



Foreign and Commonwealth Office

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7 February 1990

*F.C.S. can't be
an alternative contact
Mk*

Prime Minister
Not at all satisfactory or
reasoning. We are just told to
leave it all to the Germans, even
Dean Charles, whether there should be a peace treaty.
I do not think you can accept all to

Foreign Secretary's Call on Chancellor Kohl: 6 February

Thank you for your letter of 4 February. The Foreign Secretary had an hour and 10 minutes with Chancellor Kohl in Bonn yesterday, with only an interpreter present.

The Foreign Secretary said that the Prime Minister had asked him to say that she very much agreed with what Chancellor Kohl had said about NATO. Continued German membership was crucial. On the party front, the Prime Minister also regarded the success of the CDU as crucial. She hoped Chancellor Kohl would let her know if there was any way in which we could help.

Chancellor Kohl said he was grateful. He had nothing personal against the Prime Minister, but was not happy at the state of our official relations. He cited the Prime Minister's Wall Street Journal interview. He had known the Prime Minister for 15 years. How could he be accused of nationalism? He then went on to give a long account of his family history, his credentials as an internationalist and his views on the German question. He dwelt on the risks of disintegration in the GDR and the continuing catastrophic flow of emigrants to the West. This was on very much the same lines as Herr Genscher's conversation with the Foreign Secretary earlier in the afternoon (see telegram enclosed). Chancellor Kohl said that the Federal Government had to respond to the deteriorating situation in the GDR. The cabinet would agree on 7 February on proposals for discussion of an economic and monetary union with the GDR designed to make the GDR currency stable.

The Foreign Secretary said that he too would speak frankly. The Prime Minister's anxiety was based on a realistic acknowledgement of Germany's great economic strength and the fear that other German leaders at some point in the future might use that strength to establish a new hegemony. The Prime Minister of course understood that events had moved fast. She was therefore concentrating on those areas where unification would require a transitional period. She had mentioned areas of which the Chancellor himself had spoken.

The Foreign Secretary mentioned Kohl's 10-point plan to which the Chancellor had earlier alluded. The surprise involved had been disconcerting. The fewer such surprises the

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*Foreign Secretary
can be
an alternative
political
contact
for Kohl.
in
place
of you.
CBH
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better. Chancellor Kohl said he took the point (though in any competition with the Prime Minister on Alliance consultation he would win). The speech had been made in very difficult circumstances when Krenz was in office, and Kohl had had to speak to Gorbachev (to whom he talked quite often on the telephone) about Krenz's inadequacy. He had not even felt able to consult his coalition partners. He emphasised his wish to work closely with us.

Chancellor Kohl said that, as he had told the Japanese Prime Minister, the 1990s were going to be the decade of Europe. He referred to a visit he had once made to Britain where, with a couple of hours to spare, he had been to see Churchill's grave. Later, he had had a long talk with the Prime Minister about Churchill at which he had said: "The difference between you and me, Margaret, is that you are Churchill before the Zurich speech and I am Churchill after it". It was preposterous to suppose that Europe could be made without Britain. He spoke appreciatively of his last meeting with Sir C Mallaby but said that he also needed a political point of contact. He suggested that this might be the Foreign Secretary. The Foreign Secretary said, at the end of the meeting, that he would be happy to come for a quiet talk at any time it could be useful.

Chancellor Kohl went into something of a ramble about the issue of a peace treaty. He was not prepared to have a conference of all the people who had ever declared war on Germany between 1939 and 1945 - people like the Uruguayans who had come in 1944 and would no doubt be seeking reparations (which Germany had already made in large measure). At the right time there should be a meeting of the Four Powers and the Poles formally to establish the peace.

On the internal political scene, Chancellor Kohl said that the CDU should be in a strong position at the elections with the economy buoyant and unemployment less serious than the figures implied, because of the black market. He hoped they were past the worst with the farmers, though cereal growers were still indignant. The coal miners were a difficulty because his predecessors had neglected the necessary decisions on run-down. Law and order was a real problem with the kind of people who were tempted to vote for the Republicans. There were lots of Italian, Chinese and other foreign restaurants in his own Land (Rhineland-Palatinate). With them came drug money, protection money and other things which the Germans were not used to and of which their police had no experience. That was why he had proposed a European FBI. But Mitterrand had effectively squashed the idea. Europe had to get its act together on policing. The real uncertainty in the FRG election was the unification issue. He did not know how this might affect what would otherwise be a strong CDU position.

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[I don't
think this
is very
satisfactory.
You are
in
charge,
e Kohl
must
deal
with you]
CDP

No



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We understand that Chancellor Kohl may be visiting Moscow very soon and, though he did not mention it himself, I understand he will be going to Camp David at the end of the month. It seems likely that, if he follows normal form, he will have a meeting with President Mitterrand at about the same time. The Foreign Secretary thinks that the Prime Minister might want to consider your saying to Teltschick later this week that she would welcome a chance to talk to Kohl before they meet in Cambridge at the end of March.

The Foreign Secretary has seen on his return from Bonn your letter of 6 February. It is pretty clear from his visit that Genscher and Kohl are not now pushing but pulling. They are genuinely anxious about the possible collapse of the GDR into chaos and the emigration which would follow. They think of little else. They will go for a currency union and maximum FRG party involvement in the GDR election campaign to shore things up until 18 March. After that (and only after that) will they discuss the four transitions (NATO, EC, Four Power, frontiers/CSCE) with us all. They hope (and the SPD so far agree) to keep the NATO issue out of the FRG election campaign. Their public utterances on NATO are now better, ditto on frontiers. There is no disposition to alarm the Russians. They have not turned their minds to the EC complications.

The Americans believe we are being unduly alarmist. The French sympathise with our worries but Dumas, in conversation with Mr Hurd on Monday, had no answer to these except one we can't accept, namely more EC institutional integration.

The Foreign Secretary will seek opportunities at Ottawa next week to discuss with Baker and Dumas the Prime Minister's first subject (NATO and the military status of the former GDR in a united Germany). We also have a Quad Meeting of Foreign Ministers on 13 February which will be important. On 15 February, he will discuss with Dumas her second subject, ie EC. The Foreign Secretary is commissioning papers with our own ideas on both and will send these to the Prime Minister.

Yam.
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