

# Cable

PREC: IMMEDIATE  
 CLASS: ~~CONFIDENTIAL~~  
 LINE1: OAACZYUW RUEHSM5669 2721602-CCCC--RHEHAAX.  
 LINE2: ZNY CCCCC ZZH  
 LINE3: O 291602Z SEP 94  
 LINE4: FM AMEMBASSY STOCKHOLM  
 OSRI: RUEHSM  
 DTG: 291602Z SEP 94  
 ORIG: AMEMBASSY STOCKHOLM  
 TO: RUEHC/SECSTATE WASHDC IMMEDIATE 2117  
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 INFO: RUEHZL/EUROPEAN POLITICAL COLLECTIVE  
 RUEHVL/AMEMBASSY VILNIUS 0588  
 RUEHTL/AMEMBASSY TALLINN 0658  
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 SUBJ: SWEDEN'S SURPRISE CHOICE FOR FOREIGN MINISTER:  
 EX-FOREIGN AID MINISTER LENA HJELM-WALLEN

**DECLASSIFIED**  
**PER E.O. 13526**  
 2017-1126-m (1.01)  
 KBH 8/29/2024

TEXT: ~~CONFIDENTIAL~~ STOCKHOLM 005669

UN FOR U/S TARNOFF AND EUR/NE/PARMLY

E.O. 12356: DECL: OADR  
 TAGS: PINR, PREL, SW  
 SUBJECT: SWEDEN'S SURPRISE CHOICE FOR FOREIGN MINISTER:  
 EX-FOREIGN AID MINISTER LENA HJELM-WALLEN

REFS: A) STOCKHOLM 5447 B) STOCKHOLM 5450

1. ~~CONFIDENTIAL~~ - ENTIRE TEXT.
2. SUMMARY. PRIME-MINISTER DESIGNATE INGVAR CARLSSON HAS CHOSEN LENA HJELM-WALLEN AS SWEDEN'S NEXT FOREIGN MINISTER. HJELM-WALLEN WAS MINISTER OF FOREIGN ASSISTANCE FROM 1985-91 IN THE PREVIOUS SOCIAL DEMOCRATIC GOVERNMENT. SHE BRINGS EXTENSIVE EXPERIENCE WITH DEVELOPING COUNTRIES TO THE FM'S JOB, AS WELL AS GOOD CONTACTS WITH SOCIAL DEMOCRATIC GRASS ROOTS. FOREIGN POLICY SPOKESMAN PIERRE SCHORI, A PREVIOUS FRONT-RUNNER FOR THE FM'S JOB, WILL BECOME MINISTER OF FOREIGN ASSISTANCE INSTEAD. THAGE G. PETERSON, ANOTHER FM CANDIDATE, HAS BEEN NAMED DEFENSE MINISTER.
3. IN ANNOUNCING HIS CHOICES FOR THE "HEAVY" POSTS, CARLSSON STATED HE WANTED A MORE INTEGRATED FOREIGN POLICY. THE PM DESIGNATE EXPECTS HJELM-WALLEN, SCHORI, PETERSON AND THE STILL-TO-BE-NAMED IMMIGRATION MINISTER TO WORK "VERY CLOSELY" WITH ONE ANOTHER. CARLSSON ALSO HAS YET TO NAME A NEW "MINISTER FOR EUROPE" TO REPLACE ULF DINKELSPIEL. END SUMMARY.

ANOTHER SDP FOREIGN MINISTER WITH DEEP PARTY ROOTS  
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4. IN A SURPRISE MOVE, FUTURE SWEDISH PRIME MINISTER INGVAR CARLSSON ON SEPTEMBER 29 NAMED LENA HJELM-WALLEN, MINISTER OF FOREIGN ASSISTANCE FROM 1985-91, AS SWEDEN'S NEW FOREIGN MINISTER. HJELM-WALLEN, 51, EARLIER HAD SAID THAT SHE WOULD NOT ACCEPT ANY MINISTERIAL POST THIS TIME AROUND, CITING PERSONAL AND FAMILY NEEDS.

5. ALTHOUGH UNEXPECTED, THE CHOICE OF HJELM-WALLEN ALSO FOLLOWS A HALF-CENTURY OLD SOCIAL DEMOCRATIC TRADITION OF FOREIGN MINISTERS (SUCH AS STEN ANDERSSON AND TORSTEN NILSSON) WITH DEEP ROOTS IN THE SOCIAL DEMOCRATIC MOVEMENT. WITH HER PREVIOUS EXPERIENCE AS ASSISTANCE MINISTER, HJELM-WALLEN ALSO BRINGS EXTENSIVE FOREIGN AFFAIRS KNOWLEDGE (ALBEIT PRIMARILY OUTSIDE EUROPE) TO AN ADMINISTRATION WHERE THE PRIME MINISTER WILL FOCUS PRIMARILY ON DOMESTIC PROBLEMS, IN CONTRAST TO OUTGOING PM CARL BILDT OR THE ASSASSINATED OLOF PALME.

CARLSSON'S CHOICE AVOIDS PICKING ONE OF THREE FRIENDS  
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6. HJELM-WALLEN'S SELECTION ALSO PROBABLY RESULTED FROM AN INSOLUBLE DEAD-HEAT DILEMMA FOR CARLSSON BETWEEN THE THREE PUBLIC FRONT-RUNNERS FOR THE POSITION -- SDP FOREIGN POLICY SPOKESPERSON PIERRE SCHORI, MINSK GROUP LEADER JAN ELIASSON AND THAGE G. PETERSON, PARLIAMENTARY SPEAKER FROM 1988-91. CARLSSON IS CLOSE TO ALL THREE MEN, AND MAY HAVE FOUND IT EASIER TO GO OUTSIDE THE TRIO OF HEAVYWEIGHTS TO A TOTALLY NEW CHOICE.

7. INSTEAD SCHORI NOW WILL TAKE OVER HJELM-WALLEN'S OLD JOB AS MINISTER FOR FOREIGN ASSISTANCE. THE (UNCONFIRMED) WORD WITHIN THE FOREIGN MINISTRY IS THAT ELIASSON, WHO EARLIER ALSO SERVED AS UN UNDER SECRETARY FOR HUMANITARIAN AFFAIRS, WILL SUCCEED LARS-AE NILSSON AS PERMANENT UNDER SECRETARY OF STATE (I.E., DE FACTO DEPUTY FOREIGN MINISTER). PETERSON, WHO LIKE HJELM-WALLEN ALSO HAS DEEP ROOTS IN THE SOCIAL DEMOCRATIC MOVEMENT, WILL BECOME DEFENSE MINISTER -- CERTAINLY NO DUMMY PRIZE.

FIFTY-FIFTY GOAL  
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8. HJELM-WALLEN ALSO HELPS TO MEET ANOTHER STATED CARLSSON CRITERIA FOR CABINET-BUILDING: THAT 50 PERCENT OF THE SDP GOVERNMENT WILL BE FEMALE. AT THE PRESS CONFERENCE ANNOUNCING THE "HEAVYWEIGHT" CABINET CHOICES ON SEPTEMBER 29, BOTH CARLSSON AND HJELM-WALLEN SEVERAL TIMES BEAT BACK QUESTIONS INTIMATING THAT SHE HAD RECEIVED THE JOB DUE TO HER GENDER.

9. CARLSSON ALSO NAMED PARTY SECRETARY MONA SAHLIN AS

DEPUTY PRIME MINISTER, WITH SPECIAL RESPONSIBILITY FOR THE RATHER VAGUELY DEFINED PORTFOLIO OF "GOVERNMENT PERSONNEL REFORM AND GENDER EQUALITY; AND INGELA THALEN AS LABOR MINISTER. AS A RESULT, CARLSSON IS SURPRISING MANY LOCAL POLITICAL PUNDITS BY PUTTING WOMEN INTO TRADITIONAL "HEAVYWEIGHT" JOBS AND IS WELL ON THE WAY TO MEETING HIS

FIFTY-FIFTY GOAL. THE OTHER MINISTER NAMED THURSDAY WAS, AS EXPECTED, GORAN LARSSON AS FINANCE MINISTER.

(COMMENT: SEPTELS WILL PROVIDE FURTHER BIO INFORMATION AND COMMENT ON THE NOMINATIONS OF SCHORI, PETERSON, SAHLIN, LARSSON AND THALEN. END COMMENT.)

FOREIGN AFFAIRS EXPERIENCE AS AID MINISTER  
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10. DESPITE THE INTIMATION OF "UNQUALIFIED" AT THE SEPTEMBER 29 PRESS CONFERENCE (WHICH WAS DELAYED ONE DAY DUE TO THE "ESTONIA" FERRY DISASTER ON WEDNESDAY), HJELM-WALLEN IS NO NEWCOMER TO EITHER THE FOREIGN POLICY OR THE POLITICAL ARENA. DURING HER PERIOD AS FOREIGN ASSISTANCE MINISTER -- SHE WAS THE FIRST EVER TO HOLD THE POSITION, WHICH WAS GIVEN MINISTER RANK IN 1985 -- HJELM-WALLEN EARNED A REPUTATION AS AN INVETERATE TRAVELER AND UNTIRING PARTICIPANT IN THE ENDLESS MEETINGS AND EVENTS REQUIRED OF THE POSITION. SHE DISPLAYED A PARTICULAR INTEREST IN AFRICA, EARNING NOTE FOR HER ADVOCACY OF PUTTING PRESSURE ON KENYA'S DANIEL ARAP MOI ON HUMAN RIGHTS IN EXCHANGE FOR CONTINUED SWEDISH AID.

11. HJELM-WALLEN ALSO HAS SERVED AS THE NORDIC REPRESENTATIVE ON THE WORLD BANK EXECUTIVE COMMITTEE, AND WAS OFTEN ACTING FOREIGN MINISTER DUE TO EXTENSIVE TRAVEL BY THEN-FM STEN ANDERSSON. WITH THE SOCIAL DEMOCRATS OUT OF POWER FROM 1991-94, HJELM-WALLEN WAS AN ALTERNATE MEMBER OF THE PARLIAMENTARY (RIKSDAG) FOREIGN AFFAIRS COMMITTEE AND ALTERNATE REPRESENTATIVE TO THE COUNCIL OF EUROPE. SHE ALSO SERVED AS THE RANKING SDP MEMBER OF THE RIKSDAG EDUCATION COMMITTEE.

12. PRIOR TO TAKING THE ASSISTANCE MINISTER POSITION IN 1985, HJELM-WALLEN HELD THE POSITION OF MINISTER FOR EDUCATION AND CULTURAL AFFAIRS FROM 1982-85. DURING THE PREVIOUS SOCIAL DEMOCRATIC GOVERNMENT FROM 1974-76, SHE WAS MINISTER WITHOUT PORTFOLIO WITHIN THE EDUCATION MINISTRY, WITH SPECIAL RESPONSIBILITY FOR SCHOOLS. AT THE TIME, SHE WAS SWEDEN'S YOUNGEST-EVER PERSON WITH MINISTERIAL RANK.

POLITICAL, SERIOUS, LECTURING -- BUT UNKNOWN  
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13. LENA HJELM WAS BORN ON JANUARY 14, 1943 IN SALA, A SMALL TOWN 130 KM NORTHWEST OF STOCKHOLM KNOWN PRIMARILY AS A ROAD STOP FOR TRAVELLERS ON THEIR WAY TO THE TOURIST

REGION OF DALARNA. HJELM-WALLEN IS AN EXTREMELY PRIVATE PERSON WHO RARELY GIVES INTERVIEWS, AND LITTLE IS KNOWN ABOUT HER EARLY YEARS. HER FATHER, GUSTAV, WORKED IN LOCAL SOCIAL DEMOCRATIC POLITICS AND SERVED AS AN ASSISTANT AT A LOCAL MENTAL HOSPITAL. AT THE AGE OF 15, HJELM-WALLEN ALREADY WAS AN EXTREMELY ACTIVE MEMBER IN THE LOCAL SOCIAL DEMOCRATIC YOUTH LEAGUE. AT 17, HJELM-WALLEN MET HER HUSBAND, INGVAR WALLEN, A METAL WORKER 10 YEARS HER SENIOR, AT A SUMMER TOWN DANCE.

14. HJELM-WALLEN RECEIVED A DEGREE IN EDUCATION FROM UPPSALA UNIVERSITY IN 1963. SHE RETURNED TO SALA, MARRIED METAL WORKER INGVAR, AND BEGAN TEACHING HIGH SCHOOL SOCIAL SCIENCE. SHE ALSO CONTINUED HER POLITICAL ACTIVITY IN THE SOCIAL DEMOCRATIC YOUTH LEAGUE. IN 1968, AT THE AGE OF 25, HJELM-WALLEN BECAME SWEDEN'S THEN-YOUNGEST MEMBER OF PARLIAMENT.

15. HJELM-WALLEN EARNED A REPUTATION WITHIN THE PARTY AS A CHALLENGER OF TRADITIONAL GENDER ROLES. WHEN SHE AND HER HUSBAND ADOPTED A CHILD, VICTORIA, FROM KOREA IN 1969, INGVAR BECAME THE MAIN CARETAKER ALONG WITH THE CHILD'S GRANDPARENTS WHILE LENA COMMUTED HOME FROM STOCKHOLM ON THE WEEKENDS.

16. HJELM-WALLEN WORKED QUIETLY BUT EXTREMELY EFFECTIVELY WITHIN THE SDP RIKSDAG GROUP, BUT WAS VIRTUALLY UNKNOWN OUTSIDE SOCIAL DEMOCRATIC CIRCLES. WHEN THEN-PM OLOF PALME OFFERED HJELM-WALLEN THE POSITION OF MINISTER WITHOUT PORTFOLIO, CONCENTRATING ON SCHOOL AFFAIRS, THE SURPRISE WAS ALMOST AS GREAT AS THAT SURROUNDING HER CURRENT NAMING AS FM. AT 30, SHE WAS SWEDEN'S YOUNGEST MINISTER EVER.

IDEALISTIC BUT LOW-PROFILE INSIDER  
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17. SINCE THEN, DESPITE SERVING AS MINISTER FOR EDUCATION AND ASSISTANCE MINISTER, HJELM-WALLEN HAS MAINTAINED A LOW PROFILE. HER STRENGTH FOR CARLSSON WILL LIE IN HER EXTENSIVE CONTACT WITH SDP GRASS ROOTS AND LOCAL ORGANIZATIONS. SHE IS KNOWN TO HAVE AN UNERRING SENSE OF WHERE THE PARTY IS GOING: WHAT IN SDP FOREIGN POLICY WILL HAVE DOMESTIC SUPPORT, AND WHAT WILL NOT.

18. AS AID MINISTER, HJELM-WALLEN EARNED A REPUTATION AS BEING A HARD WORKER AS WELL AS IDEALISTIC (SOMETIMES TOO MUCH SO FOR ALL HER SUBORDINATES' TASTE). IN CONTRAST TO PM-DESIGNATE CARLSSON (WHO DESPITE HIS WOODEN DEMEANOR IS KNOWN FOR CREATIVE PRACTICAL JOKES), SHE IS SAID NOT TO HAVE MUCH OF A SENSE OF HUMOR. ON OCCASION, SHE HAS BEEN KNOWN TO BE A BIT DOUR, GIVING SCHOOLMARMISH LECTURES.

COMMENT: INTEGRATED (COMPETITIVE?) FOREIGN POLICY TEAM  
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19. AT HIS SEPTEMBER 29 PRESS CONFERENCE ANNOUNCING HIS MOST IMPORTANT MINISTER NOMINATIONS, INGVAR CARLSSON NOTED THAT HE WANTED SWEDISH FOREIGN POLICY TO BE HIGHLY INTEGRATED, ADDRESSING IN A PARALLEL FASHION ISSUES SUCH AS NATIONAL SECURITY, FOREIGN ASSISTANCE AND IMMIGRATION. AS A RESULT, HJELM-WALLEN WILL OPERATE WITH A CAPABLE, HARD-CHARGING SET OF COLLEAGUES: SCHORI, PETERSON, AND ELIASSON (IF NAMED AS HER DEPUTY), AS WELL AS THOSE WHO WILL BE NAMED MINISTER FOR EUROPE AND IMMIGRATION MINISTER. (WHILE CARLSSON HAS NOT SAID WHO WILL SUCCEED ULF DINKELSPIEL AS MINISTER FOR EUROPE AND EU AFFAIRS, ODDS ARE THAT IT WILL BE A STRONG PERSONALITY LIKE MATS HELLSTROM, SDP EU AFFAIRS SPOKESMAN.)

20. CARLSSON AT HIS SEPTEMBER 29 PRESS CONFERENCE NOTED THAT SCHORI WOULD HAVE THE LEAD ON ASSISTANCE TO THE NIS AND CENTRAL EUROPE. SOME MEDIA REPORTS GO FURTHER, STATING THAT HJELM-WALLEN WILL ALSO DEFER TO SCHORI ON ALL FOREIGN AFFAIRS IN THE BALTIC REGION AS WELL AS IN FOREIGN SECURITY POLICY. IT IS UNLIKELY THAT THE AMBITIOUS SCHORI WOULD TAKE ANYTHING LESS, BUT HJELM-WALLEN IS NO SHRINKING VIOLET IN POLITICAL TURF BATTLES; THE DEVELOPMENT OF THEIR WORKING RELATIONSHIP SHOULD MAKE INTERESTING FUTURE READING.

21. ELIASSON, WITH HIS EXTENSIVE UN EXPERIENCE, ALSO MAY PUSH HJELM-WALLEN FOR PRIMARY RESPONSIBILITY IN AN AREA WHERE SHE TOO HAS A FAIR AMOUNT OF EXPERIENCE FROM HER ASSISTANCE DAYS. WHETHER SHE HAS ELIASSON AS DEPUTY OR NOT, HJELM-WALLEN WILL PROBABLY PUT MUCH OF HER FOCUS ON UN AFFAIRS, WHERE SWEDEN IS SEEKING A SECURITY COUNCIL SEAT, AS WELL AS HUMAN RIGHTS. SHE MAY ALSO FOLLOW UP ON SOME OF PM BILDT'S EFFORTS TO INCREASE SWEDISH CONTACTS (INCLUDING TRADE) WITH ASIA.

22. IT IS POSSIBLE THAT HJELM-WALLEN MAY TAKE MORE OF A POWERBROKING ROLE, MEDIATING AMONG THE OTHER STRONG PERSONALITIES IN FOREIGN POLICY POSITIONS AND (WHEN NECESSARY) MAKING THE FINAL DECISIONS WHEN NECESSARY. IN A COUNTRY WHERE DOMESTIC ECONOMIC PROBLEMS DOMINATE THE PUBLIC PSYCHE, HJELM-WALLEN DOUBTLESS WILL MAKE CERTAIN THAT SDP FOREIGN POLICY IS WELL-ANCHORED IN THE SOCIAL DEMOCRATIC EARTH THAT SHE KNOWS SO WELL. END COMMENT.

SIEBERT  
BT  
#5669

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SECT: SECTION: 01 OF 01

SSN: 5669

TOR: 940929135925 M1279673

**DIST:**

SIT: LEBOURGEOIS NSC VAX VERSHBOW

# Cable

PREC: PRIORITY  
 CLASS: ~~CONFIDENTIAL~~  
 LINE1: PAACZYUW RUEHSMA5741 2761500-CCCC--RHEHAAX.  
 LINE2: ZNY CCCCC ZZH  
 LINE3: P 031500Z OCT 94  
 LINE4: FM AMEMBASSY STOCKHOLM  
 OSRI: RUEHSM  
 DTG: 031500Z OCT 94  
 ORIG: AMEMBASSY STOCKHOLM  
 TO: RUEHC/SECSTATE WASHDC PRIORITY 2147  
 INFO: RUEHHE/AMEMBASSY HELSINKI 8129  
 RUEHVL/AMEMBASSY VILNIUS 0591  
 RUEHTL/AMEMBASSY TALLINN 0662  
 RUEHNY/AMEMBASSY OSLO 9750  
 RUEHRK/AMEMBASSY REYKJAVIK 5108  
 RUEHCP/AMEMBASSY COPENHAGEN 0586  
 RUEHRA/AMEMBASSY RIGA 0687  
 SUBJ: SWEDEN'S RIKSDAG CHOOSES NEW SPEAKER, HONORS  
 MEMBERS LOST IN "ESTONIA" CATASTROPHE  
 TEXT:

DECLASSIFIED  
 PER E.O. 13526  
 2017-1186-M (1.02)  
 KBH 8/29/2024

~~CONFIDENTIAL~~

LIMITED OFFICIAL USE STOCKHOLM 005741

E.O. 12356: N/A

TAGS: SW, PGOV

SUBJECT: SWEDEN'S RIKSDAG CHOOSES NEW SPEAKER, HONORS  
MEMBERS LOST IN "ESTONIA" CATASTROPHE

REF: STOCKHOLM 5669

FORMER SDP MINISTER ELECTED SPEAKER OF PARLIAMENT

1. OPENING FOR BUSINESS ON OCTOBER 3, SWEDEN'S NEW PARLIAMENT (RIKSDAG) CHOSE BIRGITTA DAHL AS ITS NEW SPEAKER, REPLACING THE RETIRING INGEGARD TROEDSSON (COMMENT: UNDER THE SWEDISH SYSTEM, THE SPEAKER RANKS JUST BELOW THE KING PROTOCOL-WISE, AND ABOVE THE PRIME MINISTER. END COMMENT). DAHL, 57, IS A LONG-TIME SOCIAL DEMOCRAT WHO HEADED A BUREAU AT THE SWEDISH DEVELOPMENT AGENCY (SIDA) UNTIL 1982, THEN SERVED AS MINISTER FOR ENERGY AND ENVIRONMENT UNTIL 1990.

2 DAHL'S STRONG ADVOCACY OF "THIRD WORLD" AND ENVIRONMENTAL ISSUES HAS MADE HER A CONTROVERSIAL GADFLY FIGURE WITHIN THE RIKSDAG, PARTICULARLY FOR OUTGOING PM CARL BILDT'S GOVERNMENT. NEVERTHELESS, DAHL WAS ELECTED BY ACCLAMATION (COMMENT: SEVERAL CONSERVATIVE MP'S WERE QUOTED -- ANONYMOUSLY -- IN THE MEDIA AS COMMENTING THAT

"AT LEAST AS SPEAKER, SHE'LL BE QUIET", SINCE THE SPEAKER'S ONLY ROLE IS TO MODERATE THE PARLIAMENTARY DEBATE. END COMMENT.)

3. MODERATE ANDERS BJORK, OUTGOING DEFENSE MINISTER, WAS ELECTED AS FIRST DEPUTY SPEAKER; CENTER PARTY MEMBER AND OUTGOING ENVIRONMENT MINISTER GOREL THURDIN WAS CHOSEN SECOND DEPUTY SPEAKER; AND LIBERAL CHRISTER EIREFELT, WHO SERVED IN THE PREVIOUS RIKSDAG AS SECOND DEPUTY SPEAKER, MOVED TO THE "FOURTH DEPUTY" SPOT IN MONDAY'S ELECTIONS.

4. THE ELECTION OF NEW SPEAKERS SETS THE STAGE FOR THE OFFICIAL RIKSDAG OPENING ON TUESDAY, OCTOBER 4, WITH SDP LEADER INGVAR CARLSSON EXPECTED TO BE CONFIRMED AS PRIME MINISTER ON WEDNESDAY OR EARLY THURSDAY.

MOMENT OF SILENCE FOR COLLEAGUES MISSING IN FERRY DISASTER  
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5. PRECEDING THE ELECTION OF SPEAKERS, PM-DESIGNATE CARLSSON REQUESTED A MOMENT OF SILENCE FOR THREE COLLEAGUES MISSING AND PRESUMED DEAD IN THE "ESTONIA" FERRY DISASTER:

-- CLAES-GORAN LARSSON, NEWLY ELECTED SOCIAL DEMOCRATIC MP FROM VISBY ON THE ISLAND OF GOTLAND;

-- LENNART PETERSSON, SDP RIKSDAG MEMBER FROM 1969-91, WHO SERVED ON A VARIETY OF PARLIAMENTARY AND PARTY COMMITTEES, INCLUDING CHAIR OF THE RIKSDAG'S FINANCE COMMITTEE;

-- ARNE LOVLING, LONG-TIME RIKSDAG STENOGRAPHER, WHO ALSO HAD WORKED IN THAT CAPACITY FOR THE NORDIC COUNCIL AND STOCKHOLM COUNTY.

5. COMMENT: ALTHOUGH THE OFFICIAL MOURNING PERIOD FOR THOSE LOST IN THE "ESTONIA" SINKING ENDED MONDAY, SWEDEN REMAINS IN SHOCK: STILL VERY MUCH CENTERED ON THE FERRY CATASTROPHE AND ITS AFTERMATH, PARTICULARLY THE SEARCH FOR WHO MAY BE TO BLAME. CARLSSON'S ANNOUNCEMENT OF TWO SETS OF NEW MINISTERS (REFTEL) CAUSED BARELY A RIPPLE HERE. END COMMENT.

SIEBERT  
BT  
#5741

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SECT: SECTION: 01 OF 01

SSN: 5741

TOR: 941003110447 M1284994

DIST:

SIT: LEBOURGEOIS NSC VAX VERSHBOW

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# Cable

PREC: PRIORITY  
 CLASS: ~~CONFIDENTIAL~~  
 LINE1: PAACZYUW RUEHSMA6121 2941554-CCCC--RHEHAAX.  
 LINE2: ZNY CCCCC ZZH  
 LINE3: P 211554Z OCT 94  
 LINE4: FM AMEMBASSY STOCKHOLM  
 OSRI: RUEHSM  
 DTG: 211554Z OCT 94  
 ORIG: AMEMBASSY STOCKHOLM  
 TO: RUEHC/SECSTATE WASHDC PRIORITY 2295  
 INFO: RUEHRA/AMEMBASSY RIGA 0713  
 RUEHTL/AMEMBASSY TALLINN 0692  
 RUEHZL/EUROPEAN POLITICAL COLLECTIVE  
 RUEHVL/AMEMBASSY VILNIUS 0612  
 SUBJ: SWEDEN'S EU REFERENDUM: "YES" MOVING AHEAD  
 IN HALF-HEARTED CAMPAIGNING

DECLASSIFIED  
 PER E.O. 13526  
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 KBH 8/29/2024

TEXT:  
~~CONFIDENTIAL~~ SECTION 01 OF 02 STOCKHOLM 006121

E.O. 12356: DECL: OADR  
 TAGS: PGOV, SW  
 SUBJECT: SWEDEN'S EU REFERENDUM: "YES" MOVING AHEAD  
 IN HALF-HEARTED CAMPAIGNING

REFS: A) STOCKHOLM 5385 B) STOCKHOLM 5447

1. ~~CONFIDENTIAL~~ - ENTIRE TEXT.
2. SUMMARY. THREE WEEKS BEFORE SWEDEN'S NOVEMBER 13 REFERENDUM ON EU MEMBERSHIP, CAMPAIGNING BY BOTH "YES" AND "NO" SIDES IS DESULTORY AT BEST, SLOWED BY "CAMPAIGN HANGOVER" FROM THE SEPTEMBER 18 NATIONAL ELECTIONS AND THE "ESTONIA" FERRY CATASTROPHE THREE DAYS LATER. AFTER DIPPING BELOW THE "NO" VOTE IN THE IMMEDIATE WAKE OF THESE TWO EVENTS, THE "YES" SIDE IN RECENT POLLS IS AGAIN IN A SLIGHT BUT CLEAR LEAD OVER THE "NO" VOTE, WITH OVER 20 PERCENT STILL UNDECIDED. END SUMMARY.

AFTER "ESTONIA", WHO CARES?  
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3. ONLY THREE WEEKS BEFORE THE NOVEMBER 13 EU REFERENDUM, THE SWEDISH CAMPAIGN STILL SEEMS STUCK IN FIRST GEAR, IF IT'S MOVING AT ALL. POSTERS SPONSORED BY BOTH SIDES DO ADORN MANY BUS STOPS, AND THE VARIOUS MEDIA ARE GIVING ATTENTION TO DIFFERENT ASPECTS OF THE EU DEBATE: CAMPAIGN TACTICS, RAMIFICATIONS OF THE AGREEMENT FOR SWEDEN, HOW BRUSSELS "REALLY WORKS." NEVERTHELESS -- ESPECIALLY IN COMPARISON TO NORWAY -- CAMPAIGN EFFORTS BY BOTH SIDES SEEM HALF-HEARTED AT BEST.

4. PARTLY, THIS IS DUE TO THE ANTICIPATED "CAMPAIGN HANGOVER" FROM SEPTEMBER'S NATIONAL ELECTIONS. AS ALWAYS IN SWEDEN, THE SEPTEMBER 18 ELECTIONS WERE PRECEDED BY FIVE WEEKS OF RELENTLESS CAMPAIGNING AND INTENSE MEDIA ATTENTION. GIVEN THE CHANGE IN GOVERNMENT, WITH SOCIAL DEMOCRAT INGVAR CARLSSON TAKING OVER FROM MODERATE (CONSERVATIVE) CARL BILDT (REF A), CARLSSON'S CABINET CHOICES AND EARLY GOVERNMENT DECISIONS HAVE DOMINATED DOMESTIC POLITICAL DEBATE.

5. PARTLY, HOWEVER, THE LACK OF INTEREST IN THE REFERENDUM ALSO IS DUE TO THAT MOST UNANTICIPATED OF EVENTS: THE "ESTONIA" FERRY DISASTER. NEARLY A MONTH AFTER THE "ESTONIA" SINKING, SWEDES APPEAR ALMOST UNWILLINGLY CAUGHT UP IN ITS AFTERMATH, AS THE INVESTIGATION AND IDENTIFICATION OF VICTIMS DRAG ON. ON OCTOBER 20, DOWNTOWN STOCKHOLM STOOD STILL AS THE FIRST GROUP OF 28 IDENTIFIED DEAD PASSED IN CORTEGE TO THE ROYAL CATHEDRAL. MEANWHILE, FRIENDS AND RELATIVES OF PERHAPS 600 OTHER "MISSING" SWEDES CONTINUE TO WAIT, AND THE MOST PUBLICIZED ISSUE BEFORE CARLSSON'S GOVERNMENT IS THE WRENCHING DECISION AS TO WHETHER THE FERRY (AND THE REMAIN OF ITS VICTIMS) SHOULD BE RAISED.

6. THE EU REFERENDUM PALES BESIDE THIS IMMEDIATE HUMAN AND NATIONAL TRAGEDY. EVEN A NORMALLY HARD-BITTEN RADIO HOST ACTUALLY APOLOGIZED TO HIS AUDIENCE FOR THE "HARSH TRANSITION" IN HIS OCTOBER 20 PROGRAM FROM ESTONIA COVERAGE TO A DISCUSSION ON EU, "BUT AFTER ALL WE DO HAVE A REFERENDUM NEXT MONTH."

A SLIGHT BUT SURE EDGE FOR THE "YES" SIDE  
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7. NEVERTHELESS, LIFE GOES ON -- AND POLLSTERS KEEP POLLING. THE "YES" SIDE HAS BEEN GAINING SINCE LAST SPRING, AND IN EARLY SEPTEMBER ACTUALLY RECEIVED HIGHER POLLING TALLIES THAN THE "NO" SIDE FOR THE FIRST TIME IN TWO YEARS (REF B). THIS TREND WAS BROKEN IN THE FIRST POLLS TAKEN AFTER "ESTONIA", WHEN THE "NO" SIDE SHOWED A SUDDEN UPSURGE. MANY COMMENTATORS ATTRIBUTED THE SWING TO FEARS BY EVER-SECURITY-CONSCIOUS SWEDES OF "LOWER EUROPEAN STANDARDS" IN AREAS SUCH AS THE ENVIRONMENT, WOMEN'S RIGHTS, OPENNESS IN GOVERNMENT -- AND FERRY SAFETY STANDARDS (MANY HERE FEEL THAT A SWEDISH-FLAGGED AND STAFFED SHIP WOULD HAVE AVERTED THE DISASTER).

8. BY THE WEEK OF OCTOBER 17, HOWEVER, THE TREND HAD REVERSED, AND THE "YES" SIDE AGAIN SHOWS A SLIGHT TO MODERATE ADVANTAGE, DEPENDING ON THE POLL CITED. ONE SUCH, RELEASED OCTOBER 21 BY THE REASONABLY-RELIABLE "TEMO" ORGANIZATION, SHOWED THE "YES" SIDE WITH ITS BIGGEST LEAD IN ALMOST 30 MONTHS, AT 41 PERCENT VERSUS 34 PERCENT FOR THE "NO" VOTE. 26 PERCENT REMAINED UNDECIDED, BUT WHEN ASKED WHICH WAY THEY WERE LEANING, SPLIT INTO ALMOST-EVEN THIRDS OF "YES", "NO" AND "TRULY UNDECIDED."

IF THOSE VOTES ARE ADDED TOGETHER, THE "YES" SIDE WOULD RECEIVE 49 PERCENT, WITH 40 PERCENT VOTING "NO" AND 11 PERCENT STILL UNDECIDED.

9. ALTHOUGH PREDICTED BY SOME, THERE APPEARS TO HAVE BEEN NO STRONG "FINLAND EFFECT" IN THE RESULTS. TEMO HAD  
~~C O N F I D E N T I A L~~ SECTION 02 OF 02 STOCKHOLM 006121

E.O. 12356: DECL: OADR

TAGS: PGOV, SW

SUBJECT: SWEDEN'S EU REFERENDUM: "YES" MOVING AHEAD  
IN HALF-HEARTED CAMPAIGNING

POLLED VOTERS JUST PRIOR TO AND AFTER FINLAND'S OCTOBER 16 REFERENDUM, AND FOUND THE DIFFERENCE NOT STATISTICALLY SIGNIFICANT. HOWEVER, A TRICKLE-DOWN POSITIVE EFFECT FROM FINLAND'S DECISION COULD HELP TO INFLUENCE SWEDISH VOTERS IN COMING WEEKS. THAT SAID, A STRONGER FINNISH MANDATE MIGHT HAVE MADE A STRONGER IMPRESSION ON SWEDISH VOTERS; MOST LOCAL COMMENTATORS CHARACTERIZED THE FINNISH "YES" AS UNEXPECTEDLY WEAK.

WHERE'S THE SDP MACHINE?  
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10. AS THE REFERENDUM NEARS, SWEDES SHOULD AWAKE FROM THEIR CURRENT EU STUPOR, IF ONLY BECAUSE THE POLITICIANS HAVE PROMISED TO FOCUS 100 PERCENT OF THEIR POLITICAL ATTENTION ON THE ISSUE IN THE NEXT THREE WEEKS. IN REALITY, CAMPAIGNERS ON BOTH SIDES -- INCLUDING BOTH THE CURRENT AND FORMER PRIME MINISTERS -- HAVE ALREADY BEGUN CRISS-CROSSING THE COUNTRY GIVING SPEECHES, BUT TO SMALL AUDIENCES AND WITH LITTLE MEDIA COVERAGE.

11. ONE OUTSTANDING QUESTION IS THE EXTENT TO WHICH THE SOCIAL DEMOCRATS -- AND NOT JUST PM INGVAR CARLSSON PERSONALLY -- WILL DEVOTE THEMSELVES TO THE CAMPAIGN. BEFORE NATIONAL ELECTIONS, MUCH FUSS OCCURRED OVER THE NEED FOR THE WELL-ORGANIZED "SDP PARTY MACHINE" TO CONVINCE A SCEPTICAL SWEDISH ELECTORATE OF THE NEED FOR EU MEMBERSHIP. IN THE MONTHS SINCE THE SOCIAL DEMOCRATS EMERGED VICTORIOUS, HOWEVER, THE FAMOUS "MACHINE" OF LOCAL AND REGIONAL POLITICOS HAS YET TO APPEAR.

12. THE SDP REMAINS SPLIT ON THE ISSUE OF EU MEMBERSHIP, PARTICULARLY AT THE GRASS ROOTS. IN THE INTEREST OF PARTY UNITY, CARLSSON EVEN APPOINTED THREE ANTI-EU MINISTERS TO HIS CABINET. ALL THREE HAVE PROMISED TO CAMPAIGN VIGOROUSLY AGAINST EU MEMBERSHIP, AND THE "YES" CAMPAIGN HAS CRITICIZED CARLSSON FOR HIS GENEROSITY. SOME HAVE BLAMED THE LACK OF SDP ACTIVITY ON SOCIAL DEMOCRATIC FEARS OF SUFFERING THE SAME FATE AS THEIR NORWEGIAN COUNTERPARTS, WHO WENT ALL-OUT IN FAVOR OF EU IN 1972 AND (ACCORDING TO THIS ARGUMENT) TOOK NEARLY TWO DECADES TO RECOVER AS A POLITICAL FORCE WHEN THEY LOST.

13. NEVERTHELESS, SOME SDP CONTACTS HAVE TOLD EMBOFFS

THAT THE LACK OF HEAVY-HANDED PARTY ACTIVITY IS CALCULATED NOT TO PROTECT THE SDP IN CASE OF A LOSS, BUT TO WIN THE REFERENDUM. THESE SOURCES POINT TO THE SAME 1972 VOTE IN NORWAY, WHERE THE ELECTORATE SUPPOSEDLY REACTED TO HEAVY-HANDED CAMPAIGNING BY SHOWING THE POLITICIANS WHERE THE POWER REALLY/REALLY LIES WITH A DECIDED "NO." THE SITUATION SEEMS RIPE FOR A SIMILAR REACTION IN SWEDEN, WHERE VIRTUALLY ALL LEADING POLITICIANS OF ALL MAJOR PARTIES (AS WELL AS LEADERS IN INDUSTRY) FAVOR MEMBERSHIP. INGVAR CARLSSON REPORTEDLY ALSO NOTICED THAT THE LESS HE SAID ABOUT EU DURING THE SEPTEMBER-AUGUST NATIONAL ELECTION CAMPAIGN, THE MORE THE "YES" SIDE SEEMED TO GAIN.

## COMMENT

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14. MOST OF THE SWEDISH ELECTORATE REMAINS FAIRLY MERCURIAL ABOUT EU MEMBERSHIP. OTHER THAN A FEW LEADING POLITICIANS AND INDUSTRIALISTS, EU MEMBERSHIP HAS FEW TRULY DEDICATED ADVOCATES. INSTEAD, MOST ARE RELUCTANT EU CONVERTS, NOTING THAT "THINGS WILL BE WORSE" FOR SWEDEN ECONOMICALLY IF IT DOES NOT JOIN, OR THAT "THE EU ISN'T PERFECT, BUT IT'S THE REALITY -- SO LET'S GET IN THERE AND CHANGE IT."

15. IN CONTRAST, THE "NO" SIDE IS FERVENT IN ITS OPPOSITION AND APPEALS TO SWEDEN'S EMOTIONAL GUTS. ON A PURELY EMOTIONAL LEVEL, MANY SWEDES WOULD PREFER TO OPPOSE EU AND THE BUREAUCRATS IN BRUSSELS, BUT SIMPLY FIND NON-MEMBERSHIP IMPRACTICAL GIVEN CURRENT ECONOMIC AND POLITICAL REALITIES. IF THE "NO" SIDE CAN EXPLOIT THOSE ANTI-EU EMOTIONS TO THEIR FULLEST, SWEDEN MAY STILL VOTE "NO" TO THE UNION. END COMMENT.

SIEBERT  
BT  
#6121

NNNN

SECT: SECTION: 01 OF 02  
<^SECT>SECTION: 02 OF 02  
SSN: 6121  
<^SSN>6121  
TOR: 941021125011 M1318691  
<^TOR>941021125114 M1318693  
DIST: SIT: LEBOURGEOIS NSC VAX VERSHBOW  
□

# Cable

PREC: IMMEDIATE  
 CLASS: ~~CONFIDENTIAL~~  
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 LINE3: O 031100Z NOV 94  
 LINE4: FM AMEMBASSY RIGA  
 OSRI: RUEHRA  
 DTG: 031100Z NOV 94  
 ORIG: AMEMBASSY RIGA  
 TO: RUEHC/SECSTATE WASHDC IMMEDIATE 5501  
 INFO: RUEKJCS/JOINT STAFF WASHDC IMMEDIATE  
 RUEKJCS/SECDEF WASHDC IMMEDIATE  
 RUEHVEN/USMISSION USVIENNA 0782  
 RUEHTL/AMEMBASSY TALLINN 2613  
 RUEHSM/AMEMBASSY STOCKHOLM 1524  
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 RUEHMO/AMEMBASSY MOSCOW 0560  
 RUEHLO/AMEMBASSY LONDON 0701  
 RUEHKV/AMEMBASSY KIEV 0359  
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 RUEHNO/USMISSION USNATO 0634  
 RUEHUP/AMEMBASSY BUDAPEST 0093  
 SUBJ: UNDERSECRETARY DAVIS OPENS ARMS CONTROL  
 - AND REGIONAL SECURITY DIALOGUE WITH LATVIA

DECLASSIFIED  
 PER E.O. 13526  
 2017-1186-M (1.04)  
 KBH 8/29/2024

TEXT:  
~~CONFIDENTIAL~~ RIGA 003014

EXDIS

DEPT FOR EUR, ACDA, T, P, PM

SECDEF PASS OSD

NSC FOR BURNS

BUDAPEST AND USVIENNA FOR USDEL CSCE

STOCKHOLM AND COPENHAGEN ALSO FOR DAO

E.O. 12356: DECL: OADR  
 TAGS: PREL, PARM, MASS, MARR, EAID, EAIR, NATO, LG, RS  
 SUBJECT: UNDERSECRETARY DAVIS OPENS ARMS CONTROL

- AND REGIONAL SECURITY DIALOGUE WITH LATVIA

1. ~~CONFIDENTIAL~~ - ENTIRE TEXT.

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SUMMARY  
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2. IN OCTOBER 31 MEETINGS WITH U/S DAVIS, LATVIAN OFFICIALS DESCRIBED ONGOING EFFORTS TO REFURBISH A JOINT TRAINING FACILITY FOR THE BALTIC PEACEKEEPING BATTALION AND WELCOMED U.S. REASSURANCES THAT WE WILL PROVIDE USD 10 MILLION FOR BALTBAT. THEY ALSO UNDERLINED LINGERING CONCERNS ABOUT RUSSIA'S INTENTIONS, WHICH FUEL THEIR DESIRE TO JOIN NATO AND OTHER WESTERN INSTITUTIONS AS SOON AS POSSIBLE. THE FOREIGN AND DEFENSE MINISTERS REQUESTED U.S. ASSISTANCE FOR AIR SPACE AND BORDER CONTROL, A RIGA FBI OFFICE TO HELP FIGHT ORGANIZED CRIME, AND HELICOPTERS FOR SEARCH AND RESCUE OPERATIONS. PRESIDENT ULMANIS EMPHASIZED BETTER RELATIONS WITH RUSSIA AND ETHNIC HARMONY IN LATVIA AS FACTORS CONTRIBUTING TO SECURITY, WHILE CITING CRIME AND CORRUPTION AS MAJOR THREATS.

3. DR. DAVIS SOUGHT TO ALLAY "YALTA II" CONCERNS BY SKETCHING OUT U.S. VIEWS ON PFP AND NATO EXPANSION AS ELEMENTS OF A PROCESS THAT WILL NOT DRAW ANY NEW DIVIDING LINES IN EUROPE. THE UNDERSECRETARY EMPHASIZED THAT THE BALTIC BATTALION IS A CRITICAL PART OF PROGRESS TOWARD THIS GOAL AND PLEDGED TO COORDINATE CLOSELY WITH OTHER DONORS PROVIDING BALTBAT ASSISTANCE. SHE ALSO FORESHADOWED A DOD/FAA VISIT TO SURVEY BALTIC AIR SPACE ISSUES, DISCUSSED POSSIBLE EXPORT CONTROL ASSISTANCE, AND SUGGESTED THAT COCOM SUCCESSOR ARRANGEMENTS WOULD NOT BAR THE LATVIAN MILITARY FROM ACQUIRING TECHNOLOGY FOR COMMAND AND CONTROL SYSTEMS. END SUMMARY.

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RUSSIA AND THE CIS  
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4. RUSSIA FEATURED PROMINENTLY IN DR. DAVIS' EXTENSIVE TALKS WITH A LARGE LATVIAN DELEGATION HEADED BY FM VALDIS BIRKAVS AS WELL AS SEPARATE MEETINGS WITH BIRKAVS, DEFENSE MINISTER JANIS TRAPANS, AND PRESIDENT GUNTIS ULMANIS. MFA OFFICIAL AIVARS VOVERS PROBED U.S. VIEWS TOWARD PEACEKEEPING AND INTEGRATION PROCESSES IN THE CIS, ENCOURAGING ACTIVE U.S. AND EUROPEAN INVOLVEMENT IN CIS CONFLICT RESOLUTION TO ENSURE THAT RUSSIA PLAYS A MORE IMPARTIAL ROLE.

5. DR. DAVIS AND S/P ASSOCIATE DIRECTOR FLANAGAN ASSURED THE LATVIANS OF OUR VIEW THAT CIS PEACEKEEPING MUST ACCORD WITH UN AND CSCE PRINCIPLES, THAT WE REJECT ANY "SPECIAL ROLE" FOR RUSSIA, AND THAT ANY THICKENING OF CIS RELATIONSHIPS MUST BE COMPLETELY VOLUNTARY. DR. DAVIS REPLIED TO A QUESTION ABOUT THE HIGH

CONCENTRATION OF RUSSIAN TROOPS IN KALININGRAD BY EXPRESSING DISPLEASURE WITH RUSSIAN REJECTION OF THE MILITARY TRANSIT AGREEMENT WITH LITHUANIA.

6. IN THE WAKE OF THE AUGUST 31 TROOP WITHDRAWALS,

VOVERS SAID THERE IS A BASIS FOR NORMALIZING RUSSIAN/LATVIAN RELATIONS. HE LOOKED FORWARD TO A CSCE ROLE IN MONITORING SKRUNDA RADAR OPERATIONS AND RESOLVING MILITARY PENSIONER QUESTIONS, ON WHICH HE FORESEES "SERIOUS PROBLEMS IN THE COMING MONTHS." VOVERS PRAISED U.S. INVOLVEMENT ON THESE ISSUES AS WELL AS DEMOLITION OF THE UNFINISHED SKRUNDA LPAR, WHICH THE GOL WANTS TO COMPLETE "AS SOON AS POSSIBLE."

7. PRESIDENT ULMANIS CITED CONTINUING UNCERTAINTY ABOUT RUSSIA AND RECALLED LATVIAN FEARS, SHORTLY AFTER INDEPENDENCE WAS RESTORED, THAT "RUSSIA WILL ATTACK

TOMORROW." HE OBSERVED THAT NOW IS A TIME FOR CAREFUL THREAT ANALYSIS. ULMANIS THANKED THE U.S. FOR HELP IN FACILITATING RUSSIA'S TROOP WITHDRAWAL AND NOTED THE IMPORTANCE OF GOOD RELATIONS WITH RUSSIA TO REDUCING THE EXTERNAL THREAT. INTERNALLY, HE NOTED, HARMONIOUS ETHNIC RELATIONS ARE ESSENTIAL TO NEUTRALIZE THE THREAT THAT RUSSIA COULD EXPLOIT THE PRESENCE OF A LARGE NON-LATVIAN POPULATION. DR. DAVIS OUTLINED THE U.S. VIEW TO PRESIDENT ULMANIS AND OTHERS THAT A DEMOCRATIC AND HEALTHY RUSSIA, INTEGRATED INTO EUROPE, WOULD BE FAR LESS DANGEROUS THAN AN ISOLATED RUSSIA.

8. IN SEPARATE TALKS WITH DELEGATION MEMBERS FLANAGAN, WINNER, AND DALCH, MFA PARLIAMENTARY SECRETARY MARTINS VIRSIS AND STATE SECRETARY MARIS RIEKSTINS EXPRESSED GREAT SKEPTICISM ABOUT PROSPECTS FOR DEMOCRACY IN RUSSIA. THEY DOUBTED MOSCOW WOULD EVER FULLY RESPECT ITS NEIGHBORS' SOVEREIGNTY AND PREDICTED RUSSIA WOULD PROBE THE LIMITS OF THE INTERNATIONAL COMMUNITY'S TOLERANCE OF ITS INTERVENTIONS. THE LATVIANS SUGGESTED RUSSIAN BEHAVIOR IN GEORGIA AND NAGORNO-KARABAKH WERE HARBINGERS OF THE WAY MOSCOW COULD DEAL WITH THE BALTICS IF THE WEST IS NOT MORE FORCEFUL IN HOLDING RUSSIAN PEACEKEEPING ACTIVITIES TO STRICT INTERNATIONAL STANDARDS AND OVERSIGHT. THEY STRESSED THAT POLICY TOWARDS THE PERIPHERY WAS OFTEN DECIDED IN MOSCOW ON AN EMOTIONAL BASIS AND SAID RUSSIA WAS NOT RECONCILED TO BALTIC INDEPENDENCE. SURMISING THAT RUSSIAN SECURITY SERVICES STILL HAD CONSIDERABLE MISCHIEF-MAKING CAPABILITIES IN LATVIA, THEY ALSO SUGGESTED GREATER U.S./LATVIAN COUNTERINTELLIGENCE COOPERATION. VIRSIS SPECULATED THAT MOSCOW MIGHT USE THE RUSSIAN MINORITY TO PROVOKE A CRISIS THAT COULD SERVE AS A PRETEXT FOR LAUNCHING A RUSSIAN PEACEKEEPING MISSION IN LATVIA.

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CONVENTIONAL ARMS TRANSFERS, COCOM SUCCESSOR REGIME  
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9. DEFENSE MINISTER TRAPANS DESCRIBED LATVIA'S EVOLVING DEFENSE CONCEPT AND THE REALITIES OF HIS TINY DEFENSE BUDGET, OBSERVING THAT LATVIA HAS NEITHER RESOURCES NOR THE NEED FOR TANKS OR OTHER HEAVY WEAPONS. HE SAID LATVIA IS LOOKING ONLY TO DEVELOP LIGHT INFANTRY WITH AUTOMATIC RIFLES, ANTI-TANK AND ANTI-AIRCRAFT WEAPONS, AND POSSIBLY LIGHT APCs. PROJECTING A FUTURE FOCUS ON "C3I" -- "COMMAND, CONTROL, COMMUNICATIONS, INTELLIGENCE" -- TRAPANS

SIGNALLED THE NEED FOR MODERN COMPUTER TECHNOLOGY PREVIOUSLY SUBJECT TO COCOM CONTROLS. DR. DAVIS DOUBTED THAT THE LIBERALIZED POST-COCOM REGIME WOULD HINDER LATVIAN ACQUISITION OF SUCH TECHNOLOGY.

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EXPORT CONTROLS AND NUCLEAR SMUGGLING  
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10. AFTER DR. DAVIS OUTLINED REQUIREMENTS FOR JOINING THE COCOM SUCCESSOR REGIME, MFA INTERNATIONAL RELATIONS DIRECTOR IVETA SERS DESCRIBED THE GOL'S STEPS TO SET UP AN EXPORT CONTROL REGIME. THESE HAVE INCLUDED ESTABLISHING AN INTERAGENCY OVERSIGHT COMMITTEE, DESIGNATING THE LATVIAN DEVELOPMENT AGENCY AS THE EXECUTIVE BODY, AND BEGINNING TO BUILD THE LEGAL FRAMEWORK. SHE ACKNOWLEDGED THAT LATVIAN EXPORT CONTROLS ARE NOT YET EFFECTIVE, HOWEVER, LARGELY BECAUSE MANY "BUSINESSES" ARE ACTUALLY CRIMINAL GROUPS WHICH ARE UNCONCERNED ABOUT THEIR REPUTATIONS.

11. IN RESPONSE TO A LATVIAN NON-PAPER PRESENTED DURING THE PRESIDENT'S VISIT TO RIGA, DR. DAVIS INFORMED THE GOL THAT THE U.S. WOULD NOT BE ABLE TO FUND THE AUTOMATION OF LATVIA'S CUSTOMS DECLARATION PROCESSING SYSTEM. HOWEVER, SHE PRESENTED THE LATVIANS WITH A NON-PAPER OUTLINING OUR EFFORTS TO DEVELOP A MODEL COMMUNICATIONS SYSTEM FOR EXPORT CONTROLS THAT WOULD LINK UP POLICY, LICENSING AND ENFORCEMENT PERSONNEL. ONCE THE MODEL WAS TESTED, THE U.S. WOULD BE IN A POSITION TO JUDGE ITS UTILITY FOR LATVIA. IN THE MEANTIME THE U.S. NON-PAPER SUGGESTED THAT WE ARE READY TO ASSIST LATVIA WITH DRAFTING THE NECESSARY LAWS AND REGULATIONS FOR EXPORT CONTROLS.

12. INTERIOR MINISTRY AND NUCLEAR SAFETY INSPECTION DIVISION OFFICIALS SHARED CONCERNS ABOUT NUCLEAR SMUGGLING AND DESCRIBED EFFORTS TO COPE WITH IT. WHILE THEY HAD NOT YET UNCOVERED ANY CASES IN LATVIA, THESE OFFICIALS CITED THE PROBLEM OF ILLEGAL TRANSIT "CORRIDORS" OPENED UP BY ORGANIZED CRIME GROUPS WHICH COULD BE USED FOR NUCLEAR AS WELL AS OTHER KINDS OF CONTRABAND. THEY NOTED THAT CONTACTS WITH U.S. EXPERTS ALREADY EXIST BUT EXPRESSED A DESIRE FOR BROADER CONTACTS AS WELL AS EQUIPMENT TO IMPROVE RADIO CONTROL AND INFORMATION EXCHANGE WITH THE OTHER BALTIC STATES. THE LATVIAN SPECIALISTS ACKNOWLEDGED SOME SECURITY

PROBLEMS AT THE SALASPILS RESEARCH REACTOR WHICH THEY INHERITED FROM THE SOVIET MILITARY/INDUSTRIAL COMPLEX, BUT NOTED THAT INTERNATIONAL EXPERTS HAVE FOUND CONTROLS GENERALLY ACCEPTABLE. THE LATVIANS NOTED THAT THE MAIN PROBLEM WITH SALASPILS IS THE HIGH COST OF STORING AND EVENTUALLY DISPOSING OF WASTES WHICH IN PAST YEARS HAD SIMPLY BEEN SENT BACK TO RUSSIA.

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BALTIC PEACEKEEPING  
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13. MILITARY ADVISOR KARLIS DRUVA AND DEFENSE MINISTER TRAPANS DESCRIBED LATVIA'S CURRENT EXPENDITURE OF

ALMOST USD 2 MILLION TO FIX UP THE FORMER SOVIET/ RUSSIAN MILITARY BASE AT ADAZI, JUST OUTSIDE RIGA, AS THE TRAINING FACILITY FOR THE PROPOSED BALTIC PEACE-KEEPING BATTALION. DESPITE BUDGET PRESSURES AND A VERY SHORT FUSE (THE RUSSIANS DEPARTED LESS THAN THREE MONTHS AGO), THEY STRESSED LATVIA'S DETERMINATION TO COMPLETE FACILITY RENOVATION BY NOVEMBER 21. THIS ACCORDS WITH THE TIMETABLE PROMISED IN A SEPTEMBER 13 MOU SIGNED JOINTLY WITH THE OTHER BALTICS, THE NORDICS AND THE UK.

14. TRAPANS AND DRUVA NOTED THAT TENTATIVE OFFERS EXIST FOR SOME BALTBAT EQUIPMENT, INCLUDING LIGHT WEAPONS (GERMANY), KITCHENS AND TRAINING EQUIPMENT (SWEDEN), MEDICAL EQUIPMENT (FINLAND), AND LANGUAGE TRAINING EQUIPMENT (UK). THEY ALSO NOTED U.S. STATEMENTS AT SOME EARLIER COORDINATION MEETINGS SUGGESTING THAT WE MIGHT PROVIDE COMMUNICATIONS EQUIPMENT, COLD WEATHER GEAR, ENGLISH LANGUAGE TRAINING, AND/OR VEHICLES, BUT SAID THE U.S. HAD NOT BEEN PRESENT AT THE MOST RECENT COORDINATING MEETING. AT THIS POINT THE LATVIANS CLAIM AN URGENT NEED FOR SUCH BASIC EQUIPMENT AS DESKS, CHAIRS, TABLES, BLANKETS AND BEDS, WHICH MUST BE AT ADAZI BEFORE THE FIRST TROOPS ARRIVE IN MID-JANUARY. THE LATVIANS LOOK FORWARD TO A NOVEMBER 11 MEETING IN COPENHAGEN TO COORDINATE PROVISION OF BALTBAT ASSISTANCE.

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15. DR. DAVIS AND PM DAS ERIC NEWSOM REASSURED THE GOL THAT WE WILL BE PROVIDING OUR PROMISED USD 10 MILLION FOR BALTBAT, THAT MONEY WILL BE AVAILABLE IN THE CURRENT FISCAL YEAR, AND THAT WE ARE ANXIOUS TO IDENTIFY EXACTLY WHAT IS NEEDED. THEY PLEDGED TO CONTINUE COORDINATING CLOSELY WITH OTHER DONORS IN ORDER TO USE FUNDS IN THE MOST APPROPRIATE WAY.

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EUROPEAN SECURITY INSTITUTIONS/NATO EXPANSION  
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16. DR. DAVIS AND S/P ASSOCIATE DIRECTOR FLANAGAN OUTLINED CURRENT U.S. THINKING ON NATO EXPANSION,

STRESSING THAT WE ARE NOW CONSULTING WITH ALLIES ON HOW THE PROCESS SHOULD EVOLVE AND THAT THERE ARE NO PRECONCEIVED LISTS OR TIMETABLES FOR THE PROCESS. THEY STRESSED THAT THE PARTNERSHIP FOR PEACE WOULD CONTINUE TO BE THE FRAMEWORK IN WHICH THIS PROCESS EVOLVES SO THAT IT CREATES NO NEW DIVISIONS EVEN IF SOME STATES BECOME NATO MEMBERS MORE QUICKLY THAN OTHERS. MFA INTERNATIONAL ORGANIZATIONS DIRECTOR NORMANS PENKE'S PRESENTATION RECOGNIZED THE NEED FOR LATVIA TO FULFILL OBLIGATIONS ASSOCIATED WITH NATO MEMBERSHIP, WELCOMED U.S. ASSURANCES THAT NO COUNTRY WOULD HAVE A VETO OR BE EXCLUDED IN ADVANCE, AND STRESSED THAT THE FIRST EXPANSION MUST BE CONSIDERED CAREFULLY. SEVERAL INTERLOCUTORS INCLUDING FOREIGN MINISTER BIRKAVS EXPRESSED CONCERN THAT THE FIRST EXPANSION OF NATO WOULD SEND A SIGNAL TO THE RUSSIANS THAT THE BALTICS WERE OF LESSER IMPORTANCE TO THE WEST. DR. DAVIS RESPONDED THAT THE PFP IS THE ANSWER TO QUESTIONS ABOUT HOW TO ENSURE THAT ANY INITIAL EXPANSION WILL NOT DRAW

ANY NEW LINES IN EUROPE AND STRESSED THAT THE BALTIC BATTALION WILL BE A CRITICAL PART OF PROGRESS TOWARD THESE GOALS.

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OTHER ISSUES: AIR SPACE CONTROL, HELICOPTERS, AND CRIME  
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17. DR. DAVIS ANTICIPATED LATVIAN PLANS TO RAISE AIR SPACE CONTROL ISSUES AND RESPONDED TO A JULY 1994 NON-PAPER BY INFORMING THE LATVIANS OF A POSSIBLE JOINT DOD/FAA VISIT TENTATIVELY PLANNED FOR EARLY 1995. SUBSEQUENT DISCUSSION WITH CIVIL AVIATION ADMINISTRATION HEAD ANDRIS ZALMANIS AND FM BIRKAVS REFLECTED CONTINUING CONFUSION AND/OR DISAGREEMENT ON THE LATVIAN SIDE ABOUT THE SCOPE OF THEIR NEEDS, RANGING FROM A COMBINED CIVIL/MILITARY AIR TRAFFIC CONTROL SYSTEM TO A FOCUS ON AIR SPACE SURVEILLANCE AND CONTROL FOR DEFENSE PURPOSES. HOWEVER, ALL WELCOMED THE U.S. PROPOSAL FOR AN EXPERT VISIT.

18. IN THE WAKE OF THE "ESTONIA" FERRY DISASTER, LATVIA HAS TAKEN A STRONG INTEREST IN ACQUIRING HELICOPTERS TO IMPROVE ITS CAPABILITY TO CONDUCT SEARCH AND RESCUE OPERATIONS AT SEA. (THIS INTEREST HAS ALSO BEEN COMMUNICATED IN RECENT INQUIRIES TO DAO STOCKHOLM.) FM BIRKAVS RAISED THIS QUESTION AS A HIGH PRIORITY ITEM IN HIS PRIVATE MEETING WITH DR. DAVIS. THE UNDERSECRETARY EXPRESSED SYMPATHY WITH GOL HELPLESSNESS DURING THE "ESTONIA" DISASTER. HOWEVER, NOTING THE HIGH COST OF ACQUIRING AND MAINTAINING HELICOPTERS, SHE POINTEDLY DECLINED TO RAISE EXPECTATIONS OF U.S. ASSISTANCE.

19. CLEARLY REFERRING TO RECENT INCIDENTS, INCLUDING A JAIL BREAK WHICH LED INTERIOR MINISTER GIRTS KRISTOVSKIS TO RESIGN OCTOBER 28, PRESIDENT ULMANIS

CITED CRIMINALITY AND CORRUPTION AS MAJOR THREATS TO LATVIA'S SECURITY. ON THE SPECIFIC ISSUES OF EXPORT CONTROLS AND NUCLEAR SMUGGLING, HE NOTED CORRUPTION AND DISHONESTY AMONG THE CHALLENGES LATVIA FACES IN POLICING BORDERS. HE CALLED FOR EXCHANGES OF EXPERTS IN THIS FIELD. BOTH IN HIS PRIVATE MEETING WITH DR. DAVIS AND THEIR JOINT PRESS CONFERENCE, FM BIRKAVS SPECIFICALLY RECALLED HIS EARLIER REQUEST TO PRESIDENT CLINTON FOR AN FBI OFFICE TO BE ESTABLISHED IN RIGA. HE CITED THIS PROPOSAL AS ONE ELEMENT OF BUILDING A NEW "COALITION AGAINST ORGANIZED CRIME."

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COMMENT  
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20. THE UNDERSECRETARY'S INTERLOCUTORS WERE SURPRISINGLY QUIET ABOUT "YALTA II" FEARS, AND THE LATVIAN SIDE EXPRESSED NO DOUBTS ABOUT OUR USD 10 MILLION BALTBAT COMMITMENT. WE NEVERTHELESS FOUND IT EXTREMELY USEFUL FOR DR. DAVIS TO REASSURE THE LATVIANS ON BOTH COUNTS. IT WAS PARTICULARLY VALUABLE THAT THE DELEGATION OUTLINED OUR VIEWS ON NATO EXPANSION AN PFP IN A WAY THAT EMPHASIZED OUR REJECTION OF "SPHERES OF INFLUENCE" OR NEW DIVIDING LINES IN EUROPE.

21. UNDERSECRETARY DAVIS HAS CLEARED THIS CABLE.  
SILINS  
BT  
#3014

NNNN

SECT: SECTION: 01 OF 01

SSN: 3014

TOR: 941103062140 M1341590

DIST:

SIT: BEYRLE BURNS NSC VAX  
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# Cable

PREC: PRIORITY  
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 TO: RUEHC/SECSTATE WASHDC PRIORITY 2570  
 INFO: RUEADWW/WHITEHOUSE WASHDC  
 RUEHZL/EUROPEAN POLITICAL COLLECTIVE  
 RUEHVL/AMEMBASSY VILNIUS 0659  
 RUEHRA/AMEMBASSY RIGA 0769  
 RUEHTL/AMEMBASSY TALLINN 0748  
 SUBJ: SWEDISH POLICY ON THE BALTICS  
 UNDER PM CARLSSON: "BACK TO BILD"

DECLASSIFIED  
 PER E.O. 13526  
 2017-1186-M (1.05)  
 KBH 8/29/2024

TEXT:

~~CONFIDENTIAL~~ SECTION 01 OF 02 STOCKHOLM 006769

NSC FOR BURNS

E.O. 12356: DECL: OADR  
 TAGS: PREL, ZB, RS, SW  
 SUBJECT: SWEDISH POLICY ON THE BALTICS  
 UNDER PM CARLSSON: "BACK TO BILD"

1. ~~CONFIDENTIAL~~ - ENTIRE TEXT.

2. SUMMARY: AFTER INITIAL UNCERTAINTY ON SWEDISH POLICY TOWARDS BALTIC SECURITY AND RUSSIA, THE NEW SOCIAL DEMOCRATIC GOVERNMENT UNDER PM INGVAR CARLSSON HAS RETURNED TO ALMOST THE SAME POLICY LINE ESPOUSED BY FORMER PM BILD: THAT SWEDEN WOULD "NOT STAND INDIFFERENT" IN THE EVENT OF A MILITARY THREAT AGAINST THE BALTICS. BILD AND HIS ADVISORS HAVE ACTIVELY AND SUCCESSFULLY LOBBIED THE CARLSSON GOVERNMENT FOR CONTINUITY ON BALTIC POLICY. AT THE SAME TIME, THE CARLSSON GOVERNMENT PROBABLY WILL STRESS INCREASED RUSSO-BALTIC COOPERATION TO A GREATER DEGREE THAN THE BILD ADMINISTRATION. END SUMMARY.

"BACK TO BILD": SWEDISH CONTINUITY ON THE BALTICS  
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3. AFTER SEVERAL WEEKS OF LESS-THAN-CLEAR SWEDISH FOREIGN POLICY ON THE BALTICS UNDER THE NEW SOCIAL DEMOCRATIC GOVERNMENT OF INGVAR CARLSSON, FM LENA HJELM-WALLEN IN A SPEECH ON NOVEMBER 23 UNEQUIVOCALLY SIGNALLED THAT SWEDEN WILL CONTINUE THE POLICIES OF THE FORMER BILD

GOVERNMENT. IN HER SPEECH, THE FM'S FIRST MAJOR FOREIGN POLICY ADDRESS (MADE AS TRADITION DICTATES AT SWEDEN'S FOREIGN POLICY INSTITUTE), HJELM-WALLEN USED EXACTLY THE SAME WORDS AS CARL BILDT IN HIS ADDRESS TO THE INSTITUTE EXACTLY ONE YEAR EARLIER: "OBVIOUSLY, SWEDEN WILL NOT STAND BY INDIFFERENTLY SHOULD THE BALTIC STATES BE SUBJECTED TO MILITARY THREAT." HJELM-WALLEN'S USE OF THIS FORMULATION IS ALL THE MORE STRIKING GIVEN THE HARSH CRITICISM BILDT RECEIVED FROM THE SOCIAL DEMOCRATS WHEN HE INITIALLY MADE THIS STATEMENT AT THE INSTITUTE IN 1993.

4. ONE WEEK EARLIER, DURING A VISIT BY OUTGOING EMBASSY TALLINN CHARGE KEITH SMITH, A/S FOR CSCE STATES TOMAS BERTELMAN ALSO STRESSED CONTINUITY IN SWEDISH BALTIC POLICY, NOTWITHSTANDING EITHER THE NEW SOCIAL DEMOCRATIC GOVERNMENT OR SWEDEN'S PENDING MEMBERSHIP IN THE EUROPEAN UNION. SPECIFICALLY, BERTELMAN NOTED THAT THE U.S. "WOULD NOT HAVE TO GO TO BRUSSELS" TO DISCUSS BALTIC AFFAIRS WITH SWEDEN, AS SWEDEN WOULD CONTINUE TO BE AN INDEPENDENT ACTOR IN THE REGION. IN THIS VEIN, BERTELMAN INDICATED THAT THE GOS WOULD CONTINUE CHAIRING "BALTICS AD HOC GROUP" MEETINGS AS THE NEED ARISED, WITH THE NEXT MEETING PLANNED FOR EARLY IN 1995.

#### INITIAL SDP UNCERTAINTY

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5. HJELM-WALLEN'S STRONG ENDORSEMENT OF BILDT'S BALTICS POLICIES COMES AFTER SEVERAL WEEKS OF SOCIAL DEMOCRATIC WAFFLING ON THE ISSUE. BILDT'S STATEMENTS ON THE BALTICS, AND RELATED STATEMENTS REGARDING THE FUTURE OF SWEDISH NEUTRALITY, PROVIDED A RICH SOURCE OF CRITICISM FOR THE SOCIAL DEMOCRATS IN GENERAL AND SDP LEADER INGVAR CARLSSON IN PARTICULAR DURING THE NATIONAL ELECTION CAMPAIGN, WHICH ENDED WITH THE SDP VICTORY ON SEPTEMBER 18.

6. IMMEDIATELY PRIOR TO THE ELECTION, SDP FOREIGN POLICY ADVISOR (NOW DEPUTY MINISTER FOR ASSISTANCE) MATS KARLSSON HARSHLY CRITICIZED BILDT'S ACTIVIST BALTICS POLICY AS "TOO AGGRESSIVE" TOWARDS RUSSIA, AND "ULTIMATELY COUNTER-PRODUCTIVE." A BALTICS EXPERT WHO WORKED IN THE MFA'S "EASTERN SECRETARIAT" DURING THE EVENTFUL PERIOD FROM 1989-92, KARLSSON STATED THAT THE SDP WOULD TAKE A MORE LOW-KEY APPROACH TO THE BALTICS REGION, AND AVOID "CHALLENGING" RUSSIA ON BALTICS SOVEREIGNTY.

7. SDP POLICY BEGAN TO SHIFT SLIGHTLY, HOWEVER, SOON AFTER INGVAR CARLSSON OFFICIALLY MOVED INTO THE PRIME MINISTER'S OFFICE IN EARLY OCTOBER. ESPECIALLY IN THE WAKE OF THE "ESTONIA" FERRY DISASTER, CARLSSON INDICATED EARLY ON THAT CONTINUING ASSISTANCE TO THE BALTICS WOULD BE A PRIORITY FOR HIS ADMINISTRATION. IN HIS INAUGURAL ADDRESS TO THE SWEDISH PARLIAMENT ON OCTOBER 14, CARLSSON EVEN WENT SO FAR AS TO PARTY EMPLOY THE "BILDT FORMULATION", STATING THAT "SWEDEN WOULD NEVER BE INDIFFERENT TO THE SITUATION OF THE BALTICS." SHORTLY THEREAFTER, FM HJELM-WALLEN CONDUCTED A HIGH-PROFILE VISIT

TO ESTONIA ON HER SECOND FOREIGN TRIP AS FM; BUT WAFFLED IN RESPONSE TO REPORTERS' QUESTIONS ON THE EXTENT OF THE CARLSSON GOVERNMENT'S COMMITMENT TO THE BALTIC NATIONS.

BILDT'S FAST COURSE ON THE BALTICS  
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~~C O N F I D E N T I A L~~ SECTION 02 OF 02 STOCKHOLM 006769

NSC FOR BURNS

E.O. 12356: DECL: OADR

TAGS: PREL, ZB, RS, SW

SUBJECT: SWEDISH POLICY ON THE BALTICS

UNDER PM CARLSSON: "BACK TO BILDT"

8. THROUGHOUT THIS PERIOD, FORMER PRIME MINISTER BILDT HAS BEEN A PRIME MOVER IN THE EVOLUTION OF SOCIAL DEMOCRATIC THINKING ON THE BALTICS. ON OCTOBER 13, JUST PRIOR TO CARLSSON'S ADDRESS, BILDT PUBLISHED AN OP-ED PIECE REMINDING THE NEW PM THAT CARLSSON WOULD IMPERIL SWEDEN'S NATIONAL SECURITY AND STABILITY IN THE BALTIC REGION AS A WHOLE BY FAILING WHOLEHEARTEDLY TO SUPPORT BALTIC SOVEREIGNTY. (CARLSSON REPORTEDLY AMENDED THE TEXT OF HIS INAUGURAL ADDRESS IN RESPONSE TO BILDT'S COMMENTS.)

9. JONAS HAFSTROM, BILDT'S FORMER CHIEF-OF-STAFF AND CURRENT ADVISOR, TOLD POLOFF ON NOVEMBER 23 THAT BOTH HE AND BILDT HAVE BEEN "EXTREMELY ACTIVE" IN PERSONALLY BRIEFING FM HJELM-WALLEN ON THE BEST APPROACH TO THE BALTICS AND RUSSIA. WITH CHARACTERISTIC CONDESCENSION, HAFSTROM (STRICTLY PROTECT) CHARACTERIZED HJELM-WALLEN AS "NAIVE AS A SCHOOLGIRL" WHEN IT CAME TO RUSSIA, ALTHOUGH SHE HAD "LEARNED QUICKLY;" AND SAID THERE WAS A "LONG STORY" AND A LOT OF HARD EFFORT BEHIND THE CHANGE IN SDP POLICY.

COMMENT: CHANGES IN NUANCE, NOT SUBSTANCE  
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10. DESPITE FM HJELM-WALLEN'S ADOPTION OF THE BILDT LANGUAGE ON THE BALTICS, SWEDEN'S POLICY UNDER CARLSSON WILL NOT BE A COOKIE-CUTTER COPY OF BILDT GOVERNMENT POLICIES. IN PARTICULAR, PM CARLSSON WILL NOT BE AS PERSONALLY ENGAGED ON BALTICS OR OTHER FOREIGN POLICY ISSUES AS WAS THE FORMER PRIME MINISTER, SHIFTING SUCH RESPONSIBILITIES BACK TO THE FOREIGN MINISTRY. ONE OF THE MOST ENCOURAGING RECENT SIGNS OF BALTIC CONTINUITY FROM THE CARLSSON GOVERNMENT WAS ITS DECISION TO RETAIN BILDT FOREIGN POLICY ADVISOR LARS FREDEN, A WELL-KNOWN FIGURE IN BALTIC CAPITALS AS WELL AS WASHINGTON ON BALTIC ISSUES. HOWEVER, FREDEN WILL BE A PERSONAL ADVISOR TO HJELM-WALLEN RATHER THAN CARLSSON, WHO HAS FAR FEWER FOREIGN POLICY EXPERTS ON HIS STAFF (TWO TO BILDT'S SIX).

11. THE CARLSSON GOVERNMENT PROBABLY ALSO WILL STRESS

RUSO-BALTIC "RECONCILIATION" ACTIVITIES TO A GREATER EXTENT THAN DID THE BILDT GOVERNMENT. FOR EXAMPLE, THE SDP "THINK-TANK" OLOF PALME CENTER, WITH GOS SUPPORT, HELD A CONFERENCE ON NOVEMBER 24-27 IN VILNIUS ON "IDEAS ON COOPERATIVE SECURITY IN THE BALTIC SEA REGION," ENGAGING NORDIC, BALTIC AND RUSSIAN GOVERNMENT EXPERTS (AND INCLUDING A "FACT-FINDING" TRIP TO KALININGRAD). THE PALME CENTER HOPED TO PROVIDE A NEUTRAL FORUM FOR DISCUSSION OF SECURITY ISSUES AMONG THE VARIOUS PARTIES.

12. IN SHORT, PM CARLSSON AND FM HJLEM-WALLEN SHOULD CONTINUE TO FOLLOW THE PATH MARKED OUT BY BILDT ON SWEDISH BALTICS POLICY, BUT ADD A FEW NUANCES OF THEIR OWN. IN CONVERSATIONS WITH EMBOFFS, LOCAL BALTIC EMBASSY OFFICIALS (WHO INDICATED A FAIR AMOUNT OF WORRY EARLY IN THE CARLSSON GOVERNMENT) NOW SEEM PLEASED WITH THE RELATIONSHIP, PARTICULARLY AFTER THE VISIT OF LATVIAN PM MARIS GAILIS ON NOVEMBER 22-23. AND FORMER PM BILDT HAS INDICATED ON A NUMBER OF OCCASIONS THAT HE'LL BE WATCHING TO ENSURE THAT CARLSSON'S BALTIC COMMITMENT DOES NOT FALTER. AS BILDT ADVISOR HAFSTROM PUT IT WITH A TWINKLE IN HIS PARTING COMMENT AT A NOVEMBER 23 RECEPTION FOR GAILIS: "DON'T WORRY, WE'LL HOLD THEIR (THE CARLSSON GOVERNMENT'S) FEET TO THE FIRE" -- AND ENJOY IT. END COMMENT.

SIEBERT  
BT  
#6769

NNNN

SECT: SECTION: 01 OF 02  
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DIST:  
SIT: GARDNER KERRICK NSC RICE VERSHBOW  
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# Cable

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 LINE2: ZNY CCCCC ZZH  
 LINE3: R 211450Z DEC 94  
 LINE4: FM AMEMBASSY TALLINN  
 OSRI: RUEHTL  
 DTG: 211450Z DEC 94  
 ORIG: AMEMBASSY TALLINN  
 TO: RUEHC/SECSTATE WASHDC 4232  
 INFO: RUEHRA/AMEMBASSY RIGA 2455  
 RHEHAAA/THE WHITE HOUSE WASHDC  
 RUEHCP/AMEMBASSY COPENHAGEN 0204  
 RUEHSM/AMEMBASSY STOCKHOLM 0746  
 RUEHHE/AMEMBASSY HELSINKI 2234  
 RUEHVL/AMEMBASSY VILNIUS 2245  
 SUBJ: ESTONIA: PALDISKI EMERGES FROM SHADOWS, SEEKS  
 TEXT:

DECLASSIFIED  
 PER E.O. 13526  
 2017-1126-M (1.06)  
 KBM 8/29/2024

~~CONFIDENTIAL~~

LIMITED OFFICIAL USE SECTION 01 OF 03 TALLINN 002586

EUR/NB FOR MIKE PARMLY  
 DOD/OSD/PADUSD(ES): GVEST  
 PASS USDAO HELSINKI  
 COPENHAGEN FOR EST KINNEY  
 WHITE HOUSE FOR NSC/BURNS/ECLAUSSEN  
 DOE/EM-4: J. WERNER, C. NALEZNY  
 DOE/EM-1: T. GRUMBLY  
 EPA/OIA: W. NITZE, H. HUYNH  
 OES/K. SHIPPE  
 PEACE CORPS FOR C. BELLAMY

E.O 12356: N/A  
 TAGS: IAEA, AORC, ENRG, TRGY, PARM, EN  
 SUBJECT: ESTONIA: PALDISKI EMERGES FROM SHADOWS, SEEKS  
 ECONOMIC DEVELOPMENT

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 SUMMARY  
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1. EMBOFFS AND VISITING REGIONAL EST COUNSELOR FROM COPENHAGEN MET WITH PALDISKI MAYOR JAAN MOLDER-- ACCOMPANIED BY PEACE CORPS VOLUNTEER DAVID BARBOUR-- PRIOR TO TOURING THE TOWN'S NON-NUCLEAR FACILITIES ON 7 DECEMBER. MOLDER, AN ETHNIC ESTONIAN APPOINTED IN MAY 1994, OFFERED HIS ECONOMIC VISION FOR PALDISKI, BUT EMPHASIZED THAT ECONOMIC DEVELOPMENT WILL TAKE TIME. INDEED, THE TOWN LOOKED HALF-DBSERTED, INCREASINGLY RUN-DOWN, SHELL-SHOCKED AS IT

STRUGGLES TO REIDENTIFY ITSELF AS AN ESTONIAN TOWN. IN ENVIRONMENTAL TERMS, IT IS AN ABSOLUTE DISASTER AREA. THE MAJOR PROSPECTS FOR DEVELOPMENT, ACCORDING TO MOLDER, ARE PORT/HARBOR EXPANSION, A WAREHOUSING CENTER AND FREE-TRADE ZONE, AND AN ESTONIAN MILITARY SCHOOL TO TRAIN AND HEADQUARTER THE ESTONIAN ELEMENT OF THE BALTBAT. MOLDER AND BARBOUR NOTED, WITH SOME DISSATISFACTION, THAT THE ESTONIAN DEFENSE MINISTRY "CALLS THE SHOTS" IN PALDISKI AND MUST APPROVE ANY DECISION BY THE TOWW COUNCIL. END SUMMARY.

2. ON 7 DECEMBER, EMBOFFS AND VISITING EST OFFICER FROM COPENHAGEN, ACCOMPANIED BY ESTONIAN ENVIRONMENT MINISTRY OFFICIALS, VISITED PALDISKI, LOCATED SOME 40 KILOMETERS WEST OF TALLINN. PALDISKI HAD BEEN A CLOSED AREA FOR FIFTY YEARS UNDER THE SOVIETS; A SUBMARINE TRAINING BASE HAD BEEN THERE FOR 25-30 YEARS. THE SOUTHERNMOST OF TWO ISLANDS BELONGING TO PALDISKI WAS USED FOR ARTILLERY PRACTICE IN THE SOVIET ERA AND REMAINS COVERED WITH UNEXPLODED BOMBS AND ORDNANCE. PALDISKI IS A DEPRESSING, SLEEPY, LARGELY RUSSIAN-SPEAKING TOWN, WITH MANY RUN-DOWN, DILAPIDATED BUILDINGS. IN A MEETING WITH MAYOR JAAN MOLDER AND DAVID BARBOUR, A PEACE CORPS VOLUNTEER, WHO HAS BEEN WORKING IN PALDISKI FOR THE PAST THREE MONTHS, MOLDER ACKNOWLEDGED THE DIFFICULT TASKS AHEAD FOR THE TOWN'S NEW CIVIL ADMINISTRATION, MOST OF WHOM ARE ESTONIANS FROM TALLINN.

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PALDISKI MAYOR'S HANDS TIED BY ESTONIAN MOD  
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3. PRIOR TO MOLDER'S APPOINTMENT IN MAY 1994, PALDISKI HAD NO REAL CITY GOVERNMENT; RUSSIAN MILITARY OFFICIALS MADE ALL DECISIONS IN PALDISKI. THE ESTONIAN DEFENSE MINISTRY HAS REPLACED THE RUSSIAN MOD IN CONTROLLING MOST OF THE PROPERTY IN PALDISKI, AND MOLDER FEELS THAT HIS HANDS ARE TIED BECAUSE THE ESTONIAN MOD MUST SIGN OFF ON MOST ACTIONS. AS WE WERE LEAVING THE MEETING, BARBOUR CONFIDED TO US THAT MOLDER ACTUALLY UNDERPLAYED TENSIONS WITH THE MOD. ALTHOUGH THE RUSSIAN MOD TURNED OVER THE HEATING SYSTEM ON 15 MAY, MOLDER SAID THE TOWN STILL DOES NOT OWN IT. THE ESTONIAN MOD RETAINS ULTIMATE CONTROL.

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RUSSIANS STILL PREDOMINATE  
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4. MOLDER TOLD US THAT ABOUT 320 OF PALDISKI'S 5,700 RESIDENTS ARE ESTONIAN CITIZENS, AND ABOUT HALF OF THE LATTER (160) CAN SPEAK ESTONIAN. A FEW OF THE ESTONIANS LIVING IN PALDISKI REMAIN FROM THE INTER-WAR PERIOD. HE ADDED THAT IN A POLL CONDUCTED

IN PALDISKI LAST SPRING, ABOUT 15 PERCENT OF  
RESPONDENTS WERE UNSURE WHAT CITIZENSHIP THEY  
WANTED. AN ESTONIAN-LANGUAGE PRIMARY SCHOOL OPENED  
IN SEPTEMBER. ESTONIAN IS ALSO TAUGHT IN RUSSIAN-  
~~C O N F I D E N T I A L~~

LIMITED OFFICIAL USE SECTION 02 OF 03 TALLINN 002586

EUR/NB FOR MIKE PARMLY  
DOD/OSD/PADUSD(ES): GVEST  
PASS USDAO HELSINKI  
COPENHAGEN FOR EST KINNEY  
WHITE HOUSE FOR NSC/BURNS/ECLAUSSEN  
DOE/EM-4: J. WERNER, C. NALEZNY  
DOE/EM-1: T. GRUMBLY  
EPA/OIA: W. NITZE, H. HUYNH  
OES/K. SHIPPE  
PEACE CORPS FOR C. BELLAMY

E.O 12356: N/A

TAGS: IAEA, AORC, ENRG, TRGY, PARM, EN  
SUBJECT: ESTONIA: PALDISKI EMERGES FROM SHADOWS, SEEKS  
ECONOMIC DEVELOPMENT

LANGUAGE SCHOOLS. THE 210 RUSSIAN "CIVILIAN"  
SPECIALISTS WORKING AT THE FORMER SUBMARINE BASE--  
AND THEIR FAMILIES--WILL LEAVE PALDISKI BY  
SEPTEMBER 1995. MOLDER THOUGHT THAT SOME OF THE LATTER  
WOULD QUALIFY FOR THE USG-FUNDED HOUSING VOUCHER PROGRAM.  
NOTE: UNEMPLOYMENT HAS GROWN TO AROUND 25 PERCENT  
SINCE THE DEPARTURE OF THE RUSSIAN MILITARY, AND THE  
POPULATION IS INCREASINGLY AGING.

LOCAL BUSINESSES, PORT MAIN EMPLOYERS  
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5. MOST OF THE OTHER RUSSIANS WORKING IN PALDISKI  
ARE EMPLOYED BY ONE OF THE FEW LOCAL COMPANIES OR BY  
THE PORT. A PLANT THAT PRODUCED SEA BUOYS FOR THE  
SOVIET UNION, AND SUBSEQUENTLY MADE CONTACTS WITH  
SWEDEN AND NORWAY, EMPLOYS ABOUT 150-180 WORKERS.  
MOLDER JOKED THAT THE WOMEN'S UNDERWEAR PRODUCED BY  
THE "MARET" COMPANY IS SO UNATTRACTIVE THAT IT  
PROTECTS AGAINST MEN. MANY RUSSIANS ALSO COMMUTE TO  
NEARBY KEILA OR TO TALLINN TO WORK. THE NORTHERN  
PORT--FORMERLY MILITARY SUBMARINE BASE--IS NO LONGER  
OPERATIONAL. THE SOUTHERN--CIVILIAN--PORT, OWNED BY  
THE PORT OF TALLINN, SHIPS METAL AND TIMBER MOSTLY  
TO SCANDINAVIAN COUNTRIES. TALLINN PORT OFFICIALS  
ARE CONSIDERING INAUGURATING FERRY FREIGHT SERVICE  
TO SHIP TIMBER TO SWEDEN NEXT YEAR.

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STRATEGIC DEVELOPMENT PLAN NEEDED  
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6. MOLDER NOTED THAT MANY BUSINESSES, BOTH DOMESTIC  
AND FOREIGN, HAVE EXPRESSED INTEREST IN PALDISKI,

(COMMENT: WE ARE UNCERTAIN IF THEY WILL TAKE A SECOND LOOK AFTER THEY SEE THE DISMAL ENVIRONS. END COMMENT.) BUT THAT A STRATEGIC DEVELOPMENT PLAN IS ESSENTIAL FIRST. "WE ARE NOT SURE WHAT THE GOVERNMENT ENVISIONS FOR THIS STATE PROPERTY," MOLDER SAID. HIS ECONOMIC VISION FOR PALDISKI HAS THREE MAIN COMPONENTS: (1) HARBOR/PORT EXPANSION; (2) A MILITARY SCHOOL TO TRAIN AND HEADQUARTER THE ESTONIAN UNITS OF THE BALTIC BATTALION; AND (3) A WAREHOUSING CENTER AND FREE TRADE ZONE. MOLDER AGREED WITH THE SUGGESTION THAT THE BEST ALTERNATIVE FOR DEVELOPING PALDISKI WOULD BE TO TEAR DOWN MOST OF THE DILAPIDATED BUILDINGS, RESOLVE THE ENVIRONMENTAL PROBLEMS, AND START TO REBUILD FROM SCRATCH. ANOTHER KEY FACTOR WILL BE TO RESOLVE LAND USE QUESTIONS SINCE THE LACK OF A CLEAR LAND-USE POLICY HAS DISCOURAGED SEVERAL INVESTORS.

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ENVIRONMENTAL WASTELAND  
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7. REDEVELOPMENT OF PALDISKI WILL DEPEND NOT ONLY ON THE RESOLUTION OF CIVILIAN/MILITARY JURISDICTIONAL ISSUES BUT ALSO ON HOW ISSUES OF ENVIRONMENTAL REGULATION, LIABILITY, AND CLEAN-UP ARE ADDRESSED. THE PENINSULA STRIKES THE OUTSIDE OBSERVER AS A BADLY MAINTAINED, DEBRIS-STREWN WASTELAND. WINDOWLESS, EMPTY BUILDINGS ONLY HINT FROM THE OUTSIDE AT THE UTTER DESTRUCTION ONE FINDS INSIDE FORMER SOVIET MILITARY BUILDINGS SUCH AS THE SPRAWLING HEADQUARTERS BUILDING NOW DUBBED "THE FOR CIVILIAN USE DUE TO THE LOOTING, VANDALISM, AND LACK OF MAINTENANCE THAT OCCURRED PRIOR TO AND DURING THE RUSSIAN TROOP WITHDRAWALS. FOR THE SAME REASONS, MUCH OF THE COMMUNAL HOUSING IS ALSO UNFIT FOR OCCUPANCY AT THE PRESENT TIME.

8. SOVIET/RUSSIAN MILITARY ACTIVITIES AND PRACTICES LEFT A LEGACY OF OFTEN VISIBLE ENVIRONMENTAL PROBLEMS AND HAZARDS. FOREMOST AMONG THESE ARE:

~~C O N F I D E N T I A L~~

LIMITED OFFICIAL USE SECTION 03 OF 03 TALLINN 002586

EUR/NB FOR MIKE PARMLY  
DOD/OSD/PADUSD(ES): GVEST  
PASS USDAO HELSINKI  
COPENHAGEN FOR EST KINNEY  
WHITE HOUSE FOR NSC/BURNS/ECLAUSSEN  
DOE/EM-4: J. WERNER, C. NALEZNY  
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EPA/OIA: W. NITZE, H. HUYNH  
OES/K. SHIPPE  
PEACE CORPS FOR C. BELLAMY

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SEA, SURFACE, AND GROUNDWATER CONTAMINATION DUE TO FUELS AND OILS; CONTAMINATED SOIL DUE TO FUELS, OIL, SOLVENTS, AND THEIR BREAKDOWN PRODUCTS (INCLUDING PCBS); HEAVY METAL CONTAMINATION; UNMANAGED WASTE, AND SUNKEN SUBMARINES IN PORT AREAS. DAMAGED SITES THAT IMPRESSED EMBOFFS INCLUDE THE CENTRAL BOILER HOUSE AND HEATING PIPELINE SYSTEM, UNMANAGED LANDFILL AND GARBAGE DUMP AREAS, THE SEWAGE TREATMENT PLANT, THE SOUTH HARBOR (INCLUDING SUBMARINE FUEL STORAGE UNITS AND LEAKY UNDERGROUND COLLECTION TANKS FOR HEAVY OIL PRODUCTS), AND UNTREATED LIQUID WASTE OUTLETS INTO THE BALTIC SEA, WHICH COVER THE BAY WITH A RAINBOW-COLORED GAS AND OIL SLICK.

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COMMENT  
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9. PALDISKI HAS A LONG WAY TO GO, AND ITS COMMERCIAL PROSPECTS ARE, IN OUR VIEW, RELATIVELY BLEAK. ALTHOUGH PALDISKI COULD PROBABLY BE RESTORED TO THE LOVELY BEACH SIDE RESORT IT WAS IN THE 1930'S (THE PREFERENCE OF THE CURRENT MINISTER OF ENVIRONMENT), ENORMOUS ENVIRONMENTAL CLEAN-UP MUST BE TACKLED FIRST. IN THE INTERIM, TENSIONS BETWEEN THE CIVIL ADMINISTRATION AND THE ESTONIAN MOD ARE LIKELY TO CONTINUE IN THE SHORT-TERM UNTIL THE GOE DECIDES THE FATE OF PALDISKI.

(CLEARED BY REGCOUNS COPENHAGEN)

KOLLIST  
BT  
#2586

NNNN

SECT: SECTION: 01 OF 03  
<^SECT>SECTION: 02 OF 03  
<^SECT>SECTION: 03 OF 03  
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