

CONFIDENTIAL



10 DOWNING STREET

From the Private Secretary

8 May 1979

Dear George,

Chancellor Schmidt's Visit, 10/11 May: Briefs

The Prime Minister has now studied the briefs which have been prepared for her discussions with Chancellor Schmidt on 10 and 11 May.

The Prime Minister fully realises that these briefs were prepared before the outcome of the General Election was known and before Departments could form a clear perception of the present Government's attitudes and policies on many of the issues with which they are concerned. She also recognises - and appreciates - that Departments were concerned to keep the volume of the briefs down to a reasonable level in order to reduce her reading load during her first week in office. The Prime Minister has, nevertheless, made the general comment on the briefs that their content is not commensurate even with their relatively modest length. She hopes that in future Departments will avoid wordy generalisations and the re-statement of facts or conclusions which are, or should be, well known to all those for whom the briefs are designed. The Prime Minister, who is a quick reader, is fully prepared to tackle long briefs when necessary: but she would like their content to be pithy and concisely expressed.

I should be grateful if the Prime Minister's comments could be brought to the attention of all Departments and borne in mind in the preparation of briefs for future inward and outward visits.

The Prime Minister has also made some specific comments on the briefs for Chancellor Schmidt's visit, as follows:

1. She detects some contradiction in the Steering Brief between Paragraph 4(ii) and Paragraph 18, concerning the costs of British Forces Germany and the expiry of the Anglo/German Offset Agreement. She may wish to pursue at the briefing meeting on 9 May the question of how, if at all, these matters should be approached during her discussions with Chancellor Schmidt.
2. The Prime Minister is not at present disposed to urge the Germans to sustain the momentum of their growth in domestic demand (Paragraph 10 of the Steering Brief) which she regards as purely a matter for the German Government; or to urge the FRG to maintain or increase their contribution to NATO (Paragraph 6(i) of the official paper on Anglo/German relations) - she does not consider that the UK is in a position to criticise the Germans on this issue.

CONFIDENTIAL

/3,

CCM

3. The Prime Minister may wish to pursue in more detail, at her briefing meeting on 9 May, the question of the UK contribution to the EEC Budget. She considers it important that progress should be made very soon towards remedying a thoroughly unsatisfactory situation and would like consideration to be given to the possibility of working for a direct relationship between the size of the members' budgetary contribution and the size of that country's GDP.
4. The Prime Minister may also wish to pursue at her briefing meeting the question of the situation in Turkey and aid to the Turkish Government (Paragraphs 23-27 of the brief on "International Financial and Economic Questions"). The Prime Minister has read with interest and approval the paper on Turkey prepared by an inter-Departmental group of officials under Sir Kenneth Berrill's chairmanship.
5. The Prime Minister has expressed doubts over the statement in Paragraph 15 of the official paper on Anglo/German relations that "we should continue to allow the Germans to increase their stake in North Sea oil development"; she may wish to explore the reasoning behind this further at her briefing meeting.
6. The Prime Minister would welcome a fuller and more detailed brief on the question of a future Tactical Combat Aircraft (Paragraphs 3 and 4 of the brief on "Defence Matters").

I should be grateful if the representatives of the Departments concerned who are attending the briefing meeting on 9 May would come prepared to expand on the points above if the Prime Minister wishes to pursue them.

I am sending copies of this letter to Martin Hall (H.M. Treasury), Roger Facer (Ministry of Defence) and Martin Vile (Cabinet Office).

*Yours ever,
G.G.H. Walden.*

G.G.H. Walden, Esq.,
Foreign and Commonwealth Office.