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TO IMMEDIATE WASHINGTON

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OF 261700Z MARCH 90

AND TO IMMEDIATE PARIS, BONN, TOKYO, OTTAWA, ROME

AND TO IMMEDIATE UKREP BRUSSELS, MOSCOW, UKDEL NATO

AND TO IMMEDIATE UKMIS NEW YORK

MIPT: MEETING OF SUMMIT SEVEN POLITICAL DIRECTORS: SOVIET UNION  
AND EUROPE

SUMMARY

1. REPORT ON BAKER/SHEVARDNADZE MEETING. SHEVARDNADZE SAYS MOSCOW WILL NOT USE FORCE IN LITHUANIA; OPPOSED TO BOTH A UNITED GERMANY IN NATO AND A UNITED GERMANY THAT WAS NEUTRAL. AGREEMENT THAT THERE IS LITTLE THE WEST CAN DO TO HELP LITHUANIA. DISCUSSION OF GERMAN UNIFICATION. JAPANESE CONCERNED ABOUT LACK OF CHANGE IN SOVIET POSTURE IN ASIA/PACIFIC: UNDERLINE DESIRE FOR A ROLE IN EASTERN EUROPE.

DETAIL

BAKER/SHEVARDNADZE

2. KIMMITT (US) REPORTED ON THE BAKER/SHEVARDNADZE MEETING IN WINDHOEK. THEY HAD AGREED TO HOLD A FURTHER MINISTERIAL IN WASHINGTON IN APRIL, ANOTHER IN MOSCOW IN MAY AND POSSIBLY A THIRD TO PREPARE FOR THE JUNE SUMMIT. BAKER HAD FOUND SHEVARDNADZE VERY MUCH IN CONTROL IN SPITE OF RECENT EVENTS. REGIONAL POLICY DISCUSSION HAD CONCENTRATED ON ANGOLA AND AFGHANISTAN (SEE MIFTS). ON SOVIET INTERNAL REFORM SHEVARDNADZE SAID THE ALBALKIN ECONOMIC REFORM PLAN, DESPITE ITS DEFECTS (PARTICULARLY ON THE PRICING SIDE), WAS STILL THE BEST AVAILABLE. ON LITHUANIA, SHEVARNADZE HAD STRESSED THAT, WHILE THEY KNEW WHAT THEY WANTED TO ACHIEVE, THE RUSSIANS NEEDED TIME AND A PROCESS TO REACH THAT END. HE EXPRESSED IRRITATION WITH THE LITHUANIANS FOR FORCING THE PACE. MOSCOW WOULD NOT USE FORCE. THE TROOPS WERE THERE TO PROTECT NUCLEAR INSTALLATIONS AND DEFENCE FACILITIES. RUSSIAN INTERESTS HAD TO BE TAKEN INTO ACCOUNT. IN CENTRAL EUROPE TOO SHEVARDNADZE FELT EVENTS WERE MOVING TOO FAST AND GETTING AHEAD OF SECURITY DISCUSSIONS. ON GERMAN UNIFICATION, SHEVARDNADZE TOLD BAKER HE WAS OPPOSED TO A UNITED GERMANY IN NATO, BUT HE WAS ALSO OPPOSED TO A UNITED GERMANY THAT WAS NEUTRAL. BALTIC REPUBLICS

3. WESTON SAID THAT DESPITE HMG'S POLICY ON NON-RECOGNITION OF THE 1940 ANNEXATION WE HAD NOT RECOGNISED THE NEW STATE AS IT DID

NOT YET MEET OUR FULL CRITERIA. FOR THE PRESENT THE UK WAS AVOIDING CONTACTS WITH LITHUANIAN GOVERNMENT OFFICIALS. KIMMITT SAID THIS WAS PARALLEL TO US POLICY. OWADA (JAPAN) SAID THAT JAPAN HAD NOT RECOGNISED THE NEW LITHUANIAN GOVERNMENT OR ESTABLISHED CONTACTS WITH IT AS IT HAD NOT JUDGED THAT LITHUANIA HAD YET SECEDED IN FACT. KINSMAN (CANADA) NOTED THAT CANADA WAS IN PRINCIPLE MORE RELAXED ABOUT CONTACTS.

4. KIMMITT SAID SHEVARDNADZE HAD SPOKEN OF THE NEED FOR A SERIOUS AND SUBSTANTIVE DIALOGUE WITH LITHUANIA BUT HAD EXCLUDED THE USE OF FORCE BECAUSE THAT WOULD MEAN THE END OF PERESTROIKA. WESTON ASKED WHETHER THE ADMINISTRATION COULD RESIST DOMESTIC POLITICAL PRESSURE IN THE FACE OF EVENTS IN LITHUANIA. KIMMITT SAW SUCH PRESSURE AS INCREASING BUT CONTAINABLE, EVEN IN THE FACE OF SOVIET INTIMIDATION, AS LONG AS FORCE WAS NOT ACTUALLY USED. PRESIDENT BUSH WANTED GREAT CAUTION TO BE DISPLAYED TOWARDS EVENTS IN LITHUANIA NOTWITHSTANDING THE 93/0 VOTE IN THE SENATE. HE TOOK THE VIEW THAT IT WAS NOT FOR HIM TO PRESCRIBE AT A DISTANCE HOW SUCH DIFFICULT DEVELOPMENTS SHOULD BE HANDLED. KINSMAN SAID THAT CLARK'S IMPRESSION WAS THAT SHEVARDNADZE WAS WORRIED ABOUT THE PRECEDENT THAT MIGHT BE SET BY LITHUANIA. KIMMITT REJOINED THAT SUCH A PRECEDENT HAD ALREADY BEEN SET BY ALLOWING ELECTIONS TO TAKE PLACE. HE WONDERED WHETHER THE WESTERN RESPONSE TO EVENTS IN ARMENIA AND AZERBAIJAN HAD MADE THE RUSSIANS THINK THAT THE USE OF FORCE INTERNALLY WAS ACCEPTABLE, AS LONG AS IT WAS WITHIN CERTAIN LIMITS.

5. RANTZAU (FRG) ASKED WHAT WESTERN COUNTRIES COULD DO IF THE SOVIET UNION USED ECONOMIC RATHER THAN MILITARY PRESSURE ON LITHUANIA. WESTON SAID IT WOULD BE ONE THING FOR THE WEST TO STEP IN AND MAKE GOOD IF THE RUSSIANS FINALLY CONCEDED THE LITHUANIAN DEMAND FOR INDEPENDENCE BUT MADE THE ECONOMIC CIRCUMSTANCES THEREAFTER AS DIFFICULT AS POSSIBLE. IT WOULD BE QUITE ANOTHER IF ECONOMIC STRANGULATION WERE USED TO FURTHER THE SOVIET NEGOTIATING POSITION BEFORE THE EVENT, IN WHICH CASE IT WOULD BE MUCH MORE DIFFICULT FOR THE WEST TO INTERVENE WITHOUT PROVOCATION. THE GROUP GENERALLY AGREED.

#### GERMAN UNIFICATION

6. RANTZAU SAID THE GDR ELECTIONS SHOULD BE SEEN AS A REFERENDUM ON UNIFICATION. THE VOTE FOR THE CDU HAD BEEN A VOTE FOR UNITY NOW. THE TWO GERMANIES WOULD INCREASINGLY SPEAK WITH ONE VOICE, INCLUDING IN THE TWO PLUS FOUR. THE EAST GERMAN CDU WOULD HOWEVER HAVE DIFFICULTIES IN FORGING A COALITION AND FINDING QUALIFIED CANDIDATES TO SERVE AS MINISTERS. THE SOVIET UNION HAD SO FAR PLAYED A BASICALLY POSITIVE ROLE. KINSMAN BELIEVED THE SOVIET UNION WANTED TO NEGOTIATE IN THE TWO PLUS

FOUR ABOUT THE APPLICATION OF ARTICLES 5 AND 6 OF THE NATO TREATY TO THE FORMER GDR AND THE MILITARY STATUS OF THIS TERRITORY AFTER UNIFICATION. IT MIGHT NOT BE IN WESTERN INTERESTS TO GO AHEAD WITH A CSCE SUMMIT IF THE SOVIET UNION HAD BY THEN BLOCKED RESOLUTION OF THE KEY QUESTIONS RELATING TO A FUTURE UNITED GERMANY'S SECURITY ARRANGEMENTS. RANTZAU DID NOT BELIEVE THE SOVIET UNION WOULD TRY TO PUT ALL OF THESE ASPECTS ON THE TWO PLUS FOUR AGENDA. DUFOURCQ (FRANCE) WAS LESS CERTAIN. WESTON NOTED THESE WERE NATO ISSUES AND SHOULD NOT BE DISCUSSED WITH THE SOVIET UNION. IF SOLUTIONS HAD NOT BEEN REACHED THE CSCE SUMMIT COULD SIMPLY NOTE THE PROGRESS MADE. WESTON ASKED WHAT WOULD HAPPEN IF THE GDR GOVERNMENT APPLIED TO JOIN THE FRG UNDER ARTICLE 23 WITHOUT OBTAINING A TWO-THIRDS MAJORITY IN THE VOLKSKAMMER. REANTZAU SAID IT WAS NOT CLEAR WHETHER THE GDR LANDER COULD APPLY TO JOIN THE FRG IF THEIR CONSTITUTION PROHIBITED SUCH A SETTLEMENT. THIS WAS A COMPLICATED ISSUE.

## JAPAN/SOVIET UNION

7. IN RESPONSE TO A QUESTION FROM WESTON, OWADA (JAPAN) SAID THE POSITIVE POLICIES ADOPTED BY THE SOVIET UNION IN EUROPE WERE NOT BEING REFLECTED IN THE ASIA/PACIFIC REGION. THERE HAD BEEN NO REDUCTION IN SOVIET AIR AND NAVAL POWER IN THE REGION (SOME DECREASE IN NUMBERS HAD BEEN OFFSET BY IMPROVEMENTS IN QUALITY). THE DIFFERENCE IN THE SOVIET ATTITUDE COULD BE EXPLAINED BY THE DIFFERENT GEOPOLITICAL ENVIRONMENT IN THE TWO REGIONS AND BY DIFFERENT POLICY GOALS. THE ASIA/PACIFIC REGION (TO SOME EXTENT STILL A SECONDARY PRIORITY FOR MOSCOW) WAS NOT BIPOLAR LIKE EUROPE. CHINA WAS A COMPLICATING FACTOR. THE SOVIET UNION WAS NOT LIQUIDATING THE GAINS OF THE POST-WAR PERIOD IN THE ASIA/PACIFIC REGION AS IT WAS IN EUROPE. THE ALIGNMENTS WERE FAR LESS CLEAR CUT IN THE REGION AND FOR THAT REASON MILITARY POWER AS AN INSTRUMENT OF POLITICAL INFLUENCE ASSUMED A CORRESPONDINGLY GREATER IMPORTANCE IN THE CONFIGURATION OF FORCES.

8. THE JAPANESE WERE NEGOTIATING WITH THE RUSSIANS ON A PEACE TREATY. THE NEXT VICE-MINISTERIAL MEETING WOULD TAKE PLACE IN THE FIRST HALF OF THIS YEAR. FOR JAPAN THE SOVIET ATTITUDE ON THE NORTHERN TERRITORIES WOULD BE A TEST OF NEW THINKING IN THE REGION. HE DID NOT EXCLUDE THE POSSIBILITY THAT THE SOVIET ATTITUDE WOULD CHANGE. THERE HAD BEEN INFORMAL HINTS THAT IT MIGHT BE EASIER ONCE THE BALTIC QUESTION HAD BEEN SOLVED. OWADA ASKED FOR WESTERN SUPPORT ON THE NORTHERN TERRITORIES. KIMMITT SAID BAKER HAD RAISED THIS ISSUE WITH SHEVARDNADZE IN MOSCOW AND WOULD RAISE IT AGAIN AT THE NEXT BILATERAL IN WASHINGTON.

## JAPAN/EASTERN EUROPE

9. OWADA SAID THAT FOR JAPAN THE REVOLUTION IN EASTERN EUROPE

WAS MORE THAN A REGIONAL DEVELOPMENT. IT WAS A STRUCTURAL CHANGE IN THE INTERNATIONAL SYSTEM AND THE POST-WAR BIPOLAR WORLD. JAPAN WANTED TO BE INVOLVED IN THE PROCESS BECAUSE IT WOULD AFFECT THE ASIA/PACIFIC AND BECAUSE JAPAN WAS CONSCIOUS OF THE POLITICAL RESPONSIBILITY SHE WAS NOW EXPECTED TO ASSUME IN WORLD AFFAIRS. JAPAN WANTED TO CONTRIBUTE TO WORKING OUT NEW ARRANGEMENTS TO HELP BRING THE MARKET ECONOMIC SYSTEM AND PLURALIST DEMOCRACY TO EASTERN EUROPE.

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