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File Folder [TRIP:] SECRETARY CLARK'S VISIT 05/10/1984-05/18/1984 BERLIN, VIENNA, MUNICH, AND LONDON (CLARK BINDER) (2)

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CLARK

133

ID	Doc Type	Document Description	No of Pages	Doc Date	Restrictions
3099	BRIEFING PAPER	BERLIN AIR CORRIDORS AND THE SOVIETS (SAME AS ITEM 3058) R 11/6/2007 F2000-147	2	ND	B1
3100	BRIEFING PAPER	TAX PROPOSALS (SAME AS ITEM 3059) R 11/6/2007 F2000-147	1	ND	B1
3101	BRIEFING PAPER	QUADRIPARTITE AGREEMENT ON BERLIN (SAME AS ITEM 3060) R 11/6/2007 F2000-147	1	ND	B1
3102	BRIEFING PAPER	CRAY COMPUTER EXPORT LICENSE (SAME AS ITEM 3061) R 11/6/2007 F2000-147	1	ND	B1

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6

DEPARTMENT OF STATE

BRIEFING PAPER

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Aspen Institute Seminar

An important aspect of US presence in Berlin is to support future development of the city. Our role as protecting power could seem increasingly archaic to many Berliners if it is limited to providing military security. As an isolated city, Berlin must be tied to a larger Western world. In the first instance, the Federal Republic of Germany is West Berlin's lifeline to the West, but the United States runs a close second. Berliners look to America for leadership, for ideals and for assistance in keeping pace with economic and technological developments in the Western world.

Traditionally, this aspect of the American presence has been focused on three main areas: a) American industrial investment in the city; b) American cultural presence in the city; and c) visits by senior American officials to Berlin. Each of these activities has helped give Berlin an economic and psychological foundation from which to pursue its further development. Each has also demonstrated that America "cares" about the fate of the city.

A new area has in recent years become increasingly important to Berliners -- scientific and technological development. Berlin is home to more than 80 research institutes and has for many years been a leader in scientific research throughout Europe. The presence of many highly developed industrial enterprises provides a productive base for pursuing innovation. IBM is an American firm which has operated in Berlin for many years. It has provided the sort of modern industry which Berlin is seeking.

Science and technology offer an additional hope for Berlin. Its isolated location makes transport of raw materials and heavy industrial products relatively more difficult than in other parts of the world. "High tech" products are light and easy to transport. They also require the sort of skilled labor force which Berlin hopes to attract to its city. It is for this reason that both major political parties have laid particular emphasis on scientific research. New institutions have been organized and special programs have been established. Mayor Diepgen has been especially interested in stimulating entrepreneurship on the American model as a means of furthering technological development.

A major force in helping project an image of American leadership in the future development of Berlin has been the Aspen Institute of Berlin. Founded in 1974 on the initiative of the Berlin authorities and Aspen Institute USA, the institute

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-2-

is an independent organization under German law whose task is to stimulate contacts between Europeans and Americans in a wide range of fields. In recent months, the institute has focused in particular on two major areas: a) German-American and European-American relations; and b) the industrial and scientific future of Germany and Berlin.

In the former category, the institute has held meetings on "Where is America Heading," "The German Question," "The Future of France" and its annual East-West arms control seminar.

Concerning future technologies, the institute has organized several major seminars on university life in Germany, the future of scientific research in Germany and German government policies in the scientific field. A major meeting held in January focused on the American experience in pursuing "high-tech" and included participation by senior officials and professors from Harvard, MIT and the University of California. One result of this meeting was revision of Foreign Minister Genscher's program for increased scientific development in Berlin and the FRG. A copy of Aspen's 1984 program is attached.

Goals for the Seminar

The seminar will be an informal, luncheon discussion. Aspen will serve a buffet luncheon for about 25 guests, including 10-12 Berlin civic leaders from various parties and walks of life.

Following lunch there will be an unstructured exchange of views. The focus will be Berlin's future and prospects for US-European cooperation in areas of importance to the city. The intention is not to concentrate on detailed problems of Berlin's existence, but rather to discuss general problems of Western society as they apply to Berlin and to the American role there. The Berliners will wish to present their hopes, fears and plans for the future.

For the American side, it will be important to stress a few basic points:

-- Berlin has survived because of Western solidarity. America remains committed to Berlin. It is also important that Berlin demonstrate solidarity with Western goals throughout the world.

-- We are entering an age of major economic and technological change. The United States will work closely with its European allies to ensure that this change does not affect our partnership.

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-3-

-- As in any era of change, misunderstandings can arise. We cannot expect to agree on everything. What we can expect is that we discuss issues openly and that we not allow disagreements to simmer below the surface.

-- Aspen Institute is a prime example of how international contacts can further understanding and support progress.

Suggested themes for the seminar are attached.

Attachments:

As stated

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Suggested Themes for Aspen Seminar

General

-- Grateful for Dr. Stone's initiative to host this seminar. Aspen celebrated its tenth anniversary on April 27. Dr. Stone was made an honorary citizen of Berlin on his 75th birthday on March 31, 1983. These are two great Berlin-American institutions.

-- We are in an era of change. Change brings opportunities, but it also brings challenges and potential problems. President Reagan's goal has been to restore a firm foundation in America from which to deal with change -- both at home and abroad. No firmer foundation for dealing with our common challenges than Berlin.

-- Berlin teaches us many important lessons. Perhaps the most useful is the value of solidarity among democratic forces throughout the world. If the West had not remained united in Berlin, the city would not have survived. We must be clear that democracy is under pressure throughout the world. If we do not remain united in larger arena, our freedom at home will also be endangered.

-- The United States has always viewed its position in Berlin as a dynamic one. The foundation provided by our joint Allied rights and responsibilities has provided a basis for the development of this great city. The question now is where do we go from here? Am looking forward to an exchange of views with you on future Berlin-American cooperation.

East-West Relations

-- By its very nature, Berlin is more affected by East-West relations than almost any other place. The United States has recognized this fact in good times and bad. We conceived the Airlift to support Berlin during a period of tension. We participated enthusiastically in the four Power Berlin negotiations to reach practical improvements for the city.

-- I know that some Berliners have been concerned by what they believed was the danger of confrontation between the United States and the Soviet Union. There was a fear that such differences could affect Berlin. I cannot stress too strongly that the United States -- and President Reagan personally -- are committed to easing tensions between East and West. We are also committed to maintaining the gains already achieved in Berlin.

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-2-

-- However, recent weeks have also demonstrated that in Berlin too it is necessary to maintain the foundation of one's beliefs if progress is to be achieved. Our determination to maintain our rights of access in the Berlin air corridors left no doubt in Soviet minds about our reaction to any problems they might wish to cause.

Future of Berlin

-- How can we work together to guarantee a successful future for Berlin? Success will come through closest possible partnership among the Berliners, the Western Allies and the Federal Republic. Each has his role to play.

-- Basic Allied role is to guarantee the security of the city. The United States will continue to do its part by maintaining sufficient military forces in the city. We will also make clear to the Soviets that we will tolerate no efforts to undermine the situation in Berlin.

-- Maintenance of the overall political situation must be accompanied by strong internal situation in Berlin. The United States sees its role as supporting this internal situation:

- a. By fostering a sense of belonging to a larger entity -- i.e., the Western world.
- b. By stimulating contacts between Americans and their counterparts in Berlin. The greatest possible interchange on problems of the modern world will help ensure that Berlin remains up to date.
- c. By encouraging American firms to invest in Berlin. We work closely with Mayor Diepgen and Mr. Layton (Berlin's investment "head hunter") to make sure that American firms understand the advantages of investing in Berlin.
- d. By helping to ensure that Berlin keeps up with technological change throughout the world.

-- Each of these points raises many questions of detail and approach. Conflicting interests are often involved, as are broader questions of East-West and Atlantic relations. ONE OF OUR MAIN INTERESTS TODAY IS TO HEAR HOW BERLINERS VIEW THEIR FUTURE AND THE AMERICAN ROLE IN BERLIN.

West German-East German Relations

-- The United States supports efforts to reduce barriers between the two German states and the two parts of Berlin. At

UNCLASSIFIED

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-3-

its essence, the division of Germany is a human division. Democratic states everywhere must help to work for the day when East Germans also enjoy the fruits of democracy.

-- Interesting developments are taking place in East Germany. The population seems increasingly to question the need for the divisions from their Western brothers.

-- These developments could have major implications for the situation in Berlin. WOULD BE INTERESTED IN YOUR VIEWS ON HAPPENINGS IN EAST GERMANY.

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January 5, 1984

R.O. Anderson
Chairman of the Board
J.E. Slater
President

Shepard Stone
Director

Daniel Hamilton
Deputy Director

TENTATIVE PROGRAM 1984

January

- 11 Meeting of a Berlin forum on Berlin and Its Economic Future
- 18 Meeting of Directors of Cultural Institutes located in West Berlin
- 21 - 22 Germany and East-West Relations - a working group meeting of the Aspen Institute project on East-West Relations
- 23 Meeting of Directors of Scientific Institutes located in West Berlin
- 26 Berlin Roundtable on German-American Relations - a meeting of Germans and Americans living in Berlin
- 30 - 2/2 Meeting on International Comparison of European and American Universities - Their Responsibilities at the End of the 20th Century

February

- 13 Meeting of Directors of Scientific Institutes located in West Berlin
- 19 - 22 Where is the U.S.A. Heading?- An international assessment of American trends and policies
- 29 Berlin Roundtable on German-American Relations - a meeting of Germans and Americans living in Berlin

March

- 8 - 11 Conference on Where is France Heading? - An international meeting on future directions of French domestic and foreign policy and their significance

- 20 - 21 Aspen Institute Berlin - Hans Wallenberg Lecture by Edzard Reuter, Member of the Board of Daimler Benz AG, on Berlin and Its Economic Future: Challenges for German Economic Policies, followed by roundtable discussion

April

- 26 - 28 Board Meeting of Members of the Aspen Institute Berlin on the occasion of its 10th Anniversary

May

- 2 Meeting of Directors of Cultural Institutes located in West Berlin
- 2 - 5 Annual Conference on Western Security Policy and Arms Control, co-sponsored by the Research Institute of the German Society for Foreign Affairs and the Aspen Institute Arms Control Consortium
- 7 Meeting of Directors of Scientific Institutes located in West Berlin
- 7 - 10 Conference on Spain and Portugal: Internal Developments and External Significance
- 27 - 30 The German Question: The two Germanies in the Context of East-West Relations

June

- 6 - 8 Conference on Religion and Resistance
- 18 - 21 An East-West meeting on Political and Economic Developments in East-European Countries
- 24 - 27 The Cost of Social Services and the Future of the Welfare State

July

- 2 - 7 American Higher Educational and Research Policy in Germany, 1945-1952 - a conference in cooperation with the University of Hannover and Indiana University

September

- 3 - 6 New Perspectives in Education - co-sponsored
by the Van Leer Foundation Jerusalem
- 10 Meeting of Directors of Scientific Institutes
located in West Berlin
- 17 - 20 Berlin - New York: Expressions of Identity through
Architecture and Urban Planning - co-sponsored by
Professor Kleihues, consultant to the International
Building Exhibition 1987 (IBA)
- - -- The Treatment of Migrant Workers in European
Countries

October

- 23 Meeting of Directors of Cultural Institutes
located in West Berlin
- - -- A conference on How Can We Put Technology in Its
Place and What is Its Place?
- - -- China - Its Foreign Policy and Relations with
the West

November

- - -- An international meeting on Religion in the West
- - -- East-West Conference on Space -- Scientific,
Military, Legal and Economic Challenges of the
Future

December

- 10 Meeting of Directors of Scientific Institutes
located in West Berlin

IN PLANNING STAGE

- Meeting of American Governors and German Minister-
Presidents: Federalism in a Global Age
- The Future of Liberalism in the West
- Technology Assessment and Strategic Issues
- New Communications Developments: What is the Future of

7

DEPARTMENT OF STATE
BRIEFING PAPER

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BERLIN AIR CORRIDORS AND THE SOVIETS

The Background. Four power agreements reached during the immediate postwar period give to all four powers (US, UK, France, USSR) the right to unlimited use of the Berlin air corridors. Since 1980, the Soviets have been increasingly "reserving" the lower corridor altitudes (up to 3500 or 4500 feet) for Soviet flights. The Soviets provide compensatory flight levels above 10,000 feet for flights of the other allies. In February 1984, the reservations acquired a new wrinkle. Whereas previously reservations had applied only to the middle segments of the corridors, now they apply for their full length, all the way to Berlin. This has caused difficulties for landing and take off patterns for West Berlin airports. The Western air controllers have coped with the new patterns without interference or delay to flights, but not without some loss of convenience and perhaps safety margins.

During the past six months, the Soviets had also become more self-assertive in corridor matters, specifying reservations on a seemingly arbitrary basis. In early April, the Soviets -- in an action unprecedented in recent years -- threatened to shoot or force down an American executive aircraft if the (unprecedented) step of naming the firm owning the airplane were not taken. A compromise was worked out on this incident, but the Soviet threat was backed up by the scrambling of fighter interceptors as the American aircraft approached the corridor.

What we have done. The Allies responded to the Soviets' February move with a graduated approach, protesting first in Berlin, then escalating to the Eagleburger-Dobrynin level, stressing the unacceptability of unilateral Soviet moves, and underlining our determination to exercise our rights of access to Berlin. Such protests were coordinated closely with the British and French and represent the agreed first steps in opposing Soviet moves in Berlin. If such political protests should fail, the Allies would have two options, which could be used jointly or separately. The first would be to fly aircraft through the closed areas to demonstrate our unwillingness to accept Soviet reservations. The second would be to make the problem a major issue of East-West relations -- in other words to force the Soviets to risk broader interests.

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Our final high level protest at the Ambassadorial level touched on the broader aspects and asked rhetorically whether the Soviets really wished to maintain calm in Berlin. Acting on instructions, Ambassador Dobrynin signalled clearly that the Soviets wished to find a compromise to the problems. Acting on this signal, we have returned the issues to the Berlin Air Safety Center (BASC) - the four-power flight coordination office - where Western air controllers have been instructed to probe Soviet willingness to find satisfactory solutions to our difficulties.

Current situation. There have been no corridor reservations for the past two weeks, and the Soviets have proved cooperative in coordinating air traffic in the BASC. It is unclear whether the lack of reservations reflects only the ending of the spring Soviet training cycle, but we are taking advantage of the opportunity to continue our probes of Soviet flexibility in the BASC.

Berlin views on the corridor problem. Governing Mayor Diepgen raised the problem with top officials, including the President, while he was in Washington. He appeared satisfied by our reiteration of Allied determination to maintain free access to Berlin. Berlin media gave extensive treatment to the problem through early April, but were unaware of the scrambling of Soviet aircraft. There are currently no reports of corridor problems in the media.

Public Approach Berliners tend to get excited by the least sign of Soviet misbehavior regarding their city. Such problems, especially where air access is concerned, are always a two-edged sword. The Berliners expect and appreciate expressions of Allied firmness on access questions. At the same time, any sense of crisis on the air routes could destroy public, especially investor, confidence in the future of Berlin and deliver a hard blow to the city's economy. For that reason, we have tempered our expressions of firmness with reassurance that civilian air traffic to Berlin is proceeding normally.

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8

DEPARTMENT OF STATE
BRIEFING PAPER

ENVIRONMENTAL ISSUES IN BERLIN

Berlin has been known for clean air and good environmental conditions, in part because of the numerous forests and lakes in the city. Twentieth century problems are present, especially air and water pollution caused by the GDR and East Berlin, but in general Berlin remains a relatively environmentally clean city.

Historically, the city of Berlin has been known for clean air and water. "Berliner Luft" or Berlin air is still canned and sold to tourists to promote this idea. The city is full of large forests and a number of lakes. The declining population and shrinking industrial base during the past decade in the western sectors have ameliorated some of the 20th century environmental problems which have plagued other European cities. From a total prewar Berlin population of about 5 million, the western sectors of Berlin have now about 1.8 million people with another one million in East Berlin. The shift in Berlin industry from smokestack industries to high technologies, which is being promoted for viability of the city economy, has a beneficial side effect of developing a cleaner, more pollution-free industrial community in the western sectors of the city. Nevertheless the same concerns in other parts of Germany also are present here, i.e., clear air and water, acid rain and basic healthy environmental conditions.

The environmental laws and regulations implemented in the Federal Republic of Germany (FRG) since the 1970's also are valid in Berlin. This is a comprehensive and thorough body of legislation for the protection of the environment with provisions for fines and imprisonment for polluters. The central authority for environmental policy, the Federal Environmental Office (Umweltbundesamt) was created in 1974 and is located in Berlin. This is a subordinate institution of the FRG Ministry of the Interior in Bonn and coordinates all environmental activities and institutions active in this field. It is responsible for providing necessary scientific and statistical data for environmental responsibilities of the FRG.

Chancellor Kohl's dedication to environmental protection issues and most recently acid rain in the FRG has been matched by a concern in the western sectors of Berlin by the new Governing Mayor Eberhard Diepgen and the local community. Berlin's environmental problems are generally a result of outside influences, primarily the pollutants from the German Democratic Republic (GDR).

Air: East Berlin and the GDR are still heavily dependent on soft coal as an industrial and home heating source which creates serious air pollution problems for the city. Although prevailing winds from west to east usually lessen the pollution in the West, there are many days, especially in winter, when the western sectors of Berlin are also affected. Air pollutants also come from other parts of Europe such as the industrial region in the southeast of the GDR and Czechoslovakia. One of the most recent concerns is the construction of a coal-fired energy plant in the FRG in Buschhaus near the GDR border which will dump pollutants on Berlin because of the west-east winds. An estimated 115,000 tons of sulfur dioxide would be dumped annually on the city. The plant construction was approved before environmental regulations were tightened. The Governing Mayor and concerned citizens groups are seeking assistance from the FRG and the land (state) government of Niedersachsen to require the plant to make the plant environmentally safe.

Water: The many canals in Berlin flowing through both parts of the divided city carry pollutants, mainly from east to west. In addition to discussions between the FRG and GDR on pollution of rivers, the Berliners have raised concerns about pollutants in the Berlin canals which are killing the fish, but the GDR has yet to acknowledge any responsibility for the problem. One of the major projects currently underway in the western sectors is a phosphate elimination installation in the Tegel Lake which will begin operation in the spring of 1985 at a cost of about DM 180 million.

Trees: German concern for dying forests as a result of the acid rain has resulted in a pilot research project in Berlin to develop different kinds of trees which are more pollution resistant and to add lime to the soil. The Berlin Senat estimates that between 1982 and 1983 the number of coniferous trees seriously damaged by air pollutants increased from 2 to 15 percent. In addition, Berliner concerns about protecting the forests have extended to successful legislative challenges preventing the felling of trees to build roads (in one case blocking opening a new crossing point at the Berlin end of the new Hamburg autobahn). Public action groups also are protesting construction of the Berlin spur of the Soviet gas pipeline because of damage to the tree roots in forests through which the pipe will pass.

Noise: In a high density area such as Berlin, citizen concerns about "noise pollution" resulted in over 7,000 individual complaints last year to the Berlin Senat. A primary source of current concern are sonic booms from Soviet aircraft over the city which rattle windows and sometimes nerves.

They harken back to periods of previous tension when it was thought the Soviets used this technique to frighten Berliners and assert their control over the city. Also a citizens group is attempting to sue the British Commandant via U.K. courts in London to stop construction of a new military shooting range at Gatow because of the noise which will result.

While environmental concerns among the populace are strong in a densely populated city, the situation is considerably better than in many similar-sized European cities. Interest will continue to grow in controlling pollutants from the east and other parts of Europe, especially with hope of eventual arrangements with the GDR as a part of the FRG-GDR continuing dialogue on environmental issues.

9

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TAX PROPOSALS

Three ideas to stimulate economic activity by US business in Berlin are being examined by Berlin officials. It is possible that they will be raised with you. As we have not discussed the ideas with the Treasury Department yet, we recommend that your response be essentially that the USG favors promoting the economic viability of Berlin, and we will examine their proposals carefully in that light.

West German tax subsidy for US business. FRG companies are given significant tax breaks to operate in Berlin: 22.5 % lower corporate taxes on profits in Berlin; 50% lower trade income taxes; 75% accelerated depreciation in the first year or over 5 years; tax-free investment grants (e.g. 25% on cost of new machinery). Under current regulations based on a bilateral tax treaty, US companies in Berlin cannot receive these tax advantages vis a vis the FRG taxes if they do not also have a subsidiary elsewhere in the FRG. The proposal is to have IRS alter its regulations regarding investment in Berlin so as to allow US firms to enjoy the same tax breaks as German firms.

Tax write-offs for conventions in Berlin. Under current US regulations, US citizens can deduct convention expenses from their individual income taxes only if the conventions were held in the US or Jamaica. If Berlin, with its special US interest and responsibility were to receive the same treatment, it would not only help Berlin's economy directly but would also strengthen personal ties between the US and Berlin.

Accelerated depreciation for PANAM. US-owned aircraft based outside the US cannot receive accelerated depreciation treatment from IRS if they do not fly to the US with a certain frequency or they are not under contract to the USG. PANAM is attempting to arrange a contract with Defense or State for emergency availability of its medium range aircraft (737s) which are based in Berlin, thereby hoping to qualify for accelerated depreciation. Hoping to cover their next generation of aircraft purchases in this manner, they have discussed the proposal with Governing Mayor Diepgen, as well as the Defense and State Departments. It may not be legally possible for State to make such a contract, although Defense may find it possible. In any event, IRS has yet to be consulted.

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10

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QUADRIPARTITE AGREEMENT ON BERLIN

The Quadripartite Agreement on Berlin or "QA", signed on September 3, 1971, is the most important four-power agreement on Berlin since the immediate post-war period, and the precursor of other important East-West accords. Negotiations lasted over a year between the US Ambassador to Bonn, Kenneth Rush, and Soviet, French, and UK negotiators. The QA served both to reduce tensions in and around Berlin and to make a number of practical improvements, notably in the area of travel and visits. It was the umbrella for various subsidiary agreements between the FRG, GDR, and Berlin Senat.

In opening negotiations with the Soviets on Berlin, the Western Allies hoped to reduce tensions in the area. They wanted to end the harassment of the Berlin access routes which the Soviets and East Germans customarily used to express their unhappiness about certain manifestations of Berlin-FRG ties.

A central issue in the QA negotiations was the area of its application. The QA applies to all of Berlin, which remains under four-power status. The Soviets, however, agreed in writing only that the QA's general provisions applied to the "relevant area", since they claim falsely that East Berlin is part of the GDR and thus no longer has four-power status.

The QA's general provisions reconfirmed existing four-power rights and responsibilities and called for elimination of tension in the "relevant area". They added that no side could change the existing situation unilaterally. This was a useful stabilization of the Berlin situation and a marked contrast to Soviet threats of the 50's and 60's to turn over the fate of West Berlin to the East Germans.

The QA's specific provisions apply to West Berlin. These facilitated rail, road, and water transport between the FRG and Berlin. They made it easier for West Berliners to visit and communicate with East Berlin and the GDR. The maintenance and development of FRG-West Berlin ties was authorized, while meetings of the FRG parliament and certain other FRG bodies in West Berlin were banned. The QA confirmed that Berlin is not a constituent part of the FRG. The QA permitted the exchange of small anomalous territories along Berlin's boundary. The Soviets were allowed to open a Consulate General and Trade Office in West Berlin.

The QA has in general worked well. Tensions over Berlin have declined. Soviet and East German harassment on the transit routes has essentially ceased, and their use has vastly expanded. Continuing disputes concern Soviet objections to enhanced FRG-Berlin ties, now expressed through protests, and unceasing Soviet/GDR efforts to erode the four-power status of Berlin as it applies to East Berlin.

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11

DEPARTMENT OF STATE
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CRAY COMPUTER EXPORT LICENSE

Last fall the Cray Computer Corporation, a US firm, applied for an export license to sell a Cray 1 supercomputer to the West Berlin city government for scientific research by the Free University and Technical University there. The USG has welcomed the sale of the Cray computer to Berlin as a means of enhancing Berlin's science and technology and contributing to its economy.

The approval of the Cray export license was delayed for some months because of US security concerns. These supercomputers have defense applications (they are used by the National Security Agency) and extensive access to the computers by the Soviet Union or its agents could assist them in the ongoing development of a Soviet supercomputer.

The US therefore decided that the export to Berlin -- the only pending supercomputer export license at the time -- would be contingent on physical and personnel safeguards for the computer. The Berlin city government had comprehensive safeguards already planned, and they were quickly confirmed in an exchange of letters between the Berlin Senat and the US mission Berlin, and the license was issued in March 1984. When granting the license, the US indicated that it would want to discuss with the FRG the question of safeguards for past and future supercomputer exports to the FRG and the FRG has said it looks forward to consultations.

During consideration of the license application, there were rumors in Berlin that the delay in licensing the computer was because it was to be located in Berlin, and therefore somehow more vulnerable to the East Germans or Soviets. This was not the case -- we consider West Berlin, as such, adequately secure. The US happened to decide that there was a potential problem with supercomputer exports at the exact time when the Berlin license was pending, and so it became the test case. Several supercomputers had already been delivered to France, England, and the FRG before the US concern arose and continue to operate in the US without safeguards. Future exports will be subject to appropriate safeguards.

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12

BERLIN AIR CORRIDORS AND SOVIET EXERCISES

Q. Do you attach specific importance to new Soviet harassment in the Berlin air corridors? What has the US done about the harassment?

A. There has been no harassment in the Berlin corridors. Flights are proceeding normally. We do disagree with the Soviets on the alterations of flight patterns which our planes have made in order to avoid areas in which the Soviets are exercising. This is the kind of management problem which has occurred repeatedly in the past. We have made known our dissatisfaction in Berlin and Allied capitals. It is our firm intention to maintain free and unimpeded access to Berlin.

Q. Has this been raised with Dobrynin?

A. I cannot comment on details of our exchanges. We have been discussing this issue on a regular basis with the Soviets.

Q. Do you see a new option of aggressive or assertive Soviet behavior there with their large military exercises and consequent alterations of Allied flight patterns?

A. No we do not. The exercises are a normal feature of Soviet activity in the area. We do not ascribe political significance to Soviet behavior in this instance.

US COMMITMENT TO BERLIN

Q. Can you envisage any circumstances in which the US would withdraw from Berlin, in the manner that some American intellectuals and politicians are advocating a US withdrawal from Europe?

A. No. It is inconceivable that the US would withdraw from Berlin as long as the Berliners need us. I am here at President Reagan's request precisely to demonstrate the strength and firmness of the American commitment to Berlin.

As President Reagan said during his visit to Berlin in June 1982, the American commitment to Berlin is a sacred trust. We would no more sacrifice the security of Berlin than we would abandon New York, Washington, or San Francisco.

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INNER-GERMAN RELATIONS

Q. What is the US attitude toward the current flurry of activity in relations between the Federal Republic of Germany and the German Democratic Republic (East Germany), including last year's jumbo loan to the GDR by West German banks, the intensified high-level visits between the two leaders, and the recent granting of permission by the GDR to more than 20,000 East Germans to leave for the West? Does the US worry that too-close FRG-GDR ties will tend to draw West Germany away from the NATO alliance?

A. The US is naturally interested in what is happening between the Federal Republic and the German Democratic Republic, and we keep in close touch with the Federal Republic on developments in this area. The US recognizes the special character of the Federal Republic's ties with the GDR. As a matter of longstanding policy, the US has consistently supported the traditional efforts of the Federal Republic to maintain and strengthen contacts and improved relations with the German Democratic Republic. We support the Federal Republic's humanitarian aim of reducing the artificial barriers that divide the German people. We believe that easing tension between the two parts of Germany can help stabilize the situation and reduce the danger of conflict in Europe.

-- Chancellor Kohl has stated that the Federal Republic's commitment to NATO and the West is absolutely firm. We are confident that the Federal Republic has no intention of permitting its relationship with the GDR interfere with its commitment to Western institutions.

GERMAN REUNIFICATION

A. What is the US view on the reunification of Germany?

A. The United States has for many years supported the peaceful reunification of the German people through self-determination. It is tragic that they continue to be divided against their will.

Along with our British and French allies, we committed ourselves in article 7 of the 1954 Bonn Settlement Convention (which returned sovereignty to the FRG) to "cooperate to achieve, by peaceful means, their common aim of a reunified Germany enjoying a liberal-democratic constitution, like that of the Federal Republic, and integrated within the European community."

6927A

US POLICY TOWARD EAST GERMANY

Q. What is US policy toward the German Democratic Republic (East Germany)? Have relations improved recently, with visits by Assistant Secretary of State Burt and other US officials to East Berlin?

A. It is clear that we have deep differences with the East German Government. We also have important interests in dealing with the GDR -- emigration, humanitarian issues and trade, among others. We have discussed and will continue to discuss such subjects with the GDR. We are ready to make practical progress on issues of mutual interest.

-- There have been some positive developments and more activity in our relations recently. The GDR recently returned 48 paintings by the American artist Feininger (FINE-ing-er) to his heirs in the US. We welcomed that positive move on the GDR's part.

-- The visit to East Berlin in February by Assistant Secretary Richrd Burt demonstrated that despite Soviet claims of an "ice age" in East-West relations, we wish to keep open channels to all European governments, including that of the GDR. We hope to continue our dialogue on the basis of honest self-interest.

6931A

THE BERLIN WALL

Q. What is your opinion of the Berlin Wall, which you have visited here?

A. The wall is a terrible sight. It shows the failure of the communist system to meet the human need for freedom and dignity. For Berliners, it marks the tragic division of their city and separation from family and friends. The US hopes for the day when such artificial barriers will come down and all Berliners will have the opportunity to live together in peace.

As President Reagan said in Berlin two years ago: "to be here is truly to stand on freedom's edge and in the shadow of a wall that has come to symbolize all that is darkest in the world today, to sense how shining and priceless -- and how much in need of constant vigilance and protection -- our legacy of liberty is."

6926A

FUTURE OF BERLIN

Q. Some have said that Berlin, with its aging and declining population and its failing industries is destined to become a ghost city. What is your view?

A. I am optimistic about Berlin. Berlin is a marvelous city. there is every reason to believe Berlin can prosper in the future as it has in the past. I am particularly impressed with the efforts to rejuvenate Berlin's industry by reliance on innovative private enterprise in the high-technology area.

Major cities throughout the world are faced with declining population. This should not be considered a measure of Berlin's future. What is important is the spirit of its people and the quality of its leadership. I see no failing in either of these categories. You can be sure the United States will do its part to ensure the future security of the city. We will also work closely with the Federal Republic, which is responsible for the conomic viability of Berlin, to ensure a prosperous future.

6925A

KONGRESSHALLE

Q. Whom do you blame for the Kongresshalle's (pronounced Kon-GRESS-hall-uh) 1980 collapse? (This is a matter of controversy in Berlin.)

A. I am not an architect or engineer, and so I can't say what the reasons for the collapse were. I am sure that nobody at the time intended for the collapse to happen.

I can only say that I support fully the view of the Berlin Senat, which considers the Kongresshalle both an architectural landmark and a living symbol of US-Berlin ties. As far as the US is concerned, the Kongresshalle is a great building. In its historic form, it has symbolized America's friendship with Berlin in the way no other lasting monument does. For that reason, we are very pleased it is being rebuilt. The form the rebuilding took was properly a decision for the Berlin government to make.

6957A

GDR HUMAN RIGHTS SITUATION

Q. What is your view of the human rights situation in the GDR? Does the US deal with the East Germans on this question?

A. The GDR, like other communist states, has a poor record in this area. We believe it is wrong for any country to deny basic human rights to its population. The GDR is no exception. However, we would consider the recent increase in the number of exit permits granted by the GDR to be a positive development.

-- We do discuss human rights with the GDR privately and confidentially.

6934A

US-GERMAN RELATIONS

Q. Has the state of US-German relations declined after the NATO INF deployment decision last year, which was opposed by most West Germans?

A. US-German relations are in good shape. There is no difference that I can see between Americans and Germans on the need to keep a strong Alliance defense and deterrent. The Bundestag vote on INF deployment last November was a clear indication of the Federal Republic's firm adherence to NATO and confirmation that the German people would not be intimidated by the Soviet Union.

-- At the same time, both the US and the Federal Republic believe in the importance of realistic cooperation with the East on practical matters of mutual interest, above all, reducing the dangers of war. Our arms control positions are developed with the closest cooperation and consultation with the FRG.

-- Because of our shared ideals and objectives, I am confident that the American-German relationship will continue to be strong.

6928A

13

ARTHUR F. BURNS

AMBASSADOR TO THE FEDERAL REPUBLIC OF GERMANY

Until his appointment in May 1981, Ambassador Burns was distinguished scholar-in-residence at the American Enterprise Institute and distinguished professorial lecturer at Georgetown University in Washington, D.C. Since 1969 he was John Bates Clark professor of economics emeritus at Columbia University in New York. From 1970 to 1978 he was Chairman of the Board of Governors of the Federal Reserve System. He served as Counsellor to the President from 1969 to 1970 and was Chairman of the President's Council of Economic Advisors from 1953 to 1956. Ambassador Burns was associated with the National Bureau of Economic Research from 1930 to 1969 and currently serves as honorary chairman. He was previously a professor of economics at Rutgers University.

Ambassador Burns was graduated from Columbia University (A.B., 1925; A.M., 1925; Ph.D., 1934) and Lehigh University (LL.D., 1952). He has received degrees from Brown University, Dartmouth College, Oberlin College, Wesleyan University, among others.

Ambassador Burns is married, has two children. He was born April 27, 1904, in Stanislau, Austria.

**Nelson C. Ledsky
American Minister
United States Mission Berlin**

Nelson C. Ledsky has been American Minister in Berlin since August 1981. Since joining the State Department in 1957, Mr. Ledsky has served in Georgetown, Guyana; as Principal Officer of an American Consulate in Nigeria; and as Political Officer at the American Embassy in Bonn, Germany, from 1965-69. Mr. Ledsky has also worked in the Department of State as Berlin Desk Officer and as Deputy Director of the Office of Central European Affairs during the time of the Berlin Quadripartite negotiations. Between 1974 and 1977, Mr. Ledsky was Director of the Office of Southern European Affairs, and was Deputy Assistant Secretary for Congressional Relations from 1977 until his assignment to Berlin.

Mr. Ledsky is a graduate of Western Reserve University (BA) and Columbia University (MA). After working in private industry, he served for two years in the U.S. Army from 1955-57. Mr. Ledsky was born in Cleveland, Ohio, September 30, 1929. He is married to the former Cecile Waechter. They have three children.

UNCLASSIFIED

MAJOR GENERAL JAMES G. BOATNER
United States Commander Berlin

General Boatner was born in 1930 in Tientsin, China. He received a B.S. degree in military science from the United States Military Academy and has earned two graduate degrees from Harvard University. He assumed his duties as the United States Commandant in Berlin in July, 1981. General Boatner served from 1975 until 1978 as the Commanding General of the 172nd Infantry Brigade, Alaska, and subsequently, until being named to his present assignment, as Director, Military Personnel Management Office, Deputy Chief of Staff for Personnel, United States Army, Washington. He and his wife have five children.

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