

SUBJECT

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PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. T 20/82

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BONN FROM LONDON
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HIS EXCELLENCY HERR HELMUT SCHMIDT,
BUNDESKANZLERANT,
BONN

p.a.
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DEAR HELMUT,

AS AL HAIG WAS ON HIS WAY BACK FROM THE MIDDLE EAST, I TOOK THE OPPORTUNITY OF INVITING HIM TO CALL IN HERE ON THE WAY, SO THAT I COULD EXPRESS TO HIM AT FIRST HAND MY DEEP CONCERN AT THE REPORTS NOW COMING OUT OF WASHINGTON ABOUT THE POSSIBILITY OF THE AMERICANS TAKING A SECOND SET OF MEASURES AGAINST THE SOVIET UNION - INCLUDING DENOUNCING THE 1981 AGREEMENT ON POLISH DEBT RESCHEDULING SO AS TO PRECIPITATE A STATE OF FORMAL DEFAULT - AND THE IMPLICATIONS OF THIS FOR US IN EUROPE, AND FOR THE ALLIANCE AS A WHOLE.

HE CONFIRMED THAT THE REPORTS WERE WELL FOUNDED: THERE WERE INDEED THOSE IN WASHINGTON WHO WERE URGING A SECOND AND COMPREHENSIVE SET OF MEASURES. HE TOO WAS OBVIOUSLY DEEPLY CONCERNED ABOUT THE IMPLICATIONS FOR THE ALLIANCE: BUT HE ALSO WARNED US THAT THE PRESIDENT WAS UNDER GREAT POLITICAL PRESSURE AT HOME. HE SAID, IN EFFECT, THAT IF THE UNITED STATES WAS TO STEP BACK (I.E. EXEMPT EXISTING CONTRACTS, AND SUSPEND ANY FURTHER MEASURES), THE ALLIES WOULD HAVE TO TAKE A STEP FORWARD. I SAID THAT WHAT WE NEEDED TO AVOID THE DANGERS OF DEEPENING AND EXPOSING DIVISIONS IN THE WESTERN ALLIANCE, WAS TO REACH AGREEMENT ON A REASONABLE SET OF MEASURES. WE SHOULD ALL BE PLACED IN IMPOSSIBLE DIFFICULTIES BY AN EMBARGO ON EXISTING CONTRACTS, LET ALONE FURTHER MEASURES ON THE LINES NOW SUGGESTED. WE SHOULD HOPE TO MAKE PROGRESS ON THIS AT THE NAC MEETING ON 3RD FEBRUARY: BUT IF NECESSARY WE SHOULD TAKE MORE TIME.

I SUGGESTED TO AL HAIG THAT THE UNITED STATES SHOULD CALL A VERY EARLY MEETING - BEFORE 3RD FEBRUARY - OF SENIOR OFFICIALS FROM FRANCE, THE FEDERAL REPUBLIC OF GERMANY, ITALY, THE UNITED KINGDOM AND THE UNITED STATES, TO AGREE ABOUT NOT UNDERMINING EACH OTHER'S MEASURES, AND TO CONCERT WORTHWHILE MEASURES WHICH EACH OF US COULD TAKE TOWARDS THE SOVIET UNION. HE WELCOMED THE IDEA, WHICH HE WILL TAKE BACK WITH HIM TO WASHINGTON.

I THOUGHT THAT I SHOULD LET YOU KNOW OF THIS BACKGROUND, SO THAT, IF THE AMERICANS APPROACH YOU WITH A VIEW TO SUCH A MEETING, YOU WILL NOT BE TAKEN BY SURPRISE. I VERY MUCH HOPE THAT YOU WILL BE ABLE TO SEND SOMEONE TO TAKE PART. THE DANGERS TO THE ALLIANCE ARE GREAT, AND WE NEED A GREAT EFFORT IF WE ARE TO AVERT THEM. I AM SURE THAT WE IN EUROPE MUST TRY TO MAKE A POSITIVE CONTRIBUTION TO A CONCERTED ALLIANCE EFFORT, NOT LEAST TO PROTECT OUR OWN INTERESTS.

I AM SENDING A SIMILAR MESSAGE TO PRESIDENT MITTERAND AND TO SIGNOR SPADOLINI.

WITH WARM PERSONAL REGARDS,
YOURS EVER
MARGARET.

BT