



10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

8 January 1990

DIPLOMATIC AND DEFENCE IMPLICATIONS OF DEVELOPMENTS IN
EAST/WEST RELATIONS

We have now settled on Saturday 27 January as the date for the Chequers meeting on the diplomatic and defence implications of recent developments in East/West relations. The Prime Minister wishes to restrict this to a very small group of Ministers and officials, to allow intensive discussion of policy. The meeting will start at 0930 and finish immediately after lunch.

I have consulted the Prime Minister further about various bids to attend the meeting. Her wish was to restrict participation to a maximum of six. She has, with reluctance, agreed to extend it as indicated below but absolutely no further:

The Defence Secretary
The Foreign Secretary
The Chancellor of the Exchequer
Mr. Clark
Mr. Waldegrave
Mr. Hamilton
Sir Percy Cradock
One FCO Official
One MOD Official
One Cabinet Office Official

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The three main areas for discussion at the meeting will be:

- I. stock-taking of where we stand following the changes which have swept the Soviet Union and Eastern Europe in recent months;
assessment of the future prospects, especially for Gorbachev and his policies;

likely developments on German reunification;
- II. the consequences for our diplomacy, in particular:
 - how to influence/constrain movement towards German reunification;
 - the direction which we want NATO to take;
 - how we can exploit events in Eastern Europe to shape the future of the European Community in ways which better correspond to our own objectives and purposes;
 - the opportunities for closer Anglo-French relations;
 - how to maintain a strong US commitment to Western Europe at a time of declining threat;
- III. the consequences of these developments and of a CFE agreement for NATO's strategy and for the structure, deployment and equipment of our own forces.

My understanding is that the FCO will be producing a short paper covering the first two areas and the MOD the third.

It is essential that knowledge of this meeting should be very tightly restricted indeed. The Prime Minister has asked me to say that if any hint of it reaches the press she will feel it necessary either to cancel the meeting or, if it has been held, to avoid any further such meetings in future.

I am copying this letter to Simon Webb (Ministry of Defence)
and John Gieve (H.M. Treasury).

CHARLES POWELL

J. S. Wall, Esq.,
Foreign and Commonwealth Office.