Document No. 9: Record of Conversation between Mikhail

Gorbachev and Egon Krenz

November 1, 1989

Gorbachev: The Soviet people are very interested in everything that is going on now in the GDR. We hope to get the most recent information from you, although, of course, we know a lot. The situation in the GDR, judging by everything we see, is moving at an increasing speed. Is there a danger of being left behind the reforms? Remember, we said in Berlin that to be behind is always to lose. We know that from our own experience.

[....]

I cannot tell you that we have already "broken the horse of perestroika," [a horse] that has turned out to be quite restless. In any case, we have not completely tamed it yet. Sometimes it even tries to throw off its rider. But we have gained very valuable experience.

Krenz: ... At the Politburo we came to the conclusion that a crisis has not emerged in the last several months.
Many problems have accumulated over the years.

But the main mistake was probably that we did not draw serious conclusions from the new processes of social development, which began in the Soviet Union and other

socialist countries, and which were ripe in the GDR itself. Because if you have a primary ally, you have to understand and share its problems and hardships. One cannot declare friendship in words and at the same time stay on the sidelines when your ally is trying to deal with its difficult problems. People who are used to this felt that we suddenly lost our unity with the Soviet Union and that we ourselves erected this barrier.

Gorbachev: From the political point of view the situation is clear, but from a simply human standpoint it is dramatic. I was also concerned about this. In general, I had good relations with Honecker, but it seemed recently as if he had gone blind. If he had been willing to make the necessary changes in policy on his own initiative two or three years ago, everything would have been different now. But apparently he underwent some kind of shift; he ceased to see the real processes [occurring] in the world and in his own country. It was a personal drama, but because Honecker occupied a very high position it grew into a political drama.

<u>Krenz</u>: Yes, you are right; it is a drama, and for me too because Honecker brought me up, he was my political mentor. Gorbachev: Some people now speculate on that, but I think you should not react to it.

Krenz: For Honecker the turn probably occurred exactly in 1985 when you were elected general secretary of the CC CPSU. He saw in you a threat to his authority, because he considered himself the most dynamic political leader. He lost all touch with reality and did not rely on the Politburo collective. [Secretary of the Economy Guenther] Mittag and [Secretary of Agitation and Propaganda Joachim] Herrmann did him a very bad service in this respect. The first as a strategist, the second as an executive.

[....]

Gorbachev: This is a familiar picture. Some time ago, when I was already a Politburo member, I basically did not know our budget. Once we were working with Nikolay Ryzhkov on some request of Andropov's that had to do with budgetary issues, and we naturally decided that we should learn about them. But Yuri V. Andropov said: Do not go there, it is not your business. Now we know why he said so. It was not a budget, but the devil knows what.

[....]

Gorbachev: We knew about your situation, about your economic and financial ties with the FRG, and we understood how it all could turn out. For our part, we were carrying

out our obligations to the GDR, including those on oil deliveries, even though some of it had to be reduced at a certain time. Erich Honecker was not very honest with us about those things. We knew about that, but led by the highest political considerations we exercised reserve and patience.

Krenz: It is very important to define the division of labor between the GDR and the Soviet Union better. It is one of our main reserves. The situation here is far from ideal. We need to remove existing barriers. There should be only one criterion--effectiveness and mutual benefit.

Gorbachev: The issue of the division of labor stands as a major problem in our country as well. The republics that produce raw materials demand a redistribution of money, because they think that those that produce finished products get too much. They are presenting very harsh conditions, up to the point of limiting and halting deliveries.

By the way, yesterday in the Supreme Soviet one of the deputies--Nikolay Shmelev--raised the question of getting real information about all our foreign economic relations, including relations with the socialist countries, to the Supreme Soviet.

<u>Krenz</u>: We are prepared to discuss those issues seriously once again with our Soviet comrades.

Gorbachev: I suggested the topic of cooperation to Honecker many times. He was in favor of direct connections, but spoke about cooperation without any enthusiasm, and especially about joint ventures. But it was precisely cooperation that had the greatest potential for mutual benefit. You cannot coast on deliveries of our raw materials all the time. There are some strict limits here.

[...]

Gorbachev: Yesterday Aleksandr N. Yakovlev received Zbigniew Brzezinski [see Document No. 96] and, as you know, he has a head with "global brains." He said: if today events transpire in such a way that the unification of Germany becomes a reality, it will mean the collapse of many things. I think that so far we have held to the correct line: we stood firmly in favor of the coexistence of two German states, and as a result achieved broad international recognition of the GDR, realized the Moscow Treaty, and gave a boost to the Helsinki process.

Therefore, we should confidently follow this same course.

You must know: all the serious political figures-Thatcher, Mitterrand, Andreotti, Jaruzelski, and even the

Americans, though their position has recently exhibited some nuances -- are not looking forward to German unification. Moreover, in today's situation this would probably be explosive. The majority of Western leaders do not want to see the dissolution of NATO or the Warsaw Treaty Organization. Serious politicians understand that they are factors that make up a necessary equilibrium. However, Mitterrand feels he has to indicate his sympathy for the idea of German unification. The Americans also speak about sympathies for the Germans' pull toward unification. But I think they are doing it as a favor to Bonn, and also because to some extent they are anxious about too close a rapprochement between the FRG and the Therefore, I repeat, now the best course of action is to continue the same approach in German affairs that we have successfully developed so far. By the way, Willy Brandt shares this opinion also. He believes that the GDR is a great victory for socialism, even though he has his own understanding of socialism. The liquidation of the republic, in his opinion, would have been a bust for the Social Democrats. Therefore, I think, we all should start from the following formula: history itself decided that there should be two German states. But of course you cannot get away from the FRG. The need for human contacts

presupposes normal relations with the FRG. You should not disrupt your ties with the FRG, although certainly they should be kept under control.

I am convinced that we should coordinate our relations with the FRG better, although Honecker tried to evade this necessity. We know about your relations with the FRG, and you know about our relations with it. Why should we try to hide anything from each other! It would make sense to talk about the possibilities of trilateral cooperation between the USSR, the GDR and the FRG, especially in the economic sphere. [...]

The situation in Hungary and in Poland today is such that they have nowhere else to go, as they say, because they have drowned in their financial dependence on the West. Today some people are criticizing us. They say, what is the Soviet Union doing allowing Poland and Hungary to "sail" to the West? But we cannot take on the support of Poland. Gierek accumulated \$48 billion dollars of debt. Poland has already paid off \$49 billion, and it still owes almost \$50 billion. As far as Hungary is concerned, the International Monetary Fund had already dictated its harsh ultimatum under Kádár.

Krenz: This is not our way.

Gorbachev: You need to take this into account in your relationship with the FRG.

[....]

Gorbachev: We need to think through all this, and find formulas that would allow people to realize their human needs. Otherwise we will be forced to accept all kinds of ultimatums. Maybe we can direct our International Departments and Foreign Ministries to think about possible initiatives together. Clearly, your constructive steps should be accompanied by demands for certain obligations from the other side. Chancellor Kohl keeps in touch with me and with you. We need to influence him. Once, under the pressure of the opposition, he found himself riding the horse of nationalism. The right wing is starting to present their demands for the unification of Germany to the Soviet Union and appeals to the U.S. The logic is simple—all [other] peoples are united; why do we Germans not have this right?

Krenz: We have already taken a number of steps. First of all, we gave orders to our border troops not to use weapons at the border, except in case of a direct attack against our soldiers. Secondly, we adopted a draft of the Law on Foreign Travel at the Politburo. We will present it

for public discussion, and we plan to pass it in the People's Council even before Christmas. [...]

Gorbachev: Kohl was visibly worried when I mentioned the perverse interpretations of some of our agreements with the FRG in my speech in Berlin. He immediately called me on the telephone regarding that.

<u>Krenz</u>: Yes, he is worried; I noticed it in my conversation with him. He was even forgetting to finish phrases.

Gorbachev: Kohl, it seems, is not a big intellectual, but he enjoys a certain popularity in his country, especially among the petit bourgeois public.

[....]

Gorbachev: I was told that he (Honecker) did not adequately understand even our discussions in the Politburo. But we do not have any ill feelings towards him. Had he made the right conclusions two or three years ago, it would have had great importance for the GDR and for him personally. In any case, one cannot deny the things your party and people have achieved in the past. We have a complete mutual understanding about that.

<u>Krenz</u>: cordially thanks Gorbachev for the support, openness and good advice. [Source: Archive of the Gorbachev Foundation, Fond 1. Opis

1. On file at the National Security Archive. Published in

Mikhail Gorbachev i germanskii vopros: sbornik dokumentov 1986-1991. Moscow: Ves'

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