S
812

PREM 19/1764

PART 3

MT

SECRET

Confidential Filing

Anglo-German Relations

GERMANY

Pt 1: JULY 1979

Pt 3: OCTOBER 1984

PREM 19/1764

Referred to	Date	Referred to	Date	Referred to	Date	Referred to	Date
1.10.84		28.6.85					
8.10.84		1.7.85					
15.10.84		2.7.85					
20.10.84		19.7.85					
30.10.84		16.10.85					
31.10.84		17.11.85					
2.11.84		21.11.85					
7.11.84		22.11.85					
8.11.84		25.11.85					
9.11.84		6.12.85					
26/11/84		25.11.85					
26.11.84		11.12.85					
17.12.84		19.12.85					
23.1.85		4.2.86					
28.1.85		17.2.86					
1.2.85		21.3.86					
4.2.85		23.5.86					
15/2/85		4.7.86					
20.3.85		15.7.86					
2.5.85		18.7.86					
2.5.85		18.9.86					
17.5.85		22.9.86					
1.7.86							
22.5.85							

PART CLOSED

Dd 8398366 2M 11/83 JET

PART 3 ends:-

DRN to Gov. Bank of England 22-9-86.

PART 4 begins:-

Mallaby to CDP 3.10.86

TO BE RETAINED AS TOP ENCLOSURE

Cabinet / Cabinet Committee Documents

Reference	Date
CC(85) 17th Meeting, item 2	16/05/1985

The documents listed above, which were enclosed on this file, have been removed and destroyed. Such documents are the responsibility of the Cabinet Office. When released they are available in the appropriate **CAB** (CABINET OFFICE) CLASSES

Signed J. Gray Date 12/9/2014

PREM Records Team

Foreign and Commonwealth Office document

Reference: Diplomatic Report No 56/84

Description: The German Question.

Date: 5 October 1984

The above FCO documents, which were enclosed on this file have been removed and destroyed.

Such documents are the responsibility of the Foreign and Commonwealth Office. When released they are available in the appropriate FCO CLASSES.

Signed S. Gray Date 12/9/2014

PREM Records Team

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

22 September 1986

MEETING WITH KARL-OTTO POEHL

The Prime Minister is, as you know, to meet Karl-Otto Poehl with the Governor on 20 October. Could you provide the Prime Minister with one or two pages of briefing (no more) with some background on Herr Poehl, a paragraph or two on the recent performance and prospects for the general economy and a suggested line to take on German monetary and fiscal policy.

Could I have this briefing please by 16 October.

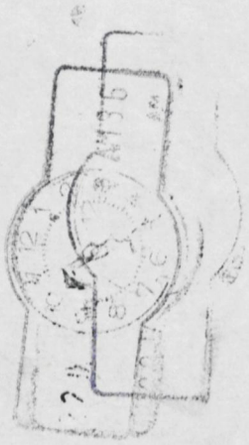
I am copying this letter to Cathy Ryding (H M Treasury).

DAVID NORGROVE

John Footman, Esq.,
Governor of the Bank of England's office

2

CDP 22/9.



MO 14/3L

RECORD OF THE SECRETARY OF STATE'S MEETING WITH DR WOERNER, IN BONN, ON TUESDAY 16TH SEPTEMBER 1986

Those present:

The Rt Hon George Younger MP
Secretary of State

Sir Clive Whitmore
Permanent Under Secretary

Sir David Perry
Chief of Defence Equipment
Collaboration

Mr Williams,
HM Embassy Bonn

Mr Chambers,
HM Embassy Bonn

Mr Howe,
Private Secretary to/
Secretary of State

Dr Woerner

Dr Ruehl

Dr Schnell

plus three others

STATE OF THE ALLIANCE

1. After warm greetings on both sides, Dr Woerner said that he was still much concerned with the state of transatlantic relations within the Alliance. The Americans were tending towards the conclusion that they should "go it alone" without regard to the Europeans. Admiral Crowe had recently told him that more and more voices in the US were being raised in favour of US force reductions in Europe. The recent article by David Aaron was typical of this trend. Financial constraints, the coming elections, the mood in the US, the Glenn amendment, pressures to buy American: all were manifestations of the same trend. He had a feeling that a "basically dangerous" situation was developing. Perhaps there was no chance that "the old comfortable times" would fully return, but the Europeans did need to convince the younger US generation of the importance of ties with Europe. The Europeans for their part needed to show that they were solid allies.

2. In this connection, Dr Woerner continued, he was concerned about some of our European neighbours: for example, the Danes were having problems in agreeing the General Political Guidelines on nuclear weapons. This was a important document, and it would be helpful if, like the Germans, we were to convey our concern to Mr Engell. The Danish Security Council was meeting the following day.

3. All in all, he foresaw no "immediate catastrophe" but the need for corrective action at all levels to demonstrate that the Alliance was working well and to give President Reagan ammunition to use with Congress. At the same time, we should urge the US to be sensitive to European concerns and to allow a two-way street in political decisions.

4. The Secretary of State recalled his visit to Washington in June. There had been signs at that time of the kinds of pressure on the Administration that Dr Woerner had described. He had stressed his concern on all these matters to those he had met in the Administration - including the Vice President and the Secretary of Defense - and in the House and the Senate. The Administration for its part was very appreciative of UK support over the Libyan operation. Some of the pressures were no doubt at least to some extent a pre-election phenomenon. He had recently met a delegation of Congressmen and urged their help over the Glenn and Traficant amendments. Dr Woerner said that he had for his part written in clear terms to the Chairmen of Congressional committees.

5. The Secretary of State said that what Dr Woerner had said about Denmark and the General Political Guidelines was disturbing. Jane's Defence Weekly had a story on the stocks (not yet published) about the GPG. We would need to emphasise that the GPGs represented no major change in policy, and the Danish reaction would make this line much more difficult to sustain. The picture among allies was not however uniformly gloomy: Dr van Eekelen had recently described to him the 2% increase the Netherlands hoped to achieve in defence spending in the coming year.

FRANCE

6. The Secretary of State went on to say that he had had useful discussions the previous day in London with M. Giraud. M. Giraud was more forthcoming than many of his predecessors. He had said that it was clear that France could not afford to go it alone, in many fields. Dr Woerner interjected that Giraud had told him this too. The Secretary of State said that Giraud had expressed a preference for bilateral as opposed to multilateral co-operation, but not to the point of being inflexible. M. Giraud and he had agreed to put a joint

paper to the Anglo/French summit meeting in November reviewing the opportunities for equipment co-operation.

7. Dr Woerner said that M. Giraud was trying to arrange bilateral co-operation with the Germans over tanks, but Woerner had told him that because of the German commitment to the UK any such co-operation would have to be multilateral. The French had some difficulties with their new tank technology. The Secretary of State commented that the rationalisation of the tank industry in the UK - ie the purchase by Vickers of the Royal Ordnance tank division - should be helpful to international co-operation in this field.

CHEMICAL WEAPONS

8. The Secretary of State said that he was glad that the US President had been able to certify to Congress that NATO had met the conditions for the funding of CW production. Dr Woerner noted however that Congress was still placing obstacles. He strongly shared Mr Younger's interest. The CW issue must however be handled in such a way as to avoid stirring up an unhelpful public debate in Europe. He praised the British initiative on CW arms control verification as "very helpful". The German Ambassador [at CD?] had reported that the Russians could be brought to accept controls on CW production. He, Woerner, was planning to meet Mr Weinberger bilaterally in the margins of the NPG to persuade him of the importance of making progress in CW arms control. The Secretary of State said that Vice President Bush and Mr Weinberger had told him in June that they would not make public difficulties over our initiative although it was clear they had reservations about it. Dr Woerner commented that some in Washington did not want a CW agreement at all, and saw efforts towards one as standing in the way of a resumption of CW production.

CONVENTIONAL DEFENCE IMPROVEMENTS

9. The Secretary of State said that he thought the NATO conventional defence improvement programme was making useful progress. Dr Woerner said it was his impression that US and European priorities were not exactly the same; attention still needed to be given within NATO to the definition and alignment of priorities and to the initiation of specific projects in response to those priorities.

SDI

10. The Secretary of State said that M. Giraud had expressed interest in the application of SDI technology to defence against shorter range missiles. Dr Woerner said that there had been "a clear change in the French position" in this regard. The Germans, for their part, were encouraging firms to develop their

technological links with the US in the SDI area, with a view not only to commercial objectives but to developing technologies which could be used for the improvement of conventional defence. It was important to derive benefits for the defence of Europe, not simply to assist the US in providing a defence for their own national territory. He suggested that experts from the Federal Republic and the UK should take stock together, in a few months' time, of what was coming out of the SDI that might have importance to Europe. This exercise should go wider than just the European architecture studies. He for his part was encouraging German companies to "get inside" the SDI programme and find out as much as possible of US developments and thinking on a broad front. He was not interested in a European SDI as such. He had long been interested, on the other hand, in the improvement of European air defence. This went much wider than the question of ATMs or ATBMs.

11. In answer to a question, Dr Ruehl said that he expected the NATO Air Defence Committee to make its report in about a year's time. It might be useful to arrange for a progress report to the DPC in December.

12. Dr Woerner asked whether we felt the French were near to signing an agreement on the SDI. The Secretary of State said he doubted it. He went on to say that the Glenn and Traficant amendments did not help in terms of the public debate over the SDI in Britain, which had been a difficult one. Dr Woerner said that exactly the same was true in Germany. PUS said the amendments would revive criticism from those who were disposed to doubt the reliability of the SDI agreement.

TNW

13. Dr Woerner said that feelings were running high in Bonn about General Rogers' article in Stern which claimed that there were too many TNWs in Europe. He was right to think so, but not to say so; particularly as he had in fact resisted the Montebello decision at the time.

EUROPEAN SECURITY CO-OPERATION

14. The Secretary of State said that this was a critical stage in the revival of WEU. We needed to be preparing ourselves for the review of the results of reactivation, due at the end of 1987. He would think it premature to take a view on enlargement until that review was complete. M. Giraud, for his part, had seemed lukewarm about the WEU. Dr Woerner said that that was because there were no longer elections in the offing in France. As for his own view, he too was lukewarm. There was much talk in WEU, but no tangible contribution to the improvement of defence. We could not stop the WEU but should

not enlarge its membership. The Germans for their part would certainly not support an increase in its staff.

15. The Secretary of State said that he felt the Eurogroup, and particularly its informal dinner, had a useful, if modest, role. Dr Woerner said he "liked the Eurogroup - that is a body we should use". He said that the UK and the FRG should not neglect it but use it in a sensible way, both in its own right and as a means of giving the smaller nations a role in European co-operation. [Dr Woerner may well have been thinking of the IEPG not Eurogroup; he referred to the French as members].

EQUIPMENT COLLABORATION: EFA

16. The Secretary of State said that it was coming to be seen that collaboration with the US and collaboration with the Europeans were not mutually incompatible. As for the Anglo-German collaborative relationship this was excellent. Turning specifically to EFA, he urged Dr Woerner to agree to the establishment of the International Programme Office (IPO) as soon as possible. He hoped that Dr Woerner would be ready to sign the MOU at Gleneagles. He emphasised that it was important for as much as possible of the aircraft to be on a collaborative basis, and for as many as possible of the major equipments to be common.

17. Dr Woerner said that the radar was a particular difficulty. It was a very costly item to develop; the only suitable model available now was American. It was not necessary to take a decision on the radar yet but if he had to take one now then financial considerations might force him to choose a US one. The Secretary of State said the he recognised that the judgement might ultimately be to buy an American radar but he hoped that we could approach all parts of the aircraft, including the radar, on a competitive basis. Dr Woerner said he agreed in theory. He would naturally prefer a European radar if he could have one.

18. He said that the point had been made to him forcibly at Farnborough that any further delay to the MOU would be disastrous. State Secretary Timmermann had signed the MTZ, and he himself would sign MOU 1 and MOU 2. He still had one problem however: he had to convince the Finance Ministry that they should lift their objection to the establishment of a project office for the EFA, separate from that for Tornado. He was having to demonstrate to them that the IPO would use existing resources to the maximum extent possible. Meanwhile staff were earmarked, and funding was available, subject to a lifting of the Finance Ministry's freeze. He foresaw that this obstacle would be removed by the first week in October. He doubted whether Parliamentary approval would be necessary (although Dr Schnell suggested that it would be necessary to get the approval

of the Bundestag Committees); in any case he thought the problem manageable. All in all, he was confident that he would be ready to sign the MOU at Gleneagles.

19. Dr Woerner added that he thought the French for their part had major problems in financing their own aircraft, and that its export potential would be limited.

SP 70

20. The Secretary of State said that he was very anxious to resolve the problems over SP 70. The Germans had put forward a good proposal, which the NADs had recommended. What was his latest thinking? Dr Woerner said that there were in fact two proposals. One was the NADs' recommendation to construct prototypes for competitive evaluation. There were many doubts on the German side about whether that could and would work. The other suggestion was an end to the common effort, the purchase by the Germans of 83 M109s and the start of a new exercise to try and provide a common replacement by the end of the 1990s. We had to consider very carefully which of these approaches was better, bearing in mind that the British requirement arose earlier than the German. The Secretary of State said that the British had an urgent need to replace their current equipment as soon as possible. We felt it would be much against our interests to abandon the SP 70 programme, and that the NADs recommendation was the best approach from our point of view. We would much regret it if the Germans dropped out. Dr Woerner commented that in that case we would need a more detailed plan, including timing and finance, for the production of prototypes. His experts told him that the timescale envisaged by the NADs was completely unrealistic, given the lack of progress over the last 15 years. Dr Schnell said that the German companies were committed to the Leopard chassis; this could be changed, but it would mean more time, and German firms would be placed at a disadvantage if the proposed timescale (trials to be finished by the end of 1989) were adhered to. Dr Woerner said that he clearly understood the British position. The next step would be to consult German industry, urgently, on the feasibility of the NADs' approach in terms of cost and timescale. It would be necessary to obtain Parliamentary agreement if the NADs' recommendation were to be accepted because the expenditure was not approved. He nevertheless agreed to aim, as a target, at taking a firm decision at Gleneagles in October, when Mr Spadolini would also be present.

ARMS CONTROL

21. Dr Woerner raised two arms control issues. He was most disturbed by the news of the latest developments in the INF talks in Geneva. It seemed that the Americans were proposing a sub-limit of 100 warheads on each side in Europe. They had made

this offer without consulting allies and knowing that some would definitely have preferred other numbers. If ceilings as low as that were in prospect, then it was vital to include shorter range INF. Nor did he like the proposed withdrawal of Pershing. What would the US replace the Pershing II with? There were no Pershing lAs still in the US inventory. Secondly, on CDE, the US should not allow an agreement to slip our grasp on account of unnecessary difficulties over notification levels or such details as the use of foreign aircraft for air inspections. The Secretary of State generally agreed with what Dr Woerner had said on INF. Collateral constraints on shorter range systems were most important. On CDE, PUS commented that the gap on notification was now relatively small and it would be difficult to explain to public opinion a failure to close it. On air inspections, we agreed with Dr Woerner's comments.

POSTCRIPT : SOLTAU/LUENEBERG

22. The meeting ended at this point but Dr Woerner subsequently tackled the Secretary of State about the Soltau-Lueneberg training area. We had indicated that because training schedules for 1987 were now fixed there was little more we could do, in 1987, to limit the environmental impact of training, over and above the substantial measures we had already taken or agreed. We had no further flexibility until 1988 at the earliest. Dr Woerner emphasised the political importance of his having at least some further progress to show in 1987. The Secretary of State agreed to see whether there was any scope for this.

J. F. Howe.

Ministry of Defence
18th September 1986

Distribution

PS/Minister(AF)
PS/Minister(DP)
PSO/CDS
PS/PUS
MA/CGS
PS/CDP
PS/CDEC
DUS(P)
AUS(Ord)
AUS(Air)(PE)
Hd Sec (NATO/UK)(P)
Hd GS Sec
Hd DACU
DDEC
CPR
D Pol SDI PO

PS/Prime Minister
PS/Foreign and
Commonwealth Secretary
PS/Sir Robert Armstrong
HM Ambassador Bonn
HM Ambassador Paris
HM Ambassador Washington
UK PERMREP, UK DEL NATO

GRS 190

CONFIDENTIAL

CONFIDENTIAL
FM BONN
TO PRIORITY FCO
TELNO 623
OF 181115Z JULY 86

YOUR TELNO 359: CALL ON CHANCELLOR KOHL

1. I SAW KOHL ALONE FOR 50 MINUTES THIS MORNING, MAINLY TO SIGN OFF BEFORE THE SUMMER HOLIDAY, WHICH FOR HIM BEGINS ON 25 JULY WHEN HE GOES TO AUSTRIA.

2. I CONVEYED THE PRIME MINISTER'S MESSAGE (YOUR TELNO 354). THE STATE VISIT HAD BEEN A TRIUMPH, BUT A TRIUMPHAL ARCH HAD TO STAND ON A FOUNDATION, WHICH IN THIS CASE WAS THE ALMOST PROBLEM-FREE RELATIONSHIP BUILT UP OVER RECENT YEARS. AN EXAMPLE WAS THE EVIDENTLY SUCCESSFUL TALKS WHICH THE NEW GERMAN ENVIRONMENT MINISTER HAD HAD THIS WEEK IN LONDON.

3. KOHL DRANK ALL THIS IN WITH EVIDENT APPRPECIATION, AND SENT HIS WARMEST WISHES TO THE PRIME MINISTER IN RETURN. HE EVIDENTLY THOUGHT IT TOO EARLY TO TALK ABOUT THE CONTENT OF THE SUMMIT MEETING IN SEPTEMBER. HE DESCRIBED WALLMANN AS HAVING A WINNING MANNER, UNLIKE HIS PREDECESSOR.

4. KOHL THEN LAUNCHED INTO SOUTH AFRICA: SEE MIFT.

5. AT THE END OF OUR TALK I SAID I HOPED THE HAPPY STATE OF OUR RELATIONS WAS NOT GOING TO BE DISTURBED BY ARGENTINA. KOHL SAID I COULD RELY ON HIM TO ENSURE THAT THIS DID NOT HAPPEN: SEE SEPARATE TELEGRAM.

6. OTHER SUBJECTS REPORTED BY BAG.

BULLARD

LIMITED
WED
SAFD
PUSD
DEFD
ECD(E)
ECD(I)
ECD(O)
FID
SAMD
PLANNING STAFF
PS
PS/LADY YOUNG
PS/PUS

MR NOVSTON
MR FERGUSON
MR RATFORD

CONFIDENTIAL

CONFIDENTIAL

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

15 July 1986

CHANCELLOR KOHL

Thank you for your letter of 14 July enclosing draft instructions to Sir Julian Bullard in Bonn for his talk with Chancellor Kohl. These may issue.

(Charles Powell)

Colin Budd, Esq.,
Foreign and Commonwealth Office.

CONFIDENTIAL

CONFIDENTIAL

Foreign and Commonwealth Office

London SW1A 2AH

14 July 1986

Prime Minister
This seems to make a bit of a meal of it. But it can't do any harm. Agree? CDP 14/7.

Dear Charles,

Chancellor Kohl

Sir Julian Bullard, in commenting on President von Weizsäcker's State Visit, has said he sees a risk that Chancellor Kohl, who judges most things by the test of political advantage, may feel his own nose slightly out of joint as a result of the President's success in Britain. With this in mind the Ambassador aims to see Kohl again before the summer break to reassure him that we are in no danger of forgetting where power resides in the Federal Republic, and to show we are aware that the wave of goodwill which von Weizsäcker was able to ride is in no small degree the result of German achievements in the 3½ years since Kohl became Chancellor.

Sir Julian Bullard thought that the Prime Minister might want to convey thoughts on these lines in a message to Kohl which he could deliver. Sir Geoffrey Howe thinks that this suggestion has much to commend it but that it would be best for the Ambassador to speak in the Prime Minister's name. I enclose a draft telegram.

Yours ever,

Colin Budd

(C R Budd)
Private Secretary

C D Powell Esq
PS/10 Downing Street

CONFIDENTIAL

OUT TELEGRAM

Classification	Caveat	Precedence
CONFIDENTIAL		PRIORITY

ZCZC
CONFIDENTIAL

FM FCO
TO PRIORITY BONN
TELNO
OF 141300Z JULY 1986

YOUR CALL ON CHANCELLOR KOHL

1. The Prime Minister has agreed that, if you see Kohl before the summer break, you should take the opportunity of passing on her warmest good wishes. You should add that the Prime Minister is much looking forward to her visit to Germany in September. She regards this visit as an excellent opportunity to build on the success of President von Weizaecker's State Visit. The President was received by The Queen, the British Government, Parliament and people as the Head of State of a nation which has become one of Britain's closest allies and friends. The Prime Minister particularly appreciates the development of relations that has taken place in the time that she and Chancellor Kohl have been working together as Heads of Government since 1982.

HOWE

YYYY
MAIN
LIMITED

		Catchword: WED	
File number	Dept: Private Office	Drafted by (Block capitals): C R Budd	Telephone no: 4831
Authorised for despatch by:	Initials / Date/time		
For COD use only	Comcen reference	Telegram number	Processed by

AL

XY 48 (REV)

OUT TELEGRAM (CONT)

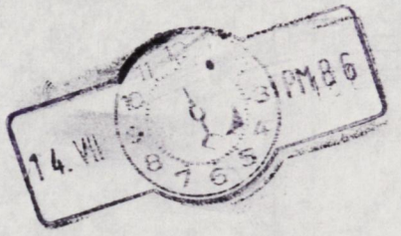
	Classification	Caveat	Precedence
	CONFIDENTIAL		PRIORITY

<<<<	1	<<<<
	2	WED
	3	ECD(I)
	4	ECD(E)
	5	ECD(P)
	6	DEFENCE D
	7	ACDD
	8	PLANNING STAFF
	9	RESEARCH D
	10	NEWS D
	11	PROTOCOL D
	12	PS
	13	PS/LADY YOUNG
	14	PS/MRS CHALKER
	15	PS/MR RENTON
	16	PS/PUS
	17	MR DEREK THOMAS
	18	MR BRAITHWAITE
	19	MR GOODALL
	20	MR RATFORD
	21	MR RENWICK
	22	MR DAUNT
	23	ADDITIONAL
	24	PS/NO 10
	25	
	26	NNNN
	27	
	28	
	29	
	30	
///	31	
//	32	
/	33	
	34	

For distribution order see Page

Catchword:

XY 48A (REV)


14. VII
1986

CONFIDENTIAL

10 DOWNING STREET

From the Private Secretary

4 July 1986

POSSIBLE CONSERVATIVE/CDU MEETING ON 17 SEPTEMBER

Thank you for your letter of 3 July proposing that, to strengthen Conservative Party/CDU links, there should be a Cabinet Minister level meeting with the Germans on the day after the Anglo-German Summit in September.

The Prime Minister is content that this proposal should be put to the Germans through party channels.

(C. D. POWELL)

Colin Budd, Esq.,
Foreign and Commonwealth Office.

CONFIDENTIAL

(1)

CONFIDENTIAL

Foreign and Commonwealth Office

London SW1A 2AH

3 July 1986

Yes pm

Prime Minister
Agree to this idea (which would not involve you + Kohl)?
CDP 3/7

Dear Charles,

Possible Conservative/CDU Meeting on 17 September

The Foreign Secretary and Mr Tebbit have now discussed ways of strengthening the links between the Conservative Party and the CDU. They think it important to show the Germans that the British side is also keenly interested in making progress in this area.

Subject to the Prime Minister's views, the Foreign Secretary and Mr Tebbit suggest proposing to the Germans a Cabinet Minister level meeting over breakfast on 17 September. This would benefit from the focus on Anglo-German relations at the Anglo-German Summit in Bonn the previous day, the Prime Minister and Chancellor Kohl's joint visit to British Forces in Germany, and the presence in Bonn of a number of British Ministers.

The meeting could be attended on our side by the Foreign Secretary and Mr Tebbit, and possibly by other participants in the Summit (though Mr Younger would have already departed on the BFG visit). It would be up to the Germans to decide their participation. We would expect CDU Secretary-General Geissler, and perhaps another CDU personality, such as Bernhard Vogel (Minister-President of Kohl's homestate, the Rhineland Palatinate), as well as some of the CDU participants in the summit to be present. The meeting would be an opportunity to compare notes on electoral issues and strategies, and could be followed by a longer session between Herr Geissler and Mr Tebbit later that day. The visit to Bonn by a group of Special Advisers on 10-12 September should help to establish some points for a useful exchange.

If the Prime Minister is content, the proposal will be pursued through Party channels.

Yours ever,
Colin Budd

(C R Budd)
Private Secretary

C D Powell Esq
PS/10 Downing Street

CONFIDENTIAL

CONFIDENTIAL

10 DOWNING STREET

From the Private Secretary

23 May 1986

SIR JULIAN BULLARD'S CALL ON CHANCELLOR KOHL

Thank you for your letter of 22 May about Sir Julian Bullard's forthcoming call on Chancellor Kohl. I agree that he should speak to the Chancellor in the Prime Minister's name in the terms suggested.

(Charles Powell)

C.R. Budd, Esq.,
Foreign and Commonwealth Office.

DIO.

CONFIDENTIAL

Foreign and Commonwealth Office

London SW1A 2AH

22 May 1986

Dear Charles,

Sir J Bullard's Call on Chancellor Kohl: 28 May

Sir J Bullard is calling on Chancellor Kohl on 28 May. He has asked if there is any particular message the Prime Minister would like him to pass on.

You may like to consider authorising him to say that the Prime Minister:

(a) Looks forward to meeting the Chancellor at the European Council in The Hague on 26 June (this would serve as a lead in to the points we wish Sir J Bullard to make on EC issues - see enclosed note);

(b) thanks him for his letter of 16 May (proposing an international conference on nuclear safety issues - copy enclosed for ease of reference) and will be replying. Meanwhile she welcomes the agreement of the special IAEA Board meeting on 21 May, called by the Federal Republic, that an early conference should be held on the full range of nuclear safety issues;

(c) sends good wishes for the forthcoming elections in Lower Saxony.

Point (b) fudges the point of whether this conference would be held under IAEA auspices (as we wish and as is likely), or hosted by the Germans (as in Kohl's original proposal which the Germans seem unlikely to press).

On point (c) the CDU are increasingly nervous about their electoral prospects in Lower Saxony, where a victory had earlier been in little doubt.

Yours ever,

Colin Budd

(C R Budd)
Private Secretary

C D Powell Esq
10 Downing Street

CONFIDENTIAL

CALL BY SIR JULIAN BULLARD ON CHANCELLOR KOHL:

EUROPEAN COMMUNITY

(i) Prime Minister will want to work closely with you during our Presidency. Serious budget problems but, together, we can ensure that Community spending stays within the 1.4% ceiling ~~in 1986 and 1987~~.

(ii) This year's agricultural price fixing showed that the Community can agree on worthwhile reforms. Useful agreement at Tokyo that problem of surpluses nedds to be tackled on an international basis. Community has started to take necessary steps to reform milk and cereals sector. Hope we can get agreement on Commissionproposals on reform of the beef sector during our Presidency.

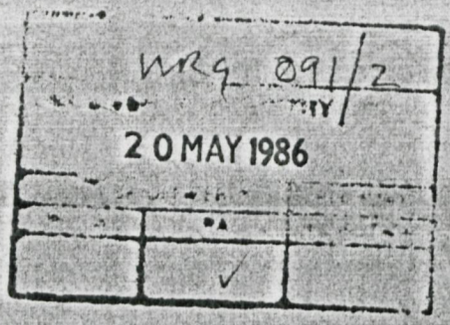
(iii) Need to build on Tokyo Summit Communiqué language on protectionism. Successful launch of new GATT Round will be major priority for our Presidency. But concerned that EC/US trade disputes will damage essential developed country cohesion. We are delivering to Americans at every level (eg Secretary of State Shultz 27 May) essential message that problems must be solved through negotiation but that it is unavoidable that Community will hit back against any unilateral US action. Hope German Ministers will take every opportunity to deliver same message.

Origination ENERGY Policy Pt. 9

CONFIDENTIAL

37778 - 1

OCMIAN 7778
CONFIDENTIAL
OO BONNN
FM FCOLN TO BONNN
191240Z MAY
GRS 327



CONFIDENTIAL
FM FCO
TO IMMEDIATE BONN
TELNO 250
OF 191240Z MAY 86
IMMEDIATE UKMIS VIENNA

MIPT : LETTER FROM CHANCELLOR KOHL TO THE PRIME MINISTER
FOLLOWING IS TEXT:
QUOTE I AM WRITING TO YOUR TODAY ON A MATTER OF GREAT IMPORTANCE FOR THE FUTURE OF MANKIND.

AT PRESENT 355 NUCLEAR POWER STATIONS ARE IN OPERATION WORLDWIDE. OTHERS ARE UNDER CONSTRUCTION. IN 1985, NUCLEAR POWER STATIONS GENERATED ABOUT 15 PER CENT OF THE WORLD'S ELECTROC POWER. YOUR COUNTRY ALSO OBTAINS ITS ELECTRIC POWER FROM NUCLEAR ENERGY OR IS IN THE PROCESS OF CONSTRUCTING NUCLEAR POWER STATIONS. THE EFFECTS WHICH THE OPERATION OF A NUCLEAR POWER STATION CAN HAVE EXTEND WELL BEYOND NATIONAL ORDERS.

THIS GLOBAL SPREAD OF NUCLEAR TECHNOLOGY IS DUE NOT LEAST TO THE FACT THAT THE COUNTRIES USING NUCLEAR ENERGY HAVE FROM THE VERY BEGINNING CO-OPERATED WITH ONE ANOTHER ON THE SCIENTIFIC, TECHNOLOGICAL AND SECURITY ASPECTS OF SUCH NUCLEAR FACILITIES. CONDUCTING SUCH CO-OPERATION IN A WAY THAT IT ENSURES THE BEST POSSIBLE WELFARE AND PROTECTION FOR THE PEOPLE IS IN THE INTEREST OF ALL MEMBERS OF THE INTERNATIONAL

/COMMUNITY

CONFIDENTIAL

COMMUNITY.

IN MY VIEW THIS CO-OPERATION CAN AND SHOULD BE IMPROVED TO ENSURE THAT ALL NUCLEAR POWER STATIONS MEET HIGH SECURITY STANDARDS AND AFFORD PROTECTION AGAINST UNINTENTIONALLY RELEASED RADIOACTIVE SUBSTANCES.

MAY I THEREFORE SUGGEST THAT HIGH-RANKING GOVERNMENT REPRESENTATIVES - INCLUDING REPRESENTATIVES OF INTERNATIONAL ORGANISATIONS - MEET IN CONFERENCE TO CONSIDER WAYS OF AFFORDING BETTER PROTECTION TO THE COMMUNITY OF NATIONS. THE AGENDA FOR SUCH A CONFERENCE COULD BE DRAWN UP AT A PRELIMINARY MEETING AT A SUITABLE LEVEL.

IF IT IS DEEMED DESIRABLE, THE FEDERAL REPUBLIC OF GERMANY WOULD BE PREPARED TO ACT AS HOST TO SUCH A CONFERENCE.

I WOULD BE MOST GRATEFUL IF YOU WOULD LET ME KNOW WHETHER YOU AGREE TO MY PROPOSAL. UNQUOTE.

HOWE

OCMIAN 7778

NNNN

LIMITED
NED
WED
SOVIET DEPT
MR SLATER

COPIES TO:
MR MORPHET } DEPT OF ENERGY
MR STEVENS }

22. V. 1986

cf PPS? SRW

cc PC

21 March 1986

KOENIGSWINTER CONFERENCE 1986

Thank you for your letter of 20 March enclosing a draft message for the Prime Minister to send to the annual Koenigswinter Conference. We found your draft a bit limp. I enclose a message which the Prime Minister has signed. You may wish to show it to Sir Julian Bullard before despatch. I have not had time to check what immediately precedes and follows the Goethe quotation, to make sure there are no booby-traps!

(C. D. POWELL)

Colin Budd, Esq.,
Foreign and Commonwealth Office.

10 DOWNING STREET

THE PRIME MINISTER

MESSAGE FROM THE PRIME MINISTER TO THE 1986 KOENIGSWINTER CONFERENCE

I am very pleased to welcome the 36th Koenigswinter Conference to the United Kingdom and to one of its most beautiful and historic cities. As always you have attracted distinguished participants from both Britain and Germany, who will maintain the high quality of Koenigswinter's discussions and conclusions.

Your agenda is traditionally modest! From the SDI to the inner cities, from majority voting in the European community to changing work patterns in industry you are tackling the problems with which our two Governments grapple every day. If by comparing the British and German experiences you can come up with new approaches to even a fraction of them, you will do us a great service. I would only remind you of the importance of finding ideas which are not just intellectually satisfying but ones which our people can believe in. You will remember Goethe's words: "Die Botschaft hör' ich wohl, allein mir fehlt der Glaube: I hear the message but I want the faith". I wish you every success.

Margaret Thatcher

March 1986

RESTRICTED

SPW

CCPC

21 March 1986

VISIT BY LOTHAR SPAETH

Thank you for your letter of 20 March about the proposed visit of Herr Lothar Spaeth, Minister President of Baden-Wuerttemberg, in October.

The Prime Minister could see Herr Spaeth for half an hour on 28 October at 1000.

(C. D. POWELL)

Colin Budd, Esq.,
Foreign and Commonwealth Office.

RESTRICTED

JB

(1)

PRIME MINISTER

KOENIGSWINTER CONFERENCE 1986

The Anglo/German Koenigswinter Conference is being held in Cambridge this year. You traditionally send a message as does Chancellor Kohl. Normally it is read out. This year it is to be printed and the organisers have asked for a slightly longer one.

I attach a draft message for your signature if you agree.

CDP

Charles Powell

20 March 1986

GLO

SCPC

Foreign and Commonwealth Office

London SW1A 2AH

20 March 1986

Dear Charles,

Koenigswinter Conference 1986

It has been the tradition that the Prime Minister sends a short message of goodwill to the annual Koenigswinter Conferences. This year's conference will take place from 3-5 April in Cambridge. I enclose a copy of the agenda.

I enclose a draft message for the Prime Minister's consideration. In previous years messages were read out at the opening ceremony. This year however the organisers intend to print the messages, and circulate them to participants. They have therefore suggested a slightly longer message than in previous years. The Koenigswinter Steering Committee would like to receive it (if possible actually signed by the Prime Minister) by Tuesday 25 March.

Mr Kenneth Baker has accepted an invitation to act as host and speak at the government dinner on 4 April. Mrs Lynda Chalker also plans to attend the conference.

Yours ever,

Colin Budd

(C R Budd)
Private Secretary

C D Powell Esq
PS/10 Downing Street

DRAFT MESSAGE FROM THE PRIME MINISTER TO THE 1986 KOENIGSWINTER CONFERENCE

I send you my very best wishes for this year's Koenigswinter Conference. Geoffrey Howe joins me in wishing you every success.

The challenges facing us in Europe this year should make your discussions particularly valuable. The agreement at the European Council in Luxembourg gave us new tools with which to fulfil the objectives of the Treaties in an enlarged Community. President Reagan's meeting with Mr Gorbachev in Geneva has kindled new hopes for cooperation between East and West. This year Britain and Germany will be working especially closely within the European Community and the North Atlantic Alliance, as we look to build practical results on these achievements. In doing so we shall draw on the tradition of understanding and friendship between our peoples to which Koenigswinter has contributed so much.

THE 36th KÖNIGSWINTER CONFERENCE 1986

APRIL 3 – 5

A NEW START OR MORE OF THE SAME?

NEUER ANFANG ODER ALTER TROTT?

ST. CATHARINE'S COLLEGE
CAMBRIDGE

Please note that the plenary sessions will take place in the St. Chad Building; the groups will meet at St. Catharine's College.

TIMETABLE

THURSDAY, APRIL 3

Appx 12.00	Arrival of British participants
12.30	Lunch in Hall
14.30-17.15	Opening Session The themes of the study groups outlined by the introducers
18.00	Reception given by the German Ambassador, H.E. Baron Rüdiger von Wechmar, at Queens' College
19.30	Dinner in Hall
21.00	Reception at the Old Schools given by the Vice-Chancellor of Cambridge University, Professor The Lord Adrian, MD, FRS

FRIDAY, APRIL 4

07.45-08.30	Breakfast
09.00	Start of group discussions
10.30	Break for coffee
11.00	Resumption of group discussions
12.30	Lunch
15.00	Resumption of group discussions
16.30	Break for tea
17.00-18.30	Resumption of group discussions
19.15	Reception given by the Master and Fellows of St. Catharine's College
20.00	Dinner in Hall, hosted by the Secretary of State for the Environment, Rt. Hon. Kenneth Baker, MP

SATURDAY, APRIL 5

07.45-08.15	Breakfast
09.00-12.30	Condensed reports on the work of the study groups, followed by plenary discussion and winding-up address
13.00	Luncheon Conference ends

A NEW START OR MORE OF THE SAME?
NEUER ANFANG ODER ALTER TROTT?

Group I
Europe in world politics

— The Super-powers: the Soviet Union after Gorbachov's first year and the 27th Party Congress; the United States in Reagan's second term.

— The weakening of domestic consensus within the NATO countries on defence and arms control; divergent interests and perceptions amongst NATO governments, e.g. over SDI.

— The positions of Europe, East and West, and the significance of the inner German relationship.

— Super-power rivalries in the Third World—European sermons or actions—e.g. in the Middle East, Southern Africa or Central America.

Europa in der Weltpolitik

— Die Supermächte: die Sowjetunion ein Jahr nach Gorbatschows Amtsantritt und nach dem 27. Parteitag; die Vereinigten Staaten in Reagans zweiter Amtszeit.

— Der bröckelnde Konsens in den NATO-Staaten in Sachen Verteidigungspolitik und Rüstungskontrolle; unterschiedliche Interessen und Ansichten zwischen den NATO-Regierungen (z.B. SDI).

— Westeuropa, Osteuropa und die Bedeutung der deutsch-deutschen Beziehungen.

— Die Rivalität der Supermächte in der Dritten Welt—Europa: Predigen oder Handeln? (z.B. Nahost, Südafrika, Mittelamerika).

Chairman: Stephan Thomas
Referent/Introducer: Walther Leisler Kiep
Berichterstatter/Rapporteur: Neal Ascherson

Group II
The European Community: new breadth and depth

— The impact of Spanish and Portuguese entry, e.g. financial complications, agricultural dilemmas, the Mediterranean context.

— Development and reform: plans and prospects, e.g. majority voting, parliamentary powers, institutionalising European Political Co-operation; a security role for the European Community.

— Tasks ahead: the reform of CAP, the completion of the Internal Market, organising technological co-operation, e.g. EUREKA.

— External problems: facing the American and Japanese challenges.

Die Europäische Gemeinschaft: Neue Dimensionen—Neue Komplikationen

— Die Auswirkungen des spanischen and portugiesischen Beitritts (Komplikationen im EG-Haushalt, Dilemma der Landwirtschafts-politik, Gewichtsverschiebung zum Mittelmeer).

— Weiterentwicklung und Reform—Pläne und Aussichten (z.B. Mehrheitsbeschlüsse; Kompetenzen des Europäischen Parlaments; Institutionalisierung der Europäischen Politischen Zusammenarbeit; europäische Sicherheitspolitik).

— Die nächsten Aufgaben: Reform der Landwirtschaftspolitik, Vollendung des Binnenmarktes, technologische Zusammenarbeit (z.B. EUREKA).

— Äußere Probleme: die amerikanische und die japanische Herausförderung.

Chairman: Christopher Tugendhat
Referent/Introducer: Robert Jackson, MP
Berichterstatter/Rapporteur: Angelika Volle

Group III
Dealing with disadvantage in regions and cities

— The decline of the old industries.

— Constitutional problems: power structure and allocation of resources.

— Regional disequilibria.

— Social tensions and alienation, e.g. integration of minorities, coping with violence, inner city decay.

Strukturelle Nachteile von Städten und Regionen

— Die Existenzkrise der alten Industrien.

— Verfassungsfragen (Machtstrukturen, Instanzenzüge, Mittelzuweisung).

— Regionale Ungleichgewichte.

— Gesellschaftliche Spannungen und Entfremdung (z.B. Integration von Minderheiten, Eindämmung der Gewaltsamkeit, Verfall der Innenstädte).

Chairman:	Werner Holzer
Referent/Introducer:	Matthias Wissmann
Berichterstatter/Rapporteur:	Giles Radice, MP

Group IV
Getting to grips with unemployment

— Public policies and philosophies, e.g. privatisation, tax cuts, deregulation, official job creation schemes, subsidies.

— The role of education and training.

— High-technology—bane or boon? e.g. impact on the structure of employment.

— Changing work patterns, e.g. part-time work, female participation, early retirement, demographic factors.

Mit der Arbeitslosigkeit fertigwerden

— Programme und Ideologien in der Politik (z.B. Privatisierung, Steuersenkung, Deregulierung, öffentliche Beschäftigungs-programme, Subventionen).

— Die Rolle von Bildung und Ausbildung.

— Hochtechnologie—Fluch oder Segen? (z.B. Auswirkungen auf die Beschäftigungsstrukturen).

— Neue Entwicklungen in der Arbeitswelt (z.B. Teilzeitarbeit, Anteil der Frauen an der Beschäftigung, Vorruhestandsregelungen).

— Demographische Faktoren.

Chairman:	Bryan Nicholson
Referent/Introducer:	David Lipsey
Berichterstatter/Rapporteur:	Dr. Meinhard Miegel

Winding up address: Professor Michael Stürmer
Chairman of the Saturday Plenary Session: Rolf Seelman-Eggebert

Three groups will be provided with simultaneous translation, one group will discuss in English.

Drei Arbeitsgruppen sind mit einer Simultan-Übersetzungsanlage versehen, eine Arbeitsgruppe wird in Englisch diskutieren.

Bitte beachten Sie, dass die Plenarsitzungen im St. Chad Building stattfinden; die Arbeitsgruppen finden im St. Catharine's College statt.

TAGUNGSFOLGE

DONNERSTAG, 3. APRIL

11.30	Abflug Flughafen Köln/Bonn
11.50	Ankunft Charterflug aus Köln/Bonn am Flughafen Cambridge
12.30	Mittagessen im St. Catharine's College
14.30–17.15	Eröffnung Einführungsreferate zu den Themen der Arbeitsgruppen
18.00	Empfang durch den deutschen Botschafter, S.E. Rüdiger Freiherr von Wechmar, im Queens' College
19.30	Abendessen im St. Catharine's College
21.00	Empfang im Old Schools durch den Rektor der Universität Cambridge, Professor The Lord Adrian, MD, FRS

FREITAG, 4. APRIL

07.45–08.30	Frühstück
09.00	Beginn der Aussprache in den Arbeitsgruppen
10.30	Kaffeepause
11.00	Fortsetzung der Aussprache in den Arbeitsgruppen
12.30	Mittagessen
15.00	Fortsetzung der Aussprache in den Arbeitsgruppen
16.30	Teepause
17.00–18.30	Fortsetzung der Aussprache in den Arbeitsgruppen
19.15	Empfang durch Master und Fellows des St. Catharine's College
20.00	Abendessen im St. Catharine's College. Gastgeber: Rt. Hon. Kenneth Baker, MP, Minister für Umweltfragen.

SONNABEND, 5. APRIL

07.45–08.15	Frühstück
09.00–12.30	Kurzberichte über die Aussprachen in den Arbeitsgruppen, anschliessend allgemeine Diskussion im Plenum und 'winding-up address'
13.00	Mittagessen
14.30	Abfahrt St. Catharine's College zum Flughafen Cambridge
15.30	Rückflug nach Köln/Bonn
17.50	Ankunft Flughafen Köln/Bonn

RESTRICTED

Prime Minister

Spaeth is one of the brighter stars in the CDU firmament. Agree to give him half-an-hour.

CDP 20/3

Foreign and Commonwealth Office

London SW1A 2AH

20 March 1986

28/10 10.00

Dear Charles,

Yes ms

Visit by Lothar Spaeth

We have been seeking for over two years to attract Lothar Spaeth, Minister President of Baden-Wuerttemberg since 1978, to the UK. He has suggested a three-day visit this year from 28-31 October, and has asked that this be built around a call on the Prime Minister. Reluctant as he is to inflict a further burden on the Prime Minister, the Foreign Secretary recommends that she should consider seeing Spaeth at some time during that period.

Spaeth's reputation is based primarily on the development of Baden-Wuerttemberg into a model of economic dynamism and innovation. A strategy based on the active encouragement of high-technology investment, effective links with universities, and the promotion of small firms as well as large famous names such as Mercedes Benz has given the area enviably high growth and low unemployment: it has one of the highest per capital GDPs in the European Community. Spaeth has a political profile to match this record. On his regular visits abroad he has met in recent years (among others) Mitterrand, Lee Kuan Yew, Mubarak, Jaruzelski, Gandhi and Suharto. His name is high on the list of possible successors to Kohl.

The UK needs to be involved as closely as possible in the growing prosperity of Baden-Wuerttemberg. The level and growth rate of our share in the market has been lower than that for the Federal Republic as a whole. The Consulate General in Stuttgart was closed in 1984, because British businessmen failed to make sufficient use of the services it provided. Sir Geoffrey Howe believes that a successful visit by Spaeth could yield important dividends. For Spaeth, who is not a modest man, success will be measured primarily in terms of his access to senior Ministers, in particular the Prime Minister.

I should be grateful to know if the Prime Minister would agree to receive Spaeth for a call of, say, half an hour. She would find him articulate and perceptive, particularly on the role of government in encouraging a dynamic private sector.

/I

RESTRICTED

/ I enclose a personality note.

I am sending a copy of this letter to John Mogg (DTI).

Yours ever,

Colin Budd

(C R Budd)
Private Secretary

C D Powell Esq
PS/10 Downing Street

SPÄTH, LOTHAR

Minister-President of Baden-Württemberg (CDU) since August 1978. A Deputy Chairman of the CDU.

Born 1937 in Sigmaringen. Studied administration at the State School of Administration, Stuttgart. Began his career in local government finance, then became manager in several firms of building contractors. 1967 joined CDU. 1968 elected to Landtag in a constituency previously held by the SPD. 1970 became Mayor of Bietigheim. 1972 appointed to the Board of Landeskreditbank, Baden-Württemberg, 1973 to board of Württembergische Landeskommunalbank, 1975 to executive board of large firm of building contractors, Baresel AG, Stuttgart.

In 1972 he was elected chairman (cf Chief Whip) of the CDU in the Landtag and as such made a name for himself as a first class political manager. The Parliamentary Party's relationship with Minister-President Filbinger became an effective dialogue instead of a chorus of sometimes grudging approval. February 1978 appointed Minister for the Interior in succession to Karl Schiess who resigned over trouble with terrorists in Stammheim prison.

August 1978 elected Minister-President in succession to Hans Filbinger who had resigned in the face of public criticism of his war-time activities. Led his party to convincing land election victories in 1980 and 1984. Elected a Deputy Chairman of the Federal CDU in 1981. As Minister-President he has made a major mark, especially by nurturing Baden-Württemberg's pre-eminent economic position in the FRG by a policy of active encouragement to new firms investing in high technology.

He is small, energetic and highly articulate. He has made his dissatisfaction with Kohl's leadership of the party since the 1980 Federal election increasingly clear. As Minister-President he has become more statesmanlike and is widely regarded as having strong ambitions on the Federal Chancellery himself.

Interested in modern paintings and drawings. Married with one daughter and an adopted son. His wife Ursula is an exceptionally charming and attractive though retiring personality. Späth visited the UK as a guest of HMG in 1980. He speaks a little English.

CDP
21/2.

MO 14/3E

NOTE FOR THE RECORD OF A MEETING WITH DR MANFRED WOERNER AT THE GERMAN AIR FORCE BASE AT FASSBERG AT 1500 HOURS ON MONDAY 17TH FEBRUARY 1986

Those present:

The Rt Hon George Younger MP
Secretary of State for Defence

Sir Julian Bullard
HM Ambassador, Bonn

ACM Sir Patrick Hine
Vice Chief of the Defence Staff

Mr J K Ledlie
Chief of Public Relations

Mr R C Mottram
PS/Secretary of State

Dr Manfred Woerner
German Defence Minister

Colonel Reinhardt
PSO to Dr Woerner

Captain Hundt
Press Secretary

Opening Remarks

1. The Secretary of State said that he had been anxious that his first visit overseas should be to British Forces Germany, and that, as part of this, he and Dr Woerner should meet. He hoped that they could establish a close personal relationship. He wanted to emphasise that the British Government's commitment to the stationing of our forces in Germany remained as strong as ever, and that he fully supported European collaboration on defence equipment, as he had made clear at the recent IEPG R&D Directors Conference.

2. Dr Woerner said that he much appreciated these comments. He believed that the Anglo-German defence relationship had been strengthened in recent years and he wished to continue this process. Germany also had a close relationship with France but this need not effect the Anglo-German relationship. He was particularly pleased that Mr Younger had given such a clear commitment on British Forces in Germany since the German Embassy in London had reported recent remarks in the House of Commons suggesting possible reductions in BAOR. The Secretary of State said that there was nothing new or significant in these suggestions which came from back-bench MPs.

Westland Helicopters

3. Dr Woerner said that it would be helpful to know the approach of the British Government now Westland had proceeded with a Sikorsky minority shareholding. In his earlier discussions with Mr Heseltine, his primary concern had been that Sikorsky would seek to insert their Blackhawk helicopter at the expense of the NH90 programme. He wondered about the attitude of the British Government to the future of the NH90. The Secretary of State said that he had not yet had an opportunity to discuss with Sir John Cuckney the way ahead as seen by the company. The British Government saw no need for, and did not wish to have, any rigid divide between Westland and the other European helicopter manufacturers solely because of the Sikorsky minority shareholding. They would wish to encourage Westland to continue to co-operate in European ventures, but he was not yet able to say how this might best be achieved.

State of the Alliance

4. The Secretary of State said that he would be interested in Dr Woerner's views on the present health of the Alliance. So far as the British contribution was concerned, there would be slight real term reductions in the defence budget after 1985/86. We hoped to achieve the same output by new procurement policies designed to get better value for money. But some difficult decisions would need to be taken on programme priorities.

5. Dr Woerner said that he believed that the Alliance was in a satisfactory state. The Alliance had maintained its cohesion over the dual-track decision on the deployment of cruise and Pershing II missiles. He believed future attention would focus on the conventional defence initiative. This was necessary to raise the nuclear threshold. It was also very clear that the Soviet Union now recognised that it was not feasible to achieve victory in a nuclear war and was itself looking increasingly for conventional options. Moreover, there would remain very heavy pressure from the US Congress on the Administration over burden-sharing. Senator Nunn had emphasised to him that he was prepared to reintroduce his amendment at any time that he concluded it was necessary to do so.

6. Dr Woerner said that he was particularly concerned about the extension of air defence to deal with the threat of ballistic missile attack. This was not a programme for tomorrow or even the day after tomorrow, but we had to recognise the increasing Soviet capability for missile attack on lines of communication, airfields and nuclear sites without the use of nuclear weapons. It was right to address how our air defences could be extended to deal with this threat. He did not see this as a space based programme. Nor should it be attempted without the Americans given the financial and technical difficulties involved. While some technologies associated with the SDI research programme might also be relevant to this programme, it

was important to avoid the implication that we were looking for a European SDI: this would help the French who had recently shown a more open-minded approach to his ideas.

7. The Secretary of State said that he understood that Dr Woerner had set down his ideas in an article in the Strategic Review which he looked forward to reading. He was content to keep these matters separate from SDI participation although there could be a spin-off from that work. He thought that any capability of the kind envisaged would be very expensive. Dr Woerner emphasised that this was a long term problem. Although he had funds available for studies and for research, there was nothing in his long term planning, which ran to 1999, to fund any procurement. There might need to be a change in priorities. It was possible that, looking 10 years ahead, options would open up for example by extending the capability of Patriot. His essential point was that these capabilities were already being developed on the Soviet side with the SA12 and the threat posed to the West could not simply be ignored. Air Chief Marshal Sir Patrick Hine said that there were a number of potential responses to the threat involving active or passive defences or a mix of the two. It would be helpful to have a bilateral exchange before these issues were addressed in the Alliance. Dr Woerner welcomed this proposal.

Chemical Weapons

8. The Secretary of State said that his initial briefing by British Forces Germany had emphasised the strong military case for a retaliatory capability against the Soviet chemical warfare threat. On the other hand, there were clear political sensitivities. Dr Woerner commented that any British political sensitivities could be doubled in the case of Germany. He could not conceive of opening a public debate about equipping the Bundeswehr with such weapons. The German situation was special because there was already a considerable stockpile on her territory of old-fashioned US weapons. The approach to be adopted on the NATO force goal had yet to be addressed in the Federal Security Council but he could offer some personal observations. He believed his Government would not oppose a sovereign US decision to replace out-dated weapons with safer, more effective binary munitions. They would hope to establish in bilateral talks a timeframe for the removal of the older weapons. He understood that the US Administration did not intend to base binary weapons in Europe but there would obviously have to be contingency planning for deployment in a period of tension. The FRG could not be the only country singled out for such basing. It was also important that there should be no attempt to see chemical weapons as an additional escalatory option, a fourth level of capability. Finally he would want the delivery options to cover both short and longer ranges: if there were to be a Soviet chemical attack on an airfield in West Germany, there should be options other than retaliating on an airfield in East Germany. The Secretary of

State suggested that deployment might be coupled with a commitment to no first use. Dr Woerner agreed with the concept but said that it would be important not to use a form of words associated with the nuclear debate. Air Chief Marshal Sir Patrick Hine asked whether Dr Woerner saw deployment of binary munitions in war being limited to US troops or spread more widely and whether the new munitions might replace the old in Germany. Dr Woerner said that these were very difficult questions but there was no possibility of replacing the old with the new. He felt that, in carrying forward the deployment of cruise and Pershing missiles and the extension of conscription, the German Government had taken enough brave decisions for the present.

Arms Control

9. The Secretary of State said that the proposal in Mr Gorbachev's latest offer that there should be no modernisation of the British deterrent was completely unacceptable to the British Government. The British Government would accept an agreement involving zero LRINF in Europe, since it was declared Alliance policy; but he would prefer the interim proposals put forward last year which provided for some deployments of Cruise and Pershing II missiles. Dr Woerner said that because he had been out of the country, he had only had a limited input to the German approach in Alliance consultations. His own personal view was that an INF agreement of the kind envisaged should be accepted provided there were adequate verification arrangements, the United States reserved the right to counter-balance SS20s in Asia, and that there were tight collateral restrictions on shorter range systems. Speaking very personally, he saw the attraction of an INF agreement which preserved some Western deployments. He did not want to press Britain in any way to accept Gorbachev's proposals on the modernisation of our deterrent.

Spain and NATO

10. There was a short discussion on the desirability of contacting Fraga over the Spanish referendum reported in Bonn telegram No 125.

Training Areas

11. Dr Woerner said that there was increasing pressure from the German public over the impact of training by allied forces. There were some 100,000 low flying missions a year and in some cases 2,000 overflights annually over 1 square kilometre of territory. Because of pressure in the Bundestag, some additional measures had to be taken. There had, he knew, been exchanges between air staffs which made some useful progress but the German population was less and less willing to accept that there should be different rules for allied air forces compared

with the German Air Force. In the case of Army training areas, the German Government would continue to accept its Treaty obligations. He hoped that it would be possible to introduce a formal summer break, that there could be no military deployments on Sundays or holidays, and that training could keep well clear of villages. Chancellor Kohl had touched on these matters at the last Anglo/German summit. He believed that they should charge their military staffs to see what compromises might be possible.

12. The Secretary of State said that he was very happy to proceed in this way. He was sympathetic to Dr Woerner's concerns and would ensure that the approach on our side was constructive. In the case of low flying there were certain minimum requirements if training was to be properly conducted. We had a similar problem in the United Kingdom and would certainly not ask the German public to accept anything we did not ask of our own population. Dr Woerner commented that he had a great deal of respect for the Royal Air Force but the problem was that it was just one of a number of allied air forces operating in Germany. There might possibly be scope for relief by establishing a NATO training area in Turkey but the machinery for addressing this was very slow. Air Chief Marshal Sir Patrick Hine pointed out that the Royal Air Force was already doing a substantial amount of its training outside Germany including conducting all Tornado night flying in the United Kingdom. We were prepared to meet the spirit of the 50 minute restriction on each low flying sortie by accepting lower limits on other aircraft to compensate for the need for Tornado to exceed the limit. It was of interest that there were more low level sorties in the United Kingdom than in Germany and we had to tackle more complaints. Dr Woerner was clearly very surprised to learn of these statistics and said that they changed the picture somewhat!

13. In further discussion of the possibility of establishing a training base in Turkey. Dr Woerner confirmed that he would prefer a multilateral approach rather than a bilateral one. It was suggested that there might be a linkage with the possible sale of Tornado to Turkey. Dr Woerner said that the problem had not been addressed so far in these terms.

EFA

14. The Secretary of State said that he was determined to put maximum pressure on those concerned within Britain to live within the weight limit for the European Fighter Aircraft which had been agreed at Turin. Dr Woerner warmly welcomed this. He referred to the painful history of the negotiations: he was firmly committed to the limits finally agreed which were a matter of credibility for him. He could not accept the increased costs which went with greater weight. The problem with industry was that they thought that once a political

decision had been taken, they could then proceed as they saw fit. EFA was still in the definition phase and he retained a number of other options.

SP 70

15. The Secretary of State said that he was very anxious that we should now get on with the SP 70 programme, following the NADs audit. He was concerned that we should not be beguiled by the experts into seeking further improvements which would put back the in-service date. Britain had to have SP 70 quickly. Dr Woerner said that he found it incredible that it had not been possible to produce this equipment after 15 years. He was as interested as Mr Younger in early completion of the programme. But since SP 70 would now not be in service until the early 1990s, it would not be right to introduce then a weapon based on the technology of the early 1970s. Whilst he was not interested in a totally new development he believed that we should introduce more recent technology where this was possible. Air Chief Marshal Sir Patrick Hine said that the important point was to put right the ammunition handling system. We did not want to see the development programme extended in order to accept changes elsewhere. Dr Woerner said that in principle he agreed. But we could not proceed with outdated technology. He would look further into the matter which they might discuss again in the margins of the NPG meeting in Wurzburg.

Nimrod AEW

16. The Secretary of State said he wanted to tell Dr Woerner very confidentially of the position reached on the Nimrod AEW project. Regrettably the performance of the system fell a long way short of being satisfactory and it would be necessary to look at alternatives. The Government had yet to reach a view on the future of the Nimrod project itself. They were committed to meeting the AEW requirement. Dr Woerner said that he was grateful to be informed in this way. He was of course concerned that the British contribution to NATO's AEW capability should be provided.

Anti-Radar Drone

17. Air Chief Marshal Sir Patrick Hine said that we were addressing the options for a shorter range anti-radar system. It would be very helpful if there could be detailed talks on the specifications envisaged for the anti-radar drone. Dr Woerner welcomed this.

18. The meeting ended at 1640 hours.

20th February 1986

NOT TO BE FURTHER COPIED WITHOUT REFERENCE TO THE PRIVATE OFFICE

Distribution

Full Record

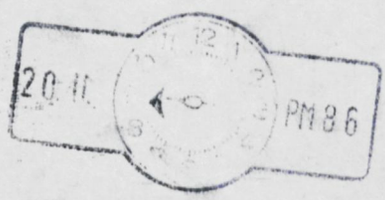
PS/Minister (AF)
PS/Minister (DP)
PS/Minister (DS)
PS/US of S(DP)
PSO/CDS
PS/PUS
MA/CGS
PS/CAS
PS/CSA
PS/CDP
PS/CDEC
PS/VCDS
DUS(P)
CDI
DCDS(C)
ACDS(NATO)
AUS(DS)
ACDS(Pol/Nuc)
CPR
Head of Sec (NATO/UK)(P)
Head of DACU
PS/Prime Minister
PS/Foreign and Commonwealth Secretary
PS/Secretary of the Cabinet
Sir J Bullard, Bonn
Sir J Graham, UK DEL NATO

Paras 11-13

ACGS ACAS
Hd GS Sec
Hd Sec(AS)

Paras 14-17

MA/MGO
PS/CA
PS/DUS(DP)
PS/DCA
AUS(EC)
ACDS(OR(Land)
DDEC
MA/DCDS(Systems)


20 II
PM 8 6

THIS IS A COPY. THE ORIGINAL IS RETAINED UNDER SECTION 3 (4) OF THE PUBLIC RECORDS ACT

of trust,

Certainly the Turks had been through a difficult time on human rights etc. But it was time to solve the question of their Presidency of the Council of Europe. The key date for the FRG was 1 December, and of course the existing commitment on Turkish immigration was not acceptable in its present form. The FRG was ready to discuss many things with Turkey bilaterally, and to do "something unusual" in the field of military aid. The Community should look at the question of financial help to Turkey. The point was for the EC to start to deal rationally with this important country, no matter what certain of our partners including France might say.

6. I said that if Kohl could win over Mitterrand when he saw him tomorrow, this would be a big achievement. Kohl said there would not be much time: he was only going for "this tree thing". (Comment. This did not sound as if a secret mini summit was being planned.)

7. The big task for the EC this year, I said, was to bring the CAP under control, resist pressure from the mediterranean states and create the financial resources with which to tackle non-agricultural tasks eg research and technology. We should need a common strategy for this, and Britain wanted to send over one or two key officials before or soon after Easter to discuss this with their German opposite numbers. Kohl welcomed this suggestion.

Transatlantic Relations

8. I described this as a second area where close Anglo-German cooperation was required. We needed to minimise points of friction in a year when crucial arms control talks would be in progress. Kohl commented that he wanted to bring the SDI affair to a rapid conclusion as far as Germany was concerned.

/9.

9. He expressed disquiet about rumours of moves in Washington to fix the parity of the dollar, which he described as protectionism in another form.

Libya

10. Throwing down his folder, Kohl said he had a lot of sympathy with the US position on terrorism, wherever there was an incident there always seemed to be an American among the victims. But they were a bit neurotic about it. The spirit of Theodor Roosevelt was still abroad. Kohl personally thought that the key lay in better collaboration to defeat terrorism by professional means. This could not be done by large committees. Why did we not bring together the key countries; the USA, Canada, Britain, France and the FRG, Switzerland and (Kohl would add) Israel? In such a group it might be possible to commit ourselves to go to the absolute limit in providing mutual help up to and across frontiers. Mitterrand knew of these ideas and supported them. Far-reaching methods were needed. The cooperation at present was far from 100% effective. It was no good imagining that terrorism in another part of the world was harmless to ourselves: this was like the Palatinate ignoring plague in Prussia in the Middle Ages.

11. Reverting to Libya, Kohl said that the US had invested too much national prestige in the matter. Germany had nothing to be ashamed of. It had reduced the level of Hermes credits from DM 13 million to DM 5 million. But there were 1500 Germans in Libya. Kohl had no means of compelling them to get out, nor any means of rescuing them if say 50 of them were arrested tomorrow by Ghadaffi, whereas the US had the Sixth Fleet in the offing. Charges of cowardice could not be made to stick. He would talk to

/the

the Americans about cowardice and its opposite if and when they introduced national service and extended it to 18 months. "There is a dividing line". Friendship with the United States did not mean that one had to endorse everything proposed. It was ludicrous that Whitehead had given the best marks to Italy for promising to stop selling arms to Libya, a thing which the FRG had never done.

Tin

12. I said I was under instructions to speak very seriously about tin, and I did so, following FCO telno 58 and emphasising that if we produced a counter proposal with an unrealistically low figure in it, there was a risk of negotiations collapsing litigation starting and Western governments having to spend far more than under the kind of arrangement which could be available through negotiation. I earnestly hoped that the FRG would pull i full weight in this.

13. Kohl looked completely blank although he listened. I got the impression that his staff had failed to brief him although tin was on our list. So I told Kohl I would send him a paper an we have this afternoon done so.

Berlin

14. I asked how seriously we should take the corruption scandal Kohl said with feeling that Berlin was a ghetto. It had far too many lawyers and architects and not enough for them to do. There were not even enough traffic accidents to go round. Then there was the fact that the Senat owned so much land, and that Bezirks had so little authority of their own. On top of that th was the system of Proporz in the local building offices, and o course the criminal element which was concentrated in Berlin

/because

because it had no Hinterland to overflow into But his conclusion was that the affair would not do Diepgen any good, but he would not be seriously damaged in the long run.

FRG-GDR Relations

15. On the way out by this time, I mentioned the Sindermann visit. Kohl repeated that although he would receive Sindermann in his office neither he nor the Federal President was ever going to make an official visit to East Berlin, and the GDR knew this. I asked whether the President would receive Sindermann and got the answer that this was under consideration.

Comment

16. I will put the main points into a telegram or telegrams together with one or two observations on Kohl's manner today which was definitely less expansive than usual - perhaps because the Greens have charged him with perjury in the Flick affair

JJ

J L Bullard

4 February 1986

Foreign and Commonwealth Office

London SW1A 2AH

CDP
19/XII

19 December 1985

Dear Charles,

Visit to Britain by Herr Johannes Rau: 20-22 November

Herr Rau has written to Sir Julian Bullard asking him to pass on his gratitude for his meeting with the Prime Minister on 22 November, which he found most valuable. He wrote: "The conversations which I was able to hold during my visit were very useful to me, and have once again confirmed to me what great importance is to be attached to our relations in the framework of the Community and of NATO".

Yours ever,

Colin Budd

(C R Budd)
Private Secretary

C D Powell Esq
10 Downing Street

MR POWELL

STATE VISIT OF THE PRESIDENT OF THE FEDERAL REPUBLIC OF GERMANY

The Prime Minister told me last night after the Audience that Chancellor Kohl had asked her whether it would be appropriate if he accompanied President Von Weizsaecker on his State Visit next year. The Prime Minister had been extremely noncommittal in reply but had clearly gained the impression that Chancellor Kohl was mightily anxious to get his share of the Royalty limelight.

CLOSED UNDER THE FREEDOM OF INFORMATION ACT 2000

The Prime Minister spoke at one stage about sending a private message to Kohl, but wondered in the end whether it might not be better for her to speak to him when she next met him, eg. at a European Council.

Could I leave it to you to decide how best for the Prime Minister to convey this news to the Chancellor.

N.L.W.

N L WICKS
11 December 1985

SLH/46

Mr. Wicks.

I am seeing HMA Ambassador, Bonn on Friday and shall discuss this with him. It's probably better if he feeds in the thought: he gets on well with Kohl.

CDP 11/12

CDP 12/12

Mr Powell,
Worth checking with PM she is content with this channel. N.L.W. 11/12

IN CONFIDENCE

PM/85/97

PRIME MINISTER

Conference in London of CDU/CSU and Conservative Parliamentarians

1. As you may already be aware, a most successful conference was held in London on 18/19 November involving CDU/CSU and Conservative Parliamentarians. It has always been clear that there is a great deal in common between our approach and that of the CDU/CSU, and this was certainly amply demonstrated by this conference.

2. In preparation for your meeting with Chancellor Kohl and his colleagues next week, you may like to glance at the attached short report from my Political Adviser, John Houston.

GEOFFREY HOWE

Foreign & Commonwealth Office
25 November 1985

IN CONFIDENCE

IN CONFIDENCE

FROM: J HOUSTON

DATE: 20 November 1985

cc: All Ministers
Mr Fergusson
PS/PUS
Mr Derek Thomas
Mr Braithwaite
Mr Renwick
Mr Samuel
ECD(I)
ECD(E)
WED
Planning Staff
Richard Ryder.

Secretary of State

CDU/CSU AND CONSERVATIVE PARLIAMENTARIANS' CONFERENCE
IN LONDON: 18-19 NOVEMBER 1985

1. You have seen all the preliminary papers about this second (and now hopefully annual) core meeting of CDU/CSU and Conservative contacts. You may be interested in a brief commentary on its outcome.

2. The Conference sessions and social occasions were well attended almost throughout (the exception being during the statement on Ireland in the Commons). Delegations on the British and German sides were well matched and of good quality.

3. Foreign Office Ministers played a major part, with an opening contribution from Mr Rifkind, the hosting of a lunch by Lady Young, and attendance at most sessions, together with opening talk at Final Session by Mr Eggar. Other Ministers participating were John Moore, David Hunt, Chris Patten, Barney Hayhoe, and Peter Bottomley. Volker Rühe as usual dominated the German side.

4. The following points of interest emerged from the discussions:

- optimism among the Germans that the CDU/CSU is likely to win the 1987 election;

- a remarkable similarity in many of our political problems and concerns (the need to see a downward trend in unemployment, demographic changes leaving significant problems in utilisation and maintenance of existing investment (schools, housing, etc), the concern to increase individual control over one's life, etc);

/- no doubts

IN CONFIDENCE

- no doubts expressed about the importance of the UK joining the ERM;

- an interesting shift towards more pragmatic language and evolutionary concepts in relation to the European Union (the words "practical achievements" were used by several German speakers);

- a comment by Herr Bohl (evidently shared by the others) that they had found in their discussions a much closer identity of views with the Conservatives than was the case with most other parties in the EPP.

4. The most lively and informative session of all was that on unemployment, which was prolonged because of its success. The debate was as much within both delegations as between them and the issues of concern to all participants were so similar that everyone was able to feel they had gained significant insights into each other's fundamental politics, and possibly some ideas with potential for application in their country. The success of this session owed much to concise and positive contributions from Herr Westphal, a well-informed but fairly personal contribution from David Hunt which was taken up in a good-naturedly combative spirit by Richard Ryder, and stimulating contributions from Robert Jackson and Alistair Burt. The discussions showed common concern about the black economy, the implications of taxes for enterprise (but mainly corporation tax for the Germans), the need to strengthen the linkage between education and industry, questions of youth training/lack of incentives for young to take jobs, etc.

5. No specific conclusions were drawn on any of the subjects discussed - but the Conference was not structured in that way, and that does not necessarily detract from its value as a piece of "unconventional diplomacy" which establishes personal contacts, provides for mutual education, and reinforces the already fairly strong links between the parties. However it was proposed and agreed that at the next Conference in Bonn preparation would be more structured, and one parliamentarian on each side would arrange for the presentation of papers on one or two specific subjects (several possibilities were suggested including our respective Social Security/Training/ Unemployment policies; procedures for scrutinising European legislation; and Arms Control). Colin Moynihan will, I understand, represent the British side in the preparations.

/6.

6. The German visitors were very appreciative of their meeting with you which, though short, they felt had been put to maximum use and had involved frank and concise exchanges. Mr Tebbit's hosting of a dinner and helpful after dinner speech were also appreciated.

7. In summary, a very worthwhile occasion which all involved were convinced provided a valuable underpinning of the increasingly good relationship at various levels between our countries, and also provided mutual reinforcement and encouragement in retaining power.

8. I am sending this note to Mr Eggar, who may have some corrections or additions to make.

9. I attach for reference the programme and list of participants.

J HOUSTON
Special Adviser

Konrad
-Adenauer-
Stiftung

21 Suffolk Street, Pall Mall, London SW1Y 4HG Tel: 01-839 2843/930 9100

London Office

SECOND MEETING OF CONSERVATIVE AND CDU/CSU MEMBERS OF PARLIAMENT

Jointly organized with the Conservative Party International Office

London (Royal Horseguards Hotel, Dragoon Main Suite)

18-19 November 1985

PROGRAMME

Monday, 18 November 1985

9.00 - 10.30 am	Arrival of German members of parliament at Heathrow airport; transfer to the Royal Horseguards Hotel, Whitehall Court, London SW1
11.00 am	Opening of the meeting by Jim Spicer MP Vice-Chairman of the Conservative Party; Chairman of the Conservative Party International Office
11.10 - 12.30 pm	**FIRST SESSION**

Conservatives and Christian Democrats at half term

- an analysis of governmental policies
- prospects for the next general elections

British speaker: Malcolm Rifkind MP
Minister of State,
Foreign & Commonwealth Office

German Speaker: Volker Rühe MdB
Deputy Leader CDU/CSU
Parliamentary Party

../2

1.00 pm — Lunch at the House of Commons
Hosted by the Rt Hon The Baroness Young, Minister of State, Foreign & Commonwealth Office

3.00 pm — **SECOND SESSION**

Programmes to reduce state intervention in the economy:

- Privatization
- Deregulation

German speaker: Birgit Breuel MdL
Minister of Economic Affairs, State of Lower Saxony

British speaker: John Moore MP
Financial Secretary, HM Treasury

5.30 pm — Meeting with Sir Geoffrey Howe QC MP
Foreign Secretary

7.30 for 8.00 pm — Reception and dinner
hosted by the Rt Hon Norman Tebbit MP, Chancellor of the Duchy of Lancaster; Chairman of the Conservative Party

Tuesday, 19 November 1985

9.30 am — **THIRD SESSION**

Creating jobs in the Eighties

- policies and approaches in both countries

German speaker: Dr. Jürgen Westphal MdL
Minister for Economic Affairs, State of Schleswig-Holstein

../3

British Speaker: David Hunt MBE MP
Parliamentary Under-Secretary of State,
Department of Energy

11.00 am

FOURTH SESSION

- Soviet - American relations and their impact on Europe

- The European Community - a joint approach for revitalization

German speaker: Volker Rühe MdB
Deputy Leader CDU/CSU
Parliamentary Party

British speakers: Tim Eggar MP
Parliamentary Under-Secretary of State
Foreign & Commonwealth Office

1.00 pm

Lunch at the German embassy hosted by H.E. Baron Rüdiger von Wechmar

Afternoon

DEPARTURE for Heathrow of German parliamentarians

Coordinators:

Scott Hamilton
International Office
Conservative Central Office, London

Ludger Eling
London Office
Konrad-Adenauer-Foundation

MEETING OF BRITISH AND GERMAN MEMBERS OF PARLIAMENT

London, 18-19 November 1985

GERMAN PARTICIPANTS:

Friedrich BOHL MdB	Parl.Geschäftsführer der CDU/CSU-Bundestagsfraktion (Chief Whip)
Birgit BREUEL	Minister für Wirtschaft und Verkehr, Niedersachsen (Minister for Economic Affairs, State of Lower-Saxony)
Elmar BROK MdEP	
Hansjürgen DOSS MdB	Mitglied des Ausschusses für Wirtschaft (Member Select Cttee on Economic Affairs)
Michaela GEIGER MdB	Mitglied des Finanzausschusses (Member Select Cttee on Finance)
Dr. Wolfgang von GELDERN MdB	Parlamentarischer Staatssekretär beim Bundesministerium für Ernährung, Landwirtschaft und Forsten (Minister of State for Food, Agriculture and Forestry)
Dr. Renate HELLWIG MdB	Mitglied des Finanzausschusses (Member Select Cttee on Finance)

../2

Dr. Friedrich-Adolf JAHN MdB	Parl. Staatssekretär beim Bundesministerium für Raumordnung, Bauwesen und Städtebau (Minister of State,Ministry for Regional Planning, Housing & Town development)
Peter KITTELMANN MdB	Mitglied des Ausschusses für Wirtschaft (Member Select Cttee on Economic Affairs)
Volker RÜHE MdB	Stellv. Vorsitzender der CDU/CSU-Bundestagsfraktion (Deputy Leader CDU/CSU Parliamentary Party)
Hans-Eberhard SCHLEYER	Staatssekretär bei der Staatskanzlei, Rheinland-Pfalz (Minister of State, Cabinets Office, State of Rhineland-Palatinate)
Gunnar ULDALL MdB	Mitglied des Finanzausschusses (Member Select Cttee on Finance)
Dr. Roland WEGENER	Leiter des Büros für Auswärtige Beziehungen, CDU-Bundesgeschäftsstelle, Bonn (Director International Office, CDU Central Office, Bonn)
Dr. Jürgen WESTPHAL	Minister für Wirtschaft und Verkehr, Schleswig-Holstein (Minister for Economic Affairs, State of Schleswig-Holstein, Chairman CDU National Cttee on Economic Policy)

2ND CONSERVATIVE/CDU PARLIAMENTARIANS MEETING

18th-19th November 1985

BRITISH PARTICIPANTS

[At 12th November 1985]

RT HON MICHAEL ALISON MP *(Selby)*
Parliamentary Private Secretary
to the Prime Minister

MR DAVID ATKINSON MP *(Bournemouth East)*
Parliamentary Private Secretary
to the Minister for Trade

MR PETER BOTTOMLEY MP *(Eltham)*
Under-Secretary of State
for Employment

MR KENNETH CARLISLE MP *(Lincoln)*
Parliamentary Private Secretary
to the Home Secretary

MRS LYNDA CHALKER MP *(Wallasey)*
Minister of State
Department of Transport

MR JAMES COUCHMAN MP *(Gillingham)*

MR TIM EGGAR MP *(Enfield North)*
Under-Secretary of State
Foreign and Commonwealth Office

..../..2.

MR SCOTT HAMILTON
Head, Conservative Party International Office
Executive Secretary, International Democrat Union

RT HON BARNEY HAYHOE MP *(Brentford & Isleworth)*
Minister for Health
Department of Health and Social Security

MR JOHN HOUSTON
Special Advisor to the Secretary of State
for Foreign and Commonwealth Affairs

MR DAVID HUNT MBE MP *(Wirral West)*
Under-Secretary of State
Department of Energy

MR ROBERT JACKSON MP *(Wantage)*

MR HAL MILLER MP *(Bromsgrove)*
Vice-Chairman of the Conservative Party

MR JOHN MOORE MP *(Croydon Central)*
Financial Secretary to the Treasury

HON COLIN MOYNIHAN MP *(Lewisham East)*
Parliamentary Private Secretary
to the Paymaster-General (Employment)

MR RICHARD PAGE MP *(Hertfordshire South-West)*
Parliamentary Private Secretary
to the Lord Privy Seal

MR CHRISTOPHER PATTEN MP *(Bath)*
Minister of State
Department of Education and Science

..../..3

MR WILLIAM POWELL MP *(Corby)*
Parliamentary Private Secretary
to the Minister for Overseas Development

MR MALCOLM RIFKIND MP *(Pentlands)*
Minister of State
Foreign and Commonwealth Office

MRS MARION ROE MP *(Broxbourne)*
Parliamentary Private Secretary
to the Under-Secretary of State for Transport

MRS ANGELA RUMBOLD CBE MP *(Mitcham & Morden)*
Parliamentary Private Secretary
Under-Secretary of State for the Environment

MR RICHARD RYDER OBE MP *(Norfolk Mid)*
Parliamentary Private Secretary
to the Foreign Secretary

MR JIM SPICER MP *(Dorset West)*
Vice-Chairman of the Conservative Party
Chairman of the Conservative Party International Office

RT HON NORMAN TEBBIT MP *(Chingford)*
Chancellor of the Duchy of Lancaster
Chairman of the Conservative Party

RT HON BARONESS YOUNG
Minister of State
Foreign and Commonwealth Office

SSSSSSS

Private Secretary

Charles (Powell)

I understood from Len (a rather hurried message) that you wanted cc of the pps on ? KOHL/ LOCARNO/AUSTEN CHAMBERLAIN.

Are these helpful: or wd you like more/ different ones.

Colin Budd 22/11

(F164)

See para. 13 on Locarno

RECORD OF HM AMBASSADOR'S CALL ON CHANCELLOR KOHL:
BUNDESKANZLERAMT 1600 HRS, 7 JANUARY 1985

General

1. The call lasted 70 minutes. It took place in a ~~markedly~~ friendly atmosphere. Kohl was relaxed and did most of the talking, which ranged widely.

Detail

2. The Ambassador remarked that he had just been reading the Annual Review of GOC Berlin; it had been a good year for the city. The Chancellor agreed. Everyone now agreed how well Diepgen, whom Kohl had backed as von Weizsäcker's successor, was doing as Governing Mayor. The city had recovered its vitality; tourism was booming; any improvement in East-West relations from the Geneva talks could only benefit Berlin.

3. The Chancellor said there was however the worrying problem of the 10-11,000 draft dodgers coming to Berlin. This was 1% of the voters and growing. Even if the Greens fell back in the Federal Republic this influx meant the Alternative Liste (AL) would continue strong in Berlin. The change in the city's voting structure could damage the image of the city. He gave the example of a Berlin subsidiary of a firm owned by the Federal Post Minister and Frau Schwarz-Schilling which was having to reverse expansion plans in the face of new environmental controls. It was vital for Berlin that it should develop a tertiary sector of high technology small firms linked to the Technical University, but the growing influence of the AL worked against this. Another danger was the way in which the AL had weakened the left wing of the Berlin SPD so that this party - traditionally rather right leaning - now had to try to lean to the left, so that Apel was s een almost as an isolated right-wing radical. In the Federal Republic the government was getting a grip on the problem of conscientious objectors - even though the social work alternative was still too often a soft option. But in Berlin nothing could yet be done. He had mentioned it to President Reagan and to Mrs Thatcher as a problem which also concerned the Allies. It must first be considered internally, but might then be raised with the Allies later in the year. The Allies shared the interest in not seeing Berlin drift into being a second Danzig. I said we were aware of the problem: the question was whether it could be better tackled at the Berlin or at the FRG end.

4. The Ambassador said Mr Jopling's visit for Green Week would be the third in which he had accompanied British visitors to

/Berlin

CONFIDENTIAL

Berlin . The first had been Mr Pattie's visit with Herr Riesenhuber. The idea of developing the city as a centre of high technology was a good one and Dieppen's visit to the UK had therefore included a tour of the Cambridge Science Park. The Chancellor agreed that alternative prospects for Berlin, eg its development as a centre of East/West trade, were far less promising.

5. The Ambassador said HMG could agree with much in the Chancellor's New Year message: 1984 had been a good year for the Federal Republic, and for FRG/UK relations too. The Chancellor agreed and remarked he would be satisfied if 1985 was as good: he did not mind brickbats at himself provided the electorate still voted the right way.

6. The Ambassador referred to the opening of the Geneva Talks between the US and USSR. The Chancellor said this was a subject he would wish to discuss very intensively with the Prime Minister. The FRG and UK must work together to remind the United States of European interests. Washington was liable to see them as peripheral. No world power was ever psychologically very clever - the last NATO conference had illustrated this. He had had to tell the US that they should speak to other Allies and not just to the FRG. Americans found it difficult to remember that Western Europe was composed of different nations with interests different from their own. He and Mrs Thatcher had good personal relations with the President and the trust of the US; it was therefore largely up to them to exercise influence on behalf of Europe.

7. The Chancellor said he was convinced that in many ways the West was in a better position than at any time since World War II. In the US Reagan had convincingly been re-elected, had a Senate majority and a near majority in Congress. US policy was basically not criticised in West Europe - even Mitterrand, a Socialist, was sound on this. Reagan now had 3 or 4 years before worrying abou new elections. The same was true in the FRG. Elsewhere the Benelux had some good and stable leaders (Martens in Belgium was especially good). He agreed the Danes were a weak link but pointed to the very firm leadership in Norway. Generally time was working against the Soviet Union. This could be sensed throughout the Warsaw Pact area. Even in Bulgaria that consummate opportunist Zhivkov, who could hear the grass grow across the Black Sea, had become very interesting. The West should try to help this process along. Honecker was another example. There was no question of a dissolution of the Warsaw Pact but the industrial countries were gaining more free room for movement. One truly sensational development in 1984 had been the opening of a cable TV connection with Vienna: already 240,000 houses in Budapest could now watch perfect quality western TV. The Hungarians had handled this cleverly. They allowed things to develop and mature

/before

before making any announcements. The Chancellor, instancing his father's listening to Allied wartime broadcasts, remarked in this connection on Vienna's prestige in Eastern Europe as a source of news and reliable information.

8. The Chancellor said in summary that this was the kind of development which Western leaders should discuss: strategic thinking was necessary as the long-term developments in the GDR and Eastern Europe must be studied. The UK's position was very important in this regard.

9. The Chancellor said another subject he also wished to discuss was the 40th Anniversary of the end of the war in Europe. It might seem illogical but the 40th Anniversary was more important for Germany than the 10th or 20th. For the first time 2/3 of the population was post-war and post-Hitler (he remarked on the passing of the influential generation born in 1900) and could bear to focus on this subject. In general the old wounds of the Germans had scarred over - but they could still hurt on occasion and this could be one of them. It was very important that the Federal Republic find the right tone for the Anniversary. The Chancellor favoured a special session of the Federal Parliament, to be addressed by the Federal President (ie free of the normal Parliamentary procedures which would offer opportunities for disruption by the Greens, together with a special service the same day by the Evangelical and Roman Catholic churches in Cologne cathedral. In answer to a question from the Ambassador he confirmed that he did not expect President Reagan still to be in the FRG on 8 May. He said he would also speak at a memorial gathering at the former concentration camp site at Bergen Belsen towards the end of April, organised by a German Jewish organisation. The Ambassador might wish to attend, since the camp had been liberated by British forces.

10. Reverting to the question of German susceptibilities over the 40th Anniversary, the Chancellor noted that President Mitterrand had said that the souls of friends must not be wounded. This was very important. The Ambassador said we had not yet received any invitations from East European countries for commemoration of the Anniversary. They would need cautious handling. The Chancellor emphatically agreed and asked that the Ambassador consult him personally - claiming that he understood the psychological implications for the younger generation better than his Ministers did. Provided the West Germans handled the Anniversary well themselves he was, however, not much worried what the GDR and other East bloc countries did or alleged.

11. The Ambassador said he had not forgotten what the Chancellor had said to him about Hess and pressure from the Churches, which had indeed developed. The UK had taken the lead in organising a further Allied demarche to the USSR, but it had again been rejected. The Chancellor said it was most important to bring it home convincingly to the German people whose fault it was that Hess remained imprisoned.

/12.

12. The Ambassador referred to the section of the Chancellor's New Year message regarding the need for a new impulse, with France, for the construction of European union. What form did Kohl envisage this impulse taking? The Chancellor said this needed discussion. The Brussels European Council would be too swamped with detail, but he was determined to continue to insist that at the Milan Council a whole day be set aside for discussion of this topic. He wished to bring the UK fully into this discussion. He wanted pragmatic moves - not Hegelian bastract concepts. There must be as many practical examples of cooperation as possible, eg industrial cooperation. It was laughable just to complain about Japan: Europe must do more for and by itself. The question was whether the United Kingdom would pull in the same direction. The Ambassador interjected that he was sure of this: making Europe more competitive with Japan and the US was one of the chief British priorities.

13. The Chancellor said it was necessary to think in longer dimensions. It was true now as it had been in 1925 at the time of the Locarno Conference that this was a decisive period for the future destiny of the German people. It was one of his primary tasks as Chancellor to work to ensure the irreversible anchoring of the Germans in the West. The UK had an important role to play in this and it was of course also in our own interest.

14. The Ambassador referred to the Secretary of State's recent speeches in Bonn and Berlin and to his latest statement in 'Handelsblatt' (31 December) which gave a good summary plus some fresh points. These had put over HMG's views on European unity. But he was not sure that the Prime Minister understood what the Chancellor meant by this term.

15. The Chancellor said he must talk this over with her. It was natural that the British had a different viewpoint - so would the Germans if they lived on an island. He was quite certain that the UK and Mrs Thatcher had a key role to play (he had noticed already an evolution in the Prime Minister's views on Europe in the last 5 years). Just as he could speak to Honecker in a way other European leaders could not so the Prime Minister could speak to Europe (and to Gorbachev, as the Ambassador pointed out).

16. The Chancellor reverted to the situation in Germany. He noted that the GDR was working hard to try to appropriate the German national inheritance (he instanced publishing expenditure, eg on second-rank figures such as Mörike, and the new GDR rehabilitation of Graf von Stauffenberg). He said there was a widespread misunderstanding about German 'nationalism': historically it was more a phenomenon of the left than of the right. Now the neutralism advocated by the left and promoted from the GDR needed a supporting basis in nationalism (he instanced Rudolph Baro).

/The

The Chancellor said he saw it as his task to try to counter this trend. The Germans did not have a stable patriotism such as came naturally to the British. He pointed out that he had been the first Chancellor to attend rallies of the Expellees. He did this to try to ensure against them drifting into right wing radicalism (although he would not attend the Silesian rally unless the proposed slogan was changed). The Expellees had integrated into West German society. They must be allowed the right to sadness at the loss of their homelands but must also be helped to understand that no border claims would be possible and that a third of the former Reich was lost for ever. He recalled (yet again) the moving experience of a pilgrimage gathering of Expellees in Württemberg which he had attended and which had been addressed by the Bishop of Rottenburg on the theme of reconciliation with Poland. Many of the Expellees had had terrible experiences and yet were free of bitterness. Germans had had very different destinies at the end of the war; the grass must be allowed to grow over the past (however, it was wounding to hear accusations of revanchism so soon after the massive popular movement to send gift parcels to Poland).

17. The Ambassador noted that the Chancellor had again used the term 'Fatherland' as the final word in his New Year's address. The Chancellor said the Fatherland was a creation of history. But whereas the French had managed to heal psychological wounds by the killing of some 35,000 collaborators the Germans had not experienced any sense of purging at the end of the war. Financial penalties according to length of Nazi party membership had been no substitute and had been unjust in many individual cases (he gave examples). This had contributed to a whole generation being unable to discuss the Nazi period with their children.

18. The Ambassador noted that the time set for his call had expired. The Chancellor interjected that he had enjoyed it and that the Ambassador must come often to see him - not only with the Prime Minister. The Ambassador referred briefly to the importance of seeing that the Fontainebleu conclusions were carried into action, including the 1000 MECU compensation for the UK. The Chancellor agreed. The Ambassador also expressed satisfaction at the close working relationship established between the UK and FRG Ministers of Defence, eg in the EPEG. The Chancellor agreed and said that much more could and should be done in defence industrial cooperation. He noted that in this field the Federal Republic had fewer problems than had the French.

19. The Chancellor said he had been reflecting over the Christmas break. To summarise, he felt sure that we were in the middle of an important transition period for the peoples of Europe. At the Dublin European Council he had been bitter at the continued lack of constructive work for Europe's future. Heads of Government had been enmeshed in questions of detail which few of them had understood properly (eg he had been the only one - due to his

/Rhineland-

Rhineland-Pfalz background - to understand the wine issue and had been able to get that settled. There was a great need for Summits to discuss broad concepts, rather than just work through detailed points submitted up to them from (with all respect) Political Directors. The Ambassador recalled that HMG had proposed that at least one meeting of the European Council each year should be Gymnich-type, for precisely such broader discussions.

20. Parting remarks included a reference by the Ambassador to a book on German military history which he had been reading, and which Kohl said had got him into trouble with his Defence Minister because he had agreed to accept a copy without looking at its content first. The Chancellor warmly recommended Dr Jung - an old student friend of his, now Head of the Intelligence Department in the Kanzleramt - as an expert on German military history.

21. The Ambassador noted, in connection with the Chancellor's references to Locarno, that the Treaty's 60th Anniversary would fall in December. The Chancellor proposed that they should get together in some way to commemorate it. The Ambassador said he would make a proposal nearer the time.

10 January 1985

Sir Julian Bullard KCMG

BRITISH EMBASSY,
BONN.

RESTRICTED

4 March 1985

Peter Hall Esq
Director of Research
FCO

WRA 03/3

09 APR 1985

My dear Peter,

LOCARNO 1925 AND 1985

1. Christopher Mallaby has shown me your letter to him of 14 February and the fascinating enclosures. I am most grateful to you and the Historical Branch for their researches.

2. I note that there was no great enthusiasm in London for marking the 50th anniversary of Locarno in 1975. I imagine that the same will be true this time, all the more so because we shall all have had our fill of anniversaries by the time we get to the autumn. I shall quite understand if WED think it prudent to keep absolutely silent about the 60th anniversary of Locarno, rather than risk putting ideas into peoples' heads, eg by enquiring of the Swiss what may be their intentions.

3. Here in Bonn, however, there are two special factors. One is that Chancellor Kohl has a bee in his bonnet about Locarno. As an amateur historian, he sees it as a brave and far-sighted attempt, mainly on British initiative, to bring Germany back from her position of isolation and ignominy into the community of nations on an equal footing with others. The papers enclosed with your letter give some support to this view. Austen Chamberlain spoke himself of "reconciliation with Germany". Like the Swiss orator at Locarno in 1975, I am struck by the modernity of some of the expressions used by the Foreign Ministers of the signatory

/countries

RESTRICTED

countries at the time. Both Briand and Stresemann made the point that we were all citizens of Europe as well as of our own countries, and their Belgian colleague spoke of working together "for the greatest good of the European community". At the same time several of them emphasized that the treaties themselves would be of no value if the will to put them into effect and to build on them further did not exist. So they were to some extent realists as well as visionaries.

4. Secondly, I have told Kohl that I shall be making a proposal for marking the 60th anniversary of Locarno in some way, of course on local basis. I should not wish to fall down on this promise, and in any case I see the matter as potentially useful in the Anglo-German context.

5. I have in mind two things, on both of which I should be grateful for your help. First, I should like to organise a lecture in Bonn (perhaps on Monday 2 December, since the actual anniversary of signature, the first of the month, is a Sunday) on the theme of Locarno and its significance in the history of twentieth century Europe. The lecture would have to be given in German, and good German at that, although questions and answers afterwards could be consecutively interpreted. I would plan to put the lecturer up at my house and give a dinner which I would try to get Chancellor Kohl to attend. The question of his fares and of a possible fee would arise. The British Council might or might not be willing to help. I am writing to Michael Howard at Oxford to ask whether he can think of a suitable British academic. I should also be grateful for any advice you have to give me, both about a suitable name and about how the costs might be covered.

/6.

6. Secondly, and regardless of what happens about the proposed lecture, I should like to give Kohl a collection of photocopies of appropriate documents in a nice drop-front box with a suitable inscription in gilt letters on the front. The then Historical Adviser and the FCO Binder helped me to do something similar for the departing FRG Ambassador in London in about 1980, and it gave enormous pleasure. Could you be so kind as to ask somebody to start looking through the files to see what documents might be available? Perhaps there is personal correspondence between Stresemann and Austen Chamberlain; or a minute by Chamberlain on the German diplomatic initiative of 9 February 1925 which may be seen as the starting point of the negotiations in Locarno which led up to the Treaty. If say 6 to 10 documents of this kind could be found and nicely photocopied, and put together in a box such as I have described, I feel quite sure that Kohl would be enormously pleased to have this gift. And we could get some publicity for it.

7. I hope that you will be able to help me.

Yours ever

Julian Bullard

J L Bullard

cc: Derek Thomas Esq, FCO
WED, FCO

CONFIDENTIAL

WED (4)

Foreign and Commonwealth Office

London SW1A 2AH

17 May 1985

Dr. Dixon
cc Research Dep.

MRG 227/8

21 MAY 1985

Dear Charles,

Chancellor Kohl's Visit to Chequers, 18 May: Locarno

It is just possible that Chancellor Kohl may speak to the Prime Minister about a plan for marking the 60th Anniversary of the Locarno Treaty (more correctly, group of Treaties) with an academic seminar in Berlin, possibly attended by Foreign Ministers.

Locarno is Kohl's favourite treaty. He sees it as the first attempt to bring Germany out of her post-war humiliation and back into the Western community of nations. He thinks it failed because British interest melted away, and because the United States was absent. The Treaty was initialled in Locarno on 16 October 1925 and signed in London on 1 December the same year.

Some months ago Sir Julian Bullard had the idea of marking the anniversary with a lecture given in German and in Bonn by a British academic. He had in mind Professor James Joll. He thought of December rather than October, in order to register the London connection. He hoped he could get Chancellor Kohl to be present, and to attend a dinner at the Residence afterwards.

When Sir Julian Bullard put this idea to Teltschik, with the blessing of the FCO, he was told that the Chancellor had rather more far reaching ideas. Kohl was thinking of a conference of academics, to be held in the Reichstag in Berlin. Western Foreign Ministers might be invited (apparently not the Foreign Ministers of Poland and Czechoslovakia, although they also were signatories). It was left that Sir Julian Bullard would reflect on the German proposal, and the Germans on his.

/Since

Since then the Chancellor's office have been too busy to take the matter forward. They may in any case have had their fill of anniversaries for one year. But in case the Chancellor speaks to the Prime Minister on Saturday, you should be aware that we have distinct reservations about the idea of a grand seminar in Berlin - not so much for Berlin reasons, but because of the obvious flaws in the Locarno Treaty itself. It established greater security for Germany's western borders than for those in the East; it took the artificial attitude that an attack by France on Germany was as much to be resisted by Britain as an attack by Germany on France, and as likely; and it did after all fail to keep the peace. For all these reasons we consider that Sir Julian Bullard's suggestion for a lecture in Bonn would be more appropriate.

You may like to warn the Prime Minister. Teltschik said to Sir Julian Bullard at one point that he thought the Chancellor might already have mentioned the matter to her, perhaps at the European Council meeting at Brussels in March.

I enclose as background a copy of Roger Bone's letter of 6 June 1984, commenting on Kohl's Adenauer lecture at Oxford in May 1984.

Yours ever,

Colin Budd

(C R Budd)
Private Secretary

C D Powell Esq
No 10 Downing Street

CONFIDENTIAL

Minister
cc Minister (E)
Head of Chancery
Mr Arthur
Mr Torry
Head of WED, FCO

VURG 020/3
RECEIVED
24 JUL 1985

TALK WITH KOHL, 18 JULY

1. I should record a bit more about the talk with Kohl reported in Bonn telnos 730 and 731.

Austen Chamberlain

2. The new biography, of which Mr Anderson in WED kindly got me a copy at short notice, was a big hit with Kohl, though I did not get the impression that he intended to do anything more with it than put it on his shelf and point it out to visitors. He recommended to me a two-volume life of Stresemann, but could not remember the name of the author, with the result that people kept popping in at intervals with the names of this or that biography of Stresemann. The one he meant turned out to be by Lord d'Abernon, the British Ambassador in Berlin at the time of Locarno.

The professionalisation of German politics

3. Kohl's point here was that German elected assemblies were full of people who would scarcely be capable of earning their living in any other way than by politics. He wondered how many members of the Bundestag and of the provincial parliaments would be directly elected if this were put to the test - or rather, he gave me exact

/percentages

CONFIDENTIAL

percentages to show what would be the results for each of the three main parties if this happened, the SPD's figure being of course the lowest. One of the troubles, according to Kohl, was that politics were so badly paid compared with other professions. And even within the political arena, the pay of a member of the Bundestag was not enough to compensate for the stresses and strains and responsibilities. He contrasted the hectic life in Bonn with the agreeable routine of a member of the Landtag in Munich, travelling to his work in a comfortable train through smiling countryside, knocking off on Thursdays and earning only DM 100 per month less than his wretched counterpart in Bonn.

4. One result of all this, said Kohl, was that when anybody disappeared it was very difficult to replace him. There had been a time when, as soon as there was a vacancy anywhere in even a minor post controlled by the CDU, the telephone in his outer office would be humming with calls from prospective candidates. There were still calls nowadays, but usually to ask whether the Chairman of the Party had any suggestions as to who might take on the job.

5. I asked about the succession to Mertes and Marx, but Kohl did not choose to give anything away. He simply commented that these were two examples of politicians who had had their uses in Bonn but would not have got elected in their own constituencies in a month of Sundays.

F J Strauss

6. I cannot recall how we got on to him, but once again Kohl's comments took the form of a set piece which he had obviously used before. He described his recent private talk with Strauss,

/in

in which, using the du form, he had confronted the King of Bavaria with the options facing him. If Strauss continued to snipe at the Government of which his Party was a member, then either the FDP would get a double figure score in the Bavarian elections next year, or the CDU would move into Bavaria in its own right and steal some of Strauss' votes. The alternative, to which he implied that Strauss had had no reply, was to pipe down and collaborate with Kohl as he ought to have done in the first place.

Prospects for 1987

7. Kohl gave the Greens 4% to 4.5%, and stuck to this figure when I asked whether he really expected them to do so badly. He said that the SPD score would depend largely on whether they stuck to Vogel as the Chancellor-candidate. Rau would do better, but he wondered whether Rau particularly wanted to play the part which Kohl had played in 1976, losing the general election and condemning himself to a spell in opposition in Bonn which in Kohl's case had lasted 7 years. Kohl spoke as if he had a certain respect for Rau and even some sympathy for him in his predicament.

The generation gap

8. Kohl had read a book, no doubt provided by Bergsdorff, analysing opinions in various age groups in different Western countries. What had struck him was the wide gap between the views of the elderly and young adults in the FRG and Japan. A gap of this size was not to be found in other countries, which led Kohl to conclude that the experience of defeat in 1945 must have something to do with it.

SDI

9. Again in a context which I cannot recall, Kohl declared with great conviction that there was no possibility whatever of the

/Americans

Americans developing a system which would catch 100% of the Soviet offensive missiles. Whether 20% or 10% got through was not important. It followed that SDI could not be decoupling. What really interested Kohl was the prospect of getting a share of the $30,000 million which were to be spent by the United States.

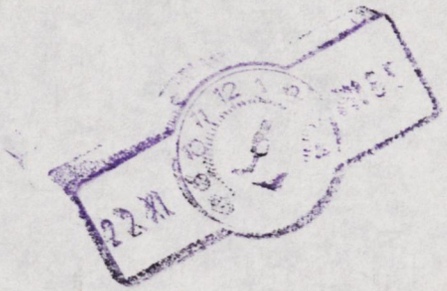
Comment

10. Kohl's garrulity is striking. He did about 85% of the talking. I do not think that this is actually a substitute for thought, but it does serve two purposes: it seems to give him reassurance, because he is reciting things he has found to be effective on other occasions and which are convincing to him; and the more he talks, the more he shortens the time available for questions he may not wish to answer, like mine about the successors to Mertes and Marx. Thus loquacity can be a kind of reticence in Kohl's case. All this is part of a certain Schlauheit, which I suppose means something between cleverness and cunning, and which comes out especially when he gets on to the electoral arithmetic which he is so fond of and which he obviously feels so at home with.

JLB

J L Bullard

19 July 1985



RESTRICTED

10 DOWNING STREET

From the Private Secretary

22 November 1985

Dear Colin,

PRIME MINISTER'S MEETING WITH THE MINISTER/PRESIDENT OF NORTH RHINE/WESTPHALIA

The Prime Minister had a meeting this morning with Herr Johannes Rau, Minister/President of North Rhine/Westphalia. Herr Rau was accompanied by Dr. Leister and by the Federal German Ambassador.

Herr Rau said that he would particularly value the Prime Minister's impressions of the recent meeting between President Reagan and Mr. Gorbachev in Geneva. Was it in order to expect early agreement on INF? Had any particular progress been made on the Middle East? The Prime Minister said that Herr Rau would have got the general flavour of the meeting from the public statements which had been made. The two men had clearly got on well and had made a new start in US/Soviet relations but there were no grounds for euphoria or for raising public expectations too high. The fact was that no agreement had been reached about the Strategic Defence Initiative. There was no question of President Reagan giving up research on this. Equally, Mr. Gorbachev seemed unwilling to agree reductions in strategic nuclear weapons while the SDI was unconstrained. The Prime Minister confirmed that INF had been discussed and it seemed clear that negotiations on this would not be blocked by disagreement on the SDI. She had also been pleased to see that chemical weapons had featured in the discussions. It was clear that President Reagan intended to play human rights matters in a low key because this was the most effective way to see that something was done. The President had said there was nothing fresh to report on the Middle East. The Prime Minister concluded that one had to bear in mind that Mr. Gorbachev was changing the presentation of Soviet policies but not the substance of them, or not yet. It would be very important to keep public opinion in Europe solid in support of the Alliance's position.

Herr Rau asked whether President Reagan had given specific assurances about observing the ABM Treaty and SALT II. The Prime Minister said she was clear that the United States would continue to observe the ABM Treaty. There were greater difficulties over SALT II because of Soviet breaches of the Treaty but the President had said that the United States would continue to observe it on a reciprocal basis.

RESTRICTED

Herr Rau asked what would be the main themes of the forthcoming Anglo-German Summit. The Prime Minister said that inevitably the main task would be to compare views and assessments of the Reagan/Gorbachev meeting. Chancellor Kohl had always given very strong and loyal support to the United States and to the Alliance and had done so again at the meeting in Brussels yesterday. The Chancellor and she saw eye to eye on these subjects and worked very closely together. They would also discuss the preparations for the forthcoming European Council in Luxembourg where considerable difficulties remained. The German Ambassador commented that he hoped that his Government's performance would be better than at Milan. The Prime Minister said that, looking slightly further ahead, her main priority in the European Community was reform of the CAP which had got completely out of hand.

Herr Rau asked about the link between EUREKA and the SDI. The Prime Minister said that there was no connection between the two. EUREKA was a private sector matter and concerned with ensuring that high technology products developed in Europe had no restricted access to markets in all European countries.

I am copying this letter to Ivor Llewelyn (Ministry of Agriculture, Fisheries and Food) and to David Williamson (Cabinet Office).

Yours sincerely,

(C.D. POWELL)

Colin Budd, Esq.,
Foreign and Commonwealth Office.

10 DOWNING STREET

From the Private Secretary

21 November 1985

CALL BY HERR RAU ON THE PRIME MINISTER

Thank you for your letter of 21 November about who should accompany Herr Rau.

Exceptionally we can agree to the inclusion of Dr. Leister.

(Charles Powell)

C.R. Budd, Esq.,
Foreign and Commonwealth Office.

CC PC
CC BTUP

Foreign and Commonwealth Office

London SW1A 2AH

21 November 1985

Dear Charles,

Call by Herr Rau on the Prime Minister

You will recall that as matters stand Rau will be accompanied by the FRG Ambassador. That arrangement was initially accepted by Rau's office, but they have now started to press for Rau to be accompanied also by the Head of the State Chancellery in North Rhine Westphalia, Dr Klaus Leister (I attach a personality note).

You may like to consider letting Leister in, though we shall of course pass on a negative response if that is your preference. We are quite clear that Leister should not be allowed to attend in place of the Ambassador.

Yours ever,

Colin Budd

(C R Budd)
Private Secretary

C D Powell Esq
10 Downing Street

DR KLAUS DIETER LEISTER

47 years old. State Secretary and Head of State Chancellery. Previously State Secretary in North Rhine Westphalia Interior Ministry, State Secretary in FED Ministry of Defence, Deputy Secretary in FED Ministry for Economic Cooperation. 1974-79 leader of office of FED Minister of Finance.

Close associate of Helmut Schmidt. Holds Hon KBE (1978 after State visit). Speaks fluent English.

RESTRICTED

CC BO
CC PC

Foreign and Commonwealth Office

London SW1A 2AH

21 November 1985

Prime Minister
He wants to talk about Reagan/Gorbachev and UK/French/German relations

Dear Charles,

Category 1 Visit by Johannes Rau: 21-22 November

CDP
24/XI

The Prime Minister will as you know be meeting Rau, Minister President of North Rhine Westphalia, at 0900 tomorrow.

I enclose briefing for the call, together with a personality note, a programme for the visit, and Sir Julian Bullard's scene-setting telegram.

Programme

The Foreign Secretary will have breakfast with Rau immediately before his call on the Prime Minister. Rau will see Lord Young, Mr Brittan and Mr Healey in the course of the day, and will have met Dr Owen and Mr Heseltine the day before.

Rau and the SPD

While Rau will not receive the formal nomination as SPD Chancellor Candidate for the 1987 Federal elections until the Party Conference in 1986, he seems certain to stand.

As Sir Julian Bullard's telegram and despatch make clear, there is little chance that the SPD will return to Government after the 1987 elections. The immediate question is to what extent Rau can influence SPD policy, particularly on East-West relations, defence and arms control. Even in opposition the SPD can affect our interests directly. The possibilities for wedge-driving afforded by recent SPD contacts with the Soviet Union and the GDR are a case in point. These contacts can also have a positive effect (eg on human rights in the GDR).

Topics for discussion

Rau is sure to ask the Prime Minister's views on the prospects for East/West relations following the Reagan/Gorbachev Summit. He would also like to discuss the UK/German/French relationship and its influence on the future development of Europe. Your letter of 17 November agreed the arrangements for participation and a photo call. Mr Ezra Jurmann will interpret.

Yours ever,

Colin Budd

(C R Budd)
Private Secretary

C D Powell Esq
10 Downing Street

RESTRICTED

[redacted], JOHANNES

Minister-President of North Rhine-Westphalia (NRW) since 1978. Deputy Chairman of the SPD since 1982.

Born 1931 in Wuppertal. A publisher by profession and member of the SPD since 1957. In 1967 became leader of the SPD Parliamentary Party in the NRW Landtag. Elected Lord Mayor of Wuppertal in 1969, appointed Land Minister of Science and Technology in 1970. Became Minister-President in September 1978, and re-elected with a greatly increased majority in May 1985.

Following a meeting attended by Brandt and Vogel, Rau announced on 16 September 1985 that he was prepared to stand as SPD Chancellor-candidate in the Federal Elections in January 1987. He stressed that a formal nomination would have to await the Party Conference in August 1986.

Although popular in his own Land, he has yet to show whether he has yet or prove himself at Federal level. The Coalition parties believe that his inexperience will show itself once SPD policies come under detailed scrutiny in the election campaign. They may be right. He recently said in public that if elected, he would rescind the present Government's social cuts, seek to reverse the NATO Double Decision and any agreement reached on FRG participation in SDI, and perhaps abolish political vetting of public servants. Rau quickly back-tracked on social cuts (the policy was introduced by the SPD under Schmidt), saying he had been misquoted, but the incident has been seen as indicating lack of judgement.

A non-ideological socialist, his style to seek consensus solutions. An excellent speaker. Has an instinctive understanding of the interests and prejudices of the industrial workers of the Rhine-Ruhr conurbation. He has ruled out any SPD/Green coalition at Federal level.

A pleasant, affable man with a good sense of humour. Active in Protestant church affairs. Often referred to as "Bruder Johannes".

Hitherto regarded as a confirmed bachelor, in 1982 he surprised even his colleagues by his marriage in London to the granddaughter of the former President Heinemann, who is over 25 years his junior. He speaks some English. His wife is bilingual, having been to school to Gordonstoun and taken her degree at LSE. One daughter, one son.

CALL ON PRIME MINISTER BY HERR RAU, 22 NOVEMBER 1985

General Objectives

A. To establish contact with a possible future (Socialist) Chancellor of the Federal Republic (though his party not likely to obtain power in the 1987 election).

B. To convince him of Britain's commitment to the European Community and to the defence of Europe.

C. To encourage reliable SPD policies in support of NATO and on matters of East-West debate.

Specific talking points

I EUROPEAN COOPERATION

Our Objectives

- To explain our view of the UK/German/French relationship.
- To make clear to Rau that EC membership is part of our way of life and that we are committed to the future development of the EC.
- To assure Rau of UK determination to continue EUREKA's momentum during our chairmanship.

Arguments to Use

UK/German/French Relationship

- Europe now central to Britain's place in the world and vice versa. Our troops committed to continent since end of last war.
- Franco-German reconciliation launched political/economic integration in Europe: created new lasting peace in West.
- But different relationships have different strengths, complementing each other. UK/FRG relations easy, informal, less structured.
- Fruitful time in bilateral relations: Summit 27 November, State Visit of President von Weizsäcker 1-4 July 1966.
- Anglo-French relationship also a key one: traditional competition resurfaces, but basic interests (EC, nuclear) close.

EC Issues

- Keen to see agreement at European Council in Luxembourg which will achieve better decision making leading to completion of the common market and strengthening political cooperation.
- Committed to reform of Common Agricultural Policy.

- Have been able to work closely with FRG on main EC issues, especially the budget.
- Important to work together with Germany and France to give leadership to the Community after enlargement.

Anglo-German Defence Cooperation

- Anglo-German defence cooperation second to none in Europe.
- Commitment to forward defence BFG Headquarters (Rheindahlen) is in North Rhine Westphalia.

EUREKA

- Key objective is to improve European competitiveness, with industrialists in the lead, and finance from private sector.
- Removal of barriers to a true European market an essential element in Eureka's success.

His Objectives

- To discuss UK/German/French relationship, and its role in future development of Europe.
- Possibly to argue for greater public sector involvement in EUREKA.

Your Response

- EUREKA: Industry dependent on public subvention for too long. Firms must play lead role.

Background

1. SPD EC policy similar to that of Kohl and Genscher, though coloured (slightly) by more interventionist policy.
2. Rau is interested in EUREKA, and will see Mr Brittan to pave way for visit by North Rhine Westphalian industrialists.
3. Hanover Ministerial meeting on EUREKA on 5/6 November opened by Kohl and chaired by Genscher. Agreed a Declaration of Principles setting criteria; also first ten projects. UK companies involved in three, one of which (lasers) also involved FRG.
4. UK's offer to chair EUREKA meetings until third Ministerial in May/June 1986 accepted We aim to concentrate on creating market environment to enable projects to flourish. FRG and French governments have suggested Strasbourg as location but views of all EUREKA participants have to be considered.

I EAST-WEST RELATIONS AND DEFENCE

Our Objectives

- To encourage caution in the SPD's attitude to the Soviet Union.
- To support bipartisan FRG policy towards the GDR as the best long-term safeguard for the Allied position in Berlin.
- To explain our position on arms control and defence issues.

Arguments for Use

EAST/WEST RELATIONS (GENERAL)

- Realism, consistency, unity essential elements in convincing Russians of Western sincerity and of need for serious negotiation.
- Only when Russians see no opportunities for wedge-driving will they embark on negotiation.

INNER-GERMAN RELATIONS

- Better inner-German relations good for East-West relations generally and for Berlin provided Berlin status is not affected. - Brandt's visit to the GDR and East Berlin (18-20 September) and enhanced party contacts indicate growing GDR self-confidence in foreign policy - at behest of or in spite of USSR?

EUROPEAN DEFENCE CO-OPERATION

- main purposes of European defence co-operation: to strengthen European contribution to Alliance and ensure maintenance of US presence in Europe; to rationalise and increase competitiveness of European armaments industry;

ARMS CONTROL

- Geneva talks: Latest US proposal built on positive aspects of Soviet proposal, which contain unacceptable elements. Give-and-take negotiations now necessary.
- Gorbachev offer of direct talks: position on UK deterrent remains same. Ready to pursue dialogue on wider arms control issues.
- SDI: Only prudent US should counter-balance Soviet efforts. Camp David four points sound guide to future policy.
- Welcome US commitment to consult before moving beyond research and to stay within restrictive interpretation of ABM Treaty.

Objectives

- To seek our impressions of the Reagan/Gorbachev summit.
- To emphasise his moderate views on defence issues; to play down likely influence of SPD extremist wing on defence policy.
- Possibly to explain SPD thinking on CW and nuclear free zones in Central Europe.

Your Response

- Summit: US consultations have been exemplary.
- Nuclear free zone: Not increase security. Weapons remain targetted from ourside, and missiles are mobile.
- CW free zone: Welcome, insofar as evidence of Warsaw Pact willingness to ban CW. But no effect on Soviet Union; inadequate verification; and detracts from global ban, the only real solution.

Background

SPD/SOVIET RELATIONS

- Rau had flattering reception in Moscow (9-10 September) including call on Gorbachev.
- Followed visit in May by Brandt, who showed sympathy for Soviet positions.

SPD/GDR RELATIONS

- Following cancellation of Honecker's planned visit to the FRG in September 1984, the SED (GDR ruling Communist party) intensified its contacts with the SPD.
- Brandt visited East Berlin on 18-20 September and was given red carpet treatment. He expressed support for the SPD/SED draft treaty on chemical weapons,

SPD ARMS CONTROL AND DEFENCE POLICY

- SPD defence policy subject of intense internal debate. But includes commitment to:

a) Withdrawal of INF from FRG. Moratorium on deployments while Geneva in progress.

b) Nuclear free zone in Central Europe, possibly in collaboration with GDR.

c) CW free zone in Europe with GDR. SPD/SED proposals on this agreed in June.

d) Hostile to SDI.

- Rau inexperienced in security issues. Recently he has appeared supportive of mainstream defence thinking (ie NATO and FRG place in it).

255

PROGRAMME FOR VISIT BY HERR RAU, 20-22 NOVEMBER

20 November

18.15	Arrive Heathrow
20.00	Dinner hosted by FRG Ambassador

21 November

08.30-09.45	Meeting at German Chamber of Commerce
10.15-11.00	Call on Dr Owen
11.15-12.15	Discussions at Anglo-German Foundation
12.45-14.30	Lunch hosted by Mr Rifkind
14.30	Call on Mr Heseltine
15.15	Prime Minister's Question Time
15.45	Tea with MPs
17.30	Chatham House Talk
19.00	Private party hosted by Herr Rau

22 November

07.30-08.30	Breakfast with Foreign Secretary
09.00-09.30	Call on Prime Minister
09.45	Call on Mr Willis, TUC
11.00	Call on Lord Young
11.40	Call on Mr Brittan
12.15	Meeting with Denis Healey followed by lunch
14.30 (14.15 if Rau prefers)	Meetings with British and German journalists at FRG Embassy
15.15	Depart for Heathrow

CONFIDENTIAL
FM BONN
TO IMMEDIATE FCO
TELNO 1104
OF 181625Z NOVEMBER 85
INFO SAVING CGS IN FRG, BMG BERLIN, CICC(G)

FRG INTERNAL: VISIT OF HERR RAU: 20-22 NOVEMBER

SUMMARY

1. PROSPECT OF FEDERAL ELECTIONS IN JANUARY 1987 ALREADY STARTING TO OVERSHADOW POLITICAL SCENE. CDU/CSU/FDP CONFIDENT OF BEING RETURNED TO POWER. SPD PUTTING A BRAVE FACE ON THEIR CHANCES, BUT THEIR CANDIDATE-ELECT RAU HAS MADE A HESITANT START. AGREEMENT ON SPD/GREENS COALITION GOVERNMENT IN HESSEN HAS OPENED UP A WIDER DEBATE ON QUESTION OF ''RED/GREEN'' COOPERATIONN WHICH BOTH PARTIES COULD WELL DO WITHOUT.

DETAIL

2. ALTHOUGH THE BUNDESTAG ELECTIONS ARE STILL 14 MONTHS OFF, THEIR SHADOW HAS ALREADY STARTED TO FALL ACROSS THE POLITICAL SCENE. THE COALITION IS CONFIDENT OF WINNING AGAIN, THOUGH ITS IMAGE AND PERFORMANCE AS A WHOLE CONTINUES TO BE HAMPERED BY FRICTION BETWEEN ITS THREE COMPONENT PARTIES. KOHL'S GRIP IS AS SLACK AS EVER. THESE RIVALRIES ARE LIKELY TO GROW MORE ACUTE NEXT YEAR, AS EACH PARTY TRIES TO RAISE ITS PROFILE WITH THE VOTERS.

3. THE SPD ARE TALKING BRAVELY OF A RETURN TO POWER IN 1987, BUT THIS DOES NOT SEEM REALISTIC. THE SPD HAS NEVER WON AN ABSOLUTE MAJORITY IN THE FRG, AND THE FDP ARE NOT LIKELY TO CHANGE SIDES AGAIN SO SOON. EVEN THE GOAL OF EMERGING IN 1987 AS THE LARGEST SINGLE PARTY SEEMS AMBITIOUS. THE LATEST SPD-COMMISSIONED POLL (5 NOVEMBER) GIVES THEM 44 PER CENT, CDU/CSU 41 PER CENT, GREENS 8 PER CENT, FDP 7 PER CENT. BUT THE CDU/CSU BELEIVE THAT FAVOURABLE ECONOMIC TRENDS IN 1986, AND A PACKAGE OF SOCIAL AND FINANCIAL MEASURES INCLUDING TAX CUTS, WILL TURN THE TIDE BACK IN THEIR FAVOUR.

4. THE SPD'S BIGGEST POPULAR ASSET IS THEIR CHANCELLOR CANDIDATE-ELECT RAU, WHO IS CONSISTENTLY AHEAD OF KOHL IN THE OPINION POLLS. BUT RAU HAS SO FAR SHOWN NO GREAT ENTHUSIASM FOR THE TASK, AND RAU HAS ALLOWED HIS INEXPERIENCE TO SHOW IN SOME UNWISE COMMENTS ON CURRENT ISSUES, E.G. SOCIAL POLICY. HIS APPETITE FOR BONN IS IN ANY CASE LIMITED, AND HE HAS ALREDY SAID THAT HE WILL RETURN TO DUESSELDORF RATHER THAN STAY IN BONN AS OPPOSITION LEADER IF THE SPD LOSE. HE KNOWS HIS PARTY LACKS COHERENT POLICIES ON DEFENCE AND ECONOMIC STRATEGY (THOUGH A NEW SPD PAPER ON ECONOMIC POLICY HAS BEEN PUT TO THE PARTY EXECUTIVE TODAY). LAST WEEK BROUGHT FRESH EVIDENCE THAT THE SPD IS ALSO DIVIDED ON THE SENSITIVE ISSUE OF RELATIONS WITH THE GDR, WHEN LAFONTAINE (LEFT-WING MINISTER-PRESIDENT OF THE SAARLAND) STATED DURING A VISIT TO EAST BERLIN THAT IMPROVED RELATIONS BETWEEN THE TWO GERMAN STATES WOULD

IN THE LONG RUN DEPEND ON THE FRG'S RECOGNISING A SEPERATE GDR CITIZENSHIP. SUCH REMARKS ARE A GIFT TO THE CDU/CSU AND FDP. RAU HAS SO FAR NOT COMMENTED.

5. RAU IS THUS IN NO HURRY TO START CAMPAIGNING, AND HIS PARTY ADVISERS WILL TRY TO KEEP HIM OUT OF THE RAIN AS LONG AS THEY CAN. BUT HE IS INEVITABLY ALREADY BEING CHALLENGED TO TAKE A LINE ON CONTROVERSIAL ISSUES. CHIEF AMONG THESE AT PRESENT IS THE SPD'S POSITION ON COOPERATION WITH THE GREENS, FOLLOWING LAST MONTH'S AGREEMENT ON AN SPD/GREENS COALITION GOVERNMENT IN HESSEN. RAU IS ADAMANT THAT HE WILL HAVE NO TRUCK WITH THE GREENS UNDER ANY CIRCUMSTANCES. OTHER SPD LEADERS, NOTABLY BRANDT, HAVE EXPRESSED THEMSELVES MORE EVASIVELY. THE GREENS ARE ALSO DIVIDED. BOTH PARTIES COULD WELL DO WITHOUT A DAMAGING DEBATE ON THIS QUESTION OF PRINCIPLE, BUT IT IS LIKELY TO DOG THEM ALL THE WAY TO POLLING DAY.

BULLARD

BONN WILL PASS SAVINGS

LIMITED
WED
PUSD
INFO D.
RESEARCH D
MR DEREK THOMAS
MR SAMUEL

RAU, JOHANNES

Minister-President of North Rhine-Westphalia (NRW) since 1978. Deputy Chairman of the SPD since 1982.

Born 1931 in Wuppertal. A publisher by profession and member of the SPD since 1957. In 1967 became leader of the SPD Parliamentary Party in the NRW Landtag. Elected Lord Mayor of Wuppertal in 1969, appointed Land Minister of Science and Technology in 1970. Became Minister-President in September 1978, and re-elected with a greatly increased majority in May 1985.

Rau announced on 16 September 1985 that he was prepared to stand as SPD Chancellor-candidate in the Federal Elections in January 1987.

Although popular in his own Land, he has yet to show whether he has yet or prove himself at Federal level. The Coalition parties believe that his inexperience will show itself once SPD policies come under detailed scrutiny in the election campaign. They may be right.

A non-ideological socialist, his style to seek consensus solutions. An excellent speaker. Has an instinctive understanding of the interests and prejudices of the industrial workers of the Rhine-Ruhr conurbation. He has ruled/any SPD/Green coalition at /out Federal level.

A pleasant, affable man with a good sense of humour. Active in Protestant church affairs. Often referred to as "Bruder Johannes".

In 1982 he married the granddaughter of the former President Heinemann, who is over 25 years his junior. He speaks some English. His wife is bilingual, having been to school to Gordonstoun and taken her degree at LSE. One daughter, one son.

FILE DA SPC

10 DOWNING STREET

From the Private Secretary 17 November 1985

VISIT BY JOHANES RAU

Thank you for your letter of 15 November about the arrangements for Herr Rau's visit.

I agree that it would be appropriate for the German Ambassador to attend and also for a photographer to be present at the beginning.

(Charles Powell)

Colin Budd, Esq.,
Foreign and Commonwealth Office.

Foreign and Commonwealth Office

London SW1A 2AH

15 November 1985

Dear Charles,

Visit by Johanes Rau, 20-22 November

The Prime Minister has kindly agreed to see Herr Rau at 0900 on 22 November (your letter of 16 October). I would be grateful to know whether the FRG Ambassador, Baron von Wechmar, might attend. He would take the place of a note-taker on the German side.

I know that the Prime Minister likes to keep these meetings as small as possible. However, the Foreign Secretary sees advantage in this case in agreeing to the Ambassador's participation. The meeting takes place five days before the Anglo-German Summit on 27 November. Rau is highly publicity-conscious (he is bringing five journalists with him), and the call on the Prime Minister will be the centrepiece of his visit. Having in mind Chancellor Kohl's concern at the misleading reports of the Prime Minister's discussions with Hans-Jochen Vogel shortly after the Milan European Council, we think it important that Chancellor Kohl should get an accurate account of the meeting, rather than simply read about it in the German press.

Rau has asked for a brief photo-call before the meeting. If the Prime Minister is content, Rau's photographer would be present for this, along with one from the COI.

Yours ever,

Colin Budd

(C R Budd)

C D Powell Esq
10 Downing Street

Germany: Rels; Pr 83

CONFIDENTIAL

10 DOWNING STREET

From the Private Secretary

16 October 1985

XREF

The Prime Minister has seen your letter of 14 October about the forthcoming visit by Mr. Johannes Rau, the Minister-President of North Rhine Westphalia.

Mrs. Thatcher has agreed to see Mr. Rau and I have provisionally arranged that this should be at 9 o'clock on Friday 22 November.

(Timothy Flesher)

Colin Budd, Esq.,
Foreign and Commonwealth Office.

CONFIDENTIAL

JB

CONFIDENTIAL

Foreign and Commonwealth Office

London SW1A 2AH

14 October 1985

Dear Charles,

Visit by Johannes Rau, SPD Candidate for Chancellor in the 1987 FRG Elections

Our Embassy in Bonn have reported that Johannes Rau, the Minister-President of North Rhine Westphalia, wishes to visit Britain on 21 and 22 November. I enclose a personality note.

The key point about Rau is that he recently accepted nomination as the SPD's candidate for Chancellor in the 1987 FRG elections. The formality of replacing Vogel as Chancellor candidate will not be completed until the SPD Federal Party Conference next August, but Vogel has already agreed to withdraw.

Rau has asked if he could see the Prime Minister during his stay. Sir Geoffrey realises that it is not long since she made time to see Vogel, but hopes that she will be able to agree to a short meeting with Rau if she can possibly fit one in. The Foreign Secretary plans to give Rau a meal during his visit.

Rau's elevation owes much to his striking success in the Land elections of May 1985 in North Rhine Westphalia, the most populous (17 million) and industrialised of the Federal German Laender, and home of HQ British Forces Germany. While the most likely outcome of the January 1987 Federal elections remains a CDU/CSU/FDP victory, German opinion polls suggest that Rau himself is currently more popular than Kohl, and will put up a better fight than Vogel.

Rau will be accompanied on this visit (at German expense) by his wife Christina (nee Delius) who has close connections with Britain, and is clearly a potential asset for us. She is a granddaughter of former President Heinemann, whose family still have a house in London and who decided to give his children a broader outlook through a British education. She studied at Gordonstoun, the University of Aberystwyth and King's (London). She is said to be anglophile, bilingual and an avid reader of the British press.

/Rau

CONFIDENTIAL

Rau is also keen to see the Secretary of State for Defence. There is a continuing need to expose SPD policy-makers to the realities of East/West relations, and the need for NATO cohesion. The Foreign Secretary hopes that Mr Heseltine will be able to find time for Rau, and a copy of this letter therefore goes to Richard Mottram.

Yours ever,

Chris Budd

(C R Budd)
Private Secretary

C D Powell Esq
No 10 Downing Street

RAU JOHANNES

Minister-President of North Rhine-Westphalia (population 17 million) since 1978. Re elected May 1985. Deputy Chairman of the SPD since 1982.

Born 1931 in Wuppertal. A publisher by profession and member of the SPD since 1957 In 1958 he became Chairman of the Young Socialists in Wuppertal and was simultaneously on the editorial staff of the "Gesamtdeutsche Rundschau" 1957 60 co publisher of the magazine "Politische Verantwortung Evangelische Stimmen". In 1967 became leader of the SPD Parliamentary Party in the NRW Landtag replacing Herr Kuhn when the latter became Minister President Was elected Lord Mayor of Wuppertal in 1969 appointed Land Minister of Science and Technology after the 1970 Landtag elections and continued in the 1975 Cabinet Became Minister President in September 1978 after Kuhn's resignation. A Protestant active in church affairs and member of the German Evangelical church Synod Scored a major success for the SPD in the Land election of May 1985, which gave him the impetus to overtake the SPD leader (Vogel) in the opinion polls.

A non-ideological socialist, his style is to seek consensus solutions. An excellent speaker, he has a well developed sense of humour and a sound instinctive understanding of the interests and prejudices of the industrial workers of the Rhine Ruhr conurbation. Clearly in line to succeed Brandt as SPD Chairman, he has been at pains to broaden his grasp of international affairs. In September 1985 he accepted nomination as the SPD's Chancellor candidate in the 1987 Federal elections.

Long regarded as a confirmed bachelor, in 1982 he surprised even his colleagues by his marriage in London to the granddaughter of the former President Heinemann, who is over 25 years his junior. He speaks some English. His wife is bilingual, having been to school at Gordonstoun and taken an MA at King's College, London. One daughter, one son.

6

10 DOWNING STREET

From the Private Secretary

19 July 1985

CALL BY SIR J BULLARD

Thank you for your letter of 19 July asking whether the Prime Minister could see Sir J Bullard.

The Prime Minister would be happy to see him at 0930 on 25 July.

IBF

Charles Powell

Len Appleyard Esq
Foreign and Commonwealth Office.

D10

Foreign and Commonwealth Office

London SW1A 2AH

19 July 1985

Dear Charles,

Possible call by Sir J Bullard
on the Prime Minister

Sir Julian Bullard, HM Ambassador in Bonn, has asked whether he might see the Prime Minister in the course of his leave. An appointment on 25 July, 26 July, 5 August or 9 August would fit in best with his programme, though we could look at other times before 9 August if these are impractical.

Sir Geoffrey Howe recommends that the Prime Minister should see Sir Julian Bullard if her programme would allow this. Close and systematic Anglo-German cooperation will be vital to success at Luxembourg and at the intergovernmental conference. Sir Julian Bullard has established a sound personal relationship with Chancellor Kohl - who saw him yesterday alone.

The situation in Germany is fluid, not to say confused. Sir Geoffrey Howe thinks the Prime Minister might find it valuable to have the Ambassador's personal assessment of likely developments.

Yours ever,

Len Appleyard

(L V Appleyard)
Private Secretary

C D Powell Esq
10 Downing Street

PS No 10 D. Pt

DISTRIBUTION SELECTORS
FILE COPY

CONFIDENTIAL

GRS 380
CONFIDENTIAL
FM BONN 181630Z JUL 85
TO PRIORITY FCO
TELEGRAM NUMBER 730 OF 18 JULY
INFO SAVING CICC(G) HMGCS IN THE FRG

SUMMARY

1. GENERAL TALK WITH KOHL: GOOD ATMOSPHERE, NO SURPRISES, NO REVELATIONS EITHER.

DETAIL

2. I CALLED ON CHANCELLOR KOHL TODAY FOR A GENERAL TALK BEFORE GOING ON LEAVE. THIS TIME HE ASKED ME TO COME ALONE AND HAD NOBODY WITH HIM EITHER. HE KEPT ME AN HOUR BEFORE LEAVING FOR HIS APPOINTMENT WITH MITTERAND IN STRASBOURG. HE WAS IN EXCELLENT SPIRITS.

3. AS USUAL THERE WAS A LOT OF GAS FROM KOHL ABOUT THIS AND THAT: AUSTEN CHAMBERLAIN (I HAD BROUGHT HIM THE NEW BIOGRAPHY), THE GENERATION GAP, THE PROFESSIONALISATION OF GERMAN POLITICS, THE DIFFICULTY OF WORKING WITH F J STRAUSS ETC. BUT NOW AND AGAIN THE MISTS CLEARED ENOUGH FOR ME TO BE ABLE TO FIRE OFF MY OWN POINTS, ESPECIALLY ON EC QUESTIONS AND THE EFA (SEE MIFT).

4. I SAID I PROPOSED TO TELL THOSE I SHOULD BE SEEING IN LONDON NEXT WEEK THAT THINGS HAD GONE PRETTY WELL WITH THE FRG LATELY. THE CRITICISM IN THE OECD'S REPORT WAS IN ITSELF A KIND OF PRAISE, BECAUSE IT SAID THAT GERMANY WAS STRONG ENOUGH TO BE ABLE TO TAKE A FEW MORE RISKS. KOHL ACCEPTED THE COMPLIMENT AND SAID NOTHING ABOUT UNEMPLOYMENT OR THE OTHER POINTS WHICH HE MIGHT THINK HIMSELF VULNERABLE. HE TALKED CONFIDENTLY ABOUT THE NEW ACCENTS WHICH HE PROPOSED TO SET IN HIS SECOND TERM. HIS PREDICTION FOR THE ELECTIONS IN FEBRUARY 1987 WAS THAT THE PARTIES WOULD BE RETURNED IN MUCH THE SAME STRENGTH AS TODAY, EXCEPT THAT THE GREENS WOULD NOT CLEAR THE 5 PER CENT HURDLE.

5. I SAID I ALSO SAW PLENTY OF GOOD NEWS ON THE ANGLO-GERMAN FRONT. FOR EXAMPLE TRADE IN BOTH DIRECTIONS WAS DISPROPORTIONATELY UP, THE MARKET SHARE ON EACH SIDE BEING 8 PER CENT. THE BRITISH FORCES IN GERMANY HAD RECEIVED 40 NEW TORNADO AIRCRAFT AND 45 NEW CHALLENGER TANKS WHICH THEY WOULD LIKE TO SHOW HIM AS SOON AS A DATE COULD BE FIXED. KOHL SAID HE HOPED TO COME IN THE AUTUMN.

CONFIDENTIAL

6. ON EC QUESTIONS, I SPOKE FROM YOUR TELNOS 369 AND 392. I EMPHASISED THAT FOLLOWING MILAN WE WERE LOOKING FORWARD AND NOT BACK, THAT THE INTERGOVERNMENTAL CONFERENCE SHOULD CONCENTRATE ON PRACTICAL PROPOSALS AND THAT WE WANTED TO WORK CLOSELY WITH THE FRG. KOHL SHOWED NO DESIRE TO GO INTO ANY OF THIS.

7. INSTEAD HE BEGAN TO SPEAK ABOUT THE EUROPEAN FIGHTER AIRCRAFT (EFA): SEE MIFT.

BONN WILL PASS TO SAVING ADDRESSEES

BULLARD

Copy to
PS/No 10 Dst.

LIMITED.
WED
DEF D.
ECD'S
PLANNING STAFF
PS
PS/LADY YOUNG
PS/MR RENTON
PS/PUS
MR DEREK THOMAS
MR GOODALL
MR JENKINS
MR RENWICK
MR DAUNT.

CONFIDENTIAL

CONFIDENTIAL

VC

10 DOWNING STREET

From the Private Secretary

2 July 1985

a MAJOR 567

Dear Colin,

PRIME MINISTER'S MEETING WITH THE CHAIRMAN OF THE GERMAN SOCIAL DEMOCRATIC PARTY

The Prime Minister met Dr. Vogel this morning.

In response to the Prime Minister's invitation to give an account of the prospects for the German Social Democratic Party Dr. Vogel said that the SPD had overcome the difficult years of 1980-82 and its 1983 election defeat. They had recently had successes in Land elections though he did not over-estimate the significance of these. In his assessment, the 1987 Federal elections were open with a reasonable chance for a change of government.

Commenting on developments in East/West relations, Dr. Vogel said that there had been great changes within the GDR. Views were openly expressed in a way which would have been inconceivable even five years ago and the Protestant Church had far more freedom. As regards the Soviet Union, Herr Brandt had recently met Mr. Gorbachev. He believed that Mr. Gorbachev's succession marked a distinct generation change in the Soviet Union which would bring in its wake changes in Soviet society. He expected Mr. Gorbachev to give priority to reform of the Soviet economy, and did not expect any major changes in foreign policy, although there had been some interesting small moves. In particular, Mr. Gorbachev had said to Herr Brandt that he was more aware than his predecessors of the particular role of Western Europe and wished to see greater contacts with West European governments. The Prime Minister commented that Mr. Gorbachev was a very skilful politician and had to be taken very seriously. But she did not think he could risk significant change in the Soviet system without undermining his own and the Communist Party's power. Dr. Vogel hazarded that Mr. Gorbachev knew more about the Western way of thinking than any of his predecessors. The Prime Minister suggested that he might know without comprehending. Dr. Vogel and the Prime Minister agreed on the importance of encouraging visits to and from Eastern Europe as a means of giving encouragement to ordinary people there.

Dr. Vogel commented briefly on developments in the European Community, commenting that the SPD was a pro-European party. He thought that the Federal German

Government's preparations for the recent European Council had been inadequate, particularly in presenting its proposals at such a late stage. His party had been opposed to the Government's use of the veto over cereals prices. The Prime Minister said that she had gone to the Milan European Council ready to take decisions to complete the work on which the Community had embarked at the Stuttgart European Council. She had expected success. Instead there had been a mess. Dr. Vogel said that the European idea had a vital role to play in maintaining cooperation between West European countries and in holding out hope to the people of Eastern Europe. He urged the Prime Minister not to lose patience with her European colleagues and what must appear to be their obsession with European union.

Yours sincerely

C.D. POWELL

C.R. Budd, Esq.
Foreign and Commonwealth Office.

PRIME MINISTER

Meeting with Dr. Vogel

You are seeing Dr. Vogel, Helmut Schmidt's successor as leader of the German SPD, for half-an-hour tomorrow morning.

The SPD's economic, foreign and defence policies are all in some degree unsound. You might glance at the passages which I have underlined in Julian Ballard's despatch (attached). But you will note that he expects Vogel to go on being a key player in the SPD for a long time to come.

You will probably want to say something to him about the German performance in Milan, and our resentment of the way in which our efforts to work with the Germans have been rebuffed (bearing in mind, though, that he is quite capable of using anything you say to attack Kohl in the Bundestag).

The other main subject might be East/West relations. Brandt was in Moscow recently and saw Gorbachev. He appeared to be unhelpfully sympathetic to Soviet views in public comment. Vogel himself has recently seen Honecker.

Vogel may raise chemical weapons. The SPD have proposed a chemical weapons free zone in Europe. They are also opposed to the SDI.

Some briefing is attached.

C.D.P.

Charles Powell
1 July 1985

Foreign and Commonwealth Office

London SW1A 2AH

1 July, 1985

Dear Charles,

Visit by Dr Vogel

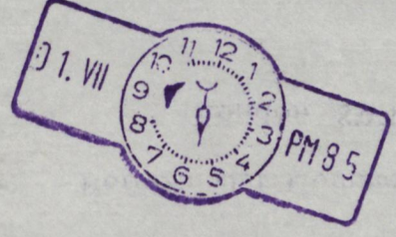
In connection with Dr Vogel's call on the Prime Minister tomorrow you may be interested to learn of Willi Brandt's reaction to the outcome of Milan, as reported in the German press. Brandt is still SPD party chairman. He said that Milan had simply put off the resolution of urgent problems: time had been lost, and Kohl's Government bore much of the responsibility for this.

Yours ever,

Colin Budd

(C R Budd)
Private Secretary

C D Powell Esq
10 Downing Street


1. VII
PM 8 5

CATEGORY I VISIT BY DR VOGEL, 1-4 JULY 1985

BRIEFING

1. Brief on East/West relations, inner-German relations and arms control issues.

2. Sir J Bullard's despatch of 7 June: "The SPD in the Federal Republic"

3. Personality notes.

CATEGORY I VISIT BY DR VOGEL, 1-4 JULY 1985

BRIEFING

1. Brief on East/West relations, inner-German relations and arms control issues.

2. Sir J Bullard's despatch of 7 June: "The SPD in the Federal Republic"

3. Personality notes.

PRIME MINISTER'S MEETING WITH DR VOGEL: 2 JULY

OUR OBJECTIVES

- East/West Relations - To encourage caution in the SPD's attitude to the Soviet Union.

- Inner-German Relations - To support a bipartisan FRG policy towards the GDR as the best long-term safeguard for the Allied position in Berlin;
- To seek views on the prospects for change in the GDR.

- Arms Control - To explain our position and encourage SPD moderation; to discourage initiatives which could damage Alliance cohesion on Geneva talks.

EAST/WEST RELATIONS

Arguments to Use

- Brandt's impressions of Gorbachev? (Brandt met him on Moscow visit 26-29 May).
- Recent evidence confirms impression in London last year that he is effective performer, with some idea of how to use media.
- Politically adept. Quick consolidation of power in Politburo. Only question is whether he is offending too many interests too quickly (Ministries and party have been criticised).
- Preoccupied with domestic economy; June 11 speech stressed making existing system more efficient, not introducing radical reforms.
- On foreign policy, packaging titivated but substance unchanged. No sign of any new directions. No expectation of rapid improvement in East/West relations.
- Important in circumstances for West to remain solid. Russians will hope to create dissension by sitting tight and thereby avoiding making any concessions.

His Objective

- May argue for new initiatives/offers to demonstrate Western

sincerity in seeking improved East/West relations.

Your Response

- West has consistently stressed desire for genuine and lasting improvement. Gorbachev preoccupied with internal affairs. Need perserverence with present strategy, not new initiatives.

INNER-GERMAN RELATIONS

Arguments to Use

- Continuity necessary in Federal German policy towards GDR. Otherwise GDR given opportunities for mischief- making, hope for more favourable treatment from an SPD Government may encourage negative line now
- Better inner-German relations good for Berlin too: an interest which the Western Allies share with the Federal Republic, on condition that Berlin status is not affected. Preserving a free, democratic Berlin is a prime factor in determining UK attitude to GDR.
- Vogel's latest meeting with Honecker (East Berlin, 16 May) and enhanced party contacts indicate growing GDR self-confidence in foreign policy - at behest of or in spite of USSR?
- GDR régime's ultimate loyalty to Moscow. Any signs of evolutionary change eg in GDR human rights/issue of exit visas? Can Western economic magnet eventually draw GDR further than Moscow would wish?

His Objective

- May be to convince that cultivation of the GDR pays off for the West; and that SPD is a stable, discreet interlocutor.

Your Response

- Dialogue fine; but beware Alliance wedge-driving by GDR.

ARMS CONTROL

Arguments for Use

- Geneva talks: top priority for Alliance. Russians clearly not yet ready to negotiate. But early days: patience, perserverence needed.
- Vital to build on Alliance cohesion demonstrated in Lisbon. Western negotiating approach receptive to German concerns. Must not appear to be encouraging Soviet propaganda proposal (eg moratorium) unacceptable to Alliance.
- INF/START: no doubt about US flexibility or sincerity (eg welcome SALT II decision). Confident US will act with concrete proposals when Soviet immobility ceases. US 1983 proposals offer possible ways forward. Important for Alliance not to be wedge-driven or tempted into making pre-emptive concessions.
- SDI: without ducking key issues, should get any differences with US in perspective. Only prudent US should counter-balance Soviet efforts. No advantage in simplistic proposal (eg space "demilitarisation", ban on research). Camp David four points sound guide to future policy.
- SPD Defence Policy: dangerous for Western security if major parties espouse defence policies, which would undermine proven NATO strategy. eg central European Nuclear Weapon Free Zone (NWFZ) No First Use of Nuclear Weapons (NOFUN).

HIS OBJECTIVE

- SDI Participation: may argue that this would entangle Allies in support for wider SDI concept.
- Chemical Weapons: may seek sympathetic hearing for SPD/SED proposals for a chemical weapon-free zone in Europe.

YOUR RESPONSE

- SDI Participation: UK expects to share in SDI research, but any deployment a matter for negotiation. Distinction accepted by US at Camp David, basis of UK policy.
- Chemical Weapons: share commitment to abolition. But regional ban would remove pressure for global ban. Some key verification issues not addressed.

PRIME MINISTER'S MEETING WITH DR VOGEL: 2 JULY

BACKGROUND

East/West Relations

1. Willi Brandt visited Moscow from 26-29 May (report in Moscow telno 750 is attached) and met Gorbachev on 27 May. Appears to have been conciliatory and sympathetic to Soviet views throughout.

Inner-German Relations

1. During the formal hiatus after Honecker called off his first visit to the FRG last September, the SED (GDR ruling Communist party) intensified its contacts with the SPD partly to show Kohl what he was missing on the political front; FRG/GDR economic/commercial relations are good. Kohl caught up with Honecker in Moscow on 12 March.

2. Some SPD politicians (not Vogel) have argued for amendment to the FRG Constitution deleting the German aspiration to reunification. This would suit the GDR - but such radical change would leave West Berlin looking like a passing phenomenon rather than a permanently democratic city.

3. At their meeting in East Berlin on 16 May, Vogel invited Honecker to improve the GDR's poor human rights record: as a rule, only GDR pensioners are allowed to visit the FRG. (The Foreign Secretary made the same point in East Berlin on 8-10 April). Honecker and Vogel also discussed the SED/SPD draft agreement on chemical weapons (see below) and Honecker raised again the demands he made in a speech at Gera (GDR) in 1980 as conditions for normal relations with the FRG:

(a) FRG recognition of separate GDR nationality;

(b) up-grading the permanent representations in Bonn and East Berlin to Embassies;

(c) delimitation of the GDR/FRG border, where it follows the course

of the river Elbe;
(d) closure of the Salzgitter centre for observing GDR human rights violations (eg shootings at the Wall).
Honecker may calculate (rightly) that the chances of GDR success on (c) and (d) would improve if the SPD were in power. (a) and (b) would require a major amendment of the FRG Constitution - unattractive to any likely government in 1987.

4. Berlin UK has 4000 soldiers and airmen committed to defence of Berlin. Prime Minister's visit 1982; HM The Queen 1978. As an ex-Berlin politician, Vogel should appreciate importance of maintaining Berlin status, with attendant Allied supreme authority.

Arms Control

1. SDI: subject of intense domestic debate in FRG. SPD strongly opposed on strategic, arms control, technical and resource grounds, both to SDI concept and to Allied participation in research.

2. Chemical weapons: proposals agreed in June between the SPD and SED (GDR ruling party) for a Chemical-Weapon-Free-Zone in Europe technically inadequate: do not address destruction of stocks, non-production, or Soviet (stand-off) threat.

3. INF: SPD are committed to negotiate withdrawal of INF deployed in FRG. Have called for moratorium on deployment while Geneva talks in progress.

4. NWFZ: SPD believe negotiations to reduce nuclear weapons in Europe should explore the Palme Commission's call for limited nuclear free zone 150 km wide on each side of the inner German border within a framework of a "security partnership" between the two military blocs. SPD may seek framework agreement on NWFZ in central Europe with GDR governing party - the SED.

5. NOFUN: SPD believe should be agreement on renunciation of use of force - both nuclear and conventional - which should include

declaration of no first use of nuclear weapons (NOFUN). This sits rather oddly with Vogel's address to NATO Council in February when he stated that the policy of flexible response must remain until there is valid and convincing alternative.

THE SPD IN THE FEDERAL REPUBLIC

Summary

1. Current speculation about the SPD's possible return to power in the 1987 Federal Election, together with the visit to London in July of their present leader, Dr Hans-Jochen Vogel, provide an opportunity for an assessment of the party's prospects. (Para 1)

2. The SPD's recent successes in regional elections have boosted morale, but at Federal level the party lacks policies, a Coalition partner, and good leadership. These gaps make it unlikely that it will recover strongly enough to pose a serious threat by 1987. (Paras 2-4)

3. The policy problems are deep-seated. The Party has no credible economic policies, and little prospect of developing any. There are doubts about the soundness of their foreign and security policies, especially the commitment to NATO. If the Government can stick an anti-American label on the SPD, it would be severely damaging to their electoral prospects. (Paras 5-12)

4. In some Länder the SPD can govern alone, but they have never secured an absolute majority at Federal level. To govern in Bonn they need a Coalition partner. The chances of the FDP switching back to them in the immediate future are slight. The Greens are no alternative, despite earlier illusions that they might be. (Paras 13-15)

5. An outstanding leader might overcome these problems. But the SPD have none. Schmidt's departure has left a huge gap. For all his qualities, Vogel is not the man to lead the party back to power in Bonn. The rest of the 'old guard' are discredited: the young blood very short on experience. (Paras 16-17)

/6.

6. If the SPD cannot realistically expect to win the 1987 Federal election their time will surely come again, perhaps in 1991. Meanwhile they remain the only significant opposition party, and it is in our interest to maintain contact with them. (Paras 18-19)

BRITISH EMBASSY,
BONN.

7 June 1985

CONFIDENTIAL

The Rt Hon Sir Geoffrey Howe QC MP
Secretary of State for Foreign &
Commonwealth Affairs
Foreign & Commonwealth Office
London SW1

Sir,

THE SPD IN THE FEDERAL REPUBLIC

1. Recent victories by the SPD in Land and district elections, the continued clumsiness of the Bonn Coalition and the notion that the CDU/CSU might dump Chancellor Kohl have raised the question whether the SPD might after all win the Federal election in February 1987. I think this is unlikely. But with Dr Hans-Jochen Vogel, the leader of the SPD Parliamentary Party and at present a front runner as their candidate for Chancellor in 1987, due to visit London next month for talks with the Prime Minister and yourself, this may be a good moment to assess the SPD's prospects in detail.

2. When Chancellor Schmidt's Coalition collapsed in September 1982, Herbert Wehner - arguably the politician to whom, with Adenauer, post-war democracy in the Federal Republic owes most - said that the SPD faced 15 years in the wilderness. Its crushing defeat in the Federal election in 1983 (its support then was the lowest for 20 years) and a string of poor showings at the polls over the subsequent two years, culminating with a dismal result in the 1984 European Parliamentary election, seemed to bear out that judgement. During this period the SPD lost support

/steadily

steadily to the Greens. It failed to extract any advantage from the numerous mistakes made by the Federal Government. Its leadership looked weak and ineffective. As I said in my Annual Review for 1984, the Zeitgeist did not seem to favour a party with the style and traditions of the SPD.

3. Then, in March this year, the SPD produced a minor sensation by winning an overall majority in the Land election in the Saar, ousting the CDU there for the first time in 30 years. On the same day it made substantial gains in the district elections in Hesse. It polled very badly in Berlin but could argue special circumstances. Last month it achieved a massive increase in its majority in North Rhine Westphalia, the largest Land of the Federal Republic, where the CDU showed its worst ever results. Brandt promptly claimed that the SPD were back with a serious chance for the Federal elections in 1987. What had changed?

4. I think myself that little had changed. Chancellor Kohl had always warned the public that his government's economic policies would initially be painful, and his party that they would be unpopular; and so they have proved. The swing away from the CDU to the SPD was thus predictable. It has been magnified by a decline in support for the Greens, leading to a natural return of votes from them to the SPD. Even so, the SPD's recent successes are mainly mid-term protest: this has always been a marked feature of the political cycle here. The real surprise is that they took so long to achieve. They have put the Bonn Coalition on to the defensive and led to squabbling between and within the Coalition partners on what to do next. They have put intense pressure on Chancellor Kohl personally, and he might yet be dropped by his own party in favour of a more decisive leader. But the SPD too remain in a difficult situation. Their main problems are: lack of credible

/economic

economic and security policies; lack of a Coalition partner; and lack of adequate leadership. Despite their current revival, I think it unlikely that the SPD will recover strongly enough at Federal level to pose a serious threat to the Government by 1987.

SPD policies

5. The SPD's policy problems are deep-seated. In the last years of the old Coalition the SPD had lost its way. The euphoria which had swept Brandt to power in 1969 had long since evaporated. Bitter rivalries had emerged between the left and the right of the party, in particular over economic policy and defence. The left were impatient with the slow pace of economic reform: the right were anxious not to lose touch with the middle ground, without which the modern Federal Republic cannot be governed. These rivalries were aggravated when the second oil price shock and the inflation that followed reinforced the need for financial consolidation. The left wanted to combat growing unemployment through massive state-financed employment schemes, without compensatory cuts in government expenditure elsewhere. The right, and the FDP, opposed any further escalation in government borrowing which had already grown by 450% in 10 years.

6. In security policy, the left of the SPD still hankered after the neutralist option which the party as a whole had seen in the 1950s as the best way to achieve German reunification and ease East/West tension. Anti-Americanism was a powerful element in their make-up. In the NATO Double Decision and the campaign against INF deployment the left found a focus for these attitudes. By early 1982 it had become clear that Schmidt had lost the support of the SPD as a whole for his security policies. Had not the Coalition collapsed in 1982 over economic policy, it would have done so over INF in the following year.

/7.

7. In the 1983 Federal election the SPD's programme was decisively rejected. Since then, the party has been casting about for credible alternative policies. It has launched a 4-year project to modernise its Bad Godesberg Programme of 1959. It plans to complete a review of its economic policies by 1986. There is a major debate on alternative alliance strategies: a policy document is due later this year. So far, all this activity has merely underlined the continuing divisions within the party.

8. In economic policy the SPD remains formally committed to the ideas which were so categorically rejected by the electorate in 1983: state intervention, government-financed employment schemes, a shorter working week. (Nationalisation is missing from this list; it has never had much appeal in the modern SPD.) The Party Conference last year tried to begin the process of updating, but the old rifts between left and right were immediately apparent. The result was an unhappy compound of demands for stronger government intervention and control of investment; support for the social market economy; and calls for a new "third way" between capitalism and a bureaucratically planned economy to achieve "ecological re-structuring" and full employment. Whatever such forumulae may mean, they have not shaken the general belief that the SPD remain a poor second to the CDU/CSU in economic competence.

9. How then should one explain the SPD's success in 2 out of 3 recent Land elections? In the Saar and North Rhine-Westphalia, the SPD won , despite their lack of credible economic alternatives, because they were able to present the structural problems of both Länder as the responsibility of the Bonn government, not of the Land. They also capitalised on short-term discontent with the impact of the Federal Government's consolidation policies, which have cut the average family's income by some DM 200 per month.

/And

And in the two Länder where they won, they had the more attractive candidates. (The same factor accounted for their failure in Berlin, where the boot was on the other foot.) Neither Rau's victory in North Rhine-Westphalia, nor certainly Lafontaine's in the Saar, was an endorsement of the Federal SPD's economic alternatives.

10. As the SPD presses on with its attempt to rethink its economic policy, the underlying divisions are bound to re-emerge. In a Federal election, where the SPD's policies are subject to much closer scrutiny, these will be ruthlessly exposed. The CDU/CSU will benefit accordingly. But the government cannot afford to be complacent. Unemployment is a critical issue. As NRW showed, it is beginning to cost the CDU votes. The CDU/CSU rank and file are already calling for reflation. The Cabinet itself is split between "wets" and "dries". The result has been a damaging impression of disunity. It might yet cost the Chancellor his job. But even if it does, Stoltenberg - his most likely successor - will continue to determine economic policy and I would not expect any major U turns, although there will be some trimming at the margin to contain rank and file unrest. (CDU HQ are already talking about large scale Federal aid to boost the construction industry in Lower Saxony in time for the Land elections there next spring.) If growth falls this year well below expectations (currently 2.5%), or if unemployment rises sharply, more substantial measures are likely. But with fiscal measures already taken due to have a reflationary effect next year, I see no reason for believing that in 1987 the electorate will decide that the SPD are better placed than the CDU/CSU to solve the country's economic problems.

11. In foreign and security policy, too, the SPD remain vulnerable. These issues play little part at Land level: in Federal elections they are important. The SPD's rejection of INF stationing in 1983 opened

/the prospect

the prospect that the party would go on to question other key aspects of NATO strategy. Formally they have not done so. SPD leaders have stressed that rejection of INF deployment was linked to firm support for NATO itself and for the Bundeswehr. A small minority in the party is neutralist, but the clear majority believes that FRG membership of NATO is necessary. I see no reason to think this majority will change. But there has been some worrying fringe activity. Lafontaine, the victor of Saarbrücken, is a real pink: he advocates the FRG's withdrawal from the integrated NATO military structure. The debate on alternative strategies has thrown up some ideas (on no first use, chemical weapons and disarmament) which are markedly at odds with current NATO thinking. More generally, the SPD still give the impression of putting the US and USSR on a moral par. They view the policies of the present US Administration with a deep suspicion which men like Brandt and Ehmke have made extremely plain. Many in the SPD regard NATO itself as a necessary but unwelcome complication in the main business of East/West detente and rapprochement between the two Germanies. As a result, the man in the street shares the CDU/CSU's view that the SPD's defence and foreign policies are unsound.

12. This is dangerous ground for the SPD. One constant in this country ever since the formation of the FRG has been the huge and steady majority in favour of the Western Alliance and the EC. The SPD's opposition to both in the 1950s condemned it to permanent opposition. It was only by changing its stance in 1960 that the SPD paved the way for its return to Federal power. By now enabling the government to reawaken doubts about its commitment to NATO the SPD has opened a vulnerable flank. Its leaders recognise the electoral danger, but the mistakes have already been made and the CDU/CSU will exploit them. In the run-up to 1987 I expect the government to do everything possible to portray the SPD as inherently anti-American, gullible about the Soviet Union and a threat to the FRG's security.

/if these

If these labels could be made to stick, the SPD's prospects would be seriously hurt: "anti-Americanism" in particular is a real disqualification in this country, and one not easy for the SPD to repudiate.

The need for a Coalition partner

13. The SPD's policy problems therefore cast real doubts over its electability in 1987. Even more serious is its present lack of a coalition partner. In some Länder the party is strong enough to govern alone, but its strength is unevenly distributed. It is predominant in NRW, Hamburg and Bremen. But in Bavaria, Baden-Württemberg and Rhineland Palatinate - three of the largest Länder - it can barely count on 30%. At Federal level, the SPD has never secured an absolute majority. Its best result was 45.8% - a freakishly high figure obtained in 1972 when Brandt's very popular Ostpolitik was under crude assault from the CDU/CSU. Its average since 1960 has been a mere 40%. To govern in Bonn, therefore, the SPD has always needed a Coalition partner, usually the FDP.

14. The chances of the FDP switching back to the SPD are currently negligible. The FDP has only just recovered from the traumas caused by the switch to the CDU in 1982, and will not want to repeat the experience in a hurry. In any case, it has formed itself into a party of strict financial orthodoxy well to the right of the CDU. Differences between the FDP and the SPD are far wider now than when the old Coalition broke up. This is personified in the replacement of Genscher by Bangemann as party chairman.

15. The SPD had hoped that the Greens might provide an alternative. The majority in the party now see that they do not. Admittedly, the Greens and the SPD have been able to work together at local and, briefly, at Land level. But the differences between the two parties, both on specific policies and on the philosophy of government, are enormous even at local level: higher up the Federal ladder they become unbridgeable. In any case, the SPD have come to realise

/that

that a deal with the Greens would be counter-productive. It might give the SPD the left. But it would lose it the middle, and every Federal election since 1949 has shown that a party needs to control the centre to govern the FRG.

16. In time the Greens may develop along more orthodox lines as discussed in my despatch of 18 January. Things could then change and SPD/Green cooperation might then be possible. But this is a distant vision. At present it seems more likely that the Greens will disappear at Federal level, and their support return to the SPD (from where it has mainly come). Were this to happen, however, the resultant total would still not be enough to enable the SPD to govern alone. As I say, the left-of-centre potential in the FRG is barely 45%. With the Greens or without, the SPD at present have little hope of a majority.

Leadership

17. These problems might conceivably be overcome by an outstanding leader. But the SPD does not have one. Schmidt's departure has left a huge gap: his open letter to Kohl last month was a telling reminder of what the party lost when he retired to Hamburg. Vogel ran a good personal campaign as Chancellor-candidate in 1983. His leadership of the Parliamentary party since then has been efficient, but he inspires neither enthusiasm nor affection. You will find him serious, thoughtful, modest, measured and illuminating. He will be a key figure in the SPD leadership for a long while yet; but he is not the man to lead the SPD back to power in Bonn.

18. Rau's success in North Rhine-Westphalia has led to speculation that he might replace Vogel as SPD Chancellor-candidate for 1987. He is obviously reluctant to run, preferring to keep his powder dry for 1991. He has charisma but no Federal experience. His weaknesses will show up in the Federal ring, just as Kohl's have

/done

done since he moved from Mainz to Bonn. Brandt looks increasingly old, vain and cantankerous. Apel has been discredited by his defeat in Berlin. Börner, the Minister-President in Hesse, has got stuck over his attempts to do a deal with the Greens. Koschnick, the Mayor of Bremen, is neither physically well nor the force he once looked like becoming. Of the younger blood, von Dohnanyi's intellecutalism is well suited to his present job in Hamburg but it lacks broader appeal. Lafontaine's unorthodox views on NATO probably rule him out for the top position. The rest of the field look very short on experience.

Conclusion

19. As things stand, the SPD cannot realistically expect to win the 1987 Federal election. For all their public claims to the contrary, almost all in the party privately accept this. Their recent successes in regional elections have given morale a boost which it certainly needed. But the party still has a long way to go before it can look like a credible alternative government of the country.

20. Yet the SPD is the largest and oldest Social Democratic party in Western Europe. Its time will come again, perhaps in the next election but one in 1991. Meanwhile it remains the only significant opposition party. We must therefore maintain our contacts with it, and especially with its present and possible future leaders. Our aim should be to encourage them to develop moderate and sensible policies. This is in any case their only possible route back to power in Bonn.

21. I am sending copies of this despatch to HM Ambassadors at NATO and EC posts, Moscow, Washington and East Berlin; to the UK Permanent Representative to NATO and the EC; and to the British Commandant in Berlin and HM Consuls-General in the Federal Republic.

I am Sir,
Yours faithfully

J L Bullard

J L Bullard

VOGEL, DR HANS-JOCHEN

Leader of the SPD Parliamentary Party. SPD Chancellor candidate in 1983.

Born in 1926 in Gottingen but in all other respects a Bavarian. Military Service 1943-45, wounded and imprisoned briefly. Read law at Marburg and prefers to be called 'Dr'. Engaged in legal work in Bavarian Civil Service 1952-58. Became a Munich City Councillor 1958 and was Oberburgermeister (Mayor) from 1960-72. He was responsible for the arrangements for the Olympic Games and is still proud of his achievement in building the Munich underground.

Elected to the Bundestag 1972 and appointed Federal Minister of Town and Country Planning in the Brandt Government. Minister of Justice under Schmidt in 1974. Acquired increasing influence in the Cabinet as one of the few Ministers whose horizon extended beyond his own department. When Stobbe fell from power in Berlin in January 1981, Vogel was the only man of sufficient stature the SPD could find to lead a rescue action in Berlin. In his six months as Governing Mayor from January to June 1981, Vogel made a strong impact. But public disillusion with his party and the rioting associated with the squatters, cost him the election. As Parliamentary leader in opposition he was tough but fair. His main aim was to cleanse and reform the Berlin SPD.

When Schmidt decided not to stand as the SPD Chancellor candidate for the Federal elections in March 1983, the only possible alternatives were Rau or Vogel. Rau quickly gave way to Vogel although he was regarded by his enemies as something of an opportunist for having shifted steadily left-wards in step with the changing power pattern in the party.

As Chancellor candidate, Vogel's main concern was to present the SPD as a united and convincing alternative to the government. Although the result of the election was the worst for the SPD in over 20 years, Vogel was not thought to have managed the campaign badly and he was unanimously elected as leader of the SPD parliamentary party in the new Bundestag. Vogel now has the difficult task of trying to hold

the SPD together in parliamen[illegible] in the country. He has played a difficult hand well. Yet, although none doubt his competence or abilities, he fails to carry conviction as a possible alternative Chancellor. If it was felt that the SPD had a fighting chance in the 1987 Federal elections, Rau (victor in the recent North Rhine Westphalia Land elections) would be likely to replace Vogel as Chancellor candidate.

HUBER, FRAU ANTJE

SPD MP, former Federal Minister.

Born 1924 and brought up in Berlin. Studied Political Economy. Subsequently worked as a journalist. Elected to the Bundestag in 1969. Served as Federal Minister of Youth, Family and Health 1976-82. Now Deputy Chairman and senior SPD representative on the Bundestag Foreign Affairs Committee (equivalent to our Select Committee on Foreign Affairs).

Married to a journalist.

HÄNTCH, HERR KLAUS

SPD MEP.

Born 1936. PhD in Political Science from Free University, Berlin. Personal Assistant to Minister President of North Rhine Westphalia (NRW) in 1969. 1970-76, Spokesman for NRW Science Ministry. Lecturer at Duisburg University 1976. Elected in 1979 to European Parliament where he is SPD Spokesman on Foreign policy and EC affairs.

ZEPTER, HERR BERNARD

Born 1948. Career Diplomat.

Seconded since late 1984 to SPD Parliamentary Party as Foreign Affairs Adviser covering East/West issues and relations with the US and Western Europe.

Regularly accompanies Vogel abroad.

Foreign and Commonwealth Office

London SW1A 2AH

28 June 1985

CDD
1/7

Dear Charles,

Category I Visit by Dr Vogel, 1-4 July 1985

The Prime Minister has kindly agreed to receive Dr Vogel, / Leader of the SPD, at 1130 on 2 July. I enclose briefing.

Dr Vogel last visited Britain as a guest of HMG in February 1982. At that time he was Opposition leader in the Berlin Senat. President von Weizsaecker was Governing Mayor. His programme on this occasion includes dinners hosted by Sir Geoffrey Howe on 1 July and by Mr Kinnock on 3 July, a lecture on security policy at the IISS and a visit to Scotland from 3-4 July.

Political Background

Last year the SPD were unable to capitalise on the series of gaffes which marred Chancellor Kohl's government's good performance on the economy and defence. In 1985 they have done better. The CDU's dismal electoral performance, particularly in the Land elections in North Rhine Westphalia in May, have thrown into rather sharper relief the weaknesses of the Kohl/Genscher/Strauss coalition, notably as regards the presentation of policy and personalities, and above all the deficiencies of Kohl's loose style of management.

We doubt if the SPD will suceed in translating their Land performance in 1985 into success in the federal election of 1987, though they may put up a better fight than at one time seemed likely. Their problems are numerous. These include less than charismatic leadership (Vogel) and policies on defence and the economy which do not have the confidence of the majority. There is also the complication that the SPD would need a coalition partner, whereas the FDP is unlikely so quickly to transfer its allegiance back to the SPD.

Vogel is not in the same class as a leader as Schmidt or Brandt. He has managed the Party quite well in opposition, but lacks mass appeal. If the SPD do seem to have a real chance in 1987, he could be replaced by the personable Johannes Rau, victor in North Rhine Westphalia. Sir J Bullard's / despatch of 7 June (copy enclosed) looks at these questions in more detail.

/The

The SDP remain however a significant element in German politics, and Sir Geoffrey Howe believes it is in our interest to stay in touch with them. Even in opposition the Party can directly affect our interests, particularly through its activities in East/West relations and arms control. The possibilities for wedge-driving afforded by Brandt's recent visit to Moscow are a case in point. SPD contacts can also have a positive effect (eg on human rights in the GDR). The Prime Minister might concentrate on these areas, which are covered in more detail in the enclosed briefing.

You will no doubt also wish to consider, in the light of Milan, how far the Prime Minister should raise with Vogel the FRG's behaviour in the run-up to the European Council.

Vogel could raise topical regional issues, but I judge this unlikely as they have not been a major focus of his concern. Aside from predictable differences on South Africa and Central America, the SPD position is in general similar to that of the ruling coalition.

Participation

Dr Vogel is being accompanied on his visit to the UK by an SPD MP, Frau Antje Huber, MEP Herr Klaus Hänsch, and Herr Bernard Zepter, a career diplomat seconded to the SPD as an adviser. If the Prime Minister received this delegation as well, Vogel would certainly appreciate the gesture. Frau Huber is a former Federal Minister (and good value), and it might seem invidious to exclude the others. The German Ambassador also wishes to attend.

[I have said that you will see him alone]

If the Prime Minister would prefer a more restricted meeting I would recommend that she receive Vogel, the Ambassador and a note-taker. Please let me know your decision by telephone, so that we can alert the visitors.

Vogel does not require an interpreter.

I am sending a copy of this letter to Andy Renning (Dover House) and Richard Mottram (Ministry of Defence).

Yours ever,

Colin Budd

(C R Budd)
Private Secretary

* PS We have since heard from Bonn that V. would be content for the meeting to be tete-a-tete, if that would be your preference.

C D Powell Esq
10 Downing Street

10 DOWNING STREET

THE PRIME MINISTER

22 May 1985

Dear Sir Frank.

Thank you for your letter of 29 March.

I am afraid it will not be possible for me to host the government dinner at the 1986 Königswinter Conference, but the Foreign Secretary would be delighted to do so in my place.

May I take this opportunity to wish you every success with the Conference.

Yours sincerely

Margaret Thatcher

Sir Frank Roberts, G.C.M.G., G.C.V.O.

Foreign and Commonwealth Office

London SW1A 2AH

21 May 1985

Dear Charles,

Koenigswinter Conference 1986

Thank you for your letter of 2 May. As agreed, the Foreign Secretary will host the Government dinner. I enclose a draft reply from the Prime Minister to Sir Frank Roberts.

Yours ever,

Colin Budd

(C R Budd)
Private Secretary

C D Powell Esq
No 10 Downing Street

Germany: Rels: Pt 3

DSR 11 (Revised)

DRAFT: minute/letter/teleletter/despatch/note

TYPE: Draft/Final 1+

FROM: Prime Minister

Reference

DEPARTMENT: TEL. NO:

SECURITY CLASSIFICATION

Top Secret
Secret
Confidential
Restricted
Unclassified

TO: Sir Frank Roberts
25 Kensington Court Gardens
LONDON W8 5QF

Your Reference

Copies to:

PRIVACY MARKING

.....In Confidence

CAVEAT.....

SUBJECT:

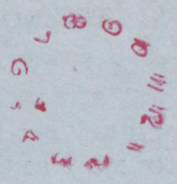
Thank you for your letter of 29 March.

I am afraid it will not be possible for me to host the government dinner at the 1986 Koenigswinter Conference, but the Foreign Secretary would be delighted to do so in my place.

May I take this opportunity to wish you every success with the Conference.

Enclosures—flag(s).....

Germany : Rels : Pt 3



21 MAY 1985

10 DOWNING STREET

THE PRIME MINISTER

17 May 1985

Dear Dr. von Hase,

Thank you for your letter of 2 April. I was interested to learn of the discussion about youth exchanges at Konigswinter.

I firmly believe in the value of such exchanges as a way of developing international understanding through personal contacts. I agree that it is right that we should devote special attention to such questions in this 40th anniversary year. I see the development of contacts between the youth of our two countries as a symbol of the reconciliation which we are commemorating.

One concrete result of our activity this year has been the recent establishment of the Youth Exchange Centre. This unites the manpower and resources of the British Council and the Central Bureau for Educational Visits and Exchanges, so as to improve the coordination and funding of youth exchange projects.

One example of its potential is a new proposal whereby British and German community service volunteers will work on projects in each other's countries for a period of six months. As you will recall, Sir Geoffrey Howe announced the establishment of a pilot scheme of this kind in his speech on 16 May at the Federal German Ambassador's dinner to mark thirty years of diplomatic relations between Britain and the Federal Republic.

Another imaginative idea is that of a Konigswinter scholarship, which I understand you have discussed with our Ambassador in Bonn. We are considering with Sir Frank Roberts how best to carry forward this promising idea. We hope that commercial interests on both sides, who have been involved with Konigswinter in the past, will make a contribution.

We are also looking at other plans for increasing the number of teacher and pupil exchanges. Pilot schemes for school-student exchanges and meetings between German/English teachers of English/German are currently being examined by the Department of Education and Science.

As regards overall funding, the British Council already allocate more to youth exchanges with the Federal Republic than to those with any other country, which reflects the importance we attach to this aspect of our bilateral relations. I think it is right that we should now concentrate on developing ideas to make better use of these resources to the benefit of young people in both our countries.

Yours sincerely

Margaret Thatcher

Dr. Karl Gunther von Hase

Germany Relation BF?

Foreign and Commonwealth Office

London SW1A 2AH

16 May 1985

Dear Charles,

You wrote on 15 April enclosing a letter dated 2 April from Dr Karl Gunther von Hase to the Prime Minister about youth exchanges.

We have consulted the British Council and the Department of Education and Science, as well as our Ambassador in Bonn, and have now put certain proposals to Sir Frank Roberts, who is the UK Coordinator for the Konigswinter Conferences.

From the outset it was unlikely that we would be able to set anything up in time for the Anniversary of VE Day on 8 May, and we did not in any case want to promote something which might be seen as token or derisory when compared with the importance of the Anniversary itself. We are now, however, in a position which will enable the Prime Minister to reply to Herr von Hase in terms which support the spirit of the / proposals. I enclose a possible draft.

Yours ever,

Colin Budd

(C R Budd)
Private Secretary

C D Powell Esq
10 Downing Street

DSR 11 (Revised)

DRAFT: minute/letter/teleletter/despatch/note

TYPE: Draft/Final 1+

FROM

Prime Minister

DEPARTMENT: TEL. NO:

Reference

SECURITY CLASSIFICATION

Top Secret
Secret
Confidential
Restricted
Unclassified

TO:

Dr Karl Gunther von Hase

Your Reference

Copies to:

PRIVACY MARKING

.....In Confidence

CAVEAT.....

SUBJECT:

To issue: dated 17 May CDP.

Thank you for your letter of 2 April. I was interested to learn of the discussion about youth exchanges at Konigswinter.

I firmly believe in the value of such exchanges as a way of developing international understanding through personal contacts. I agree that it is right that we should devote special attention to such questions in this 40th anniversary year. I see the development of ~~mutual understanding~~ and contacts between the youth of our two countries as a ~~potent~~ symbol of the reconciliation which we are commemorating.

One concrete result of our activity this year has been the recent establishment of the Youth Exchange Centre. This unites the manpower and resources of the British Council and the Central Bureau for Educational Visits and Exchanges, so as to improve the coordination and funding of youth exchange projects.

One example of its potential is a new proposal whereby British and German community service volunteers will work on projects in each other's countries for a

/ period ...

Enclosures—flag(s).....

period of six months. As you will recall, Sir Geoffrey Howe announced the establishment of a pilot scheme of this kind in his speech on 16 May at the Federal German Ambassador's dinner to mark 30 years of diplomatic relations between Britain and the Federal Republic.

[Von Hase will be present at the dinner]

Another imaginative idea is that of a Konigswinter scholarship, which I understand you have discussed with our Ambassador in Bonn. We are considering with Sir Frank Roberts how best to carry forward this promising idea. We hope that commercial interests on both sides, who have been involved with Konigswinter in the past, will make a contribution.

We are also looking at other plans for increasing the number of teacher and pupil exchanges. Pilot schemes for school-student exchanges and meetings between German/English teachers of English/German are currently being examined by the Department of Education and Science.

As regards overall funding, the British Council already allocate more to youth exchanges with the Federal Republic than to those with any other country, which reflects the importance we attach to this aspect of our bilateral relations. I think it is right that we should now concentrate on developing ideas to make better use of these resources to the benefit of young people in both our countries.

16 MAY 1985

Printed in the UK for HMSO Dd 8422057 2/84 (28592)

DER BOTSCHAFTER
DER BUNDESREPUBLIK DEUTSCHLAND
Baron Rüdiger von Wechmar

London, 10 May 1985

Dear Prime Minister,

I have the honour to transmit to you the enclosed letter by the former President of the Federal Republic of Germany, Herr Karl Carstens.

I am, dear Prime Minister,

Yours sincerely

The Rt. Hon. Margaret Thatcher, MP
Her Majesty's Prime Minister and
First Lord of the Treasury

10 Downing Street

London SW 1

-010.

EPC

Botschaft
der Bundesrepublik Deutschland
Embassy
of the Federal Republic of Germany

23, Belgrave Square
LONDON
SW1X 8PZ
Tel. 01-235-5033
Hausanschluß: Extension:
Sprechstunden: Office hours:
Montag-Freitag: Monday-Friday 9.30-12.30
Fernschreiber: Nr. 28191
Telegrammanschrift: Diplogerma London

Mr. F.E. R. Butler
Principal Private Secretary to
Prime Minister
Prime Minister's Office
10 Downing Street

London SW 1

7 May 1985 Zi/ste

NBPM
qq.

Dear Mr. Butler,

it gives me great pleasure to send you enclosed the original of the letter by the Federal Chancellor, Herr Helmut Kohl, to Prime Minister Thatcher the text of which has already been forwarded to the Prime Minister on the 25th April.

already seen.

With my very best wishes

Yours sincerely

Hubert Ziegler

Dr. Hubert Ziegler
Private Secretary
to the Ambassador

Encl.

BUNDESREPUBLIK DEUTSCHLAND
DER BUNDESKANZLER

Bonn, den 23. April 1985

Ihrer Exzellenz
Frau Margaret Thatcher, MP
Premierminister des
Vereinigten Königreichs
Großbritannien und Nordirland

L o n d o n

Sehr geehrte Frau Premierminister,
liebe Margaret,

mit großer Aufmerksamkeit habe ich den Besuch von Sir Geoffrey in Berlin (Ost) verfolgt. Sie wissen, von welch grundlegender Bedeutung die deutsche Frage für die Bundesregierung ist. Deshalb habe ich die klaren und festen Worte von Sir Geoffrey in Ost-Berlin zu den uns so sehr am Herzen liegenden deutschlandpolitischen Anliegen in ganz besonderer Weise empfunden und geschätzt.

Für diese eindeutige Haltung der britischen Regierung, mit der wir in enger Freundschaft verbunden sind, möchte ich Ihnen und Sir Geoffrey persönlich danken.

Mit freundlichen Grüßen

RESTRICTED

JR(37)
bcPC

10 DOWNING STREET

From the Private Secretary

2 May 1985

KOENIGSWINTER CONFERENCE 1986

Thank you for your letter of 1 May setting out for the Prime Minister the advantages of agreeing to host the dinner for the 1986 Koenigswinter Conference.

The Prime Minister has considered this again but remains of the view that she does not wish to host the dinner for the 1986 Conference. She would be grateful if the Foreign Secretary would take this on.

(C. D. POWELL)

C.R. Budd, Esq.,
Foreign and Commonwealth Office.

RESTRICTED

Prime Minister
There is a Koenigswinter clique, who always go. On the UK side they are predominantly SDP/Liberal. It is not nearly so influential a forum as it was. Agree not to attend (despite Foreign Secretary's views)?
CDP 1/5

Foreign and Commonwealth Office

London SW1A 2AH

1 May 1985

Yes no

Dear Charles,

Koenigswinter Conference 1986

Thank you for your letter of 15 April.

You wrote that the Prime Minister would be reluctant to host the dinner for the 1986 Conference. The Foreign Secretary well appreciates the constraints on her time, and would of course be happy to act as host himself in her place. Nevertheless, he believes that before taking a final decision the Prime Minister may like to consider the advantages of accepting on this occasion.

The Germans attach considerable importance to the role which Koenigswinter plays in Anglo-German relations and take care to see that attendance is normally at the highest level on their side. President von Weizsacker this year attended the opening session, and in past years there have been regular appearances by the Chancellor of the day, for example Helmut Schmidt. It follows that these meetings afford a valuable opportunity to get our views across to the Germans in a way which ensures that the message gets home.

[never Kohl]

Next year's conference would be an opportunity for a major speech emphasising the Government's views on European collaboration, and our commitment to furthering this. It would be good, in continuation of our previous efforts, to stress at the highest level to one of our two main partners in Europe the importance of our contribution both to the development of the EC and to European defence. (The Prime Minister was unable to take up Sir Geoffrey's suggestion for a speech on the defence theme during 'Exercise Lionheart' last year, and I doubt whether a suitable occasion will be found in the course of this year.)

April 1986 would be a good moment for such a speech, two months before the State Visit by President von Weizsacker, which we expected to take place in June. The Prime Minister could explore some themes for our Presidency in the second half of that year. The speech would be experienced first hand by many of those Germans most concerned with Anglo-German relations, and we could be sure of wide reporting in Germany.

Yours ever,

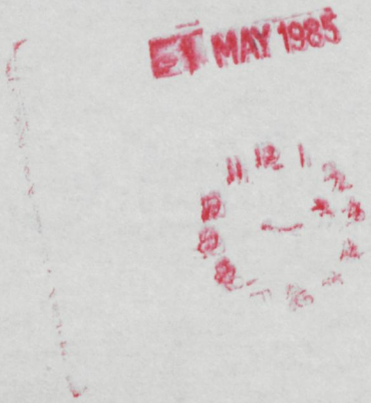
Colin Budd

(C R Budd)
Private Secretary

C D Powell Esq
10 Downing Street

RESTRICTED

GERMANY: Anglo-German Relations: Pt 3



file

DSG

26 April 1985

I enclose a copy of a letter from Chancellor Kohl to the Prime Minister conveying his warm appreciation of the Foreign Secretary's remarks in East Berlin.

Charles Powell

Len Appleyard, Esq.,
Foreign and Commonwealth Office.

26 April 1985

Thank you for your letter of 25 April enclosing a message from the Federal Channellor to the Prime Minister. I shall ensure that she sees the message this weekend.

Charles Powell

His Excellency Baron Rüdiger von Wechmar.

DER BOTSCHAFTER
DER BUNDESREPUBLIK DEUTSCHLAND
Baron Rüdiger von Wechmar

London, 25 April 1985

Dear Prime Minister,

I have the honour to transmit to you the enclosed message from Herr Helmut Kohl, Chancellor of the Federal Republic of Germany.

A courtesy translation is attached.

I am, Dear Prime Minister, yours sincerely

Her Excellency
The Rt.Hon. Margaret Thatcher, MP
Her Majesty's Prime Minister and
First Lord of the Treasury
L o n d o n

PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. T75/81

SUBJECT attached ops

Prime Minister
Copy sent to Foreign Secretary
CDP 26/4

(2)

Telegram
from
Herr Helmut Kohl
Federal Chancellor of the Federal Republic of Germany
to
Her Excellency Margaret Thatcher
Prime Minister of the United Kingdom of Great Britain
and Northern Ireland

Dear Prime Minister, dear Margaret,

I have been following the visit of Sir Geoffrey in Berlin (East) with great interest. You know what importance the Government of the Federal Republic of Germany attaches to the German question. I was therefore deeply impressed by and am particulary appreciative of the clear and steadfast position Sir Geoffrey took in East Berlin on this problem which is of great concern to us.

??

I should like to thank you and Sir Geoffrey for taking such an unequivocal stand on behalf of the British Government with which we are linked in close friendship.

Yours sincerely,
Helmut Kohl

T e l e g r a m m

von

Herrn Helmut Kohl

Bundeskanzler der Bundesrepublik Deutschland

an

Ihre Exzellenz

Frau Margaret Thatcher

Premierminister des Vereinigten Königreichs

Grossbritannien und Nordirland

Sehr geehrte Frau Premierminister, liebe Margaret,

mit grosser Aufmerksamkeit habe ich den Besuch von Sir Geoffrey in Berlin (Ost) verfolgt. Sie wissen, von welch grundlegender Bedeutung die deutsche Frage für die Bundesregierung ist. Deshalb habe ich die klaren und festen Worte von Sir Geoffrey in Ost-Berlin zu den uns so sehr am Herzen liegenden deutschlandpolitischen Anliegen in ganz besonderer Weise empfunden und geschätzt.

Für diese eindeutige Haltung der britischen Regierung, mit der wir in enger Freundschaft verbunden sind, möchte ich Ihnen und Sir Geoffrey persönlich danken.

Mit freundlichen Grüssen

Helmut Kohl

10 DOWNING STREET

From the Private Secretary

15 April, 1985.

I enclose a copy of a letter to the Prime Minister from the German Co-Chairman of the Deutsch-Englische Gesellschaft in which he conveys the recommendation of the last Konigswinter Conference that the Fortieth Anniversary of VE Day should be commemorated by announcing an increase in the amount of funds available for supporting youth exchanges between Britain and Germany.

I should be grateful for a draft reply.

I am copying this letter to Elizabeth Hodkinson (Department of Education and Science), Richard Broadbent (Chief Secretary's Office), and Michael McCulloch (Overseas Development Administration).

(C.D. Powell)

C.R. Budd, Esq.,
Foreign and Commonwealth Office.

10 DOWNING STREET

From the Private Secretary

15 April, 1985.

Dear Mr von Hase,

I write on behalf of the Prime Minister to thank you for your letter to her of 2 April.

I shall place your letter before the Prime Minister at once, and a reply will be sent to you as soon as possible.

Yours sincerely

(C.D. Powell)

Herr Karl-Günther von Hase

DA

10 DOWNING STREET

From the Private Secretary

15 April 1985

Konigswinter Conference, 1986

I enclose a copy of a letter to the Prime Minister from Sir Frank Roberts inviting her to host a dinner for the 1986 Königswinter Conference.

I should be grateful for your advice before submitting this to the Prime Minister. But I know that she will be reluctant to take it on, I think rightly. It would be helpful to know whether the Foreign Secretary would be able to do so if she decides against.

(Charles Powell)

Colin Budd, Esq.,
Foreign and Commonwealth Office.

CDP

MR. POWELL

KÖNIGSWINTER CONFERENCE: CAMBRIDGE
APRIL 1986

The attached letter from Sir Frank Roberts (ex Ambassador) asks the Prime Minister to host the Government Dinner of the Königswinter Conference at St. Catharine's College, Cambridge, in April 1986.

No comment - please deal!

4 April 1985

File

089

10 DOWNING STREET

From the Private Secretary

4 April 1985

I am afraid your letter to the Prime Minister arrived on the day that she left for ten days in South East Asia.

I shall put your request to Mrs. Thatcher on her return and we shall be writing to you again.

Caroline Ryder (Mrs)

Sir Frank Roberts, G.C.M.G., G.C.V.O.

CF

CC PC

DEUTSCH-ENGLISCHE GESELLSCHAFT E.V.

EHRENPRÄSIDENTEN: DR. KURT BIRRENBACH · PROF. DR. RALF DAHRENDORF · DR. MARION GRÄFIN DÖNHOFF · DR. KATHARINA FOCKE
HANS V. HERWARTH · DR. W. ALEXANDER MENNE · WALTER SCHEEL · HELMUT SCHMIDT
DR. GERHARD SCHRÖDER · DR. RICHARD FRHR. V. WEIZSÄCKER
EHRENVORSITZENDE DES VORSTANDES: LILO MILCHSACK, DÜSSELDORF-WITTLAER

VORSTAND:
VORSITZENDER:
KARL-GÜNTHER VON HASE, BONN
GESCHÄFTSFÜHRENDER VORSITZENDER:
STEPHAN THOMAS, BONN
SCHATZMEISTER:
DR. H.-S. GRAF ZU MÜNSTER, DÜSSELDORF

ALLE ANFRAGEN AN DIE HAUPTGESCHÄFTSSTELLE
ELKE BERGER U. JOAN SALIBA
GRAF-RECKE-STR. 82
4000 DÜSSELDORF 1
TELEFON (0211) ~~61 17 18~~ 67 64 11

2 April 1985

The Rt.Hon. Margaret Thatcher, MP,
10 Downing Street,
London S.W.1.

Dear Prime Minister,

On behalf of all the participants of this year's Königswinter Conference I want to thank you for your encouraging message which was read out in the presence of the Federal German President when he attended the opening.

I am glad to say that some very interesting discussions were had at the Conference which we hope have contributed to a furthering of mutual knowledge and understanding of our common aims.

I feel obliged to inform you of a proposal which was made as a result of the discussion which took place in the study group on "The German Question" and found the support of all the Conference participants. A British member suggested that the most appropriate way to commemorate the 8 May would be to announce an increase in funds contributed to supporting youth exchanges between Britain and Germany.

Having followed all your very understanding and helpful comments on the question of how 8 May should be observed, you will, I am sure, agree that such an effort would receive wide support.

-2-

Datum: 2.4.1985

zum Schreiben an: The Rt.Hon. Margaret Thatcher, MP,
London S.W.1.

I have also informed Chancellor Kohl accordingly and would welcome it if the two Governments would see fit to respond to this appeal of the Königswinter Conference.

I have taken the liberty of giving copies of this letter to the British Ambassador in Bonn, HE Sir Julian Bullard, and to the newly-appointed Special Representatives for British-German contacts, Sir Norman Statham and Dr. Walter Gehlhoff.

Sincerely yours,

Karl-Günther von Hase

(Karl-Günther von Hase)

GERMANY: Relations: Pt 3.

PREM 3/4

25 KENSINGTON COURT GARDENS
LONDON W8 5QF

29th March, 1985

The Rt. Hon. Margaret Thatcher, MP
10 Downing Street
Whitehall
London SW1.

My dear Prime Minister,

In 1980 you were good enough to host the Government dinner at the Anglo-German Königswinter Conference in Cambridge and to bring the then German Chancellor, Hellmut Schmidt, with you from Chequers. This, of course, made a major contribution to the success of that year's conference.

At this year's conference in Germany the Federal President, Richard von Weizsäcker, opened the proceedings and stayed with us for the first afternoon's proceedings. The Chancellor, Hellmut Kohl, had provisionally agreed to host the German Government reception but was in the event kept away by a major CDU Party Conference in Essen.

This year's conference was the first opened by a Federal President and we are anxious to show that we on our side attach a similar importance to these meetings. I hope therefore that you will agree once again to host the Government dinner in 1986. We shall be meeting, as we always do, at St. Catharine's College, Cambridge, from Thursday, April 3rd, to Saturday, April 5th. The Government dinner has always taken place on the Friday and I imagine this is normally a more convenient day for this purpose than Thursday. While I realise that you may find it difficult to commit yourself so far ahead, I hope very much that you will be able to honour us again in this way and that April 4th would be a convenient date.

I understand that there is a strong possibility of Richard von Weizsäcker paying a State Visit to this country in 1986. This is another reason why we should like to highlight the 1986 Königswinter Conference, which will be the thirtysixth in a long series.

Yours sincerely,

Frank K Roberts

Sir Frank K Roberts

GCMG, GCVO

PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL NO. .....

UNCLASSIFIED

6493 - 1

DD BONN 210800Z

GRS 100
UNCLASSIFIED
DESKBY 210800Z
FM FCO 202130Z MAR 85
TO IMMEDIATE BONN
TELEGRAM NUMBER 126 OF 20 MARCH 1985
KOENIGSWINTER
1. FOLLOWING IS TEXT OF MESSAGE FROM PRIME MINISTER.
BEGINS: I SEND YOU MY VERY BEST WISHES FOR THIS YEAR'S KOENIGSWINTER CONFERENCE. KOENIGSWINTER HAS OVER THE YEARS CONTRIBUTED ENORMOUSLY TO THE CLOSE LINKS BETWEEN BRITAIN AND GERMANY AND HAS INDEED BECOME SYMBOLIC OF THEM. I HOPE YOUR DISCUSSIONS THIS YEAR WILL CONTRIBUTE FURTHER TO THIS. GEOFFREY HOWE AND I WISH YOU EVERY SUCCESS. MARGARET THATCHER.
ENDS.

HOWE

NNNN
DISTRIBUTION
LIMITED
WED
PS

B/S

10 DOWNING STREET

PRIME MINISTER

Message to the Konigswinter Conference. The theme this year is:

"Today's Flashpoints: Tomorrow's Explosions?"

You are asked to include Geoffrey Howe in your message, so that they do not have to read a separate one from him(!).

C.D.?

I have revised this.

CDP

15 March 1985

Please send back to FCO

10 DOWNING STREET

THE PRIME MINISTER

I send you my very best wishes for this year's Koenigswinter Conference. Koenigswinter has over the years contributed enormously to the close links between Britain and Germany and has indeed become symbolic of them. I hope your discussions this year will contribute further to this. Geoffrey Howe and I wish you every success.

Margaret Thatcher

March 1985

10 DOWNING STREET

THE PRIME MINISTER

I send you my very best wishes for this year's Koenigswinter Conference.

Koenigswinter has over the years contributed enormously to the close links between Britain and Germany and has indeed become symbolic of them. ~~I welcome your choice of a provoking theme for this year's Conference. Governments need all the help available in preventing flashpoints from leading to explosions and I hope your discussions will identify practical ways to do this.~~ Geoffrey Howe and I wish you every success.

March 1985

file LPOADK

Sent 20/3

CC FCO

10 DOWNING STREET

THE PRIME MINISTER

I send you my very best wishes for this year's Koenigswinter Conference. Koenigswinter has over the years contributed enormously to the close links between Britain and Germany and has indeed become symbolic of them. I hope your discussions this year will contribute further to this. Geoffrey Howe and I wish you every success.

Margaret Thatcher

March 1985

GW

ECR

Foreign and Commonwealth Office

London SW1A 2AH

15 March 1985

Dear Charles,

Königswinter Conference 1985: 21-23 March

It has been the tradition that the Prime Minister send a short message of goodwill to the annual Königswinter Conferences.

This year's Conference will take place from 21-23 March in Königswinter. Its theme will be "Today's flashpoints - tomorrow's explosions' (programme enclosed).

I enclose a draft message for the Prime Minister's consideration. It would be read out at the opening ceremony by Lady Young, representing the Government, and incorporated in the record of the proceedings.

Whereas on previous occasions the Foreign Secretary has sent a separate message in addition, the organisers have sensibly suggested that this year the Prime Minister's message should incorporate his greetings. On the German side there will only be one message, from Chancellor Kohl, instead of the customary three, as the Federal President and Foreign Minister are attending in person. There is a feeling that in the past the reading of as many as five messages has been too much of a good thing and the organisers wish to set an economical precedent this year.

Yours ever,

Colin Budd

(C R Budd)
Private Secretary

C D Powell Esq
10 Downing Street

XXXV. DEUTSCH-ENGLISCHES GESPRÄCH

Königswinter, 21. – 23. März 1985

Adam-Stegerwald-Haus

WARNSIGNALE HEUTE – BRANDHERDE MORGEN?

TODAY'S FLASHPOINTS – TOMORROW'S EXPLOSIONS?

DEUTSCH-ENGLISCHE GESELLSCHAFT E.V.

ARBEITSGRUPPEN / STUDY GROUPS

I. Auf dem Wege zur Erneuerung des Ost-West-Dialogs

- Neueinschätzung der Ost-West-Beziehungen in Washington und Moskau, einschließlich der Abrüstungsverhandlungen
- Interessen und Perspektiven Osteuropas
- Die politische und wirtschaftliche Rolle Westeuropas, die Wiederbelebung der WEU

Towards Renewal of the East-West Dialogue

- Re-assessment of East-West relations in Washington and Moscow covering arms control negotiations
- East European interests and perspectives
- The role of Western Europe, political and economic: the revival of WEU

Chairman:	David Watt
Referent/Introducer:	Admiral Sir James Eberle
Berichterstatter/Rapporteur:	

II. Die Deutsche Frage auf dem Prüfstand

- Was wollen die Deutschen?
- Die europäische Dimension
- Was ist in Ost und West möglich?
- Ziele, Hoffnungen und Befürchtungen der Verbündeten und Nachbarn Deutschlands

The German Question Revisited

- What do the Germans want?
- The European dimension
- Conditions in East and West: what is possible?
- Goals, hopes and fears of Germany's allies and neighbours

Chairman:	Prof. Dr. Karl Kaiser
Referent/Introducer:	Prof. Dr. Michael Stürmer
Berichterstatter/Rapporteur:	

III. Regelung industrieller Konflikte

- Wandlung der industriellen Strukturen und ihre Auswirkungen auf die Arbeitslosigkeit
- Belastungen der Beziehungen zwischen den Sozialpartnern in der Bundesrepublik Deutschland und in Großbritannien; scheitern die Bemühungen um Konsens?
- Der gesetzliche Rahmen: Freiwilligkeit oder Zwang?

Industrial Conflicts and their Management

- Changes in industry and their effects on unemployment
- Strains on industrial relations in Britain and Germany, an end to the search for consensus?
- The law, control or coercion?

Chairman:	Rt. Hon. William Rodgers
Referent/Introducer:	Peter McGregor
Berichterstatter/Rapporteur:	Wolfgang Roth, MdB

IV. Umweltschutz – Mythos und Wirklichkeit

- Industriegesellschaft: sind Wachstum und Lebensqualität scheinbare oder echte Alternativen?
- Entwicklungsländer: Fragen zur Rettung ihrer gefährdeten Umwelt

Ecology – Myths and Reality

- The industrial society: growth or the quality of life – a false or real choice?
- The developing world: saving a fragile ecology?

Chairman:	
Referent/Introducer:	Prof. Dr. Ernst-U. von Weizsäcker
Berichterstatter/Rapporteur:	

Winding-up address:	George Robertson, MP.
Chairman der Plenarsitzung:	Mrs. Lynda Chalker, MP.

Drei Arbeitsgruppen sind mit einer Simultan-Übersetzungsanlage versehen, eine Arbeitsgruppe wird in Englisch diskutieren.
Three study groups will be provided with simultaneous translation, one group will discuss in English.

TIME-TABLE

THURSDAY, MARCH 21

approx. 12.00 Arrival of British participants from London
approx. 14.30 Arrival of group of British participants from Berlin
13.00 Luncheon at the Adam-Stegerwald-Haus
15.30 Opening Session
The themes of the study groups outlined briefly by the introducers followed by short discussion
Break for tea or coffee
17.30 Enrolment in the study groups
20.00 Reception given by the Federal German Government

FRIDAY, MARCH 22

7.45 – 8.45 Breakfast
9.00 Group discussions begin
10.30 Break for tea or coffee
11.00 – 12.00 Continuation of the group discussions
12.30 Luncheon
14.30 Continuation of the group discussions
16.00 Break for tea or coffee
16.30 – 18.30 Continuation of the group discussions
20.00 Buffet Supper given by H.E. The British Ambassador, Sir Julian Bullard, KCMG., and Lady Bullard, at Heisterbachstrasse 39, Bonn-Bad Godesberg

SATURDAY, MARCH 23

7.45 – 8.45 Breakfast
9.00 – 13.00 Condensed reports on the work of the study groups (approx. 10 minutes each).
Short break, followed by plenary discussion and winding-up address
13.30 Luncheon
Conference ends
16.00 Departure of British participants for Cologne/Bonn Airport for group flight to London

LOAD K

~~DRAFT~~ MESSAGE FROM THE PRIME MINISTER TO THE KOENIGSWINTER CONFERENCE

I send you my very best wishes for this year's Koenigswinter Conference. ~~Geoffrey Howe joins me in wishing you every success~~.

Since you last met, the resolution of long-standing problems in the Community and the resumption of talks on arms control have ~~kindled~~ fanned new hopes for international cooperation, both within the Community and in relations between East and West. Your theme highlights the need for all countries to work together to resolve the tensions in the world today, and to create a tomorrow worthy of these hopes. The exceptional warmth and friendship of relations between the United Kingdom and Germany and the historic experience and responsibilities of our two countries mean that our joint contribution to this process is a very special one.

Koenigswinter has become symbolic of these close ties between us. Your discussions will, I know, help to sustain and to reinforce them, as they have done for 35 years.

GCPC

NBPM
CDP 15/1.

FCS/85/37

SECRETARY OF STATE FOR DEFENCE

Non-Combatant Evacuation from Germany

1. You minuted to the Prime Minister on 22 January about proposals to brief Service Dependants and other non-combatants about plans to evacuate them from mainland Europe during serious East/West tension. I have also seen the Prime Minister's reply of 25 January.

2. I agree that the programme should go ahead. We are however left with the problem, to which your minute referred, of what to do about other British citizens resident in mainland Europe or travelling there. Notwithstanding its low-key nature, the briefing programme for Service non-combatants you have in mind seems likely to give rise to questions about what plans we have for these other citizens during a crisis. It will therefore be necessary for a line to be prepared for use in the event that the briefing programme causes public comment about the distinction being drawn between Service non-combatants and other civilians. The special treatment accorded to Service civilians might best be justified in terms of the operational difficulties which would be faced by British Forces Germany if they were to stay. The line to take should also emphasise the fact that HMG's precise advice to British citizens in a crisis would be dictated by the circumstances, but that official evacuation might not be practicable for all such citizens in view of the size of British communities abroad and because of the paramount importance of the reinforcement process.

.../3.

3. I am copying this letter to the Prime Minister, the Home Secretary and to Sir Robert Armstrong.

GEOFFREY HOWE

Foreign and Commonwealth Office
15 February 1985

GERMANY: Relations: Pt 3.

15 FEB 1985

CONFIDENTIAL

RLE EC

cc PC

10 DOWNING STREET

From the Private Secretary

11 February 1985

Whither the Federal Republic?

Thank you for your letter of 6 February enclosing a copy of Sir Julian Bullard's letter: "Whither the Federal Republic?" to Sir Antony Acland. The Prime Minister has read this with interest.

She would be interested in further views on the extent to which the growing self-confidence and German consciousness of the Federal Republic will lead it to behave in a more self-interested manner within the Community and within Europe generally and the implications for us.

(Charles Powell)

Colin Budd, Esq.,
Foreign and Commonwealth Office

CONFIDENTIAL

CST.

Prime Minister
An interesting letter from Julian Bullard but it doesn't (except perhaps in para. 10) answer your question: what are the implications of greater German consciousness of being German, & their growing tendency to throw their weight about in Europe?

CDP 7/2

Foreign and Commonwealth Office
London SW1A 2AH

6 February 1985

Dear Charles,

Whither the Federal Republic?

When she saw Sir Antony Acland recently, the Prime Minister expressed interest in current developments in the FRG, the mood of the country, and its prospects. Sir Antony asked Sir Julian Bullard for his thoughts, which he has sent us. I enclose his letter of 2 February entitled "Whither the Federal Republic?".

At the same time as this letter, we received an account by Sir Julian of the work he and his Embassy have been doing to improve Britain's image in the FRG. The Prime Minister may be interested to read this too. I enclose a copy.

As the Prime Minister will know, the Foreign Secretary has for some time now been paying considerable attention to the improvement of our image in the FRG, as noted in paragraph 2 of Sir Julian's second letter. He intends to go on doing so.

Yours ever,

Colin Budd

(C R Budd)
Private Secretary

C D Powell Esq
10 Downing Street

Sir Julian Bullard KCMG

BRITISH EMBASSY,
BONN.

CONFIDENTIAL

2 February 1985

Sir Antony Acland KCMG KCVO
Permanent Under-Secretary
FCO

My dear Antony,

WHITHER THE FEDERAL REPUBLIC?

1. You asked me to let you have my thoughts on which way this country is moving.

2. There are some worrying developments in the Federal Republic: the rapidly growing public support for the Greens, an obsessive and largely emotional concern about environmental issues; and a new wave of terrorism. But my main message is reassuring. The Federal Republic is a very stable democracy with a very strong economy and very loyal to the West. There is no question about the top priority given here to NATO and the Community, and to the bilateral relationship with the United States, by the CDU/CSU and the FDP and by Kohl personally. The present coalition of these parties has a good record on major things like the economy and INF. It will be in office until the next general election in early 1987. The most likely outcome of that election is continuation of the same coalition. The next most likely outcome, if the FDP fails to get back into the Bundestag, is a CDU/CSU government with an overall majority. Despite the rapid growth

/in

in the Greens' support - now at least 10 per cent in opinion polls - the chances of a hung parliament with the Greens holding the balance are not high. The risk of the SPD and the Greens sharing power in what is called a Red-Green Coalition is even smaller, because of the disagreements between them and the consequent dispute within each of them about the question of cooperation with the other.

3. One reason for my confidence about the 1987 election is that the overwhelming majority of Federal public opinion do not like sudden change. The Greens, if they secured a role in government, would certainly bring surprises. If the present coalition parties continue to warn the electorate against "Red/Green chaos", the vote for the SPD and the Greens will be reduced and the risk that CDU/CSU or FDP voters will stay at home will be minimised. Even the SPD's own leaders do not expect it to be back in government before 1991.

4. In this country, as elsewhere, novelty and excitement in politics get the headlines. The antics of the Greens and the more extreme ideas on the left of the SPD receive more publicity than majority opinion. This phenomenon is magnified here by the Germans' lack of self-assurance, caused by the catastrophes they have wrought within living memory. They have made some progress in learning to live with the past, and in general they are more self-confident than they used to be. But the process is not complete and public opinion is easily prone to Angst. There is agonised discussion in the media every time anyone suggests that neutralism is growing, that the Federal Republic is seen by its allies as unreliable, that Germany's beloved forests are dying, that the population has entered upon an

/unstoppable

unstoppable decline, that terrorism is winning etc etc.

5. That said, the overwhelming majority of West Germans are content with their place as citizens of the Federal Republic. Most now have no memory of a larger Germany. They would like to see re-unification if it were available, and they would welcome it if offered, whatever the financial cost. But they know it to be out of the question for a long time yet, and they seldom think about it, still less work for it. Kohl speaks of the theme because he does not want to leave it to the extreme right or the extreme left, not because he wants a different policy towards the GDR from the one he inherited from Schmidt and has largely continued. There is a consensus in the FRG that the government should do what it can to ease the lot of the 17 million Germans living under Communist autocracy, who are seen as paying far more heavily than the West Germans for what Hitler did. But the paradox is that the development of inner-German relations takes place between two German states and tends to consolidate the separate existence of the GDR even while it builds up links between the peoples.

6. The Federal Republic also has a special psychology in East-West relations generally. Its position on the fault-line in Europe makes it feel not only the need to find security in Western solidarity but also the need to promote relaxation of East-West tension in fair weather or foul. Under Schmidt, this was sometimes expressed in indulgent interpretations of Soviet acts: you will remember especially his mild reaction to the declaration of martial law in Poland. But Kohl, in a crisis like Afghanistan or Poland, will think first of the need to maximise agreement with Washington, not

/of

of the desirability of minimising the damage to East-West relations.

7. Chancellor Kohl, the genial generalist, radiates confidence and has a good track record as a vote-winner. His relaxed style reassures many Germans, and his weaknesses strike an echoing chord at the grass roots. He is also a good political strategist. His shortcomings lie in handling the detail of policy and the tactics of politics. He has allowed the affair about the Silesian expellees to grow from a banana-skin to an oil-slick. This fallibility may in time lead to his departure. If so, there are two convincing CDU Chancellors-in-waiting: Stoltenberg, the Finance Minister, and Spaeth, the Minister-President of Baden-Württemberg. The former must be the favourite.

Conclusion

8. I believe, in sum, that the West Germans are generally contented, and distrustful of change; that neutralist tendencies in the Greens and on the left of the SPD are very far from representing a majority; that another staunchly pro-Western government is by far the most likely result of the 1987 elections; that Kohl's weaknesses may possibly bring him down; but that this would change the Chancellor without changing the coalition.

9. As Oliver Wright was fond of pointing out, this is a country of dark and deep passions. I sometimes have the feeling of a people bursting at the emotional seams, as Kohl gives the impression of bursting out of his suits. If Germans are turning back to their own past, this is partly because they find the present so

/constricting

constricting. But at the moment their energy is channelled in harmless directions: making yet more money, buying a 3rd and 4th house, more and more expensive medical treatment, conspicuous consumption of all kinds, investment overseas. I see nothing to suggest that the Germans are about to throw over democracy, cut their links to the West or begin to behave in an unpredictable manner. The engine is a powerful one and a lot of steam comes out of it, not all of it from the funnel. But the locomotive is not about to leave the track.

10. Looking further ahead, I have explained elsewhere why I think that "the German question" is likely to be with us for some time to come, and of course I took careful note of the despatch which I received in reply. I do believe that the restlessness which has caused so much trouble to Europe and the world in this century is still present in the German character - or perhaps I should say that it has re-emerged. I can imagine circumstances in which this might turn in directions disagreeable to us: for example, if there were a severe economic recession in this country, or if the European Community disintegrated, or if the US broke off all contact with the Soviet Union and announced its intention of going full steam ahead with all its current defence programmes and with SDI as well. (I hope there is no reason to expect any of these things to happen.) I also believe that many Germans are conscious that their economic strength is not matched by their political and economic status in the world - a feature which they share with Japan. There are the ingredients for a revival of German discontent. But there is not at present a significant national mood on these lines. Nor is Kohl a man capable of articulating it.

/11.

11. I leave it to you to decide whether to give this letter any further distribution, and I apologise for its length.

Yours ever

Julian

J L Bullard

Sir Julian Bullard KCMG

BRITISH EMBASSY,
BONN.

CONFIDENTIAL

1 February 1985

D M D Thomas Esq CMG
FCO

My dear Derek,

BRITAIN'S IMAGE IN THE FRG

1. There was correspondence between this post and the Department in 1983 about Britain's image in the Federal Republic (Christopher Mallaby's letter of 8 July and WED's of 15 August). The conclusion was that, although our image had taken a turn for the better, there was still plenty of room for improvement.

2. As you know we have been trying for some months to remind the German government and public of the importance - and importance to them - of Britain. In my 5 months here I have been enormously helped by such things as the Secretary of State's speeches in Bonn and Berlin, his article in Foreign Affairs, his short but well-timed and telling article in Handelsblatt, Exercise Lionheart and the British Council's anniversary events. At a more modest level, we have sought to exploit a weakness of the regional structure of the German media - that slender resources often make it difficult for editors to be well informed across the board - through a series of press interviews in the major cities of the FRG, designed to get the

/British

British message across. Adding up my own figures after my first five months, I am slightly astonished to find that I have logged up over 40 substantive discussions with press, radio and television, counting 2 or 3 in London before I arrived. Of these, 19 (12 press, 7 radio/TV) have been on the record and have resulted in hard copy or broadcasts. The remainder have been background and largely off the record.

3. The Community has naturally been the dominant theme, but there have also been opportunities to put over our views on East-West relations, NATO and especially our contribution to Western defence in cooperation with the FRG. I have been questioned more than once about the Falklands, and about Northern Ireland. In both Hanover and Stuttgart the closure of our career consular posts has naturally been raised. And people never stop asking about Britain's policy on the pollution of the air and the North Sea. In Berlin, questions have usually been of a local character: Gatow range etc.

4. Looking back over this half year, I would say that Britain's image is still improving. Judging from his interview in the Times of 18 January, Kohl and his staff have got the message about our importance. The press reactions to the Summit on that day were very positive. The Prime Minister's image of determined leadership, stressed in Mallaby's letter in 1983, continues to be a major asset, though the pressure on sterling in recent weeks has somewhat shaken confidence. The collapse of the miners' strikes, when it finally comes, will be seen here as a great victory, although an expensive one. The importance of British Forces Germany has recently been

more widely noticed. I think that our European commitment is becoming better recognised, and the end of the budget saga should help to maintain this trend.

5. So far, so good. But we must stick to it. I know I can count on continuation of the excellent response we have had from Ministers and officials in London to our proposals for efforts to improve this very important bilateral relationship. Various useful things are in the pipeline, with Königswinter a major event on the horizon for the end of March.

Yours ever
Julian

J L Bullard

cc N J Barrington Esq CMG CVO, FCO
D J Wyatt Esq CBE, BMG Berlin
T J Everard Esq CMG, East Berlin
Career Consuls-General in FRG
CICC(G)

cc Caroline Ryder.

CF
9.35
10.00
Tue 2 July
CR
712

10 DOWNING STREET

From the Private Secretary

1 February 1985

Visit by Hans-Jochen Vogel

Thank you for your letter of 31 January about the visit by Hans-Jochen Vogel between 1 and 4 July.

The Prime Minister agrees in principle to see Mr. Vogel. You will wish to talk to Caroline Ryder about a possible time.

(C.D. Powell)

Colin Budd, Esq.,
Foreign and Commonwealth Office

file BM

bc CR

10 DOWNING STREET

From the Private Secretary

1 February 1985

Visit by Hans-Jochen Vogel

Thank you for your letter of 31 January about the visit by Hans-Jochen Vogel between 1 and 4 July.

The Prime Minister agrees in principle to see Mr. Vogel. You will wish to talk to Caroline Ryder about a possible time.

BFW

(C.D. Powell)

Colin Budd, Esq.,
Foreign and Commonwealth Office

2

CCPC CDP

Foreign and Commonwealth Office

London SW1A 2AH

31 January, 1985

Prime Minister

Agree to see him?

CDP 31/1

Dear Charles,

Possible Visit by Hans-Jochen Vogel

Our Embassy in Bonn have informed us that Hans-Jochen Vogel, Leader of the SPD, the main German opposition Party, wishes to visit Britain on 1-4 July.

Yes MT

The Foreign Secretary plans to issue an official invitation, and to see Vogel during his visit. Vogel has expressed interest in seeing the Prime Minister, and Sir Geoffrey hopes that the Prime Minister will be able to agree to this.

Although the SPD's immediate prospects are uncertain, Vogel is by virtue of his position an influential politician who cannot be ruled out as a future Chancellor. The party's priorities and concerns help to determine the agenda of foreign policy debate in Germany.

Yours ever,

Colin Budd

(C R Budd)
Private Secretary

C D Powell Esq
10 Downing Street

31 JAN 1987

CC PC
BT

NBPM
CDA
.12.

CONFIDENTIAL

QUEEN ANNE'S GATE
LONDON SWIH 9AT

January 1985

Dear Michael

NON-COMBATANT EVACUATION FROM GERMANY

Thank you for copying to me your minute of 22 January to the Prime Minister. I see no difficulty from a Home Office point of view in your proposals.

I am copying this to the Prime Minister, Sir Geoffrey Howe and Sir Robert Armstrong.

Yours,

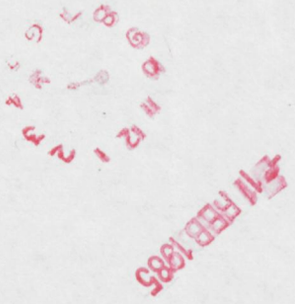
Leon

The Rt Hon Michael Heseltine, MP

CONFIDENTIAL

GERMANY

Anglo/German Relats. Pt 3.



JR2AAE

file

bc: Sir P. Cradock

10 DOWNING STREET

From the Private Secretary

25 January 1985

NON-COMBATANT EVACUATION FROM GERMANY

Your Secretary of State minuted the Prime Minister on this subject on 22 January, proposing that British Forces Germany should now introduce their revised briefing programme on the evacuation of Service dependants and other non-combatants.

The Prime Minister agrees.

I am copying this letter to Colin Budd (Foreign and Commonwealth Office), Hugh Taylor (Home Office) and Richard Hatfield (Cabinet Office).

(C.D. POWELL)

Richard Mottram, Esq.,
Ministry of Defence.

ECL

MO 3/9/4/1

Prime Minister

Agree that British Forces ~~Programme~~ Germany can now introduce their programme? The German government is content.

C.D.P. 24/1

PRIME MINISTER

NON-COMBATANT EVACUATION FROM GERMANY

You may recall that, during the Anglo-German Summit in April 1983, Chancellor Kohl raised with you proposals from British Forces Germany to brief our Service dependants and other non combatants on the Government's plans to evacuate them from Europe in a major international crisis, including issuing them all with an advisory booklet. The Commanders in Chief in Germany are concerned that without such briefings in peacetime there could be severe problems in implementing evacuation in a crisis, and that morale in peacetime suffers from the present limited knowledge of the plans.

2. Chancellor Kohl was at the time worried about the effect of these proposals on the nuclear debate. I shared his concern, and therefore froze all action on the briefings. Since then British Forces Germany have revised their proposals so that briefings would not be accompanied by any high profile publicity, and would be phased in over a period of months. This is a much lower key arrangement than the recent American briefing practice in Germany, on which the original British proposals were based. There would be no live exercising of the plans.

3. These revised proposals have been put by our Embassy in Bonn to German officials who were for their part content for the briefings now to go ahead. I had a word with Manfred Woerner about this in the margins of last week's Summit who confirmed that he and Chancellor Kohl were content and that he saw no need for them to be consulted more formally.

4. I have also considered the possible response domestically. There remains a risk that CND and others might seize upon the briefings and misinterpret them, but that problem is not as acute as it was eighteen months ago. Some unfavourable comparisons might also be drawn with the situation of other British citizens on the Continent, whom the Foreign and Commonwealth Office would be advising to stay put at the time Service dependants were being evacuated. Nevertheless a clear distinction can be drawn between Service families whose head would have been deployed away on active service and other British citizens who would not be divided as a result of the crisis and who may have had earlier opportunities to return to the UK if they had wished. British Forces Germany could not support Service families separated from their head without serious detriment to their operational capability.

5. Our press line in the event of enquiries would be that the briefing programme was a revised and improved form of the information already given to families on the long standing plans to evacuate them from Europe in a crisis. Detailed, defensive press briefings would be prepared by officials and agreed with the Germans.

6. I therefore propose, subject to your views and those to whom I am copying this minute, that British Forces Germany should now introduce their programme in the form they have agreed it with German officials.

7. I am copying this minute to the Foreign and Commonwealth Secretary and the Home Secretary, and to Sir Robert Armstrong.

Ministry of Defence
22nd January 1985

24 JAN 1985

MO 14/3

NBPM
CDP
22/1

NOTE FOR THE RECORD OF A MEETING WITH THE GERMAN DEFENCE MINISTER, DR WOERNER AT 9.25 am ON FRIDAY 18TH JANUARY 1985

Present:

The Rt Hon Michael Heseltine
Secretary of State for Defence

Mr D A Nicholls
DUS(Policy)

Mr C L G Mallaby
Minister, British Embassy
Bonn

Mr H Chambers
Counsellor, British Embassy
Bonn

Mr R C Mottram
Private Secretary to the
Secretary of State for Defence

Dr Manfred Woerner
Federal Minister of Defence

Dr Lothar Rühl
State Secretary, Federal MOD

Herr Karl-Helmut Schnell
Head of the Directorate-General
of Armaments

Dr Hans Rühle
Head of the Planning Staff

Major-General Rolf Hüttel
Head of the Staff Division

Col K Reinhardt
Principal Staff Officer to Federal
Minister of Defence

In an initial tête à tête discussion at which notetakers were not present, Dr Woerner asked about recent press comment in Britain about chemical warfare. The Secretary of State explained the background and that the Government's policy continued to be to seek an arms control solution at Geneva. Dr Woerner said that he was aware of the state of the US stockpile and supported the case for its modernisation with binary weapons. The question was whether it would be feasible to change over the stockpile in Europe in a low key way.

2. Dr Woerner expressed concern about the recent Pershing II accident in the Federal Republic and its implications for the INF argument in Germany. He had insisted that an expert from his Government should be involved in the investigation of the causes of the accident which had yet to produce an explanation.

Conventional Defence Initiative

3. Opening the plenary session, Dr Woerner referred to the agreement recorded in paragraph 8 of the communique at the December DPC meeting on improvements in conventional defences. Something had to be done but there was not much scope for the provision of additional resources anywhere in Europe. He supported the Secretary-General's proposal to pursue the work using the normal NATO framework. There might be occasions when it would be appropriate to raise the level of representation at meetings but this should not be done too often. It would be important to proceed in parallel with the work on the conceptual framework which should be used to establish clear priorities, rather than to focus on the attractions of particular weapons systems or technologies. German priorities were clear: first, to deal with the first echelon, secondly offensive counter-air, and thirdly, the attack on the second echelon. He was sceptical about American enthusiasm for attacking moving targets 500-600 kilometres behind the FEBA. German studies suggested this was not a feasible option technically for the coming decade and beyond. It was more realistic to focus on the attack 30-50 kilometres behind the FEBA and beyond that on choke points. The Conventional Defence Initiative would need very careful handling so that we avoided the impression of dragging our feet but at the same time were not pressured into approaches which had not been thought through.

4. The Secretary of State said that he had an open-mind about these conceptual issues and their weapons system implications. His concern was that the initiative represented a Mk II version of the earlier 3% initiative and that he would not be asked to address real issues about how best to spend the available resources but simply to stump up more money. While no one within NATO was a stronger supporter of the United States, he was wary of the Administration's obsession with hiking up defence expenditure which he believed to be counter-productive. It would lead to ever higher expenditure on both sides and was not justified by the present risk of war particularly in Europe. The will continually to increase defence expenditure had gone in Britain, not just in the Government but in Parliament.

5. Dr Woerner said that they should start to move away from the 3% goal, which was an unsatisfactory measure, towards looking more at output. He was concerned that an underlying motive for the initiative in the United States was the desire to introduce conventionally armed missiles for deep strikes. There was a risk that there would not be adequate consideration of the problems such dual capable missiles, whether ballistic or cruise, presented in arms control terms and to Western public opinion. The Secretary of State said that he recognised these problems but was not himself against being associated with a programme of new long range missiles. In discussion, it was recognised that the Soviet Government would seek to make propaganda points about any Western programme but would

have means open to them to assess the balance between conventional and nuclear warheads. They were themselves embarked on a very ambiguous programme of missiles with a triple capability : conventional, chemical and nuclear. The West must do what was required for its proper defence in the real world. Dr Woerner, while accepting this, commented that he faced an immediate problem of the replacement of the Pershing IA missile this year, which was likely to provide a new focus for the "peace movement".

6. The Secretary of State said that there was one aspect of the European defence effort where he sympathised with the American Government and Congress - the political and defence contribution of the smaller European countries. He too was tired of their unwillingness to pull their weight. Dr Woerner interjected that when Senator Nunn criticised Europe, he actually had in mind Germany. The Secretary of State said that when he talked to US Senators and Congressmen he stressed how unhelpful the Nunn approach was to America's friends in Europe, as it appeared to put in the dock Britain and Germany. But he wondered if there was some way in which leverage could be applied in the smaller countries?

7. In discussion of the latest approach of the Belgian Government to INF deployment, it was agreed that this did not properly meet their obligations under the 1979 twin-track decision. There was a strong case for a concerted private approach by the European basing countries to express their concern.

8. The Secretary of State said that when he had first taken on his present appointment, he had ruled out any approach which involved, or could appear to involve, interfering in another country's affairs. But he now had doubts about this. He had it in mind for example during his forthcoming visit to Copenhagen to make a speech which would draw attention to the importance for her Allies of the Danish defence contribution. The problem was to get the tone right. Mr Nicholls pointed out that the Danes depended upon British reinforcements and we had a legitimate interest in their protection. Dr Woerner said that the interest of the smaller countries in industrial participation in new weapons systems through the IEPG might provide a useful context in which to point out that they could benefit only if they made an adequate contribution. He also used a wider political argument that the larger European countries shared the wish of the smaller for equality of influence rather than a form of directorate, but as part of this the smaller countries must pull their weight. The Secretary of State said that he would send Dr Woerner the text of his Copenhagen speech in draft.

9. Dr Woerner emphasised the importance of working actively to influence members of the US Congress in order to avoid a new Nunn resolution. He would be visiting the United States at the end of March and intended to pay a number of calls on The Hill. He also

planned to invite those on the key Congressional committees to visit Europe to see for themselves the scale and the quality of the European contribution: German and British forces stood comparison with anything the Americans could offer. The Secretary of State said that he was intending to visit the United States at the end of February: he agreed with Dr Woerner's approach.

10. Dr Woerner expressed concern that the new emphasis on conventional defence in American circles went beyond a strategy of no early first use to a belief that there should be a wholly conventional response to the Soviet threat. The deterrent threat of escalation based on INF was given less prominence and they seemed to see a future European war increasingly on the World War II model. This approach was neither realistic nor acceptable to the German Government. The Secretary of State commented that American concern over modernising shorter range nuclear forces as part of the follow-up to the Montebello decision and their deployment of huge numbers of cruise missiles suggested that they were not moving towards eliminating the intermediate nuclear option.

Arms Control and the SDI

11. Dr Woerner said that his Government welcomed the outcome of the meeting between Mr Shultz and Mr Gromyko. They agreed that research must continue on aspects of the Strategic Defence Initiative with the options left open for what should be done at the end of the research phase. The Americans had to carry out the research because the Russians were already doing it; the technologies involved might have wide applications; and it was clear that the SDI had brought the Russians back to the negotiating table.

12. The Secretary of State agreed with this analysis but said that he had some personal concerns about where this process would lead. The decision to proceed with research was the only one that was relevant at present and those anxious to achieve deployment would make any concession to get that decision. Similarly he believed that when there was scope for testing of parts of the system they would make concessions then about negotiations provided they got the go-ahead. Once matters had moved as far as this the military and industrial interests involved would be so great that the process would be virtually unstoppable. Dr Woerner agreed that it was doubtful whether deployment of such a system would lead to additional stability rather than just to competition between the Superpowers at a higher level. The German Government was concerned too over the implications for the British and French nuclear deterrents which they did not wish to see paralysed as a result of the deployment of more defensive systems by the Soviet Union. There could come a time when he was not a Defence Minister, when there would perhaps be a common European effort at this level.

13. In further discussion of the prospects for arms control, it was recognised that it would be very difficult to handle the triple linkage between strategic, INF and space weapons. In response to a question from Dr Woerner about the British Government's position on the inclusion of our deterrent, the Secretary of State explained that we had made it clear that if there were a large reduction in strategic arms we would not stand apart from this process; but we had deliberately not further defined what this might mean. Dr Woerner said this position was quite understandable: his Government's interest was that Britain and France remained nuclear powers.

WEU

14. Dr Woerner asked whether there were any issues that needed to be addressed on the next WEU meeting. The Secretary of State said that he had been pleasantly surprised by the outcome of the Rome meeting and was coming round to the WEU as an institution.

Report by National Armaments Directors

15. Herr Schnell introduced the joint report of the FRG and Britain's National Armaments Directors and went through it item by item.

16. On SP70, Herr Schnell said that the German side insisted on the appointment of a prime contractor. Dr Woerner commented that the cost of the programme had reached a point which was nearly unacceptable; after 12 years work only 1% reliability was being achieved and it was inconceivable to him how this result had come about.A single company had to be appointed prime contractor and made responsible for completion of development within a restricted timescale at a restricted price. The Secretary of State said that he was content to proceed on this basis and accepted that the prime contractor would be a German company. Given this, he believed that officials should urgently look together at the detailed arrangements including the way in which the work was to be shared. He was asking only that the German Government give the same consideration to British industrial interests as they would themselves seek in circumstances where the prime contractor was British. Herr Schnell emphasised his concern that the prime contractor should be allowed to take the decisions necessary to establish the programme on a firm footing within a limited cost and then be held accountable for his performance. He could not accept further delay while the three partners discussed how to re-establish the programme and emphasised that if it was not sorted out within six months, the project would be over as far as the German Government was concerned. The Secretary of State said that there was no need for extensive delay. To ensure that it did not happen as a result of inaction on the British side, he would arrange for a report to be made to British Ministers every Friday detailing where the programme stood, until the new arrangements had been established. Dr Woerner said that the German Government were content to proceed on this basis.

17. In discussion of MLRS, the Secretary of State said that he was delighted with the outcome. He believed that it merited publicity, and would wish to keep in touch with the German Government so that this could be concerted.

18. In discussion of EFA, Herr Schnell referred to the wish of the Dutch Government to join the project. It was agreed that effort should be made to achieve this at the next phase of the project.

19. The Secretary of State said that the British Government had yet to reach a decision about the choice between the Franco-German and Italian options for a future anti-armour helicopter but the Italian option seemed more likely to attract British interest. Before exercising such a choice he had asked that the option of a four-power programme should be further explored. Dr Woerner said that there were three reasons why the German Government had chosen to work with the French rather than on the project based upon the Italian option. The first was political, following failure of the Franco-German tank project. Secondly, they believed that the Italian option would not provide the capability required for the environment of the 1990s in areas such as the ability to operate at night; and thirdly, the Italian option would provide a helicopter which had reached its limits in technological terms by the time it was introduced. The Franco-German alternative would be technologically superior. The Secretary of State said that he would find it helpful to have these arguments set out in more detail. Herr Schnell commented that he was about the write to Mr Perry in response to the latter's letter.

20. The Secretary of State referred to correspondence about the possible purchase by the German Government of the ALARM anti-radar missile rather than the American alternative, HARM. Herr Schnell indicated that the Germans saw advantage in HARM since it was already in production. The Secretary of State pointed out that the same argument might apply here as had just been used in relation to the attack helicopter. HARM was available but ALARM was superior from a technological point of view. Moreover it was cheaper and he understood that 100% offset would be available. In response to a question about the risk of delay in its in-service date, the Secretary of State emphasised the special monitoring arrangements which had been established to ensure that the targets were met. Dr Woerner said that he was not aware of these issues and would go into them himself. The Secretary of State agreed to write to him about them.

21. The meeting ended at 1155.

Rum

Ministry of Defence

22nd January 1985

Distribution

PS/Prime Minister
PS/Foreign and Commonwealth Secretary
PS/Secretary of the Cabinet

Sir J Bullard, Bonn
Sir J Graham, UK Del NATO
Sir O Wright, Washington

NOT TO BE PHOTOCOPIED
WITHOUT REFERENCE TO THE
PRIVATE OFFICE

22 JAN 1985

NOTE OF A MEETING BETWEEN THE MINISTER OF AGRICULTURE, FISHERIES AND FOOD AND THE GERMAN MINISTER OF AGRICULTURE: BONN - 14 DECEMBER 1984

Present

The Minister	Herr Kiechle
The Minister of State (Commons)	Herr Florian
Sir Michael Franklin	Herr Specks
H M Ambassador	Herr Brüss
Mr Andrews	
Mr Elliott (Embassy)	
Mr Llewelyn	

Dmb 18/12

1985 PRICE FIXING

Cereals

Herr Kiechle said that Germany faced a major difficulty over the guarantee threshold for cereals. In 1985/86, this would, if implemented in full, involve a 5% price cut. The German Government knew that they could not reject this system, but their farmers were opposed to it and that they had serious political problems. For example, a large area (some 80,000 hectares) had had a disastrous harvest; if the UK was in the same situation, what would they do?

The Minister replied that poor weather was one of the normal hazards of farming; it had to be expected once in a while. Governments had to consider the overall position. At the moment there were massive surpluses of cereals, and although the Community could compete on third markets now because of the strength of the dollar, the position could change. Last year the Community had taken an initial step towards an even more prudent agricultural policy, and it was essential that this was followed up next year. The guarantee threshold arrangements should be implemented in full. // Herr Kiechle commented that Germany wanted to reduce the quantity of cereals produced eventually, but without penalising farmers. In any case, he did not think that price reductions would bring down levels of production, since farmers would continue to produce the same amounts, even at lower prices; the only effect of a severe price policy would be lower farm incomes. What we needed to consider in the first instance were ways of using more of what we produced; we could then look, in the longer term, at ways of cutting back production levels. Herr Florian then explained Germany's thinking on cereals. Cereals production in the Community was increasing (largely through increases in yields) while consumption was stagnant. There was little opportunity to increase human consumption, exports of wheat (the principal problem) were limit to 30 million tonnes a year, so the only alternative was to increase the quantities used for animal feed. This could be done by reducing imports of cereal substitutes, but this was not a realistic option. Equally, a simple price reduction would be politically unacceptable.

** the reference price system for breadmaking wheat should be abolished and that

Given, in fact, the political necessity of avoiding a reduction in nominal prices, a completely different system of cereal support was needed; the present system was, in any case, ineffective. Germany was now proposing that** the intervention price for wheat should be linked automatically to that for barley, at a level which reflected only half the higher feed value of wheat, thus if the intervention price for barley was 100, that for wheat would be 104. Introducing this price ratio should increase the amounts of wheat used for animal feed and an automatic system would mean that it would be not be necessary to discuss separately the intervention price for wheat. This would enable Germany to satisfy their most important political aim in the forthcoming negotiations, which was to avoid a nominal price reduction for wheat, although there would be real price reductions in some sectors. He hoped that experts in the two countries could discuss these ideas further.

Commenting on these lengthy interventions, the Minister said that he did not agree that reductions in price would not eventually reduce production. There might be a temporary production increase, as producers tried to maintain their gross returns, but in the long term the classic effects of lower prices would work through and production levels would fall. In particular, marginal cereal growing areas would tend to revert to grass. A price freeze would not be enough given the underlying increase in productivity (about 2% a year). In these circumstances, he could see no alternative but to reduce prices by the full 5% required by the guarantee threshold system. Other options, such as quotas, co-responsibility levies or compulsory incorporation of cereals in feedingstuffs would not provide satisfactory alternatives. Nevertheless, we would be prepared to discuss the new ideas that had just been put forward. Finally, he hoped that we could agree to oppose any proposal to impose standards on exports of cereals.

Sir Michael Franklin added that a restrictive price policy for cereals had never been tried. In real terms, the price per hectare for cereals had risen over the last few years. There was no evidence that a price cut in real terms would not have an effect on production. Moreover, both Germany and the UK had an interest in maintaining the principle of guarantee thresholds. If the system was not made to work for cereals, it would not be applied to Mediterranean products. Herr Kiechle repeated that a 5% nominal price cut was unthinkable. Furthermore, in a great majority of cases, where there was no alternative to grain production, such a reduction would not reduce the level of production. Even in marginal areas, where he accepted that farmers might be forced to switch from cereals, alternative crops were also under severe pressure; politically this had little to commend it. Herr Florian added that the two sides were not far apart in their analysis of the current situation. He agreed that the guarantee threshold system had to be maintained. However, there was disagreement about how this should be achieved. The German view was that

the only option was to increase feed usage and that this, in turn, could only be achieved by reducing real prices. This solution could be sold to producers, provided that nominal prices were not reduced. He repeated that Germany had no desire to abandon the guarantee threshold system and they wanted it to continue to apply in other sectors, such as olive oil. Their proposals would preserve the system, which had proved unsuitable for cereals in its present form.

Mr Andrews agreed that German and UK perceptions of the current market situation were similar. However, we were more concerned than Germany seemd to be about the long term prospects for cereals. If current trends continued, the surplus would become unmanageable and there would be no prospect of disposing of it on the internal market, while exports were not likely to present a realistic alternative. Moreover, it was difficult to see how the German proposals would increase uptake of feed wheat, given that cereal substitutes would continue to come in and, as by products, could always be priced to compete with cereals. However, we would welcome detailed discussions with the Germans at expert level.

Milk

The Minister said that he was concerned that some member states might argue that since quotas placed a ceiling on production, there was now scope to increase prices. However, since price increases would make it impossible to remove quotas after five years he believed that we should continue to exercise severe price restraint; it was also essential to ensure that the further 1% reduction already agreed for next year took place.

Heer Kiechle agreed that production in the Community had to be brought down to the 98 million tonnes agreed at the price fixing. However, it would be difficult to achieve the additional 1% reduction in one year. In the longer term, he agreed that we should aim to abandon the quota system; an alternative might be to pay premia to those prepared, on a voluntary basis, to reduce production. So far as prices were concerned he felt that politically it was necessary to disregard strict economics and go for a small price increase.

The Minister said that he was most concerned to hear that Germany was going back on last year's agreement and advocating a delay in moving to 98 million tonnes. He thought that a price increase would be a serious mistake. In the longer term, however, a general, and voluntary system of outgoers premiums might be a sensible option. Herr Kiechle replied that it was clear that a number of member states would not have reduced their milk production to their current quota level by April 1985 and there was little chance that they would implement a further 1% reduction. To ensure that everyone moved together, the Community must move at a realistic rate. If, on the other hand, it insisted on sticking to the letter of its decisions at the price fixing, the whole system might break down. On prices, he reiterated that a price freeze was not politically feasible, adding that most other Member States were agreed on this point.

Beef

Herr Florian said that Germany was concerned at recent increases in production, which were partly due to cut backs in the dairy herd. Prices in Germany were well below the target price, so it would be difficult to ask farmers to accept nominal price reductions. They were therefore seeking a price increase for political reasons, but hoped to link this with changes to the intervention system to restrict its scope in Germany, for example, they already operated a quota limiting access to intervention. He also asked for views on the beef balance sheet. There were two points that had to be considered. First, in trade policy terms it would be difficult to curb imports at a time when the Community was exporting 800,000 tonnes of beef. Second, given the current surplus, could we continue to maintain the existing level of imports. Germany and the UK had always agreed on this issue in the past, and needed to adopt a common approach now.

The Minister replied that he did not think that a price increase could be justified. He agreed that the intervention system was unsatisfactory for beef and suggested that Germany look at the variable premium scheme has a possible alternative. On the balance sheet, he commented that there was a requirement for imports of manufacturing beef; we would be in touch with Germany about our approach on this issue. Herr Florian saw a number of problems with a Community wide variable premium scheme: other member states would find it difficult to accept; there would be problems of control, particularly in Italy and Greece; it would mean an obligation on the Community to dispose of all beef on the internal market, without any limit on costs. The Minister repeated that he was only asking Germany to examine the implications of such a scheme on a Community wide basis.

Budget Discipline

The Minister said that he had been most alarmed at the arguments put forward by some member states earlier in the week, that the Agriculture Council should demonstrate its independence of ECOFIN by ignoring that body's interest in structures and adopting the structures package. Germany and the UK must insist that the Council and the Commission observed the rules agreed at Fountainbleu and that, in particular, the Commission put forward price fixing proposals that accorded with the principals of the financial guideline and allowed scope for negotiating flexibility. The two countries should emphasise this point to Mr Andriessen.

Herr Kiechle replied that Mr Jopling was right in principle. However, the Community's financial position was obscure, now that the European Parliament had rejected the 1985 budget, and he feared that if the Agriculture Council tried to comply with the letter of teh financial guideline there would be no scope for price increases. He felt it essential for the Council to have some scope to exercise its discretion to award increases; if it did not, Agriculture Ministers might as well stay at home.

CIL

C I LLEWELYN
17 December 1984

Distribution

Private Offices
Mr Andrews
Mrs Attridge
Mr Hadley
Mrs Archer
Mr Wilson
Mr Dickinson
Mr Packer
Mr Lowson
Mr Hunter
Mr Melville
Mr Wentworth
PS/Foreign Secretary
PS/Chancellor
PS/S of Scotland
PS/S of S for Wales
PS/S of S for Northern Ireland
Mr Powell (No.10)
Mr Elliott (Bonn)

17 DEC 1984

CONFIDENTIAL

10 DOWNING STREET

28 November, 1984

From the Private Secretary

cc MASTER SET

Dear Colin,

ANGLO/GERMAN RELATIONS: PRIME MINISTER'S TELEPHONE CALL WITH CHANCELLOR KOHL

Chancellor Kohl telephoned the Prime Minister this morning, principally to talk about his forthcoming visit to Washington. The conversation was very friendly.

Chancellor Kohl said that he had been through a bumpy patch recently but matters were now looking up. The latest opinion polls gave the CDU/CSU 48 per cent. The figure for the Social Democrats was declining. The worrying aspect of this was that the Greens were gaining. The fact was that the SPD had given up everything which Helmut Schmidt believed in. They could be compared with the Labour Party. Things were in good shape in the economic field as well, indeed they were going better than he had expected. It looked as though the FRG would have 3 per cent economic growth next year with only 2 per cent inflation. For the first time the unemployment curve had turned downwards. Chancellor Kohl continued that one difficult issue was conscription. For demographic reasons there would be only 280 thousand young men available for military service in 1999 against a requirement of 490 thousand. It would be necessary to extend military service from fifteen months to eighteen months. Against the advice of his colleagues, he had decided to introduce the necessary legislation before the next elections. He had been right: people were taking the decision calmly - this despite the fact that some "crazy" Protestant church leaders were encouraging the younger generation to avoid military service altogether. There followed an interesting exchange on bishops of which the conclusion was that we were all fortunate in the Pope who knew a Marxist when he saw one.

Chancellor Kohl said that he would shortly be going to Washington. He was sorry he had not been able to see the Prime Minister beforehand because of the postponement of their consultations. President Reagan was obviously now ready and willing to take sensible steps towards the Soviet Union. The Soviet Union, for its part, seemed ready to respond. His intention was to encourage President Reagan to move ahead on this course. At the same time, he would want

to make him aware that if the nuclear threshold were raised a greater effort would be required to strengthen Europe's conventional defences. The Prime Minister said that she agreed with the Chancellor. The moment was propitious for new talks on arms reductions between the United States and the Soviet Union. She thought that two factors had ensured this: the Alliance's firmness of purpose in sticking to the dual track decision and deploying Pershing and Cruise; and the fact that the United States were about to enter another phase of research and development for weapons in outer space. This latter point was of great concern to the Soviet Union. The Prime Minister said that she also thought that President Reagan was determined to make a reduction of nuclear weapons one of the priorities of his second term. We should support him all the way but caution him against raising expectations too quickly. Negotiations would be very detailed and would take a long time. It was also important to urge him not to make premature concessions. As regards an initiative to strengthen the Alliance's conventional defences, this was something which would need to be discussed in NATO. Lord Carrington was well placed to give direction to such discussions.

Chancellor Kohl said that he agreed with all which the Prime Minister had said. Unless the Alliance had deployed Pershing and Cruise nothing would have happened. He wanted the Prime Minister to know that Lord Carrington had his full confidence. He thought it might be useful if he were to hold restricted discussions with those members of NATO who were prepared to consider seriously an initiative to strengthen conventional defences. Some member governments were hesitant.

The Prime Minister asked whether Chancellor Kohl intended to raise the U.S. economic situation with President Reagan. It looked as though growth in the U.S. economy was slowing down. This would have serious implications for Europe. Chancellor Kohl said that he would be raising this issue along the lines which he and the Prime Minister had often discussed.

The Prime Minister said that she would be seeing President Mitterrand on 29 November. Had there been any new developments between France and Germany of which she should be aware beforehand? Chancellor Kohl said that nothing essentially new had emerged from their last meeting. But there was one point on which Britain, Germany and France had a common interest and that was in finding a sensible solution to the distribution of responsibilities among the new Commission. It was essential to avoid having an agricultural commissioner from a country which was a major burden on the CAP. The Commissioner in charge of the budget should be someone ready to pursue a policy of thrift and economy. He thought that President Mitterrand shared these views and that the three of them might discuss it further in Dublin. The Prime Minister said that she had understood that the division of responsibilities had been virtually settled and that Andriessen would get agriculture. On no account most that portfolio go to a Greek or Italian.

Chancellor Kohl said that he had no objection to Andriessen. He shared the Prime Minister's concern to avoid a Greek or Italian agriculture commissioner. To quote a German proverb: "One should not make a goat the gardener".

The Prime Minister and the Chancellor agreed to talk further at the European Council in Dublin.

I am sending a copy of this letter to Richard Mottram (Ministry of Defence), David Peretz (HM Treasury), Ivor Llewelyn (Ministry of Agriculture, Fisheries and Food) and to Richard Hatfield (Cabinet Office).

Yours sincerely,

(C.D. Powell)

C.R. Budd, Esq.,
Foreign and Commonealth Office

PRIME MINISTER

TELEPHONE CONVERSATION WITH CHANCELLOR KOHL

Judging from the enclosed message from Chancellor Kohl, received this afternoon, the subjects which he is likely to raise are:

(i) his imminent visit to Washington. You will wish to mention your own visit, which will be announced tomorrow. The main subjects for his visit are likely to be East/West relations, arms control and the US economy.

(ii) the recent France/German Summit. Copies of our reporting telegrams are enclosed.

(iii) WEU. We agree with him on the virtues of developing it provided that it is not divisive of the Alliance. This will require careful presentation to the Americans.

(iv) the Dooge Committee. You could welcome the emphasis of his message on the internal market. More generally you will want to urge him not to expect too much from this European Council. Discussions are still at an early stage. A cautionary word on European Union too.

(v) three points which you might mention to him are:

- the need to reach agreement at the European Council on the remaining issues of the enlargement negotiations;

- your hope that as a result, the Germans will agree to bring forward the date of introduction of new Own Resources; and

- the need for the UK and FRG to stand firm at the Council against exaggerated demands for funds for Integrated Mediterranean Programmes.

C.D.P.

P.S. Briefing subsequently received from FCO - very late - and attached.

27 November 1984

Prime Minister
CDP
27/11

Foreign and Commonwealth Office
London SW1A 2AH

27 November 1984

Dear Charles,

Prime Minister's Telephone Conversation with Chancellor Kohl: 28 November

Thank you for your letter of 20 November about Chancellor Kohl's plan to telephone the Prime Minister, probably on 28 November. The Embassy in Bonn report that Kohl is anxious for a good talk with the Prime Minister before he visits Washington on 30 November. (I enclose Sir Julian Bullard's telno 1125.) The themes of the Chancellor's discussions with President Reagan will be uppermost in his mind, and in particular the prospects for East/West relations, arms control and defence.

East/West Relations

Kohl's approach is not only to welcome the forthcoming Shultz/Gromyko meeting as evidence that dialogue is underway again, but also to claim some credit for it. The Germans regard East/West dialogue, particularly on arms control, as indispensable and to be pursued in good times and bad. Although Kohl has eschewed Schmidt's favourite role of mediator and public critic of the US, for domestic consumption he will want to portray his visit as evidence of personal achievement in East/West relations. His prestige at home is at a low ebb: he needs a foreign policy success.

The Prime Minister could say that we too welcome the Shultz/Gromyko meeting. But it will be important to remember that it will be concerned with the agenda and format of subsequent substantive negotiations. The problems of substance still remain. Expectations should not be allowed to rise too high too early. While progress is possible, it is unlikely to be rapid. The Prime Minister could add that the Russians have made a shrewd tactical concession by dropping their previous insistence that Cruise missiles and Pershing IIs should be withdrawn before discussion of INF or START could resume. We think it likely that at Geneva Gromyko could press Shultz for a 'reciprocal' concession on substance. The Russians no doubt hope that domestic and West European pressures will mount on the Americans to make unilateral concessions in order to move the actual negotiations. As ever, they will exploit every opportunity to wedge-drive and undermine Alliance unity. It will be important that our meetings with the Americans should not give them any such opportunities.

/Kohl

Kohl may refer to the postponement of Herr Genscher's visit to Poland (it would have been the first by a senior Western Foreign Minister since martial law). The Prime Minister could express our support for the German decision. It is right that the resumption of Ministerial contact should be on the West's terms. In the Ten and NATO we should continue to pursue opportunities to re-engage Western influence. The Prime Minister could say that we would support private German efforts to encourage a more forthcoming American approach to Poland. This is consistent with our policy of developing contacts with the Soviet Union and Eastern Europe to recreate confidence and build the right political framework around the arms control process.

NATO Initiative on Conventional Defence

It seems that a communique may be issued after Kohl's visit. This may refer not only to prospects for East/West relations and arms control in broad terms, but also to work on an initiative to lay the ground work for a long-term programme to strengthen NATO's conventional defence. I enclose a self-contained background note agreed with the Ministry of Defence. The Prime Minister might say to Kohl that while the management of East/West relations and arms control will be central to NATO's security policy in 1985, experience over INF argues against making necessary conventional improvements conditional on developments in arms control. We hope any public reference to the NATO conventional defence initiative will be in general terms. It will be important to gain the support of other allies and not give the impression that the initiative has been pre-cooked by the Germans and the Americans. The Prime Minister could add that our own attitude will depend on precisely what is proposed, and ask Kohl if he has been in touch with other partners and Lord Carrington.

If Kohl wishes to discuss the initiative the Prime Minister might agree that we need to show the Americans that practical steps are being taken to meet weaknesses in conventional defence highlighted in the Nunn Amendment, notably on aircraft shelters and war stocks. Both the UK and Germany are putting increased emphasis on war stocks and Germany has agreed to an increase in NATO's infrastructure budget. The Prime Minister could add, more generally, that we see advantage in the initiative as evidence that the allies are grappling with longer-term problems. This should help to keep congressional pressures at bay, contribute to the maintenance of public support for defence and help ensure effective management of available resources. But it is important that the exercise should not give rise to unrealistic expectations, especially about the prospects for additional resources. The Prime Minister might say to Kohl that we think it important that the exercise should not be seen as endorsing the (mistaken) view that conventional defence is in a state of parlous weakness.

/The European

The European Community

If discussion turns to the Community the Prime Minister might draw on the points in the Foreign Secretary's separate minute to her of today's date on European Union. The Prime Minister might say that she looks forward to working closely with Kohl at the European Council in Dublin.

UN Law of the Sea Convention

The German Cabinet decided on 27 November that the FRG will not sign the Convention, but will not veto signature by the Community. We are told that Kohl is unlikely to raise this question. If however he does, the Prime Minister could tell Kohl that the Cabinet will consider the position on 29 November, and that we shall let the Germans know of our decision before any public announcement.

Yours ever,

Colin Budd

(C R Budd)
Private Secretary

PROPOSED NATO INITIATIVE ON CONVENTIONAL DEFENCE

1. The Americans raised informally with us in September the question of launching an initiative in the Alliance to ''lay the groundwork for a long term programme to strengthen NATO's conventional defence''. They had in mind a long term study directed by the Secretary General on the basis of a mandate from Ministers: and saw this as complementing short term measures to fill deficiencies (notably in warstocks and aircraft shelters) identified by Senator Nunn in the summer. The UK and FRG have been playing a major role here by devoting additional resources to warstocks and (in the case of the Germans) agreeing to an increase in funding for NATO's common infrastructure programme to levels favoured by other Allies (including the UK).

2. The Foreign and Commonwealth Secretary and the Defence Secretary took the view that we had an interest in responding positively to the idea of a longer term study, both in order to help manage the pressures the European members of the Alliance could expect to come under from the US, and also in the light of our own strong interest in encouraging the better use of NATO's collective defence resources. But at the same time, they recognised that the American suggestion contained serious risks. It would be necessary to minimise the danger of any initiative being seen (mistakenly) as an endorsement of the view that conventional defence was in a state of parlous weakness, or as confirmation that non nuclear defence was possible. It would be essential to ensure that no exaggerated expectations were aroused and, in particular to steer the Americans clear of misleading assumptions that additional resources would be available for defence. As you know, we will not be meeting the current NATO target of 3% real increase in defence expenditure after 1985/86. On this basis, they agreed that officials should explore the idea further with the Americans and Germans. In order to avoid a ''made in USA'' label, the Americans had already indicated that they would like to see the initiative launched by the Germans in the Alliance. For his part, Lord Carrington had made it clear that he would only accept responsibility for managing it, if it enjoyed the support of major allies.

3. Our contacts with the Americans and Germans revealed considerable confusion not least within their own administrations. This was not wholly cleared up by contacts between the Americans and Germans earlier this month. The latter were unwilling to take the lead in proposing a study, which they saw as creating expectations of greater expenditure by them on conventional defence. They told our Embassy in Bonn that they had proposed instead to subsume improvements in conventional defence in a report to be prepared by a Study Group under Lord Carrington's chairmanship on:

(a)/

(a) how the allies could activate East/West dialogue;

(b) how to achieve progress in arms control;

(c) how better to implement NATO strategy.

While agreeing that these 3 elements could be covered in a communique issued at the end of Chancellor Kohl's visit to Washington, the Americans reacted negatively to the idea of including the East/West dialogue in arms control as substantive components in any NATO study programme. We agree with them on this. There is not the same case for new special machinery in the Alliance on arms control and East/West relations. Moreover, experience with the twin track decision on INF argues strongly against making necessary conventional improvements conditional on developments in arms control. In any case, expanding the scope of the study would divert attention from the primary purpose of the exercise, to give a higher profile to NATO's best endeavours on longer term conventional improvements so that congressionnal pressures can be contained and a damaging inter-alliance row avoided.

ERE DDAGAIN

CB BONN/FCO 009/27

DD FCO 271625Z

RR UKDEL NATO

RR WASHINGTON

GRS 320
CONFIDENTIAL
DESKBY 271625Z
FM BONN 271555Z NOV 84
TO IMMEDIATE FCO
TELEGRAM NUMBER 1125 OF 27 NOVEMBER
INFO ROUTINE UKDEL NATO WASHINGTON

TELEPHONE CONVERSATION BETWEEN THE FEDERAL CHANCELLOR AND THE PRIME MINISTER 28 NOVEMBER

1. THE GERMAN PRESS, OBVIOUSLY REFLECTING OFFICIAL BRIEFING, HAS SAID THAT THE CHANCELLOR WILL TALK AT LENGTH BY TELEPHONE WITH THE PRIME MINISTER AS PART OF THE PREPARATION FOR HIS VISIT TO WASHINGTON ON 30 NOVEMBER.

2. TELTSCHIK, THE CHANCELLOR'S DIPLOMATIC ADVISER, TOLD MINISTER TODAY THAT HE EXPECTED THE CHANCELLOR, IN THE TELEPHONE CONVERSATION ON 28 NOV, TO CONCENTRATE ON MATTERS CONCERNING HIS WASHINGTON TRIP. KOHL MIGHT JUST POSSIBLY TOUCH ALSO ON THE PREPARATIONS FOR THE DUBLIN COUNCIL OR THE ALLOCATION OF PORTFOLIOS IN THE COMMISSION. KOHL WAS UNLIKELY TO MENTION LAW OF THE SEA, ON WHICH THE GERMAN CABINET TOOK ITS DECISION THIS MORNING (MY TEL NO. 1123).

3. TELTSCHIK SAID THAT THE CHANCELLOR HAD THREE MAIN THEMES FOR HIS WASHINGTON VISIT:-

(A) EAST/WEST RELATIONS: TO FIND OUT EXACTLY WHAT HAD PASSED IN HIGH LEVEL CORRESPONDENCE BETWEEN THE RUSSIANS AND THE AMERICANS AND TO HEAR ABOUT US INTENTIONS.

(B) ARMS CONTROL: TO ASK THE AMERICANS WHICH FIELDS WERE THEIR TOP PRIORITIES FOR RESUMED NEGOTIATIONS AND WHAT POSITIONS THEY WERE PREPARING.

(C) NATO: TO URGE THE IMPORTANCE OF CONSULTATION AMONG THE ALLIES (WITHOUT MAKING ANY SPECIFIC SUGGESTIONS) AND TO ARGUE THAT THE SECRETARY-GENERAL BE GIVEN THE TASKS OF ''HARMONISING'' THE VARIOUS EFFORTS (ROGERS PLAN, AIR/LAND BATTLE ETC) TO INCREASE CONVENTIONAL CAPABILITY.

4. ASKED WHAT KIND OF COMMUNIQUE WOULD RESULT FROM KOHL'S WASHINGTON VISIT, TELTSCHIK SAID THAT NEGOTIATIONS ON A TEXT WERE STILL IN TRAIN AND IT WAS NOT YET CERTAIN THAT THERE WOULD BE A COMMUNIQUE. IF THERE WAS, IT WOULD ENUNCIATE PRINCIPLES - SUCH AS THE IMPORTANCE OF CONSULTATION IN NATO OR THE NEED TO STRENGTHEN CONVENTIONAL CAPABILITY - AND WOULD NOT (NOT) MAKE SUGGESTIONS ABOUT HOW THESE SHOULD BE DEALT WITH IN THE ALLIANCE. TELTSCHIK AGREED THAT THIS WAS A MATTER FOR ALL THE ALLIES, NOT JUST TWO OF THEM.

BULLARD

NNN

27 NOV 1984

PRIME MINISTER

cc: Mrs. Ryder

CHANCELLOR KOHL

Chancellor Kohl wants to talk to you on the telephone on Wednesday next week. The precise reason is not yet clear, but he too will be going to Washington and may want to exchange views on some issues related to that. We shall fix an exact time next week.

20 November 1984

file.

20 November 1984

Chancellor Kohl's Office have been in touch to say that the Chancellor wants to telephone the Prime Minister, probably on 28 November, before he goes to Washington. It would be helpful if the Embassy could discover discreetly from the Federal Chancellery what particular subject the Chancellor proposes to raise.

Charles Powell

Colin Budd, Esq.,
Foreign and Commonwealth Office.

CONFIDENTIAL

GRS 400
CONFIDENTIAL
FM BONN 191815Z NOV 84
TO IMMEDIATE FCO
TELEGRAM NUMBER 1099 OF 19 NOVEMBER
INFO PRIORITY WASHINGTON, PARIS, MOSCOW, UKDEL NATO, DUBLIN, UKDEL VIENNA
INFO SAVING WARSAW

PUS'S TALKS WITH STATE SECRETARY MEYER-LANDRUT: 19 NOVEMBER

SUMMARY

1. THE PUS HAD A VERY USEFUL DAY OF TALKS WITH MEYER-LANDRUT COVERING A WIDE RANGE OF SUBJECTS. BRITISH AND GERMAN VIEWS ON THE PRESENT JUNCTURE IN EAST/WEST RELATIONS VERY SIMILAR. PUS ALSO CALLED ON MINISTER OF STATE MOELLEMANN AND STATE SECRETARY RUHFUS (MY TELNOS 1096 AND 1097). THIS TELEGRAM AND MIFT COVER EAST/WEST RELATIONS. TWO FURTHER IFTS COVER (A) POLAND AND (B) MIDDLE EAST.

DETAIL

2. I WAS STRUCK BY THE SIMILARITY OF THE VIEWS EXPRESSED BY THE TWO SIDES ON EAST/WEST RELATIONS, A SUBJECT ON WHICH MEYER-LANDRUT IS A NOTABLE EXPERT. I THEREFORE SUGGESTED THAT THE MAIN POINTS WHERE AGREEMENT HAD BEEN EXPRESSED SHOULD BE NOTED IN A JOINTLY PRODUCED LIST, WHICH COULD BE USEFUL IN FURTHER DISCUSSION IN POCO AND POSSIBLY AS A BASIS FOR WIDER EUROPEAN AGREEMENT. MIFT CONTAINS OUR DRAFT OF SUCH A LIST, WHICH WE ARE CONVEYING TO THE AUSWAERTIGES AMT. GRATEFUL FOR COMMENTS ON 20 OR 21 NOVEMBER.

3. OTHER EAST/WEST POINTS MADE BY THE GERMANS ARE NOTED BELOW.

4. REAGAN'S SDI INITIATIVE MUST HAVE BROUGHT HOME TO THE SOVIET UNION THAT THE AMERICANS MIGHT MAKE MAJOR LEAP FORWARD IN DEFENCE TECHNOLOGY. THIS WOULD INCREASE MOSCOW'S INTEREST IN ARMS CONTROL NEGOTIATIONS.

5. UNDER THE SOVIET SYSTEM THE IMPULSE NEEDED FOR SUCCESS IN ARMS CONTROL MUST COME FROM THE TOP. HENCE THE IMPORTANCE OF AN EARLY US/SOVIET SUMMIT. SUCH A SUMMIT MIGHT AROUSE LESS PUBLIC EXPECTATION IF IT WERE HELD DURING A MULTILATERAL CSCE ANNIVERSARY SUMMIT. (THE PUS REMINDED MEYER-LANDRUT OF THE WORDING OF THE TEN'S STATEMENT ON THIS).

/6.

CONFIDENTIAL

6. IF US/SOVIET ARMS NEGOTIATIONS RESUMED, THE EUROPEANS WOULD NEED TO TAKE CARE THAT DECISIONS WERE NOT TAKEN OVER THEIR HEADS.

7. THERE WAS NO INDICATION THAT THE RUSSIANS WERE INTERESTED IN A MERGER BETWEEN START AND INF. HARTMANN, UNDER SECRETARY COVERING ARMS CONTROL, REPEATED THE GERMAN IDEA OF A NEGOTIATING ROOF UNDER WHICH SEPARATE INF AND START TALKS COULD BE HELD. THIS BORE SOME SIMILARITY TO THE US IDEA OF AN ARMS CONTROL UMBRELLA, AT WHICH CHERNENKO HAD SEEMED TO BE HINTING APPROVINGLY IN HIS LATEST INTERVIEW.

8. THE EXPIRY IN DECEMBER 1985 OF THE US AND SOVIET UNDERTAKINGS TO OBSERVE SALT 2 WAS ONE FACTOR WHICH MIGHT INFLUENCE THE RUSSIANS TO RESUME STRATEGIC ARMS NEGOTIATIONS NEXT YEAR.

9. ARMS CONTROL IN THE CONVENTIONAL FIELD MUST NOT BE NEGLECTED. WE SHOULD PERSIST IN OUR EFFORTS FOR PROGRESS IN MBFR. BUT A FRESH LOOK AT MBFR WAS NEEDED BEFORE THE CSCE REVIEW CONFERENCE IN VIENNA IN 1986. TWO FINDINGS OF SUCH A STUDY MIGHT BE THAT

(A) SOME CONCLUSION MUST BE DRAWN FROM THE FAILURE OF 11 YEARS OF DATA DISCUSSION TO PRODUCE RESULTS: AND

(B) A POLITICAL IMPULSE WOULD HAVE TO BE INJECTED IF PROGRESS WAS TO BE ACHIEVED IN MBFR.

FCO PLEASE PASS SAVING TO WARSAW

REPEATED AS REQUESTED

BULLARD

[COPIES SENT TO NO 10 DOWNING ST]

EAST WEST & US/SOVIET RELATIONS

LIMITED
SOVIET D
DEFENCE D
RESEARCH D
PLANNING STAFF
EED
NAD
WED
ACDD

PS
PS/LADY YOUNG
PS/MR RIFKIND
PS/MR LUCE
PS/PUS
MR DEREK THOMAS
SIR W HARDING
MR GOODALL
MR JENKINS
MR WESTON
MR DAVID THOMAS

FCRB

CDP 12/11

Sir Julian Bullard KCMG

BRITISH EMBASSY,
BONN.

9 November 1984

PERSONAL AND CONFIDENTIAL

C D Powell
NO 10 Downing Street

My dear Charles,

CHANCELLOR KOHL

1. I think I told you on the telephone that Bergsdorff had told me that he intended to act on your suggestion of a talk in the margins of the Anglo-German Summit on 2 November (your letter to me of 28 September).

2. Following the cancellation of the Summit, I spoke to Bergsdorff again this morning. I told him (which he did not know) that the new date for the Summit was not until 18 January 1985 and asked whether he would be interested in your other suggestion for a talk in London. He said that this would be nice, but everyone close to Kohl was going to be simply too busy for some time to come. (I can believe this.) So it was left that he would hope to catch you and/or Robin Butler on 18 January.

Yours ever
Julian

J L Bullard

10 DOWNING STREET

From the Private Secretary

8 November 1984

The Prime Minister has asked me to thank you for sending her the text of the statement made by the Federal Government spokesman on her interview in Die Welt. She was most gratified by this.

(C.D. Powell)

His Excellency Baron Rüdiger Von Wechmar

010

cc PC (L)
Press

DER BOTSCHAFTER
DER BUNDESREPUBLIK DEUTSCHLAND
Baron Rüdiger von Wechmar

London, 7 November 1984

Prime Minister

CDP
8/XI

CDP.

Dear Prime Minister,

The interview you gave to "Die Welt" on November 2 was, I gather, very well received in my country. I have pleasure in enclosing a translation of a statement made in Bonn by our Government spokesman, State Secretary Peter Boenisch, on this interview, which I hope you will find of interest.

Respectfully yours

Her Excellency
The Rt. Hon. Margaret Thatcher, MP
Herr Majesty's Prime Minister and
First Lord of the Treasury

L o n d o n

Statement by Government spokesman Peter Boenisch
at a press conference in Bonn on Nov. 2, 1984:

The Federal Chancellor read with particular interest today an interview which the British Prime Minister gave a German daily newspaper to draw attention to the German-British talks originally due to have begun today.

The Federal Government welcomes with gratitude that the British Prime Minister has reaffirmed the guarantees on Berlin clearly and without any possibility of misunderstanding. We are also grateful for her clear statement regarding our striving towards self-determination, freedom and unity. In this we know we have to depend on the support of our friends and allies. Therefore we value the British Government's clear and unequivocal stand all the more.

We also welcome Mrs. Thatcher's emphatic statement that she is prepared to co-operate with the European partners more and more and to get still more closely together. We are united in this goal. It is possible, however, that there are differing views regarding the form and basis of such co-operation.

Mrs. Thatcher urges that we should first define political union before she can weigh the arguments for and against. That is a legitimate viewpoint. She is of course quite right when she points out that the European states must maintain their identity. We do not believe either that the nation-states will simply disappear. Really, that is not under discussion.

We are convinced that it is now necessary to take a substantial step beyond informal co-operation quite soon, particularly in the field of foreign policy by putting it on a contractual basis. In so doing we would confirm a European stance towards the outside world and give Europe a foreign policy profile.

For that we do not need an abstract definition of the concept of political union but a number of tactical steps and measures. The substance, not the concept, is what counts. As this also broadly reflects the pragmatic way of British thinking, we see in Mrs. Thatcher's statements a constructive contribution to improved and closer European co-operation.

Subject

PRIME MINISTER'S PERSONAL MESSAGE SERIAL No. T185/84

Ptle

SLHAFO

CC FCO PC

CC Master OB

10 DOWNING STREET

7 November 1984

THE PRIME MINISTER

My dear Chancellor,

I am sorry that we were not able to hold our talks as planned on 2 November. But I am pleased to hear that you are able to agree to my proposal of 18 January; and we shall of course meet before then at the European Council.

I was very grateful for the kind remarks made by your Government spokesman about my interview with Die Welt.

There is much of importance for us to discuss. In particular I want to exchange views on the proposals now being made for the development of the Community. I was able to discuss this with Jacques Delors during his visit to London last month and was encouraged to find him determined to try to move forward in practical ways.

I am asking Julian Bullard to keep in close touch with your people about the work now going on in the Dooge Committee. We are studying the proposals put forward by Jurgen Ruhfus. You and I both want to improve the workings of political cooperation and to see it become a matter not just of making declarations but of acting together. We shall be making a positive contribution to the Committee's work on this, and to the discussion of ideas on other aspects of the Community's development. I expect you will have seen the ideas which Malcolm Rifkind has put forward on

the internal market. As you know I attach particular importance to this and I am glad these proposals have been well received. A real advance in this area would have an enormous impact in terms of wealth and job creation and in making a reality of the Community for our people and for the businesses that can create the new jobs we all want.

The other point to which, as you know, I attach the greatest importance is the need to improve European defence cooperation. I thought the WEU meeting in Rome under Herr Genscher's chairmanship was a useful step forward. I welcomed in particular the emphasis that was laid there on the determination of all the WEU partners to strengthen the European pillar of the Alliance. This was a timely reaffirmation of the importance of the Brussels Treaty and therefore of the commitment of forces to the defence of Europe on which I take a good deal of pride in the British record. This is a field in which I think we can claim that our contribution to European unity is second to none among the seven WEU members.

I look forward to discussing all this with you. In the meantime I send you my best wishes.

Yours sincerely

Margaret Thatcher

His Excellency Herr Dr Helmut Kohl

GRS 800
CONFIDENTIAL
FM BONN 071330 Z NOV 84
TO IMMEDIATE FCO
TELEGRAM NUMBER 1045 OF 07 NOVEMBER
INFO IMMEDIATE UKREP BRUSSELS
INFO PRIORITY UKDEL NATO ATHENS BRUSSELS COPENHAGEN DUBLIN
LUXEMBOURG PARIS ROME THE HAGUE

YOUR TELNO 606: ANGLO-GERMAN RELATIONS

SUMMARY

1. AS KOHL WAS ENGAGED TODAY I GAVE THE PRIME MINISTER'S MESSAGE TO TELTSCHIK FOR DELIVERY. I PRESSED HIM ON GERMAN IDEAS ON EUROPEAN INTEGRATION. HE WOULD NOT BE MORE SPECIFIC THAN TO REPEAT THOSE IN RUHFUS' DOOGE COMMITTEE PAPER ON POLITICAL AND SECURTITY COOPERATION. I EMPHASISED THE IMPORTANCE WHICH THE PRIME MINISTER ATTACHED TO CLOSE COORDINATION WIHTH THE GERMAN GOVERNMENT ON ALL EUROPEAN QUESTIONS.

DETAIL

2. CHANCELLOR KOHL HAD HIS WEEKLY CABINET MEETING THIS MORNING AND IS APPEARING BEFORE THE BUNDESTAG COMMISSION OF ENQUIRY INTO THE FLICK AFFAIR THIS AFTERNOON. I THEREFORE GAVE THE PRIME MINISTER'S MESSAGE TO TELTSCHIK (KOHL'S DIPLOMATIC ADVISER) FOR DELIVERY. HE HAD TO COME OUT OF THE CABINET MEETING TO SEE ME.

3. IN GOING THROUGH THE POINTS IN THE MESSGAE WITH TELTSCHIK I EMPHASISED THAT THIS YEAR HAD SEEN THE SYSTEMATIC DEVELOPMENT AND PRESENTATION OF THE BRITISH CONCEPT OF EUROPE. MILESTONES HAD BEEN THE PRIME MINISTER'S PAPER ON THE FUTURE OF EUROPE, MR RIFKIND'S CONTRIBUTIONS TO THE DOOGE COMMITTEE, YOUR OWN SPEECH IN BONN ON 17 OCTOBER, AND THE PRIME MINISTER'S INTERVIEW IN DIE WELT OF 2 NOVEMBER. I WAS NOT AWARE THAT ANY OTHER MEMBER STATE HAD MADE A BETTER CONTRIBUTION TO THE EUROPEAN DEBATE. OUR IDEAS WERE MORE REALISTIC THAN SPINELLI, AND MORE CONCRETE THAN, FOR INSTANCE, MITTERRAND'S STRASBOURG SPEECH. I COULD SEE NOTHING IN THEM WHICH CONTRADICTED THE SUGGESTIONS WHICH RUHFUS HAD PUT FORWARD IN THE DOOGE COMMITTEE. IT WOULD HOWEVER HELP ME - AND ALSO, I THOUGHT, THE PRIME MINISTER - IF WE COULD KNOW THE ANSWER TO TWO QUESTIONS. FIRST, WAS THERE ANYTHING IN OUR APPROACH WHICH THE GERMANS FOUND UNACCEPTABLE OR INADEQUATE? AND SECOND, WHAT EXACTLY DID THE CHANCELLOR KOHL HAVE IN MIND WHEN HE SPOKE OF TREADING THE PATH TO EUROPEAN UNION?

4. TELTSCHIK DID NOT ANSWER EITHER QUESTION DIRECTLY. HE SAID THAT THE GERMANS FOUND ''EUROPE - THE FUTURE'' A VERY PRAGMATIC PAPER WHICH OFFERED A GOOD STATING POINT. THEY WERE IN COMPLETE AGREEMENT WITH US ON THE NEED TO FULFIL THE TREATY AND COMPLETE THE INTERNAL MARKET. BUT THEY ALSO BELIEVED THAT THE TIME HAD COME FOR A QUALITATIVE STEP FORWARD IN POLITICAL UNION. THAT WAS THE SENSE OF RUHFUS' PAPER ON POLITICAL AND SECURITY COOPERATION. THE TREATY OF ROME OFFERED NO FORMAL BASIS FOR THESE ACTIVITIES. HENCE THE GERMAN PROPOSAL FOR A NEW TREATY, COVERING ONLY POCO AND SECURITY. PROGRESS ON THIS IDEA IN THE DOOGE COMMITTEE WOULD SHOW HOW FAR AGREEMENT WAS POSSIBLE. THE FRENCH GOVERNMENT HAD SAID THEY WERE PREPARED TO CONSIDER IT (INS AUGE FASSEN). THE GERMANS HAD THE IMPRESSION THAT WE WERE MORE RESERVED.

5. I REPLIED THAT MY EXPERIENCE OF THE GENSCHER/COLOMBO PROPOSALS SUGGESTED THAT IT WOULD BE THE DANES, DUTCH AND IRISH WHO WOULD HAVE THE MOST DIFFICULTY WITH RUHFUS'PAPER. TELTSCHIK SAID THAT THE GERMANS ENVISAGED THE NEW TREATY BEING SIGNED ONLY BY THOSE MEMBER STATES WILLING TO PARTICIPATE.

6. I REPEATED THAT WE SHOULD BE INTERESTED TO KNOW WHETHER A NEW TREATY ON POCO AND SECURITY WAS ALL THAT THE GERMAN GOVERNMENT HAD IN MIND BY ''EUROPEAN UNION'', OR WHETHER THEY MEANT SOMETHING MORE. TELTSCHIK SAID THAT IT WOULD BE TOO AMBITIOUS TO PUT FORWARD MORE WIDE-REACHING PROPOSALS AT PRESENT. THERE WERE IDEAS BEING DEBATED INTERNALLY WITHIN THE GERMAN GOVERNMENT, AND THEY WOULD WILLINGLY DISCUSS THESE BILATERALLY WITH US IN PARALLEL WITH THE WORK IN THE DOOGE COMMITTEE . I SAID THAT WE WOULD LIKE TO DO THIS, AND INDEED THIS WAS THE SENSE OF THE PRIME MINISTER'S MESSAGE. I HOPED TO TALK TO THE CHANCELLOR AND/OR TO TELTSCHIK AT MORE LEISURE IN THE NEAR FUTURE, AND WAS READY TO ACT AS A CHANNEL FOR THE REPLY WHICH THE PRIME MINISTER'S MESSAGE WOULD NO DOUBT RECEIVE.

EC COMMISSION

7. I TOLD TELTSCHIK THAT THERE HAD BEEN MANY POINTS OF AGREEMENT WITH DELORS WHEN HE HAD PAID HIS INTRODUCTORY VISIT TO LONDON LAST MONTH, THOUGH LESS SO ON BUDGETARY DISCIPLINE AND THE CAP THAN ON OTHER ITEMS. TELTSCHIK SAID THAT DELORS HAD CAUSED SOME CONSTERNATION IN BONN BY PROPOSING A RADICAL REARRANGEMENT OF COMMISSION PORTFOLIOS AND OF THEIR ALLOCATION BETWEEN MEMBER STATES. THIS HAD INCLUDED A PROPOSAL TO GIVE NARJES THE NON-JOB OF OVERSEEING THE COMMISSION'S RELATIONS WITH OTHER COMMUNITY INSTITUTIONS. THESE IDEAS WERE UNACCEPTABLE TO THE FRG. AT THE FRANCO-GERMAN CONSULTATIONS IT HAD BEEN CLEAR THAT THEY WERE NO MORE ACCEPTABLE TO MITTERRAND, NOT LEAST BECAUSE THE FRENCH WOULD LOSE THE DEVELOPMENT AID PORTFOLIO CURRENTLY HELD BY PISANI. I SAID I KNEW WE WERE ANXIOUS TO KEEP THE BUDGET PORTFOLIO OUT OF THE WRONG HANDS.

BULLARD

NNNN

SENT AT 071540Z PD

PM/84/168

PRIME MINISTER

Anglo-German Relations

1. I have been thinking over the weekend about how best to proceed with the Germans, given the cancellation of your meeting with Chancellor Kohl last Friday. I suspect that neither of us felt a great sense of disappointment that the meeting had to be cancelled. Our meetings at this level with the Germans in the past have often borne less fruit than we might have hoped.

2. But I think we both feel that a strong Anglo-German relationship is crucial if we are to maintain and strengthen the British position in Europe. And I am sure that has to include the best sense of understanding and common purpose that can be engendered at the top. We must ensure that Franco-German influence does not dominate the way Europe develops. We have recently been working rather effectively with the French on some Community issues. It is with the Germans, curiously, that we face almost more difficulty in establishing an effective working relationship.

3. We are both familiar with the line of argument we have developed for use with them over all this, and disappointed by

/our failure

our failure to make more progress in convincing them with it. We need to think further about how we can best handle this difficulty, since the problem seems to extend beyond the question of what to say to whom and how. I am therefore commissioning work on all this and would like to discuss the subject with you at one of our regular meetings.

4. Meanwhile Julian Bullard has told me that he thinks it would be politic to send a message to Chancellor Kohl now that you are back from Delhi, expressing regret that your meeting with him had to be cancelled and keeping the door open for a discussion with him about Europe later on. I think this sensible advice and attach a draft message.

(GEOFFREY HOWE)

Foreign and Commonwealth Office
5 November 1984

GRS 300
UNCLASSIFIED
FRAME GENERAL
FM BONN 021715Z NOV 84
TO ROUTINE FCO
TELEGRAM NUMBER 1033 OF 02 NOVEMBER
INFO ROUTINE ATHENS BRUSSELS COPENHAGEN DUBLIN LUXEMBOURG
PARIS ROME UKREP BRUSSELS THE HAGUE BMG BERLIN

EUROPEAN UNION: THE PRIME MINISTER'S INTERVIEW IN DIE WELT

SUMMARY

1. DIE WELT CARRIES THE PRIME MINISTER'S INTERVIEW TODAY. THE FEDERAL GOVERNMENT SPOKESMAN WELCOMES HER REMARKS ON EUROPEAN UNION, BERLIN AND THE GERMAN QUESTION.

DETAIL

2. THE PRIME MINISTER'S INTERVIEW WAS CARRIED BY DIE WELT TODAY, DESPITE THE CANCELLATION OF THE ANGLO-GERMAN CONSULTATIONS. IT WAS FLAGGED ON THE FRONT PAGE, AND COVERED A FULL INSIDE PAGE. TEXT FOLLOWS BY BAG.

3. THE INTERVIEW HAS RECEIVED POSITIVE COMMENT FROM THE FEDERAL GOVERNMENT. THE GOVERNMENT SPOKESMAN, BOENISCH, TOLD THE PRESS TODAY THAT THE FEDERAL GOVERNMENT WELCOMED THE PRIME MINISTER'S DECLARED READINESS TO COOPERATE MORE CLOSELY WITH HER EUROPEAN PARTNERS: LONDON AND BONN WERE AT ONE ON THIS AIM. THE PRIME MINISTER'S REQUIREMENT THAT THE POLITICAL UNION OF EUROPE MUST BE DEFINED BEFORE WEIGHING THE ARGUMENTS FOR AND AGAINST WAS A LEGITIMATE REQUEST. MRS THATCHER WAS RIGHT WHEN SHE SAID THAT THE IDENTITY OF THE EUROPEAN STATES MUST BE PRESERVED. THE FEDERAL GOVERNMENT WAS HOWEVER CONVINCED THAT IT WAS NOW NECESSARY TO TAKE A QUALITATIVE STEP FORWARD BEYOND THE INFORMAL COOPERATION BETWEEN EC STATES. THIS WAS PARTICULARLY TRUE IN FOREIGN POLICY, WHERE EUROPEAN COOPERATION SHOULD BE SET ON A TREATY-BASIS, TO SECURE THE STANDING OF EUROPE IN THE OUTSIDE WORLD.

4. BOENISCH ALSO EXPRESSED THE FEDERAL GOVERNMENT'S GRATITUDE FOR THE PRIME MINISTER'S REAFFIRMATION OF BRITAIN'S GUARANTEE FOR BERLIN, AND HER CLEAR WORDS ON GERMAN ASPIRATIONS FOR SELF-DETERMINATION, FREEDOM AND UNITY. THE FEDERAL GOVERNMENT, HE SAID, KNEW THAT IN THESE QUESTIONS IT ⊠ COULD COUNT ON THE SUPPORT OF ITS FRIENDS AND ALLIES.

BONN WILL PASS TO BMG BERLIN

PESTELL

FRAME GENERAL
ECD(I)

file

10 DOWNING STREET

From the Private Secretary

31 October 1984

REVIEW OF ANGLO-GERMAN RELATIONS: APPOINTMENT OF MR. NIGEL FORMAN, MP

I wrote to you about this on 30 October. The Prime Minister had a brief word with the Foreign Secretary this morning. They agreed not to proceed with the appointment of Mr. Forman given the German decision to appoint an ex-official, but to approach instead Sir Norman Statham, formerly Minister in the Embassy in Bonn. They recognise that it might not be possible to complete the arrangements in time for the nomination to be announced at the Anglo-German Summit if it goes ahead. In that event an announcement could be made later.

Charles Powell

Colin Budd, Esq.,
Foreign and Commonwealth Office.

10 DOWNING STREET

From the Private Secretary

30 October 1984

Review of Anglo/German Relations: Appointment of Mr. Nigel Forman, MP

Thank you for your letter of 29 October conveying the Foreign Secretary's decision to appoint Nigel Forman, MP, as a special representative to look at areas for developing Anglo/German co-operation.

The Prime Minister commented that it is not an appointment which she would ever have made. She does not think it is a suitable task for a Member of Parliament who is not a member of the Government. She also thinks that it will inevitably lead to more expenditure despite the provisos.

I suggest that you show this letter only to Sir Geoffrey Howe who may wish to raise the matter at his next bilateral with the Prime Minister.

Charles Powell

Colin Budd Esq
Foreign and Commonwealth Office.

RESTRICTED AND PERSONAL

H of C (for circulation as necessary)

cc: HMCG Munich
WED, FCO
Mr Torry
Mr Powell, No 10 Downing St

BREAKFAST WITH STRAUSS

1. I had breakfast with Franz Josef Strauss this morning. He had promised me 50 minutes and gave me 55. Nobody else was present.

2. I said I should be seeing the Prime Minister on 1 November and would like to be able to tell her Strauss's views on two things: the internal political situation in the FRG, and relations with the East, especially the GDR. (I had selected these two things from the range of subjects suggested here and by HMCG Munich, and also after taking advice from the US Ambassador who warned me on no account to allow Strauss to get started on his travel tales from Albania).

The political scene in the FRG

3. Strauss described this as turbulent, but not so turbulent as the press made out. The results of the local elections in Baden-Württemberg showed what was going on. The CDU had lost a bit, because its voters had stayed at home out of disillusionment. The SPD, which ought to be making hay of the Government's failures, had somehow contrived to lose also. The Greens had made a big advance. The Greens were exploiting 2 issues for all they were worth, and more. The first was the environment: this was a real problem, but it had been

/ exaggerated

exaggerated to the point where any twig that looked a bit off-colour was thought to be the victim of chemical pollution. The second was the Flick affair: this too had been inflated, but some people had behaved with a stupidity for which they should be stood up against a wall and shot (standrechtlich erschossen). Strauss then launched into a ferocious denunciation of Green-ism and everything it represented: oppositionism, anti-intellectualism, ignorance, enmity to facts and either neutralist-nationalism or nationalist-neutralism, according to choice. On top of this came an unmistakable tendency towards violence.

4. I made the tactical error of saying that I had met a Green named Kuhn in Stuttgart and thought him relatively harmless. Strauss thereupon sent for some press cuttings and read me a sentence from a speech made by Kuhn in the Land Parliament in Stuttgart, in which he had said that he was in favour of the deliberate breaking of laws. I asked which laws, but this only roused Strauss to further indignation: it did not matter whether it was divorce laws or laws on public order - the principle was the same.

5. Strauss's great fear was that in 1987 the SPD would get say 38% of the votes and the Greens say 12%, ie enough to form a Red-Green coalition. He was not sure that the FDP would go under, but he thought it quite possible that they would. The only alternative was for the moderate centre and right-wing of the SPD to realise which way their present course was leading, break with the left and with the Greens, and

/ form a

form a Grand Coalition with the CDU/CSU. He was not prepared to say which way things would turn out. But what he was sure of was that the Greens were a most unhealthy phenomenon. The same sort of people who voted Brown in the 1930s were voting Green now. Strauss only hoped that the outside world would not be so blind to the dangers now as they had been then. (Excursus on Lloyd George, the Clivedon set, the editor of The Times etc).

6. I incited Strauss to tell me what he thought was wrong with the governing coalition. He made the customary point about the policies being not bad but the presentation of them hopeless. He criticised the press for quoting the second part of this judgement and concealing the first. I read him a sentence out of the editorial in today's FAZ which said that "what could have been presented as a success is made to appear a partial failure". Strauss said this was exactly the point. I said that the same leader contained another sentence "The damaging rivalry between Strauss and Kohl will probably be resumed from Munich". He said that if this was the work of ReissmÜller (which it was) the man was intelligent but politically untalented. It was a question of style, not rivalry.

7. Hoping to hear some comment on personalities, I said I had met some of the Ministers in Bonn and been quite impressed with them. Wörner was my example - another unhappy one, as it turned out. Strauss launched into a bitter and for the most part unprintable account of the Kiessling affair

/ and

/ and
Wörner's mishandling of this, which had led Strauss to say at the time that Wörner must leave the Ministry of Defence. But Wörner was arrogant, and Kohl's policy was one of "Pardon und Prämie" towards his Ministers.

Inner-German Relations

8. I described my impressions of the GDR and related one or two things from the telegram describing Herr Nier's visit to London. Strauss had evidently not heard of Nier but he was very ready to tell me the background to the two credits granted to the GDR, his experience having been that far too many famous people (he listed the names of Mr Arthur Burns, Henry Kissinger, Vice President Bush, Mr Clark, Mr Burt etc) did not know even the elementary facts of the matter. The most important of these was that the loan had been guaranteed not by the Government in Bonn, but by the Government in East Berlin, through the pledge given that if it failed to make the due payments, the FRG could recoup itself out of the annual lump sum payments for transit dues etc to Berlin.

9. Strauss recalled the background to Honecker's visit. He was sure that it would have taken place if it had not been for stupid remarks from Bonn - not made by Kohl, but by certain other politicians. What had been needed was that those concerned should keep their mouths shut for weeks on end, and apparently they were incapable of this. Here followed another excursus back into the credit affair, with a list of the points which Strauss had been able to get Honecker to agree to,

/ plus

plus Honecker's own spontaneous offer in May 1983 to begin (in the autumn of that year) dismantling the self-firing devices along the FRG-GDR border. This brought Strauss back to his earlier point about the inability of Bonn to get due credit for successes when there were some. He asked what Boelling (whom he described as Schmidt's Dr Goebbels) would have been able to make out of a bargain of this kind. The whole thing reminded him of the story in Grimm's fairy tales about the boy who was given a lump of gold by his master, but on his way home exchanged it for one thing after another until he arrived home with only a stone in his hand.

Other Subjects

10. Strauss asked for his greetings to be conveyed to the Prime Minister, to whom he had sent a letter after the Brighton bomb. He wished there was time for him to tell me his views on Southern Africa: at the time of the Lusaka Commonwealth Conference he had written an 8-page letter to Mrs Thatcher from a yacht in the Mediterranean begging her not to weaken. Unfortunately she had ignored his advice, and the catastrophe with Rhodesia had followed. I said I could not share his judgement on that.

11. I took my leave, saying that I should like to meet Strauss again sometime, either in Munich or in Bonn. He gave a sort of grunt of assent which I propose to take as a commitment.

/ 12. Comment:

12. Comment: I had seen Strauss often from a distance, but never at close quarters before. He looked much younger than his 69 years and showed the vigour and rich vocabulary which one associates with him. But he spoke more as a commentator on events (and a pretty wintry one at that) than as someone who felt he was playing or expected to play a major part in them. With his mixture of peasant and intellectual quality he has always been a figure rather apart from Federal politics. One or two conversations in Munich during my first visit a fortnight ago gave me the impression that even members of the Bavarian Government and senior officials do not feel all that close to Strauss either. I was interested in the recent reporting from HMCG Munich suggesting that there was some disaffection within the ranks of the CSU about Strauss's style.

JJ.

J L Bullard

30 October 1984

bcc: Mr Powell
10 Downing St.

H of C

cc: Minister o.r.
Minister (E)
Mr Wyatt, BMG Berlin
Mr Llewellyn-Smith, WED

Prime Minister
An interesting insight into Chancellor Kohl
CDP 31/x.

CHANCELLOR KOHL

1. The social occasion in Berlin to which I referred in my telegram today about the Flick affair was in fact the jamboree for which the Federal Chancellor and the Governing Mayor were joint hosts on 27 October in the Opera House in Berlin. Since we seldom see Kohl at such close quarters, I might record my impressions of the evening.

2. For the first 2 hours we all sat in the stalls while various things took place on the stage. Diepgen made a little joke about the Flick affair which obviously made both him and the audience uncomfortable. Kohl made a speech including a reference to the reconstruction of the country "after the frightful Nazi era" and a passage about the unity of the German people and about Berlin as the symbol of this. The seriousness of these remarks was in striking contrast to the jocularity of everybody else's contribution.

3. I had dropped a lot of hints about wanting to see Kohl during the evening, on account of having not got an appointment with him in Bonn. The result was that I was fetched from one of the foyers and led to a table on the stage where Kohl was giving television interviews. The rest of the people at the table were from the theatre, TV etc. The large numbers

/ standing

standing round were from the press, autograph hunters and no doubt security men. By moving a Wagnerian soprano out of the way I was able to get a chair next to Kohl's, where I waited for him to finish his interviews, as eventually he did.

4. Thinking that it might be some 60 seconds before a Private Secretary tapped me on the shoulder and asked me to move, I explained that I would be in London this week for the Prime Minister's briefing meeting and asked what were his expectations and ideas about the Anglo-German Summit. He said abruptly and grumpily that he had nothing special in mind. I made some polite remarks about the Franco-German Summit due today and tomorrow, and said that perhaps this might perhaps throw up points that would be relevant to our own meeting. He replied, again very curtly, that if this happened he would let us know.

5. At this point there was an interruption of about 20 minutes while some sort of cabaret show took place. This seemed to cheer Kohl up, because he called for a huge glass of Berlin beer and began simultaneously to sign dozens of autographs and tell me all over again about Locarno and Austen Chamberlain. From this he went on to his meeting at Verdun with Mitterrand, and thence to the plot against Hitler of 20 July 1944, on which his point was that von Tresckow and others were not only the leading conspirators but also the most brilliant staff officers of their generation, a fact which he found deeply significant.

/ 6. Throughout

6. Throughout all this there was a continuous flashing of photographic lights and a thrusting of programmes under Kohl's nose to be autographed. Figures in various sorts of period costume loomed up and were photographed standing alongside the Chancellor and his glass of beer. Eventually someone called Nowotny was brought up to take my place, although not until I had been sitting there for about three quarters of an hour, with the Wagnerian soprano on my other side.

7. Comment: As we all know, Kohl is a very untypical politician. He has a lot in his head and he blurts it out without pausing to consider whether it is going to be wasted on the audience which he happens to have in front of him or whether there might be something more important awaiting his attention. His staff evidently sense this and make no attempt to keep him supplied with what one might call operational interlocutors, nor to fend off the inquisitive. In his references to the Nazi period he spoke as if consciously from the near side of a caesura separating those who did not take part in the events of 1933-45 from those who did. He had obviously been deeply impressed by the simple but effective symbolism at Verdun: the instinctive mood which led Mitterrand and him to join hands, the thousands of schoolchildren and the parade of troops in which French and German soldiers were drawn up alternately in long rows. I could not help reflecting on the contrast between this kind of thing, likely no doubt to be echoed at the Franco-German meeting this week in Bad Kreuznach, and the more humdrum agenda of our own Summit on 2 November, even if the appointment of Dr Gehlhoff and Mr Nigel Forman is announced on that / day.

day. I am not saying that we should try to ape the Franco-German relationship, which you know I regard as partly hollow: the week-end press carried a reminder that four times as many Germans are learning English as French. But I do think we must persevere in the attempt to understand Herr Kohl and improve not just our physical access to him, but our mental and emotional access also.

J L Bullard

29 October 1984

RESTRICTED

Foreign and Commonwealth Office

London SW1A 2AH

29 October 1984

Dear Charles,

Review of Anglo/German Relations: Appointment of Mr Nigel Forman MP

I enclose a copy of the joint statement issued by the Prime Minister and Chancellor Kohl after their Summit at Chequers on 2 May. At the time the Germans told us that they were thinking of appointing a special representative for a limited period to look at areas for developing Anglo/German cooperation suggested by the review. The Germans subsequently told us that they intend to appoint Dr Walter Gehlhoff (curriculum vitae enclosed) for this task.

The Foreign Secretary takes the view that this is a sensible way of building on the reports on Anglo/German relations completed by officials just before the May Summit. But we think it would be better on the British side to appoint a younger person with a lively, well-informed interest in Germany (and a politician rather than an official). Nigel Forman MP, who is Joint Secretary of the Anglo/German Parliamentary Group, has agreed to take on this task. We would envisage his looking at selected areas of cooperation (eg academic and youth exchanges) for a limited period, and then reporting. It has been made clear that we are looking for new ideas on how to use present resources, not for proposals for new spending.

The Foreign Secretary thinks that it would be helpful to Mr Forman and Dr Gehlhoff if their appointments could be mentioned by the Prime Minister and Kohl at the Summit on 2 November. We understand that Kohl is keen to do this, and has invited Gehlhoff to his lunch for the Prime Minister. If the Prime Minister agrees, we shall take account of the proposal in the bilateral relations brief for the Summit, and include appropriate wording in notes for her press conference. We could also ask Mr Forman if he could accept Kohl's invitation to lunch.

Yours ever,

Colin Budd

(C R Budd)
Private Secretary

C D Powell Esq
10 Downing Street

RESTRICTED

STATEMENT ON ANGLO-GERMAN BILATERAL RELATIONS

1. At this, the 15th in the series of consultations between the Heads of Government, the Chancellor of the Federal Republic of Germany and the Prime Minister of the United Kingdom of Great Britain and Northern Ireland reviewed the state of relations between their two countries. They took into account reports on the progress of the relationship prepared by officials, which the Prime Minister and Chancellor Schmidt had called for at the conclusion of the 10th bilateral summit in Bonn on 18 November 1981.

2. The Heads of Government expressed great satisfaction that links between their governments and the citizens of their countries had continued to develop very successfully. They agreed that these links were a testimony to the common values; their shared belief in democracy, freedom, human rights and the dignity of the individual; and their determination to defend these values together with their other partners and allies. The close collaboration between Britain and the Federal Republic in the Western Alliance, the European Community and in European Political Cooperation bears eloquent witness to the many shared interests of the two

countries. The Heads of Government affirmed their profound belief in the idea of a Europe able increasingly to play a role in the world commensurate with the combined economic weight and political experience of its member states. They reaffirmed the objectives in the Solemn Declaration on European Union.

3. The Heads of Government noted the vital contribution made by their two countries to the common defence of western freedoms within the North Atlantic Alliance. The contribution of British forces in Germany in this context is greatly valued by the Federal Government. It will be maintained. The Heads of Government reaffirmed the importance of the United Kingdom's rights and responsibilities relating to Berlin and to Germany as a whole. The Prime Minister reaffirmed the conviction of successive British governments that real and permanent stability in Europe will be difficult to achieve so long as the German nation is divided against its will.

4. The Heads of Government noted with particular satisfaction the very close consultation and alignment of policies which takes place between the two countries in bilateral and multilateral settings, particularly within the framework of the European political cooperation.

This has been sustained by largely converging interests and by a common fundamental outlook on foreign and security affairs, East-West relations, disarmament and arms control as well as economic and social policy.

5. The Heads of Government found that relations between the two Administrations were highly satisfactory, forming an active and varied partnership, marked by openness and mutual trust. There are close relations, too, between the two parliaments, and between political parties of similar persuasions.

6. The Heads of Government agreed that commercial ties formed an integral element of the relationship. They noted with satisfaction the expansion of bilateral trade, a process that had accelerated dramatically since Britain's entry into the Community, and in the wake of which has come a similar increase in reciprocal investment with beneficial consequences for employment in both countries. These developments have been greatly promoted by the contribution of the Chambers of Commerce, and have without doubt been assisted by the close harmony in the economic and financial policies pursued by both governments.

7. The Heads of Government confirmed that they attach particular importance to the work of unofficial and semi-official institutions which supplement the work of Governments in encouraging contact and increasing mutual understanding. They noted the particularly valuable work of the Anglo-German Society which organises the Koenigswinter Conferences, the Anglo-German Foundation for the Study of Industrial Society, the cultural organisations of the two countries and the various organisations in the two countries concerned with town twinning and youth exchanges. They saw a continuing and important role for these and other organisations especially in bringing together the younger generation in the two countries. They agreed also that continued mutual understanding would be assisted by imaginative efforts to maintain and develop the teaching of each other's language, especially the study of German in British schools and other places of learning; and by continued efforts to exploit the potential for developing contacts through the presence of British servicemen and their families in Germany.

8. The Heads of Government noted that the increasing mutual involvement of their two countries makes it desirable to increase correspondingly the British and German peoples' knowledge of, and involvement in, each other's culture and activities. In particular, it is vitally important that the younger generation should be equipped for the Europe of tomorrow. The Heads of Government agreed that future efforts should focus on this requirement. There should be regular meetings of senior officials in the Foreign Offices responsible for cultural affairs to review progress and stimulate activity where it is needed. Attention should also be focused on the better and wider diffusion of news and information.

9. The Prime Minister and the Federal Chancellor are convinced that the furthering and strengthening of Anglo-German relations in line with the reports' suggestions and proposals can be best attained within the existing framework. They expressed confidence that the effective partnership between the two countries and peoples would be developed further both in the promotion of common interests and to shape Europe to meet the

challenge of the last quarter of the 20th century. They instructed their officials to be guided by these objectives.

3 May 1984

GEHLHOFF, Dr Walter

Special Representative (Designate) on Anglo-German relations.

Born 1922 in Berlin. Studied medicine from 1940-42 and again after war service from 1946-48. After qualifying as a doctor Gehlhoff turned his attention to philosophy sociology and economics (1949-50). Entered the German Foreign Service in 1951. Served in Cairo and Beirut (1953-58) and after eight years at the Auswaertiges Amt at Tehran (1966-69). He then returned to the Auswaertiges Amt to take charge of the Division dealing with Near East and North African and UN affairs. From 1971-74 he was at the UN in New York, first as leader of the German Observer Mission and then as Ambassador after the Federal Republic joined the UN in 1972. From 1974-77 he was State Secretary (that is the most senior permanent official) at the German Foreign Office. His final post was as Ambassador to the Holy See. Married with three children. Proposed for appointment to his present position in 1984.

Gehlhoff is unusual among German diplomats of his generation in not having studied law. He is a thoughtful man with exceptionally wide interests and an easy manner. He was a successful Head of the German Foreign Service distinguishing himself by his keen appreciation of the art of the possible. The fact that he has not served in Britain may be an advantage in his new post. With his wide experience and Catholic taste he should be able to take a fresh original look at Anglo-German relations.

Gehlhoff speaks very good English.

RESTRICTED

10 DOWNING STREET

From the Private Secretary

20 October 1984

Dear Colin.

You will recall that when the Paymaster General recently visited Bonn with a group of Conservative Members, he took with him a message to Chancellor Kohl from the Prime Minister. I enclose a copy of Chancellor Kohl's reply.

Yours sincerely.

(C.D. POWELL)

C.R. Budd, Esq.,
Foreign and Commonwealth Office.

RESTRICTED

DER BOTSCHAFTER
DER BUNDESREPUBLIK DEUTSCHLAND

London, 19th October 1984

PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. T175B/84

cc Master
OPS.

Dear Prime Minister,

I have the honour to transmit to you the enclosed letter from Herr Helmut Kohl, Chancellor of the Federal Republic of Germany.

A courtesy translation is also attached.

I am, Dear Prime Minister
Yours sincerely

Baron Rüdiger von Wechmar

Her Excellency
The Rt.Hon. Margaret Thatcher, MP
Her Majesty's Prime Minister and
First Lord of the Treasury
L o n d o n

Courtesy Translation

L e t t e r
from
Herr Helmut Kohl
Chancellor of the Federal Republic of Germany

to

Her Excellency
The Rt.Hon. Margaret Thatcher
Her Majesty's Prime Minister and First Lord
of the Treasury

Dear Prime Minister,

Part 2.

Thank you very much for your letter of September 28 1984, which party chairman John Gummer handed to me personally during the visit of a Conservative Party delegation to Bonn.

I was glad that this visit finally took place and agree emphatically with your view that our two parties should strengthen their co-operation, particularly also within the framework of the European Parliament.

Indeed, Exercise Lionheart was an important affirmation of the British defence will and an impressive demonstration of your forces' high degree of skill. Naturally,I, too, regret that Professor Carstens will not be leading the committee for institutional questions set up in Fontainebleau. An energetic approach to these questions is a matter of urgency and I am convinced we have not much time to lose.

Meanwhile the budget question has been settled and we should go on from there with an earnest effort to strengthen the Community's political foundation and in so doing make our citizens aware that their security and freedom are immediately bound up with the Community's fate.

I am looking forward to our meeting at the beginning of November within the framework of the German-British consultations. We will have an opportunity there to deal with this and other important questions of European and international policy.

With kind regards,
Yours sincerely,

signed Helmut Kohl

Germany: UK Relats Pt 3-

B r i e f

von

Herrn Helmut Kohl

Bundeskanzler der Bundesrepublik Deutschland

an

Her Excellency

The Rt.Hon. Margaret Thatcher

Her Majesty's Prime Minister and First Lord

of the Treasury

Sehr geehrte Frau Premierminister,

haben Sie herzlichen Dank für Ihr Schreiben vom 28. September 1984, das mir Parteivorsitzender John Gummer anläßlich des Besuches einer Delegation der Konservativen Partei in Bonn persönlich überbracht hat.

Ich habe mich gefreut, daß dieser Besuch endlich zustandegekommen ist und stimme nachdrücklich Ihrer Auffassung zu, daß unsere beiden Parteien ihre Zusammenarbeit, insbesondere auch im Rahmen des Europäischen Parlaments, weiter vertiefen sollten.

Die Übung "Lionheart" war in der Tat ein wichtiges Signal des britischen Verteidigungswillens und ein eindrucksvoller Beweis für das hohe Können Ihrer Truppen.

Natürlich bedauere auch ich, daß Professor Carstens den in Fontainebleau eingesetzten Ausschuß für institutionelle Fragen nicht leiten wird. Ein energisches Herangehen an diese Fragen tut not und wir haben, das ist meine Überzeugung, dabei nicht viel Zeit zu verlieren.

Inzwischen ist die Haushaltsfrage einer Lösung zugeführt worden und wir sollten daher den ernsthaften Versuch unternehmen, das politische Fundament der Gemeinschaft zu stärken und damit unseren Bürgern das Gefühl geben, daß ihre Sicherheit und Freiheit sehr unmittelbar mit dem Schicksal dieser Gemeinschaft verknüpft sind.

Ich freue mich sehr auf unser Zusammentreffen im Rahmen der deutsch-britischen Konsultationen Anfang November, wo wir Gelegenheit haben werden, diese und andere wichtigen Fragen der europäischen und internationalen Politik zu erörtern.

Mit freundlichen Grüßen

gez. Helmut Kohl

DIO

Botschaft
der Bundesrepublik Deutschland
Embassy
of the Federal Republic of Germany
Pol

23, Belgrave Square / Chesham Place
London, SW 1 X 8 PZ
Tel. 01-235-5033
Hausanschluß: Extension:
Sprechstunden: Office hours:
Montag-Freitag Monday-Friday 9.00-12.00
Fernschreiber-Telex Nr. 28 191
Telegrammanschrift-Telegrams:
Diplogerma London

6th November 1984

Mr. Charles Powell
Private Secretary to the
Prime Minister
10 Downing Street
L o n d o n

NBPM
GR 2. 0(K)

Dear Mr. Powell,

I have the honour to transmit to you enclosed the original of a letter from Herr Kohl, Chancellor of the Federal Republic of Germany, to the Prime Minister, the contents of which were already transmitted by a letter of Ambassador von Wechmar of 19th October, 1984.

A courtesy translation is attached.

Yours sincerely,

Eike E. Bracklo

(Dr. Eike E. Bracklo)
Minister Counsellor

Mr. Charles Powell
Private Secretary to the
Prime Minister
10 Downing Street
London

30th November 1984

Dear Mr. Powell,

I have the honour to transmit to you enclosed the original of a letter from Herr Vogel, Chancellor of the Federal Republic of Germany, to the Prime Minister, the contents of which were already transmitted by a letter of Ambassador von Wechmar of 10th October, 1984.

A courtesy translation is attached.

Yours sincerely,

(Dr. Hilde Frischke)
Minister Counsellor

- 7 NOV 1984

BUNDESREPUBLIK DEUTSCHLAND
DER BUNDESKANZLER

Bonn, den 17. Oktober 1984

Ihrer Exzellenz
Frau Margaret Thatcher, MP
Premierminister des Vereinigten
Königreichs Großbritannien und
Nordirland

London

Sehr geehrte Frau Premierminister,

haben Sie herzlichen Dank für Ihr Schreiben vom 28. September 1984, das mir Parteivorsitzender John Gummer anläßlich des Besuches einer Delegation der konservativen Partei in Bonn persönlich überbracht hat.

Ich habe mich gefreut, daß dieser Besuch endlich zustandegekommen ist und stimme nachdrücklich Ihrer Auffassung zu, daß unsere beiden Parteien ihre Zusammenarbeit, insbesondere auch im Rahmen des Europäischen Parlaments, weiter vertiefen sollten.

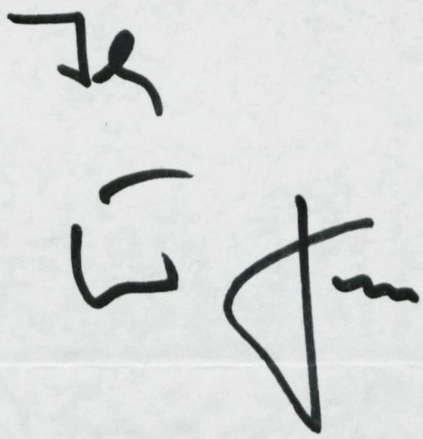
Die Übung "Lionheart" war in der Tat ein wichtiges Signal des britischen Verteidigungswillens und ein eindrucksvoller Beweis für das hohe Können Ihrer Truppen.

Natürlich bedauere auch ich, daß Professor Carstens den in Fontainebleau eingesetzten Ausschuß für institutionelle Fragen nicht leiten wird. Ein energisches Herangehen an diese Fragen tut not und wir haben, das ist meine Überzeugung, dabei nicht viel Zeit zu verlieren.

Inzwischen ist die Haushaltsfrage einer Lösung zugeführt worden und wir sollten daher den ernsthaften Versuch unternehmen, das politische Fundament der Gemeinschaft zu stärken und damit unseren Bürgern das Gefühl geben, daß ihre Sicherheit und Freiheit sehr unmittelbar mit dem Schicksal dieser Gemeinschaft verknüpft sind.

Ich freue mich sehr auf unser Zusammentreffen im Rahmen der deutsch-britischen Konsultationen Anfang November, wo wir Gelegenheit haben werden, diese und andere wichtigen Fragen der europäischen und internationalen Politik zu erörtern.

Mit freundlichen Grüßen



AUS SH
cc SPC

10 DOWNING STREET

From the Private Secretary

15 October, 1984

Possible Call on the Prime Minister by the FRG Minister of the Interior

Thank you for your letter of 10 October conveying the Foreign Secretary's recommendation that the Prime Minister should see Dr. Zimmermann when he visits London.

The Prime Minister is already very heavily engaged at that time and much regrets that she will not on this occasion be able to see Dr. Zimmermann.

I am copying this letter to John Ballard (Department of the Environment), Callum McCarthy (Department of Trade and Industry), Michael Reidy (Department of Energy) and Hugh Taylor (Home Office).

Colin Budd, Esq.,
Foreign and Commonwealth
Office

C. D. POWELL

CONFIDENTIAL

NH

CONFIDENTIAL

FCS SSF
cc: SPC

10 DOWNING STREET

From the Private Secretary

15 October, 1984

"The German Question"

Thank you for sending me with your letter of 11 October Sir Julian Bullard's despatch of 5 October on the German Question.

The Prime Minister has read this with interest.

C. D. POWELL

Colin Budd, Esq.,
Foreign and Commonwealth Office

CONFIDENTIAL

VSC

CONFIDENTIAL

Prime Minister
A thoughtful piece, certainly worth reading. German reunification is an area where we have to say one thing and think another. CDP 11/X.

Foreign and Commonwealth Office

London SW1A 2AH

11 October 1984

Dear Charles,

"The German Question"

I enclose a copy of Sir Julian Bullard's important despatch of 5 October on the German Question, with its enclosed memorandum and annex. The Foreign Secretary believes that the Prime Minister will find these papers of interest.

We shall of course take account of them in preparing briefing for the Prime Minister's meeting with Chancellor Kohl at the Summit meeting in Bonn on 2 November.

Yours ever,

Colin Budd

(C R Budd)
Private Secretary

C D Powell Esq
10 Downing Street

CONFIDENTIAL

"THE GERMAN QUESTION"

SUMMARY

1. "Deutschlandpolitik" and "Die Deutsche Frage" have occupied press and public attention since the Ambassador's arrival. The despatch encloses a Memorandum on these matters and an Annex on the recent history (paragraph 1).

2. "The German Question" remains open in German emotions as well as legally. We must take seriously our position in relation to "Germany as a Whole". Recent events have been exploited by the Russians in Eastern Europe. The Federal Republic may want further confirmation of the support of the Allies for the goal of German unity. Despite the Soviet Union's opposition to change, the post-war political order in Europe may one day need to be adjusted (paragraphs 2-5).

3. Britain, France and the United States are particularly involved. We are entitled to ask the Germans to take care not to undermine the Allies in Berlin (paragraph 6).

S Julian Bullard KCMG

BRITISH EMBASSY,
BONN.

CONFIDENTIAL 5 October 1984

The Rt Hon Sir Geoffrey Howe, QC MP
Secretary of State for Foreign &
Commonwealth Affairs
Foreign & Commonwealth Office
LONDON SW1A 2AH

Sir,

"THE GERMAN QUESTION"

1. I hope shortly to send you my first impressions of the Federal Republic of Germany. Meanwhile I should like to comment on one subject which has occupied press and political attention here more than any other since my arrival a month ago. It goes under the names of "Deutschlandpolitik" and "Die Deutsche Frage", names as heavy with echoes for a German as the words "Battle of Britain" are for me. The enclosed memorandum by my Chancery defines these terms and describes what it is and is not realistic to imagine might be meant by them. The recent history is summarised in an Annex.

2. In this covering despatch, I should like to make four points. The first is that in the Federal Republic of Germany, quite apart from the situation in international law, in an emotional sense "The German Question" is very much open. Many citizens of this country would echo the words used by Genscher to the General Assembly of the UN that "history has not yet spoken its last word on the division of the German people". From my very brief visit to the GDR in July I would judge that the same is true in that country also. (The difference of course is that in the East the regime thinks otherwise). "The German Question" is therefore a real one, not just a newspaper headline.

/ 3. Second,

3. Second, it follows that we (and the French and the Americans) should continue to take seriously the special position in which we find ourselves in relation to "Germany as a whole". This means avoiding Andreotti's error of supposing that a concept which has lost most of its meaning for us has no significance for the Germans either. As that episode has shown, reluctance to pay the customary verbal toll can provoke a German demand for a higher payment in more up to date currency. We were very fortunate to have had at hand, in the Joint Declaration issued by the Prime Minister and Chancellor Kohl only last May, a sentence about the division of Germany which brought balm to the German soul without giving any precise commitment: "It is the belief of successive British governments that real and permanent stability in Europe will be difficult to achieve so long as the German nation is divided against its will". When she comes here for the next Anglo-German Summit in a month's time, the Prime Minister may find herself pressed to be more explicit. British Governments have of course in the past repeatedly endorsed, in carefully chosen terms, the goal of German unity.

4. Third, this situation is pregnant with implications for the future. In the short term the Federal Government will try to maintain the very considerable activity in inner-German relations which has come to be seen as normal. In Eastern Europe, I imagine, and perhaps especially in Poland, the latest events will have reawakened atavistic fears of what Andreotti called Pan-Germanism and thus helped the Russians in their current campaign to tighten discipline within their own camp. In Western Europe, conversely, the Germans may try to sharpen up the language in which the Alliance traditionally endorses the long-term goal of German unity, starting at the December meeting of Foreign Ministers. For very many years ahead, the Soviet Union will

/ not

not allow German reunification under any circumstances. There will no doubt be further occasions, like the veto on the Honecker visit, when Moscow will intervene to prevent major moves in inner-German relations. To try to envisage a world where the Soviet Union might allow such a change is of course a hazardous business. But looking very much further ahead, far beyond my own diplomatic career, I have to say that I believe that the sentence quoted in paragraph 3 above is correct. By this I mean that the statesmen of Europe will in my view one day have to address themselves to "The German Question" in a very concrete form, namely the question what adjustments to the post-war political order in Europe might need to be considered in order to give a political shape to the common aspirations of the divided German people.

5. Fourth and last, there are the implications for Berlin. The point here is that the abnormality of Berlin is part of the evidence, and not the least part either, that "The German Question" is indeed still open: not just as an unhealed wound in the German psyche, but juridically and politically. Moreover Britain, France and the United States are involved in this situation up to the hilt. My American colleague said to me the other day that the Allied position in Berlin makes us trustees for the future of the German nation. If this sounds far-fetched, let me recall that you yourself have recently signed and sent to an English court a certificate stating "that Germany is a State for the purposes of Part I of the State Immunity Act 1978, and that the persons to be regarded for the purposes of Part I of the said Act as the government of Germany include the members of the Allied Kommandatura of Berlin, including the British Military Commandant, currently Major General Bernard Charles Gordon Lennox". But equally, our exposed position in Berlin - exposed politically as well as in the military sense - entitles us to ask the Germans not to undermine it, nor allow the authorities in Berlin to undermine

/ it,

it, by careless talk or ill considered actions based on short-term considerations. This too is ground likely to be covered at the Anglo-German Summit next month.

6. I am sending copies of this despatch to Her Majesty's Representatives at NATO and the UN in New York and Geneva, in the NATO and EC capitals; in East Berlin, Moscow, Warsaw, Prague, Budapest, Bucharest and Sofia; in Stockholm, Helsinki, Vienna and Berne; and to the GOC in Berlin, the British Consuls-General in the Federal Republic and the Commanders' in Chief Committee (Germany).

I am Sir,
Yours faithfully

J L Bullard

MEMORANDUM: "DEUTSCHLANDPOLITIK" AND "THE GERMAN QUESTION"

1. The calling off of Honecker's visit to the Federal Republic, and the storm over Andreotti's "Pan-Germanism" remarks make this a good moment to take stock. "Deutschland-politik" comprises policy towards the German Democratic Republic and the future of the German nation, ie as opposed to that of the Federal Republic alone. "The German Question" ("Die deutsche Frage") is that of the division of Germany, the legal situation and the future. The special position and problems of Berlin are central to both. We, like the Americans and French, are intimately involved through our responsibilities for Berlin and "Germany as a whole"; through our relationship to the Federal Republic and because the future of inner-German relations may be a crucial element in the future development of Eastern Europe and hence of the whole East-West relationship.

2. The background of developments in recent years is set out in an Annex. The covering despatch and this memorandum are concerned with the future and largely pick up the thread of debate following Mr Maxey's Valedictory Despatch from East Berlin, dated 20 June. What are now the possibilities and probabilities in Inner-German relations? What are the implications for the Germans and for us?

3. As already reported, the reaction in the FRG to the set-back over Honecker's visit has been remarkably calm. The West Germans are used to setbacks in relations with the GDR and in arrangements for meetings with Honecker at Chancellor level. It is universally realised that Moscow was responsible: it is widely sensed that the policy of the GDR itself is essentially unchanged and that the ground gained in Inner-German relations has not been lost. This is only a set-back, not a final closing of the door.

/ 4. The Deutschlandpolitik

4. The Deutschlandpolitik consensus of the main political parties in the Federal Republic is also largely undisturbed. This is still essentially the policy of "small steps", first promulgated by Brandt and Bahr, by which the two German states might gradually increase the scope of their contacts and pragmatic cooperation; ordinary Germans on both sides might more easily visit or contact each other, and the lot of the East Germans might be improved. Behind this lay the concept of "Wandel durch Annäherung" or "Change through rapprochement" - the hope that as mutual contact increased the nature of the East German state might start to change by contagion. Behind that, for every Federal Government lies the obligation laid down in the "Basic Law" - to achieve in free self-determination the unity and freedom of Germany.

5. In recent years little has been heard of "Wandel durch Annäherung". It was too apparent that the GDR, under Honecker's skilled direction and under the tight military and economic grip of Moscow, was consolidating itself ever more as a separate state, in which new generations were growing up which had never known a united Germany and which knew the Federal Republic through TV and through visitors - much as most British know the United States. The Kohl-Genscher government continued the policy of dialogue and "small steps" but Kohl added a special rhetorical effort to revive, amongst West Germans particularly, the consciousness of a common German nationhood and to reassert the long-term aspiration of reunification.

6. It is important to realise just how long-term and indeed nebulous this aspiration is. No significant party or organisation in the Federal Republic - even the Greens or the "League of Expellees", ie Germans driven after the war from what are now Polish and Soviet territories - sees reunification as more than a distant dream, or can chart a way forward by which it can be reached. Indeed for many West Germans, particularly

/ perhaps

perhaps South Germans or Rheinlanders still affected by the anti-Prussian tradition so marked in Adenauer, reunification is not even a dream and the GDR is merely a repellent Communist monstrosity.

7. Yet the consensus in favour of more dialogue and contact with the GDR is now very widely based. It is seen as a duty owed to the East Germans and particularly as a contribution to easing wider East-West tensions. It is recognised, despite setbacks such as the October 1980 raising of the minimum exchange rate for visitors to the GDR, to have been modestly successful in the 12 years since the Quadripartite Agreement and the FRG-GDR Basic Relations Treaty - particularly in the expansion of Inner-German trade, and in the increased ability of West Germans and West Berliners to visit relatives and friends in the GDR. This consensus is sometimes summoned up by Federal politicians in the formula "Deutschlandpolitik = Europapolitik = Friedenspolitik". At a comfortable level of abstraction this combines the coming together of the two sides of divided Germany, European unification, and the pursuit of peace by the reconciliation of East and West.

8. Beneath its bland generality, this formula hides contradictions. It embraces the day to day policies of the Federal Government in its relations with the GDR, in its efforts to strengthen the European Community and Genscher's hyperactive efforts to promote East/West dialogue. It embraces the Government's unexceptionable, though vague, long-term aims. But in the middle ground between the short-term policies and the long-term goals it covers over more problems and practical contradictions than most West Germans generally wish to admit or to face up to. How is the building of a special relationship with the GDR to be combined with increased unity within the European Community, and how far can the Federal Republic give a lead in dialogue and cooperation with the East while remaining in the centre of the convoy

/ within the

within the Western Alliance? How far can increasing cooperation with the GDR and Eastern Europe expect to be viewed with benevolence by Moscow as a contribution to dialogue, to economic progress and to restraint on Reaganite anti-Communism, rather than as an insidious undermining of the Brezhnev doctrine and of Soviet control over the East Europeans? What is meant by "Europa" in "Europapolitik"? Can it really at one and the same time be both the forging of a stronger pillar of one side of the NATO alliance and the aim of creating an undivided Europe of East and West?

9. To the Federal Government these are not so much contradictions as inevitable problems of balance and of evolution. But it has long been aware that its policy has a capacity to arouse distrust and alarm in both East and West - a distrust it works hard to dispel. Genscher declares that Bonn's policy is predictable, firm and long-term and thus an element of reliability and stability in the heart of Europe. The Allies are told by the CDU/CSU that the Federal Government is pursuing not so much the policy of its SPD/FDP predecessor (however much that may seem to be the case in the fields of Deutschlandpolitik and Ostpolitik) as that of Adenauer, ie that any policy towards the East can only succeed on the basis of a firm anchorage in NATO and the European Community. Towards Moscow, Genscher speaks of the Federal Republic's wish to find new ways of "dialogue, cooperation and reconciliation of interests" in a "European peace order", including the Soviet Union. It is repeatedly stressed that it is realised that there is no special road to German reunification and that this can only come about as part of a general reunification of the whole of Europe, in which the old national states will have lost much of their significance and the Soviet Union will have lost its suspicion and fear of the West.

/ 10. It is

10. It is a noble, though notably long-term vision, with which the Federal Republic's allies can sympathise. They are all pledged not only to the defence of Berlin but to support for the eventual reunification of a free democratic Germany. But there are some potential dangers in the middle ground. Efforts to give a lead in East-West relations can lead to FRG initiatives not being fully concerted within the alliance. For instance before the Honecker visit was called off Genscher was hinting at a joint FRG/GDR initiative for an East-West declaration of renunciation of force. Another point to watch is that efforts to foster a sense of common Germanness could encourage naive self-delusion as to the scope for common effort with the GDR. It is part of the Federal Government's rhetoric not only that the two German states have inherited from history a common conviction that "never again must war start from German soil" but that from history and geography they must recognise a shared responsibility for peace, within and across their respective alliances, a "Verantwortungs-gemeinschaft".

11. These however are only points to watch. There is no danger in the foreseeable future that the Federal Republic's diplomacy will go off the rails in some nationalist or neutralist direction: Moscow's intervention over the Honecker visit will have acted as a sobering reminder, if any was needed, of the realities of Soviet veto powers over the GDR. We can accept without reservation assurances that its Deutschlandpolitik and Ostpolitik have as indispensable foundations the Federal Republic's firm embedding in the Western Alliance and European Community. The Federal Republic is not alone in having a policy with individual features or in pursuing particular interests, and our rights and responsibilities for Berlin and for Germany as a whole help ensure that the degree of consultation on most Inner-German issues is very close.

/ 12. As seen from

12. As seen from Bonn, the medium- and long-term dangers posed to Moscow by Bonn's Deutschlandpolitik and Ostpolitik are immensely greater. The GDR is not only of major economic importance but constitutes the lynchpin of Soviet power in Eastern Europe - particularly since the weakness and unrealibility of Poland has been so graphically illustrated. It also constitutes the guarantee that the Germans will remain divided and never pose a third military challenge to the Soviet Union. The Soviet military, economic and political means of control of the GDR remain overwhelming. But the astonishingly open tussle of wills between East Berlin and Moscow over the Honecker visit seems to indicate that the issue was not entirely one-sided and that Moscow may indeed have long-term grounds for concern. It appears the GDR now has enough self-confidence not only to assess its own interests as requiring continued or expanded links of many kinds with the FRG, but to try to defend them against the displeasure of Moscow. Hitherto Moscow seems to have had great confidence in Honecker's ability to combine exemplary bloc loyalty with relatively flexible management of the GDR's relations with the Federal Republic. Now there seem to be doubts.

13. The problem is not confined to the GDR. Traditionally German trade, industrial standards and culture have been important in Eastern Europe. From Moscow it may seem that something of this influence could return, as the limitations of the Soviet economic and ideological models become even clearer. Yet the Federal Government's policy of peaceful dialogue, trade and contacts is difficult to contest except, as now, as a hypocritical cover for "revanchism". Even then the Soviet Union itself needs West German trade and finance and to try to influence German opinion. The Soviet attempts to exert more centralised control over the East bloc and its Western contacts may perhaps owe a good deal to deep-rooted fears of the magnetism of the West German economy and the effectiveness of its diplomacy.

/ 14. What are

14. What are the immediate prospects for Inner-German relations? So far the indications from this side agree with those reported from East Berlin by Mr Everard. Both sides now have to move more cautiously but both wish to continue to maintain and develop their contacts as far as the wider East-West context will allow. A visit by Honecker and a Cultural Agreement may have to wait a while. But if US/Soviet relations ease Honecker might be able to come in the next year or two; perhaps at short notice to avoid a build-up of speculation. Meanwhile prospects for new agreements on immediate practical issues, such as measures to clean up rivers flowing from the GDR into the Federal Republic, may be little affected. The calling off of Honecker's visit under Soviet pressure and the uproar over Andreotti's remarks may both, by the publicity they have aroused, have further contributed to the already observable swell of revived interest in the Federal Republic in Germany's past, in the GDR and in the future of the German nation. The verdict still stands that this must all be seen in terms of development in the relations between two German states, rather than as even the preliminary steps towards eventual reunification. The division into two states is firm and stable for the foreseeable future. The power of the Soviet Union and the interests of the GDR's own rulers are a fully adequate guarantee against any dramatically destabilising developments.

Annex

THE GERMAN QUESTION: RECENT HISTORY

1. After the 1971 Quadripartite Agreement and 1972 Basic Relations Treaty the Federal Republic and the GDR expanded their trade and contacts until the Afghanistan set-back to East-West relations. In October 1980 the GDR sharply cut its intake of West Berlin and West German visitors by increasing and extending the daily minimum exchange requirement. Days later Honecker in a speech at Gera set out far-reaching policy demands in relations. A mini-detente in 1981 culminated in Chancellor Schmidt's meeting in December with Honecker at Werbellinsee, outside Berlin, but was cut short by the imposition of martial law in Poland.

2. The fall of the SPD-FDP coalition in the autumn of 1982 was watched with apprehension by the GDR. Chancellor Kohl's first government policy statement in October 1982 laid stress on Deutschlandpolitik, but Genscher continued as Foreign Minister and Strauss, then a traditional GDR bogyman, was not in the Federal Cabinet. Although at first the new government stressed the need for a more adequate quid pro quo whenever the FRG made concessions to the GDR, it soon became clear that policy towards the GDR would be largely marked by continuity and pragmatism.

3. Relations with the GDR developed quickly, particularly after the Federal Government had been consolidated by its election victory of May 1983. Kohl saw this as a way of showing the West German public that INP stationing, then the subject of heavy Soviet propaganda and very active campaign by the domestic peace movement, would not cause an end to East-West dialogue. In July Strauss produced a bombshell by setting up a DM 1 billion bank credit for the GRD, guaranteed by the Federal Government, and by visiting the GDR himself. This showed the Kohl government was largely free of risk from its right wing in developing relations with the GDR. The credit was shortly followed by a marginal

GDR concession concerning the minimum exchange requirement for western visitors. Chancellor Kohl visited Moscow in July 1983 and spoke openly of German aspirations for eventual peaceful reunification.

4. Relations continued to improve in the latter half of 1983. High level political visits in both directions; a 40% increase in GDR citizens under pensionable age allowed to visit the Federal Republic in urgent family circumstances; a noticeable improvement in the treatment by GDR officialdom of West Germans visiting the GDR; a start to the removal of self-firing devices along the inner-German border; resumption after 8 years of negotiations for agreements on culture and technology and on legal assistance; new negotiations on a number of environmental questions; Postal Agreement re-negotiated and extended for 5 years.

5. The Bundestag confirmation in November 1983 of the INF deployment decision did not produce the 'ice-age' which Honecker had earlier threatened. Only days later Honecker's line at the SED 7th Central Committee meeting was the very different one of 'damage limitation'. Negotiations between the Berlin Senat and the East Germans about the Berlin S-Bahn suburban railway were concluded remarkably smoothly. The 9 February joint recommendation on Deutschlandpolitik by the CDU/CSU/FDP/SPD parliamentary parties was met by only mild criticism by the GDR of its alleged 'revanchist' implications. A press leak revealed that Volkswagen were near completion of a DM 600 million car engines contract with the GDR to run from 1988-93. Chancellor Kohl and Honecker met in Moscow on 14 February at Andropov's funeral and issued a declaration stressing the importance of East-West dialogue. Some 25,000 citizens were permitted to leave the GDR ('Ausreisewelle') and difficult cases of asylum seekers in the Federal Permanent Representation in East Berlin and elsewhere were settled, largely by GDR concessions.

6. There was already speculation that Honecker might reinstate the visit to the Federal Republic which he had deferred in 1983. Interest was increased by occasional notes of concern in the Western press, particularly in Washington, as to where all this inner-German dialogue was leading. Kohl attempted in his State of the Nation speech on 15 March to damp down the rising tide of expectations about a visit and what it might produce, and recalled the vast gulf between the West and East German political systems. He stressed that to strive for the nation's reunification was primarily to strive for its freedom; and that there was no special way to German reunification other than through the long-term achievement of unity for the whole of Europe. Little apparent effect on expectations. It was noted that the GDR seemed reluctant to copy Warsaw and Moscow in a new campaign of criticism of 'revanchism' and 'militarism' in the Federal Republic.

7. On 25 July Minister of State Jenninger announced simultaneously a Federal Government guarantee for a further bank loan (DM 950 million) to the GDR and a further reduction in the Minimum Exchange Requirement for visitors, and other small travel concessions, by the GDR. On 27 July Pravda printed a critical article on relations between the two German States. At first the GDR appeared to be resisting Soviet pressure to put off the visit, but on 4 September said it would not go ahead.

10 DOWNING STREET

Prime Minister

I don't think there is any real case for you to see Zimmermann, at what will be a very busy time (23 October is the first day of PM's questions).

You may feel that a political talk would be of interest, since he is a leading member of the CSU. But he stands badly with Strauss.

Agree not to see him? CDP 10/x

Foreign and Commonwealth Office

London SW1A 2AH

10 October, 1984

Dear Charles,

Possible Call on the Prime Minister by the FRG Minister of the Interior: Dr Friedrich Zimmermann

I enclose a copy of Sir Julian Bullard's telegram number 920 about Dr Zimmermann's visit to London on 23 October. We have now heard from the German Embassy that, in addition to talks with Mr Jenkin and others concerned with environmental questions, Dr Zimmermann would like to call on the Prime Minister.

The Foreign Secretary believes that it would be in our interest for the Prime Minister to meet this request. As you will see from the enclosed personality note Zimmermann has had a controversial career. But he has been one of the successes of Kohl's Cabinet and he is in charge of the subject that most preoccupies West Germans at present. The Germans are becoming ever more worried about their dying forests. (In German culture, forests play a profoundly important role, somewhat like the sea for us). The Germans suspect that we are reluctant to get to grips with this problem. Dr Zimmermann's visit will be an opportunity to emphasise our commitment to genuinely cost effective measures to reduce environmental pollution.

I am writing separately about Ministerial participation in the Anglo-German Summit on 2 November, which Dr Zimmermann wishes to attend. Zimmermann may report on his visit to London and other capitals to the Federal Cabinet on 24 October, a week before the Summit. His account of our position would carry particular conviction if he had met the Prime Minister.

Dr Zimmermann intends to bring with him Herr Spranger, Parliamentary State Secretary in the Ministry of the Interior, three officials and an interpreter (we would suggest that he be accompanied by one officials and his interpreter only for a call on the Prime Minister). Mr Jenkin envisages talks at the DOE on the afternoon of 23 October including, on our side, Ministerial colleagues and officials from the Departments of Transport and Trade and Industry. In addition to hearing what Dr Zimmermann has to say, Mr Jenkin intends to ask him if he will attend the conference in London on 17 December, which will consider how to respond to the remit from the London Economic Summit to identify areas for continued cooperation in the environmental field. It would be helpful

if the Prime Minister could stress to Dr Zimmermann the importance we attach to this conference.

Sir Julian Bullard mentions the possibility of Zimmermann meeting the Home Secretary. The German Embassy however have assured us that this is not essential. If Zimmermann (who will have a Luftwaffe jet) arrives in time the German Ambassador plans to invite Mr Brittan to meet him over lunch.

If the Prime Minister can fit Dr Zimmermann in we shall provide a more detailed brief nearer the time.

I am copying this letter to the Private Secretaries to the Secretaries of State for the Environment, Trade and Industry, Transport, Energy and to the Home Secretary.

Yours ever,

Colin Budd

(C R Budd)
Private Secretary

C D Powell Esq
10 Downing Street

CM

GRS 250
CONFIDENTIAL
FM BONN 021645Z OCT 84
TO IMMEDIATE FCO
TELEGRAM NUMBER 920 OF 2 OCTOBER

CONFIDENTIAL
AMENDED DISTRIBUTION 3.10.84.

MIPT: POSSIBLE VISIT TO UK BY INTERIOR MINISTER ZIMMERMANN

1. ZIMMERMANN CONFIRMED TO ME THIS MORNING WHAT WE HAD ALREADY HEARD AT AN OFFICIAL LEVEL, THAT HE WOULD LIKE TO VISIT LONDON ON 23 OCTOBER TO EXPLAIN THE FEDERAL CABINET'S DECISION ON VEHICLE EXHAUST EMISSIONS TO THE ENVIRONMENT SECRETARY. HE HAS ARRANGED TO VISIT PARIS ON 22 OCTOBER FOR THE SAME PURPOSE, AND HOPES TO GO TO ROME ON 24 OCTOBER. HE WOULD ALSO LIKE TO DISCUSS WASTE DISPOSAL, CONTAMINATION OF THE SOIL AND POLLUTION OF THE NORTH SEA.

2. ALTHOUGH ZIMMERMANN WAS RATHER INCONSIDERATE IN TWICE PREVIOUSLY THIS YEAR CANCELLING PLANNED VISITS TO LONDON AT THE LAST MOMENT, I HOPE VERY MUCH THAT MR JENKIN WILL BE ABLE TO SEE HIM ON THIS DATE. ENVIRONMENTAL QUESTIONS HAVE ACQUIRED GREAT DOMESTIC POLITICAL IMPORTANCE IN THE FRG, AND WE SHOULD NOT RISK GIVING THE APPEARANCE OF BEING RELUCTANT TO DISCUSS THESE ISSUES. YOU MAY WISH TO CONSIDER WHETHER ZIMMERMANN SHOULD, WHILE HE IS IN LONDON, SEE OTHER MINISTERS WITH AN INTEREST IN THESE PROBLEMS.

3. IF MR JENKIN SHOULD NOT BE AVAILABLE ON 23 OCTOBER, AND IF IT SHOULD PROVE IMPOSSIBLE TO FIND ANOTHER MUTUALLY CONVENIENT DATE IN OCTOBER, THIS WILL INCREASE THE DESIRABILITY OF MR JENKIN COMING TO BONN TO DISCUSS ENVIRONMENTAL QUESTIONS WITH ZIMMERMANN AT THE ANGLO-GERMAN CONSULTATIONS ON 2 NOVEMBER (SEE MIPT). IF, ON THE OTHER HAND, ZIMMERMANN DOES COME TO LONDON ON 23 OCTOBER, HE MIGHT BE ABLE THEN TO DISCUSS WITH THE HOME SECRETARY THE OTHER SUBJECTS HE HAS SUGGESTED FOR THE 2 NOVEMBER CONSULTATIONS.

BULLARD

LIMITED
WED
ECD (E)
MAED
ESSD
SCU
MVD
RES D
INF D
NEW S D
PLANNING STAFF

PS
PS/LADY YOUNG
PS/MR RIFKIND
PS/MR REXTON
PS/PUS
MR O'NEILL
MR RENWICK

COPIES TO:
PS/MR JENKIN D/ENVIRONMENT
PS/MR BRITTAN HOME OFFICE
PS/MR TEBBITT D/EM.
PS/MR WALKER N.I.
NO 10 DOWNING ST.
MS LAMBERT CABINET OFFICE

CONFIDENTIAL

ZIMMERMANN, DR FRIEDRICH

Federal Minister of the Interior (CSU) since October 1982.

Born 1925 in Munich. War service 1943-45. Joined CSU 1948. Studied law and public administration at Munich; doctorate in 1950. Bavarian civil servant 1952-55, thereafter Secretary-General and Business Manager of the CSU until 1963. Treasurer of the CSU, 1963-67. Member of the Bundestag since 1957; Chairman of the Bundestag Defence Committee 1965-72. Elected Vice-Chairman of the CSU in 1979. Vice-Chairman of the CDU/CSU Parliamentary Party and Chairman of the CSU Land group 1976-82. Appointed to his present post when the CDU/CSU took office in October 1982.

Zimmermann's skill as a politician has been overshadowed by his involvement in a number of well-publicised scandals. The most noteworthy concerned the granting of licences to casinos in Bavaria in 1960, and resulted in Zimmermann being sentenced to four months imprisonment on two charges of perjury. This judgement was later overturned on appeal by the Federal High Court on the grounds that Zimmermann had not been in full possession of his faculties when taking the oaths in question, but the explanation stated that " . . . there could be no question of the innocence of the defendant having been proven", and ascribed his action to a desire to protect the interests of his party. A later connection with a building firm involved in some dubious practice cost him the post of CSU party treasurer.

That he could recover from such apparently terminal set-backs lies in his closeness to Strauss who has always found him useful. He joined in with a will to help Strauss make life as difficult as possible for Kohl when the latter took over the Chairmanship of the CDU/CSU Parliamentary Party in 1978. He seems to have been the manager of events that year which threatened to divide the CSU from their joint Parliamentary Party with the CDU. He and Stoiber were mainly responsible for leading Strauss into his abortive Chancellor candidacy in 1980. After Strauss's defeat, however, Zimmermann moved to rebuild his bridges with the CDU. His relations with Strauss suffered as a result. The CSU leadership in Munich were deeply suspicious of Zimmermann's role in the negotiations with the CDU and FDP in September 1982 on the formation of the new Coalition and he was thought to be trying to keep Strauss out in the cold. After the Federal election in March 1983 Strauss made no secret of his readiness to sacrifice Zimmermann as Interior Minister to provide a slot for Genscher to move into and himself become Foreign Minister. In the event, Genscher was not to be shifted from the Foreign Ministry.

His appointment as Interior Minister provoked a storm of protest, given his chequered past. But he quickly came to grips with his new job and has shown himself less right wing than the left feared. He clearly enjoys decision-making and has so far been one of the successes of the new government.

Zimmermann is married and has two daughters from an earlier dissolved marriage. He speaks competent English.

10 DOWNING STREET

From the Private Secretary

8 October 1984

PERSONAL

ANGLO-GERMAN SPECIAL ADVISERS/PRIVATE SECRETARY CONTACTS

I have been lamentably slow in replying to your letter of 29 June about the prospects for a further Anglo-German Special Advisers/Private Secretaries meeting. But I have been thinking about it.

My conclusion, which is shared by Robin Butler, is that there is a real risk that joint Special Adviser/Private Secretary meetings will increase rather than dispel confusion on the German side about the respective roles of the two species, which arises from the fact that they make no distinction between them. We are not, therefore, in favour of such a meeting.

We have told Julian Bullard that we are ready to explain to a number of Chancelllor Kohl's staff how No. 10 operates, how advice reaches the Prime Minister and so on. He will suggest this to them. We intend the occasion to be a self-contained one. I am under no illusion about the difficulty of arranging it to meet everyone's diary problems. One possibility, though a slim one, is in the margins of the Anglo-German summit. An alternative would be to do it on the occasion of but separate from a Special Advisers' meeting. So it would be helpful to be kept informed of the Konrad Adenauer Stiftung's plans for a Special Advisers' meeting. But we would want to organise Private Secretary contacts separately.

I am copying this letter to Colin Budd (Foreign and Commonwealth Office) and Stephen Sherbourne.

C.D. POWELL

J. Houston, Esq.,
Foreign and Commonwealth Office.

PERSONAL AND CONFIDENTIAL

Re. CDP 2/1

Foreign and Commonwealth Office

London SW1A 2AH

Sir Antony Acland KCMG KCVO
Permanent Under-Secretary of State

1 October 1984

C D Powell Esq
10 DOWNING STREET

Dear Charles,

CHANCELLOR KOHL

1. Thank you for your letter of 27 September, which you discussed with Sir Antony Acland on 28 September. It was agreed that it would be sensible for the Private Secretaries at No 10 to get in touch with members of Chancellor Kohl's staff, to explain how the Prime Minister's Office operates. In doing so you would be able to build on your own existing links with Bergsdorff and Teltschik. It was agreed that you would write to Sir Julilan Bullard, in reply to his letter of 25 September to you, asking him to make the necessary arrangements. It was agreed that this could, of course, only be a first step in trying to establish warmer personal relations between the Prime Minister and Chancellor Kohl, but that it was worth doing.

2. You also left with Sir Antony Acland a copy of a letter from the Prime Minister to Chancellor Kohl which Mr Gummer will take with him to Bonn.

Yours ever,

Michael Jay

M H Jay
Private Secretary

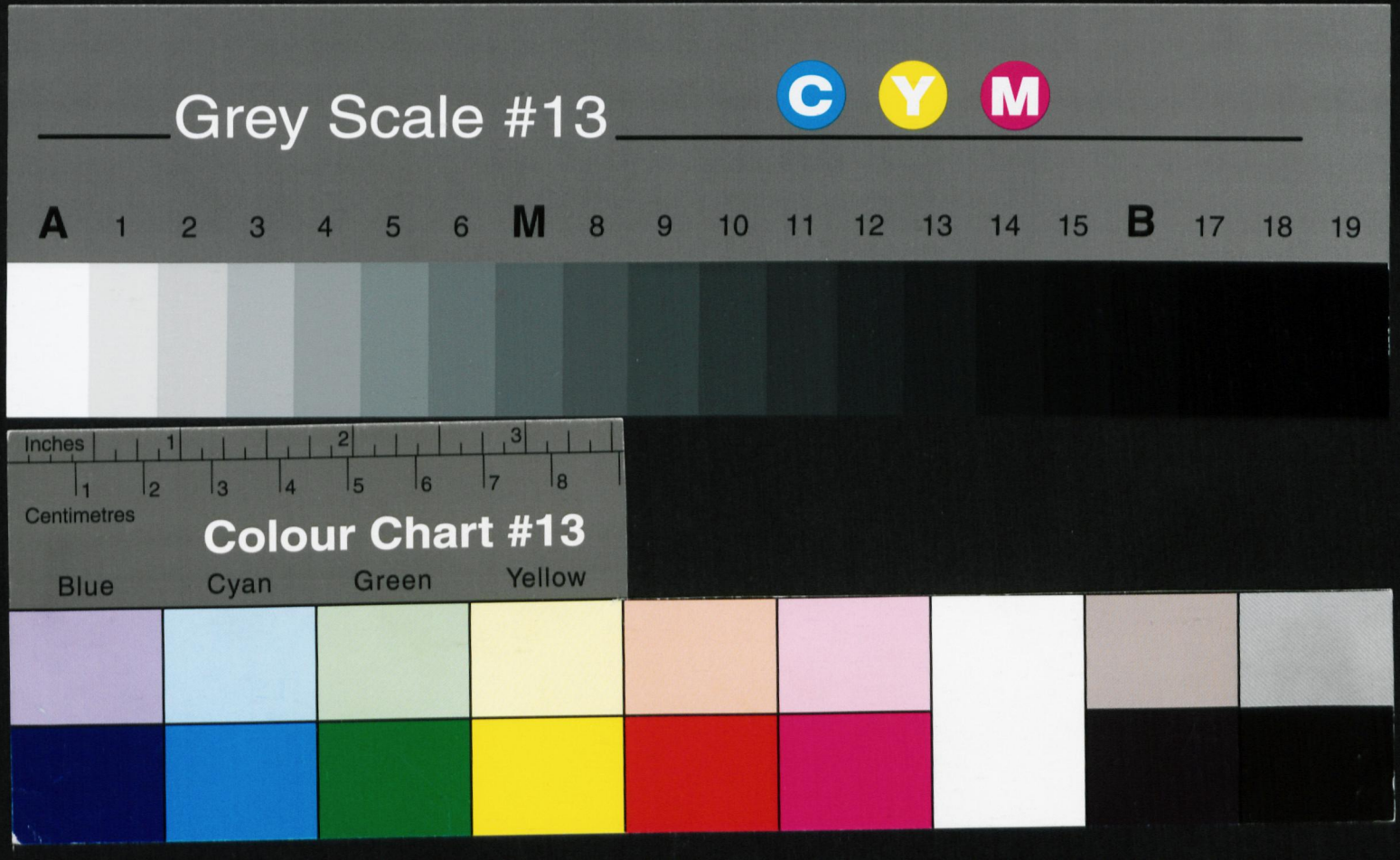
PERSONAL AND CONFIDENTIAL

PART 2 ends:-

PM to Chancellor Kohl (T 166/84) 28.9.84

PART 3 begins:-

FCO to CDP 1.10.84


Grey Scale #13
C
Y
M
A 1 2 3 4 5 6 M 8 9 10 11 12 13 14 15 B 17 18 19
Inches
1 2 3
1 2 3 4 5 6 7 8
Centimetres
Colour Chart #13
Blue
Cyan
Green
Yellow