

GRS 545

CONFIDENTIAL

CONFIDENTIAL

FM BONN 261717Z OCT 82

TO IMMEDIATE FCO

TELEGRAM NUMBER 910 OF 26 OCTOBER

INFO IMMEDIATE MODUK BMG BERLIN

INFO ROUTINE UKDEL NATO UKREP BRUSSELS WASHINGTON PARIS

COPENHAGEN EAST BERLIN

INFO SAVING ANKARA ATHENS BRUSSELS DUBLIN THE HAGUE LISBON

LUXEMBOURG ROME OSLO OTTAWA REYKJAVIK MOSCOW CICC(G) ALL CONSULATES-
GENERAL IN THE FRG.

ANGLO-GERMAN CONSULTATIONS, 28-29 OCTOBER: THE POLITICAL
SITUATION IN THE FRG.

1. THE NEW FEDERAL GOVERNMENT, WHOM THE PRIME MINISTER, YOU AND YOUR COLLEAGUES WILL BE VISITING IN BONN THIS WEEK, HAVE COMMITTED THEMSELVES TO AN ELECTION NEXT MARCH. THEY MUST CONVINCE THE ELECTORATE BEFORE THEN OF THEIR FITNESS TO GOVERN. THEY INTEND TO ACHIEVE THIS BY AN APPEARANCE OF DETERMINATION, UNITY AND COMPETENCE RATHER THAN BY ORIGINALITY.
2. AT HOME, THEY WILL BE CONCENTRATING ON ECONOMIC POLICY. APART FROM OBTAINING QUICK AGREEMENT ON A 1983 BUDGET, THEIR MAIN AIM WILL BE TO PUT ACROSS THE MESSAGE THAT TIME IS NEEDED TO PUT RIGHT THE MESS THEY HAVE INHERITED. FOR MORE DETAIL, SEE MIFT (NOT TO ALL).
3. IN FOREIGN AFFAIRS, THERE WILL BE LOTS OF ACTIVITY BUT NOT MUCH NEW POLICY. THE NEW CHANCELLOR NEEDS TO CONVINCE THE ELECTORATE, AS WELL AS HIS ALLIES, OF THE CONTINUITY OF GERMAN FOREIGN POLICY AND OF HIS OWN CREDIBILITY, DESPITE HIS INEXPERIENCE, AS A WORLD STATESMAN IN SUCCESSION TO SCHMIDT. HE LACKS CHARISMA AND, IN FOREIGN AS IN HOME AFFAIRS, WILL NOT ATTEMPT FIREWORKS. CALM CONFIDENCE IS THE IMAGE HE PROJECTS. HIS FIRST MAJOR ENCOUNTER, WITH THE FRENCH LAST WEEK, WENT DISTINCTLY WELL: SEEING HIMSELF AS ADENAUER'S HEIR, HE INTENDS THAT THIS SHOULD REMAIN THE EUROPEAN RELATIONSHIP WHICH MATTERS MOST TO GERMANY. BUT HE WILL ALSO WISH TO BE SEEN TO GET ON WELL WITH HMG, ESPECIALLY GIVEN THE NOW GREATER POLITICAL AFFINITY BETWEEN THE GERMAN AND BRITISH GOVERNMENTS. AFTER HIS ENCOURAGING PRELIMINARY VISIT TO LONDON ON 19 OCTOBER KOHL WILL BE OPTIMISTIC THAT THIS CAN BE ACHIEVED IN A SUCCESSFUL SUMMIT THIS WEEK. AT THE SUMMIT, HE WILL OF COURSE BE READY TO DEVOTE TIME TO EC QUESTIONS, AND I AM SURE THAT IT WILL BE RIGHT FOR THE PRIME MINISTER TO EXPLAIN OUR CONCERNS VERY CLEARLY, MAKING THE MOST OF THE POINT THAT NO GOVERNMENT NOWADAYS CAN AFFORD TO GO ON BEARING AN UNFAIR SHARE OF THE COMMUNITY'S FINANCIAL BURDENS. BUT I THINK THAT KOHL'S MIND WILL ALREADY BE FOCUSED ON HIS VISIT TO WASHINGTON ON 14-15 NOVEMBER AND THAT HE WILL THEREFORE BE INTERESTED ABOVE ALL IN DISCUSSING TRANSATLANTIC RELATIONS.

CONFIDENTIAL

/PROSPECTS

CONFIDENTIAL

PROSPECTS FOR THE ELECTIONS

4. THE CDU/CSU ARE CURRENTLY PROFESSING CONFIDENCE THAT THEY WILL BE ABLE TO FORM A GOVERNMENT AFTER THE MARCH ELECTIONS, EITHER WITH THE FDP OR ALONE. THE FDP, BY CONTRAST, REMAIN VERY DIVIDED AND UNHAPPY. ATTACKS ON GENSCHER SHOW NO SIGN OF ABATING. WHILE HE SHOULD DEFEAT THE LEFT WING CHALLENGER, RONNEBURGER, FOR THE PARTY CHAIRMANSHIP AT THE PARTY CONFERENCE IN EARLY NOVEMBER, THE LEFT WING ARE THREATENING TO SPLIT THE PARTY IF HE DOES SO.

5. THE FDP'S PROSPECTS FOR STAYING IN THE BUNDESTAG AFTER THE ELECTIONS ARE THEREFORE DIM. KOHL CANNOT BE HAPPY ABOUT THIS: IF RETURNED TO POWER WITHOUT THE FDP HE WOULD LOSE HIS PERSONAL FRIEND GENSCHER AS VICE CHANCELLOR, AND WOULD ALMOST CERTAINLY HAVE TO REPLACE HIM WITH THE DIFFICULT AND POWERFUL STRAUSS.

6. SCHMIDT HAS JUST ANNOUNCED THAT HE WILL NOT STAND AS THE SPD'S CHANCELLOR CANDIDATE IN MARCH. HE IS LIKELY TO BE REPLACED BY EITHER BY HANS JOCHEN VOGEL, THE OPPOSITION LEADER IN BERLIN, OR CONCEIVABLY BY JOHANNES RAU, THE MINISTER PRESIDENT OF NORTH RHINE WESTPHALIA. WITHOUT SCHMIDT, THE SPD ARE UNLIKELY TO WIN MORE SEATS THAN THE CDU/CSU IN THE ELECTIONS. BUT THE ELECTIONS COULD PRODUCE A HUNG PARLIAMENT WITH THE GREENS HOLDING THE BALANCE. THAT WOULD OPEN VARIOUS POSSIBILITIES, INCLUDING A MINORITY CDU/CSU GOVERNMENT OR A GRAND COALITION OF CDU/CSU AND SPD.

FCO PLEASE PASS SAVING ALL ADRESSEES EXCEPT CICC(G) AND CONSULATES-GENERAL IN THE FRG.

(REPEATED AS REQUESTED)

TAYLOR

FCO/WHITEHALL
WED

2
CONFIDENTIAL