

Message Text

SECRET

PAGE 01 STATE 070403
ORIGIN NODS-00

INFO OCT-01 ISO-00 /001 R

66011

DRAFTED BY: S/S-PSEBASTIAN

APROVED BY: S/S-SEBASTIAN

-----302020Z 064081 /50

O 301830Z MAR 77 ZFF4

FM SECSTATE WASHDC

TO WHITE HOUSE IMMEDIATE

S E C R E T STATE 070403

NODIS

WH FOR DR BRZEZINSKI

FOL TEL SENT ACTION SECSTATE FROM BONN DTD 30 MAR 1977 DTG

O 301043Z MAR QTE

S E C R E T BONN 05600

NODIS

DEPARTMENT PASS SECRETARY VANCE IN MOSCOW FROM

AMBASSADOR STOESEL

E.O. 11652: GDS

TAGS: OVIP (VANCE, CYRUS), GW

SUBJECT; YOUR MEETING WITH CHANCELLOR SCHMIDT

1. IT IS NOW CLEAR THAT, IN ADDITION TO LEARNING ABOUT RESULTS OF YOUR TALKS IN MOSCOW, CHANCELLOR SCHMIDT WANTS TO USE THE OCCASION OF YOUR VISIT TO BONN AS A CHANCE TO PRESENT HIS VIEWS IN PERSON TO THE US GOVERNMENT AT A SENIOR LEVEL. SCHMIDT HAS CHOSEN TO HOST ALL YOUR MEETINGS AS WELL AS YOUR LUNCH, A DECISION I DO NOT BELIEVE HE WOULD HAVE PUSHED ON HIS FOREIGN

SECRET

SECRET

PAGE 02 STATE 070403

MINISTER COALITION PARTNER IF HE HAD NOT FELT THAT THIS IS A VERY SERIOUS MOMENT IN HIS RELATIONSHIP WITH THE NEW AMERICAN ADMINISTRATION.

2. FROM CONVERSATIONS HERE, INCLUDING SOME WITH THE HIGHEST LEVEL, I SHOULD TELL YOU THAT THE CHANCELLOR'S MOOD IS DEEPLY TROUBLED. HE APPEARS ALTERNATELY

FRUSTRATED, PERPLEXED AND IRRITATED BY PROBLEMS THAT ARE IN MANY RESPECTS MORE SOBERING THAN ANY THAT HE HAS CONFRONTED SINCE HIS ASSUMPTION OF OFFICE.

3. I BELIEVE SCHMIDT'S PROBLEMS RESULT FROM TWO CAUSES: FIRST, THE DIVERGENCES BETWEEN AMERICAN AND GERMAN POLICY THAT HAVE DRAMATICALLY UNDERCUT HIS PROUD ELECTION CAMPAIGN ASSERTION THAT GERMAN RELATIONS WITH THE UNITED STATES WERE BETTER THAN EVER; SECOND, THE REPEATED BUFFETINGS THAT HIS GOVERNMENT HAS TAKEN OVER THE LAST SIX MONTHS.

4. WITH RESPECT TO THE FIRST PROBLEM, SCHMIDT IS CONCERNED ABOUT US POLICY IN A VARIETY OF AREAS. HE BELIEVES THAT OUR PRESSURES AGAINST NUCLEAR PROLIFERATION HAVE FOCUSED ON GERMANY TO A DEGREE THAT HAS PUT HIM IN A CORNER FROM WHICH HE SEES NO HONORABLE OR EVEN ACCEPTABLE WAY OUT; HE CANNOT UNDERSTAND OUR CONTINUING SUSPENSION OF ENRICHED URANIUM DELIVERIES; HE IS CONCERNED THAT OUR DRIVE FOR HUMAN RIGHTS MAY JEOPARDIZE GENERAL EAST/WEST DETENTE AND RISK LOSING FOR GERMANY SOME OF THE BENEFITS IT HAS GAINED FROM ITS OWN DEALINGS WITH THE SOVIET UNION AND EASTERN EUROPE (INCLUDING THE EMIGRATION OF THOUSANDS OF ETHNIC GERMANS FROM THE USSR AND EASTERN EUROPE, A MOVEMENT HE DOES NOT WISH TO SEE IMPEDED); HE CLAIMS THAT GERMANY IS DOING WHAT IT CAN TO STIMULATE THE WORLD ECONOMY BUT BELIEVES HE IS BEING PRESSED PUBLICLY TO DO MORE AT WHAT MANY THINK A RISK TO ITS OWN ECONOMIC
SECRET

SECRET

PAGE 03 STATE 070403

STABILITY; LAST BUT NOT LEAST, I GATHER HE FINDS IT IMPOSSIBLE TO UNDERSTAND WHY WE HAVE SUDDENLY CUT OFF OUR ELECTRONIC SURVEILLANCE OPERATIONS IN BERLIN, OPERATIONS THAT HE AND OTHER GERMANS REGARD AS ESSENTIAL IN COMBATING THE RISK OF TERRORISM IN THAT CITY. HE WONDERS WHAT ALL THIS WILL DO TO OUR RELATIONSHIP.

5. ON THE DOMESTIC POLITICAL SCENE, NOTHING HAS GONE WELL FOR THE GOVERNMENT SINCE IT WON A NARROW ELECTION VICTORY SIX MONTHS AGO. THE COALITION HAS BEEN PLAGUED BY A SERIES OF NEAR DISASTERS, INCLUDING SEVERAL BUGGING AFFAIRS, THE ELECTION OF MARXIST EXTREMIST AS HEAD OF THE SOCIAL DEMOCRATIC YOUTH GROUP, POOR SHOWINGS BY BOTH COALITION PARTNERS IN RECENT HESSE COMMUNAL ELECTIONS, AND A PERSISTENT SENSE THAT THE COALITION HAS LOST ALL INITIATIVE IN DOMESTIC AS WELL AS FOREIGN AFFAIRS. THE GOVERNMENT HAS ALSO BEEN UNABLE TO SUSTAIN A COHESIVE ATOMIC ENERGY POLICY IN THE FACE OF OPPOSITION BY A COMBINATION OF ENVIRON-

MENTALISTS AND EXTERNALLY MANIPULATED EXTREMISTS. IN THIS PROCESS, SCHMIDT HAS LOST MUCH OF HIS REPUTATION-- WHICH HE VALUES HIGHLY AND WHICH PROVIDES HIS PRINCIPAL CLAIM TO OFFICE--AS A MAN WHO CAN GET THINGS DONE.

6. THERE ARE SOME CLEAR RELATIONSHIPS BETWEEN THE PROBLEMS IN US-GERMAN RELATIONS AND SCHMIDT'S DOMESTIC CONCERNS FOR EXAMPLE, THE STRONG STAND THAT WE HAVE TAKEN AGAINST PROLIFERATION HAS APPEARED TO STRENGTHEN THE MORAL POSITION OF THOSE OPPOSED TO GERMAN DOMESTIC DEVELOPMENT OF ATOMIC ENERGY, AS IT MAY UNDERCUT SOME OF THE TECHNICAL AND ECONOMIC FOUNDATIONS OF AN INDUSTRY THAT THE GERMAN GOVERNMENT REGARDS AS CRUCIAL. OUR STAND ON HUMAN RIGHTS APPEARS TO JUSTIFY THE CDU/ CSU OPPOSITION'S CONTENTION THAT THE FRG HAS BEEN TOO ACCOMMODATING TO THE EAST ON THIS SCORE. LAST BUT NOT LEAST, A GOVERNMENT THAT IS ALREADY FLOUNDERING DOES
SECRET

SECRET

PAGE 04 STATE 070403

NOT WISH TO BE CHANGED WITH BEING UNABLE TO MANAGE GERMANY'S MOST IMPORTANT INTERNATIONAL RELATIONSHIP.

7. I THINK YOU MUST BE PREPARED TO FACE A CHANCELLOR WHO IS VERY ANXIOUS TO STATE HIS CASE ON ALL THE ISSUES THAT I HAVE MENTIONED AND WILL PRESS HARD FOR UNDERSTANDING OF HIS POSITION. MY EXPERIENCE WITH HIM HAS BEEN THAT HE WANTS TO HEAR, FRANKLY AND OPENLY, WHAT WE THINK AND WHERE WE ARE GOING. YOUR READINESS TO DO THAT WILL, I BELIEVE, REINFORCE HIS CONFIDENCE THAT WE KNOW WHAT WE ARE DOING AND WILL ASSUAGE HIS CONCERNS EVEN IN AREAS WHERE HIS POLICIES DIFFER FROM OURS. HE WANTS TO KNOW WHERE WE STAND, AND HE WANTS TO KNOW WHERE HE STANDS WITH US. HE ALSO WANTS TO CUT AWAY SOME OF THE UNDERBRUSH OF SECONDARY ISSUES AND TO CLEAR THE ATMOSPHERE, SO THAT HE WILL KNOW WHAT HE SHOULD FOCUS ON IN HIS FIRST MEETING WITH THE PRESIDENT AT THE SUMMIT. I BELIEVE SOME REASSURANCE THAT WE APPRECIATE HIS PROBLEMS WOULD BE HELPFUL; AT THE SAME TIME, SCHMIDT WILL NOT BE SURPRISED AND IN FACT WILL EXPECT--THAT YOU SHOULD STATE OUR OWN VIEWS CLEARLY AND FORCEFULLY, AND I RECOMMEND YOU DO SO. ESSENTIALLY, WHAT WE NEED TO DO IS TO TAKE OUR POSITIONS IN A MANNER AND IN AN ATMOSPHERE THAT HE DOES NOT REGARD AS THREATENING AND WHICH IS COMPATIBLE WITH HIS CONCEPT OF THE OVERALL IMPORTANCE OF OUR ALLIANCE RELATIONSHIP.
STOESSED UNQTE CHRISTOPHER

SECRET

NNN