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PRIME MINISTER

MEETING WITH EC HEADS OF GOVERNMENT IN PARIS, 18 NOVEMBER

The meeting will take place over dinner at the Elysée, which means that there will be only some two-and-a-half to three hours for discussion.

French Intentions

Our assessment is that Mitterrand is intending a fairly general discussion of political developments in Eastern Europe and does not envisage any formal communique or conclusions. He accepts that specific initiatives - additional aid, new forms of association between the EC and Eastern Europe, a European Bank for Eastern Europe - will need to be remitted to the Strasbourg European Council. There is likely to be a general consensus on the need to welcome developments in Eastern Europe, while doing nothing to undermine Gorbachev: a measured response in fact. (For a fuller assessment, there are telegrams in the folder from Ewen Fergusson.)

This generally reassuring account of French motives and intentions needs to be qualified in two ways;

- I suspect Mitterrand will want to emerge from the meeting with something in the nature of a mandate to speak for Europe in contacts with Presidents Bush and Gorbachev. There are signs that he is angling for meetings with both of them.
- he may try to use the discussion to argue that the right response to events in Eastern Europe is to accelerate progress on economic and monetary union and other aspects of European integration. His subsidiary purpose will be to demonstrate your isolation. You

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will want to point out that the effect of going hell-bent for a particular concept of European economic and monetary union, which is not acceptable to all members states, will be to underline the divisions in the Community not its strength. You are not arguing that we should stop discussion of economic and monetary co-operation: it should go on at its own pace. But at the same time, the Community must take a much broader look at the implications of the historic changes in Eastern Europe and not try to pretend that the situation is just as before.

Intentions of others

I imagine Kohl will want to dominate the discussion with accounts of his visits to Berlin and to Poland. He will be at pains to deny that Germany is pressing for early discussion of reunification, while wanting acknowledgement that this is a matter for the German people to decide freely. He will also be anxious to demonstrate how thoroughly European and reliable Germany is, and therefore willing to press on with EMU.

We have less detailed information on what the others expect. Some are anxious to ensure that the Strasbourg Council is not 'cluttered up' with Eastern Europe but concentrate exclusively on EMU and Social Charter. The Belgians have a tentative scheme for a European Confederation with a tightly-knit EC at its core and looser ties to other European countries. In their view, this would be a way of bringing the two parts of Germany closer together without reunification. The Commission seem to have an idea for bringing East German into early membership of the Community. But this does not have the support of the Germans, who envisage a trade agreement at most.

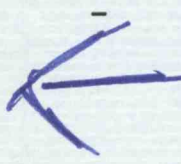
Your Objectives

It seems to me that your main objectives should be:

- to get the widest possible consensus round your view of

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the need for a measured response to events in Eastern Europe, with tacit acknowledgement that reunification is not on the agenda

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- to emphasise that there is a NATO aspect to all this as well as an EC one. We need to consider the defence and strategic implications in NATO
 - to identify points on which the European Council at Strasbourg ought to take decisions (aid, new forms of relations with Eastern Europe, an investment bank).
 - to resist attempts to argue that the right response to developments in Eastern Europe is to accelerate European integration: and to try instead to increase the doubts of others whether it does make sense to race ahead (some of the poorer EC countries will worry that funds which they aspire to get their hands on may be diverted to Eastern Europe)
 - to give notice that you think the Strasbourg Council should take a view on the principle of enlargement of the Community, with a view to putting off all applicants for the time being.

What you might say

I think you have all the main points in your mind. In brief they are:

- of course we welcome what is happening in Eastern Europe. It is the justification and reward for our steadiness and resolve over four decades
- but we must not become euphoric. Getting genuine democracy and economic reform in Eastern Europe will be a long business. Our task is to help that process and do nothing to undermine it

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- in particular we must show sensitivity to Gorbachev's position. His sticking point is to preserve the Warsaw Pact and the 1945 frontiers. If we put these in question, his position would become very vulnerable and we would put at risk everything which has been achieved so far in the Soviet Union and Eastern Europe. We need prudence and restraint in what we say and what we do. You welcome the general recognition that 'the German question' is not and cannot be on the agenda at this stage
- the Community needs to consider what more it can do to help in practical terms, both in terms of and by establishing a new framework for relations with Eastern Europe. There is a wide range of possibilities and the Strasbourg European Council should reach conclusions on this, to demonstrate that it is not just preoccupied with the Community's internal developments
- the Community should also take the opportunity at Strasbourg to address the principle of further enlargement. We cannot take sensible decisions about future relations with Eastern Europe unless we are clear in our own minds about the Community's intentions towards other West European applicants.
-  within NATO we need to reaffirm the policies which have proved so successful, as expressed in the communiqué of the May summit. We must not let public opinion convince itself that defence is no longer necessary. We should also of course press on with the negotiations to reduce conventional forces in Europe
- (if necessary) it is not a question of accelerating the development of the Community: that must proceed at its own pace - and the immediate priority is to complete the Single Market. The result of acceleration is likely to be to increase the divisions.

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Background

You will find in the folder:

- a minute by the Foreign Secretary
- an FCO letter with further background
- telegrams from Ewen Fergusson in Paris
- telegrams from other EC posts
- your messages to Presidents Bush and Gorbachev

C.D.R.

Charles Powell

17 November 1989

1523
What do the Helsinki Agreements say about borders/frontiers in Europe?

CSCE HELSINKI FINAL ACT IN 1975

Declaration on Principles Guiding Relations between
Participating States

(i) Sovereign equality, respect for the rights inherent in
Sovereignty.

"Within the framework of international law, all the
participating states consider that there frontiers can
be changed, in accordance with international law, by
peaceful means and by agreement."

(iii) Inviolability of frontiers

"The participating states regard as inviolable all one
another's frontiers as well as the frontiers of all states
in Europe and therefore they will refrain now and in the
future from assaulting these frontiers."

(viii) Equal rights and self-determination of peoples

"By virtue of the principle of equal rights and self-
determination of peoples, all peoples always have the right,
in full freedom, to determine, when and as they wish, their
internal and external political status, without external
interference, and to pursue as they wish their political,
economic, social and cultural development."

PRIME MINISTER

HEADS OF GOVERNMENT DINNER IN PARIS

You are attending the Heads of Government Dinner in Paris tomorrow night. The programme is:

1610 Depart Chequers.

1650 Take-off from Northholt (BAe146) (Foreign Secretary will be with us).

1900 Arrive Paris.

1925 Arrive Embassy to change.

2000 Dinner at the Elysee (Foreign Ministers will dine separately but will join Heads of Government at some point).

2230 Approximately, Dinner ends.

2300 Approximately, President Mitterrand to speak to press.

2300 Prime Minister sees British press at Embassy.

2400 Take-off for London.

0010 Arrive London (Heathrow Southside)

0030 Return to No. 10

C.D.P.

CHARLES POWELL

17 NOVEMBER 1989

c:paris.mrm