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FM BONN
TO DESKBY 251815Z FCO
TELNO 447
OF 251724Z APRIL 89
INFO PRIORITY UKREP BRUSSELS

ADVANCE COPY

MY TELNO 372: AGENDA FOR PRIME MINISTER'S MEETING WITH KOHL ON 30 APRIL.

SUMMARY

1. APART FROM SNF, THE FEDERAL CHANCELLERY EXPECT KOHL TO WANT TO FOCUS PRINCIPALLY ON THE DELORS REPORT. THEY ARE ALSO BRIEFING ON EAST/WEST (GORBACHEV VISITS, AND POLAND), SOUTHERN AFRICA, THE ECONOMIC SUMMIT, LEBANON AND EXPORT CONTROLS.

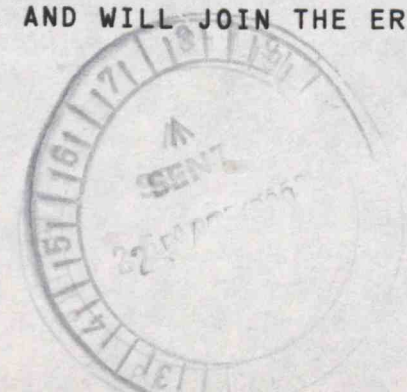
DETAIL

ECONOMIC AND MONETARY UNION.

2. KOHL HAS ALMOST CERTAINLY NOT FOCUSSED IN DETAIL ON THE DELORS REPORT. WHEN HE DOES, HE MAY SEE EMU AS A MAJOR EUROPEAN THEME AND BE ATTRACTED TO THE IDEA OF THE FRG PLAYING A LEADING ROLE. BUT HE WILL BE CONSCIOUS OF THE SENSITIVITY OF GERMANS, WITH THEIR FOLK MEMORIES OF HYPER-INFLATION, TO ANYTHING THAT MIGHT BRING INTO QUESTION THAT CORNERSTONE OF GERMANY'S ECONOMIC MIRACLE, THE STABILITY OF THE D MARK. KOHL IS THEREFORE LIKELY TO STICK TO THE VIEW THAT THE GOAL OF EMU IS DISTANT.

3. THAT SAID, HE WILL NOT BE RIGOROUS IN IDENTIFYING THE APPROPRIATE CONCLUSIONS AND, DURING THE FRENCH PRESIDENCY ESPECIALLY, HE WILL BE TEMPTED TO TAKE HIS POLITICAL CUE FROM MITTERRAND. HE MAY WELL, FOR INSTANCE, SEE NO HARM IN A PROPOSAL TO SET UP A GROUP TO EXAMINE INSTITUTIONAL ISSUES, INCLUDING THE POSSIBILITY OF TREATY AMENDMENT. IN THE SHORT TERM, WHICH AT PRESENT IS VERY MUCH ON HIS MIND, HE MAY BE ATTRACTED TO AN OPTION WHICH PROVIDES HIM WITH THE OPPORTUNITY FOR UPLIFTING RHETORIC WITHOUT COMMITMENT ON SUBSTANCE.

4. THE CHANCELLOR OF THE EXCHEQUER'S STATEMENT OF 17 APRIL HAS ATTRACTED SOME ATTENTION HERE, THOUGH NO GREAT SURPRISE. KOHL WILL WANT TO KNOW HOW THE PRIME MINISTER SEES THE HANDLING OF THE DELORS REPORT AT THE MADRID EUROPEAN COUNCIL AND THEREAFTER. HE WILL PROBABLY BE BRIEFED TO EXPRESS THE HOPE (WIDELY HELD HERE) THAT THE UK WILL PARTICIPATE ACTIVELY IN THE DEVELOPMENT OF THE RECOMMENDATIONS MAPPED OUT IN STAGE ONE, AND WILL JOIN THE ERM



BEFORE LONG.

EAST/WEST

5. WITH GORBACHEV'S STATE VISIT TO THE FRG FROM 12-15 JUNE NOW LOOMING, KOHL WILL WANT TO HEAR AT FIRST HAND THE PRIME MINISTER'S IMPRESSIONS OF THE VISIT TO LONDON. HE ALSO REMAINS DETERMINED TO VISIT POLAND BEFORE THE END OF THE YEAR, AND WILL BE INTERESTED TO KNOW WHAT LINE THE PRIME MINISTER INTENDS TO TAKE WITH JARUZELSKI DURING THE LATTER'S VISIT TO CHEQUERS.

SOUTHERN AFRICA

6. THE FEDERAL CHANCELLERY HAVE TAKEN CAREFUL NOTE OF THE PRIME MINISTER'S VIEW, THAT THERE ARE NOW REAL PROSPECTS FOR PEACEFUL CHANGE IN SOUTH AFRICA. KOHL IS SAID TO REMAIN KEEN THAT THE FRG AND UK SHOULD WORK CLOSELY TOGETHER IN DEVELOPING A JOINT POLICY APPROPRIATE TO THE POST-PW BOTHA ERA.

PARIS ECONOMIC SUMMIT.

7. THE AUSWAERTIGES AMT HAVE RECOMMENDED THAT KOHL NEED NOT RAISE THIS, BUT THE FEDERAL CHANCELLERY BELIEVE THAT HE MAY. KOHL'S PREOCCUPATIONS AT THE ECONOMIC SUMMIT WILL BE DEBT AND THE ENVIRONMENT, INCLUDING THE LINK BETWEEN THE TWO.

LEBANON

8. KOHL MAY TOUCH ON THIS SUBJECT, OUT OF DEFERENCE TO THE IMPORTANCE MITTERRAND ATTACHES TO IT.

EXPORT CONTROLS

9. KOHL MAY WISH TO REASSURE THE PRIME MINISTER ABOUT THE SERIOUSNESS OF THE EFFORTS HIS GOVERNMENT HAS BEEN MAKING IN THE WAKE OF RABTA TO TIGHTEN UP BOTH THE ENFORCEMENT OF EXPORT CONTROLS AND THE RELEVANT LEGISLATION, PARTICULARLY IN SENSITIVE AREAS.

MALLABY

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