. Gorbachev was accompanied only by his assistant, Anatoly Chernyaev. The discussion continued over a working lunch which was attended in addition by Mr Thatcher, Mr Shevardnadze, the Soviet Ambassador in London and HM Ambassador in Moscow.

The Prime Minister commented afterwards that she found Mr. Gorbachev a bit less ebullient than usual, but nonetheless in good form and seemingly well in control of events. Certainly he was very equable and good-humoured throughout. Richard Pollock, who interpreted, thought the mood the best of any of the meetings between the Prime Minister and Gorbachev which he had attended. I would agree with that.

The main interest of the meeting lay in Gorbachev's views on Germany and NATO which are obviously still evolving. At no stage did he say that a united Germany in NATO was unacceptable. He appeared rather to be reaching round for ways to make this more palatable and explicable to his own people. But some of his comments were rather confused and hard to follow. Lithuania did not seem to be at all a high priority for him. He did not raise non-circumvention under the START Treaty, indeed did not dwell on nuclear matters much at all.²

This letter contains sensitive material and should be given a very restricted circulation only.

¹ Mrs Thatcher visited the Soviet Union from 7 to 9 June.

² The Strategic Arms Reduction Treaty (START), first proposed by President Reagan in June 1982, was eventually signed in July 1991.

German Unification, 1989–1990

Introduction

The meeting started with some banter about Gorbachev's visit to Washington.³ Gorbachev said that his body was still trying to recover from the effects of the journey and the eleven hour time difference between San Francisco and Moscow. He kept wanting to go to sleep at the wrong time: indeed he had almost dropped off during the Warsaw Pact meeting the previous afternoon.

Gorbachev said one of the reasons he always enjoyed meeting the Prime Minister was that she did not come trailed by a delegation. They could talk more intimately. The Prime Minister said she believed in having only a small staff. Gorbachev said that she was fortunate: in the Soviet Union the policy and the administration functions were combined, which made for a very complex bureaucracy. He was now engaged in trying to take the bureaucratic structure apart: the Prime Minister could probably hear the yelling even in the United Kingdom. Parkinson's Law was no exaggeration.

The Prime Minister congratulated Gorbachev on the success of the US/Soviet Summit in Washington. It had been very extensively and positively reported in the United Kingdom and there had clearly been an excellent rapport between Gorbachev and President Bush. Gorbachev said that he knew the President had telephoned the Prime Minister to give her an account of the meetings. Indeed he seemed to have telephoned everyone, including some of the East Europeans. But there was no harm in that, he was all for everyone having as much information as possible.

Becoming slightly more formal, Gorbachev then said that he was very happy to see the Prime Minister again. He had a feeling that her visit would be productive and successful. The Prime Minister said she was honoured that Gorbachev had taken the time to receive her at such a critical moment in the Soviet Union, when he had many pressing problems with which to deal. Gorbachev said that their meeting had been arranged long before the US/Soviet summit and he had been determined to keep his promise. The only aspect of the visit he could not manage was accompanying the Prime Minister to Kiev. He was genuinely very sorry about that, but hoped she would understand. He could assure her that he would much prefer to go with her to Kiev than be stuck with resolving his problems in Moscow. The Prime Minister said rather starchily that the problems must come first. Gorbachev observed that at least he and the Prime Minister were having a joint press conference for the first time in their six years of meetings: at last she had agreed. The Prime Minister said that she had not realised that she had been an obstacle to this. But she hoped they could both use the press conference to convey a positive and forward-looking view of the future. The task of those at the top was to point the way forward. Gorbachev said the Prime Minister was very experienced in handling the press: he would take his cue from her: together they would manage to give the right impression. The Prime Minister said that Gorbachev had managed the press extremely well in Washington: he could give her a few lessons.

US/Soviet Summit

Gorbachev said he would start by dealing with the US/Soviet summit since the Prime Minister had mentioned it. It had been a most important visit, with many issues discussed and significant agreements reached. There had been a lot of

³ His summit meeting with President Bush had taken place between 30 May and 3 June. At their meeting on 31 May he had made the crucial concession, possibly inadvertently, that a united Germany would be free to decide which alliance it wished to join. See Zelikow and Rice, pp. 275-85.

discussion of disarmament and neither he nor President Bush had failed to remember the Prime Minister's strong views on this subject. He recalled that the Prime Minister had once said that the British and French nuclear deterrents would not be involved in any negotiations, at least until after a START Agreement which reduced the US and Soviet strategic arsenals by 50 per cent. But that was by the way. He believed a treaty would be signed this year. There had also been progress on chemical weapons and nuclear testing. There had been quite a sharp discussion about the future intentions of each party in the nuclear field. On CFE, they had agreed to aim at a treaty this year. The talks had also covered the whole range of bilateral problems. Discussion of a trade agreement had gone right up to the last day. By now he was accustomed to the American style of fighting your corner up to the last minute and had decided to hang in there himself. The Prime Minister was his only unpredictable interlocutor: he never knew what she was going to say next.

The Prime Minister said that she continued to believe passionately in what Gorbachev was trying to achieve in the Soviet Union. People—and particularly journalists—had become blasé about how much had already changed. He would have her full support, both privately and publicly. From their very first meeting, they had always agreed to speak frankly and on the basis of mutual respect, with each entitled to their own views. Generally speaking she was encouraged by the way things were moving. For instance the communiqué from the Warsaw Pact meeting the previous day would have been inconceivable even a year ago. Gorbachev said that he was now looking for some reciprocal move from the NATO summit in London.⁴ He had the feeling that NATO was rather lagging behind the Warsaw Pact. The Prime Minister said that she had looked in on the NATO Foreign Ministers meeting in Scotland the previous day, and in fact the views there had been very similar.⁴ But we must always keep strong defence: you never knew where the threat would come from next. Gorbachev said the aim must be for NATO and the Warsaw Pact to draw closer to each other. They must make the transition from confrontation to cooperation. We must mould European structures so that they helped us find the common European home. Neither side must be afraid of unorthodox solutions. He would be more specific about this later in their talk.

The Prime Minister said that when she and Gorbachev had first met some years ago, there had been two wholly different ideologies confronting each other. The Communist ideology had been expansionist and it was this that had caused the basic division of Europe and the confrontation between NATO and the Warsaw Pact. Much had changed since then, due in good part to Gorbachev, and several regional problems were well on the way to solution. There was one point on which the two of them had differences in the past: she believed that nuclear weapons were the most effective deterrent to war. We must keep nuclear weapons, including some in Europe. People asked her who the enemy was. The answer was: you never knew where or when a new tyrant might arise. But you had to be sure that whatever enemy might materialise, you had enough forces to make success impossible for him, so that he would never start a war. President Reagan had a vision of the world without nuclear weapons, but President Bush did not share this and he was right.

⁴ See No 197, note 6.

Gorbachev suggested that tyrants were pretty sophisticated these days and would understand that no one would actually use a nuclear weapon. The Prime Minister said that apparently sophisticated people sometimes had uncontrolled emotions and might over-step the mark. The fact was that thirteen countries already had a missile capability, which could deliver chemical weapons. The odds must be that several of them would acquire nuclear weapons in the next 20 years. Gorbachev said that his view was rather different. He believed we should move towards a system of joint action to ensure security. If we could put that together, it would be a good start. The Prime Minister replied that, even then, you would need to keep a certain level of weapons, including nuclear weapons. Gorbachev commented that he and the Prime Minister were back on their old argument. The Prime Minister acknowledged this, but said she wanted Gorbachev to be quite clear that we intended to keep our independent nuclear deterrent, and she thought the same applied to France. Gorbachev said that the reference to France made him think the Prime Minister's view-point was rather like the Maginot Line. If there had been a joint security system in Europe between the wars, the Second World War would never have happened.

The Prime Minister said this led her on to the importance of keeping American forces in Europe. Gorbachev said he had discussed this in Washington with President Bush. The President saw NATO as the only way in which United States forces in Europe could be maintained. His reasoning seemed to be that without a unified Germany in NATO, there would be no NATO: without NATO, there would be no United States forces in Europe: and without that, the United States would have no political influence. He quite seriously and realistically understood that point of view. His own point of departure with President Bush—as it always had been with the Prime Minister—was that there could be no security unless it was equal for all. If one side felt disadvantaged there would be no movement forward. But he also accepted there could be no success without co-operation between the United States and the Soviet Union. That had been a constant in his thinking since 1985. He did not want to drive the United States out of Europe: that would be dangerous. But there was a bit of a paradox here. When tension started to rise, everyone was very keen to persuade the United States and the Soviet Union to patch up their differences. But as soon as relations improved, other countries begun [*sic*] to suspect a condominium. He recalled the Prime Minister's expression: 'We can't afford another Reykjavik'.⁵ The Prime Minister said that she had been quite right: we could not afford another Reykjavik. But she agreed that we would only make progress if there was cooperation and understanding between the United States and the Soviet Union.

Germany and NATO

The Prime Minister said she would like to be more specific on the subject of Germany and NATO. She recalled her discussion with Gorbachev last September.⁶ She had always been rather apprehensive about a unified Germany. So was President Mitterrand. The difference was that she expressed it publicly and Mitterrand did not. She had been aware of Gorbachev's view that there should be a

⁵ During their summit meeting at Reykjavik on 11-12 October 1986 President Reagan (without consulting his European allies) and Mr Gorbachev had come close to agreement on an INF treaty. The summit had then broken down over Mr Gorbachev's insistence that such a treaty must be linked to the United States' abandonment of its SDI programme, and President Reagan's refusal to accept this demand. See also No. 51, note 4.

⁶ No. 26, note 4.

long transitional period before unification to enable all the details to be worked out. She had supported that view publicly and taken a lot of criticism for it. She had not received much support, even from Gorbachev. It had subsequently become clear that Germany would unify quite rapidly under Article 23 of the Federal German Constitution. Now that unification was almost upon us, ordinary people were beginning to express more doubts about it, particularly in the Soviet Union. We could not now stop or even slow down unification. The task was to find some way to make sure that it did not threaten anyone's security.

The Prime Minister continued that she was glad Gorbachev accepted the stabilising role that the United States played in Europe. Germany was just about the only place that American forces could be present in Europe in any significant numbers. And their presence there represented security not just for Europe but also for the Soviet Union. But that meant a unified Germany must be in NATO, otherwise there would be no justification for the presence of US forces. If we took that as the starting point, we could then look at ways to allay Soviet concerns. Various ideas had been put forward, in particular Secretary Baker's nine points.⁷ Gorbachev had himself proposed limits on the numbers of German forces and some sort of joint declaration between NATO and the Warsaw Pact. (At this point, Gorbachev asked Chernyaev to go and fetch his briefcase, from which he produced a document.) We could look at that and she would be interested to hear more about the idea. She had set out her own view in her speech to NATO Foreign Ministers the previous day, which would be available to him. One way of strengthening confidence would be to develop the CSCE, making it a forum for regular political consultation between East and West. Mr Shevardnadze had made similar proposals. The history of central Europe was littered with conflicts and difficulties, and there had to be a forum to sort out problems before they became too troublesome. There should be regular meetings and consultations. None of this would obviate the need for continuing defence, which would in turn require us to keep some nuclear weapons in Germany—perhaps fewer than at present, but still some.

Gorbachev said that he would like to take up some of the Prime Minister's points on Germany. What was going to happen was going to happen: he did not dispute that. But they ought to analyse the situation. Europe used to be two armed camps. Now that was changed. The previous day's meeting of the Warsaw Pact had left no doubt about that. Indeed Europe had travelled a long way since 1985, and he was grateful for the Prime Minister's contribution to that. What he had to say on Germany might seem unorthodox or unusual. But ideas which had seemed Utopian only a few years ago were now being realised in practice. If the two of them could join hands in seeking a solution, they would succeed. He was ready to back any option, whoever was the author, which would produce a solution. But it must be an option which did not undermine the progress which had already been made. And no nation must feel that its interests were not being taken into account.

Gorbachev continued that there were a number of processes in train which ought to be combined. First, there was the process of forming a unified Germany. It ought to be a calm and placid process. But Chancellor Kohl was being a bit hasty and subordinating everything to the demands of his election campaign. Kohl was not exactly displaying a high class of politics. He desperately wanted to be father of a unified Germany. De Maizière, whom he had met the previous day,

⁷ See No. 202.

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represented the same party as Kohl but took a more sober approach. His great concern was that his people should not be hit too hard in economic terms by unification. Opinion polls even in West Germany showed a growing number of people concerned that unification was going too fast. All the same he accepted that unification would be determined mostly by internal reasons in Germany.

Gorbachev continued that we also had to consider the external front. It was premature to say that the Four Powers had given up their rights in Germany. There had first to be a final settlement. Only then would Germany be a fully sovereign state. There was also the issue of Germany in NATO. Chancellor Kohl claimed to speak for a unified Germany on this, and the Prime Minister supported him. But we did not yet have a unified Germany. Once it emerged, we could talk about it. But for now there could only be preliminary discussions, although he had nothing against them. In parallel, we should be looking at a new security structure for Europe. There were several aspects to this. We should change the nature of our respective alliances and make them more political. Germany should confirm its renunciation of nuclear, chemical and biological weapons. She should also agree to limits on the size of her forces. We should change our military strategies—and in this respect, he had high hopes of the NATO summit in July. If nothing tangible came of that, then suspicions would rise. It was in this general context that he had suggested that the two alliances might sign a declaration or agreement signalling a rapprochement between them. The document could record their intention to cooperate and interact. It might set up a body where the military leaders of the two alliances could talk to each other. As it was, he never saw Yazov these days: he always seemed to be travelling. The Prime Minister interjected that she had seen him. Gorbachev said that was just the trouble. But if we were both thinking of permanent bodies in the CSCE framework, then why not have one for the military, where all these matters could be discussed?

Gorbachev continued that he would like to pursue the point in rather greater detail. One aspect was that of limiting German forces. That could perhaps be pursued in a second stage CFE agreement. Another possibility to be explored was the nature of a unified Germany's membership of NATO. What about the French model? Or the Danish or Norwegian model, under which there were no stationed nuclear weapons or bases? Or even the UK model? His point was that there were many different models of NATO membership, and we should look for a form of membership for a united Germany which would reflect the interests of all of us. In the longer term, and once NATO and the Warsaw Pact were reformed, it might be possible for any European state to join either one of them. Perhaps the Soviet Union could join NATO. What he was saying was that we were in a transitional period, and should be discussing how to alleviate the concerns of everyone about the future status of Germany in defence matters. He had promised to put forward some more detailed ideas, and had agreed with President Bush that their two Foreign Ministers would work on this.

The Prime Minister said that she would respond to some of these points. There was no prospect now of slowing down German unification. The escalator would start to move with German economic and monetary union on 1 July. The political parties in East and West Germany would unite in the autumn. We all had to accept that unification would happen in the timetable foreseen by Chancellor Kohl i.e. by the end of the year. The manner in which Germany would unite meant that East Germany would automatically inherit all the obligations and alliances of West Germany, including membership of the European Community and of NATO. She

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did not see any way in which Germany could be united for one purpose and not for another. NATO's Foreign Ministers had agreed to look at the Alliance's strategy and structure and consider how it could have a more substantial political role. We were also negotiating reductions in conventional forces. All this should help meet Soviet concerns. She did not think the French model of membership of NATO was at all relevant. The worst thing would be to have Germany in NATO but without its forces integrated into the Alliance's military structure.

The Prime Minister continued that she was interested by Gorbachev's idea of a NATO/Warsaw Pact declaration. But at the moment it was just a skeleton. We needed to put some clothes on it. What kind of declaration would it be? If it was a sort of confidence-building measure she would support it. She could also understand an institutionalisation of the present pattern of exchanges and visits. She could agree a declaration which emphasised that both the NATO and the Warsaw Pact were defensive alliances, which would keep the forces and weapons necessary for defence. Gorbachev interjected that his proposal might also involve the setting up of a centre for conflict prevention. The Prime Minister continued that the CSCE could provide the umbrella for all this, as well as being the forum which brought the Soviet Union fully into discussion about the future of Europe. An organisation in which the United States and the Soviet Union were also present would help balance the growing power of Germany. In short, it was no good fighting causes which had already been lost, such as a longer transitional period before unification. We should put all our efforts into increasing confidence between East and West.

Gorbachev said that he could support most of what the Prime Minister had said. By talking things through, he felt they were making progress. They should agree to put their Foreign Ministers to work on these new concepts and try and come up with a coherent formula. Things were becoming steadily clearer. But until discussion of these matters had been completed, Germany could not have full sovereignty. The Prime Minister said that it was not realistic to hold up German unification on these issues. We should be pressing ahead on all fronts: a final settlement between Germany and the Four Powers: a CFE Agreement: strengthening the CSCE: a NATO/Warsaw Pact declaration. Gorbachev said that he wanted to be completely frank with the Prime Minister. If discussion of the external aspects of unification went entirely normally, he was sure that all these treaties and declarations could be signed. But if one side tried to go ahead unilaterally, there could be a very difficult situation. The Soviet Union would feel its security in jeopardy and might have to reconsider the whole concept of a CFE agreement. He thought that all would go well. But there should be no ultimatums. The Prime Minister said she understood this: it was in no one's interest to jeopardise the Soviet Union's security. But we had to be realistic. Certain consequences flowed from German unification, and membership of NATO was one of them. It was no good fighting it. But we must find ways to give the Soviet Union confidence that its security would be assured. She and Mr Gorbachev should put in hand further work on the basis of their discussion. Gorbachev said that he agreed with that . . .⁸

Yours sincerely,
CHARLES POWELL

⁸ Remaining paragraphs not printed.



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