

PRIME MINISTER

MEETING WITH PRESIDENT MITTERRAND

You are going to see President Mitterrand for a working lunch on Saturday. There will only be a couple of hours or so for discussion, and with interpretation it will be even less. We need to think carefully about what you want to get across to Mitterrand. I set out below a way which you might play the meeting.

Introduction

You might start by recalling President Mitterrand's remark to you in Strasbourg that at times of great danger Britain and France have turned to each other. In the past they have tended to leave it too late. Let us get it right this time and start now. You have some concrete proposals to put to him for consideration.

The international situation and prospects

But first you want to give him your assessment of where we are. The scale and pace of the changes which are taking place is almost unbelievable. Communism is in headlong retreat in eastern Europe. Communist parties are likely to be decisively defeated in elections over the next few months. But enormous economic problems will remain and the East European countries will need massive financial help from us for many years. The Soviet Union is in deepening crisis. Gorbachev's position must be at risk. But it is a measure of the man that, instead of retreating, he constantly pushes forward: his aim seems to be to speed up the process of reform.

Meanwhile, the familiar landmarks of Europe since 1945 are disappearing. The odds must be on the Warsaw Pact collapsing quite soon: even now it has little military significance. COMECON has no future. All this will make it harder to keep NATO together and the Americans committed to Europe's defence. As the apparent threat from the Soviet Union diminishes, so



Apr 7 of 1955 on *Kelch*

to consult with the FRG on all matters involving the security of their rights under the German support for defence and nuclear deterrence in the West will be

*a whole*  
*Berlin*

eroded. Opinion in Britain and France are the steadiest in this respect. But one already sees other countries preparing for unilateral reductions. There can be little doubt that a CFE agreement will have to be followed by negotiations on further reductions in conventional forces: proposals are already on the table. The Americans are driven by budgetary pressures and will want a peace dividend. Meanwhile the climate of opinion, particularly in Germany, is likely to rule out modernisation or replacement of existing ground-based nuclear weapons and may move against stationing of any nuclear weapons in Germany.

In the midst of all this, looms the spectre of German reunification. Clearly it is going to happen: the question is how and when. We can have some influence over the pace of it, and the conditions under which it takes place, if Britain and France work closely together. And the Russians are even more concerned by it than we are.

Of course much of what is happening - the roll-back of Communism, the spread of democracy, the lifting of the fear of war - is very welcome. It is a victory for our way of life and our strength of purpose over forty-five years. There is the risk of a back-lash or the replacement of Gorbachev and return to more authoritarian policies in the Soviet Union. And there will be new problems, with the re-emergence of rivalries and disputes between nationalities in Eastern Europe and the Soviet Union. But it is probably now impossible to put the clock back to the Brezhnev days.

But just as the stark confrontation of the post-war years called forth an imaginative response from the western powers, so the present situation requires something of equal vision from our generation, if we are to make the most of the opportunities which lie ahead and avoid the mistakes of the past, particularly in relation to excessive disarmament and to Germany.



C

Our Objectives

That is how you see the situation. What is it more precisely that we should try to achieve in the period ahead? We need a clear Western strategy. You would suggest five broad objectives:

- *slow down unity with democracy - market economy - rule of law*  
- the first is to get the Soviet Union completely out of Eastern Europe and back beyond its 1945 borders, so that any military threat to us is more distant;
- the second is to ensure that German reunification does not once again lead to the domination of western Europe by a single power, or to a new threat to the security of others. That means that one of the aims of arms control negotiations must be to put limits on German forces and to secure guarantees that Germany will not acquire nuclear weapons;
- third, we need to maintain adequate collective defence in Europe, with a nuclear component, so that we are prepared for any eventuality;
- fourth, we need a concept of Europe in which there is a place not just for the European Community but the countries of EFTA and Eastern Europe, coming together in a much larger association (or confederation as President Mitterrand himself suggested in a speech recently);
- fifth, we want to keep the United States engaged in Europe rather than seeing it retreat back over the horizon as in the 1920s and 1930s. It is not just a question of retaining a US military presence: it is as much a matter of psychology. There must be a cooperative partnership between Europe and the United States.

NATO  
Jim Baker

- Soviet Union



d

The case for closer Anglo-French Cooperation

If those are the objectives, Britain and France are well placed to work together to achieve them. We are the countries with the longest continuous history as nations. We are Europe's two nuclear powers. We share an aversion to excessive German power. We have linked our destinies twice this century in times of crisis. There is much to be said for pooling our influence and our experience to shape the new order which we want to see emerge from the present turmoil and uncertainty. It will not be easy. On some things our views differ. The quality of our respective relations with other major countries is different, the French with Germany, us with the United States. But you believe the effort is worth making and are prepared on Britain's behalf to commit us to it.

You would suggest three broad areas where we should make the attempt:

- the first is defence co-operation. We should try to develop a common approach by Britain and France to the problems of European security. We should concert our views and tactics on arms control negotiations, in particular the nuclear aspects. We should develop our dialogue in the nuclear field. We should consider how to maintain collective defence in Europe with a reduced American commitment - you are not trying to reopen the question of France's membership of the integrated military structure of NATO, desirable as you think that is. We should look at the scope for cooperating on its specific weapons systems such as TASM. You have put some specific ideas in a note which you will leave the President. If, when he has read them, he thinks they are worth pursuing, we could ask our respective Foreign and Defence Ministers to take on the task of working up these ideas and reporting to the next Anglo-French Summit. This might be announced as a result of today's meeting (you have a text to suggest).



e

- second we should try to coordinate our approach to the problem of German reunification and how to handle it. The European Council's conclusions in Strasbourg set out in broad terms the framework within which reunification ought to take place. It has clearly had some influence on German thinking. We need to translate those principles into more specific operational conditions, covering the Four Power framework, the Helsinki Final Act, the EC aspects and others, so that we have a coherent framework within which German reunification might be controlled. While we cannot veto German self-determination, we can ensure it is confined to the people of the FRG and GDR. We should introduce the notion of a transitional period between acceptance of the principle of German reunification and its implementation in practice: and use that interval to reach decisions on the future of NATO and on the EC's relations with East Germany and Eastern Europe. (The Germans cannot just come and demand East Germany's admission to EC.) Again, British and French officials might be asked to work together on this and report to the next Summit;

- third, and perhaps most difficult, we need to make an effort to align our views on the future of Europe, both the Community and the wider Europe. We cannot cooperate effectively in one area, while remaining at loggerheads in another. Current European issues will be the most difficult on which to reach agreement because positions are already well entrenched. Perhaps we should start by trying to agree a longer term vision of Europe and working backwards from that. It would be a Europe stretching beyond the bounds of the present Community, but the Community's present development would have to be compatible with it. But that does mean that we cannot go headlong towards political and economic integration as Delors' recent speech suggested. We have got to take things a step at a time: complete the Single Market, move forward on closer economic and monetary cooperation in practical ways and so on. We must not just take refuge in Euro-rhetoric because that obscures our real tasks of building both the community and a



f

wider European association in parallel.

In sum, what you are offering the President is a long-term programme of cooperation between Britain and France. It may be too ambitious. France may feel that her other commitments and relationships, for example with Germany, make it not feasible. That at least would be clear, and Britain would adjust its policies, particularly on defence, accordingly.

You would welcome the President's initial reactions to your ideas although you realise that he will also want to reflect on them. Perhaps the two of you might meet again within a reasonable period. You would be happy to receive him at any time in the United Kingdom. But if we are to go down this road we should bring our Ministers and officials together as soon as possible to start work, with very clear instructions from the top.

There will be a note which you could hand to President Mitterrand summarising your proposals on defence cooperation: and a draft statement announcing that foreign and defence ministers will start work (although you may think both papers premature). In addition there is a letter from the FCO attached summarising some of the other issues which may come up.

C. D. POWELL

17 January 1990

c:\foreign\mitterrand (kk)