

**Main Content of the Conversation of Comrade A.N. Yakovlev with Deputy Federal  
Chancellor, Minister of Foreign Affairs of Germany H.-D. Genscher**

September 9, 1991

After inquiring about the internal situation in the USSR and the prospects of its evolution at the beginning of the conversation, H.-D. Genscher emphasized that the putschists in their assessment of the possible reaction of Soviet society to the attempted coup d'etat were in fact at the same time on the same side with many in the West, who believed and still believe that the Soviet people want only better provisions, not freedom. But the failure of the conspirators showed that the idea of freedom had taken root in the Soviet Union. The proof of this is the importance of the defeat of the conspirators. But even now in the West, noted H.-D. Genscher, there are many among the business and political circles who are not just waiting to see how things will proceed in the USSR. There are also those who cover up their unwillingness to act by waiting and doubting, and who, in any case and under the most favorable circumstances, will not agree to provide the Soviet Union and the Soviet economy with real and large-scale support.

In the opinion of H.-D. Genscher, the tasks now facing the Soviet economy—and, consequently, facing those circles in the West who would like and are ready to cooperate with the USSR in the coming period—fall into three categories, depending on the scale and timing of the expected impacts of their resolution: short-, medium- and long-term. Taking into account the fact that no one in the USSR or in the West can imagine how exactly the transition from the old command economy to the new market economy should be constructed, it is most expedient to focus on specific projects in all three classes of tasks. This would make it possible to reliably monitor cooperation and to receive concrete results from it, and would also attract a greater number of participants from the West to it.

Among the short-term tasks, at the top, H.-D. Genscher said, should be "a major effort by the West aimed at helping the Soviet Union avoid food shortages in the coming winter."

Medium-term tasks should be aimed at obtaining a quick practical effect and avoiding difficulties in the USSR with energy supplies. To this end, the reconstruction and modernization of the mining and fuel and energy sectors of the Soviet industry should be undertaken. For the

implementation of this reconstruction and modernization, an international consortium should be created, which would serve as both the organizer and a form of insurance for the transaction from the western side. Funds for such a project should be obtained without difficulty, since they would inevitably pay off. The well-known "gas pipeline" deal can be used as a precedent. Since in the USSR there is still no clear delineation of authority, and it is not known when and how a new system of such delineation will emerge, then from the Soviet side the formation of a consortium in which both the center and the republics would be represented is needed. This consortium should fully manage the implementation of the project from the Soviet side. Such a structure, among other things, would make it easier at the next stage to enter into cooperation with international financial and industrial organizations, use their capabilities and advice, etc.

In the long term, in addition to all of the above, it would be necessary, H.-D. Genscher believes, to engage in the consistent development, both in the USSR and the countries of Eastern Europe, of such infrastructures that would connect this region with the European Community and lay the foundation for a truly pan-European cooperation.

This applies to transportation, energy, telecommunications, and main commodity flows. The West continues to look at Eastern Europe and the USSR primarily through the prism of conventional trade and economic relations. But it is necessary to create precisely this kind of common, joint, unified infrastructures, without which the market, a unified economic space, simply cannot develop. Germany, according to H.-D. Genscher, came to understand such a need based on the experience of unifying the country and is now trying to achieve an understanding of the full significance of this issue, both within the EU and on the part of the United States and Japan. After achieving the unification of the country, creating the infrastructure of a united Europe, which would include the USSR, will become the next goal of Germany, he said.

H.-D. Genscher stressed that no matter what time horizons are discussed, in any case it is most expedient to build cooperation on the basis of specific projects. They not only provide a quick return, they allow you to control the effectiveness of cooperation, to make timely adjustments, and it is easier to attract interested countries and firms to participate in them. The most important thing is that specific projects and areas of cooperation organized in such forms will become the pillars, the supporting structures around which the market in the USSR itself and the connection of the Soviet economy and its market to the world economy will eventually form.

During the conversation, H.-D. Genscher repeatedly mentioned that for the sake of a practical start and prospects for such cooperation, the distribution of authority and responsibility between the center and the republics in the USSR itself will be of key importance.

Translated by Sarah Dunn for the National Security Archive

[Source: GARF, Alexander Yakovlev collection Fond 10063]