

Meeting Record  
Subject as Master.

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file 344  
(C = \foreign \Lubbers)

bc : PC

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

1 December 1989

Dear Sister,

**PRIME MINISTER'S TALK WITH THE NETHERLANDS PRIME MINISTER**

Mr. Lubbers telephoned the Prime Minister this afternoon to say that he would be meeting Chancellor Kohl in Salzburg tomorrow and wondered how she had reacted to his recent speech to the Bundestag. (From this point on, as a result of technical failure, I was only able to hear the Prime Minister's side of the conversation.)

The Prime Minister said that she was rather worried about the speech. It seemed to have been very much Chancellor Kohl's personal effort and not cleared with others either in Germany or within NATO. She thought the fifth point of his 10-point plan in particular was premature, and hard to reconcile with the agreement at the meeting of EC Heads of Government in Paris on 18 November that borders were not on the agenda. This was clearly a sensitive political issue for Chancellor Kohl. But he was less cautious and less sound in his approach than Genscher. She thought it would be useful if Mr. Lubbers could calm Chancellor Kohl down and point out tactfully that his speech was causing concern not just in Moscow but within some western countries. I understand from the Prime Minister that Mr. Lubbers said that the speech had not gone down well in the Netherlands and that he shared the Prime Minister's reservations about it.

The Prime Minister said that she had not welcomed either the parts of the Chancellor's speech dealing with economic and monetary union or the expansion of the powers of the European Parliament. She thought it a mistake to try to set a deadline for the work of an International Governmental Conference. She had just had a good meeting with M. Delors and found him more reasonable. He had agreed that the European Council in Strasbourg should concentrate on how the Community could respond to developments in Eastern Europe. In reply to a question from Mr. Lubbers, the Prime Minister confirmed that she thought an IGC in the second half of 1990 would be premature. She confirmed that she was opposed to the Social Charter in its present form. She also expressed reservations about the French proposal for an Eastern European Development Bank. Mr. Lubbers appeared to share these.

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The Prime Minister added for good measure that she was not very keen on President Gorbachev's latest proposal to hold a meeting of NATO and Warsaw Pact Heads of Government next year. It was more important to get substance right than to go for a showcase meeting.

The Prime Minister and Mr. Lubbers agreed that they would try to have their normal meeting in the margins of the European Council and would be in touch at the NATO meeting in Brussels on 4 December to arrange a time.

I am copying this letter to John Gieve (H M Treasury), Brian Hawtin (Ministry of Defence) and Trevor Woolley (Cabinet Office).

*Yours sincerely,*  
*C. D. Powell*

C. D. POWELL

J. S. Wall, Esq.,  
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