

SECRET AND PERSONAL

IS(A-F)



SUBJECT CC MASTER

file

A: \Foreign\Wall
(ECL)

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

bc: PC

28 March 1990

PRIME MINISTER'S CONVERSATION WITH PRESIDENT GORBACHEV

The Prime Minister had about an hour's talk (53 minutes to be precise) with President Gorbachev on the telephone this morning, as previously arranged. I enclose my record of the exchange. You will already have seen the message which the Prime Minister has sent to President Bush with her reflections.

The message described Mr. Gorbachev as very sombre. I also thought that he sounded rather tired and resigned. He was certainly a good deal less animated than usual, never raising his voice throughout.

The technical arrangements were fairly Heath Robinson. The conversation was conducted on a very crackly open telephone line, which went down completely at one stage, so that Mr. Gorbachev had to ring back. The initial contact was chaotic with a piercing voice constantly asking "are you Margaret Thatcher?". One had the impression that Mr. Gorbachev and the interpreter were probably passing the receiver to and fro at the other end. If such calls are going to become a habit, we might consider installing some special equipment.

I am copying this letter to Simon Webb (Ministry of Defence) and to Sir Robin Butler.

(CHARLES POWELL)

J.S. Wall, Esq.,
Foreign and Commonwealth Office.

SECRET AND PERSONAL

RECORD OF A TELEPHONE CONVERSATION BETWEEN THE PRIME MINISTER AND
PRESIDENT GORBACHEV ON WEDNESDAY 28 MARCH

The call commenced at 1155 am.

Mr. Gorbachev extended warm greetings to the Prime Minister. The Prime Minister returned hers to Mr. Gorbachev and made special reference to Mrs. Gorbachev. Mr. Gorbachev thanked the Prime Minister for this and asked for his best regards to be conveyed to Mr. Thatcher.

The Prime Minister said she was looking forward to her visit to Kiev in June. Mr. Gorbachev said that he believed the visit would be very interesting and useful. He was looking forward to continuing their discussions and cooperation on all subjects. The Prime Minister said that she found it constraining not to have more opportunities to talk freely and frankly to Mr. Gorbachev. She believed such discussions helped deal with problems.

The Prime Minister continued she would like to start by raising the subject of Lithuania. She had been careful in public statements to take a balanced and helpful line. She knew this was a difficult and sensitive issue for Mr. Gorbachev, and did not want to add to his difficulties. She very much hoped he could avoid the use of force, which would be a great mistake. We placed great weight on his public assurances about this. She was sure the problems could be resolved through discussion and dialogue. She understood that legislation was being drafted by the Soviet Parliament which envisaged the possibility of secession. There was a need for patience, so that any changes could be made constitutionally. Meanwhile we were watching the situation with some anxiety and would continue to urge restraint and discussion.

Mr. Gorbachev said the Prime Minister had touched on an internal matter which was sensitive for the Soviet Union. There was provision in the Soviet constitution which envisaged the right to self-determination up to and including secession. The Soviet

Parliament was currently considering a law which would establish a mechanism for implementing this, and its adoption was just round the corner. The Parliament was also working on amendments to the treaty establishing the Union, with a view to recasting the Federation on new principles. It would be an entirely new type of Federation, in which individual republics had more sovereignty in every field. Unfortunately, the Soviet authorities were dealing with a Lithuanian leadership which insisted on acting outside the constitutional process. They had got together and made their decision on independence at dead of night. It had been voted through by a show of hands. And so far as they were concerned it was just as simple as that. In reality even the simplest law could take months to draft and pass. There had been no referendum and no discussion with the people of Lithuania. It was a shady deal and had caused great indignation elsewhere in the Soviet Union. In short he was dealing with rudimentary adventurers. They claimed that Lithuania was no longer part of the Soviet Union. But he had already explained to them several times that decisions on accession and secession could only be taken through a proper constitutional process: and he had warned them of the consequences of their action.

Mr. Gorbachev continued that the way in which the Lithuanian decision had been taken was unacceptable. The matter must be brought within a proper constitutional framework. He also had to prevent a wider conflict. The non-Lithuanian minority were really angry at being treated so heavy-handedly. Indeed many Lithuanians rejected the way in which independence was being pursued. There was also talk of reopening territorial issues with Byelorussia. The Soviet Union had major defence interests at stake in Lithuania. He was engaged in trying to control the situation in other republics. They were upset because the Lithuanians had rejected dialogue, and were therefore imposing a blockade on some deliveries. In short the situation was tense.

Mr. Gorbachev went on that he had a mandate from the Third Congress of People's Deputies to ensure strict observation of the Soviet constitution and of all its provisions, in the interests of all the citizens of the Soviet Union. He was determined to

do this. The Lithuanians must therefore disavow the decisions which they had taken. Unfortunately they seem to have no understanding of this. They totally failed to understand that such far-reaching decisions could only be taken after full consideration of all the consequences for others. He did not want things to get out of hand or out of control. He would convene a meeting on Friday of the Federation Council to address the situation in Lithuania. The Prime Minister asked whether the meeting would agree on how to proceed. Mr. Gorbachev said that would depend on the outcome of the discussions.

The Prime Minister said that she understood Mr. Gorbachev's strategy was to keep things as calm as possible and to try to resolve the problem within a constitutional framework. He was saying that matters could be resolved peacefully given sufficient time. Mr. Gorbachev said that the possibilities for tactical manoeuvres were getting narrower. He could not conceal that. Tremendous pressure was being brought on him to take action. He did not know whether he could find adequate answers to defuse the situation. The Prime Minister said she was grateful to Mr. Gorbachev for telling her all this. It sounded very serious. She wondered whether he had briefed President Bush, who was taking broadly the same line as her in public. Mr. Gorbachev had achieved so much in the Soviet Union and more widely. We were all a bit fearful that if things were to go wrong over Lithuania, then it would have a very damaging effect on everything he had striven to achieve, both domestically and internationally. Mr. Gorbachev said that he understood all that and would keep it in mind. But in order for the Soviet Union to continue both internal and external changes, there must be mutual understanding. The Lithuanian leaders were trying to exploit the current difficult situation for their own purposes. This was causing uproar elsewhere in the Soviet Union. People were demanding that he should act strongly and decisively to ensure that matters developed within the constitution.

The Prime Minister said that she assumed Mr. Gorbachev would find it helpful if others urged the Lithuanian leaders to sit down round the table to try to settle matters peacefully.

Mr. Gorbachev said that the basic point of departure was that Lithuania remained a part of the Soviet Union. He would continue to approach the problem from this perspective. Some people were talking about international negotiations, but that was ludicrous. The Prime Minister recalled that western countries treated Estonia, Latvia and Lithuania differently from the rest of the Soviet Union because of the way in which their fate had been arranged between Hitler and Stalin. We had never given de jure recognition to their annexation. We therefore understood their desire for independence. But we also understood the sensitivities for the Soviet Union and for Mr. Gorbachev personally. Anything we could do to encourage dialogue and discussion we would do. Meanwhile, she hoped he would renew his undertaking not to use force. She wondered whether it would be helpful if she were to have a word with President Bush.

Mr. Gorbachev said that the Soviet Union was in fairly regular touch with the United States and he had personally discussed the Lithuanian problem just two days ago with Senator Kennedy, asking him to pass on his views to the President. But he did not preclude the possibility of a further discussion of this serious subject with him.

Mr. Gorbachev continued that the Soviet Union had made clear that it wanted to avoid instability in international relations and to follow a peaceful course. But it looked as though they had first to go through 'these trials' over Lithuania, and prevent people from cashing in on current difficulties. Some people in the West were saying that what was happening in the Soviet Union was only temporary and transient, and everything would soon go back to square one. They therefore asked whether it was really worthwhile supporting Mr. Gorbachev and his policies. Indeed some people were trying to fish in troubled waters. Such ideas reflected a short term approach. He would prefer to see a more responsible and serious approach. The Prime Minister's telephone call indicated, however, that good and serious discussions were possible. He hoped he had not exhausted her with his account of the difficulties over Lithuania. The Prime Minister said that as far as we were concerned, we expected Mr. Gorbachev to be there for 10 years and hoped it would be 20. We wanted to see

relations become steadily more friendly. Mr. Gorbachev's policies of reform and greater democracy continue to have our full support. She wanted to make this point loud and clear. Mr. Gorbachev thanked the Prime Minister for her words of support. He had always felt a strong desire on her part to work with him and he appreciated and valued their dialogue very highly. He had been grateful for their talk today.

The Prime Minister said she would be seeing Chancellor Kohl the next day and had intended to discuss with Mr. Gorbachev some of the issues which would arise during their meeting. But it might be easier for her to send him a message after the meeting. Mr. Gorbachev said he believed that his views and those of the Prime Minister on Germany were close. If the Prime Minister found it possible to inform him of her meeting with Chancellor Kohl, he would appreciate that very much. He would also arrange to convey to her his own ideas. It was necessary to resolve the problem of German unification responsibly, in the interests both of the Germans and of all the peoples of Europe. We should not try to simplify a complex matter. He wanted to repeat his gratitude for the Prime Minister's time and his best wishes.

The call finished at 1248 pm.

CHARLES POWELL
28 March 1990

A:\FOREIGN\GORBACHE (ECL)