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Mr Weston

Special European Council in Rome: Discussion of
hostages in Iraq

The Secretary of State talked to Chancellor Kohl in Bonn this morning about European hostages held in Iraq. Chancellor Kohl made it clear that, for the Germans to get round their present problem (viz the risk of Herr Brandt taking off for Baghdad), they would need to put their domestic discussion about a German emissary to Baghdad into an EC framework. In other words, there needed to be a common attitude among the Twelve. The Chancellor was not thinking of an emissary from the Twelve but of a message to Saddam Hussein from the Community Heads of Government which might be forwarded by Signor Andreotti after this weekend's Special Council.

The first step will be for the Twelve to agree a suitable statement at the Council. The Secretary of State himself supports the idea of such a statement and suggests that you have a word with Herr Kastrup this morning.

I shall try to have a word with Mr Powell at No 10. (I now have.)

R. H. T. Gozney
(R H T Gozney)

26 October 1990

cc: PS
PS/Mr Waldegrave
PS/Mr Garel-Jones
PS/Mr Lennox-Boyd
PS/PUS
Mr Fairweather
Mr Gore-Booth
Mr Jay
Mr Young, EU
Mr Denne, EU
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MS

Mr Jay

Special European Council in Rome: Secretary of State's discussions with Chancellor Kohl on 26 October

In Bonn this morning, Chancellor Kohl talked to the Secretary of State about setting a date for the start of Stage II of EMU, and about GATT.

EMU IGC: Date for Stage II

Chancellor Kohl took the line that he favoured setting a date for the start of Stage II provided that certain conditions were met. The Secretary of State made it clear how much of a difficulty this would cause for the UK. He emphasised that, if other members of the Community sought to push the UK into a corner on this point, the issue would come out badly.

Chancellor Kohl suggested that perhaps the Conclusions of the Special Council could say something about a consensus building around the idea of a specified starting date for Stage II. The Secretary of State had the impression, however, that the Chancellor was not set on seeking even this much and that he might be open to persuasion and, therefore, to dropping references to a date for the start of Stage II.

GATT

Chancellor Kohl said that he did not oppose discussion of GATT at the Special Council in Rome. Discussion was one thing but negotiation of the Community position would be quite another. He could not get into a negotiation while in Rome. He could not make a public compromise in this way.

The Chancellor said that he recognised the importance of the Community's offer on GATT agriculture and accepted that December was a real deadline for the Uruguay Round. He recognised that Germany would have to compromise. He would be prepared to say tough things to German farmers in due course. But not yet.

Chancellor Kohl implied that there could be a trade-off. If the Prime Minister helped him during the discussion of GATT, he might be able to help the UK during the discussion on the EMU IGC.

R. H. T. Gozney
(R H T Gozney)

26 October 1990

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