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Mr Synnott, WED

Secretary of State's Talk with the Dutch Foreign Minister,
Mr van den Broek, in London on 27 March

The Secretary of State talked to Mr van den Broek for just over two hours at 1 Carlton Gardens on 27 March. He was accompanied by HMA The Hague and Mr Kerr. Mr van den Broek was accompanied by the Ambassador in London, his Political Director (Mr van Walsum) and his Director General for European Integration (Mr van Swinderen).

Dutch Internal

Asked about the recent Dutch municipal elections, Mr van den Broek answered, with much glee, that the Dutch Labour Party had suffered a very severe blow. It was not clear why: partly a question of turn-out and partly, perhaps, because the electorate saw no result from the Labour Party's first three months in the government coalition - unrealistic though such expectations were.

Lithuania

The Secretary of State feared that Soviet authority in Lithuania might have been put in the hands of a Soviet Army Commander. Army action could easily get out of control. Mr van den Broek said he had summoned the Soviet Ambassador on 26 March to express the Dutch Government's serious concern and to say that intimidation of the Lithuanian people seemed to be on the increase; it would become difficult to deny the Lithuanian people their aspirations; perhaps they were a different case from other parts of the Soviet Union, because of their history. He had also told the Soviet Ambassador that the Dutch wanted to express their confidence in the Soviet leadership. The Ambassador had been pleased by the Dutch Government's moderate approach but had asked them to add an appeal to all sides for restraint. He asked for the British view of the nationalities question.

The Secretary of State said he did not think that the Soviet empire in its present form could continue. There was a race between Gorbachev's moves towards a more federal structure and pressure for early action from various nationalities. Events in Lithuania had come too soon. He would probe when he went to Moscow from 9 to 12 April.

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The Secretary of State said that he had acted on what Mr van den Broek had said to him in Brussels in early March about the Soviet application to join the Cultural Convention. At the Lisbon Council of Europe Ministerial meeting on 23-24 March, the move towards Soviet membership of the cultural convention had been slowed down. Mr van den Broek said Mr Waldegrave had made the right point, in a firm and principled way. The Ministers had clearly stipulated that their Deputies should work on the issue; this would give more time. As for membership of the Council of Europe itself, the meeting had not got as far as to look at Soviet membership, given the applications of all the others on the table. In general terms the positive outcome of the meeting was the agreement that the Council of Europe's standards should not be watered down; they had avoided the trap of automaticity of membership.

Germany/NATO

Mr van den Broek wondered how the Allies could make NATO membership more acceptable to German public opinion. He had spoken recently to President von Weizsacker. The President had been keen that legitimate security interests of the Soviet Union should be met. He had not gone as far as to say that continued German membership of NATO would make this difficult, but the thought was there, unspoken. Mr van den Broek thought that the Allies should try to treat Germany as a fully-fledged and independent state rather than a post-war pupil of the Occupying Powers. The Allies should therefore be cautious about a peace treaty, in the interests of avoiding a new German Versailles complex. It was a question of reducing and then removing the Occupying Powers' responsibilities in a way acceptable to all.

The Secretary of State agreed that this was the central issue, as had been made clear to him by Herr Genscher and Chancellor Kohl in Bonn earlier in March. Continued German membership of NATO was essential and both Herr Genscher and Chancellor Kohl were firm on this point. The question remained about what they intended NATO to be in the future. Arrangements in the GDR, where FRG thinking was still fuzzy, would be important. It was not clear whether Articles V and VI of the North Atlantic Treaty would extend to GDR territory. Herr Genscher had suggested that these Articles should only extend to the GDR when Soviet troops left. Chancellor Kohl was less precise. The tactics of the SPD in the run-up to the elections would be important. It made

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sense for Mr Shevardnadze and President Gorbachev to play the issue long so that the SPD could make good use of it in the campaign. This suggested that other Allies should push hard for early settlement of the NATO question. Mr van den Broek agreed. Playing the issue long gave the Russians more time to consider some pan-European security relationship which would appeal to the majority of electors in the FRG (although not to the present FRG leadership). He thought that if the Allies were serious about taking into account Soviet security interests they should promise that NATO would have no superiority in the central region.

The Secretary of State agreed; after the CFE agreement there would have to be further cuts in forces, both stationed and in the Bundeswehr. Mr van den Broek thought that if NATO was to avoid negotiations about the stationed forces of European Allies, the Alliance would need to discuss some form of multi-national forces, and how they should be armed. Personally he believed that SNF modernisation was a hopeless cause. He thought the Allies should put to the Germans an attractive package which might include reduction and subsequently the elimination of nuclear artillery. It was difficult to justify SNF in the new circumstances of Eastern Europe. The Allies might thereby protect the position of nuclear weapons on aircraft, including new stand-off weapons. The Secretary of State agreed that early answers to these questions were needed. He offered an additional element: the Allies would not behave responsibly if they failed to make new arrangements into which the French could fit. By leaving the integrated military structure the French had created a gap. Now was the time for them to fill it. M. Rocard, in London on 26 March, had seemed sympathetic on this point. As for the Germans, the Four Power arrangements should be ended. The Russians were wrong to think that they could make the most of their post-war responsibilities for Germany.

CSCE

Mr van den Broek suggested that Soviet acquiescence might be secured by including some pan-European element, to show that we were not deaf to the Russians. The Secretary of State said that President Havel of Czechoslovakia clearly wanted security guarantees of an old-fashioned sort. But we would not want to give such guarantees and thereby take on responsibility for defending Hungarians and Romanians from each other. Mr van den Broek warmly agreed. But the Secretary of State thought that, short of such guarantees, much could be done. The Prime Minister would be setting out our ideas in a speech on 29 March. The CSCE could help establish a European security structure through provisions to guarantee elections and the rule of law and the provision of a conciliation service. There might be a need for some, light, permanent CSCE structure.

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Mr van den Broek said the Eastern Europeans were seeking protection against the Soviet Union. He agreed that the West could propose a CSCE conciliation mechanism. He wondered if the Allies would have to go further and find a solution for the Eastern Europeans within NATO itself. The Poles, for example, were very ready to accept the existence of NATO and, by implication, some sort of NATO protection for them. Less dramatic would be a non-aggression commitment, in treaty form, from the Russians, without Western guarantees to the Eastern Europeans.

Mr van Walsum wondered if the UN Security Council would not be more effective in the post-Cold War era. The Secretary of State thought the United Nations might have a new lease of life; but psychologically a mechanism to solve European disputes would be stronger if it were established on a European basis. For the Eastern Europeans, the United Nations was really not very important. Mr van den Broek also doubted that the United Nations could provide what was needed.

Mr van den Broek returned to the possibility of multi-national forces in Germany. These might be extended to a peace-keeping role in disputes in Eastern Europe. The Secretary of State found this an interesting idea which might be of use if, for example, the Yugoslavs said that they needed outside help in keeping the Albanians and the Serbs apart in Kosovo. Mr van den Broek thought the use of UN contingents in Namibia might serve as some form of model. Sir Michael Jenkins thought that some form of European peace-keeping force could have the advantage of involving the Russians.

The Secretary of State undertook to send Mr van den Broek a paper with British ideas about development of the CSCE. Mr van den Broek asked about the preparation of the CSCE Summit. Should a preparatory committee start now or, as the US wished, later? The Secretary of State thought that preparations for the Summit should start fairly soon, but on the basis that they would be nugatory if a CFE agreement was not reached; the UK continued to believe that a CSCE Summit should be conditional upon agreement at the CFE. Mr van den Broek thought that in addition to discussion in the EC and NATO, a CSCE preparatory committee of the 35 would be needed, with officials from capitals. He favoured establishing this when Foreign Ministers met in Budapest on 12 May, rather than waiting until they were together in Copenhagen for the CSCE CDH meeting on 5/6 June. Mr Kerr suggested that the question of a CSCE Summit preparatory committee should first be broached in the NATO forum, with the United States present. The Secretary of State and Mr van den Broek agreed. The Americans were still sore about the EC discussion at Dublin and tact was needed.

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EBRD

Mr van den Broek said the Japanese and the Americans wanted Mr Ruding as President of the Bank but were not prepared to say so. The Dutch Finance Minister, Mr Kok, would be discussing with the Chancellor of the Exchequer, Dr Waigel and others how to use discussion at the informal ECOFIN meeting on 31 March/1 April to bring matters to a head. Mr Kerr agreed with the Dutch tactic of using the informal ECOFIN meeting. Finance Ministers were more likely to come up with the right answers, ie Mr Ruding for President and London for the site.

The Secretary of State said that the Chancellor had told M. Rocard on 26 March that it was all very well urging the UK to join the ERM and approve other moves to greater European integration, but this was not consistent with denying London as the site for the EBRD. The Secretary of State did, however, want to reassure the French about the permanence of the European Parliament in Strasbourg. Maintaining Strasbourg was very important to the French, for reasons he understood. He and Mr van den Broek agreed that they had not seen M. Dumas as fervent as when he spoke about the EP and Strasbourg at the March FAC. They also agreed that the most that could be offered to the French was an assurance that a change to the status quo on the site of the Parliament was not on the agenda at present. Neither could commit future Dutch or British governments. Mr Kerr thought the French might settle for an assurance about maintaining the Twelve Plenary Sessions of the EP in Strasbourg; but even if they wanted more, he rather doubted they would tie the issue into that of the site for the EBRD; they might however block decisions on the sites of Community institutions. Mr van den Broek said he had told M. Dumas recently of Dutch disappointment that the French seemed to want to control all multi-national institutions With a French President of the European Commission, a French Secretary-General of the Council of Europe, a French Secretary-General of OECD and a French Secretary-General of the IMF, they really should be satisfied.

EC

The Secretary of State said there were two propositions under debate: (a) that the IGC should start in the summer (as M. Rocard had been advocating in London on 26 March, because this would allegedly send an important signal); and (b) that there might be a separate IGC on wider EC institution reform. The British position was the Strasbourg one: an IGC should

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start in December. "Full and adequate preparation" was important, and was proceeding. It would be a mistake to distort it by bringing forward the IGC itself. He was not sure for whom the "signal" would be useful. As for another IGC on non-EMU institutions, and the necessary advance preparation, he thought the Community already had enough its plate for 1990 in dealing with the six challenges already on the agenda - EMU IGC preparations, German unification, EC/EFTA, the GATT Round, the 1992 programme, and devising new forms of Association Agreements for the Eastern Europeans.

Mr van den Broek gave a firm warning. His actual words were: "Britain, Britain: beware, beware". He thought the French and Germans would fall into each others' arms over EC institutional questions. President Mitterrand's television interview on 25 March had been important; he had said that he wanted the informal Dublin EC Summit on 28 April to agree that mid-1991 should be the end date for the IGC and that 1993 should be a target date for political union. The Dutch were not strongly against these ideas. In their view the many tasks facing the Community, which the Secretary of State had listed, needed stronger institutions. President Mitterrand had even touched on the recent Belgian paper (which the Belgians had cleared with the Commission in advance). The Dutch were discussing internally their response to the Belgian paper but they had already told M. Eyskens that in general they supported the Belgians. Mr Lubbers had said privately to Mr van den Broek, on 26 March, that the Dutch need not be against mid-1991 as an end date for the IGC; similarly 1993 as the target date for political union was probably acceptable, as a target; and Mr Lubbers had not seemed wholly concerned by Mr van den Broek's argument that the EMU IGC should end before any further IGC on wider institutional change started. Mr van den Broek thought that the Belgian paper might be right in suggesting that EPC and the EC be brought closer together: witness the informal ministerial meeting in Dublin on 20 January, which had worked well. The Community could not look at policy towards Eastern Europe without taking EPC into account. It was understandable that the Commission should want to bring it into the mainstream of EC work.

The Secretary of State wondered if we were talking of a future Community of 12 or 20. He thought it would be difficult to exclude a number of the putative candidates and, therefore, an error to plan the Community's institutions on the basis of a Community of 12. Mr van Swinderen thought that the prospect of further possible enlargement strengthened the case for first moving quickly to further

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integration: but - as Mr van den Broek twice said rather firmly "it of course all depends on what kind of Community one actually wants". Was one talking of an enlarged Community (he mentioned the figures 18/20/22) which was economically closely integrated, or one which was also politically integrated? The latter was much more complex. He noted that some of the pitch for enlargement came from those keen to avoid political union. Personally, he was in favour of a Community of 15, 16 or 17 within a wider a confederation. He could not foresee that the Eastern European countries would adjust their economies fast enough to become full members in time for the next wave of enlargement.

Mr van den Broek suggested that for answers to the wider institutional questions the Community might soon need another group on the lines of the Dooze Group. President Mitterrand had also suggested a working group, to prepare for a second IGC. Without institutional strengthening, the Community's infrastructure was not strong enough to support the burden of the issues placed upon it. He also found it hard to accept that there should be greater European integration and coordination between Member States without a more important role for the European Parliament. But he understood that for HMG discussion of radical political changes over the next 12 to 18 months could prove difficult, given the decisions which the United Kingdom would in any case have to confront in the economic and monetary dossiers. The Secretary of State drew a distinction between moves to strengthen the Community and initiatives which would shake the foundations of the Community itself.

South Africa

The Secretary of State said that two sets of people were learning new rules. The South African Government were equipping themselves to learn about a transfer of power to blacks. The ANC were having to learn how to mobilise support for negotiations in which they would be dealing with some intelligent South African Ministers. Both groups had difficulties but would probably succeed. He had come away from South Africa convinced that we needed to help the blacks now, with their schools, their village halls and other infrastructure projects. This would complement help which the South African Government were giving. The latter had just given R 2 billion to a trust in the townships run by a strong critic of the Government (Mr Jan Stein). He thought that EC action was perhaps not sufficiently directed at what the black South Africans themselves called "nation-building". We needed to look at the possibilities of intensifying the European effort to help build the post-apartheid nation. He urged Mr van den Broek to look at the recent report of the EC's Ambassadors in South Africa.

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Mr van den Broek had always felt that South Africa was not a developing country. The EC should not, therefore, do things which the South African Government refused to do. The South African Government must make their own contribution. But against this background he would not be opposed to reappraising EC aid. He said that the details of the Troika visit were not yet fixed. Perhaps the next FAC meeting should look again at the aims of the Troika.

Mr van den Broek and the Secretary of State agreed that, from what people had seen in Windhoek during the Namibian independence celebrations, the prospects for Namibia looked quite encouraging.

R. H. T. Gozney

(R H T Gozney)

28 March 1990

cc: PS
PS/Mrs Chalker
PS/Mr Waldegrave
PS/Mr Maude
PS/PUS
Mr Weston
Mr Tomkys
Mr Bayne
Mr Broomfield
Mr Gillmore
Mr Greenstock
Mr Tait
Mr Kerr
Mr Goulden
Mr Carrick
Mr Fairweather
Heads of: ECD(I)
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Sec Pol Dept
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Foreign Secretary's Talk with the Dutch Foreign Minister
on 27 March

The Foreign Secretary thought that the Prime Minister might be interested in some of the things said by the Dutch Foreign Minister when he was in London for bilateral talks on 27 March. I enclose a copy of the record. The more interesting passages are those recording their discussion of CSCE matters, and EC matters.

Yours ever,

R. Howard Gozney

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