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TO PRIORITY FCO

TELNO 573

OF 131405Z JUNE 88

INFO PRIORITY UKMIS GENEVA, WASHINGTON, OTTAWA, TOKYO, PARIS, ROME
INFO ROUTINE UKREP BRUSSELS, LUXEMBOURG

LUXEMBOURG FOR UKREP

MY TELNO 518 : GERMAN VIEWS ON TORONTO SUMMIT 

SUMMIT

1. NO SURPRISES EXPECTED AT TORONTO. ON DEBT, ONLY GENERAL GUIDELINES EXPECTED: A POSSIBILITY OF GERMAN MOVEMENT ON COMMERCIAL DEBT. NO WILLINGNESS TO SEE THE COMMUNITY GO FURTHER AT PRESENT ON AGRICULTURE AND VIEW TAKEN THAT ATTACKS ON WHAT WAS ACHIEVED ON CAP REFORM IN BRUSSELS SHOULD BE FIRMLY RESISTED. PARTNERS WELCOME TO LEAD ON POLITICAL SUBJECTS

DETAIL

2. SINCE MY TUR I HAVE BEEN ABLE TO DISCUSS GERMAN VIEWS ON DEBT, AGRICULTURE AND THE POLITICAL SUBJECTS SUGGESTED FOR THE TORONTO SUMMIT.

DEBT

3. THIS HAVING BEEN DISCUSSED BETWEEN KOHL AND MITTERRAND AT EVIAN, I ASKED TELTSCHIK (CHANCELLERY) HOW THE GERMAN APPROACH TO TORONTO WAS AFFECTED. HE SAID THAT THE GERMANS EXPECTED THAT ONLY GENERAL GUIDELINES WOULD BE AGREED, WITH DECISIONS ON SPECIFIC MEASURES BEING LEFT TO NATIONAL GOVERNMENTS. THE FEDERAL GOVERNMENT HAD ALREADY WRITTEN OFF AID LOANS TO 24 LLDCS THROUGH RETROSPECTIVE TERMS ADJUSTMENT. AND THE FEDERAL CABINET HAD DECIDED ON 8 JULY TO WAIVE REPAYMENT OF OFFICIAL DEBT FOR A FURTHER FIVE SUB-SAHARAN AFRICAN COUNTRIES. BUT THERE HAD BEEN NO CHANGE SO FAR IN THE FEDERAL GOVERNMENT'S POSITION ON RESCHEDULING OF COMMERCIAL DEBT. JELONEK (AUSWAERTIGES AMT) COMMENTED TO ME THAT THE MITTERRAND INITIATIVE, BEING CONFINED TO THE DEBTS OF THE POOREST COUNTRIES, WAS HARDLY CONCERNED WITH COMMERCIAL DEBT: BUT HE CONFIRMED THAT STOLTENBERG AND KLEIN (FINANCE AND ECONOMIC COOPERATION MINISTERS) HAD HAD A REMIT FROM THE CABINET ON 8 JUNE TO LOOK AGAIN AT GERMAN POLICY ON DEBT RELIEF. IT WAS POSSIBLE THAT THE GERMANS WOULD BE WILLING AT TORONTO TO AGREE TO RECONSIDER THE QUESTION OF

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CONCESSIONS ON COMMERCIAL DEBT. ECONOMICS MINISTRY CONTACTS THINK DECISIONS BEFORE TORONTO ARE UNLIKELY.

AGRICULTURE

4. KITTEL (STATE SECRETARY, AGRICULTURE MINISTRY) IN CONVERSATIONS WITH ME HELD FAST TO THE LINE THAT THE COMMUNITY HAD DONE A GREAT DEAL SINCE 1984 TO PUT ITS HOUSE IN ORDER AND SHOULD INSIST ON RECOGNITION FOR THIS. HE SAID KOHL WAS NOT KEEN TO SEE AGRICULTURE HIGH ON THE AGENDA AT TORONTO BUT IF THE CANADIANS OR OTHERS INSISTED COMMUNITY LEADERS HAD A GOOD STORY TO TELL. PRESSURE SHOULD BE PUT ON THE AMERICANS TO EXPLAIN WHY, HAVING BROUGHT PROGRESS TO A HALT WITH THEIR INSISTENCE ON A LONG-TERM ZERO SOLUTION, THEY WERE REDUCING SET ASIDE AND THREATENING FURTHER UNHELPFUL MEASURES. KITTEL SAW NO LIKELIHOOD OF A CHANGE OF APPROACH BY THE OUTGOING U S ADMINISTRATION. ON SHORT-TERM MEASURES HE WAS CLEAR THAT THE COMMUNITY COULD NOT GO FURTHER THAN THE BRUSSELS PACKAGE, THE IMPLICATIONS OF WHICH HAD NOT YET EVEN SUNK IN WITH THE FARMERS. JELONEK SAID WHILE HE PERSONALLY WOULD WELCOME FURTHER SHORT-TERM STEPS BY THE COMMUNITY ON AGRICULTURE, HE COULD NOT SEE THE FEDERAL GOVERNMENT AGREEING TO THEM.

POLITICAL SUBJECTS

5. I SPOKE TO SUDHOFF (STATE SECRETARY, AUSWAERTIGES AMT) ABOUT THESE. HE SAID THAT THE FRG WAS HAPPY WITH THE DRAFT POLITICAL DECLARATION AS IT STOOD AND DID NOT WANT TO RAISE ANY PARTICULAR SUBJECT. THEY DID NOT WANT TO DISCUSS SOUTH AFRICA BUT WOULD NOT OPPOSE DISCUSSION IF THE HOSTS INSISTED. SEE MY TELNO 564 FOR SUDHOFF'S COMMENTS ON TERRORISM. HE THOUGHT THAT EAST-WEST WOULD DOMINATE FOREIGN MINISTERS' DISCUSSIONS.

COMMENT

6. THE GERMANS ARE NOT EXPECTING SURPRISES AT TORONTO, AND BELIEVE THE COMMUNITY SHOULD STAND FIRM AGAINST ATTACKS ON WHAT WAS ACHIEVED ON CAP REFORM AT THE BRUSSELS COUNCIL.

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