

## Report from Bonn by Rainer Apel

### Talks move on rocky ground

*The German Monetary Union was announced May 18, but Moscow is putting up roadblocks to German reunification.*

**H**igh-level economic talks between West Germans and Soviets in Moscow May 20-23 ended without concrete results. But for a renewed Soviet interest in a joint pilot project to develop a special high-temperature nuclear reactor for commercial use, no large-scale venture was announced.

Although many obstacles had been emerging on the Soviet side in the days before these talks, it had been widely expected that Moscow, faced with severe problems in industry and the food supply sector, would be open for a deal involving the final Soviet "yes" to German reunification, in return for attractive joint industrial projects with the reunified Germany.

A secretive special mission of Horst Teltschik, Chancellor Kohl's security adviser, to Moscow May 13 tried to remove bigger obstacles, but didn't achieve anything substantial in time for the German-Soviet economic talks. Teltschik tried to make progress with the Soviets to escape new problems created by the United States.

George Bush objects to independent West German initiatives for economic help to the Soviet Union. Everything moving in that direction should be coordinated by the White House, Bush contends.

Receiving Kohl in Washington May 17, Bush forced him to accept the idea of an "all-Western aid package for Gorbachov." The package, which is to incorporate (and control) all German economic deals with the East, will first be discussed at the Houston July 10-11 economic summit of the Group of Seven and then integrated in the preparations for the October session in Washington of the "two plus four" talks on Germany.

Bush, planning to present his "package" idea to Gorbachov at their Washington summit May 31-June 3, wants the initiative to boost his personal prestige. This is his precondition for a U.S. "yes" to rapid German reunification. It means, however, that the debate on economic assistance to the Soviets will be stretched out over the critical next few months while the internal political stability of the U.S.S.R. will disintegrate further, with all ensuing repercussions such as a hardening of Soviet attitude.

The German-Soviet talks May 20-23 foreshadowed a hardening Soviet attitude and turned out to be very tough. The Soviet side, represented by Premier Nikolai Ryzhkov and Deputy Premier Ivan Silayev, did not use the talks to make a step toward the West Germans, but increased preconditions to any settlement on the open issues.

Ryzhkov and Silayev demanded, for example, that the West Germans not only give verbal, but also detailed written assurances that the German Monetary Union beginning in July won't disrupt, but rather will stabilize East German deliveries to the U.S.S.R. Moscow also wants a "document" detailing how the stationing costs of Soviet troops in East Germany would be covered.

West German Economics Minister Helmut Haussmann replied that written guarantees would have to be given by East Germany which signed the agreements with the Soviets originally. The East Germans have to sit in on these talks anyway, he said, because their industrial combines are highly dependent on Soviet markets and need guarantees from Moscow in

order to keep up current levels of production and employment. Then, too, Moscow has to give more than a general promise to pay the 1 billion deutschemarks of overdue debts owed to West German trade partners, Haussmann insisted. The Soviets should tell how they will pay and when, and they should pay as soon as possible in order to prevent a further decline in confidence among their Western trade partners.

Haussmann rejected the idea of having West Germany fund or contribute to funding the stationing costs of Soviet troops on East German territory—700 million East German marks per annum. Rather than pouring substantial sums of money into a prolonged stationing of troops and equipment, it would make much more sense to invest in the civilian sector right away and pull the troops out. But the Soviets don't want to make concrete steps as long as they are pokering in the talks with the U.S. on the reduction of troops and conventional weapons in Europe. Moscow knows that it must pull the troops out of East Germany at some point, but wishes that point to be in the far, not the near future. There is, naturally, a special element of blackmail of the Germans, aiming at increasing the price they pay for the withdrawal of the Soviet troops.

The Soviets' tactical maneuvering is counterproductive, because the West Germans want to invest in the development of the Soviet economy, but don't want to be pulled across the table by Moscow. A strong sentiment of disappointment and reserve is spreading among West German industry bosses trading with the U.S.S.R. It is Moscow's turn now, to remove the heavier stones on this road and help to install positive perspectives for peaceful development of relations between East and West.