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From the Private Secretary

30 April 1989

Dear Stephen,

PRIME MINISTER'S MEETING WITH CHANCELLOR KOHL: SNF

The Prime Minister and Chancellor Kohl spent some two hours discussing the SNF problem when they met in Deidesheim today. No agreements were reached. But I think we can nonetheless draw some comfort from the discussion. In summary, it was clearly good for Kohl to have to be confronted directly with the objections to the German government's position. The more the argument went on, the clearer it became that he was uncomfortable with that position and acutely sensitive to the accusation that he was endangering NATO and relations with the United States. He protested that the German paper was no more than a basis for talking to Germany's allies, not an ultimatum. He wanted the forthcoming NATO summit to be a success. There should be intensive discussions with Britain and the United States to find a form of words with which all three governments could live. The Prime Minister made clear that the starting point was not the German paper but the various commitments which all NATO members had accepted at the last summit and in the NPG. We were prepared to concede that no decision on deployment would be taken at the forthcoming summit, but only if previous commitments were explicitly restated. She pressed Kohl relentlessly to say whether or not he still stood by these. After much hawing Kohl conceded that he did, although he was most reluctant to endorse the US development programme for FOTL on the grounds that this would pre-empt the decision on deployment. The Prime Minister argued that support for the development programme was essential to keep open the option of deciding on deployment in 1992. Chancellor Kohl finally agreed to look at a proposal on these lines. The main point of difference remained attitudes to SNF negotiations, on which the Prime Minister gave no ground at all. Chancellor Kohl suggested that he and the Prime Minister should speak on the telephone on 5 May. In the meantime, he would talk again to President Bush.

The Prime Minister intends to send a message to President Bush and to Mr. Lubbers summarising her conclusions from the meeting and on the way ahead.

What follows is a more detailed account of their talk.

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Chancellor Kohl opened with a lengthy justification of Germany's conduct. NATO remained central for Germany. It was absolutely wrong to think that German support for it was weakening. We must make the forthcoming summit and President Bush's first visit to Europe a success. That would take some hard work, but it could be done. Equally NATO had to take account of developments in the Soviet Union and Eastern Europe. We must judge these by deeds not words. But there was no denying the world had changed. One factor in that had been the INF agreement. Germany had only reluctantly accepted that agreement: it would have been better to start by reducing shorter-range systems. But that was water under the bridge.

Chancellor Kohl continued that the German government's recent statement had been designed to keep NATO strong and give it the weapons it required, while keeping open the prospect of further arms control negotiations. The most important of these were the negotiations to reduce conventional forces, and particularly to eliminate the Warsaw Pact's capability for surprise attack. But NATO should also discuss a mandate for negotiations on SNF. He was absolutely opposed to a third zero. Nonetheless it was simply not sustainable politically in Germany to argue that those nuclear weapons which most directly affected Germany should be the only category of weapons in Europe not subject to negotiation. He repeated that he approached these problems full of goodwill and determined to make a success of the summit.

The Prime Minister said that she would start by reminding Chancellor Kohl of some of the background. He had been the one who had originally proposed that there should be an early NATO summit to take the decision on modernisation: she had supported him in this. When they had met in Frankfurt in February, they had agreed a joint statement which had been given to the press. She would remind the Chancellor of it by reading it aloud (which she did). She had been confident on the basis of that statement that she and the Chancellor would meet again before any positions were finalised or made public. It was most regrettable that this agreement had been ignored. To make it worse, we had not been informed of the German government's position until several days after it had been leaked to the press. That was a pretty poor reward for our efforts to be helpful.

Turning to the substance, the Prime Minister took Chancellor Kohl through the facts of Soviet modernisation of its own SNF and the importance of SNF in NATO's strategy of flexible response. The conclusions were clear: NATO had to have SNF and they must be modernised, as the Chancellor himself had agreed as recently as February: and we could not become embroiled in SNF negotiations which would lead inexorably to a third zero. She had no inhibitions about making these points to Gorbachev and it had not affected their relationship. He understood the realities. But it had been clear from his Guildhall speech that he nonetheless

hoped to frighten less robust members of NATO out of proceeding with modernisation. It was vital that NATO could not give in to threats.

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In this situation, the position which the German government had announced to the Bundestag was a matter of very deep concern, not just to the United Kingdom but also to the United States. NATO had been placed in great difficulty, both by the substance of that position and by the manner in which it had been announced. The fact was that both Britain and the United States were absolutely opposed to negotiations on SNF and would remain so. NATO's SNF were an irreducible minimum to sustain the strategy of flexible response: and they would in due course have to be modernised. Even if a decision to deploy FOTL was postponed, there must at the summit be clear evidence of NATO support for the US development programme. Having a strategy was not just a matter of words: it meant having the weapons to implement it. She had discussed all this with President Bush and neither of them were prepared to resile from previous NATO decisions. The German government's actions had put NATO under severe strain and confronted President Bush with a very difficult situation on his first visit to Europe. An unsuccessful NATO summit could lead the United States to the conclusion that it should begin to withdraw its forces from Europe.

Chancellor Kohl He did not need any lectures about NATO. Of course he believed in flexible response and Germany had said nothing to undermine it. He was absolutely opposed to a third zero. It was not Germany that was unhelpful and uncooperative but others. He had always warned Reagan and Shultz that you could not disarm for weapons over 500km in range and rearm for weapons under 500km. Now people were trying to split NATO into zones for conventional force reductions which could only be to Germany's disadvantage. And in the WINTEX exercise he had been confronted with the absurd suggestion that nuclear weapons should be used against Eastern Europe but not against the Soviet Union. How could that be explained to the German people? The fact was Germany was much more affected than anyone else by SNF and German interests should be given priority. It was monstrous that people should talk of Germany as a firebreak. Moreover it had never before been suggested that the Americans needed NATO's endorsement in order to develop a new weapon. It all made him very cross (and indeed it did).

The Prime Minister said that Chancellor Kohl seemed to forget that NATO had agreed positions on many of these issues. The last NATO summit had confirmed the continuing requirement for SNF and the need to keep them up-to-date. The NPG had reaffirmed NATO's support for US efforts to meet the identified requirement for a follow-on to LANCE. Was Germany now backing away from these commitments? We could not put the whole responsibility for modernisation on US shoulders. Nor could we negotiate on SNF for the reasons she had given. It was noteworthy that the SPD in Germany and the Labour Party in Britain were both in favour of SNF negotiations. She was surprised to find that Chancellor Kohl in this company. The right way forward was to challenge the Russians to come down to NATO levels. Contrary to what Chancellor Kohl had said, SNF did not affect only Germany. We were all vulnerable, either through the presence of our troops in Germany, or because we had nuclear weapons on our soil. The whole point of NATO was collective defence against a common threat. Of course we were prepared to take account of German interests. That was why we were willing to compromise by not insisting on a decision at the Summit to deploy FOTL. But at the very least we had to reaffirm existing NATO statements in the hope that this would be enough to persuade the US Congress to go ahead with the development of FOTL. It had never been possible to rely on all the NATO allies, there had always been some weak ones. But hitherto the United States, the United Kingdom and Germany had constituted the real strength of NATO.

This got Chancellor Kohl even angrier. Germany was a reliable partner. No one did more for NATO than Germany. For years he had been attacked as the vassal of the Americans. Now he was suddenly being branded a traitor. He had taken the decision to deploy Pershing II against his party and in the face of public opinion. Exactly, said the Prime Minister, you took the right decision then and should do so again now. No, replied Chancellor Kohl, he had always made clear that he could not accept there should be no negotiations on SNF. Of course he stood by NATO decisions, although he was not answerable for what officials decided in the NPG (Defence Ministers actually, interjected the Prime Minister). If NATO was asked to endorse the US development programme for FOTL, people in Germany would say that the decision on deployment was pre-empted.

The Prime Minister said that she would try to summarise the position. She was suggesting that the NATO summit should explicitly confirm previous statements on the requirement for SNF, the need to keep it up to date and support for the US development programme. It was nonsense to say that the last point pre-empted the deployment decision. The German government's own statement looked to a decision on deployment in 1992, yet that would be devoid of meaning if no development work had been carried out in the meantime. Perhaps the best course would be for the summit to say that the modernisation decision itself would only be taken in 1992, but that in order to keep the option open

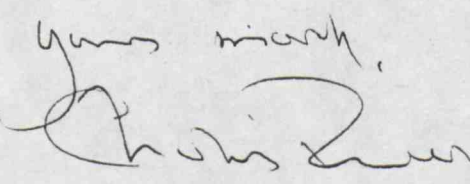
NATO meanwhile supported the US development programme.

Chancellor Kohl said there remained a fundamental point of difference between him and the Prime Minister. He did not believe that, once the INF agreement had been reached you could resist negotiations on SNF. He had to repeat: it was Germany which was most affected by SNF and Germany's interests had to be taken into account. His whole party was behind him on this. Whether there were negotiations on SNF would depend in practice on what happened in the conventional force negotiations, which had priority. But NATO had to declare its readiness for such negotiations. The Prime Minister contested this: progress in the conventional force reductions would not make NATO's SNF and their modernisation any less necessary, so long as NATO continued to rely on flexible response. Britain and the United States would not budge on this point.

Chancellor Kohl tried a more conciliatory tone. What he had set out in his statement to the Bundestag had just been the German position, a basis for going into talks with Germany's allies. It was not an ultimatum. He wanted intensive discussions with the United States and the United Kingdom over the next few weeks to agree a form of words which reflected the Reykjavik and Brussels summit communiqués. He had noted the Prime Minister's formulation on support for the US development programme. He would like to see it in writing: it might offer a way forward. In general he stood by the commitments already made in NATO, although he wanted to go further on the question of negotiations and that remained a point of difference between him and the Prime Minister. But he would examine her views: he remained open-minded. He would have a further discussion with President Bush on the telephone on 3 May: and he and the Prime Minister should talk to each other again on 5 May. He wanted to find a solution.

There was then some discussion of what should be said to the press, with the results that you will have seen in the verbatim reports of the press conference.

I am copying this letter to Brian Hawtin (Ministry of Defence), Alex Allan (HM Treasury) and to Trevor Woolley (Cabinet Office).

Yours sincerely,

(C. D. POWELL)

Stephen Wall, Esq.,
Foreign and Commonwealth Office.