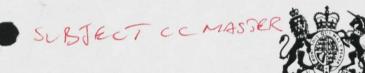
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SRWALA

10 DOWNING STREET

From the Private Secretary

22 November 1985

Dear Whi.

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.

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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).

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(C.D. POWELL)

Colin Budd, Esq., Foreign and Commonwealth Office.

Foreign and Commonwealth Office

London SW1A 2AH

19 December 1985

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

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