

PRIME MINISTER

Interview with Die Welt

You have agreed to be interviewed by Die Welt on Monday. The exact time of the interview can only be fixed in the light of your attendance in the House for the Olympics/Afghanistan debate.

The interviewer will be Dr. Barzel (personality note at Flag A). He speaks enough English to ask his questions in English but will have an interpreter, Herr Feldweg, to translate your answers. Dr. Barzel is aware that he has one hour maximum for the interview and he has agreed that we may check the transcript of what is to be printed in Die Welt before it goes to press.

The format of the interview is at Flag B and the specific questions Dr. Barzel originally put to us are at Flag C. We have encouraged him to play down or drop some of the lighter questions, e.g. on being a woman Prime Minister.

Purpose of Interview

As for your interview for French Television, the objective on this occasion is to win German friends and to influence German thinking in the run up to the European Council on March 31 - April 1/ ^{in Brussels.} The main thing to bear in mind is that they are the main contributors and will have to pay the most towards any solution of our Budget problem. Your objective therefore is to persuade German readers of the scale of the solution which is necessary and why it will be of benefit not only to Britain but to the Community as a whole - a stronger Britain in a stronger Community.

Points to get across

If the Germans are to be persuaded to help us, the Budget problem must be set in the wider context of the value to both of us of Community membership. You should try and get across the following positive points:

/ - We have

- We have a great deal in common with West Germany - the need to defend the security and prosperity of the Western world and to contain Russian ambitions, etc. Our membership of the Community forms part of that common interest. Present international tensions put a premium on greater cohesion in Europe. It is essential if Britain and Germany are to work together effectively and make a success of the Community that there are no lingering disagreements or resentments. The Budget problem falls into this category; it is something which for the health of the Community must be disposed of once and for all.

- Emphasise Britain's and your own commitment to Europe, bringing out our "communautaire" approach.

- Remind the reader of the Community's pre-accession promise "if unacceptable situations arise" since the Germans sometimes prefer to forget that they were a party to this commitment.

- Make the point that social peace and cohesion in society rests on the existence of a general belief that the citizen is getting a fair deal from the State: if the Community is to thrive it must introduce a similar sense of social justice between the nations which compose it to complement the various more material rights and responsibilities which clearly exist.

- Your determination to make Britain stronger economically so that we are better able to stand shoulder to shoulder with West Germany in the Community and in the general defence of Western interests. A solution of our Budget problem will play a part in getting our economy right - this would be a good thing not just for Britain but for Europe.

- To no country is the cohesion of Europe more important than West Germany which shares a border with the Eastern bloc. You understand their position and proximity to a source of potential aggression and you want to work closely with the German Government. How much easier that will be when our Budget problem has been sorted out.
- Reiterate our commitment to Berlin and the defence of Europe - they cannot receive too much reassurance on this point.
- Stress our many bilateral links with West Germany, our substantial trading interests, etc.

Points to be put in perspective

The following points need to be put in perspective and the main briefing on Community issues (Flag D) covers them:

- North Sea oil - a resource which is already included in GNP calculations.
- Juste retour - not our aim; prepared to pay our way and to put in more when we can afford it.
- Trade flows; how well we have adapted to the EEC and what a good market Britain is for German and other Community goods.

Points to watch

Because our case on the Budget is well known in West Germany you do not need to hammer home the basic facts or need for the Community to treat us fairly: it is more a question of persuading the Germans of the merits of helping us towards a solution. The following points need careful handling:-

/ - Your appreciation

- Your appreciation that post-Afghanistan West Germany is in some respects in a different position to us. We understand their need to be more cautious on relations with the Eastern bloc. We do not want the end of detente but to see it as a genuine two-way process. Whatever difference of nuance there may be in our approach, we and the Germans have the same overall objective: the defence of freedom and western values.
- Given German sensitivities, you will wish to avoid direct reference to the cost of British forces in Germany in the context of the Budget.
- EMS - our position is not if but when we join.
- Play down threats about what we do if you do not get your own way on the Budget; determined to get Budget problem behind you by agreement.

Useful advice from our Ambassador in Bonn on some of these points and the themes that will appeal to a West German audience are given in the telegrams at Flag E.

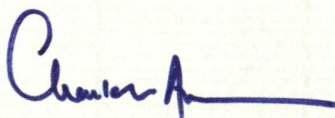
Additional Briefing

- Bilateral relations including Berlin and BAOR (Flag F).
- West Germany: facts and figures including details of UK/West Germany trade by major commodity (Flag G).
- East/West relations including the German position on the Olympics (Flag H).
- Middle East (Flag I).
- Rhodesia (Flag J).
- United Nations (Flag K).

- Report on Chancellor Schmidt's talks with President Carter in Washington last week (Flag L).
- The British economy (Flag M).
- UK dependence on EEC markets (Flag N).
- Details of NATO cost sharing (Flag O).

We have asked our Embassy in Bonn to report before your interview on any briefing being given in Bonn on Chancellor Schmidt's talks with President Giscard which are to take place in Hamburg on Sunday night.

The advice in this minute has been agreed with Bernard Ingham and Michael Alexander. There will be an opportunity to go over any points at your oral briefing for the interview on Monday afternoon.



C.V. ANSON

14 March 1980