

GRS 700  
CONFIDENTIAL  
FM BONN 091700Z NOV 84  
TO PRIORITY FCO

CONFIDENTIAL

TELEGRAM NUMBER 1065 OF 9 NOVEMBER  
INFO ROUTINE UKREP BRUSSELS, UKDEL NATO, ATHENS, BRUSSELS,  
COPENHAGEN, DUBLIN, LUXEMBOURG, PARIS, ROME, THE HAGUE

MY TELNO 1045: BRITAIN, GERMANY AND THE EC

SUMMARY

1. DISCUSSION WITH UNGERER (AUSWAERTIGES AMT) ON LINES SIMILAR TO THAT WITH TELTSCHIK (CHANCELLOR'S OFFICE). GERMAN READINESS FOR PRIVATE ANGLO-GERMAN BILATERAL DIALOGUE ON IMPORTANT COMMUNITY QUESTIONS CONFIRMED.

DETAIL

2. IN RUHFUS' ABSENCE ON LEAVE, I WENT OVER THE SAME GROUND TODAY WITH UNGERER, FISCHER'S SUCCESSOR AS DEPUTY UNDER-SECRETARY (ECONOMIC) IN THE AUSWAERTIGES AMT, THIS TIME INCLUDING WILLIAMS' CONTRIBUTION TO THE COMMITTEE ON A PEOPLE'S EUROPE (UKREP BRUSSELS TELNO 3626) IN THE LIST OF BRITISH PAPERS, SPEECHES, ETC, WHICH I THOUGHT ILLUSTRATED THE LOGICAL AND SYSTEMATIC DEVELOPMENT OF THE BRITISH POSITION DURING THE LAST FEW MONTHS.

3. UNGERER SHOWED NO MORE DESIRE THAN TELTSCHIK TO GIVE DIRECT ANSWERS TO MY TWO QUESTIONS. HE SAW A GREAT DEAL IN COMMON BETWEEN THE BRITISH POSITION AND THE GERMAN, OR AT LEAST THAT OF THE FOREIGN MINISTRY. ON THE NEED TO COMPLETE THE INTERNAL MARKET, FOR EXAMPLE, WE WERE BOTH PULLING ON THE SAME ROPE AND COULD BOTH BE GLAD THAT THE ITALIANS WERE TALKING OF MAKING A BIG THING OF THIS DURING THEIR PRESIDENCY. I SAID THAT LAST NIGHT I HAD LECTURED AN AUDIENCE OF BUSINESSMEN IN DUESSELDORF ON THE NEED TO LIBERALISE THE EUROPEAN INSURANCE MARKET AND AIR TRANSPORT, AND HAD FOUND THEM SYMPATHETIC. THEY HAD SEEMED ATTRACTED BY THE IDEA OF FLYING TO LONDON AND BACK FOR ONLY DM 120 (£32) AND WERE ONLY SORRY THAT THEY HAD TO DRIVE TO MAASTRICHT TO DO THIS. ON INSURANCE, I URGED REVIVAL OF TIETMEYER'S EARLIER PROPOSAL TO MAKE A START BY LIBERALISING THAT PART OF THE MARKET WHERE NO QUESTION OF CONSUMER PROTECTION AROSE, I.E COMPANY BUSINESS. UNGERER TOOK NOTE.

4. UNGERER THOUGHT THAT CHANCELLOR KOHL HAD BEEN ENCOURAGED BY HIS EXPERIENCE IN THE MATTER OF FRONTIER RESTRICTIONS BETWEEN GERMANY AND FRANCE, WHERE ONLY A JOINT POLITICAL DECISION AT THE HIGHEST LEVEL HAD FORCED THE SPECIALIST AGENCIES TO SOLVE PRACTICAL PROBLEMS WHICH THEY HAD HITHERTO REPRESENTED AS INSUPERABLE. KOHL SAW THIS AS THE RIGHT TACTICS IN THE MARCH TOWARDS "EUROPEAN UNITY". BUT UNGERER COULD NOT SAY WHAT THE CHANCELLOR'S ANSWER WOULD BE IF ASKED TO DEFINE THIS TERM. HE HIMSELF WOULD ONLY SAY THAT IT MEANT "SOMETHING MORE THAN EXISTS TODAY".

CONFIDENTIAL

/BUT

BUT AT THIS POINT THE DIFFICULTIES BEING: ECONOMIC UNION COULD HARDLY BE PURSUED IN THE ABSENCE OF REAL CONVERGENCE IN ECONOMIC POLICIES BASED ON COMMON GOALS FOR E.G. INFLATION; MONETARY UNION WAS OPPOSED BY THE BUNDESBANK, ETC ETC.

5. UNGERER SAID THAT THIS WAS WHY GERMANY HAD TURNED BACK TO THE IDEA OF A NEW EUROPEAN TREATY COVERING POLITICAL COOPERATION AND SECURITY. THE CHANCELLOR DID NOT WANT TO SEE THIS IDEA WATERED DOWN THIS TIME AS IT HAD BEEN DURING THE GENSCHER-COLOMBO EXERCISE. THE PROGRESS MADE IN WEU HAD IN ANY CASE REDUCED THE NEED FOR NEW EUROPEAN MACHINERY TO DISCUSS SECURITY, AND THE IMPLICATIONS OF THIS NEEDED TO BE CAREFULLY THOUGHT OUT. BUT A NEW TREATY ON POLITICAL COOPERATION WAS DEFINITELY WHAT KOHL UNDERSTOOD BY PROGRESS TOWARDS EUROPEAN UNITY IN THE PRESENT PHASE. (UNGERER MENTIONED IN PASSING THAT THE GERMAN INPUT INTO THE DOOGE COMMITTEE WAS BEING HANDLED PERSONALLY BY RUHFUS, WITH TRUMPF AS HIS ASSISTANT, REPORTING DIRECTLY TO THE CHANCELLOR BUT KEEPING THE FOREIGN MINISTRY INFORMED.

6. I SAID THAT SOME POINTS IN RUHFUS' PAPER ON POLITICAL COOPERATION WERE ACCEPTABLE TO US AND OTHERS MIGHT PROVE TO BE ACCEPTABLE ON EXAMINATION. IT WOULD BE MUCH BETTER TO ALLOW THE NECESSARY TIME FOR THE DOOGE COMMITTEE TO REACH UNANIMOUS CONCLUSIONS THAN TO FORCE ISSUES WITHIN THE NEXT FEW WEEKS SIMPLY IN ORDER TO PRODUCE A REPORT TO THE EUROPEAN COUNCIL IN DECEMBER. I HAD A FEELING THAT IF THE ISSUES WERE BROUGHT TO DECISION SOMEWHAT LATER, THE CHANCES OF UNANIMITY MIGHT BE GREATER. UNGERER SAID THAT AT PRESENT THE FRG ENVISAGED MAJORITY AND MINORITY REPORTS. BUT HE SAW THE MARCH RATHER THAN THE DECEMBER MEETING OF THE EUROPEAN COUNCIL AS THE IMPORTANT DATE AND HE NOTED MY POINT ABOUT NOT FORCING ISSUES PREMATURELY.

7. IT WAS LEFT THAT THE AUSWAERTIGES AMT WOULD BE GLAD TO PLAY ITS PART IN THE PRIVATE ANGLO-GERMAN BILATERAL DIALOGUE TO BE CONDUCTED IN PARALLEL TO THE WORK OF THE DOOGE AND PEOPLE'S EUROPE COMMITTEES. UNGERER AND I AGREED THAT WE WOULD EACH BE AT EACH OTHER'S DISPOSAL FOR THIS PURPOSE.

8. DISCUSSION ON OTHER COMMUNITY SUBJECTS IS BEING REPORTED SEPARATELY.

BULLARD

LIMITED  
WED  
ECD'S  
NEWS D  
PLANNING STAFF  
SOV D  
EED  
DEF D  
PS  
PS/LADY YOUNG  
PS/MR RENTON  
PS/MR RIFKIND  
PS/PUS  
MR DEREK THOMAS  
MR RENWICK  
MR JENKINS  
MR WESTON

THIS TELEGRAM  
WAS NOT  
ADVANCED

COPIES SENT TO  
No. 10 DOWNING STREET

-2-  
CONFIDENTIAL