

**November 1, 1989**

**Memorandum of Conversation Between Egon Krenz,  
Secretary General of the Socialist Unity Party (SED),  
and Mikhail S. Gorbachev, Secretary General of the  
Communist Party of the Soviet Union (CPSU)**

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**Summary:**

Memorandum of Conversation Between Egon Krenz, Secretary General of the Socialist Unity Party (SED), and Mikhail S. Gorbachev, Secretary General of the Communist Party of the Soviet Union (CPSU) regarding the economic and political crises in the GDR and measures to alleviate them

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Top Secret

To all members and candidates of the Politburo

[1 December 1989]

signed Egon Krenz

Berlin, 1 November 1989

After the extremely friendly welcome, Comrade Egon Krenz pointed out that he had read in Pravda about the slogans by the CC CPSU on the occasion of the 72nd anniversary of the October Revolution. He had been touched in particular by the slogan "Greetings to October, greetings to the socialist countries".

Comrade Mikhail Gorbachev expressed his pleasure about the fact that Comrade Krenz had come to Moscow even before the October [Revolution] festivities. This symbolized that both parties and countries were striving to implement the ideals of the October Revolution.

He sincerely welcomed Comrade Krenz to Moscow on behalf of all comrades of the Politburo of the CC CPSU and of the leadership of the Soviet Union as well as in his own name. Despite an extremely tight schedule, they had tried to make arrangements in order to free up this day for extensive conversations with Comrade Krenz. He [Gorbachev] was hoping in particular for vivid information on developments in the GDR. Although information about them had come in, the report by Comrade Krenz would be of extraordinary importance for him. Even the most extensive information needed to be evaluated thoroughly, and who could do this more precisely than the comrades from the GDR?

Presently, the entire world was witnessing that the SED had embarked on a course of fast changes. But the events were moving very fast as well, and one should not fall behind. This had been the long-standing experience of the Soviet Union. Comrade Gorbachev pointed out that he had already said in Berlin [on 7 October 1989] that one must not miss the time for changes. A dialogue with society was necessary. There was no other way for a leading party to act. On the one hand, it [the Party] had to take the time to analyze the situation thoroughly and work out its political orientation. On the other hand, life was developing with its own dynamism, and one had to prevent a knot of problems from being created that could not be sorted out.

Comrade Gorbachev recommended not to be deterred by the complicated problems. From his own experience he knew that comrades were at times depressed because even after several years of perestroika in the Soviet Union there were still such great problems to resolve. He then always told them that the Party itself had wanted perestroika. It had involved the mass of people in politics. If now some processes were not running as expected, if there were stormy and emotionally charged arguments, then one would have to cope with that, too, and not become afraid of one's own people.

He did not mean to say that perestroika had been fully achieved in the Soviet Union. The horse was saddled but the ride was not over. One could still be thrown off. On the other hand, much experience had already been gained, which had great significance. Now the phase of intensified work for the continuation of perestroika was beginning in the Soviet Union.

The people and the Party in the GDR were presently also facing profound changes. He wished Comrade Krenz success for this. The Soviet Union would, of course, stand at the side of the comrades in the GDR in this process. This had never been in question, not even as problems emerged which should actually have been discussed openly. There had never been any doubt for the Soviet Union and the CPSU that the German

Democratic Republic was its closest friend and ally. Second to the people of the GDR, the Soviet people were probably the one wishing the GDR the most success in its endeavor. In this vein he wished to welcome Comrade Krenz to his visit in Moscow.

Comrade Egon Krenz expressed his thanks for the welcome and communicated cordial greetings from the comrades of the Politburo of the CC SED. He appreciated that Comrade Gorbachev had so quickly found time for this talk. He also thanked him for his visit to Berlin on the occasion of the 40 th anniversary of the establishment of the GDR, and in particular for his conversation with the entire Politburo of the CC SED, which had moved ahead many things. This applied above all to the remark that one cannot be late [in adapting to changes], otherwise one will be punished by life [daß man nicht zu spät kommen darf, sonst werde man vom Leben bestraft werden].

Comrade Gorbachev interjected that he had actually

been speaking about himself. Comrade Krenz explained that this remark by Comrade Gorbachev and his entire appearance had met great resonance within the Politburo. It had initiated the process of discussing the future policy of the Party.

The SED could state rightfully that it had made great strides since its last party convention. On the occasion of the 40 th anniversary of the establishment of the GDR, one could draw the balance that a lot of good and lasting things had been done for the people. One could also build upon a good foundation.

The population, however, resented the Party for having the mass media in particular create a world of illusion that did not coincide with the practical experience of the people and their everyday life. That caused a break of confidence between Party and people. This was actually the worst thing that could happen to a party.

Some say that the cause for this is to be found in the fact that the party leadership misjudged the domestic political situation in the last three months. It proved to be speechless when so many people left the GDR. This was a tough accusation. In addition, besides political mistakes, important psychological mistakes were also made in this difficult situation: In the newspapers it was stated that we did not weep any tears after these people left. This deeply hurt the feelings of many mothers and fathers, relatives, friends and comrades of these people whose leaving caused them great pains.

Despite these facts the Politburo of the CC of the SED agreed that the political crisis in which the GDR currently found itself had not just begun this summer. Many problems had been accumulating for a long time.

Today one can say that the main reason [for this situation] was the mistaken approach of the XI SED Party Congress, which was not based on a realistic estimate of the situation. The solution of economic questions was derived from subjective opinions that failed to reflect the opinions prevalent in the Party and the population. Incorrect conclusions were drawn from important international developments-in the Soviet Union, in other socialist countries-as well as from the domestic developments in the GDR.

Comrade Krenz asked not to be misunderstood; if one had an ally and wanted to go through thick and thin with him, one could not just state this friendship in declarations and communiqués and one should not distance oneself when it came to the solution of concrete economic and other questions. But one had to stand together as friends and solve the emerging problems together.

He saw a great problem in the fact that young as well as older people had reservations about the development of socialism in the GDR since they suddenly felt that, on the basic questions of the evolution of socialism, the Soviet Union and the GDR were not seeing eye to eye any longer. This was the GDR's problem; the barriers had been built on its part. The people today, however, were educated and smart. They perceived very well that while the right words were used, the deeds did not follow suit.

Comrade Gorbachev interjected that the people in the GDR also received information from the Soviet Union which they evaluated independently. They were also informed from the West and drew their conclusions.

Comrade Krenz stated that they in the GDR had unfortunately left many questions regarding perestroika in the Soviet Union to the judgment of the enemy and failed to have a dialogue with the people about it. This happened despite the fact that Comrade Gorbachev had advised Comrade Erich Honecker at one of their first meetings to deal with the opinions which had appeared in Soviet publications and with which he disagreed.

Comrade Krenz pointed out that the prohibition of [the Soviet magazine] Sputnik in the GDR had led to a situation in which the enemy could raise questions about the GDR citizens's right of access to information. The comrades and citizens outside the Party who complained about it were not primarily concerned about the contents of Sputnik. The problem was that the GDR leadership on the one hand was watching as the population was receiving broadcasts from the Western TV stations every evening for many hours, but, on the other hand, prohibited the reading of a Soviet newspaper. This was an important turning-point in the political thinking of GDR citizens. After the 9th Plenum of the CC of the SED [on 18 October 1989], one of the first steps to be ordered therefore was the return of Sputnik onto the list of permitted newspapers.

Comrade Gorbachev interjected that the GDR still has the right to criticize statements by Soviet news media with which it disagreed. You could read the most diverse things in Soviet newspapers nowadays; hardly anything could shock him in this regard. As an example he mentioned that a newspaper from a Baltic republic had recently cited a well-known Soviet economist to the effect that a conspiracy was being prepared in Moscow.

Comrade Krenz agreed that when the newspapers at home raise critical questions, one could quickly enter into a dialogue. Today one could hear among the GDR citizens that the [GDR TV show] "Aktuelle Kamera" was now already more interesting than Western TV [shows].

Comrade Krenz emphasized that despite all the imperfections and problems in the GDR and in face of the fact that there was still no coherent concept for the future developments, one thing had been achieved after all: The problems of the GDR were now not being brought into the GDR from the West, but were discussed in our country [by ourselves].

This was very important, Comrade Gorbachev interjected.

Comrade Krenz explained that even though he knew that Comrade Gorbachev was well informed about the developments since he personally had had many extensive conversations with [Soviet] Ambassador [Vyacheslav] Kochemassov, he nevertheless wanted to say that the road to the 9th Plenum of the CC of the SED had been very complicated.

When Comrade Krenz returned from his trip to China,[1] he decided to act. After

consultation with Comrade Willi Stoph [Deputy Chairman of the Council of State] it was agreed that he would propose a declaration by the Politburo on the current problems of the situation in the GDR. The draft of this declaration was basically very watered-down, since it was initially intended just to overcome the situation of paralysis together with Comrade Erich Honecker. Therefore they were willing to agree to a number of compromises.

Comrade Krenz handed the draft resolution to Comrade Honecker who later called him and stated the following:

1. If Comrade Krenz introduced the resolution in the Politburo, he [Honecker] would consider this as a move against him personally. He himself had never undertaken anything against Comrades Wilhelm Pieck [former GDR president (1949-1960)] and Walter Ulbricht [former SED First Secretary (1953-1971)]. Comrade Krenz commented that this was not the truth but had been stated [by Honecker] in this way.

Comrade Gorbachev interjected that he himself remembered Comrade Ulbricht's affair still very well.[2]

2. Comrade Honecker declared that if Comrade Krenz introduced the resolution in the Politburo, he would divide the leadership of the Party. Comrade Honecker would try to prevent this resolution from being adopted.

3. If Comrade Krenz introduced this resolution in the Politburo, he would have to expect that the cadre decisions, which would sooner or later be introduced in the Politburo, would look different from those that had been planned. He was thereby referring to Krenz personally.

Comrade Krenz introduced the draft resolution in the Politburo against the will of Comrade Honecker. Comrade Honecker, who chaired the session, stated this fact explicitly. After a long discussion all other members of the Politburo, with the exception of one comrade, spoke out in favor of the declaration. On the evening of the first day of this two-day Politburo session, the attempt was made to constitute a commission composed of Comrades Günter Mittag [SED CC Secretary for Economics] and Joachim Herrmann [SED CC Secretary for Propaganda], along with Comrade Krenz. The objective was to water down the resolution even more. At the demand of Comrade Krenz, Comrade Günter Schabowski was involved in the work of the commission. Both fought together for the adoption of the resolution, which was eventually achieved.

Comrade Gorbachev remarked in this regard that, politically, this was all clear to him. In human terms, however, he viewed this development as a great personal tragedy for Comrade Honecker. He had always had a good personal relationship with him, and there had been no problems in this area. He had, however, noticed with surprise certain changes in Comrade Honecker within the last years. Had he [Honecker] made some basic policy changes two or three years ago at his own initiative, such deficits and difficulties as they currently existed would have been neither necessary nor possible. Comrade Erich Honecker obviously considered himself No. 1 in socialism, if not in the world. He did not really perceive any more what was actually going on.

Comrade Krenz explained that he had personally been very much affected by this development since he had been close to Comrade Erich Honecker throughout much of his life.

Comrade Gorbachev interjected that this had also caused a certain amount of speculation in the West. But they should not be afraid of this.

Comrade Krenz went on to say that the change of Comrade Honecker had occurred in 1985 when Comrade Gorbachev was elected as secretary general of the CC of the CPSU. Suddenly, Comrade Honecker saw himself confronted with a young dynamic leader who approached new questions in very unconventional ways. Until that time he had viewed himself in that role. Slowly he lost his sense of reality. The worst thing was that he relied less and less on the collective and more and more on Comrade Günter Mittag.

Comrade Gorbachev asked about the role of Comrade Joachim Herrmann.

Comrade Krenz explained that Comrade Herrmann had, for the most part, followed orders by Comrade Honecker without his own input. Comrade Mittag, by contrast, had manipulated Comrade Honecker, created mistrust toward other members of the Politburo, and influenced tactical as well as strategic decisions by Comrade Honecker in selfish ways.

Comrade Krenz reported that the Politburo had discussed an analysis of the economic situation yesterday. Prior to the meeting they had requested to get an untarnished picture of the real situation of the GDR economy. Such an analysis had never before been discussed in the Politburo.

Comrade Gorbachev pointed out that he had found himself in the same situation. He had also had no knowledge about the state budget when he became secretary general. As early as during the tenure of Comrade [Yuri] Andropov [CPSU General Secretary from 1982 to 1984], he and Comrade [Nikolay] Ryzhkov [President of the Council of Ministers of the Soviet Union (1985 to 1990)] had been tasked to analyze the situation of the economy since it was felt that something was rotten there. But when they tried to find out the full truth they were ordered to back off. Today it was clear to him why this had happened. Basically a national budget no longer existed. They were still coping with the consequences today.

Comrade Krenz explained that they had begun the 9<sup>th</sup> Plenum on the premise that they would face up to the truth. But if he stated the truth about the state of the economy before the CC, this could cause a shock with bad consequences.

Comrade Gorbachev interjected that they had known about the real state of the GDR economy in the Soviet Union. They also were informed about the relations with the FRG and about the problems that were arising in that respect. The Soviet Union had always tried to fulfill its obligations towards the GDR. Apart from the fact that 2 million tons of oil [deliveries] had to be canceled due to great domestic problems, they had always understood that the GDR could not function without the help of Soviet Union. This support was the internationalist responsibility of the Soviet Union. They had wondered at the same time, however, why, given this situation, the GDR [leaders] was constantly lecturing about GDR successes. This was particularly hard to take since they knew about the real situation in the GDR. Comrade Gorbachev said that he once tried to talk to Comrade Honecker about the GDR debt. This had been curtly repudiated by him [Honecker] as such problems would not exist [in the GDR]. Comrade Honecker apparently thought he was the savior of his homeland. The entire development was a great personal tragedy for him.

Since he held such a high office, this [personal tragedy] turned into a political tragedy. Comrade Gorbachev emphasized he had tried to maintain a good personal relationship until the end. This had not been easy as he was aware of Comrade Honecker's statements and real opinion. He had, however, tolerated this since other things were more important.

Comrade Krenz emphasized that one had to take into consideration that many

comrades had been aware of the problems for a long time. They, however, remained silent to maintain the unity and cohesion of the Party. He had distinctly realized for the first time in the Politburo session on 31 October 1989, how much of an impediment the [otherwise] correct principle of unity and cohesion could become in certain situations when problems are not faced frankly and honestly.

Comrade Gorbachev expressed his conviction that if Comrade Honecker had not been so blind and had not relied exclusively on Comrade Mittag, but had also consulted with Comrade Krenz or Comrade Stoph, things might have developed differently. He had particularly felt badly for Comrade Stoph because he had effectively been very much humiliated by Comrade Honecker.

Comrade Gorbachev remarked that he had been struck particularly badly by the way Comrade [Hans] Modrow [SED leader in Saxony] had been treated.

Comrade Krenz related on this point that he had actually received an order as early as two years ago to depose Comrade Modrow. Back then the artists at two Dresden theaters had demanded to implement perestroika in the GDR, too. Comrade Honecker was on vacation during that time. He called Comrade Krenz on the phone and ordered him to go to Dresden. There he was to lead the discussion with the objective of deposing Comrade Modrow. Comrade Krenz went to Dresden and had a very frank talk with Comrade Modrow. They found a tactical solution to the effect that Comrade Modrow was to be criticized but not dismissed from his office.

Comrade Gorbachev said that Comrade Krenz had addressed a very deep and important issue, namely that a mere formal unity within the Party was to be avoided. Unity had to be created based on a variety of opinions [and] respect for the opinion of others. Problems always arose when a leader tried to maintain his position at any price and merely expected his [comrades] to agree. In the Soviet Union, they had watched Comrade Honecker enlarging the Politburo further in order to be able to play one comrade against another in this large committee. This had not been right.

Comrade Gorbachev reported that nowadays everybody was speaking their minds freely within the Politburo of the CC of the CPSU. If anybody would get to listen in, he would conclude that the Party was on the brink of collapse. But this was not the case. Even staffers of the comrades who participate in the sessions are at times allowed to speak up.

Comrade Krenz interjected that for such a procedure a lot of time was necessary.

Comrade Gorbachev explained that the Politburo of the CC of the CPSU took the time for this. Sometimes he would like to put an end to the long debates, but then would bite his tongue and made sure that the conclusions he drew would not offend the comrades. He would push through the line that he considered correct, but always in consideration of the opinions of the other comrades. This had created an entirely new situation. This way prevented them from making major mistakes.

Comrade [Georgy] Shakhnazarov, personal assistant of Comrade Gorbachev, who participated in the talks, added that policy would not be implemented by administrative means, but by argument and persuasion.

Comrade Krenz expressed his view that he had never experienced the Politburo of the CC of the SED [to be] as emotional as recently.

Comrade Gorbachev interjected that such controversial sessions, lasting for more than two days, had also taken place in the Politburo of the CC of the CPSU- once

during a discussion on the letter of Nina Andreeva,[3] and another time during the debate on the long-term economic orientation.

Comrade Krenz explained that while the Soviet comrades were well-informed about the political and economic situation, he still wanted to describe the current economic situation since it was strangling the hands of the SED leadership in making urgently necessary political decisions. [...]

On the GDR balance of payments, Comrade Krenz provided the following information: Until the end of 1989, the foreign debt would grow to USD 26.5 billion, that is, 49 billion valuta [West German] mark.

The balance in convertible foreign exchange at the end of 1989 would look like this:

Income: USD 5.9 billion

Expenses: USD 18 billion

The deficit thus ran at about USD 12.1 billion. This meant that they had to take on new loans. It was likely that this imbalance would increase further.

Astonished, Comrade Gorbachev asked whether these numbers were exact. He had not imagined the situation to be so precarious.

Comrade Krenz explained that the GDR had to take on new loans in order to pay of old debts. Currently, they had to spend USD 4.5 billion on interest payments alone, which equaled 62 percent of the annual export profits in foreign currency.

Comrade Krenz emphasized that the high foreign debt was created above all because they had to take on loans at very high interests during the time of the Western financial blockade of the socialist countries. The situation grew particularly precarious due to simultaneously emerging new demands on the economy and new expectations by the population that could not be satisfied. The state of the balance of payments was currently not known in the GDR. If one would go on realistically and base the standard of living exclusively on the own production, one would have to lower it [the living standard] by 30 percent immediately. But this was not feasible politically.

Comrade Gorbachev gave the following advice on the issue based on his experience: Comrade Krenz and the SED leadership generally had to find a way to tell the population that it had lived beyond their means in the last few years. Comrade Krenz could not yet be held personally responsible for this. But it was increasingly necessary to tell the full truth. First one needed time for a comprehensive analysis. But later full information [of the population] was unavoidable, since otherwise Comrade Krenz would be blamed himself for the growing difficulties. Slowly the population had to already get used to this idea today. [...]

[Comrade Krenz] stated that he also agreed with the remarks by Comrade Gorbachev on the relationship with the FRG. He asked [Gorbachev] to explain more clearly what role the USSR ascribed to the FRG and the GDR in the all-European house. This was of great significance for the development of relations between the GDR and the FRG. He went on to explain that there was an important difference between the GDR and other socialist countries. The GDR was, in a certain sense, the child of the Soviet Union, and one had to acknowledge one's paternity with regard to one's children.

Comrade Gorbachev agreed with this and made reference to a conversation between Comrade Yakovlev and [former US National Security Advisor to President Carter] Zbigniew Brzezinski. They had, among other things, discussed whether one could imagine a situation in which the reunification of Germany could become a reality.

Brzezinski emphasized that to him this would be the collapse.

Comrade Gorbachev welcomed Comrade Krenz bringing up this question. The GDR, the Soviet Union, and the other socialist countries had thus far followed a correct course on this question. This [course] had led to the recognition of the existence of two German states, to the international recognition of the GDR, to its active role in the world, to the conclusion of the [1970] Moscow Treaty, and other treaties, and ultimately to the [1975] Helsinki Conference.

In recent talks with [British Prime Minister] Margaret Thatcher, [French President] François Mitterrand, [Polish leader Gen. Wojciech] Jaruzelski and [Italian Prime Minister Giulio] Andreotti, it had become clear that all these politicians presumed the preservation of the postwar realities, including the existence of two German states. They all viewed the question of German unity as extremely explosive in the current situation. Nor did they want the Warsaw Pact and NATO to dissolve, and therefore they favored Poland's and Hungary's remaining in the Warsaw Pact. The balance of power in Europe was not to be disturbed since nobody knew what repercussions this would have.

Even the US had thus far taken a similar attitude. However, currently many discussions among the FRG's allies were taking place. One sympathized in words with the FRG's concerns about a divided Germany. There were some nuances in the USA in this regard which would still have to be analyzed.

Comrade Shakhnazarov interjected that those statements were probably all made for domestic consumption.

Comrade Gorbachev agreed and emphasized that in practice the US was continuing its old policy. To his mind, the best policy now was to continue the current line. [Former West German Chancellor] Willy Brandt was of the same opinion. He had declared that for him the disappearance of the GDR would be a spectacular defeat for Social Democracy since it considered the GDR as a great achievement of socialism. While he distanced himself from the communists, he nevertheless considered Social Democracy as a branch of the labor movement and continued to cling to the socialist idea. [Egon] Bahr [West German Social Democratic Party (SPD) leader] had expressed this openly [and] with much clarity.

For the socialist countries, Comrade Gorbachev emphasized, the best thing was to emphasize that the current situation was a result of history. Nobody could ignore, however, that manifold human contacts existed between the two German states. These [contacts] could not be prevented; one had to keep them under control and steer them in the right direction. For this reason it was necessary to make some changes in policy to gain the understanding of the populace. Comrade Gorbachev offered that they could consult with the Soviet comrades about this question.

It would be very damaging to reduce or even sever the relations between the GDR and the FRG. In this connection, he [Gorbachev] wanted to point out the following factors:

1. It was important to improve coordination of the relations in the triangle GDR-FRG-Soviet Union. He had also talked about this with Comrade Honecker. The Soviet Union knew from other sources how relations between the GDR and the FRG were developing. They even knew within three days what had been discussed in the National Security Council of the United States. On the other hand, the US was also well-informed about developments in the Soviet Union. Such after all was the situation. Therefore it was completely unnecessary to keep secrets from close allies.

Comrade Gorbachev pointed out that years ago there had been a joint office which coordinated the relations of the GDR and the Soviet Union with the FRG. At the time, it had been headed by Comrades Mittag and [Nikolai] Tikhonov [Chairman of the Council of Ministers, 1980-85]. It had silently ceased its activities, but it had to be revived.

Comrade Krenz mentioned that Comrade Honecker had been pleased that he could decide on trips to the FRG or China on his own. He very much favored finding ways at the working level through which common policies towards the FRG and West Berlin would be better coordinated. Comrade Gorbachev recommended discussing this question in the Politburo of the SED CC or in an even smaller circle.

2. It was also important to consider the relationships within this triangle very carefully. The Soviet Union was trying to bring the FRG as a partner into a closer relationship. Then the GDR would also be in a more favorable position within this triangle. Efforts in this direction were being made in the FRG. [The FRG] was ready to cooperate with the Soviet Union on a broad set of issues, but expected that the Soviet Union would lend support with regard to reunification. There was talk that the key to this lay in Moscow. The Americans stated this as well. This was a very convenient excuse for them. In their talks with the FRG, they spoke of their support for reunification, but always pointed to Moscow's key role. Moscow was to be handed the "black Peter."<sup>[4]</sup> On the other hand, the US was not pleased by the rapprochement between Bonn and Moscow in the economic and political field. In practical terms, not much had happened thus far. And one should not rush anything in this area either because the FRG representatives needed time.

For the GDR it was important to maintain and continually develop its relationship with the FRG. One had to be careful to prevent the ideological enemy from gaining positions-which he could exploit. Thus the GDR would continue to receive raw materials from the Soviet Union, and at the same time cautiously develop its relationship with the FRG, avoiding a total embrace by the FRG.

3. It was important for the GDR to develop its relations with other nations besides the FRG. Here, too, they could work closely with the Soviet Union. Hungary and Poland were already very active in this field. They, after all, had no choice in this matter. It was often asked what the USSR would do in this situation. But it could do very little in economic terms. It was an absurdity to think that the Soviet Union could support 40 million Poles. The root of the problem lay with [former Polish leader Edward] Gierek who had taken on loans totaling US\$ 48 billion. Meanwhile the Polish comrades had already paid back US\$ 52 billion and still owed US\$ 49 billion.

In 1987 Comrade [Hungarian leader János] Kádár was given an ultimatum by the I[n]ternational M[onetary] F[und]; in case of non-compliance with the numerous demands a suspension of the loans was threatened.

Comrade Krenz pointed out that this was not our way.

Comrade Gorbachev emphasized that such problems also existed in the GDR-FRG relationship. One was aware in the Soviet Union that GDR microelectronics were based to a large degree on Western components. Comrade Krenz remarked that [State Security Chief] Comrade [Erich] Mielke and his department were partly responsible for this. Moreover, Soviet components were also used. As a result, one had to collaborate more closely today. But it had to be a balanced collaboration with clearly set priorities.

Summing up, Comrade Gorbachev remarked that one had to continue the current policy, which had brought about success. The GDR and its people could be proud of

that.

There was no reason to speculate how the German Question would eventually be resolved. The current realities had to be taken into consideration. This was most important.

If the tendency of rapprochement in Europe would continue for several decades, if the processes of integration would develop regardless of social systems, but in recognition of independent developments of politics and culture, development, and traditions, and if the exchange of intellectual and material goods evolved further, then the issue might present itself in a different light some day. But today this was not a problem of actual policy. The established line had to be continued in the current political situation. Comrade Gorbachev asked Comrade Krenz to communicate this to the comrades in the Politburo. There was an understanding about this between the Soviet Union and its former partners from the era of the Anti-Hitler Coalition.

Comrade Krenz pointed out that this policy had to be secured in ideological terms. Comrade Honecker posed the well known five-demands of Gera in the early 1980s.[5] On the one hand, the GDR had concluded numerous mutually beneficial treaties with the FRG since then; the FRG, on the other hand, had not shown any movement on any of these five demands. This had led to certain mistaken assumptions within the GDR. Since many prominent GDR representatives traveled to the FRG, average citizens were also demanding this right. There was a lot of talk about universal human values, but that had created a general German problem. Therefore the issue of de-ideologizing the FRG-GDR relationship was a very difficult question. The issue posed itself differently in relationships between other countries. De-ideologizing relations would mean abandoning the defense of socialism. Questions like the wall or the border regime with the GDR would arise anew. The GDR found itself in the difficult situation of having to defend these somehow anachronistic, but nevertheless necessary things.

Comrade Gorbachev expressed his opinion that this all had to be reconsidered. The time was ripe for this. If the GDR could not find a solution which allowed people to visit their relatives, then this would be a very dissatisfying state of affairs for GDR society. The GDR would be threatened by new ultimatums. It had to take the initiative in its own hands. The Soviet Union was ready to talk about such measures. The GDR would have a better feel for what had to be done. It was certainly necessary to take some concrete steps which, however, had to be linked constantly with certain obligations and actions by the other side. It was time to exert greater pressure on Chancellor Kohl, now that he had established contacts with Comrade Gorbachev and Comrade Krenz. In the FRG, the national question was heavily exploited in politics. There were people in the government parties who wanted to get rid of Kohl. He, however, had put his bets on the nationalist issue. There were even more extreme demands from the right wing. The CDU [Bundestag] delegate [Jürgen] Todenhöfer had issued a letter to the US and Soviet Union demanding the immediate reunification of Germany. There was wild speculation about this subject in the FRG.

Comrade Krenz explained the envisioned measures to be taken by the GDR with regard to this set of issues:

1. The GDR will try to prevent any use of firearms along the border. The border guards had been instructed accordingly. They would only fire if there was acute danger to the life and health of the border guards.

2. The draft of a new travel law had been adopted by the Politburo and had been sent to the Council of Ministers, which would put it up for public discussion. [The draft law] was to be adopted by the Volkskammer [GDR Parliament] before Christmas.

According to this law, every GDR citizen had the opportunity to receive a passport

and a visa for travel to all countries. The circle of those who would be excluded from this for security reasons would be kept very limited.

3. Unfortunately, the GDR was unable to provide travelers with sufficient foreign exchange. One could not continue to live over one's means. The publication of the travel law would be accompanied by a commentary which would explain that the foreign exchange generated by the FRG citizens travelling to the GDR would not be sufficient to provide GDR travelers with foreign currency.

Comrade Gorbachev suggested that one option would be the gradual achievement of convertibility of the GDR mark. This would be an incentive for workers to work harder, to strive for higher productivity and quality, by means of which such goals would be obtained.

Comrade Krenz explained further steps by the SED leadership over the next few days and weeks. On 8 November 1989, the 10 th Plenum of the CC would be convened. It was to find an answer to the question of the GDR's future. If there was no serious answer to this question, the party leadership would continue to come under criticism by the CC.

Comrade Gorbachev repeated that the international reaction about the speech by Comrade Krenz before the Volkskammer in particular had been very positive. Following his speech at the 9 th Plenum of the SED CC, skepticism had been pervasive. The reaction had been very cautious. Now it was important to deepen the positive impression further.

Comrade Krenz pointed out that the instructions given to the Soviet ambassadors in various countries had contributed much in this regard.

Comrade Gorbachev informed [Krenz] that he had received positive responses from all the important statesmen to which he had turned.

Comrade Krenz reported that he had received congratulatory telegrams from them all, including Chancellor Kohl. He had had a brief phone conversation with the latter. Kohl pointed out his constant contact with Comrade Gorbachev and recommended that this would also be done with Comrade Krenz. Comrade Krenz responded that it was always better to speak with each other than to talk about each other. Kohl immediately brought up concrete proposals with regard to transit traffic, environmental issues, relations with West Berlin, etc [...] Comrade Krenz agreed to explore all concrete questions with the Chancellor's representative. Kohl above all wanted to speak about questions on which agreement was possible, not about those on which both sides disagreed. Comrade Krenz pointed out to Kohl explicitly that both the GDR and the FRG had their own interests. He [Kohl] had to expect that he [Krenz] would represent GDR interests more consistently than had heretofore been the case. Kohl had been very excited during the conversation. He frequently did not finish his sentences.

Comrade Gorbachev stated that Kohl was not an intellectual heavyweight, but rather a petit-bourgeois type. It was these classes that understood him best. But he was nevertheless a talented and stubborn politician. After all, even Reagan had been popular and had stayed in power relatively long. This also applied to Kohl.

Comrade Krenz predicted that the 10 th Plenum of the SED CC would be a very stormy session. Many comrades were preparing for it and wanted to take the floor. The discussion had not been officially prepared. The times of deference toward the Politburo were over. The question was sharply raised as to the responsibility of the Politburo collective for the current situation. This also concerned his own personal

responsibility. He hoped that they would find a smart answer to the question.

The Plenum was to adopt an action program. The reason was that the 7<sup>th</sup> and 8<sup>th</sup> Plenums of the CC had been overtaken by the events. The envisioned action program was to briefly outline the direction of future work. They would try to answer the question as to what constituted a better, more modern and attractive socialism, which socialist values had to be defended and which ones were questionable.

The Plenum would discuss radical economic reforms. The government would obtain the task to formulate the main directions. It was clear that the answer had to be found in socialism, not in the free market.

The second question concerned the broad development of socialist democracy. A series of new laws were in preparation. Elections posed a big problem. It had already been stated that we would use all experiences of previous elections and wanted to prepare a new election law. One would deal with constitutional issues, such as freedom of the press, glasnost, and freedom and dignity of the individual. The issues of the leading role of the Party under the new conditions had to be discussed. They had to further develop criticism and self-criticism in order to avoid subjectivism. The changes ranged as far as the proposal to set a term limit on the official tenure of the office of general secretary and other high officials.

Comrade Krenz informed [Gorbachev] that the Plenum would also deal with cadre issues. Those who had asked for relief from their functions included Comrades Mielke, [Politburo member Alfred] Neumann, [Politburo member and chairman of the SED Volkskammer faction Erich] Mückenberger, [Council of State member Kurt] Hager, and [Politburo member and foreign policy expert Hermann] Axen. Comrade [President of the Volkskammer and Politburo member Horst] Sindermann justified his intention to stay in office until the Party Convention. But the demands from the Party [rank-and-file] went even further.

Comrade Gorbachev had a very high opinion of Comrade Stoph. He had been in a difficult situation in recent years. He had maintained his dignity when he was forced into a corner by Comrade Mittag. He had consistently taken a very principled position in decisive situations. One must not throw all old comrades into one pot.

Comrade Krenz expressed his regret about the case of Comrade [Free German Union League (FDGB) Harry] Tisch. He was now forced to resign. The reason was that he had made a major political mistake during a TV broadcast. He had blamed responsibility for the current situation above all on the lower functionaries. According to him, the union officials had not fulfilled their duties because they had listened too much to the party secretaries in the factories. This had evoked great outrage among the union members. In the Politburo they agreed not to decide the matter here in order not to diminish the independence of the unions. For now the FDGB leadership had postponed its decision on this issue until 17 November. But even that was not accepted by many union members. There was even talk about the possibility of a split of the union if Comrade Tisch did not resign. Meanwhile Comrade Krenz had received a call to the effect that Comrade Tisch would resign immediately.

On the subject of the still on-going demonstrations, Comrade Krenz stated that the situation was not easy. The composition of the demonstrators was diverse. Some real enemies were working among them. A large part were dissatisfied [citizens] or fellow-travelers. The SED leadership was determined to resolve political problems by political means. The demonstrations would be legalized, and there would be no police action against them.

The situation, however, was developing according to its own dynamics. For the

weekend, a large demonstration with possibly half a million participants was planned in Berlin. It had been initiated by artists and some of their associations.

Comrade Gorbachev provided the following information in this regard: Prior to his visit, he had received a letter from the GDR League of Culture through Raissa Maximovna Gorbachev in her function in the Soviet Culture Fond. [The letter] described the situation in the GDR and pointed out that the League of Culture would address an appeal to the GDR people if they had not received a response from the Party leadership by the time of the anniversary of the [GDR].

Comrade Krenz confirmed that if Erich Honecker had given a different kind of speech on the occasion of the anniversary [of the GDR], the situation might have taken a different course. With regard to the demonstration, the Politburo had decided to call on party members to participate. Comrade Schabowski would be among the 17 speakers in order to prevent the opposition from remaining among itself at this demonstration. They wanted to do everything to assure a peaceful event but had to take certain precautionary measures. One measure was to prevent the masses from attempting to break through the Wall. This would be bad because the police would have to be deployed and certain elements of martial law would have to be introduced. But such a development was not very likely, but one had to be prepared.

They expected the following slogans at the demonstration:

- Naming those responsible for the current situation
- Resignation of the senior Politburo members
- Changes in the composition of the government
- Travel opportunities
- Changes in the status of the union and the youth organization
- New electoral law
- Recognition of the opposition
- Abolishment of privileges
- Freedom of the press and thought
- Improvement of the living standard and continual production.

They were currently trying to avoid any criminalization of the demonstrators and to proceed very carefully. The question of recognizing the [opposition movement] "Neues Forum" had not yet been determined. So far they were unable to evaluate fully their political orientation. One had to avoid any developments similar to that of Solidarity in Poland.

Comrade Gorbachev shared Soviet experiences on these questions from the first phase of perestroika. Back then, many informal organizations and other movements were created. The leadership had watched them with skepticism. Good and bad [movements] were thrown into one pot. That way time was lost in certain republics. They failed to integrate these movements into the activities of the Party, which in

turn created polarization. Some of these forces developed into an opposition against the policy of perestroika and represented separatist, nationalist and anti-socialist views.

One should not waste any time with regard to these questions. Anti-socialist and criminal elements were one thing. But one could not generally consider the people as the enemy. If it rose against [the political leadership], one had to consider what political changes had to be made so that it accorded with the interests of the people and socialism. One should not miss the [right] point in time so that such movements would get on the other side of the barricades. The Party should not shy away from such problems, it had to work with these forces. They were now doing this in the Soviet Union, but it was already very late. These organizations had brought about their own leaders and worked out their own principles.

Where anti-Sovietism was involved, communists had no business being there. But for the most part they [these opposition groups] were concerned workers who worried about numerous neglected questions.

Comrade Krenz confirmed that the SED would approach the problem in this manner. But this would be a long process.

With regard to the remarks by Comrade Gorbachev, Comrade Krenz asked to check if the exchange of experience with the CC departments of the CPSU on a number of questions, with regard to which the Soviet Union had already accumulated many years of experience, could be expanded. This related to the fields of party organizations, security questions, and others. Generally, the exchange of know-how between the departments of the Central Committee should be intensified again.

Comrade Gorbachev welcomed this suggestion.

Comrade Krenz stated that the SED would again send cadres from training to Soviet party schools in the near future.

Comrade Krenz pointed out some currently unresolved problems in the field of economic cooperation. They included:

- an improved usage of the ferry connection Mukran-Klaipeda, which was of great significance for imports and exports;
- mutual improvements in living up to contractual obligations;
- examination of the possibility of a further increase in natural gas deliveries from the USSR, which the GDR would greatly appreciate;
- an agreement on further deliveries of the "Lada" automobile to the GDR, given that at the moment questions about the supply of consumer goods for the population, among others with cars, play a crucial role in the debate. This was a result of the extraordinary high savings in the GDR and the enormous budget deficit. Liquidity among the population was very high. Add to this a systematic demand of goods, in particular by Polish citizens.

Comrade Gorbachev confirmed this in the case of the Soviet Union as well.

Comrade Krenz emphasized that, for the SED, the decisive issue was to restore the harmony [of hearts] with the CPSU and the USSR which was vital for us. The Soviet

side had always been ready for this, but on our side there had been certain impediments. He wanted to declare on behalf of the Politburo of the CC of the SED that both parties should return to the method of frankly and honestly raising all questions of concern. The calls for "Gorbi, Gorbi" during the demonstrations in Berlin had shown that it was impossible to destroy the good relationship of the young people and the GDR entire population with the Soviet Union, even if the leadership had failed in this respect.

Comrade Gorbachev reported that the greatest difficulty for him in participating in the 40 th anniversary of the GDR had been that he had been aware of the mood, and that he had felt very uncomfortable standing at Erich Honecker's side.

Comrade Krenz interjected that he had even been accused of organizing this mood, especially among the young people. But it was simply a free expression of the attitude of the people.

Comrade Gorbachev emphasized that the visit of Comrade Krenz so shortly after his election was extraordinarily important for mutual agreement at the beginning of a new era. The point was to demonstrate jointly that they stood with each other, that the development in the Soviet Union was close to the one in the GDR, and vice versa. This was also important for the other socialist countries and for the entire world. In the FRG they were also interested in what Gorbachev and Krenz had agreed upon.

Comrade Gorbachev emphasized that he, in principle, shared all of the thoughts Comrade Krenz had expressed. They were dictated by the actual situation. For the SED it was now very important not to lose the initiative. The processes were developing very dynamically and could accelerate in pace. The party leadership had to react accordingly. It would be a great tragedy if the development would gain in spontaneity or lose its political orientation. This would create a situation, in which there was no other resort. Then it might be possible that mistaken slogans would dominate the situation and the situation could be exploited by other forces. Comrade Gorbachev pointed out that he had made his own experiences in this respect. Due to the hesitation by the [Soviet] leadership some problems had increased sharply; this concerned above all the economy. Comrade Krenz had emphasized correctly that the next plenum had to give an evaluation of the difficult situation. This evaluation had to be balanced but decisive. Comrade Gorbachev recalled in this context the January 1987 Plenum of the CC of the CPSU. There it was stated for the first time that the Party would take responsibility for the current situation. Simultaneously, a concrete program of perestroika was proposed. It was possible that the development in the GDR could take different stages. But for the reputation of the secretary general it was extraordinarily important that he approached the problems with great responsibility and great respect for the truth. Otherwise nobody would believe him.

Comrade Krenz interjected that there already was criticism of the fact that comrade Honecker's resignation had been explained in terms of bad health.

In Comrade Gorbachev's opinion, here as well further explanations were necessary.

Comrade Gorbachev commented as correct to indicate at the plenum first outlines of the policy of the next era and adopt a respective action program. A detailed plan was not yet to be made public since this might make the secretary general seem hypocritical as he obviously was not taking the time to study and consider thoroughly proposals and recommendations from all sides. But the main directions of the action program were already becoming evident-more socialism, renewal, democratization. One would carry on what had been good and useful in the past. This, for example, concerned the social orientation of the GDR economy, which had always been its strong suit. This should not be abandoned. This was an asset of the GDR.

In the field of cadre policy, decisive changes were certainly imminent at the plenum. As an old communist, Comrade Mielke certainly wanted to set an example for others with his resignation. This made it possible for Comrade Krenz to separate cadre questions from the substantive question of perestroika. Certainly there was no question of a collective resignation of the Politburo or the cabinet but profound changes in the leadership were by no doubt necessary. The plenum had to take the first step. He recommended to elect a few intelligent and innovative figures from the CC to the Politburo and to adopt prominent representatives of culture and academia as members or candidates of the CC as well. This would increase the reputation of the bodies. With regard to Comrade Honecker, he could certainly still be defended within the plenum but it was questionable whether that was still feasible with regard to the people. The people had risen and today stated their opinion frankly. Therefore they had to respond not only to the Plenum of the CC but also to the people. In this respect as well it was necessary not to miss the signs of the times. Society would continue to pose the question of responsibility for the situation, and for this reason profound leadership changes were due, too.

Despite determined policy changes, a complete negation of the past was to be avoided. This would also be disrespectful of the people who had made the previous achievements of the GDR. One also had to find a form of dialectical negation whereby one kept the good that contributed to the strengthening of socialism and added as new what life produced.

Comrade Gorbachev emphasized that Comrade Krenz had the reputation of being a man of courage. A secretary general could not avoid the problems either but had to face them; he had to act in consideration of the concrete situation and accurately assess changes in society. Coming up with new ideas and implementing them—all this was expected from a secretary general.

Comrade Gorbachev expressed his full agreement with Comrade Krenz on relations with the FRG. It was necessary to revitalize cooperation and coordination between the GDR and the Soviet Union. Each of them was well aware of the other's relations with the FRG. One therefore ought not to make a secret out of it but cooperate and take advantage of it. The FRG, too, had the necessary information and was very interested in cooperating. Comrade Krenz was right in thinking that the parties should increasingly be put in control of cooperation. He therefore welcomed the proposal to intensify again the exchange of experience between the departments of the Central Committees. The same applied to the CC secretaries.

The working-level and close contacts in this field were, however, most important. The joint work of the academies of social sciences ought to be strengthened as well. In this connection, Comrade Gorbachev inquired about the fate of Comrade [Otto] Reinhold. He had always been viewed as working especially closely with Comrade Honecker.

Comrade Krenz stated that Comrade Reinhold had also changed his mind [Wende vollzogen]. This had practically happened overnight. He was criticized for a remark he made in a TV discussion during which he apologized for previous statements that had been specifically ascribed to him.

Comrade Gorbachev remarked jokingly that Comrade Otto Reinhold had written about the 10 deviations from Marxism-Leninism by Comrade Gorbachev.

Comrade Krenz also informed about the fate of Comrade Hans Albrecht, the former first secretary of the district leadership in Suhl. He did not cope with his work any longer. In addition, there existed resentment in the CC about an unprecedented statement by him about the secretary general of the CPSU CC. He had remarked at the last CC Plenum that Comrade Gorbachev had not performed in a class-conscious

manner during his last visit to the FRG. Comrade Albrecht would no longer be serving as first secretary of the district leadership already in the coming days.

Comrade Gorbachev explained that it was now necessary to revive creative Marxism, socialism in a Leninist way, the humanistic and democratic socialism in which man really felt that this was his society and not an elite society. This process was not easy to implement. Of this he had become aware during his visit to Cuba. There had been a tense atmosphere initially. He himself, however, had explained that perestroika resulted from the development of the Soviet Union, and was necessary for the solution of Soviet problems. The question of whether socialism in the Soviet Union would succeed or fail was of importance for the entire world, including Cuba. The Soviet Union on the other hand welcomed all measures, which the C[ommunist] P[arty of] Cuba thought necessary under its conditions. They trusted its responsibility and its competence. It was important, Comrade Gorbachev explained, that revolutionary perestroika could not be forced upon anybody. Even in the GDR the situation had to develop to this point, which now made the process very difficult and painful.

Comrade Gorbachev pointed out that he had always exercised the greatest restraint towards the comrades in the GDR. The objective had been to avoid any ill feeling in the relationship, even though they were well aware of the situation in the GDR. They had been patient because they understood that the Party and all of society had to mature first before making these changes.

Today the important thing in the socialist countries was that each of them had to think on its own. On the other hand there were certain criteria and main characteristics for socialism in all countries.

Comrade Gorbachev reported at the conclusion of his conversation on domestic problems in the Soviet Union. He related that he would continue that same day discussions with leading economists. Very controversial debates on the future development of the Soviet Union were currently taking place in all fields. Some demanded the re-introduction of private property of the means of production, and the employment of capitalistic methods; others demanded the admission of more political parties. There were arguments about whether the Soviet Union ought to continue as a federation or confederation. In the economic field in particular, these debates were increasingly of a principled [ideological] character.

There were already comrades who had a different idea about the economic development and attempted to force capitalistic prescriptions upon the CPSU out of disappointment over previous failures. The workers had realized this immediately and reacted with demands to strengthen the dictatorship of the proletariat. There were also calls for a return to the old administrative command system. This would, however, be a great tragedy for the Soviet Union.

The current arguments illustrated clearly that perestroika was a true revolution. Comrade Gorbachev expressed with great determination, however, that he would not let the confrontation develop to the point of civil war or bloodshed. The situation, however, was very tense, and they were dealing with a true political battle. Therefore it was necessary to prove that socialism was capable of constant development, of perfection, and full realization of its potential. It was a weakness of socialism that changes in the leadership could lead to severe shake-ups at any time. The reason for this was that the people were not involved in the decisions [and] that the democratic mechanisms were not fully working. They had to be put in full action. It was important to further consolidate society, to mobilize its creative forces, and to achieve clarity on the kind of socialist society they wanted to build. All concrete proposals and constructive ideas were welcome. A current problem in the Soviet Union was the debate with those who seriously called for a return to private ownership of the means

of production. For this purpose some had even come up with quotes from Marx and Lenin by which they attempted to prove that private property did not have to mean exploitation. To their minds, the main problem was the character of power by which private property could be put to use for or against the people.

Comrade Gorbachev pointed out that there could well exist forms of private property-in manufacture, in the countryside-as it, for example, was the case in the GDR. But this was not individual property. These minor forms were, however, not a major problem for a socialist society. There existed, however, forces in the Soviet Union that wanted to go much further. Comrade Gorbachev predicted that the GDR would also face such discussions, even more so since the capitalist example was so close geographically. In addition, the FRG was a very wealthy capitalist country the existence of which would be ever present in the political debates.

Comrade Krenz expressed that his decision to act had been made when he realized during the conversation between Comrade Gorbachev with the Politburo of the SED CC that Comrade Honecker did not comprehend the statements by Comrade Gorbachev, or did not want to understand them.

Comrade Gorbachev stated that he had had the impression during that conversation that he was throwing peas against a wall. He did not hold any grudge against Comrade Honecker but was only sad that he had not initiated this change of course himself two or three years ago. This period could have been the highpoint of his life. After all, the GDR had achieved very much under his leadership. All this had been achieved together with the Party and the people. Under no circumstances should this [fact] therefore be denied. That would be disrespectful of the people who then would have basically lived in vain. This development had to be viewed in dialectical terms. The progress of society, the prologue for the future, and the great potential had to be considered, as well as the factors that had recently slowed down the development of society.

Comrade Krenz agreed and expressed his thanks in cordial terms for the extensive and profound conversation.

[1] From 25 September to 2 October 1989, Krenz participated in the ceremonies on the occasion of the 40th anniversary of the People's Republic of China.

[2] On Ulbricht's 1971 ouster, see Mary E. Sarotte, *Dealing with the Devil: East Germany, Détente and Ostpolitik, 1963-1973* (Chapel Hill: University of North Carolina Press, 2001).

[3] On the Nina Andreeva affair, see Archie Brown, *The Gorbachev Factor* (New York: Oxford University Press, 1996), pp. 168, 172-74.

[4] Reference to a German card game. The "black Peter" is a card you want to avoid holding at the end of the game.

[5] Reference to Honecker's hardline 13 October 1980 speech in Gera, in which the East German leader had demanded, among other things, the Western recognition of GDR citizenship.