

MEETING RECORD

SUBJECT CUMMINGS

SECRET AND PERSONAL



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From the Private Secretary

24 February 1990

Dear Stephen,

PRIME MINISTER'S TALK WITH PRESIDENT BUSH

The Prime Minister had a forty-five minute telephone conversation with President Bush at lunchtime today, the call being initiated by her.

The material in this letter is very sensitive and should be given only a very limited distribution.

President Bush said he was glad the Prime Minister had telephoned. He had been anxious to talk to her before his meeting with Chancellor Kohl. The Prime Minister said she had seen a number of leading European political figures recently, including Andreotti, Genscher, Stoltenberg, Mazowiecki and Giscard d'Estaing. She had detected a number of worries which the non-German among them shared. They accepted that German unification was going to happen. But they were worried about the speed of it and at Germany's reluctance to consult about the consequences. The decision at Ottawa to establish a Four plus Two framework had allayed some of these fears. There was now an opportunity for real consultation. Some European Governments like Poland, Italy and the Netherlands feared being left out. We needed to reassure them that they would be consulted. The first point she wanted to make to the President was that we should not wait to start work in the Four plus Two framework until after the East German elections: we should be starting now at official level. She hoped that the President would put this to Chancellor Kohl. It would also be helpful if he would press Chancellor Kohl on the need for a Treaty to guarantee Poland's border. The Poles were very exercised about this and feared that the Germans would try to wriggle out of having a Treaty. She had promised Mazowiecki support.

The Prime Minister continued it was also very important to sort out the relationship of a unified Germany to NATO. Chancellor Kohl had been very good in his insistence that Germany should stay in NATO, with United States troops remaining. The problem lay with the treatment of the GDR. If all Soviet forces were forced to leave, this would be difficult for Gorbachev. It seemed best to allow some Soviet forces to stay for a transitional period at least, without any terminal date. It was important not to make Gorbachev feel isolated, otherwise that could affect his domestic position.

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The Prime Minister continued that she was most grateful to the President for proposing that there should also be discussions about unification in NATO. This was very desirable. But, looking to the future, we should also need a broader political framework in which to discuss Europe's security, and this must include the Soviet Union as well as the United States. The best course would be to strengthen and build on the CSCE framework. Not only would this help avoid Soviet isolation, it would help balance German dominance in Europe. One had to remember that Germany was surrounded by countries, most of which it had attacked or occupied in the course of this century. Of course, Germany today was very different: but other countries would become alarmed if there was not some sort of counter-balance. In practical terms - and looking well into the future - only the Soviet Union could provide balance in the political equation. She therefore thought we should try to give more substance to the Helsinki framework, by building in a commitment to democracy and a market economy, and use it as a wider political framework for Europe.

The Prime Minister said there would also be significant problems for the European Community arising from German unification. The Community would have to absorb a country equivalent in terms of population to Belgium, Denmark and Ireland combined. The Germans would have to meet the main costs of absorbing the GDR, otherwise the Community as a whole would not have the resources necessary to help Poland, Hungary and Czechoslovakia. There would be a lot of working out to do.

The Prime Minister added that there was one final point of concern and that was the political aspect. It seemed likely that the Social Democrats would do well in the GDR elections. That could have implications for the future political balance within a unified Germany. She would be very worried by the prospect of a Socialist Germany and others shared this concern.

President Bush said the Prime Minister's remarks were very helpful, timely and interesting, against the background of his forthcoming talk with Chancellor Kohl. He agreed that we had to take unification as a fact. He would be seeking from Chancellor Kohl a clear commitment to NATO membership for a unified Germany. So far, Kohl seemed to be saying all the right things, but he would want to get it from the horse's mouth and in the clearest and most specific terms, including the continued integration of German forces into NATO and the retention of American troops in the FRG. The Prime Minister interjected that Chancellor Kohl had been admirably firm on this. The problem arose rather over future defence arrangements for East Germany. Stoltenberg had put forward some proposals but had been slapped down by Genscher. President Bush said Genscher appeared to want the demilitarisation of the GDR. He was not at all sure that was a good idea. The Prime Minister said that it would not necessarily suit Mr Gorbachev either. He would want to be able to keep some forces in the GDR: that was probably the only way of persuading him that a united Germany should be in NATO.

President Bush continued that President Havel had recently been in Washington and had started by proposing that all

stationed forces in Europe, American and Russian alike, should be withdrawn. He had explained to Havel that the position of US and Soviet forces was very different: the Russians had imposed themselves while the Americans were there because they were wanted. By the time he had left Washington, Havel seemed to accept this distinction. The Polish Prime Minister, on the other hand, seemed to want Soviet forces to remain in Poland. He doubted whether that would really be very popular with the Polish people, despite their worries about Germany. Had the Prime Minister discussed this with Mr Mazowiecki? The Prime Minister confirmed that Mr Mazowiecki had wanted to retain Soviet troops, and had pointed out that they would be needed anyway to provide logistical support for Soviet forces in the GDR. He had been very fearful of a united Germany and saw the Soviet Union as a balancing factor. President Bush said that, nonetheless, he was uneasy about this. It would be a hard position to sell in the United States.

The President said that Chancellor Kohl would be coming to Camp David without Herr Genscher or the German Ambassador, and he was looking forward to a very frank talk, particularly on the political aspects of all this. The United States had a lot at stake in the success of Chancellor Kohl in the forthcoming elections. The Prime Minister agreed that we did not want a Socialist Germany. Chancellor Kohl was a politician to his finger tips and he had no doubt thought out all these problems. The risk was that, if the Social Democrats did well in the GDR elections, and unification came rapidly, then Kohl could find himself losing the election in a unified Germany. Genscher would not be so worried, since he had been in coalition with the SPD before. President Bush said that what he heard about Herr Lafontaine made him anxious, although General Walters had assured him there was no need to worry. He seemed a flamboyant fellow who might lead Germany off in the wrong direction. The Prime Minister agreed that he seemed to be a buccaneer type. She found it hard to judge how serious a threat he posed to Chancellor Kohl. Kohl would presumably go into the election as the man who brought about unification: but that might not be enough.

President Bush said that he was wondering what subjects ought to be discussed in the Four plus Two group. He did not want to give the Russians a forum in which they could exploit Germany's domestic divisions, in order to force a looser association between Germany and NATO. He thought the focus should be on working out the details of giving up Four Power rights and responsibilities for Berlin and for Germany as a whole. But the group should also be a chance to satisfy the Soviet wish to be fully involved, and the place to settle the question of NATO membership. The Prime Minister said that the group would certainly need to range more widely than just Berlin alone. It must deal with the big issues.

President Bush said that surely everyone was agreed that the Polish borders were permanent and inviolable. This was guaranteed by the Helsinki Accord. The Prime Minister pointed out that Helsinki was not a treaty. The Poles were determined to have a legally binding instrument. The President asked whether the Prime Minister had told Mazowiecki that we all regarded

Poland's border as a settled issue. The Prime Minister confirmed that she had. The trouble was that Chancellor Kohl would not openly say this. Poland's anxiety was increased by the speed with which we were moving towards unification of Germany. She hoped the President would raise the Polish problem with Chancellor Kohl.

President Bush asked whether the Prime Minister had recently discussed these issues with President Mitterrand. What was his view? The Prime Minister said that, in private, he was just as fearful as anyone else. He had told her that, if we were not careful, Germany would win in peace what she had failed to achieve in war. She thought President Mitterrand would be adamant on the need for a treaty to regulate Poland's border. He was also talking about a broader European confederation, although he did not seem to have thought out the details. In her view, this could best be done by updating and strengthening the CSCE framework. She urged the President not to underestimate the concern in Europe at the prospect of German dominance. It was enhanced by the speed with which they were pressing for unification. It all created great uncertainty. She knew that people in the United States were worried about Japan. Just imagine if Japan were in the middle of a continent.

The Prime Minister continued that she had talked to President Mitterrand about closer Anglo-French relations, particularly in the defence sphere. He had been receptive and officials were now involved in discussions. The President said that he had some feeling that Mitterrand would be less helpful over the aspect of keeping Germany in NATO. The Prime Minister said that Mitterrand would probably argue that the military implications for NATO of unification were not a matter for him. He was more likely to focus on the political and European Community aspects. But he would be solid on retaining US forces in Europe. The Prime Minister added that we would need to begin to think about the size of our own forces in Germany. This was regulated by the Brussels Treaty of 1955.

The President said that the United States would remain firm on the presence of its forces and nuclear weapons in Europe. He would work with the Prime Minister on the CSCE idea. But, for him, NATO was fundamental, indeed more important than ever. Not everyone in the United States agreed, but he was sure of it. The Prime Minister said she was aware of the battle which the President was having to fight in the United States. It worried her that there were people who were so blinkered that they did not realise NATO's value, and she was immensely grateful for the President's firm stand which was fully echoed by the United Kingdom. President Bush said the trick question put by journalists was: who is the enemy now? His reply was that the enemy was apathy and unpredictability. The Prime Minister said her reply would be that you never knew where a threat might come from. In her years as Prime Minister there had been the Soviet invasion of Afghanistan, the Iran/Iraq war, the invasion of the Falklands. The Middle East was full of ballistic missiles and chemical weapons, and there was the awful prospect of more countries obtaining nuclear weapons. By the time you could see

who your enemy was, it would be too late to prepare. She was committed to strong defence.

President Bush interjected that he was increasingly concerned about the chemical plant at Rabta in Libya. The intelligence was very worrying and people had not been made aware of the danger because of the sensitivity of the intelligence. He intended to raise the matter with Chancellor Kohl. The Germans still seemed to have an input. The Prime Minister said she fully shared the President's concerns.

The President concluded that he and the Prime Minister were very close on the key questions. He would telephone her to fill her in after Chancellor Kohl had left. He wondered whether it might not be a good idea for him, the Prime Minister and President Mitterrand to get together for a discussion. He thought this could be presented in such a way that the Germany did not feel excluded. It could be a useful triumvirate at some point. The Prime Minister said that she would be ready to take part in such a meeting. She made a point in keeping in close touch with President Mitterrand.

The President said that he was concerned about Gorbachev's position in the Soviet Union. He had slightly changed the American position so that they no longer spoke only about support for perestroika but of their desire to see Gorbachev succeed. He certainly faced terrible problems, with the economy in even worse shape than we had all thought. The Prime Minister said that Gorbachev had shown great tactical skill. She would be seeing him in June. The President asked whether Gorbachev had sought food aid from the United Kingdom. It was clearly a very sensitive subject for him. He had not made any direct approach to the United States. But Havel had said that the Russians were desperate for food. The Prime Minister said we had received no direct request. She would make some enquiries.

The Prime Minister congratulated the President on the success of the Drugs Summit in Colombia. The President said that he would very much like to talk to the Prime Minister about these issues.

The Prime Minister said that she would be going to the Aspen Institute in early August. The President said they must get together, but he hoped to see the Prime Minister well before then. He would ring her after Kohl's visit.

I am copying this letter to Simon Webb (Ministry of Defence) and to Sir Robin Butler.

Yours sincerely,

C. D. POWELL

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Foreign and Commonwealth Office