

PRIME MINISTER

MEETING WITH DR. LOTHAR SPAETH

You will be seeing Dr. Lothar Spaeth, the Minister-President of Baden-Wurttemberg briefly on Monday. He is a leading CDU politician and was at one time seen as a potential rival to Chancellor Kohl, although he has fallen back a bit recently. Baden-Wurttemberg is the richest Land in West Germany, and probably the most prosperous single area of Europe, numbering Mercedes Benz, Bosch and Porsche among its companies. It runs a trade surplus with Japan, allegedly the only part of Europe to do so. Dr. Spaeth has been Minister-President for twelve years and you last saw him when he was on an official visit here in 1986.

Dr. Spaeth is here at the invitation of the Welsh Secretary and will be spending his time in Wales. The purpose is to promote links between Wales and Baden-Wurttemberg and no doubt to attract some investment. Mr Walker will accompany him at the meeting with you.

You will want to discuss German unification and environmental issues: when you last met you had quite a discussion about acid rain and the damage done to the Black Forest. You might also like to ask him how he views the extreme right wing Republikaner Party and its prospects in the elections in December.

You might also say that you are very pleased that we are going to reopen a full Consulate General in Stuttgart. We hope to have it operating by the end of the year. (It was a great mistake ever to close it down, given Baden-Wurttemberg's economic importance.)

C.D.P.
Charles Powell

23 March 1990

c: Spaeth (MJ)

David Hunt



Foreign and Commonwealth Office

London SW1A 2AH

23 March 1990

Dear Charles,

Call on the Prime Minister by Dr Späth, 26 March at 1130

Dr Lothar Späth, the CDU Minister-President of Baden-Württemberg, is calling on the Prime Minister at 11.30 am on 26 March (I enclose a personality note). He is visiting Britain at the invitation of the Welsh Secretary to promote the links between Wales and Baden-Württemberg. He will see the Foreign Secretary before he calls on the Prime Minister. He will visit Wales from later on 26 March. Mr Walker is accompanying him on his calls.

Dr Späth has been Minister-President of Baden-Württemberg since 1978. Baden-Württemberg's economic position in the FRG is pre-eminent. It is the home of Mercedes-Benz, Bosch and Porsche, amongst other companies, and claims to be the only area of Europe to run a trade surplus with Japan. Until last year Dr Späth was widely regarded as a potential rival to Chancellor Kohl, but his failure to win re-election as Deputy Chairman of the CDU in 1989 (a position he had held from 1981) was a setback. Nonetheless, he remains one of the most important politicians in the FRG and perhaps the most successful Minister-President.

Dr Späth's main interest will be in the Prime Minister's views on the German Question. He has been cautious on German unity and developments in the GDR. He will be pleased at the victory of the "Alliance for Germany" in the GDR elections, if it gives Chancellor Kohl more control over the pace of unification.

The Prime Minister might like to draw Dr Späth out on his view of the pace of unification following the GDR elections; and on the prospects for the FRG elections in December. She might like to make some of the following points:

- We hope Ministerial two plus four talks can get under way soon, once there is a legitimate GDR representative.
- We welcome assurances that the Federal Government will ensure that the external aspects are settled before unification takes place.



- We welcome German decision in favour of a Treaty on Poland's border. Much the most sensible way to resolve the problem.
- How will the GDR election results affect the next steps? What are the main internal problems to be resolved?

If time permits, the Prime Minister could ask Dr Späth how Baden-Württemberg has been coping with the influx of German immigrants from the GDR and Eastern Europe.

The Prime Minister may also like to stress the importance of NATO. Senior CDU/CSU politicians continue to state firmly that a united Germany should be a member of NATO. But they need to give a lead during the election year. The Prime Minister could say:

- We welcome Dr Späth's robust support for a united Germany in NATO. This is vital.
- NATO should certainly develop its political role and adapt to changing circumstances. But sound defence remains important and cannot be taken for granted.

If Dr Späth raises the EC aspects of unification, the Prime Minister may wish to reaffirm our support for the early integration of the GDR into the EC after unification. She could:

- Welcome the FRG government's intention to avoid treaty amendment and to ensure that Community competition and standards rules apply to ex-GDR territory from the start.
- Urge the need for transparent negotiations, involving the Council and not just the Commission, over any derogations that might be necessary.
- Reiterate the need for adequate safeguards against any distortion of trade.

If economic and monetary union (EMU) is mentioned, the Prime Minister might want to seek Dr Späth's views on the possible implications of EMU for the Länder. (The new Commission paper, prepared for the 31 March ECOFIN, departs from the Delors prescription by rejecting binding constraints on budget deficits but still favours binding procedures for surveillance.)



The Prime Minister may also like to mention the reopening of a Career Consulate-General in Stuttgart. She could say:

- Importance of Baden-Wurttemberg as trade of business centre. Welcome decision to reopen in Stuttgart.
- British Marketing Office and staff will be subsumed into Consulate General.
- Hope to have Consulate-General up and running later this year, once premises have been obtained.

I am copying this letter to Stephen Williams (Welsh Office).

Yours ever,
Richard Gozney

(R H T Gozney)
Private Secretary

C D Powell Esq
10 Downing Street

SPÄTH, DR H C LOTHAR

Minister-President of Baden-Württemberg (CDU) since August 1978.

Born 1937 in Sigmaringen. Studied administration at the State School of Administration, Stuttgart. Began his career in local government finance, then became Manager in several firms of building contractors. Active in regional politics since late 1960s.

Chairman of the CDU in the Regional Parliament 1972. Minister for the Interior February 1978. August 1978 elected Minister-President in succession to Hans Filbinger (who resigned over his war-time activities). Led his party to convincing land election victories in 1980 and 1984 followed by a third narrower success in 1988. Elected a Deputy chairman of the Federal CDU in 1981. As Minister-President he has nurtured Baden-Württemberg's pre-eminent economic position in the FRG by a policy of active encouragement to new firms investing in high technology.

He has made his dissatisfaction with Kohl's leadership of the party since the 1980 Federal election increasingly clear. As Minister-President he has become more statesmanlike and, following his third successive electoral victory in 1988, is widely regarded as having strong ambitions on the Federal Chancellery himself. His failure to win re-election as a Deputy Chairman of the CDU in September 1989 was a serious reverse and showed the party's impatience with his sniping at Kohl. But he cannot be written off yet. If the way to the Chancellery remains blocked, he could yet turn up in Brussels as one of the FRG's Commissioners.

Y SWYDDFA GYMREIG

GWYDYR HOUSE

WHITEHALL LONDON SW1A 2ER

Tel. 01-270 3000 (Switsfwrdd)
01-270 0549 (Llinell Union)

ODDI WRTH YSGRIFENNYDD
PREIFAT YSGRIFENNYDD
GWLADOL CYMRU



WELSH OFFICE

GWYDYR HOUSE

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FROM THE PRIVATE SECRETARY
TO THE SECRETARY OF STATE
FOR WALES

22 March 1990

Dear Charles,

VISIT OF HERR DR SPATH

... I attach the final programme for the visit of Herr Dr Späth
... to London and Wales next Monday and Tuesday. Also attached
is a list of those in the party.

As you know, it has been agreed that, in addition to
Mr Walker and Herr Dr Späth, the meeting with the Prime
Minister at 11.30 am will be attended by Baron von
Richthofen (West German Ambassador), Herr Dr Menz (the
"State Secretary" in the Baden-Württemberg
Staatsministerium) and Herr Gurmman (interpreter). This
will also be the party for the meeting with the Foreign
Secretary at 10.45 am with the addition of Herr Mengele (the
Head of International Affairs in the Staatsministerium).

My office is making all the arrangements for transport. I
understand that the press call in Downing Street at 12 noon
has been arranged directly between the West German Embassy
and No 10.

/ Copy to Richard Gozney in the Foreign Secretary's Office.

STEPHEN WILLIAMS

Charles Powell Esq
Private Secretary
10 Downing Street
LONDON
SW1A 2AA

VISIT TO WALES BY HERR DR h c LOTHAR SPÄTH,
MINISTERPRÄSIDENT DES LANDES BADEN-WÜRTTEMBERG:
26/27 MARCH 1990

MONDAY 26 MARCH

0855 Arrive Heathrow Airport

Received by:

Rt Hon Peter Walker MBE MP - Secretary of State for Wales
Baron Hermann von Richthofen - West German Ambassador
Dr Gwyn Jones - Chairman, Welsh Development Agency

Car 1:	Herr Dr Späth	)	
	Mr Walker	)	
	Baron von Richthofen	)	
		)	
Car 2:	Herr Dr Menz	)	to Welsh Office,
	Herr Mengele	)	Whitehall, London
	Mr Williams	)	
		)	
Car 3:	Herr Reichl	)	
	Herr Dr Diepes	)	
	Herr Meisner	)	
		)	
Car 4:	Herr Dr Stocks	)	
	Mr Aggett	)	

The rest of the party travel with Dr Jones by coach to South Wales (programme at Annex A)

1000 Arrive Welsh Office. Meet David Hunt MBE MP,
(approx) future Secretary of State for Wales;
Sir Richard Lloyd Jones, Permanent Secretary, Welsh
Office; and Mr Geoff Roberts, Director of
Information, Welsh Office. (Herr Gurmman,
interpreter, to be present.)

1035 Depart for Foreign Office (King Charles Street
entrance)

Car 1: Herr Dr Späth
Mr Walker
Baron von Richthofen

Car 2: Herr Dr Menz
Herr Mengele
Herr Gurmman

Car 3: for return of Herr Mengele to Welsh Office
at 11.15

1045 Meeting with Rt Hon Douglas Hurd MP, Foreign
Secretary

1115 Depart. (Cars 1 and 2 as above, except that Herr Mengele returns to Welsh Office in Car 3)

1130 Meeting with Prime Minister, Downing Street

Car 2 returns to Welsh Office

Herr Reichl, Herr Dr Stocks, Herr Dr Diepes, Herr Meisner, Sir Richard Lloyd Jones, Mr Roberts and Mr Williams remain at Welsh Office, to be joined by Herr Mengele at 11.20. At 1150 they depart for Downing Street to meet up with rest of party (Cars 2, 3, and 4). Herr Hacker (Stuttgarter Zeitung) joins party.

1200 Press call, Downing Street

1215 Depart for Paddington Station

Car 1: Herr Dr Späth
Mr Walker
Baron von Richthofen

Car 2: Herr Dr Menz
Herr Mengele
Sir Richard Lloyd Jones

Car 3: Herr Reichl
Herr Dr Diepes
Mr Roberts

Car 4: Herr Dr Stocks
Herr Meisner
Herr Hacker
Mr Williams

1300 Depart by train to Cardiff (not Baron von Richthofen and Herr Dr Stocks, who return to Embassy)

Party to be joined for lunch on the train by

Mr Geoffrey Inkin - Chairman, Cardiff Bay Development Corporation

Mr Ian Kelsall - Director of the Confederation of British Industry (CBI) Wales

Herr Helmut Wegner - Minister, West German Embassy

1500 Arrive Cardiff Central Station. Depart for AB Electronic Products (via Civic Centre)

Car 1: Herr Dr Späth
Mr Walker

Car 2: Herr Dr Menz
Herr Mengele
Herr Wegner

Car 3: Herr Reichl
Herr Dr Diepes
Herr Hacker
Herr Meisner
Mr Roberts
Mr Williams

- 1515 Arrive AB Electronic Products, Forest Farm, Whitchurch, Cardiff. Received by Mr Peter Phillips, Company Chairman, for tour of factory and discussions (and meet up with rest of party, who will have arrived at 1505).
- 1615 Depart by coach
- 1630 Arrive University of Wales College of Cardiff, Trevithick Building, Newport Road, Cardiff. Received by Sir Aubrey Trotman-Dickenson, Principal, to view a new building for the faculty of Engineering and Environmental Design, and for discussions with academic staff and representatives of companies with which the College is collaborating.
- 1800 Depart
- 1805 Arrive Holiday Inn, Cardiff
- 1930 Reception at Bardd Suite, Holiday Inn
- 2000 Dinner hosted by Mr Walker in honour of Herr Dr Späth

Overnight at Holiday Inn

TUESDAY 27 MARCH

- 0810 Depart hotel by coach
- 0820 Arrive National Museum of Wales, Cardiff.
Received by the Honourable Jonathan Davies
(President of the Museum), Mr Alistair Wilson
(Director) and Mr Timothy Stevens (Keeper of Art).
View the refurbished art gallery and Wales' major
collection of Impressionist paintings.
- 0900 Depart Museum
- Car 1: Herr Dr Späth
Mr Walker
- Car 2: Herr Dr Menz
Herr Mengele or Herr Prof Löhn
Mr Williams
- Rest of party by coach for alternative programme (Annex B).
This will become the programme for the whole party in the
event of bad weather preventing the helicopter tour.
- 0905 Arrive Blackweir Fields for helicopter tour of
South Wales to include the Cardiff Bay
redevelopment area, Newport, the South Wales
Valleys, the new Bosch development at Miskin,
coastal scenery along the Gower Peninsular and
Swansea.
- 1050 Arrive Morfa Stadium, Swansea. Received by
Mr Trevor Osborne, Director of Development, Swansea
City Council.
- 1100 Depart by coach for a tour of the Swansea
Enterprise Zone and the Maritime Quarter
- 1200 Arrive the Guildhall, Swansea. Received by the
Lord Mayor of Swansea, Councillor Lorna Aldron; the
Leader of the Council, Councillor Tyssul Lewis; and
the Chief Executive, Mr Andrew Boatswain. Official
signing of a declaration of partnership between
Wales and Baden Württemberg. Press conference.
- 1230 Lunch at the Guildhall, hosted by the Lord Mayor of
Swansea.
- 1425 Depart by coach.
- 1435 Arrive University College, Swansea (Taliesin
Theatre). Received by the Principal, Professor
Brian Clarkson and academic colleagues.

Presentations and discussions of the work of the College.

- 1535 Depart for Swansea Airfield.
- 1545 Arrive at Swansea Airfield to depart by private jet to Heathrow.
- 1650 Arrive Heathrow to connect with 1830 flight to Stuttgart, LH 1655. Booked into Hounslow Suite.

ANNEX A

0935 Depart Heathrow by coach. (All baggage - including (approx) that for the London party - to go in the coach for delivery to the Holiday Inn, Cardiff).

During the journey to Cardiff there will be a number of presentations given by Welsh Development Agency staff and by video, covering such things as the Welsh economy, technology in Wales and the presence of German companies in Wales.

WDA staff present will be:

Dr Gwyn Jones - Chairman
David Graham - Director Technology Marketing
Christine Warwick - Public Relations Director
Chris Thomas - European Director Welsh Development International
Ian Rooks - Property Services Director
David Griffiths - European Manager Welsh Development International
Menna Lewis - European Team Welsh Development International

1200 Arrive Amersham International, Forest Farm, Whitchurch, Cardiff. Received by Mr David Warrell (Site Manager)

1245 Depart for Cardiff Castle

1300 Arrive Cardiff Castle for lunch

1445 Depart for AB Electronic Products, Forest Farm, Whitchurch, Cardiff

1505 Arrive AB Electronic Products to meet up with London party

ANNEX B

- 0900 Depart Museum by coach
- 0920 Arrive Bosch development site, Miskin, to be met by Mr Martin Wibberley (Director of Personnel, Bosch (Wales)) and Mr Robin Elvin (Site Manager) to view the site, followed by a briefing on the project at nearby Miskin Manor Hotel.
- 1005 Depart for Swansea via Bridgend.
- 1050 Arrive at Morfa Stadium, Swansea to meet up with helicopter party.

VISIT TO WALES BY HERR DR SPÄTH

GERMAN DELEGATION

Herr Dr h c Lothar Späth - Minister President of Baden-Württemberg.

Herr Dr Lorenz Menz - State Secretary, Staatsministerium.

Herr Hans-Peter Mengele - Head of Department of International Affairs, Staatsministerium.

Herr Professor Johann Löhn - State Commissioner for Technology Transfer, Chairman of the Board of the Steinbeis Foundation for Economic Promotion.

Herr Hartmut Reichl - Deputy Speaker of the Land Council, Head of the Staff Unit for Press and Public Relations, Staatsministerium.

Herr Walter Weik - Head of the Personal Office of the Minister President, Staatsministerium.

Herr Ulrich Mach - Department of International Affairs, Staatsministerium.

Businessmen

Herr Wilfried Fackner - Managing Director of Isicad GmbH, Jacques Alt, Ellwangen.

Herr Horst Hölzl Eng - Managing Director of Murrplastik GmbH, Oppenweiler.

Herr Dieter Hölzle - Managing Director of Technikprojekte, Development and Construction, Gachingen.

Herr Wolfgang Hohmann - Managing Director of Kunststoffwerk Gessmann GmbH, Leingarten.

Herr Werner Kieninger - Managing Director of Walter Kieninger GmbH, Lahr.

Herr Winfried Otto - Member of Board of Progress, Werk Oberkirch AG, Oberkirch-Stadelhofen.

Herr Walter Söhner - Managing Director of Walter Sohner GmbH, Schwaigern.

Academics

Herr Professor Dr Erwin Reisch - President of the University of Hohenheim and Chairman of Baden-Württemberg University Association.

Herr Professor Dr Otto H Jacobs - Rector of Mannheim University.

Herr Professor Dietmar von Hoyningen-Heune - Doctor of Mannheim Fachhochschule (Technical University) and Chairman of the Baden-Württemberg Fachhochschule Association.

Press

Herr Matthias Meisner - Deutsche Presse-Agentur.

Herr Dr Volker Diepes - Suddentscher Rundfunk.

Herr Reinhardt Hacker - London correspondent of the Stuttgarter Zeitung.

Embassy

Baron Hermann von Richthofen - West German Ambassador (London end only).

Herr Helmut Wegner - Minister, West German Embassy.

Herr Dr Christian Stocks - West German Embassy (London end only)

Mr Roger Thomas - British Consul General, Stuttgart.

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10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

19 February 1990

VISIT OF DR. LOTHAR SPATH

Thank you for your letter of 15 February about the visit of Dr. Lothar Spath. The Prime Minister can see him at 1130 on Monday 26 March.

I am copying this letter to Stephen Williams (Welsh Office).

C. D. POWELL

Richard Gozney, Esq.,
Foreign and Commonwealth Office
CONFIDENTIAL



10 DOWNING STREET

Aminda

He does want

to see him

AM

Charles

1130 on

Monday 26
March

AP
1912

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Foreign and Commonwealth Office

London SW1A 2AH

15 February 1990

Visit of Dr Lothar Späth

Dr Lothar Späth, the Minister-President of Baden-Württemberg, is visiting Wales on 26 and 27 March at the invitation of the Secretary of State for Wales, to further the growing links between Baden-Württemberg and Wales. Dr Späth has suggested that he might call on Ministers in London, in particular the Prime Minister whom he last met in 1986.

Dr Späth has been CDU Minister-President of Baden-Württemberg since 1978 and has made a major mark, especially by nurturing Baden-Württemberg's pre-eminent economic position in the FRG. It is the home of Mercedes Benz, Siemens and other top companies and claims to be the only area of Europe to run a trade surplus with Japan.

Until recently Dr Späth was regarded as a potential rival to Chancellor Kohl, but his failure to win re-election as Deputy Chairman of the Federal CDU in 1989 (a post he had held since 1981) was a serious reverse. He remains nonetheless one of the top politicians in the FRG, and perhaps the most successful Minister-President. As Prime Minister of a Land he ranks as a Cabinet Minister.

The Foreign Secretary believes that the Prime Minister might find an exchange of views with Dr Späth useful. He has taken a cautious line on German unity. The Foreign Secretary intends to see him, so we would not press the case for a call on the Prime Minister.

I am copying this letter to Stephen Williams (Welsh Office).

Yours ever,

Richard Gozney

(R H T Gozney)
Private Secretary

C D Powell Esq
10 Downing Street

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