SECRET AND PERSONAL Foreign and Commonwealth Office London SW1A 2AH 5 March 1990 Joan Charles The Foreign Secretary thought that you should see the enclosed letter to John Weston from Andrew Wood in Washington, recording a conversation with Blackwill. You will see from Mr Hurd's red ink that he would welcome your advice on whether he should mention the President's concerns to the Prime Minister. He is inclined to think that he should. (J S Wall) Private Secretary C D Powell Esq 10 Downing Street SECRET AND PERSONAL



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BRITISH EMBASSY.

WASHINGTON, D.C.

BY FAX
(original follows by bag)

P J Weston, Esq., CMG., DUSS., FCO

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THE PRIME MINISTER'S CONVERSATION WITH PRESIDENT BUSH,

1. You should know that Bob Blackwill told me there were two things he wanted to say on a personal and off the record basis when I saw him on 26 February. (Washington telegram no. 461). The first related to the Prime Minister's conversation with the President on the eve of Kohl's visit.

2. Blackwill said the President had been puzzled and concerned by some of the things he understood the Prime Minister to have said on 24 February. It was the President's understanding she had at one point advocated a demilitarised GDR. This confused him, given our reactions to the Genscher/Stoltenberg affair. He references to a need so to construct a European system as to cope with German unification by containing that country through a new had been curious references to Japan. She had spoken of the Soviet Union as an essential balance to German power. The theme had come across much more strongly than before. The President and to air his concerns to Blackwill.

I said I had not then had the chance for more than a quick look at the record of conversation. I thought the President was over-reacting, however. So far as I knew the Prime Minister's references to the USSR as part of a European balance of power a very long process. Blackwill observed that what had been said not know what to do about it. I suggested the Prime Minister had perhaps been thinking of an eventual CSCE arrangement. Blackwill these lines could substitute for NATO, which had to continue to

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take the main load. The Russians still had hundreds of thousands of troops in Eastern Europe, to say nothing of inside the Soviet Russians as possible allies against Germany.

- 4. It may be that the Prime Minister's subsequent conversation with the President of 26 February has done something to erase the impression she apparently left with the President on Saturday. There are things in Charles Powell's record of the 24 February discussion which could perhaps be open to misinterpretation though, so far as I can see, there was no explicit suggestion of a new Entente Cordiale. The proposition that we are so disturbed by the possible implications of the drive towards German unification that we may be beginning seriously to dust off memories of the war-time coalition may however have been given further credence in American eyes by the second point that Blackwill said he wanted to make during our "off the record" conversation. He said the Americans had been struck once again by how very bad the Anglo-German relationship now was. It was not just a matter of the sort of things the Prime Minister had been implying during her conversation with the President but also the German attitude towards the British.
- duplicated. The Germans had been delighted by a warm message from the President to Kohl shortly before the latter visited message from the Prime Minister. It was about sanctions and had just been to Moscow for such vital and, from his point of view, successful discussions. Blackwill said he had told had been in the works and the timing of its transmission was such explanations. The comment was not prepared to believe teltschik try to persuade Kohl to call the Prime Minister on his whether or not anything was done.
- 6. Blackwill went on to say he found it painful to see us dealing ourselves out of the game in this sort of way. I said it was important to keep things in proportion. If you looked at what the Prime Minister actually said it would not support the charges laid to her. Indeed Mrs Thatcher's views seemed to be important not to let emotion overlay the facts. Blackwill said trouble was the current Washington perception of an fears of how British policies towards the Soviet Union might

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develop. I repeated that nothing I had been seen in policy papers suggested we were moving in the direction he feared. He said US questions focussed on private thinking in No. 10. If there was doubt on this score the position in 4 + 2 would be greatly complicated, to put it mildly. He sometimes worried, indeed, whether the Germans would be prepared to sit down with the British in that forum. He wondered again what we were going to do about this. I said the obvious thing was to encourage the President and the Prime Minister to consult closely and openly.

Comment

as may be. There is obviously a great deal that we here have not seen, very much including some of the more speculative reporting elections. I know Blackwill has the reputation of being something of a conspirator. Some of his themes on 26 February behind the scenes and secret diplomacy. On the other hand, he need to ensure that we continue to operate as key players on the European scene. He has been an accurate guide to this sort of the President's dismay is the very high regard he had for the disobliging word about her.

8. Blackwill may well be alone in his fears. But if the President is indeed beginning to speculate about our policies towards the USSR in the way Blackwill has reported (and we have no other evidence to support it) the implications for the Anglo-US relationship across the board would be troubling indeed. The Americans are still a long way off regarding the USSR as developing into a "normal" European power, and the current closeness of our relationship with Moscow could accordingly begin to arouse concern here. I am all the more glad to think we now have a further meeting between the President and the Prime Minister firmly in prospect.

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