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	4		5
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3			
		SS	PM
		10	2
AGR	COM	FRB	INT
LAB	TAR	TR	XMB
AIR	ARMY	NAVY	OSD
5	3	10	34
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10	3	16	
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Summary:

A year and a half after the Quadripartite Agreement (QA) went into effect, Berlin remains crisis-free, but wide differences prevail in regard to several aspects of the QA's implementation. Controversy has principally focused on the carefully balanced passage that "the ties between the Western Sectors of Berlin and the Federal Republic of Germany will be maintained and developed, taking into account that these Sectors continue not to be a constituent part of the Federal Republic of Germany and not to be governed by it." The Western side has interpreted this provision to mean that as long as those actions specifically enjoined by the QA are avoided, the FRG is free to represent Berlin internationally and to sustain and build on practices of the past that demonstrate that West Berlin is a part, if not a constituent part, of the FRG. Thus, it is only natural that West Berliners should participate in international events as members of FRG delegations, that the FRG should, with Allied authorization, represent West Berlin abroad, that Bundestag committees and political parties should hold meetings in Berlin, and that Federal offices should be located in Berlin as long as they exercise no direct governmental authority.

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DECLASSIFIED

Authority MND969057By PT NARA Date 12/15/05SECRET/NOFORNBerlin A- 291
Page 2

The Soviets and East Germans, on the other hand, place full emphasis on the second half of the formula--ignoring the key word "continue"--and attempt through repeated formal and informal complaints, as well as in their own bilateral relations, to assert an independent status for West Berlin. Objecting to the presence of West Berliners on FRG teams and delegations, they attempt to negotiate separate arrangements for cultural and sports exchanges with West Berlin. While deflecting the FRG's efforts to negotiate on behalf of West Berlin under the terms of the FRG-GDR Basic Treaty, the GDR holds out the promise of substantial local benefits if only the West Berlin Senat will enter into separate treaties with it. Instead of honoring the QA provision on developing ties, the Soviets and East Germans allege that the FRG presence in West Berlin should be reduced in size. And only when the FRG agreed to defer the question of representing West Berlin consular interests abroad was Bonn able to move ahead with normalization treaties with Czechoslovakia, Bulgaria and Hungary.

With the debate on ties still unresolved, the trouble-free experience in regard to arrangements for transit and visits has recently been marred by GDR attempts to introduce selectively modifications in controls on transit traffic and by the imposition of more burdensome currency-control regulations, which in the past few weeks have had the effect of drastically reducing the flow of visitors to East Berlin and the GDR.

The basic visit and transit rights for most West Berliners remain unimpaired, but failure on the part of both the FRG and the Allies to insist on proper interpretations of the QA and inner-German agreements could lead to further, more damaging efforts at reinterpretation and what amounts to renegotiation. In this context, the text case posed by Soviet and GDR opposition to the location in West Berlin of a new Federal Environmental Agency is especially significant. While hitherto it has been possible for the Allies to remain silent in regard to most controversies concerning the QA, there may be occasions when it is necessary both privately and publicly to assert Western positions, lest Eastern interpretations stand unrefuted

SECRET/NOFORN

DECLASSIFIED

Authority MND 969057By PT NARA Date 12/5/05~~SECRET/NOFORN~~Berlin A- 291
Page 3

or the GDR succeed in creating the impression that it has a right to interpret the work of the Four Powers. Unpublicized, private approaches to the Soviets offer the possibility of avoiding trouble before they or the East Germans become so committed they feel they cannot afford to back down. Depending on circumstances, public statements may be necessary for both morale and record-building purposes. We recognize that the United States may have to undertake some missionary work to convince the Allies, particularly the French, who are inclined toward strict constructionism, of the need to "talk back." Failure to respond promptly to Eastern challenges, however, often is likely to be regarded as a sign of vacillation and division in Western ranks, which in turn might encourage the Soviets and East Germans to press their case.

It is probably too soon to determine whether the November 1972 Quadripartite Declaration will be as effective as intended. Although the GDR has been admitted to the United Nations and has established diplomatic relations with most major states, the fact that the United States has not yet opened an Embassy and the UK and French Ambassadors are not yet in place may be restraining the Soviets and the GDR from attempting to alter Allied practices. In the months ahead the Allies will have to observe closely GDR and Soviet behavior in such vital areas as access, and freedom of movement in East Berlin.

Since the Soviet Consulate General opened its doors in mid-1973, its personnel, working in close conjunction with their colleagues in the Soviet Embassy in East Berlin, have done their part to advance one-sided interpretations of the QA, while attempting to insinuate for themselves a Fourth Power voice in West Berlin. The Mission will have to continue to shoulder the major part of the tiresome task of monitoring Soviet attempts to bend local regulations and to break the ground rules worked out for the new Soviet establishments in East Berlin, calling the Soviets to account whenever they do so.

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DECLASSIFIED

Authority MND 969057By PT NARA Date 12/5/05~~SECRET//NOFORN~~Berlin A- 291
Page 4

During the past year, the Senat has demonstrated a tendency toward independent action, understandable in the context of FRG entry into the UN and the prolonged period of Allied occupation. While there is an equal tendency for the Senat to draw closer to the Allies when faced with negotiating difficulties with the East, it behooves us to recognize the trend toward greater independence as inescapable and to accommodate to it. The Allies should not stand in the way of Senat-GDR negotiations on local matters, provided that reserved Allied rights are not affected, and we should avoid over-reliance on formal Allied Kommandatura machinery in our relations with the Senat.

Western insistence, for valid political reasons, on free access to the Western Sectors of Berlin has always posed law-and-order problems. These have become more acute in recent months, as a flow of Jewish refugees into the city, combined with a large increase in the Arab population, many of them allegedly seeking asylum, has created a potentially explosive situation. Local authorities are also more concerned about narcotics control. We recommend urgent consultation with our Allies and the Senat to devise entry controls and expedite disposition of asylum cases, a course which we believe is possible without modifying fundamental Western positions.

Growing awareness of the need to enhance West Berlin's sense of belonging at a time when it is no longer a center of world attention has not been matched by concrete accomplishments. Established international institutions are reluctant to set up branch offices in Berlin, far from home base, while proponents of new institutions are not always able to persuade potential participants of the practicality of ideas attractive in theory. German-wide organizations continue to offer the most promise. The FRG should be encouraged on a selective and carefully timed basis to support the location in the city of new institutions, national and international, and not to give way to Soviet/GDR challenges when making decisions about its own facilities, as long as these are consistent with the QA.

~~SECRET//NOFORN~~

DECLASSIFIED

Authority MND969057By PT NARA Date 12/5/05~~SECRET//NOFORN~~Berlin A-
Page 5

291

The completion in 1974 of Tegel Airport as an ultra-modern, convenient airport theoretically should give West Berlin an edge in developing as an international air center. Unfortunately, however, moves to attract new carriers to come to West Berlin have generally been made reluctantly and too late. As a consequence, West Berlin has continued to lose out to Schoenefeld in the development of air services. Early Allied approval of landing rights for non-Allied carriers clearly interested in pressing the GDR for overflight rights will be required if this imbalance is ever to be redressed.

Whatever the success of efforts to bolster Berlin's attractiveness as a European center, the city is bound to suffer from the current energy crisis that affects all of Europe. It may be necessary for the FRG to give special consideration to measures to forestall a worsening of the always-latent sense of isolation of its citizens.

The graphic and performing arts is one area in which the United States' actions are not dependent upon outside influences. With the Soviets stepping up their cultural offensive in the Western Sectors, and in view of the probability that major American cultural attractions will be presented in East Berlin and the GDR, it is important that the United States be represented in West Berlin by at least a limited number of outstanding examples of its cultural life that will demonstrate continued interest in the city.

In addition to advancing the confidence-building measures suggested above, it is important during the current transition period related to the enhancement of the GDR's international status that the United States itself undertake no steps that could signal declining willingness to stand by its Berlin commitment and be misinterpreted by the Soviets or the GDR as encouragement further to assert one-sided interpretations of the QA. Cuts in the United States garrison force, which at best could make only a marginal contribution to over-all European troop reductions, would not warrant the risks entailed. We recognize, however, that some reductions could probably be effected in time without damage to the missions of the Allies, and would not wish to suggest they be precluded should such a gesture assume critical importance at an advanced stage of the MBFR negotiations.

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DECLASSIFIED

Authority MND 969057By PTNARA Date 12/5/05~~SECRET/NOFORN~~Berlin A- 291

Page 6

I. The Quadripartite Agreement: Testing Interpretations

After a year and a half of probing and testing of the Quadripartite Agreement, Berliners have come routinely to partake of its personal benefits--visits to East Berlin and the GDR and expedited transit to and from West Germany--but a number of key issues remain serious points of contention. While the Soviets and the East Germans have thus far exercised care to avoid critical confrontation that would directly engage parties to the QA under its consultative clause, they appear embarked on a coordinated campaign to obtain through interpretation objectives they failed to achieve in the negotiation of the QA proper and the Inner-German agreements that followed.

This attempt at what amounts to a form of renegotiation has two facets, not immediately related, but by implication and innuendo increasingly linked in Soviet-GDR tactical approaches: an attempt to establish restrictive interpretations of the Agreement's provisions on ties between West Berlin and the FRG; and an effort to take unilateral actions in areas not explicitly covered by the QA that in turn impinge adversely on the tangible benefits Berliners have hitherto enjoyed.

Controversy about the first aspect has principally concerned the carefully balanced passage that "the ties between the Western Sectors of Berlin and the Federal Republic of Germany will be maintained and developed, taking into account that these Sectors continue not to be a constituent part of the Federal Republic of Germany and not to be governed by it." The Western side has interpreted this provision to mean that as long as those actions specifically enjoined by the QA are avoided, the FRG is free to represent Berlin internationally and to sustain and build on practices of the past that demonstrate that West Berlin is a part, if not a constituent part, of the FRG. Thus, it is only natural that West Berliners should participate in international events as members of FRG delegations, that the FRG should, with Allied authorization represent West Berlin abroad, and that political activities not explicitly prohibited by the QA should take place as in the past.

~~SECRET/NOFORN~~

DECLASSIFIED

Authority MND 969057By PT NARA Date 12/15/05~~SECRET//NOFORN~~Berlin A- 291
Page 7

The Soviets and East Germans, on the other hand, place full emphasis on the second half of the formula--ignoring the key word "continue"--and attempt through repeated formal and informal complaints, as well as in their own bilateral relations, to assert an independent status for West Berlin. Objecting to the presence of West Berliners on FRG teams and delegations, they attempt to negotiate separate arrangements for cultural and sports exchanges with West Berlin. While deflecting the FRG's efforts to negotiate on behalf of West Berlin under the terms of the FRG-GDR Basic Treaty, the GDR holds out the promise of substantial local benefits if only the West Berlin Senate will enter into separate treaties with it. Instead of honoring the QA provision on developing ties, the Soviets and East Germans allege that the FRG presence in West Berlin should be reduced in size (ignoring the fact that the Agreement says nothing about "presence"). Soviet/GDR protests have been registered against the takeover of Federal legislation in Berlin and the convening in Berlin of meetings of Bundestag committees and political parties. And, despite the successful implementation of a scenario painstakingly worked out in advance by the Allies with the Soviets that assured the FRG's representation of West Berlin in the United Nations, the GDR has objected to such representation in the UN's specialized agencies.

Against the backdrop of some 65 Federal offices with 47,000 employees in the city, the tendentious Soviet/GDR argument that Federal presence should be reduced has focused particularly on Bonn's announced intention to locate in West Berlin a new Federal Environmental Agency. Whereas earlier protests bearing on West Berlin-FRG ties, once made, have been dropped when answered by either the German authorities or the Allies, in this instance the Eastern side has orchestrated formal notes to the Allies in Moscow, oral protests to the Allied Missions in Berlin, and protests by GDR negotiators to both Senat and FRG authorities. The Soviets and East Germans probably have been somewhat encouraged to take a stand on this issue by the long delays in answering Soviet allegations, which they doubtless regard as a sign of vacillation and division in Western ranks. The result has been to

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DECLASSIFIED

Authority MND969057By PT NARA Date 12/5/05~~SECRET/NOFORN~~

Berlin A- 291

Page 8

make a test case out of the affair, and at this writing it remains to be seen whether the FRG will stick by its guns and go ahead with the formal action that remains to be taken. Should the FRG back down, or even if it does not, this episode almost certainly will have an adverse effect on further efforts to bring new institutions to West Berlin (see VII, below).

A second major controversy, which threatened for a time to hold up the establishment of FRG diplomatic relations with Czechoslovakia, Hungary and Bulgaria, has concerned the FRG's right to represent abroad not only West Berliners themselves, but also the juridical interests of its citizens and corporations. The FRG decision to defer resolution of the issue in order to permit the conclusion by the end of the year of treaties with the three countries in question suggests strong political pressure in Bonn to compromise what it regards as parochial Berlin interests in order to keep Ostpolitik going.

The GDR has further advanced its case against FRG representation of West Berlin by attempts to negotiate separately with the Senat agreements on such matters as health, and water conservancy, where the FRG is entitled to represent Berlin under the terms of the FRG-GDR Basic Treaty. The Senat in turn has its own desiderata for negotiations such as waterways improvement, rescue arrangements and an urban development project involving Reichsbahn property. While no explicit linkage has been established between the two categories, GDR spokesmen frequently accuse the Senat of foot-dragging in those areas where the Senat is least anxious to negotiate directly.

Cognizant of the pitfalls in GDR attempts to score legal-theory points, both through an extension of the area covered by direct Senat-GDR negotiations and by the form and terminology of the agreements reached, the Allies have worked out with the Senat an authorization to permit local administrative arrangements to be concluded in practical and humanitarian fields without undermining the possibilities for FRG representation of West Berlin interests. This authorization, calling for full consultation with the Allies and specific authorization before the conclusion of individual agreements, is now being tested.

~~SECRET/NOFORN~~

DECLASSIFIED

Authority MND969057By PT NARA Date 12/5/05~~SECRET/NOFORN~~Berlin A- 291
Page 9

By and large, the QA provisions in regard to the transit of goods and persons between the FRG and West Berlin have continued to run smoothly. Automobile passenger traffic in the first eleven months of the year, for example was up 22 percent compared with 1972, and 75 percent compared with 1971, whereas air traffic in the same period declined sharply by 21 percent compared with 1971. Nevertheless, the GDR has been increasingly inclined to assert its authority and place limits on those QA provisions which seem to it to permit room for interpretation. Distressed by a marked increase in exfiltration, particularly of skilled professionals, the GDR has imposed more stringent spot checks on autobahn traffic, and, in order to discourage the operations of professional exfiltration rings, staged an exfiltrator show trial and began to publicize heavy prison sentences meted out to exfiltrators. Further control over autobahn traffic was imposed on travellers from Greece and Turkey on the ground of possible contamination with hoof-and-mouth disease, even though indiscriminate implementation of the GDR controls initially excluded many travellers who had not been in the allegedly affected areas for months or even years. The seemingly clumsy GDR controls were eventually put on a more rational basis after an exchange of messages between FRG and GDR authorities, but it appeared that a prime GDR motive was to assert a right unilaterally to interpret the "public order" and "misuse" provisions of the Transit Agreement and to impose such controls as it saw fit, rather than to control disease.

Toward the end of the year, the GDR took a step which seemed to large numbers of West Berliners partially to rescind benefits they thought they had achieved from the QA. Mandatory currency-exchange provisions for visitors to East Berlin and the GDR were doubled and made applicable for the first time to pensioners. What was previously a nuisance fee thereby became a serious financial consideration for many, as seen in the immediate reduction by close to fifty percent in the flow of visitors. The GDR was probably concerned about the possibility of unprogrammed spontaneous events resulting from too large a flow of visitors and too free an exchange of ideas, and saw in the new measure an easy way to keep up the level of foreign exchange while cutting back drastically on the number of visitors. Senat and FRG protests against the GDR measure have thus far been of no avail, and the GDR has counterattacked with demands that the Senat and FRG should crack down on "currency speculation" in East Marks.

~~SECRET/NOFORN~~

DECLASSIFIED

Authority MND969057
By PI NARA Date 12/5/05~~SECRET/NOFORN~~Berlin A- 291
Page 10

It would appear that the period of Eastern give in the context of QA implementation is essentially over and any further concession will be obtained only at a price. The Soviet and GDR interpretations of the QA discussed above violate the Agreement's spirit as understood in the West, and, in some instances, may come close to violating the letter of the Agreement as well. Although it was possible for many months for the Allies to leave it to the German parties to resolve their differences, it would appear likely that even if controversies are not taken to the level of formal Quadripartite discussion, it will be necessary on occasion for the Allies both privately and publicly to set forth their understanding of the Agreement. Private approaches to the Soviets, if made effectively and in sufficient time, may serve to prevent Eastern positions from becoming frozen through public exposure. There are to be sure some fundamental differences among the Allies, with the French, for example, being more inclined to a strict-constructionist view. Should the Allies fail to show necessary concern about Soviet and GDR actions, however, the stage will be set for further whittling away of the achievements of 1971-72. The additional danger is that Berliners may feel the Western side regarded the QA principally as a device to advance detente, but was not willing to defend what it wrought. It is also important that the GDR not be permitted to insinuate a right to interpret the QA that is properly a Four Power prerogative.

II. Effects of GDR Recognition

Thus far, West Berlin has survived the shock of full international recognition of the GDR and the expansion of the East Berlin diplomatic community, partly because most of the new foreign missions are still getting established, and partly because diplomatic life on the other side of the Wall has not turned out to be all that exciting. There has been some watering down of foreign representation in West Berlin, but the downgrading to date (e.g., reduction to a minimal presence of the Norwegian Military Mission and the closing down of the Uruguayan Consulate General) has been balanced by the re-establishment of two new Consulates General in addition to that of the USSR (Iran and the Republic of Korea), with the prospect that other East European Consulates General will soon open.

~~SECRET/NOFORN~~

DECLASSIFIED

Authority MND969051By PT NARA Date 12/5/05~~SECRET/NOFORN~~Berlin A- 291
Page 11

It is probably too soon to determine whether the November 1972 Quadripartite Declaration will be as effective as intended. There have been incidents that could be interpreted as part of a GDR effort to assert its sovereignty in regard to Allied traffic on the access routes and in East Berlin, but these do not yet form a pattern. The Soviets for their part have generally continued to make the right responses to Allied complaints, while themselves remaining on best behavior. However, the fact that the United States has not yet established diplomatic relations with the GDR, and the UK and French Ambassadors are not yet in place, may be restraining Soviets and the GDR from attempts to alter Allied practices. The view expressed last year that we might eventually have to give up some activities most offensive to GDR sensitivities, e.g., Allied military patrols in East Berlin, while holding tightly to those rights which are most vital, e.g., unrestricted use of the access routes, still holds. Particularly, during this transition period, the involvement of Allied personnel in exfiltration, while only a minor element of the GDR's exfiltration problem, poses a risk to trouble-free preservation of Allied practices.

III. The Russians are Here

With minor exceptions, the facilities and personnel the Soviets were authorized to establish in West Berlin by the terms of the QA were in place by mid-1973, after months of Soviet haggling over administrative details. Once in operation, however, the Soviets lost no time in establishing and cultivating wide-ranging contacts in political, cultural, educational, and journalistic circles in West Berlin. They have been very active, in some cases, to the point of aggressiveness, and have been encouraged by the receptiveness of many local officials and other leaders to their advances.

The Soviet Consulate General, which has exhibited only marginal interest in routine consular tasks, has already made an identifiable impact. Apparently its principal assignment for the present is to lay the groundwork arrangements for a separate USSR-West Berlin Cultural Agreement by promoting direct exchanges between Soviet and West Berlin cultural groups and by scheduling performances by Soviet artists without the intermediary of agencies and associations in the FRG. By way of contrast, the Office of Soviet Trade Associations has thus far maintained a low profile, and has not as yet entered into contracts with major firms and commercial groups in West Berlin.

~~SECRET/NOFORN~~

DECLASSIFIED

Authority MND 96905TBy PTNARA Date 12/5/05~~SECRET/NOFORN~~Berlin A- 291
Page 12

The pattern of Soviet behavior over the past six months suggests that they are bent on establishing an image of the Soviet Union as an active and conspicuous force in West Berlin on a parity with the three Western Allies. Toward this end the Soviets continue to test the limits of Allied tolerance to a broad and on-sided interpretation of the relevant provisions of the QA, and utilize opportunities to suggest that their authorized offices and agencies have a status superior to that of other foreign establishments. Finally, the Soviets in West Berlin, in close coordination with the Soviet Embassy in East Berlin, do their best to advance well-established East Bloc interpretations of the QA. No detail or incident is considered too insignificant for possible exploitation to Soviet advantage (see Berlin A-266). Thus far, however, when transgressions of the ground rules set with the Allies, e.g., adherence to German and Allied laws and regulations, avoidance of political activities, etc., have been called to Soviet attention, they have indicated no desire for confrontation. We are left with the impression that Soviet goals are long-range and that they are content to lay their groundwork carefully.

Tiresome as the task may be, the United States Mission, in whose sector most of the Soviets are located, will have to continue to bear the brunt of monitoring Soviet activity and calling the Soviets to account when they step out of bounds.

IV. Local Political Scene

Berlin politics have remained on an unusually even keel throughout most of the past year. While each of the major parties, especially the SPD and FDP, are plagued with some degree of factionalism, pragmatic solutions have been found in each case to avoid open splits. Today, as in the past, there is a tendency for administration and opposition to close ranks on issues related to the city's well-being so that lines of partisan politics are somewhat blurred compared with those in the rest of the FRG.

The SPD remains in firm control, continuing to make do without entering into coalition with the FDP on the pattern of the Bonn government. Governing Mayor Schuetz, having coveted without success a leading position in Brandt's post-election government last year, seems to have resigned himself to advancing

~~SECRET/NOFORN~~

DECLASSIFIED

Authority MND96905TBy PTNARA Date 12/5/05~~SECRET/NOFORN~~Berlin A-
Page 13

291

his political future in Berlin. Whereas a year ago Schuetz was in almost continuous altercation either with Bonn or his own party in Berlin, since the early part of 1973 he has stayed out of trouble and has taken positions generally acceptable from a Berlin, as opposed to a partisan point of view. His ability to speak up unrefuted has been assisted by divisions within the SPD in Bonn in the wake of Wehner's controversial pronouncement in Moscow. And when the GDR, possibly tempted to play on internal West German differences, made a number of heavy-handed personal attacks on Schuetz, the net affect was to enhance the Governing Mayor's local prestige.

While Schuetz remains pretty much a loner, and some fairly attractive younger leaders are active in the party, no one has emerged as a plausible rival to leadership of the Berlin SPD. Moreover, the results of the first round of local-organization elections looking to 1975 indicate that, despite the latent strength of the left wing, compromises will continue to be worked out as in the past with the dominant right wing.

The university situation, Berlin's most troublesome local political problem, remains in a turbulent state, plagued by sporadic student strikes and campaigns of violence and disruption directed by small extremist elements against "reactionary" professors and the self-governing apparatus of the universities. In the absence of a unifying external issue such as Vietnam, the radicals and extremists have mobilized substantial campus support by placing themselves in the vanguard of the opposition to a reform of the Berlin University Law that would increase the direct authority of the state and restore to the senior faculty some of their lost power. The less conspicuous parallel effort by radicals and extremists to take over the universities from within by dominating the various decision-making bodies has also persisted, although it has met with more determined resistance on the part of moderate faculty and staff. On the governmental plane, the Senat has stood by its plan for basic amendment of the University Law, but the timetable calling for action to be completed by 1975 has been set aside as a result of the vociferous opposition of the universities, and, more recently, submission to the Bundestag of a comprehensive legislative proposal for revamping the higher-education system. Some revision of the University Law has been achieved, however, through passage of a bill implementing the decision of the Federal Constitutional Court that full professors should have a predominant voice in university decisions on teaching and research.

~~SECRET/NOFORN~~

DECLASSIFIED

Authority MND969057By PT NARA Date 12/15/05~~SECRET/NOFORN~~

Berlin A- 291

Page 14

V. Economic Scene

An improvement in Berlin's viability was indicated by an increase in the percentage of imports of goods paid for by goods exported from 84.5 in 1970 to 88.6 in 1972. For the first six months of 1973 Berlin GNP increased by 6% in real terms, an achievement that meant that, for the first time since 1967, real growth was as rapid in Berlin as in the FRG. But this may be a peak. In the third quarter, the economy began to cool somewhat, with new orders down to about the level of current production and demand for employment and retail turnover also down slightly.

Perhaps by coincidence, Berlin economic activity began to pick up simultaneously with the conclusion of the Quadripartite Agreement. While many Berlin businessmen say that the Brandt government's Ostpolitik has involved compromises at Berlin's expense which will soon adversely affect the Berlin economy, such views seem designed more to protect the preferences Berlin receives from the FRG than to forecast events. The economic indicators to date are more optimistic.

In 1973, for the first time, plans for investment in manufacturing industry in Berlin exceeded DM 1 billion. The economy still has to contend with a disproportionately high number of older persons in the population, and the difficulty of attracting workers from the FRG to come to Berlin and of keeping midcareer talent in Berlin from being tempted by the broader horizons of the FRG. But nature is slowly remedying the over-age problem, and the reduction in the working population resulting from a large number of retirements and a net emigration of older workers has been offset by a sharper increase in productivity in Berlin than in the FRG. Berlin's economy necessarily continues to be irrationally structured and vulnerable not only to possible Eastern countermeasures but also to any substantial decrease in FRG support. But fears that the FRG will grow tired of supporting the city have not been borne out. There have been no serious attempts this year to reduce preferences and the Berlin aid item in the FRG budget has been large enough and determined early enough to avoid concern.

Berlin is expected to suffer from the energy crisis in much the same way as the FRG since the two economies are tied

~~SECRET/NOFORN~~

DECLASSIFIED

Authority MND969057By PT NARA Date 12/5/05~~SECRET//NOFORN~~Berlin A- 291
Page 15

closely together. Fortunately the city obtains much of its power and heat from coal, and fuel stocks, especially of coal, are at relatively high levels. Energy-intensive, petrochemical, and automotive industries are for the most part not represented in Berlin. However, the city has no special protection from the general shortage and rising prices of oil, nor from the overall inflation and economic slowdown which will probably soon come, and Berlin fuel stocks must be protected against the contingency of trouble on the access routes. Consideration may have to be given to some special treatment for Berlin in regard to fuel-conservation measures affecting the air and land access routes if the city's always latent sense of isolation is not to be aggravated.

VI. Changing Relations with the Senat

During the past year, the Senat has indicated a certain amount of chafing at close Allied direction, and has been less willing to consult with the Allies early in the decision-making process, particularly in regard to negotiations with the GDR. This change in attitude is partly a matter of Senat personalities and partly a result of what are perceived as opportunities for independent action in the post-QA period.

The Senat's tendency toward independent action has been less in evidence in the past few months as the pace of East-West negotiations has slowed down, and the East's tough stance on various issues has demonstrated anew for the Senat its dependence upon Allied political support. However, it probably represents a long-term trend not altogether unnatural after twenty-eight years of occupation.

In our view, the best way to maintain good relations with the Senat and still assure ultimate Allied control in the areas of reserved rights accepted by all responsible elements of Berlin political life is to take the Senat into our confidence in regard to Allied thinking, while encouraging the Senat to do the same with the Allies. This will entail toleration of a certain amount of independent action by the Senat, and, for the United States, a good deal of negotiation with our British and French Allies. We do not have in mind a fundamental change in Allied-Senat relationships, but the

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DECLASSIFIED

Authority MND 969057By PT NARA Date 12/5/05~~SECRET/NOFORN~~Berlin A- 291
Page 16

adoption of a mental set that reflects sensitivity to the changing times. There is nothing to be gained from repeated insistence on our rights, and maintenance of a tight hold on all Senat decisions, however minor, as the French would do. A major advantage of a more relaxed approach would be to preserve options for the Allied role in West Berlin over the long haul.

VII. Confidence-Building Measures

Efforts to sustain a sense of progress in West Berlin against the combined forces of East Berlin's enhanced status as a diplomatic center and the disappearance of Berlin issues from the front pages of the world press have concentrated on attempts to bring new institutions to the city and to develop West Berlin as an international air center.

During the past year, a small WHO research office has come to the city, two international meetings sponsored by UNIDO were convened in West Berlin, and, as noted above, it is intended to locate the Federal Environment Office in West Berlin. Numerous other projects, however, have been stymied because of the desire of major international institutions to remain centralized or to locate in established international centers; the competition of other cities; and the difficulty of selling in practice projects attractive in theory.

The Senat, accordingly, has cut its shopping list to concentrate on proposals with the greatest promise of achievement. This selective approach appears to be the best course. We should throw in our weight and encourage the FRG to do so also whenever useful and justified. Federal institutions thus far seem to offer more hope of realization than international organizations, a factor which makes even more significant the final decision on the establishment of the Federal Environment Office, discussed above.

On the international air front, Tegel Airport is scheduled to open toward the end of 1974 as one of the most modern, convenient municipal air facilities in the world, but plans to bring new air services to the city are on dead center. The two airlines thus far granted Allied permission to land in West Berlin, SAS and AUA, have been indifferent in pressing

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Authority MND 96905TBy PT NARA Date 12/5/05~~SECRET//NOFORN~~Berlin A-
Page 17

291

for GDR overflight rights, while the British, for commercial reasons, have dragged their feet in extending a proffer of landing rights to other carriers, such as JAT (Yugoslavia) or THY (Turkey) that seem more interested and may have a better chance. In the meantime, air services to East Berlin's airport, Schoenefeld, continue to expand.

Inasmuch as FRG apparently has Soviet agreement in principle for a West Berlin stopover en route Frankfurt-Moscow, the most likely new carrier to come to West Berlin remains Lufthansa. It will be important in making arrangements for such service to resist Soviet efforts to broaden technical discussions into a general renegotiation of existing Berlin air arrangements. This will be equally true whenever negotiations take place on an FRG-GDR air agreement, in view of the possibility that the East Europeans are likely at some stage to argue that the Berlin Control Zone and corridor procedures apply only to military flights. Any GDR demand for a separate bilateral air agreement with the Senat--already hinted at as the price for granting overflight rights to airlines wishing to come to West Berlin--would, of course, be totally unacceptable.

Within the framework of the existing inner-German service, BEA, faced with continuing financial problems, has pressed for Pan Am's cooperation in a one-for-one reduction in frequencies so as to increase BEA's load factor and market share. Some of the measures desired by BEA may have to be accepted as a matter of expediency during the current fuel shortage, but over the long haul Pan Am should not be asked to solve BEA's commercial problems. It would be useful to keep BEA in the inner-German service, but if such participation is reduced to a token minimum, this would still be acceptable.

VIII. Strength of the United States Garrison Force

The Berlin Brigade symbolizes for most Berliners the Allied commitment to the city; significant changes in its strength are certain to be closely analyzed for their political import--more so than comparable changes in British or French troop strength. Helpful as the Quadripartite Agreement has been in solving many practical problems, it has not changed the basic dilemma posed by the city's geography. To the

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DECLASSIFIED

Authority MND96905TBy PTNARA Date 12/5/05~~SECRET/NOFORN~~Berlin A- 291
Page 18

contrary, there is considerable concern that in the quest for detente and in the course of negotiation over broad European issues, Berlin's interests might be sacrificed. The destabilizing move that a major change in the Allied Forces would constitute might well be interpreted by the GDR as a basic change in United States policy, which in turn could invite some of the moves discussed in II above that the Allies have attempted to forestall.

We would not wish to suggest, however, that minor reductions could not be effected, or that the possibility should be completely ruled out of larger reductions at an advanced stage of MBFR negotiations, should they assume critical importance at the time. Even in this context, however, it will be necessary not only to take a close reading of the political situation prevailing at the time, but to bear in mind that the Berlin Forces are not NATO Forces and attempts to include Berlin in the MBFR negotiating area could create complications with the GDR, which is an MBFR negotiator, and might assert a right that we still regard as a Soviet responsibility to speak on Berlin matters. Moreover, we would wish to make sure that any United States Force reductions were matched by proportionate British and French reductions lest ours become a minority force.

IX. Policing an Open City

In the past few months, a marked increase in the number of Arabs entering West Berlin, many of them allegedly seeking political asylum, combined with a flow through the city of Jewish refugees, has created a potentially explosive situation. The outspokenly pro-Israel position of the Governing Mayor and the leaders of all of Berlin's major political parties has accentuated concern about terrorist activity, and the recent arrest of four Lebanese Arabs (now awaiting trial), with explosives in their possession, has pointed up the reality of the threat.

Efforts to control terrorists, however, as well as to check the introduction into the city of narcotics--which the local authorities now acknowledge is a German problem, and not just one affecting the United States Forces--have long been

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DECLASSIFIED

Authority MND 969051
By PT NARA Date 12/5/05~~SECRET/NOFORN~~Berlin A- 291
Page 19

frustrated by the Western concept that Greater Berlin should be treated as a single open city.

We believe the time has probably come to consider imposing more effective operational controls at all entry points to West Berlin. A first step was taken following the Munich Olympic experience, when checks were tightened at the Waltersdorfer Chaussee entry point leading from Schoenefeld airport. But this simply diverted illicit entries to other crossing points. While a number of practical problems would present themselves, principally in regard to checks on U-bahn and S-bahn traffic, it should be possible, without doing violence to Berlin theology of almost three decades standing, to close the loopholes at the remaining entry points.

This could be done on the grounds that the Senat and Allies have no way of knowing what controls the GDR applies to persons entering East Berlin or what information the GDR derives therefrom. Accordingly, controls on entry into the Western Sectors could be justified as being imposed at the first point feasible for the local authorities in West Berlin, as well as at the point of entry into the FRG's customs territory.

A complementary effort will be required to contend with Arabs asking political asylum, inasmuch as German law now requires all such claimants to be admitted. Although we are assured that most Arab requests for asylum will eventually be denied, the over-all processing time, including appeals to the courts, takes two to three years. Accordingly, it will be necessary to speed up administrative processes and possibly to alter legislation, never intended to apply to large numbers of potential terrorists in the first place.

Once adequate controls are imposed, the Senat could make a supplementary effort by suggesting to the GDR a local administrative arrangement for the exchange of information and cooperation, at least in regard to narcotics control.

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DECLASSIFIED

Authority MND 969057By PT NARA Date 12/5/05~~SECRET/NOFORN~~Berlin A- 291
Page 20RECOMMENDATIONS

1. While the Allies should avoid intervening directly in disagreements about inner-German understandings that should be addressed in the first instance in inner-German channels, they should not leave unchallenged damaging Soviet or GDR interpretations. Consideration should be given to timely unilateral United States or Allied private approaches to the Soviets to forestall trouble, as well as to public statements to counter not only the substance of restrictive interpretations by the East Europeans but allegations by the GDR of the right to interpret the QA proper, to which it was not a party.
2. We should continue to support FRG and private initiatives on a case-by-case basis to develop ties with West Berlin, including the establishment in West Berlin of new offices and institutions of both the FRG and international groups, as long as they are consistent with the QA.
3. Without doing violence to the fundamental concept of free and open access to the Western Sectors, we should consult with the Allies and the Senat in regard to the institution of entry procedures intended to control persons posing a security risk to the city as well as to control narcotics traffic. A parallel effort should be made to have the FRG adjust its administrative procedures and legislation as required to prevent unjustified requests for asylum from being used to circumvent immigration requirements.
4. The Allies should remain alert to efforts by the GDR to inject a voice in matters concerning Allied rights, in contravention of the Quadripartite Declaration of November 1972. We should, however, be prepared to make minor adjustments consonant with the GDR's enhanced international status, as long as these will not affect basic Allied interests. We should continue to monitor the activity of our own Forces personnel to make sure their actions do not jeopardize Allied rights during this transition period.
5. The United States should recognize and accept a more independent relationship with the Senat so long as full and frank consultation takes place between the Allies and the Senat, and all concerned are clear as to where they are headed. In this context, the Allies should not stand in the way of Senat-GDR negotiations on local matters, provided that reserved Allied rights are not affected, and damage is not done to FRG-West Berlin ties that would in turn seriously affect Allied positions.

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DECLASSIFIED

Authority MND969057By PT NARA Date 12/15/05~~SECRET/NOFORN~~Berlin A- 291
Page 21

6. The Allies should resist efforts of the Soviet establishments in West Berlin to imply a Fourth Power status in the city or the possession of rights and privileges beyond those of other consulates and commercial firms. As necessary, the Allies or local German authorities should continue to call the Soviets concerned to account for infractions of Allied or German legislation or the arrangements worked out with the Allies for the Soviet offices.

7. With the Soviets stepping up their cultural offensive in the Western Sectors, and in view of the probability that major American cultural attractions will be presented in East Berlin and the GDR, it is important that the United States be represented in West Berlin by outstanding examples of its cultural life, not in overwhelming quantity, but often enough to maintain our reputation with the West Berliners. Attention should also be given to providing a high degree of program support to Berlin's Amerika Haus, which is now in the process of extensive reorganization and modernization.

8. We should continue to encourage additional international air services to West Berlin, whether by Allied or non-Allied carriers, with a view to capitalizing on the opening of Tegel Airport as a model air facility. We should be generous in granting landing rights to international airlines interested in serving the city, but should be careful to protect the interests of United States carriers and to assure that neither we nor the German authorities are trapped into negotiations which the Soviets or East Germans that would touch on fundamental Allied air rights.

9. Sizable cuts in the United States garrison force, which at best could make only a marginal contribution to over-all European troop reductions, should be avoided during the transition period related to the enhancement of the GDR's international status. Larger reductions need not be precluded, however, at an advanced stage of MBFR negotiations, should such a gesture assume critical importance.

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