

PRIME MINISTERMEETING THE HERR TELTSCHIK

I went to Bonn on 20 January for a meeting with Herr Teltschik.

Modernisation of NATO's nuclear weapons

This was the main subject. The German Government has not yet reached an agreed position. But the chances are that it will be unsatisfactory when they do, although Teltschik himself has some quite sensible ideas.

Teltschik said that Chancellor Kohl's personal view on modernisation was close to yours. But he had to reach an accommodation with the FDP. The problem was Genscher. I asked why Chancellor Kohl did not stand up to Genscher on this. Where else did the FDP have to go? Teltschik said you could never be sure with Genscher.

Teltschik said that there had been a coalition meeting before Christmas. The only point agreed then was that no-one wanted a third zero. There would be another meeting in the next ten days to try to reach agreement on other aspects. There were two main issues: when the Alliance should take decisions on modernisation; and what arms control conditions should be attached to them.

Chancellor Kohl's view was that there was no reason to delay a decision, provided the new US Administration confirmed very soon that it still wanted to modernise TASM and LANCE. He argued that, since both parties in the government were opposed to a third zero, this meant that both accepted the continuing need for effective SNF, which in turn meant that modernisation was necessary. The Soviet Union would have no incentive to negotiate reductions if NATO failed to modernise. Genscher, on the other hand, argued that there was no hurry. No decision was needed until 1991. He wanted to get through the

Federal Elections in 1990 first. But his real motive was his hope that the Soviet Union would take further steps before then which would make it impossible to go ahead with modernisation at all, by eroding public support for it. Shevardnadze's statement the day before detailing reductions in Soviet SNF would be grist to Genscher's mill. In this situation, Kohl's immediate aim was to tie the FDP down by getting a decision that modernisation was necessary. Even if it had to be postponed until 1991, it must be clear that the decision would definitely be taken then.

If we can't lie them down now - we shall in 1991 if the G. insists then which I believe he will be.

No The second aspect was the place of modernisation in the comprehensive concept. Genscher wanted it linked to an explicit commitment to negotiate with the Soviet Union now on reductions in SNF. Chancellor Kohl was not looking for immediate negotiations. But some substance had to be given to the commitment in the NATO Reykjavik communique that there would be negotiations on reductions. The question was how to formulate it. You had said in the past that negotiations on SNF could be held only when a balance of conventional forces and elimination of chemical weapons had been achieved. That might mean 15/20 years and was too remote. We should look for some intermediate formulation which held out the prospect of SNF negotiations if there was progress on conventional and chemical reductions.

SNF by treaty - means implicitly filling nuclear weapons out of NATO Europe.

I said that the last NATO summit had agreed on the need for modernisation. We now needed to decide specifically that NATO would deploy successor systems for TASM and LANCE. The last US Administration had made clear that a decision was needed this year. There was no reason to expect the Bush Administration to reach a different conclusion. Chancellor Kohl had given a clear impression in Washington in November and to you in Rhodes in December that he wanted an early decision. I assumed he would not resile.

I continued that we were absolutely opposed to negotiations with the Russians on reductions in SNF. We could not identify any result from such negotiations which would not weaken NATO.

Negotiations would be used as an excuse to delay modernisation. They would distract from the need to negotiate reductions in conventional forces and eliminate chemical weapons. And the most probable outcome was that we would be trapped into a third zero. Your view on this was very firm indeed. If the Germans agreed to take the decision on modernisation but linked it to negotiations with the Russians on SNF reductions, we were in for a very difficult time. We accepted the NATO Reykjavik communique as it stood. But we could not start to interpret it as meaning that there could be SNF negotiations if there was 'progress' or even 'substantial progress' on conventional and chemical weapons.

I suggested that a better way forward was for the Alliance to link modernisation with autonomous reductions in nuclear artillery and munitions and then challenge the Russians to match us. There was general agreement that we could do with fewer warheads in Europe in the context of modernisation. This should surely satisfy German opinion. Teltschik said that his mind was moving in the same direction. He had proposed a new position to Chancellor Kohl, under which NATO should set a ceiling for the number of nuclear warheads it needed, while retaining the freedom to deploy them between TASM, the LANCE replacement and nuclear artillery as necessary. In practice holdings of nuclear artillery shells could be very considerably reduced if not eliminated altogether. We would then offer to negotiate with the Russians not on systems, but only on a common ceiling. This would meet Germany's need to demonstrate considerable reductions in the number of nuclear warheads while leaving NATO with the systems which it really needed. I said that this seemed a more promising approach, although I did not see it was necessary to negotiate the common ceiling with the Russians. They would only try to widen the negotiations. Teltschik did not know whether the FDP would accept his idea at all: they were less likely to do so without some provision for negotiation.

I said that I could see quite a serious clash approaching if the German Government came out in the next ten days or so with a position on modernisation which also linked it to SNF negotiations. It would certainly cast a shadow over the Anglo-German Summit. Would it help if you sent Chancellor Kohl a message setting out your views? Teltschik said that it certainly would. Chancellor Kohl would want to avoid a public row with you. The message should be sent as soon as possible. I urged him to continue to develop his idea for autonomous reductions by NATO.

Teltschik said that it was hard to divine exactly what game Genscher and the Foreign Ministry were playing. He hoped the Foreign Secretary would press Genscher on this issue when they met next week. Chancellor Kohl would do his best to get the right decision: but he had to keep the coalition government together.

NATO Summit

Teltschik asked whether we still supported an early NATO Summit. I said that you were willing in principle. But we had to give President Bush time to reach a view. And it had to be a Summit which reached the right conclusion. Teltschik said that a decision by a Summit would be the best way to compel the German Government to reach the right decision on modernisation. They could then present it as the united view of all sixteen NATO member states. Chancellor Kohl remained very keen to have the Summit before the European elections and before Gorbachev's visit to the FRG which was now expected in June. Otherwise Gorbachev would only exploit his visit to move German opinion against modernisation.

Teltschik said that the French might find it easier to have a Summit in Brussels than in London. I said that we were not wedded to London if Brussels was easier for President Bush. But I could not see why the French should object to London.

Gorbachev's visit

Teltschik said that Shevardnadze had told Genscher in Vienna last week that Gorbachev wanted to visit Germany in early June. On the face of it this was rather surprising, as it would help the CDU in the European elections. The Russians were keen to have a Joint Declaration and had submitted a draft which was 'eighty per cent all right'. I said that we were sceptical of such documents and had discouraged the Russians from pursuing a similar idea in our case. Teltschik asked whether Gorbachev was coming to the United Kingdom. I said that it was being discussed.

Poland

Teltschik is engaged in preparing Kohl's visit to Poland. It would be difficult: the Poles were demanding financial help and the Germans had a lot at stake, as a result of the vastly over-generous credits granted by the SPD government in the 1970s. I said that I hoped Chancellor Kohl would be no less firm than you on the need for political reform as the condition for help. From Teltschik's demeanour I doubt that he will be.

Anglo-German Summit

Teltschik said that the German Foreign Ministry had suggested there should be a Joint Statement. But their draft had been fairly free of content. I said that I did not think you felt a need for this. It was clear what needed to be discussed: nuclear modernisation, EC matters including agriculture and financial aspects, South Africa. There would no doubt be a number of common themes which you and Chancellor Kohl could emphasise at the press conference.

South Africa

Teltschik thought Leutwiler's visit had been worthwhile. I told him that the South Africans were expecting some

follow-up. You would want to discuss this at Frankfurt.
Progress over Namibia should further reduce pressure for
sanctions. Teltschik suggested that Britain and Germany might
undertake some joint projects to help Black South Africans.

Libya: Chemical Weapons

Teltschik said that Chancellor Kohl was upset in equal measure
with Genscher and with the Americans. Genscher had been in
possession of the information about German involvement since
May last year without passing it on. The Americans had
treated the FRG like a banana republic instead of a country
which practised the rule of law and needed evidence which
stood up in court before it could act.

Economic Summit

Teltschik said that the French would want to give prominence
to environmental issues, to debt (particularly of middle
income countries) and to Bangladesh. The Germans had
suggested there might be a declaration on human rights, to
mark the bicentenary of the French Revolution. I wondered
whether this might give rise to problems of definition.

Franco-German Relations

Teltschik claimed that these were rather in the doldrums.
Mitterrand was increasingly interested only in grand events
which would secure his place in (French) history. It was
difficult to get anywhere on substance with the French at
present.

Follow-up

You will want to send an early message to Kohl on the
modernisation issue to help him with the debate within the
Coalition. A draft is in the box.

C.D.P

Charles Powell
20 January 1989

PRIME MINISTER

Herr Teltschik has suggested that I should go over to Bonn for a talk in the fairly near future. The main purpose would be to discuss very frankly and outside normal channels the position on modernisation of NATO's nuclear weapons and related problems. It would also be an opportunity to prepare your meeting with Chancellor Kohl in February, and go over the ground on Dr. Leutwiler's visit to South Africa.

If you agree, I would propose to go over on Friday 20 January when you are on a regional tour.

Agree?

Yes [signature]

CDJ

CHARLES POWELL

10 January 1989