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(COWPDOC-1 Foreign
Eastwest, das)

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From the Private Secretary

14 November 1989

Dear Stephen,

EAST/WEST RELATIONS

The Prime Minister and the Foreign Secretary had a talk this evening about the present state of East/West relations and the action required by the Government over the next week or so.

The following points were agreed:

- the Prime Minister should reply as soon as possible to Mr Gorbachev's message conveyed to her by the Soviet Ambassador on 10 November. The reply ought to issue on the evening of 15 November.
- the Prime Minister will send a message to President Bush setting out her views on the way ahead in East/West relations, and telling him of the general line she proposes to take at the meeting of EC Heads of Government in Paris on 18 November (for which see below).
- this message would be the prelude to a telephone call to the President, probably on the evening of 17 November, to underline our intentions to consult and keep in close touch with the United States at every stage. The message will therefore need to issue in time for the President to have read it before the telephone call.
- the Foreign Secretary will let the Prime Minister have his reflections on the handling of the Paris meeting in a minute following his own visits to Bonn and Berlin on 15/16 November.
- the Prime Minister will want a discussion with the Foreign Secretary and Defence Secretary before she goes to Washington on 23 November about the general line she should follow in her talks with the President. We will be in touch to set a time for this on 21 or 22 November.
- we should plan to circulate a paper at Strasbourg with proposals on how the Community might in future manage its relations with Eastern Europe. This would draw on the ideas in the Prime Minister's speech at the Lord Mayor's Banquet and answers in the House of Commons this afternoon, and make clear recommendations about the future structure of these relations and the form they should assume (eg Association Agreements, Co-operation Agreements or something new). The

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options should cover not only association with the Community but also membership of the Council of Europe. The paper would not be discussed in advance with our other partners but launched as a United Kingdom initiative at Strasbourg.

As regards the handling of the Paris meeting, we obviously need the best assessment we can make of President Mitterrand's intentions and no doubt the Embassy will be letting us have that. The Prime Minister suspects that the meeting will be used to try to clear East/West relations from the agenda of the Strasbourg European Council, in order to leave that meeting free to concentrate on EMU and the Social Charter. The Prime Minister would not regard that as satisfactory. She sees the Paris meeting as only a preliminary to a full discussion of East/West relations at Strasbourg. This argues against any agreed conclusions or text at the Paris meeting or any mandate to President Mitterrand to meet President Bush or President Gorbachev on behalf of the Twelve (should that be in his mind).

The Prime Minister's own remarks at the Paris meeting should be based on what she said at the Lord Mayor's Banquet, in her various statements to the press and in the House. She would say that our twin priorities should be to see democracy securely established in East Germany and elsewhere in Eastern Europe, while managing the situation in such a way that it does not undermine or put at risk Mr Gorbachev. This will require the West Europeans to show the same degree of restraint and discipline as have the East Europeans, bearing in mind that the risks and penalties for them if the present situation were to be reversed would be far greater than for Western Europe. We should make clear that it is not Western Europe's intention to exploit the current situation in the GDR against the Soviet Union or in ways which would damage its perceived security interests. Our public statements should be based on the assumption that the existing Alliances will continue, and acknowledge that reunification is not for now on the agenda. While others of us understand the strong emotions which recent developments arouse in West Germany, we hope they will equally show understanding for the emotions of others. We are all playing for very high stakes, and the crucial element is Gorbachev's survival. If we undermine his position and there is a reversion to a much more hard-line approach by the Soviet Union which extinguishes the new freedom enjoyed in Eastern Europe, we should all be culpable. We must therefore proceed with the maximum prudence and restraint, concentrating on building up democracy in Eastern Europe. We should co-ordinate our position very closely with the United States at every point. And we should have a further and more considered discussion at Strasbourg.

Yours sincerely,
Charles Powell
C. D. POWELL

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Foreign and Commonwealth Office