

START of file

B.10

Add No. 5

*Mr. Hume
to note points on this
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have file for the papers
Jan 19/2*

Proinsias De Rossa: Is the Taoiseach saying that he was reported incorrectly in that he indicated that neutrality no longer had a validity in the current situation and that one had to ask if you were neutral whom you were neutral against? Is that an incorrect quotation on the part of the Taoiseach, and if so, would he make a statement in this House to that effect, that neutrality still has a validity, perhaps an even greater validity in today's world?

The Taoiseach: I have no hesitation in saying that military neutrality is still a very important stance for any country to adopt.

Proinsias De Rossa: In relation to this matter and the matter which will be raised in Question No. 6, would the Taoiseach consider the idea of producing some kind of a White Paper or discussion document on the question of foreign affairs as they affect Ireland at present, in view of the developments that are taking place in Europe, so that this House can be involved in a discussion on these matters and so that we ~~XXXX~~ can have an input into what is being decided by Government in relation to our attitude internationally?

The Taoiseach: Certainly, a discussion in the House on events in European and otherwise would be useful but I do not think a White Paper would be necessary or effective because events are moving so quickly. The scene is changing by the day and by the time one would have produced a White Paper it probably would be out of date. I certainly think we might discuss the question of having a debate on the whole subject of developments in Europe some time fairly soon.

Proinsias De Rossa: I take the point that events are moving so fast that it is difficult enough to keep tabs on what is happening from day to day. Nevertheless, it is important that we have a statement from Government on the guiding principles that are forming the attitudes of the State in relation to those events. It would be fruitful and profitable.

An Ceann Comhairle: Questions please, Deputy De Rossa.

Proinsias De Rossa: - if a discussion document of some form would be produced by Government so that we could have a clear understanding as to what is guiding Government decisions at this time. I would urge the Taoiseach, as well as agreeing to a debate -

An Ceann Comhairle: We have had a speech from the Deputy. This is not in order at Question Time.

Proinsias De Rossa: I would ask the Taoiseach to agree -

An Ceann Comhairle: Deputy De Rossa, ~~XXXX~~ please. The Deputy knows how to proceed at Question Time.

Proinsias De Rossa: I am asking the Taoiseach to agree to publish a paper, whether he calls it a White Paper or a discussion document, I do not mind, on the principles which are guiding Government policy at this time.

An Ceann Comhairle: Deputy Shatter.

Mr. Dukes: Arising from the Taoiseach's reply, in view of the fact that he is apparently willing to contemplate a debate in the House and in view of the fact that he says that events are moving so quickly, would the Taoiseach not agree that these are very good reasons for setting up a foreign affairs committee? Would the Taoiseach come to a conclusion on his three year meditation on the advisability of having a committing ~~XXX~~ like this.

An Ceann Comhairle: We are having an extension of the subject matter of this question. Deputy Shatter was anxious to intervene.

Mr. Dukes: It arises from the Taoiseach's reply.

An Ceann Comhairle: I have called Deputy Shatter twice and I will not call him a third time.

Mr. Dukes: I am endeavouring to show how the House could facilitate the Taoiseach in the wish that he has expressed to have a debate of this kind.

The Taoiseach: Such a debate could take place in a committee of the whole House.

Mr. Shatter: Part of the question I wished to raise has been raised by Deputy Dukes. Would the Taoiseach not agree that at a time of major foreign affairs developments it is in the interests of this House and this country that we have a foreign affairs committee in which members can debate in detail foreign affairs policy matters and that we have a continuing input into -

An Ceann Comhairle: The Deputy is dealing with a separate question

Mr. Shatter: Would the Taoiseach not agree that it cannot take place in a once off debate in this Chamber?

The Taoiseach: I am not so convinced.

Section C Follows

C 1

Mr. J. Bruton: Does the Taoiseach envisage/within ^{and} that timeframe, East German participation in the EMS?

An Ceann Comhairle: That is a separate question.

The Taoiseach: That is a matter which is the subject of intense discussion at the moment. The Deputy is as well informed as I at the moment of the way things are shaping up. The question of economic and monetary union between East and West Germany is a very current issue which is being keenly debated both in East Germany and West Germany and throughout the Community. What form that economic and monetary union will eventually take remains to be seen.

An Ceann Comhairle: Question No. 6.

Mr. Shatter: I have a very brief question.

An Ceann Comhairle: Sorry, Deputy Shatter, please desist.

Mr. Shatter: I have a very brief question. Will the Taoiseach not agree that it is a matter of acute embarrassment that the newly emerging democracies in Eastern Europe are now within their parliaments formulating foreign affairs committees, when this parliament is denied the right to such a committee?

An Ceann Comhairle: The Deputy is pursuing the same matter. Question No 6 please.

A Deputy: And will continue to do so.

The Taoiseach: That is so mind boggling that I cannot even formulate a reply.

(Interruptions.)

Mr. Shatter: We are the only parliament in the European Communities that does not have a foreign affairs committee.

The Taoiseach: Deputy Dukes knows that Deputy Shatter is a bigger embarrassment to him than he is to this side of the House.

Mr. Dukes: You know you never had the gumption to ask for it in Opposition.

(Interruptions.)

An Ceann Comhairle: Question No. 6 has been called.

Mr. Shatter: Instead of making snide remarks, I would expect the Taoiseach to adopt the position of the statesman, on the formulation of a foreign affairs committee while acting out the Presidency of the European Communities.

An Ceann Comhairle: Deputy Shatter, I have called Question No. 6

The Taoiseach: I have a great capacity not to hear what the Deputy is saying.

Mr. Shatter: You have a great capacity to be deaf to everyone around you as well.

QUESTION NO. 5

DAIL QUESTION addressed to the Taoiseach
by Deputy Proinsias De Rossa for answer on
Tuesday, 13th February, 1990.

QUESTION:

To ask the Taoiseach if, arising from his press conference after his recent meeting with President Mitterrand in Paris, he will outline the basis on which he ruled out the possibility of supporting the idea of a united neutral Germany; if he will clarify his reported comments on neutrality and especially his statement that if a country was neutral, you had to ask who it was neutral against; and if he will make a statement on the matter.

REPLY:

The right to self-determination is a principle endorsed by the Charter of the United Nations. In my reply to a Question in the House on 13 December last I indicated that Ireland supports German unification and the right of the peoples of the Federal Republic of Germany and of the German Democratic Republic to determine their own future by a free democratic process.

I further indicated that this is also the position of the Twelve as affirmed by the Heads of State and Government in Strasbourg.

Reports that I have ruled out the idea of a united neutral Germany or the possibility of East German membership of the Community are totally incorrect. I said nothing of the kind. I believe in fact that it would be foolhardy for anyone to try to lay down hard and fast conditions or objectives in a situation where events are moving so rapidly and so momentously. What I did indicate was my view that it was unrealistic to contemplate that such a powerful economic and political entity in the middle of Europe as West and East Germany combined, would not influence or affect the course of European affairs.

*Taoiseach
Draft reply is
approved.
SA
12/12*

**P.Q on Taoiseach's meeting with President Mitterrand
in Paris on 5 February, 1990**

Introduction

1. Media Reports on the Taoiseach's press conference, including last Saturday's article in the Irish Independent by Dr. Cruise O'Brien are at Tab 1.
2. Tab 2 contains the reply to the PQ on 13th December (mentioned in paragraph 1 of the reply).
3. Paragraphs 3 to 12 below outline the evolution and present state-of-play on the question of German unification. Responses to possible supplementaries are covered in paragraphs 13 and 14.

(i) **German Unity**

4. The future shape of inter-German relations will only become clearer after the G.D.R. first democratic elections on 18 March. It is probable that the elections will result in a coalition government with a majority in favour of unity.
5. The G.D.R. has declared its support for a united, neutral Germany. During a visit to Moscow on 30 January by the G.D.R.'s Prime Minister, President Gorbachev indicated Soviet willingness to go along with German unity on certain conditions, the main one being the neutrality of a united Germany (this has been a long-standing Soviet objective and reflects an offer made as long ago as 1953).
6. National elections are due in the F.R.G. on 9 December next. The Social Democrats are leading in the opinion polls. Chancellor Kohl has rejected the idea of the neutrality of a single German State while the Social Democrats are more ambivalent.
7. Many of the F.R.G.'s Western partners have reservations on the question of German unification (France, U.K., Netherlands, Luxembourg and Italy)

10. but they are trying to find a way of accommodating German national sentiment in favour of unity with security guarantees. The U.K., and particularly Mrs. Thatcher herself, is regarded as the most cautious among the Western allies. Both the Chancellor and Foreign Minister have stressed that the problem of security arrangements for the new
8. Following his meeting in Shannon last week with Secretary of State Baker, the French Foreign Minister stated that France accepts unification but that "we have to think of the consequences in Europe, stability and other problems that may arise". He noted that the Germans themselves did not accept neutrality and, on the question of Warsaw Pact troops remaining in East Germany, Mr. Dumas stated that this was a problem that the Germans would have to discuss with other countries. President Mitterrand's views on the subject are set out in the attached extract from the report on his discussions with the Taoiseach (Tab 3).
12. Chancellor Kohl has been much criticised for making no reference in his
9. As regards the U.S. position, President Bush has set down the following four conditions:
- Self-determination must be pursued without prejudice to its outcome. No particular vision of unity should be endorsed or excluded at this time.
 - Unification should occur in the context of Germany's continued commitment to N.A.T.O. and an increasingly integrated European Community, and with due regard to the legal role of the Allies.
 - In the interests of general European stability, moves toward unification must be peaceful, gradual and part of a step-by-step process.
 - On the question of borders, support for the Helsinki Final Act should be reiterated.
13. Finally, following the opening by the GDR of all borders with the West

However, late on Friday night last, following his meeting with President Gorbachev, Secretary Baker is reported as saying that a united Germany might become an associate member of NATO, but his officials stated subsequently that he was speaking impromptu.

10. After his visit at the week-end to Moscow, Chancellor Kohl stated that President Gorbachev had given his approval to German unification and that it was up to the German people to decide when and how East and West Germany should unite. Both the Chancellor and Foreign Minister Genscher stressed that the problem of security arrangements for the new State would be worked out later. Mr. Genscher made it clear his view that Germany would stay in NATO but that no NATO troops would be deployed west of the present boundary between the two States.
11. On his return to Bonn, Mr. Genscher suggested a three-stage negotiating process: (i) after the GDR elections on 18th March, the two States would draw up unification proposals; (ii) these would be presented to a four-power (USSR, U.S., UK and France) conference and (iii) the final plans would be discussed at the CSCE Summit planned for next Autumn.
12. Chancellor Kohl has been much criticised for making no reference in his unification plans to frontiers. The lack of reference to the Oder-Neisse line and his upholding of the constitutional position (that Germany's legal borders are those of 1937) has led to accusations of ambivalence. It has excited fears in Poland particularly, which would lose territory were Germany to revert to these borders. Mr. Genscher, however, is on record as strongly rejecting any idea of altering Germany's eastern frontiers.
13. Finally, following the opening by the GDR of all borders with the West on 9 November the Twelve issued a statement welcoming the developments and calling for reforms that would allow the population of the GDR "to define their future and to enjoy their democratic rights in full freedom". Although NATO had on several occasions supported German unity, the Twelve never did so until the declaration made by the Strasbourg Council on 9 December. This says that the Twelve

"seek the strengthening of the state of peace in Europe in which the German people will regain its unity through free self-determination. This process should take place peacefully and democratically, in full respect of the relevant agreements and treaties and of all the principles defined by the Helsinki Final Act, in a context of dialogue and East-West cooperation. It also has to be placed in the perspective of European integration".

Ireland remains committed to this position of principle.

(ii) Neutrality

14. The references in the PQ to the Taoiseach's comments on neutrality are taken from the Irish Times report (Tab 1) of his press conference in Paris. This report did not specify the context and circumstances in which the Taoiseach had been speaking which were:
- the alarming pace of developments in Eastern Europe, the role of NATO and Warsaw Pact being assessed, the quickening pace of disarmament negotiations etc. all mean that differences and rigid divides between East and West are being narrowed and the post-War arrangements are being radically re-assessed; in this fundamentally and evolving situation, the transitional concepts of neutrality have also to be assessed. *traditional*
15. Supplementaries can be expected to touch on Irish neutrality (see the article in last Sunday's Tribune in Tab 4) and, in response, the Taoiseach might wish to draw on the position outlined in the reply to a PQ last week by the Minister for Foreign Affairs (Tab 4). (The Taoiseach had been consulted on the terms of this reply).

***Newspaper
article(s)/cutting(s)
have not been copied***

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Michael.
urse.
ies V. Brady and Clohessy.

Comhairle: I am sorry to
e Deputy, but the con-
the lobby is disrupting the
the House and constitutes
must cease.

re: The Bill as it stands does
or any system of insurance
protection for the home
respect.

This particular amendment
l on Committee Stage. The
fundamental objective and
regulate buildings in the
common good. It is not
er intended to be a vehicle
ishment of new consumer
rights in relation to post-
liability. It is carefully
neutral on this issue of
This may be something for
but it certainly does not
is Bill.
ce two final points. Let me
the question of liability.
law does offer a measure
an aggrieved person who
d a building which, for
ligence, is seriously defec-
way. These rights are addi-
y rights arising from
ligations. The other point
t that Deputy Shatter and
ore are simply attempting
only fit and proper persons
as certifiers. I fully share
would point out that under
;) it is open to the Minister
criteria should govern the
persons as approved cer-
criteria could include a
considerations relative to
of the person concerned.
intend to do.

Comhairle: I am sorry to

interrupt the Minister but as it is now 1.30 p.m. I am required to put the following question in accordance with an order of an Dáil of this day: "That the amendments set down by the Minister for the Environment to the Bill on Report Stage and not disposed of are hereby made to the Bill, that Fourth Stage is hereby completed and that the Bill is hereby passed".

Question put and declared carried.

Sitting suspended at 1.30 p.m. and resumed at 2.30 p.m.

**Ceisteanna—Questions
Oral Answers.**

German Reunification.

1. **Mr. Taylor** asked the Taoiseach if he was correctly reported in the media as having stated that he favoured the reunification of Germany and would support it; and if he will make a statement on the matter.

The Taoiseach: The right to self-determination is a principle endorsed by the Charter of the United Nations. Ireland supports the right of the peoples of the Federal Republic of Germany and of the German Democratic Republic to determine their own future by a free democratic process. This is also the position of the Twelve as affirmed by the Heads of State or Government in Strasbourg last weekend.

I have expressed a personal view that coming as we do from a country which is also divided many of us would have sympathy with any wish of the people of the two German States for unification.

Mr. Taylor: Would the Taoiseach agree that from many of the mass meetings in the Germanies, both the Bundesrepublik and the GDR, there have been indications of a very strong wish of many of the people for the type of nationalism that plunged Europe into two world wars,

and consequently would the Taoiseach not consider that the warnings on this issue given by Mr. Gorbachev may have more relevance to the fears of people in Europe than to the Taoiseach's sentimentalities in the matter?

The Taoiseach: No, I would not accept anything of the sort. The 12 heads of state at the recent summit meeting indicated their support for the unity of the German people in the two states. It was indicated that that unity should be achieved in accordance with the principles of self-determination and with due regard to the provisions of the Helsinki Final Act. Secondly, a general view among the people attending the summit in Strasbourg was that we were all very fortunate that so far all the dramatic changes that have been taking place in Eastern Europe have taken place in a peaceful atmosphere; in fact it was noted that the experience of all the observers, certainly in Eastern Germany and Western Germany, was that the atmosphere was calm, that it was a tremendous demonstration of people power and the wish of the people of Eastern Germany and the other eastern countries to secure democratic freedom for themselves and that the astonishing feature about it was that these mass demonstrations were relatively peaceful and calm.

Mr. Taylor: While the Taoiseach may be right in that many of these demonstrations were peaceful, would he not agree that there were quite clear indications that many of the calls for the fatherland reunification were of the ultranationalist type that plunged Europe into war on previous occasions, and that there is a very substantial proportion of the German people both West and East, who oppose reunification because of the very fears of further turmoil perhaps in Europe and for fear of the size and might that a central Germany would have? Would the Taoiseach not further agree that it is totally inappropriate to attempt to draw any kind of comparison between Germany and Ireland having regard to the fact that this country has never been

[Mr. Taylor.]
involved in plunging Europe into any kind of war.

The Taoiseach: I do not accept the general thesis the Deputy is advancing. That view is not widespread in Europe, as far as my observations go. I would reiterate what I have said time and time again, that the principle we should adhere to is that this is a matter for the German people in accordance with the principles of self-determination.

Mr. Taylor: A principle not recognised very frequently by Germany in the last war.

The Taoiseach: I could not possibly attempt to draw a corollary between Germany and Ireland because the situation is completely different, but I adverted to the fact that as a divided country — I am not saying more than that — we would have an underlying sympathy with the efforts of any other people who wish to achieve their reunification. I assure the Deputy that I have reiterated again and again and the same sentiments were expressed at the conclusion of the summit, that this is a matter for the German people in accordance with the principles of self-determination.

Mr. Noonan (Limerick East): The Taoiseach's policy statement is based on the right to self-determination of peoples. How would the Taoiseach apply that principle to German peoples in the area which is now under the jurisdiction of Poland or the USSR or indeed the Sudeten Germans in Czechoslovakia.

When the Taoiseach talks about the self-determination of peoples, is he confining his remarks to the German peoples within the boundaries to the east and south as laid down at Yalta, being the limits of self-determination, or is he saying that there is a general right to self-determination of all people either within or outside that boundary?

An Ceann Comhairle: We should not now have an extension of this matter.

The Taoiseach: This matter was adverted to in discussions at the recent summit in some detail, but what the summit concerned itself with was the peoples of the two German states, the Bundesrepublik and the GFR and the right of those people to achieve unity in accordance with principles of self-determination and in accordance with the provisions of the Helsinki Final Acts, which says that borders can be changed but only in accordance with international law and by peaceful agreement. That was the context in which the discussions took place.

Programme for National Recovery.

2. **Mr. Rabbitte** asked the Taoiseach if he has any plans to meet the ICTU before the Special Delegate Conference of Congress in January, 1990; if he accepts the thrust of the Congress submission *A New Phase for the Programme for National Recovery — Sharing the Benefits*; the elements of the Congress submission which are to be given priority by Government for the remainder of the lifespan of the programme; and if he will make a statement on the matter.

The Taoiseach: I met representatives of the Executive Council of the Irish Congress of Trade Unions on 24 November 1989 accompanied by the Ministers for Finance, Industry and Commerce and Labour.

We agreed at that meeting that the recommendations made by Congress in the area of tax reform and social welfare would be considered by the Government in the context of the 1990 Budget.

We also agreed that the other issues raised by Congress would be considered at official level with the objective of a further meeting between Congress and the Government before the budget.

Mr. Rabbitte: Does the Taoiseach accept it is the thrust of the thirty point programme submitted to him by the ICTU entitled *Sharing the Benefits* that workers have not shared in the benefits

bloc. This would not be a good thing.

Who could imagine that in the Warsaw Pact today countries like Poland where Solidarity is in Government or Czechoslovakia would set armies to attack the West? Or that the Federal Republic and the GDR would attack each other. These things are now meaningless.

I note however that Poland has just signalled its attachment to the Warsaw Pact. This is a paradox since the Prime Minister is a militant Roman Catholic. That is as a result of an ambiguity on the part of the Federal Republic about the Oder-Neisse line. Once there is a threat to that, the Poles would prefer to have the Soviet Union beside them. But it is going in a direction which they do not want (i.e. the consolidation of the Warsaw Pact).

One can say as much as one likes about the reunification of the two German States but not of "all Germans" which would bring into question the other frontiers of Germany. Already they are two big States. The Soviet Union is not too happy. But if other frontiers are also in question.... The problem is that the Germans have not made up their minds to say what needs to be said about the frontiers with sufficient clarity.

Taoiseach What do you think on the question of German unity?

Mitterand It is going faster than expected. It is a popular movement kept alive by the FRG (?). The GDR is destitute. For practical everyday economic reasons it is an accelerating movement.

What I say usually is that unification is a matter for the Germans. If they absolutely want to do it no one can prevent them - certainly we could not go to war about that. But we must ask the Germans also to accept a sense of responsibility. In seeking reunification we must have certain solemn guarantees on their part;

- (i) on the Polish frontier
- (ii) they must get their act together in regard to Helsinki. It must be placed clearly in the CSCE framework.

There is of course some contradiction here in the emphasis on unity and on frontiers. There is no international instrument, no diplomatic paper to prevent the Germans uniting if they want to. The answer will come from the German elections. Of course it would have come from the Soviet Union (i.e. a negative answer) if we were living in Stalin's day. But now the Soviet Union is weakened. But it still has the means (i.e. military means).

Among the answers which Germany must accept are a guarantee on the frontiers. They must also begin to accept some kind of guarantees in relation to military status. One cannot imagine that within a single state there should be Soviet and US troops with nuclear weapons (i.e. the present disposition of Soviet and

US forces facing one another across the intra-German border would not continue if Germany were united) that problem has at least to be tackled. The Soviets can insist on a condition they have already voiced - neutralisation. That is they say we will withdraw if you do. They also say "you are a great, war-mongering people. We need guarantees". There must be for example no access to nuclear weapons, limits on the number of troops and so on.

If the Germans try to move to unification before sorting out these problems I would fear a great increase in international tension. First Gorbachev would lose his power to a military authority. This would continue with the process of liberalisation since they have no option but to do this. But it would be a military liberalisation which will not be in touch with some things.

I spoke to Chancellor Kohl on the phone today at 1 p.m. (i.e. some 45 minutes previously). I said "do what you want, act with all your authority but avoid creating unnecessary tension. If Germany reunifies itself without precautions, then very soon there will be alliances in Europe - but in a new form (i.e. different alignments). The Soviet Union will come closer to the UK, to Italy (and France?). We will be back to traditional 19th century diplomacy - with the results we all remember". I do not know however if Germans have all that much common sense.

CSCE

Taoiseach What about the CSCE?

Mitterand Gorbachev proposes that there will be a summit this year. In Kiev, when I was there I accepted that - I even proposed Paris as a venue. In my view it is essential to facilitate matters for the Soviet authorities. Any forum which could get together all Europeans in the present situation of disorder would be helpful. It is for the Europeans to answer the questions which are posed to them. The United States and Canada are there also. So why not do this (i.e. CSCE Summit). It is said that it would be undue haste to do so but events are moving very fast.

I had wanted to raise that with you. It would be a good idea for you to take an initiative. In Strasbourg we agreed on a timetable. But now the leaders would say that the pace we set was too slow - history is passing us by. The leaders of the Community sense this. Only the UK is lagging. They are so scared of German unity - Mrs Thatcher several times said this to me.

***Newspaper
article(s)/cutting(s)
have not been copied***

QUESTION NO: 43

Chun an Aire Gnothai Eachtracha: To ask the Minister for Foreign Affairs.

To ask the Minister for Foreign Affairs if he will outline his attitude to common European defence, in light of recent remarks made by the Taoiseach on this subject; and if he will make a statement on the matter.

- SEAN RYAN.

For ORAL answer on Wednesday 7th February 1990.

Reply

The Taoiseach's comments to the press recently indicated Ireland's willingness to consider participation, if the European Community were at some stage to embark on arrangements for its own security and with its own security concept. He emphasised that this would have to be seen in the perspective of Ireland's full commitment to the Communities and their objectives. Since the 1960's when we first considered joining the European Community, successive Irish Governments while maintaining their commitment to the long-standing policy of military neutrality, have indicated their commitment to the political objectives of the Community Treaties and have indicated that in the context of European Union Ireland would be prepared to participate in all aspects of that Union.

I should of course add that no such proposal exists at present.

... in the middle of Europe a powerful economic entity such as the Federal Republic - and even more so if the two Germanys were united - as not influencing or affecting the course of European affairs.

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economic entity, such as the Federal Republic
- and even more so if the two Germany
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DÁIL QUESTIONS addressed to the Taoiseach
by Deputy De Rossa for answer on
Tuesday, 13th February, 1990.

QUESTION: 11

To ask the Taoiseach if, arising from his press conference after his recent meeting with President Mitterrand in Paris, he will outline the basis on which he ruled out the possibility of supporting the idea of a united neutral Germany; if he will clarify his reported comments on neutrality and especially his statement that if a country was neutral, it had to be asked who it was neutral against; and if he will make a statement on the matter.

REPLY:

The right to self-determination is a principle endorsed by the Charter of the United Nations. ~~The Government's support for German unification and of~~ the right of the peoples of the Federal Republic of Germany and of the German Democratic Republic to determine their own future by free democratic process, ~~was set out~~ in my reply to a Question in the House on 13 December last.

I should also draw the attention of the House to the fact that at the European Council in Strasbourg, last December, the Twelve affirmed their aim of the strengthening of the state of peace in Europe in which the German people will regain its unity through free self-determination.

Reports that I have ruled out the idea of a united neutral Germany or the possibility of East German membership of the Community are totally incorrect. In fact I said nothing of the kind. I believe that it would indeed be foolhardy for anyone to try to lay down hard and fast conditions or objectives in a situation where events are moving so rapidly and so momentously. What I did indicate was my own personal view that it was unrealistic to contemplate that such a powerful economic and political entity as West and East Germany combined, would not influence or affect the course of European affairs.

in the middle of Europe

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REPLY:

The right to self-determination is a principle endorsed by the Charter of the United Nations. The Government's support for German unification ~~and~~ the right of the peoples of the Federal Republic of Germany and of the German Democratic Republic to determine their own future by a free democratic process, was set out in my reply to a Question in the House on 13 December last. ^{no} ~~This has also been affirmed by the~~ *I should also draw the attention of the House to the fact*

that the ~~Twelve in the Conclusions issued by~~ ^{the} the European Council in Strasbourg, ~~the Twelve last December, as Twelve affirmed their aim of~~ *strengthening the state of peace in Europe in which the German people will regain its unity through free self-determination.*

Reports that I have ruled out the idea of a united neutral Germany or the possibility of East German membership of the Community are totally incorrect. In fact I said nothing of the kind. ^{What} What I did indicate was that in my own personal view it was unrealistic to contemplate such a powerful economic and political entity as Germany, united or not, not influencing or affecting the course of European affairs.

REPLY:

The right to self-determination is a principle enshrined in the Charter of the United Nations.

The Government's support for German unification was set out in my reply to a Question in the House on 13 December last. This has also been affirmed by the Twelve as set out in the Conclusions issued by the European Council in Strasbourg.

in fact
9 said
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of the
kind

Reports that I have ruled out the idea of a united neutral Germany or the possibility of East German membership of the Community are ^{tending incorrect} not correct, ^{later} I did indicate ^{was} that in my ^{own period} view it was unrealistic to contemplate such a powerful economic and political entity as Germany, united or not, not influencing or affecting the course of European affairs.

and the right of the peoples of the Federal Republic of Germany and of the German Democratic Republic to determine their own future ^{to determine their} by a free ^{democratic} democratic process,



Roinn an Taoisigh
Department of the Taoiseach

FAX COVER SHEET

Date: 14 February, 1990 Time: _____

To: Foreign Affairs

For: Peter Gunning

From: Sean O'Keefe

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Oifig an Taoisigh
Office of the Taoiseach

13 February, 1990.

M. D. E. O'Leary
→
M/2

Mr. Francois Mitterrand,
President of France.

Dear President,

I wish to convey to you my sincerest thanks for your warm hospitality in Paris last week and my appreciation of the discussions we had over such a wide and varied range of subjects.

The meeting was of particular benefit to me at this time as incoming President of the European Council. I greatly value your views on European and international affairs, against the background of your own wide-ranging experience and the esteem in which you are held as a world statesman.

I avail of this opportunity to thank you also for your memorable gift and I look forward to continuing contacts in the demanding and challenging tasks facing us all in the period ahead.

With warmest personal regards.

Yours sincerely,

Taoiseach.

Oifig an Taoisigh, Tithe an Rialtais, Baile Átha Cliath 2.
Office of the Taoiseach, Government Buildings, Dublin 2.

Letter transmitted via Diplomatic Bag P.W. 13/2.



Oifig an Taoisigh
Office of the Taoiseach

February, 1990.

Mr. Francois Mitterrand,
President of France.

Dear President,

I wish to convey to you my sincerest thanks and appreciation for the ^{warm} ~~your~~ hospitality discussions which he had in Paris last week, and my appreciation of the ~~discussions~~ ^{discussions} we had over such a wide and varied range of subjects. ^{meetings was} These ~~were~~ ^{at this time} were of particular ~~benefit~~ ^{benefit} to me on this occasion as incoming President of the European Council, ^{& greatly value} to have the benefit of your views on European and international affairs, against the background of your own wide-ranging experience and the esteem ⁱⁿ with which you are held as a world statesman.

I avail of this opportunity to thank you also for ^{your} the wonderful hospitality and the memorable gift and I look forward to continuing contacts in the demanding and challenging tasks facing us all in the period ahead.

With warmest personal regards.

Yours sincerely,

Taoiseach.

February, 1990.

Mr. Francois Mitterrand,
President of France.

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The meeting was of particular benefit to me at this time as incoming President of the European Council. I greatly value your views on European and international affairs, against the background of your own wide-ranging experience and the esteem in which you are held as a world statesman.

I avail of this opportunity to thank you also for your memorable gift and I look forward to continuing contacts in the demanding and challenging tasks facing us all in the period ahead.

With warmest personal regards.

Yours sincerely,

Taoiseach.

add No. 6)

Proinsias de Rossa: I thank the Taoiseach for his full reply on this issue relating to the idea of a confederation of states. In outlining his views on the confederation of states, did President Mitterrand intend it as a purely co-ordinating confederation of states dealing with perhaps international political affairs or ~~XXXXXXXXXXXX~~ is it intended to be an economic confederation as well? Can the Taoiseach give some idea of the general view of the confederation and while the Taoiseach indicates that he is favourable to the idea can he say if that is the Government view at this time? In that respect, is it also intended

The Taoiseach: Is that a mischievous ~~XXXXXXXXXXXX~~ addendum? ~~issues that exist~~

Proinsias De Rossa: No. ~~and the Warsaw Pact?~~

The Taoiseach: Does the Deputy suggest that there are differences between these colleagues on these fundamental issues?

Proinsias De Rossa: I am trying to deal with this in a serious way.

An Ceann Comhairle: Deputy De Rossa has asked a ~~XXXXXX~~ series of questions, let us hear the Taoiseach's reply. ~~in any way cut across existing alliances.~~

The Taoiseach: With Deputy De Rossa's permission I will now deal with the serious aspects of his question. ~~Taoiseach give an indication as to whether~~

Proinsias De Rossa: I am asking the Taoiseach to ~~XXXXXX~~ indicate if his personal opinion is also a Government opinion. ~~of involuntary and forced union~~

The Taoiseach: As I said in my reply it is primarily a matter for President Mitterrand to elaborate on his concept and deal with the various aspects that Deputy De Rossa has raised. I understand that he intends to do that, but pending that my understanding of his concept is that it will be primarily a framework to fill a gap that exists. The 12 members states of the Community have their own framework, mechanisms and procedures for dealing with their affairs of mutual interest. There is nothing similar in Eastern Europe or is there anything bridging the gap at present between the Eastern European countries and the Community. What President Mitterrand is primarily concerned with is to provide some sort of a framework which will fill that gap, a framework within which all the countries of Europe could relate to each other. President Mitterrand sees it very much

as a framework which would help to contribute to stability in the whole of Europe. I suggest that the Deputy should await further elaboration of the concept by President Mitterrand himself.

Proinsias De Rossa: My question in relation to whether this was Government policy or the Taoiseach's personal view was an attempt to find out what was Government policy in relation to this idea of a confederation and I did not intend to be in any way mischievous. If it is a Government view, clearly some consultation must have taken place in relation to it. In that respect, is it also intended that this confederation would be seen as a replacement for the blocs that exist at present, the NATO Alliance and the Warsaw Pact?

The Taoiseach: No.

Proinsias De Rossa: If not, why not?

The Taoiseach: I think the President has in mind a framework which would primarily be for purposes of dialogue, relationships and perhaps decision making, but I understand that it would not in any way cut across existing alliances.

Mr. Dukes: Without breaking any confidences that might exist between himself and President Mitterrand, can the Taoiseach give an indication as to whether President Mitterrand sees this idea of a confederation as being something that would replace and indeed transcend the kind of involuntary and forced union imposed upon many countries in Eastern Europe by the kind of "democratic centralism" to which Deputy De Rossa up to lately anyway has seen to adhere?

Mr. Rabbitte: There is no democratic centralism in your party that is for sure.

An Ceann Comhairle: Question No. 7 please.

Mr. J. Bruton: In relation to the parliamentary tier of such a confederation, if it were ever to come about, would the Taoiseach prefer that to take the form of the adherence of East European countries to the existing Council of Europe for which two have already applied for membership, or does the Taoiseach favour the other idea of a parliamentary tier of the Helsinki process being established, involving all these countries who are signatories of that Helsinki accord?

14/2

February

13 January 1990

DAIL

Which of the two umbrellas does the Taoiseach feel is the more appropriate, in this context?

The Taoiseach: It is early yet to take decisions of that kind. President Mitterrand merely put forward this concept in very broad outline and I understand that he intends to elaborate on it further. It would be advisable to await that further elaboration by President Mitterrand. I would see it related to the Helsinki concept process, primarily because it involves the same group of nations. But of course, it would be different to the extent that the Helsinki process involves meetings from time to time whereas this would be a non-going framework which would be kept in place.

Mr. J. Bruton: Would the Taoiseach agree -

An Ceann Comhairle: I want to move on to another question.

Mr. J. Bruton: I promise that this is the last question. Would the Taoiseach agree that there is some measure of urgency in so far as there are two applications for membership of the Council of Europe on the table from East European countries, and to some extent the relevance of those applications is dictated by the direction which would be followed on this issue.

The Taoiseach: There is a point there, but the Council of Europe will preserve its own identity and functions. I think President Mitterrand has primarily in mind a framework to fill the gap that exists in the relationships between all the different European countries.

Mr. J. Bruton: Potentially there is no gap if they all join the Council of Europe.

An Ceann Comhairle: Question No. 7 please.

* Editor of Debate,
Informed

@
14/2

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DAIL

Yeoherty
13 January 1990

3 o'clock

add no 7

Proinsias De Rossa: If the Estimates are not available on what do the Government base their projections for unemployment benefit in the coming year?

Mr. V. Brady: I will refer to two reports published recently, the Economic and Social Research Institution in their quarterly economic commentary of December 1989, published two weeks ago, forecast a fall of about 10,000 in unemployment in 1990, coupled with significant reduction in emigration, to about 25,000. A further progress report by the central review committee under the Programme for National Recovery shows that over 60,000 gross jobs were created in 1988 and 1989. At present notified redundancies for 1989 total 13,400, their lowest level since 1979 and over 40 per cent lower than in 1988. Registered unemployment fell by an average of 8,000 over 1988 and 1989. ~~There~~ ~~is~~ More definitive information for the period from April 1989 to April 1990 will not be available until mid August and it would be pointless to give any estimate at present in view of the fact that all the ~~paperwork~~ are not available.

Proinsias De Rossa: If the Government do not know the figures in relation to emigration during the last year on what basis do they base their projections for the coming year?

Mr. V. Brady: That is a different question and if the Deputy tables another question in this regard I will be very glad to deal with it.

An Ceann Comhairle: The question is essentially statistical. We now come to Questions nominated for priority. These five questions must be disposed of within the prescribed time laid down by Standing orders and I see the co-operation of Deputies towards that end.

QUESTION NO. 6

DAIL QUESTION addressed to the Taoiseach
by Deputy Proinsias De Rossa for answer on
Tuesday, 13 February, 1990.

QUESTION:

To ask the Taoiseach if he will outline the matters discussed with President Mitterrand at their meeting on 4th February, 1990; if he will outline any proposals put to him by President Mitterrand regarding the establishment of a confederation of all European States; and if he will make a statement on the matter.

REPLY:

It is not the practice to disclose in detail the matters discussed at an official working meeting of this kind. I can, however, tell the Deputy that it was of particular benefit to me, as President of the European Council, coming into that Office immediately after President Mitterrand - a statesman of world renown - to have the benefit of his views and experience on European and international affairs. We covered Community issues, developments in Eastern Europe and other major issues of mutual interest and concern.

President Mitterrand's proposal for a European Confederation is, of course, one that he will elaborate on himself in due course. My understanding is that it would involve all European countries who would wish to join, with particular reference to the need to provide the emerging democracies in Eastern Europe with a structured framework in which they could participate in consultation and decision-making, as appropriate, with the other European countries on issues of common interest. The concept, with its aims of dialogue and

2.

stability, is one related to the holding of a meeting of the Heads of Government of the 35 CSCE participating States in 1990. In my view it merits full and positive consideration.

PQ on Taoiseach's Meeting with President Mitterrand,
on 5th February, 1990.

European Confederation

- (1) A background note on President Mitterrand's proposal is at Tab 1 which also contains the relevant extract from the report on the discussions he had with the Taoiseach on this topic.
- (2) As the Taoiseach made clear, at his subsequent press conference in Paris, the President will be elaborating soon and will set out the details of his thinking in this area. In the circumstances, it would be best to avoid responding to supplementaries on the details/implications of the President's suggestion, particularly, as stated in the reply, the President will be explaining his concept in greater detail soon.

1

FAX

No 147

Time 18 15 L

09/02/90

IMMEDIATE

TO HQ
For Ken Thompson

From Holmes

President Mitterrand's Comments on European Confederation

In his New Year message to the French people, President Mitterrand said that he expects to see the birth of a European Confederation in the true sense of that term during the 1990s, a Confederation which will involve all the States of the continent of Europe in one joint, permanent organisation existing for contacts for peace and security.

President Mitterrand explained the background to his thinking on European Confederation following his discussions with Chancellor Helmut Kohl on 4 January. He said that for him the first ^{appeared to be the} ~~problem appeared to be the~~ development of the European Community but, when one went beyond that and thought of the situation of those countries which are not members of the Community and which were moving towards democracy, it was necessary to ask what would become of them. In the long term one would need to develop a perspective for all these countries which are becoming democratic and which will not be able, for one reason or another, to accede to the European Community which cannot continue to grow indefinitely.

.../...

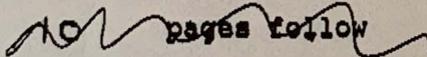
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There are also the following press reports of comments by President Mitterrand, for which no official record exists:

He defined European Confederation as a permanent organisation common to all the countries of Europe and added that any country which wished might participate in it including, of course, the Soviet Union.

He distinguished his concept from Mr Gorbachev's idea of a common European home by saying that the Gorbachev idea did not involve any proposal for institutions for the new organism.

He said that the permanent structure to be created could not be that of the Council of Europe which he said has no institutional existence.

 pages follow

Sent from faxphone (33 1) 45 00 84 17

mf

Mitterand I do not think we will get very far. The position of the six countries is very different. Each wants exceptions. For example Iceland has no concern but fish. Switzerland's concern is the money markets. Austria is concerned about transport and so on. The first thing they all ask is not to include agriculture. So there is not much left. The most positive is Sweden - which could of course bring Finland and Norway. But I do not believe there is very much in all of this. But on the other hand all countries would have their place in a confederation.

Confederation

Taoiseach Tell me about your thinking on the confederation?

Mitterand Well its like this. You have countries which are regaining their sovereignty - Poland, Hungary, Czechoslovakia; and others are not far from it - for example the GDR, Romania, Bulgaria. They are all in a disastrous economic situation; and militarily the Warsaw Pact is becoming more remote and less credible as an alliance.

The people of these countries have achieved this with their own courage - much more so than the leaders. The result can be that they find themselves alone in a slackened alliance. They could not enter the Community - which in any case would not want them. Therefore they could be left out in the cold. In dealing with the Community they would always be in a humiliating position. Soon their national dignity would finish the process. They would either revolt against the situation or be very unhappy.

Therefore my idea is to say to them that we must find a framework, a place where in law they will be sovereign on an equal footing. Then as regards authority and power that has to be studied.

Look at the Community. Some countries have two Commissioners, some have one. But the right of all countries is the same. No one is humiliated. This for me is the secret of future harmony in Europe. It is the same thing as in the case of the Bank (i.e. EBRD). Countries returning to democracy must be part of all decision-making and of governing bodies and not outsiders negotiating with difficulty with those inside. That is my philosophy - that each state should be able to take part in the decision-making process - that it can say yes or no. Not of course with a veto but taking part in decision-making bodies. The majority would have to be weighted.

The whole thing needs to be studied but we must open a future for them. I will explain it further sooner. The Poles and the Hungarians are already very interested.

Why a "confederation"? I had thought of a "Pact" but that means a treaty and this does not necessarily guarantee equality of rights. We would put questions in common (sic) and there would be a permanent organisation as we have in the European Community

but with far less authority. Already there are seven or eight areas where it is easy to see how we might go ahead. For example EUREKA, technology, the environment. These are issues on which it would be normal to say to all other European countries come and talk. There is also for example transport and the position in the Baltic up to the North.

It is not exactly the same case as the Bank which has some outsiders. But it is similar in that it is important that all should be entitled to take part in decision-making even if the weight they are given is not the same. If you have a small confederation body (?) with a fairly light permanent institution, it could deal with environment, high technology, transport, possibly banking, and possibly other issues such as cultural or trade matters. Possibly too (le cas echeant) security or defence. But there we are entering into the field of the CSCE. For a number of years we should leave the CSCE free to get on with this area. But in ten or fifteen years the Europeans will want to work out security then for themselves.

There are the countries of EFTA, the neutrals, Albania perhaps and Yugoslavia - this will offer to them all (the countries of Eastern Europe?) a prospect if they reconquer their full independence of decision, that they will have an aim. Then we will not be in an egotistical position in the Twelve (i.e. dominating the countries outside). There has to be a permanent place where we can talk.

That is why I proposed a confederation. I see it as an intermediate stage between anarchy and the Community. Of course it would be very far from the Community - it would not have the constraints or discipline of the Community. But it would be a meeting place and they would have a body to turn to. There could be occasional meetings of Foreign Ministers. These countries would then seem more at home in Europe - they would not be detached (?) from our position in the Community.

The US is a little bit worried - they fear it may come to building Europe without them. Such a thing would indeed be natural. But there are certain realities for years ahead. The CSCE can be the place and they are in it. For this reason I do not think my idea is causing any problems. The CSCE would act on security issues - as long as there are two major powers we cannot talk about security (in Europe) without them.

Some people say yes the idea is interesting but it should not include the Soviet Union which is an empire and an Asiatic empire at that. This is not a proper way of talking. We must deal with the Government in Moscow. Any act to build a structure in Europe without the Soviet Union would be a major mistake in history. In a confederation of course the Soviet Union would only represent itself. It would be acting as a country not as an empire. The Soviet Union would be happy to make its voice heard. But no one would dominate the situation - except of course the Twelve because they have an instrument of harmonisation of their own positions (i.e. the Community).

Taoiseach It is a good concept; and it meets the needs of a confused situation.

Mitterand I was in Hungary recently. They talked of nothing else; also Poland. They want something.

Vedrine Yes everywhere they seem interested.

Taoiseach It would give them something to hang on to?

Mitterand Yes without losing status.

EMU/IGC

The Taoiseach asked about the proposed IGC on EMU and the European Parliament's proposals for meetings before this.

Mitterand O! As we said earlier everything that speeds up what we are doing would be good. There is a danger that the Community could be dislocated by events and by the question of German unity. Look at what happened with the Schengen Agreement. There were difficult conflicts within Governments. I was saying we must go ahead. Some were dragging their feet. Chancellor Kohl phoned me the day before at 8 p.m. He said please instruct your delegation to go ahead - I fear they are dragging their feet. I said OK. I called in the various Ministers and I said go ahead and sign. Then I went to bed. The next morning when the meeting takes place someone phoned to say it is not working - the Germans do not want to sign. I asked why. The answer was that it is a Federal State. They said suddenly at the meeting something which they had never mentioned before that of course all matters agreed would apply also to the GDR.

Prime Minister Lubbers blew up at this. The Government there (in the GDR) is not yet formed (i.e. pending the elections in March). The frontiers are not settled - so that you do not even know who the Germans would be. However the FRG kept firm on the issue and said that it must either apply to the GDR or they would not sign. So the whole thing fell through. I mentioned it to Modrow (GDR Prime Minister) some days later. He said "they never told me that".

There is a problem whether the GDR is accepted as a member or whether there is now to be a German State of 80 million people. The problem is that the Germans will now seek to apply this approach to any Community decision. You may have to deal with this difficulty (in your Presidency).

Taoiseach This is a new dimension.

Mitterand There is of course an answer - it lies in chronology. As long as there are two states we deal with the FRG. If a contractual relationship is set up between the two Germanies then we will see what the agreements contain. If there is one German state we will deal with it as the issue arises. Already Genscher has worked out that in that new situation the GDR would be demilitarised and NATO would not move its front line forward to

Taoiseach backs France on European confederation

From Kathryn Hone,
in Paris

THE Taoiseach, Mr Haughey, yesterday gave his personal support to President Francois Mitterrand's call for a "confederation" of all European states, after a working lunch with the French leader in the Elysée Palace. It was Mr Haughey's first foreign visit as president of the European Council of Ministers.

"It's something that appeals to me personally," he said after the 90-minute meeting. "It seems to me to be a very useful sort of concept at this stage."

Mr Haughey had heard a detailed exposition of President Mitterrand's confederation proposal during their discussions on events in Eastern Europe and on Ireland's presidency of the EC. President Mitterrand was proposing a confederation as a framework for stability, Mr Haughey said, "which would cater for the state of confusion that prevails throughout Europe at the present time."

France was Mr Haughey's first overseas destination because the Irish presidency had taken over from the French, and there was a certain amount of "dovetailing of different issues," the Taoiseach said. He described their talks as "very fruitful and informative."

Mr Haughey sat opposite President Mitterrand during the lunch, held in a ground-floor salon overlooking the Elysée park. The Taoiseach was flanked by the Elysée spokesman, Mr Hubert Védrine, and President Mitterrand's special adviser on the EC and Eastern Europe, Ms Elisabeth Guigou.

President Mitterrand sat between the Secretary to the Government, Mr Dermot Nally, and the Secretary of the Department of Foreign Affairs, Mr Noel Dorr.

Later, Mr Haughey was cautious about the development of EC policy towards Eastern Europe. He and President Mitterrand had discussed German reunification, he said, but they had referred back to the position which emerged from last Decem-

ber's summit meeting at Strasbourg.

The 12 member-states had expressed their support for reunification and said that it was a matter of self-determination for the two Germans. "I would rely very strongly on that declaration," Mr Haughey said. "Events are continuing to move at a very rapid pace."

It would be difficult to take any decisions until after the democratic elections had taken place in East Germany, he added.

On possible new memberships of the EC, Mr Haughey said he supported the view of the other member-states that the six states of Eastern Europe "would develop their own particular association with the Community." This would be "a semi-permanent arrangement" he added, and not "a stepping stone of any kind."

The Taoiseach seemed unenthusiastic about the idea of a united, neutral Germany, as was proposed last week by the East German Prime Minister, Mr Hans Modrow. It would be very difficult to visualise in the middle of Europe a powerful economic entity such as the Federal Republic — and even more so if the two Germans were united — as not having an influence on all the events of Europe.

It was difficult to talk in the old terms about membership of an alliance or, to imagine active military alliances in Europe. "If someone is neutral, the question is, who are they neutral against?" he said.

However, Mr Haughey was less specific about Irish neutrality. In Europe today, one had to take account of many types of arrangements, agreements and structures "ranging from Nato down to our position of Irish neutrality," he said. He pointed out that the futures of Nato and the Warsaw Pact were up for discussion, cut across by the whole movement towards disarmament.

Mr Haughey also told President Mitterrand about Ireland's desire to enhance the relationship between the EC and the United States.

Irish Times

6/2/90

with its aims of dialogue and stability. QUESTION NO. 12 is related

DAIL QUESTION addressed to the Taoiseach the Heads of
by Deputy De Rossa for answer on
Government Tuesday, 13 February, 1990.

and positive consideration.
QUESTION:

To ask the Taoiseach if he will outline the matters discussed with President Mitterrand at their meeting on 4th February, 1990; if he will outline any proposals put to him by President Mitterrand regarding the establishment of a confederation of all European States; and if he will make a statement on the matter.

REPLY:

It is not the practice to disclose in detail the matters discussed at an official working meeting of this kind. I can, however, tell the Deputy that it was of particular benefit to me, as President of the European Council, coming into that Office immediately after President Mitterrand - a statesman of world renown - to have the benefit of his views and experience on European and international affairs. We covered Community issues, developments in Eastern Europe and other major issues of mutual interest and concern.

President Mitterrand's proposal for a European Confederation is, of course, one that he will ^{elaborate} explain himself in due course. My understanding is that it would involve all European countries who would wish to join, with particular reference to the need to provide the emerging democracies in Eastern Europe with a structured framework in which they could participate on consultation and decision-making, as appropriate, with the other European countries and ~~institutions~~ on issues of common interest. The concept,

with its aims of dialogue and stability, is one that is ^{related}
~~relevant~~ to the ^{holding of} ~~proposal~~ to hold a meeting of the Heads of
Government of the 35 CSCE participation States in 1990,
~~which is generally agreed,~~ As such, it deserves to be fully
and positively considered ^{then}.

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1.

In my view it
~~needs serious~~
needs

REPLY:

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- a statesman
of world
renown-

~~President Mitterrand's proposal~~

President Mitterrand's proposal for a European Confederation ^{is of} course one that he will explain himself in due course. My understanding is that it would involve all European countries who would wish to join, with particular reference to the need to provide the emerging democracies in Eastern Europe with a structured framework in which they could participate ^{in consultation} and decision-making ^{as appropriate,} with the other European countries ^{and representative institutions} on issues of common interest. The concept, with its aims of dialogue and stability, is one which deserves to be fully and positively considered.

is one that is relevant to the proposal to hold a meeting of the Heads of Government of the 35 ECCE participating states in 1990, which is generally agreed. As such, it

Confidential

Taoiseach's lunch with President Mitterand at the Elysee

- 5 February 1990

Those present were, in addition to the two principals:
The French side Mme Guigou (EC Adviser to the President) and
Hubert Vedrine (spokesman at the Elysee); Irish side Messrs
Nally and Dorr.

The main note on the meeting is being prepared by Mr. Nally. The following which is written up from fairly detailed notes and couched for convenience in the form of direct speech is intended to help in recapturing as much as possible of what President Mitterand said. It is not however to be taken as a verbatim note.

Before lunch

Mitterand I would like to welcome you - both as President and because it is you. The Strasbourg European Council settled a certain number of questions. Now the responsibility is passed to you. You will I am sure ask me the questions which you wish.

(At this point pre-lunch drinks were served. President Mitterand was somewhat put out to discover that the whiskey offered was bourbon rather than Irish whiskey.)

Taoiseach One issue I would like to talk about is relations between the Community and the USA. I am due to go to the US soon. It has not yet been announced. I would like to hear your views on how the relationship should be handled; and also your views on the proposed new Bank (EBRD); and the general situation in regard to the Community's relations with Eastern Europe.

Mitterand The Community must keep its independence in decision-making and at the same time - and this is the secret of success - to maintain very cordial relations with the USA. There is a delicate line between cordiality and submission. Everything that enables Europe to develop as Europe is a good thing. Of course in the matter of military blocs it is the USA which represents the main force. They are also a leading democracy. We must find ways of dealing on trade and other matters.

Over forty years they have become very accustomed to taking decisions themselves. This is no longer appropriate. In my view President Bush really tries to understand Europeans. Reagan, your compatriot (!) did not. Bush does his homework. He has a keen interest in Europe - he is a man one can talk to. His general frame of mind is constructive.

You should speak to him in full confidence to ensure that the consultation procedures we develop do not weigh too heavily on (Community) decision-making. The US also tends to take advantage of technology to impose constraints on allies which they do not impose on themselves. I am talking about things that have no military role at all - for example when the gas pipe-line (from Western Europe to the Soviet Union) was being constructed the seals which joined the pipes were said by them to be military secrets! They use leverage. But you have enough experience. You know them well. They say we subsidise our farmers too much. But they do even more.

Once you are vigilant with them, you should really have a frank and friendly conversation (with President Bush). There is not much risk. Some people in France were concerned about the Malta Summit. Some people said "you (Mitterand) should go there too so that Europe would be represented". I said no, we no longer live in the era of Yalta. Bush and Gorbachev can get together as they wish because they have no real influence on Europe. There is nothing they can do. It is normal that they should meet. The main point is that both need (discussions?). They can address some regional conflicts. But they cannot impose a structure on Europe. The countries of Europe are used to working together. So the field is ready for development of the relationship.

A somewhat sensitive question might be not the Community but the CSCE. I was in favour of having a CSCE Summit in 1990. The US is not happy - though they did not say so too directly to me. They said it more brutally to Chancellor Kohl. Of course it is not so much that they think it wrong in substance as that they do not know how to go about it.

On the Uruguay Round/GATT the US Community discussion will be difficult. You will have a role to play (as Presidency). We must not accept anything one-sided, nor too narrow a bridge. In France unfortunately we have a tendency to refuse or accept everything.

The President asked Mme Guigou if there was any issue she wished to mention? She mentioned the proposed Bank (EBRD). Mitterand commented that this was not a Community affair. Mme Guigou said that apart from this there were none, mainly the traditional problems (note: this discussion related to EC/US issues which might arise).

Taoiseach They (the US) may want to talk about the structure or evolution of NATO (into a more political organisation).

Mitterand O no! That phrase used by (Secretary of State) Baker about NATO becoming more political - I have not understood. They want to make their weight felt in Europe. But what can one do? Bush will mention it - but frankly I do not know what he means.

Discussion over lunch

Taoiseach It would be very helpful to know your thoughts on a number of issues.

Mitterand Would you like me to speak of the Bank (EBRD), CSCE and the German problem?

EBRD

This is not an EC issue as such but the Community is the main dynamic element. Our original idea at our dinner here on 19 November was that no one should be kept out and that capital could be drawn from outside Europe if necessary. We also felt that the beneficiaries should be all the countries of Eastern Europe. Of course the governing body would be free to decide on particular projects but in principle all the countries of Eastern Europe should be able to benefit.

Some objected to the Soviet Union. I maintain my viewpoint. Of course the Soviet Union would have to make some changes (i.e. moving towards greater democratisation). But it is very important that the Soviets should not get the impression that they are being encircled. They would consider it an aggression. If you look at the history since the 1917 Revolution, all Soviet diplomacy is marked by a fear of encirclement. At that time there were White armies advancing on Moscow with Western support. There was indeed a French army in Poland fighting Soviet troops. They had the same impression in 1939 at the time of the Ribbentrop/Molotov Pact. Stalin was negotiating with Britain and France at the same time as with Ribbentrop. He could have signed with Britain and France as easily as with the Germans but Stalin thought that Britain and France wanted to isolate him.

If the Soviet Union is now excluded they will have the same feeling. It would make the project collapse. The proposed Bank must not be a means of combat but of bringing people together. The US is blocking this - they would like the Soviet Union to be excluded as a participant. They could use the services of the Bank but not take part in decision-making. For me this is a point of substance. Each of the countries where there is a birth of democracy must be able to take part in all the decisions affecting it. Otherwise they are serfs. It would be a very bad beginning.

That is why I instructed the French delegation to remain firm on this point. The Americans are influencing some other countries. But then (i.e. if they have their way) there will be no Bank. Surely they can't want that. Therefore we must remain firm.

Taoiseach What about the request for a blocking majority?

Mitterand If the blocking majority consists simply of the USA and Japan then we are just leaving the decisions to them. Europe will lose its role. I am not against a blocking majority as such if it also includes several European countries. It should be a more difficult majority to get however - otherwise you are giving

them the key. All business with the Soviet Union would be through them (US and Japan?). This would not be in our interest.

Taoiseach So you feel the Soviet Union should be in?

Mitterand Yes all countries that accept (progress towards democracy) should be in that position. But of course they must not have a blocking ^{majority} either! But they must be treated as sovereign. Similarly with the small countries.

Taoiseach Do you think I should try to persuade President Bush of this?

Mitterand Yes if you push in the same direction he will realise that the Europeans are numerous. The Soviets must be treated with adroitness but dignity. If the US approach is taken we might as well use the World Bank. Europe would have lost its specificity.

Taoiseach I fully agree.

Mitterand It is enough to remain firm. You should be very friendly but firm. When it is clear that their position would cause a failure of the Bank they will step back. This is no time insofar as public opinion is concerned to be seen to be blocking Gorbachev and the Soviet Union. If we stay firm for a month then they will probably have to accept a compromise.

They had no clear opinion at the start but now they are raising what I would have to call imperialist conditions. They say we can't accept (to respond to?) all Soviet requests. But an individual too cannot be sure that a Bank will simply meet all his requests for loans. It is the same thing here.

Taoiseach What about the issue of shares? It is suggested that the Commission and even the EIB should hold shares in the Bank?

Mitterand I have not given much thought to that. I do not see why not. But perhaps it should better be the member States - this would be more prudent? Perhaps the Presidency would better represent the Community than would the Commission? If the Commission has the role then they might also look to various other institutions which they control having a role.

Taoiseach To return to the relationship with the US - have you any ideas for better procedures? There has been talk of a treaty?

Mitterand O yes a treaty with NATO. (i.e. a negative answer) if

Vedrine intervened to say that the American proposal was also (sic) for a treaty with the Community.

Mitterand If so I would accept to discuss it. Then we will see what they want. We can then say yes or no when the time comes. But in the NATO framework it would have too much of a military connotation. People would think we are looking to consolidate a

bloc. This would not be a good thing. Who could imagine that in the Warsaw Pact today countries like Poland where Solidarity is in Government or Czechoslovakia would set armies to attack the West? Or that the Federal Republic and the GDR would attack each other? These things are now meaningless.

I note however that Poland has just signalled its attachment to the Warsaw Pact. This is a paradox since the Prime Minister is a militant Roman Catholic. That is as a result of an ambiguity on the part of the Federal Republic about the Oder-Neisse line. Once there is a threat to that, the Poles would prefer to have the Soviet Union beside them. But it is going in a direction in which they do not want (i.e. the consolidation of the Warsaw Pact).

One can say as much as one likes about the reunification of the two German States but not of "all Germans" which would bring into question the other frontiers of Germany. Already they are two big States. The Soviet Union is not too happy. But if other frontiers are also in question.... The problem is that the Germans have not made up their minds to say what needs to be said about the frontiers with sufficient clarity.

Taoiseach What do you think on the question of German unity?

Mitterand It is going faster than expected. It is a popular movement kept alive by the FRG (?). The GDR is destitute. For practical everyday economic reasons it is an accelerating movement.

What I say usually is that unification is a matter for the Germans. If they absolutely want to do it no one can prevent them - certainly we could not go to war about that. But we must ask the Germans also to accept a sense of responsibility. In seeking reunification we must have certain solemn guarantees on their part;

- (i) on the Polish frontier
- (ii) they must get their act together in regard to Helsinki. It must be placed clearly in the CSCE framework.

There is of course some contradiction here in the emphasis on unity and on frontiers. There is no international instrument, no diplomatic paper to prevent the Germans uniting if they want to. The answer will come from the German elections. Of course it would have come from the Soviet Union (i.e. a negative answer) if we were living in Stalin's day. But now the Soviet Union is weakened. But it still has the means (i.e. military means).

Among the answers which Germany must accept are a guarantee on the frontiers. They must also begin to accept some kind of guarantees in relation to military status. One cannot imagine that within a single state there should be Soviet and US troops with nuclear weapons (i.e. the present disposition of Soviet and

US forces facing one another across the intra-German border would not continue if Germany were united) that problem has at least to be tackled. The Soviets can insist on a condition they have already voiced - neutralisation. That is they say we will withdraw if you do. They also say "you are a great, war-mongering people. We need guarantees". There must be for example no access to nuclear weapons, limits on the number of troops and so on.

If the Germans try to move to unification before sorting out these problems I would fear a great increase in international tension. First Gorbachev would lose his power to a military authority. This would continue with the process of liberalisation since they have no option but to do this. But it would be a military liberalisation which will not be in touch with some things.

I spoke to Chancellor Kohl on the phone today at 1 p.m. (i.e. some 45 minutes previously). I said "do what you want, act with all your authority but avoid creating unnecessary tension. If Germany reunifies itself without precautions, then very soon there will be alliances in Europe - but in a new form (i.e. different alignments). The Soviet Union will come closer to the UK, to Italy (and France?). We will be back to traditional 19th century diplomacy - with the results we all remember". I do not know however if Germans have all that much common sense.

CSCE

Taoiseach What about the CSCE?

Mitterand Gorbachev proposes that there will be a summit this year. In Kiev, when I was there I accepted that - I even proposed Paris as a venue. In my view it is essential to facilitate matters for the Soviet authorities. Any forum which could get together all Europeans in the present situation of disorder would be helpful. It is for the Europeans to answer the questions which are posed to them. The United States and Canada are there also. So why not do this (i.e. CSCE Summit). It is said that it would be undue haste to do so but events are moving very fast.

I had wanted to raise that with you. It would be a good idea for you to take an initiative. In Strasbourg we agreed on a timetable. But now the leaders would say that the pace we set was too slow - history is passing us by. The leaders of the Community sense this. Only the UK is lagging. They are so scared of German unity - Mrs Thatcher several times said this to me.

Special meeting

Taoiseach I was very impressed with the success of your initiative in calling an informal dinner of the Heads of Government at the Elyseé on 18 November. I am thinking of the same idea - an informal dinner at summit level in Dublin in April.

Mitterand I am happy you mentioned this. I was thinking very much of mentioning it myself. Of course it is not for me to speak since I am no longer President of the European Council since the 1 of January. But my advice to you would be to go ahead. It would have a tremendous impact if it is well prepared. It would give a new impetus to the Community and at the same time Europe would not be unfolding before our eyes without any involvement on our part. It is an excellent idea. If you do it France will applaud.

Taoiseach And support us I hope!

Mitterand I am not saying that just because I like to go to Ireland!

Taoiseach I was very impressed by the precedent you set on 18 November.

Mitterand Of course many things were unsaid at the dinner on that evening. Chancellor Kohl spoke for an hour but he did not once pronounce the words German unity. Things were made more precise at the Strasbourg European Council. But many things have happened since then. There are the elections in the GDR in April (Vedrine corrected the President here to say the elections are on 18 March). There are the developments in Moscow.

I think it is a very good idea but I won't mention it until you decide to do so. It is your initiative.

Environment etc.

Taoiseach As regards the business of the Community, we propose to advance as much as possible with the Single Market. We had a very good meeting with the Commission in Dublin in January at which we discussed the various issues of our Presidency. I would like to give a particular priority to the environment. I would like the Dublin European Council to make a declaration like the Social Charter, on the environment. We also hope to make some progress on air transport.

Mitterand Yes do that. The environment must take its rightful place - one of the top questions. Of course it cannot only be the Community. But this is typical of a subject on which the Community can act as a nucleus for all Europeans.

Taoiseach We would also coordinate the Community position in international conferences so that it would be a beneficial influence.

Mitterand Yes there is the whole problem of acid rain - it now effects areas like the Vosges, Sweden and so on.

EFTA/EC

Taoiseach What about relations with EFTA? What is your thinking?

Mitterand I do not think we will get very far. The position of the six countries is very different. Each wants exceptions. For example Iceland has no concern but fish. Switzerland's concern is the money markets. Austria is concerned about transport and so on. The first thing they all ask is not to include agriculture. So there is not much left. The most positive is Sweden - which could of course bring Finland and Norway. But I do not believe there is very much in all of this. But on the other hand all countries would have their place in a confederation.

Confederation

Taoiseach Tell me about your thinking on the confederation?

Mitterand Well its like this. You have countries which are regaining their sovereignty - Poland, Hungary, Czechoslovakia; and others are not far from it - for example the GDR, Romania, Bulgaria. They are all in a disastrous economic situation; and militarily the Warsaw Pact is becoming more remote and less credible as an alliance.

The people of these countries have achieved this with their own courage - much more so than the leaders. The result can be that they find themselves alone in a slackened alliance. They could not enter the Community - which in any case would not want them. Therefore they could be left out in the cold. In dealing with the Community they would always be in a humiliating position. Soon their national dignity would finish the process. They would either revolt against the situation or be very unhappy.

Therefore my idea is to say to them that we must find a framework, a place where in law they will be sovereign on an equal footing. Then as regards authority and power that has to be studied.

Look at the Community. Some countries have two Commissioners, some have one. But the right of all countries is the same. No one is humiliated. This for me is the secret of future harmony in Europe. It is the same thing as in the case of the Bank (i.e. EBRD). Countries returning to democracy must be part of all decision-making and of governing bodies and not outsiders negotiating with difficulty with those inside. That is my philosophy - that each state should be able to take part in the decision-making process - that it can say yes or no. Not of course with a veto but taking part in decision-making bodies. The majority would have to be weighted.

The whole thing needs to be studied but we must open a future for them. I will explain it further sooner. The Poles and the Hungarians are already very interested.

Why a "confederation"? I had thought of a "Pact" but that means a treaty and this does not necessarily guarantee equality of rights. We would put questions in common (sic) and there would be a permanent organisation as we have in the European Community

but with far less authority. Already there are seven or eight areas where it is easy to see how we might go ahead. For example EUREKA, technology, the environment. These are issues on which it would be normal to say to all other European countries come and talk. There is also for example transport and the position in the Baltic up to the North.

It is not exactly the same case as the Bank which has some outsiders. But it is similar in that it is important that all should be entitled to take part in decision-making even if the weight they are given is not the same. If you have a small confederation body (?) with a fairly light permanent institution, it could deal with environment, high technology, transport, possibly banking, and possibly other issues such as cultural or trade matters. Possibly too (le cas echeant) security or defence. But there we are entering into the field of the CSCE. For a number of years we should leave the CSCE free to get on with this area. But in ten or fifteen years the Europeans will want to work out security then for themselves.

There are the countries of EFTA, the neutrals, Albania perhaps and Yugoslavia - this will offer to them all (the countries of Eastern Europe?) a prospect if they reconquer their full independence of decision, that they will have an aim. Then we will not be in an egotistical position in the Twelve (i.e. dominating the countries outside). There has to be a permanent place where we can talk.

That is why I proposed a confederation. I see it as an intermediate stage between anarchy and the Community. Of course it would be very far from the Community - it would not have the constraints or discipline of the Community. But it would be a meeting place and they would have a body to turn to. There could be occasional meetings of Foreign Ministers. These countries would then seem more at home in Europe - they would not be detached (?) from our position in the Community.

The US is a little bit worried - they fear it may come to building Europe without them. Such a thing would indeed be natural. But there are certain realities for years ahead. The CSCE can be the place and they are in it. For this reason I do not think my idea is causing any problems. The CSCE would act on security issues - as long as there are two major powers we cannot talk about security (in Europe) without them.

Some people say yes the idea is interesting but it should not include the Soviet Union which is an empire and an Asiatic empire at that. This is not a proper way of talking. We must deal with the Government in Moscow. Any act to build a structure in Europe without the Soviet Union would be a major mistake in history. In a confederation of course the Soviet Union would only represent itself. It would be acting as a country not as an empire. The Soviet Union would be happy to make its voice heard. But no one would dominate the situation - except of course the Twelve because they have an instrument of harmonisation of their own positions (i.e. the Community).

Taoiseach It is a good concept; and it meets the needs of a confused situation.

Mitterand I was in Hungary recently. They talked of nothing else; also Poland. They want something.

Vedrine Yes everywhere they seem interested.

Taoiseach It would give them something to hang on to?

Mitterand Yes without losing status.

EMU/IGC

The Taoiseach asked about the proposed IGC on EMU and the European Parliament's proposals for meetings before this.

Mitterand O! As we said earlier everything that speeds up what we are doing would be good. There is a danger that the Community could be dislocated by events and by the question of German unity. Look at what happened with the Schengen Agreement. There were difficult conflicts within Governments. I was saying we must go ahead. Some were dragging their feet. Chancellor Kohl phoned me the day before at 8 p.m. He said please instruct your delegation to go ahead - I fear they are dragging their feet. I said OK. I called in the various Ministers and I said go ahead and sign. Then I went to bed. The next morning when the meeting takes place someone phoned to say it is not working - the Germans do not want to sign. I asked why. The answer was that it is a Federal State. They said suddenly at the meeting something which they had never mentioned before that of course all matters agreed would apply also to the GDR.

Prime Minister Lubbers blew up at this. The Government there (in the GDR) is not yet formed (i.e. pending the elections in March). The frontiers are not settled - so that you do not even know who the Germans would be. However the FRG kept firm on the issue and said that it must either apply to the GDR or they would not sign. So the whole thing fell through. I mentioned it to Modrow (GDR Prime Minister) some days later. He said "they never told me that".

There is a problem whether the GDR is accepted as a member or whether there is now to be a German State of 80 million people. The problem is that the Germans will now seek to apply this approach to any Community decision. You may have to deal with this difficulty (in your Presidency).

Taoiseach This is a new dimension.

Mitterand There is of course an answer - it lies in chronology. As long as there are two states we deal with the FRG. If a contractual relationship is set up between the two Germanies then we will see what the agreements contain. If there is one German state we will deal with it as the issue arises. Already Genscher has worked out that in that new situation the GDR would be demilitarised and NATO would not move its front line forward to

the Eastern border of the GDR. So the issue is in peoples' minds. This could be a question you will have to deal with. But more time will be needed to answer it. It will not stop you from moving forward but it may arise at the IGC. It will take about a year to ripen.

Role of the Commission - Delors - role of European Parliament

Taoiseach We will know more after the GDR elections.

In talking about relations with the European Parliament Delors suggested that the European Parliament should have a plenary session on EMU. It would be attended by the Commission and the Presidency and the outcome could be reported to the Dublin European Council or to the Italian Presidency.

Mitterand I am a friend of Delors - he was my Minister of Economy and Finance. He is a political friend. But the real President is the President of the European Council. There should not be any confusion. Otherwise too much power would go to the Brussels bureaucracy. I already had occasion to discuss this with Delors.

Mme Guigou Yes you had several discussions of this.

Mitterand He seemed to think that some responsibility should be divided. I said no. The President of the European Council is the President of the Community. There is no rivalry. But I believe that the political decisions of the European Council must prevail over the technical decisions of the Commission (?) (here Mitterand was trying to recall exactly what were the issues on which he had checked Delors on this point). When I went to report to the European Parliament about the Strasbourg European Council Delors wanted to speak in regard to it. I said no, it is the President of the European Council who speaks.

Taoiseach Some people raised eyebrows about President Bush meeting Delors in Brussels after the Malta Summit.

Mitterand Was slightly puzzled at this reference but Vedrine explained to him that Bush had met Delors before the NATO Summit and suggested that it has become the tradition.

Mitterand Delors has many qualities - he has a breadth of view. But when I see him I say that each thing must rest in its rightful place. The European Parliament must be given more power. But the way they are elected is not quite a popular vote. They represent parties not the real public opinion of the grassroots. They should have more power but the way they are rooted in popular opinion is still unsatisfactory.

Taoiseach It has been suggested it should have a role in the IGC and should possibly participate in it?

Mitterand(?) I would think not - it is for Governments.

Mitterand Baron (President of the Parliament) asks each time to sit with the President of the European Council; and when Delors and Dumas visited Eastern Europe he asked to be present. My answer on the human level is - fine. But remember that our democracies are based on the concept of separation of powers and you (i.e. the Parliament) are not the executive.

Taoiseach I shall keep to that line of demarcation.

Mitterand One can make gestures but it cannot be a systematisation, a rule. The President of the Commission is doing a remarkable job but the Commission is an executive of the executive and not the executive as such. Too often they take advantage because they have powerful instruments and they are in the field everyday. For example in the matter of the Social Charter. He (Delors) is doing the directives while we are too busy to tell him what directives. It will be the Commission that will work out the number of directives and their content. This is the advantage that the Civil Service has over Governments but (it should not be allowed to go too far).

After lunch

Over coffee after lunch there were some exchanges on the pronunciation of the word Taoiseach and on the Irish language. Mitterand asked how things are in Ireland at present.

The Taoiseach replied that things are going well. The Government had just brought in a good budget. We are looking to 3 to 3½% growth in the economy in 1990; we have a good balance of trade and a balance of payments surplus but unemployment remains high.

The Taoiseach went on to thank President Mitterand for having received him. He expressed his warm appreciation and said that it had been a great help to be able to draw on the President's experience. Mitterand replied that they should remain in touch. If things could be moved forward on the basis they had discussed, then the Irish Presidency would leave a mark.

Taoiseach Bilateral relations between us are very good. The Irish College in Paris is a symbol of the strong links between us. Mme Guigou has been very helpful on that point.

Mme Guigou Yes things are going well. We are negotiating in regard to the new authority which is to have responsibility.

Taoiseach (lightly) If we need help we will call on you (i.e. President Mitterand). It is good that we have this old historic link between us (i.e. the Irish College) which we would like to keep alive.

There followed some general conversation in which President Mitterand conveyed his good wishes to President Hillery and the Taoiseach mentioned that President Hillery still talked warmly of the house which President Mitterand had made available to him at one point. This led on to some questions by President Mitterand about the role of our President (Dr. Hillery) and the probability

of a Presidential election this year.

There was some further discussion about President Mitterand's visit last year to the Taoiseach on Innis Mhicealáin. The Taoiseach said he must begin to work on arrangements to have the President visit again and the President agreed, speaking jokingly about the changeable weather which had brought rain when he visited his friends in Kerry and sunshine when he visited the Taoiseach on the island.

At this point the Taoiseach thanked the President again very warmly for the lunch and for the discussions and the Taoiseach and his party left. The occasion had lasted from about 1.15 until 3 p.m.

On the way out Mme Guigou said to the undersigned that we should act early in April on the Taoiseach's idea for a special meeting of Heads of Government. She emphasised that events will begin to move very fast indeed as soon as the GDR elections which are due to take place on 18 March are over. She had not yet mentioned this to President Mitterand but she intended to do so.

N. Dorr
Secretary
6 February, 1990

QUESTION NO. 5

no break
on
13/2

DAIL QUESTION addressed to the Taoiseach
by Deputy De Rossa for answer on
Tuesday, 13th February, 1990.

QUESTION:

To ask the Taoiseach if, arising from his press conference after his recent meeting with President Mitterrand in Paris, he will outline the basis on which he ruled out the possibility of supporting the idea of a united neutral Germany; if he will clarify his reported comments on neutrality and especially his statement that if a country was neutral, it had to be asked who it was neutral against; and if he will make a statement on the matter.

REPLY:

The right to self-determination is a principle endorsed by the Charter of the United Nations. In my reply to a Question in the House on 13 December last I indicated that Ireland supports German unification and the right of the peoples of the Federal Republic of Germany and of the German Democratic Republic to determine their own future by a free democratic process.

I further indicated that this is also the position of the Twelve as affirmed by the Heads of State and Government in Strasbourg.

Reports that I have ruled out the idea of a united neutral Germany or the possibility of East German membership of the Community are totally incorrect. In fact I said nothing of the kind. I believe that it would indeed be foolhardy for anyone to try to lay down hard and fast conditions or objectives in a situation where events are moving so rapidly and so momentously. What I did indicate was my own personal view that it was unrealistic to contemplate that such a powerful economic and political entity in the middle of Europe as West and East Germany combined, would not influence or affect the course of European affairs.

ROINN AN TAOISIGH

Uimhir.....

To: Secretary to the Government
From: S. Ó hEigartaigh

Re: PQ's for next Tuesday on the Taoiseach's recent
meeting with President Mitterrand

A draft reply is submitted across for consideration. Briefing notes for supplementaries are in course of preparation and will follow on.



9th February, 1990.

*Taoiseach
Draft reply is opposite.
Supplementaries will follow.
9/2*

QUESTION NO. 11

DAIL QUESTION addressed to the Taoiseach
DAIL QUESTION addressed to the Taoiseach
by Deputy De Rossa for answer on
Tuesday, 13th February, 1990.

QUESTION:

To ask the Taoiseach if, arising from his press conference after his recent meeting with President Mitterrand in Paris, he will outline the basis on which he ruled out the possibility of supporting the idea of a united neutral Germany; if he will clarify his reported comments on neutrality and especially his statement that if a country was neutral, it had to be asked who it was neutral against; and if he will make a statement on the matter.

REPLY:

The Government's support for German unification was set out in my reply to a Question in the House on 13 December last. This has also been affirmed by the Twelve as set out in the Conclusions issued by the European Council in Strasbourg.

Reports that I have ruled out the idea of a united neutral Germany or the possibility of East German membership of the Community are not correct. I did indicate that in my view it was unrealistic to contemplate such a powerful economic and political entity as Germany, united or not, not influencing or affecting the course of European affairs.

QUESTION NO. 12

DAIL QUESTION addressed to the Taoiseach
by Deputy De Rossa for answer on
Tuesday, 13 February, 1990.

QUESTION:

To ask the Taoiseach if he will outline the matters discussed with President Mitterrand at their meeting on 4th February, 1990; if he will outline any proposals put to him by President Mitterrand regarding the establishment of a confederation of all European States; and if he will make a statement on the matter.

REPLY:

It is not the practice to disclose in detail the matters discussed at an official working meeting of this kind. I can, however, tell the Deputy that it was of particular benefit to me, as President of the European Council, coming into that office immediately after President Mitterrand, *could in view of his experience and status as a statesman* have the benefit of his views on European and international affairs. We covered Community issues, developments in Eastern Europe and other major issues of mutual interest and concern.

President Mitterrand's proposal for a European Confederation would involve all European countries who would wish to join, *to be his intention I would* with ~~particular reference to the need to~~ provide the emerging democracies ^{*in Eastern Europe*} with a structured framework ^{*in which they could consult with*} and ~~participate on consultation~~ ^{*and participate in*} and decision-making with the other European countries on issues of common interest. The concept, with its aims of dialogue and stability, is ^{*in my view, clearly*} one which deserves to be fully and positively considered.

The Government ~~is~~ is ~~not~~ not ~~out~~ out in my reply to a Question ~~by~~ by Deputy De Rossa for answer on Tuesday, 13 February, 1990. This has also been affirmed by the ~~Government~~ Government ~~in~~ in the ~~conclusions~~ conclusions issued by the European Council in Strasbourg. ~~It would be beneficial to speculate further on the question in this House—certainly~~

QUESTION: 11

To ask the Taoiseach if, arising from his press conference after his recent meeting with President Mitterrand in Paris, he will outline the basis on which he ruled out the possibility of supporting the idea of a united neutral Germany; if he will clarify his reported comments on neutrality and especially his statement that if a country was neutral, it had to be asked who it was neutral against; and if he will make a statement on the matter.

QUESTION: 12

To ask the Taoiseach if he will outline the matters discussed with President Mitterrand at their meeting on 4th February, 1990; if he will outline any proposals put to him by President Mitterrand regarding the establishment of a confederation of all European States; and if he will make a statement on the matter.

REPLY:

I propose, a Cheann Comhairle, to take Questions 11 and 12 together.

It is not the practice to ~~go~~ discuss in detail ~~into the subject matter of~~ the matter discussions of this sort at an official working meeting ~~with~~ discuss of another Head of State. I can, however, tell the Deputy that it was of particular benefit to me, as President of the European Council, coming into that office immediately after President Mitterrand, to benefit ~~in the discussions~~ from the benefit of his views on ~~from his great insight~~ knowledge and ~~experience~~ of European and international affairs. We covered Community issues, developments in Eastern Europe and other major issues of mutual interest and concern.

The Government's support for German unification was set out in my reply to a Question in the House on 13 December last. This has also been affirmed by the Twelve ~~in accordance with the~~ ^{as set out} ~~principles contained~~ in the Conclusions issued by the European Council in Strasbourg, and I do not think it would be beneficial to ~~speculate further on the question in this House~~ ~~certainly~~ until after the G.D.R. elections on 18th March.

11

President Mitterrand's proposal for a European Confederation would involve all European countries, ~~seeking to join,~~ ^{who would wish} with particular reference to the need to provide the emerging democracies in Eastern Europe with a structured framework ^{in which they} to participate ~~in~~ ⁱⁿ consultations and decision-making with other ^{the} European countries on issues of common interest. The concept, with its aims of ~~recognition~~ ^{challenge} and stability, ~~appeals to me personally and should, I believe, command this country's support.~~

12

cancel

11

9/12

is one which deserves to be fully ~~and~~ and positively considered

16

Reports that I ~~should~~ ~~of some nations~~ ~~should~~ ~~and~~ ~~the~~ idea of a united neutral Germany ~~was~~ ^{was} ~~the~~ ~~idea~~ ~~of~~ ~~East~~ ~~Germany~~ membership of the Community are ~~not~~ ~~and~~ ~~not~~ ~~correct~~. I ~~did~~ ~~not~~ ~~indicate~~ ~~that~~ in my view it was unrealistic to contemplate such a powerful economic and political entity as Germany, united or not, not influencing, or affecting the course of European affairs.

QUESTION NOS. 11 AND 12

DÁIL QUESTIONS addressed to the Taoiseach
by Deputy De Rossa for answer on
Tuesday, 13 February, 1990.

The Government's support for the concept of a united but neutral Germany, given the powerful economic and political weight of such an

QUESTION: 11

To ask the Taoiseach if, arising from his press conference after his recent meeting with President Mitterrand in Paris, he will outline the basis on which he ruled out the possibility of supporting the idea of a united neutral Germany; if he will clarify his reported comments on neutrality and especially his statement that if a country was neutral, it had to be asked who it was neutral against; and if he will make a statement on the matter.

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REPLY:

I propose, a Cheann Comhairle, to take Questions 11 and 12 together.

It is not the practice to go in detail into what were private and confidential discussions in Paris on 5 February last with President Mitterrand concentrated on E.C. issues, in the context of our Presidency coming immediately after the French E.C. Presidency, developments in Eastern Europe as well as other major E.C. external issues of mutual interest and concern.

These discussions with a world statesman of the calibre of President Mitterrand, with his insight and experience of European and international affairs, are always useful and were of particular benefit to me on this occasion in my current role as President of the European Council.

discussions
at an official
meeting
with
another
member of
State
Council
were
very useful

504

should be Presidency before us

anybody

The Government's support for German unification was set out in my reply to a Question in the House on 13 December last. This has also been affirmed by the Twelve in accordance with the principles contained in the Conclusions issued by the European Council in Strasbourg. ^{It would not be in the interests} The concept of a united but neutral Germany, given the powerful economic and political weight of such an entity, would be very difficult to visualise, apart altogether from its acceptability or otherwise to all the parties concerned, but it would be best not to speculate further ^{until after} on this at this stage pending the outcome of the G.D.R. elections on 18 March, when the future shape of inter-German relations ~~will~~ ^{may} become clearer.

on this question

and Co

President Mitterrand's proposal for a European Confederation would involve all European countries, with particular reference to providing the emerging democratic countries in Eastern Europe with a structured framework to participate in ^{the international community} discussions and decision-making on issues of common interest, such as technology, transport and the environment. This is a very useful concept to be brought forward at this stage of uncertainty with the unfolding events in Eastern Europe and, in helping to provide stability ^{and regular} and mutual benefits throughout all the Continent of Europe, has many attractions. ^{The concept} It appeals to me personally and should I believe command this country's support.

seeing to you

Michael Egan

FAX

No 147

Time 18 15 L

09/02/90

IMMEDIATE

TO :
For Ken Thompson

From Holmes

President Mitterrand's Comments on European Confederation

In his New Year message to the French people, President Mitterrand said that he expects to see the birth of a European Confederation in the true sense of that term during the 1990s, a Confederation which will involve all the States of the continent of Europe in one joint, permanent organisation existing for contacts for peace and security.

President Mitterrand explained the background to his thinking on European Confederation following his discussions with Chancellor Helmut Kohl on 4 January. He said that for him the first problem appeared to be the development of the European Community but, when one went beyond that and thought of the situation of those countries which are not members of the Community and which were moving towards democracy, it was necessary to ask what would become of them. In the long term one would need to develop a perspective for all these countries which are becoming democratic and which will not be able, for one reason or another, to accede to the European Community which cannot continue to grow indefinitely.

.../...

2

There are also the following press reports of comments by President Mitterrand, for which no official record exists:

He defined European Confederation as a permanent organisation common to all the countries of Europe and added that any country which wished might participate in it including, of course, the Soviet Union.

He distinguished his concept from Mr Gorbachev's idea of a common European home by saying that the Gorbachev idea did not involve any proposal for institutions for the new organism.

He said that the permanent structure to be created could not be that of the Council of Europe which he said has no institutional existence.

no pages follow

Sent from faxphone (33 1) 45 00 84 17

mf

P. Cab

① turn limit case time

Reasons (1) out-sets President's } doubling
is case " } of issues covered

② so more heavily upstate of
his exp of class etc
his former / concerns
explore receipt of advice

③ statement of car-day
per. interest / experience)
guidance

~ v valuable / fruitful ;

9] Same re-limit ⑦ was necessary ;

~ go moment

idea key issues etc)

↳ more to like

more with it

St. L. Case

concerns

Recite free / self-determ.

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events were in regularly shift to rule

for decision for. education

↳ correct step

shift case to conclusions

(2)

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I will for G that if most, then
L102

no win in favour of complex
issues involved,
not (widely) respecting

[Q] USR Con Party

no net speaking to such
part. view before Government should
+ name in E Con culture

possibly / successfully

Q ELE swing (T, E, C) [A] no
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can [B] deal can force consent
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[Q] E vs M [A] no
SR Admin no

[Q] E Capriam [A] Yes v would course of
L102ing sp. v soon we it his can results
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any for. of security is LIT

3

Next 4 cards from. power. focus of stability

Q pure Prudence Yes aspects to be peacefully

Q I. neutrality No not as such but not most case etc of con. / 1 remains e.g. Irs. neutrality not so far significant

for of NATO / Warsaw Pact transformation never to do concern ✓

v. widespread never for change

Q core of neutral not as such can view v. dist to visualize

17 E in parallel ec. identity, is all effects to visual not having an influence;

Q neutral where new world / context v. dist to emit active concerns

Q security clearance No

exam changes clearly / clearly to take

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(4)

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(4) may basis of EC Pms

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play cut part to near 92

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(A) Sci. Del. 1100 v 1100 / excellent idea

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see E/ELMOR here to go

do CSCE here this is, fully support the

∴ so need change/also discuss

Paris

C3
10/01/90

TO FROM PARIS
FOR A/S MURPHY FROM P GALLAGHER

CJ. Thomas

MMMVFGTG

PR 2/90 (PARIS)

10/1/90

1435

SECRETARY
DEPARTMENT OF FOREIGN AFFAIRS

E. Bailey

MITTERRAND'S EUROPEAN CONFEDERATION

1. FURTHER TO OUR PR 1/90 ON THIS SUBJECT YOU WILL BE INTERESTED IN ADDITIONAL COMMENT ON THE IDEA DURING THE PAST WEEK, WHICH IF IT HAS NOT CLARIFIED THE PROPOSAL TO ANY GREAT EXTENT HAS AT LEAST HAD THE EFFECT OF SHAPING IT UP AS A FRAMEWORK FOR FURTHER REFLECTION. PRESIDENT MITTERRAND HAS ELABORATED ON HIS PROPOSAL ON TWO OCCASIONS SINCE 31ST DECEMBER, IN THE COURSE OF HIS INFORMAL MEETING AT HIS COUNTRY RETREAT IN LATCHE WITH CHANCELLOR KOHL ON 4TH INST AND AGAIN DURING HIS NEW YEAR'S GREETING TO THE PRESS ON 5TH INST.

2. AT LATCHE BOTH PRESIDENT AND CHANCELLOR DECLARED THEMSELVES IN AGREEMENT ON STRENGTHENING THE POLITICAL AND ECONOMIC STRUCTURES OF THE COMMUNITY AND IN CREATING "IN DUE TIME" A EUROPEAN CONFEDERATION OFFERING A "PERSPECTIVE" TO THE OTHER COUNTRIES OF EUROPE" WHICH COULD NOT BECOME MEMBER STATES OF THE COMMUNITY BUT WHOSE PROGRESS TOWARDS DEMOCRACY WAS "EVIDENT". THIS COULD INCLUDE THE SOVIET UNION IN MITTERRAND'S ANALYSIS. IT SEEMS THAT MOST OF THE COMMENT IN LATCHE WAS BY THE FRENCH PRESIDENT, THE CHANCELLOR BEING CONTENT TO DESCRIBE THE PROPOSAL AS A "VERY GOOD" ONE WHICH HE COULD ENVISAGE BEING EXAMINED IN THE HELSINKI PROCESS, SUBJECT TO CAREFUL PREPARATION.

3. ADDRESSING THE PRESS ON THE FOLLOWING DAY MITTERRAND DWELT FURTHER ON HIS PROPOSAL IN SAYING THAT THE CONFEDERATION WOULD BE "A SYSTEM OF WORK, DIALOGUE AND EXCHANGE" OPENING A PERSPECTIVE IN PARTICULAR FOR COUNTRIES SUCH AS POLAND, HUNGARY AND CZECHOSLOVAKIA WHICH ARE NOT READY TO ENTER INTO A SYSTEM AS BINDING AS THE EUROPEAN COMMUNITY. THESE COUNTRIES HAVE A "VOCATION TO ENTER INTO A PERMANENT STRUCTURE" WHICH COULD NOT BE THE COUNCIL OF EUROPE HOWEVER SINCE THE COUNCIL "DOES NOT HAVE AN INSTITUTIONAL EXISTENCE". NOR DO THE PRESIDENT'S FINAL WORDS TO THE PRESS DO MUCH TO CLARIFY HIS GLOBAL THINKING: "I AM INDICATING A DIRECTION. I AM PROPOSING AN OUTLINE. IT IS FOR HISTORY TO ANSWER ME", HE DECLARED.

4. WHILE PRESIDENT MITTERRAND'S APPEAL TO HISTORY MAY HAVE IMPRESSED SPOKESMEN ON THE LEFT OF THE POLITICAL SPECTRUM IT HAS NOT RALLIED THE ENTHUSIASM OF OTHER PERSUASIONS. MME SIMONE VEIL, FORMER PRESIDENT OF THE EUROPEAN PARLIAMENT, IS "PERPLEXED" BY THE PROPOSAL, CANNOT SEE WHY THE COUNCIL OF EUROPE SHOULD BE RULED OUT AND BELIEVES THAT THE QUESTION OF MILITARY ALLIANCES IS FAR FROM BEING RESOLVED. THE MINISTER FOR DEFENCE, M. JEAN-PIERRE CHEVENEMENT, ON THE OTHER HAND IS "ENTHUSIASTIC ABOUT THE CONFEDERATION AND BELIEVES THAT THE MILITARY ALLIANCE CAN BE MAINTAINED AS A "FRAMEWORK FOR COLLECTIVE SECURITY". FORMER PRESIDENT GISCARD D'ESTAING HAS NOT SPOKEN HIMSELF BUT A REPRESENTATIVE OF HIS POLITICAL TENDENCY DISMISSES THE CONFEDERATION AS "TOTALLY UTOPIAN" WHILE M. CHARLES PASQUA OF THE RPR SEES IT AS A RESURRECTION OF DE GAULLE'S GRANDE EUROPE FROM THE ATLANTIC TO THE URALS. IN ANY EVENT, M. PASQUA DECLARES, MITTERRAND WAS MERELY PARODYING PARTY LEADER JACQUES CHIRAC'S CALL LAST NOVEMBER FOR A GREATER EUROPE OF 500 MILLION PEOPLE INCLUDING THE COMMUNITY, EFTA AND THE EMERGING DEMOCRACIES IN THE EAST, BUT EXCLUDING THE USSR.

~~~~~

5. CLOSER TO THE PRESIDENT HIMSELF, IN THE VERY PRECINCTS OF THE ELYSEE, DIFFERING PERCEPTIONS HAVE EMERGED. THE PRESIDENT'S SPOKESMAN M. HUBERT VEIRINE, TO WHOM THE TERM "CONFEDERATION" IS ATTRIBUTED, SEES EYE TO EYE IT SEEMS WITH M. JEAN FRANCOIS-PONCET (OUR PR 1/90) IN CONTEMPLATING A PLACE FOR THE U.S IN THE NEW STRUCTURE. THIS IS NOT A PERCEPTION SHARED BY MITTERRAND'S SPECIAL COUNSELLOR, M. JACQUES ATTALI, WHOSE PROGNOSIS IS FOR A WORLD ORGANISED AROUND TWO POLES, ONE ATTRACTING JAPAN, THE PACIFIC COUNTRIES AND THE U.S AND THE OTHER INCLUDING THE STATES OF THE EUROPEAN CONTINENT. EVIDENTLY PRESIDENT MITTERRAND HAS KINDLED THE IMAGINATIONS OF A WIDE CIRCLE OF THE FRENCH LEADERSHIP, BUT IF SO THE RESPONSE IS ALMOST EQUALLY SIBYLLINE. CLEARLY IT WILL BE SOME TIME BEFORE COHERENT IDEAS EMERGE OR THE "INVENTION" (AS THE PRESIDENT PUTS IT) OF HIS PROPOSED CONFEDERATION GETS UNDERWAY.

ENDS

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Pres. Stillerand's New Year speech.

My dear compatriots

This year we celebrated with pride the bicentenary of the French Revolution and the role played by France in the struggle for freedom, equality, and the defence of the rights of man. Behold, after an interval of 200 years, the same words, bearing the same aspirations, have overthrown other Bastilles in European countries still under dictatorship.

As everyone knows, the change which has taken place in the countries of Eastern Europe in recent months transcends in importance everything we have experienced since the Second World War, and ranks without doubt among the greatest events in history.

A combination of events was needed to bring this about: total economic and political failure, the intuition and determination of Mikhael Gorbachev, the strength of conviction and the moral courage of the opponents of oppression, and lastly the astonishing maturity of the peoples revolting against tyranny.

Having just celebrated the most resounding victory of democracy, 1789-1989, nobody could have dreamed of such a celebration for our great bicentenary.

The Romanian drama reminds us, however, that history is tragic and that liberty is paid for in suffering. Let us not forget what millions of men and women endured during the long period of

by serving as a reference point and a pole of attraction.

darkness. They still have many obstacles to surmount and they will need our help. *still to be worked out: on the basis of the Helsinki agreements I expect to see a European confederation in* Europe will clearly no longer be the Europe we have known for half a century. Yesterday it was dependent on the two *of our* Superpowers. Today it is coming into its own, discovering its own history and geography.

New questions are beginning to emerge which cannot be answered in one day, but they now confront us: the future of the alliances, the Atlantic Alliance and the Warsaw Pact, the pace of *disarmament* to be pursued, in what form and under what conditions the German people are to be reunited, what type of co-operation should exist between Eastern and Western Europe, the *intangibility or reality of existing frontiers*, and how far the resurgence of nationalities will go.

Either the trend towards disintegration and fragmentation will continue and we will be back with the Europe of 1919 - we know what that led to - or Europe will take shape. It may do so in two stages, first with the help of our Community of Twelve which must definitely strengthen its structures, in accordance with the decision taken in Strasbourg.

I am convinced that the Community by its very existence has greatly contributed to the upsurge of the East European peoples, by serving as a reference point and a pole of attraction.

The second stage has still to be worked out: on the basis of the Helsinki agreements I expect to see a European confederation in the true sense of the word come into being in the nineties, a confederation which will group together all the States of our continent in a common and permanent organisation of trade, peace and security.

That will clearly not be possible until the East-European countries have introduced party pluralism, free elections, a representative system and freedom of information. At the rate things are going we're not too far away from that reality.

Again and again, while the crowds in Prague, Bucharest, Warsaw and Berlin were tearing down walls of all kinds maintained by their oppressors, I told myself that we French were fortunate to live in a country such as this, which was moulded by the principles of 1789 and 150 years as a Republic.

It occurred to me also however that we had to show ourselves to be worthy. The liberated peoples are not asking for our charity, but for reasons for believing in a system of liberty and justice, namely a model for living within a society governed by law.

[Moves on to domestic issues].

12.11.90 Times 5/2/90

# EC foreign policy to dominate Haughey talks with Mitterrand

From Kathryn Hone,  
in Paris

THE Taoiseach, Mr Haughey, travels to Paris this morning for a working lunch with President Mitterrand at the Elysée Palace. It is Mr Haughey's first foreign visit during the Irish presidency of the European Council of Ministers.

Their discussions will centre on the Community's foreign policy, and particularly on Eastern Europe.

Under the French constitution, the president's role is to steer the nation's foreign policy, and Mr Mitterrand has taken up the issue of Eastern Europe like a crusade. Since he unveiled his idea of a European "confederation" on January 1st, the French president has devoted most of his energies to the project.

The confederation proposal was Mr Mitterrand's first acknowledgment that the "Europe of the 12" was only the first stage towards a larger grouping of European countries, which would eventually lead to a De Gaulle-type vision of a Europe stretching from the Atlantic to the Urals.

"The second stage remains to be invented," Mr Mitterrand said. "Starting from the Helsinki accords, I expect to see born in the 1990s a European Confederation, in the real sense of the term,

which will associate all the states of our continent in a general and permanent organisation of exchanges, of peace and of security."

Since then, President Mitterrand has travelled to Eastern Europe to develop the theme. "You are just as much Europe as we are," he told the Hungarians a fortnight ago. "The success of what is happening here and in the other Eastern European countries is decisive for Western nations."

He has also lobbied many of his foreign guests on the subject. The Cypriot leader, Mr George Vassiliou, and President Francesco Cossiga of Italy expressed their support for the idea last week, as did the West German Chancellor, Dr Helmut Kohl, and the president of the European Parliament, Mr Enrique Baron, earlier this month.

Despite his close relationship with his fellow Socialist, the president of the Commission, Mr Jacques Delors, Mr Mitterrand does differ with him on East Germany. Mr Delors' proposal on January 17th, that the Democratic Republic should be a "special case" which would be allowed to join the EC if it wanted to, is not shared by the French president.

Mr Mitterrand insists that the Europe of the 12 must first

strengthen itself by enacting monetary and political union. At that point the candidacy of East Germany should be considered, though with no more priority than any other applicant.

Last week, Mr Mitterrand told his government that he intended to follow closely the developments in the East. Significantly, he expanded the dossier of his personal adviser on the European Community to include Eastern Europe, too. Ms Elisabeth Guigou, who was one of the main forces behind the successful Strasbourg summit last December, is now entrusted by the president with the task of co-ordinating aid to those countries.

*Colm Boland adds:*

Government officials in Dublin and Brussels said that Eastern Europe would not entirely dominate the agenda. Important internal EC matters including Irish presidency plans to advance preparations for an intergovernmental conference later this year on economic and monetary union, progress on the single European market and environment and social policy would also be discussed.

Mr Haughey plans to have such consultations on a bilateral level with all the other EC leaders before the summit meeting in Dublin next June.

Taoiseach's Visit to President Mitterrand

5 February 1990

- 11.45 a.m. Taoiseach and party arrive Orly airport.  
Met by Ambassador and Mr O'Hara.  
Proceed to Embassy.
- 12.15 p.m. Arrive Embassy.  
Briefing if desired.
- 1.00 p.m. Taoiseach leaves Embassy for Elysee accompanied  
by Mr Nally and Mr Dorr.  
Mr O'Brien and Mr O'Hara will be in the convoy.
- 1.15 p.m. Working lunch with President Mitterrand, who will  
be accompanied by Elisabeth Guigou and either  
Jacques Attali or another.  
Interpretation will be provided.  
Lunch to be followed by a meeting if necessary.
- 1.00 p.m. Lunch will be provided at Embassy for remainder  
of delegation.
- 3.15-3.30 p.m. Leave Elysee for Embassy.  
Journalists will be at Embassy from 3.30 p.m.  
onwards.
- 4.00 p.m. Press Conference at Embassy.
- 4.30 p.m.  
approx Leave Embassy for private appointment.
- 4.45 p.m. Private appointment.
- Depart for Orly airport at Taoiseach's  
convenience.

Useful telephone numbers:

|                                   |                                                 |
|-----------------------------------|-------------------------------------------------|
| Embassy of Ireland                | 45 00 20 87 or 45 00 89 43<br>(Fax 45 00 84 17) |
| Salon d'Honneur, Airport Orly Sud | 48 84 37 01 or<br>49 75 43 08 Orly switchboard  |
| Elysee Palace                     | 42 92 81 00<br>(Fax 47 42 24 65)                |
| OECD                              | 45 24 82 00 (ask for Room 2<br>of New Building) |

... Le Monde • Samedi 3 février 1990 7



# EUROPE 93

## La présidence irlandaise de la Communauté

Le Monde of Saturday 3 February carries a profile of the Taoiseach by London correspondent Dominique Dhombres, writing after his visit to Dublin. The article's heading describes Mr Charles Haughey as a flamboyant adventurer. The introduction (in heavy type) at the head of the article says that Mr Charles Haughey, with his tousled hair and craggy features, remains, at 64 years of age, a sort of adventurer. The piece says that he wants very much to act as a responsible statesman during the six months of the Irish Presidency.

The article begins by saying that Charles Haughey's three great passions are politics, women and horses with politics probably being the strongest. It describes the Taoiseach as an expert in the art of survival. Dhombres says that Mr Haughey is both a nationalist and a populist. He recalls Mr Haughey's family background in Northern Ireland, and reports that on 8 May 1945 he burnt a union jack in retaliation for the burning of the tricolour. Dhombres describes Mr Haughey as one of the richest men in Ireland and a connoisseur of fine wines but also a populist who can slap voters' backs in pubs and champion the little man against the strong.

The article says that Mr Haughey is firmly set in the tradition of Fianna Fail, solidly established in the country but also in the working class areas of the cities. It says that Fianna Fail with its campaign against divorce and abortion remains along with the church one of the great bastions of distinctive Irishry. Dhombres describes Mr Haughey as being capable of demagoguery and that it is a very Irish characteristic for words and emotions to come first and reflection later.

The profile describes Mr Haughey's success in business after training as an accountant and says he is one of the biggest property owners in the country and has his own private island. The article goes on to report the Taoiseach's political career. It recalls his election as a T.D. in 1957 and his progress from one Ministerial post to another - justice, agriculture, finance. It mentions the arms crisis in 1970 but says that no one refers



# M. Charles Haughey : un aventurier flamboyant

DUBLIN

de notre envoyé spécial

L'homme qui assure depuis le 1<sup>er</sup> janvier, la présidence tournante de la CEE, est tout sauf un politicien couleur de muraille. Le cheveu en bataille et le visage buriné, le premier ministre irlandais, M. Charles Haughey est resté, à soixante quatre ans, une sorte d'aventurier. Il suscite parmi ses compatriotes des attachements indéfectibles et des haines inexpiables. M. Haughey veut visiblement faire figure pendant les six mois de la présidence irlandaise d'homme d'Etat responsable. Pourra-t-il cependant échapper à sa légende ?

La politique, les femmes et les chevaux sont les trois grandes passions de Charles Haughey, mais la politique est probablement la plus forte. Le « Taoiseach » (son titre officiel en gaélique) est, comme Richard Nixon, auquel ses concitoyens le comparent parfois, un artiste de la survie. Il a resurgi à deux reprises après des scandales et des crises qui auraient dû mettre fin à sa carrière. Ses adversaires ne sont pas loin de penser qu'il a, comme les chats, le pouvoir de vivre neuf vies...

## Un nationaliste [viscéral]

M. Haughey est avant tout un nationaliste qui s'enflamme encore pour la cause de la réunification de l'Ile, mais il a appris à modérer son lyrisme. Son père avait combattu les Britanniques pendant la guerre d'indépendance et était un des chefs de l'armée républicaine (« Irish Republican Army », ou IRA). Le berceau de sa famille est en Irlande du Nord, mais ses parents se sont installés au sud après la partition. Le 8 mai 1945, jour de la victoire, des étudiants de Trinity college, à Dublin, brûlent en public le drapeau irlandais pour protester contre le fait que la République était restée neutre pendant la guerre. Le jeune Charles Haughey grimpe aussitôt à un réver-

bère pour brûler en représailles l'Union Jack...

Ce nationaliste viscéral fondé sur une haine insondable des Anglais qu'il partage avec bon nombre de ses compatriotes se double d'un populisme qui frise parfois la démagogie. Ceux qui ne l'aiment pas n'hésitent pas à comparer sa rhétorique à celle d'un Juan Peron. Devenu l'un des hommes les plus riches

à chaque étape, ici la construction d'un hôpital, là, celle d'un aéroport, sans trop se préoccuper de l'intendance. De façon très irlandaise, la parole et l'émotion passent quelques fois chez lui avant la réflexion.

Mais les scandales et les échecs ont mûri ce personnage flamboyant. La réussite sociale aussi. Expert comptable de formation, M. Haughey a fait for-

son ascension, apparemment irrésistible.

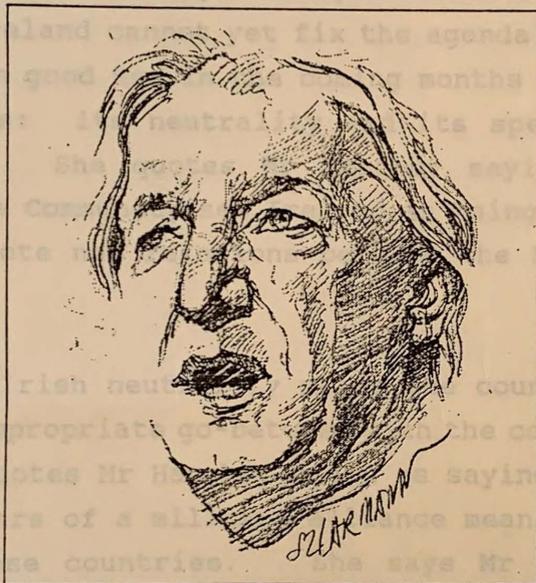
En 1970, il est arrêté et accusé d'avoir utilisé, en tant que ministre des finances, l'argent de l'Etat pour acheter secrètement des armes destinées aux combattants de l'IRA en Irlande du Nord. Il est acquitté après un long procès, mais la suspicion demeure, suivie de sept ans de traversée du désert. Plus personne n'ose aujourd'hui mentionner ce lointain épisode. Lorsque son adversaire de toujours, M. Garret Fitzgerald, a voulu faire publiquement allusion à ce « passé chargé », l'opinion, visiblement lasse de cette affaire, s'est retournée contre l'accusateur...

M. Haughey reprend pied en politique en devenant ministre de la santé en 1977. Deux ans plus tard, il est leader du Fianna Fail et premier ministre. Une nouvelle vague de scandales l'atteint en 1982. Un des épisodes les plus bizarres de cette période troublée est la condamnation de son agent électoral, qui avait tout simplement voté deux fois pour son patron dans la circonscription de celui-ci...

En 1990, M. Haughey, nettement assagi, dirige son quatrième gouvernement et semble décidé, quoi qu'il arrive, à aller cette fois-ci jusqu'au bout de son mandat. Le populiste dépendant des années 1979-1980, est devenu un adepte de la plus stricte orthodoxie budgétaire. L'ennemi implacable de tout compromis avec Londres s'est mué en un observateur fidèle et même pointilleux de l'accord anglo-irlandais, signé en 1985 par Mme Thatcher et M. Fitzgerald, qui donne à Dublin un droit de regard sur la situation de la minorité catholique en Irlande du Nord, en échange d'une coopération active entre les deux pays dans la lutte contre l'IRA.

Seule certitude : M. Haughey fera tout pendant ces six mois de présidence pour éviter d'apparaître comme trop préoccupé par la question nord-irlandaise qui lui tient pourtant à cœur. Le « taoiseach » ou plutôt le « boss », comme on l'appelle familièrement, ne veut pour rien au monde passer pour un politicien provincial. Il a soif de respectabilité et de reconnaissance internationale. La présidence irlandaise devrait donc être prudente, très prudente même... A moins d'un dérapage.

DOMINIQUE DHOMBRES



d'Irlande, propriétaire de chevaux de course, amateur de bonne chère et de bons vins, M. Haughey continue à faire la tournée des pubs en tapant familièrement les électeurs dans le dos et en exaltant le combat des « petits » contre les « gros ».

Il est en fait dans le droit fil de la tradition de son parti, le Fianna Fail, implanté dans les campagnes, mais aussi solidement présent dans les quartiers pauvres des grandes villes, notamment à Dublin. L'origine du Fianna Fail remonte à la guerre civile. Le parti a été fondé par ceux qui refusaient tout compromis avec les Anglais, y compris la partition entre le nord et le sud, et voulaient continuer la lutte jusqu'au bout. Faisant campagne avec succès contre la légalisation du divorce et de l'avortement, le Fianna Fail de M. Haughey reste avec l'église un des grands bastions de la « singularité » irlandaise.

La démagogie aussi. En tournée électorale, M. Haughey n'hésitait pas, jadis, à promettre

dans des conditions sur lesquelles il est toujours resté discret. Il semble qu'il ait acheté au bon moment des terrains que l'Etat s'appropriait à viabiliser pour en faire des lotissements. Il est devenu ainsi un des grands propriétaires immobiliers du pays et possède même son île privée. Il a eu aussi la bonne idée d'épouser la fille de celui qui était alors le leader du Fianna Fail, Sean Lemass. Cela n'a pas nui à sa carrière.

## L'accusation de trafic d'armes

Elu député à Dublin en 1957, il fait partie de cette nouvelle génération de politiciens du Fianna Fail dont les habits de bonne coupe et les allures conquérantes contrastent avec l'aspect plus rustique des grands aînés du parti qui ont participé à la guerre civile. Il passe d'un portefeuille ministériel à l'autre, la justice, l'agriculture, les finances, lorsqu'un premier scandale interrompt brutalement

Saturday's Le Monde, in addition to the profile of the Taoiseach, carries an article from Dublin on the Irish Presidency by Marie-Pierre Subtil, who has expressed great appreciation of the reception given to her and fellow journalists in Ireland on their recent visit.

The article notes that Ireland is in favour of more rapid She notes at the outset that the Presidency is not a new experience for Ireland, this being the fourth occasion on which we have exercised it. She says the success of Presidencies is particularly judged by the conclusions of the summit at the end of the Presidency. She says the speed of developments in Europe is such that Ireland cannot yet fix the agenda for its summit but intends to make good use in the coming months of its distinctive characteristics: its neutrality and its special links to the United States. She quotes Mr Haughey saying that Ireland's partners in the Community see Ireland as being particularly well placed to promote new relations between the EEC and the United States.

She says that Irish neutrality means the country feels it is a particularly appropriate go-between with the countries of Eastern Europe. She quotes Mr Haughey again as saying that the fact of not being members of a military alliance means that we are more welcome in those countries. She says Mr Haughey gives the impression that Ireland could reconsider its neutrality if the European Community were establishing its own system of security but that we have not yet reached that point.

She quotes Minister Collins, on his return from Poland and Yugoslavia, saying that the situation is urgent and that association agreements with the countries of Eastern Europe need to be redefined quickly. She reports the Minister for Foreign Affairs recalling his meeting with Alexander Dubcek and the latter's wish to see Czechoslovakia's accession to the Community considered within five years.

She cites Minister Collins saying that Ireland depends above all on the success of the Community and affirming that Irish farmers

# Six mois de navigation à vue

are more aware than anyone of what is happening in Brussels. In answer to the question whether or not the opening to the East could put in question some of Ireland's gains the Minister replies that one must be ready to make sacrifices.

The article notes that Ireland is in favour of more rapid integration in contrast to Thatcherite policy and says that the Irish Government wants to proceed with the action programme on the Social Charter. She remarks that above all Ireland wants to be remembered for a green Presidency and reports the launching of an ambitious programme by the Minister for the Environment. She concludes that the idea of a green Presidency was conceived before the upheavals in Europe and may seem somewhat overtaken by those events. She remarks that those changes could give Mr Haughey the hope of change at home as well - walls are coming down in Eastern Europe but not on the island itself.

En attendant le coup d'envoi de  
la troisième conférence

En attendant le coup d'envoi de  
la troisième conférence  
européenne, l'Irlande et l'Allemagne  
se préparent à tous les vents. Les can-  
didats au vertige se succèdent,  
les intérêts des uns et des autres  
ont été étudiés au cours des trois der-  
nières années, et le ministre de l'Environnement  
suggère de profiter de la tempête  
pour faire un cap plus lointain  
que prévu dans l'immédiat, la  
navigation européenne.

L'actualité des événements  
de l'île que l'Irlande est pour  
l'instant dans l'incapacité de livrer  
l'écouter du jour de a un a som-  
met des 12 et 13 juin prochains,  
sans que soient mises à profit,  
au cours des deux jours qui les  
séparent, les deux particularités  
la neutralité et ses liens étroits  
avec les Britanniques.

L'Irlande souhaite contribuer à  
l'européanisation des liens  
entre les États et Washington.  
« Nos liens avec les États-Unis  
sont très forts et nous ne pouvons  
pas nous en passer pour pro-  
mouvoir le développement européen  
dans le monde. Le rôle de l'Irlande  
est de servir de pont entre les  
deux continents et de faciliter  
les échanges et les relations  
entre les deux continents ».

Le développement  
de l'Irlande

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Il est évident que l'Irlande  
souhaite laisser le caractère d'un  
« développement vert » en faveur  
de l'environnement à tous  
niveaux : national, interna-  
tional et international. C'est la  
raison de la Commission  
de l'Environnement, selon Dublin, parler  
d'une seule voix lors des confé-  
rences internationales, et notam-  
ment de celle qui doit avoir lieu à  
l'automne prochain en vue de la  
révision du protocole de Mon-  
tréal sur la protection de la  
couche d'ozone.

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# Six mois de navigation à vue

Après Paris, et avant Rome, c'est Dublin qui préside pour six mois aux destinées de la Communauté européenne. Pour l'Irlande - qui a adhéré à la CEE en 1973 - la fonction n'est pas nouvelle : c'est la quatrième fois que ce pays (le plus petit des douze, en termes de population, après le Luxembourg, avec 3,5 millions d'habitants) remplit ce rôle. Mais il est évident que la situation internationale confère au gouvernement de M. Charles Haughey des responsabilités inattendues.

## DUBLIN

de notre envoyée spéciale

Le succès d'une présidence se mesure essentiellement aux conclusions du sommet qui la clôture. En 1989, l'Espagne puis la France furent tout à tour saluées : à Madrid, en juin, les Douze adoptaient le plan Delors qui doit mener à l'Union économique et monétaire (UEM), considérée comme l'« antichambre » de l'Union politique ; à Strasbourg, en décembre, ils décidaient que la conférence intergouvernementale qui doit poser les fondations de l'UEM débiterait fin 1990, comme le souhaitait M. François Mitterrand.

En attendant le coup d'envoi de cette conférence intergouvernementale, Irlandais et Italiens doivent tenir la barre d'un bateau soumis à tous les vents : les candidats au voyage se bousculent, les intérêts des uns et des autres ont évolué au cours des trois derniers mois, et le maître de quart suggère de profiter de la tempête pour fixer un cap plus lointain que prévu dans l'immédiat, la fédération européenne.

L'accélération des événements est telle que l'Irlande est pour l'instant dans l'incapacité de fixer l'ordre du jour de « son » sommet des 25 et 26 juin prochain. Mais elle entend mettre à profit, au cours des cinq mois qui lui restent, ses deux particularités : sa neutralité et ses liens privilégiés avec les Etats-Unis.

Dublin souhaite contribuer à l'institutionnalisation des liens entre les Douze et Washington. « Nos amis (au sein des Douze) estiment que l'Irlande est particulièrement bien placée pour promouvoir de nouvelles relations entre la CEE et les Etats-Unis », affirme M. Haughey, qui rappelle que quarante millions de Nord-Américains sont originaires de l'Ile...

### Une particularité : la neutralité

Seul pays des Douze à ne pas faire partie de l'OTAN, l'Irlande se considère aussi comme un interlocuteur idoine pour les pays d'Europe de l'Est. « Dans la mesure où nous ne sommes membres d'aucune alliance militaire, nous sommes plus bienvenus dans ces pays », estime le premier ministre. M. Charles Haughey laisse d'ailleurs entendre que l'Irlande pourrait reconsidérer sa position de pays neutre, au cas où la Communauté européenne mettrait sur les rails sa propre politique de sécurité. Mais on n'en est pas là... et en attendant, le gouvernement irlandais multiplie les contacts avec l'« autre Europe ».

De retour de Pologne et de Yougoslavie, M. Gerard Collins, le ministre irlandais des affaires étrangères, qui préside aux rela-

tions extérieures de la Communauté, estime qu'il y a urgence : les accords d'association entre les pays de l'Est « demandeurs » et la CEE doivent selon lui être redéfinis rapidement. M. Alexandre Dubcek, le président de l'Assemblée fédérale tchécoslovaque, qu'il a rencontré il y a une quinzaine de jours à Strasbourg, lui a affirmé que la Tchécoslovaquie aimerait que sa candidature à l'adhésion à la Communauté soit prise en considération dans les cinq ans à venir !

M. Collins estime que son pays est avant tout « dépendant du succès de la Communauté ». « Les agriculteurs irlandais sont plus au courant que quiconque de ce qui se passe à Bruxelles » dit-il, réaliste. L'ouverture vers l'Est ne risque-t-elle pas de mettre en cause certains avantages acquis (en 1990, l'Irlande ne contribue que pour 0,8 % au budget communautaire, alors que de 1985 à 1988, elle a bénéficié de 4,6 % des dépenses) ? A cette question, « Gerry », comme l'appellent ses compatriotes, rétorque qu'il « faut être prêt à des sacrifices ».

### Priorité à l'environnement

Favorable à une intégration plus poussée entre les Douze, le gouvernement irlandais se démarque très volontiers des positions thatcheriennes. Aussi espère-t-il mettre en œuvre dès que possible le programme d'action proposé par la Commission européenne en matière sociale, programme d'« accompagnement » de la Charte adoptée à onze - Mme Margaret Thatcher n'ayant pas abdiqué devant la volonté commune, - lors du sommet de Strasbourg.

Mais, plus que tout, l'Irlande souhaite laisser le souvenir d'une « présidence verte », en jouant la carte de l'environnement à trois niveaux : national, communautaire et international (dans la mesure où la Communauté devrait, selon Dublin, parler d'une seule voix lors des conférences internationales, et notamment de celle qui doit avoir lieu à l'automne prochain en vue de la révision du protocole de Montréal sur la protection de la couche d'ozone).

Au plan communautaire, le ministre irlandais de l'environnement, M. Padraig Flynn, a présenté un programme ambitieux. Au plan national, confrontée à un sérieux problème de pollution, l'Irlande vient d'adopter un programme d'action d'un milliard de livres irlandaises (neuf milliards de francs) sur dix ans.

Prévue avant que l'« ordre établi » en Europe ne soit bouleversé, cette priorité « verte » de la présidence irlandaise semble quelque peu dépassée par les événements. Des événements qui fournissent d'ailleurs à M. Haughey l'occasion d'espérer que l'acquis soit remis en question aussi devant sa porte. Les murs tombent en Europe de l'Est, mais pas sur l'Ile...

MARIE-PIERRE SUBTIL

Brief for Taoiseach's meeting with  
President Mitterrand on  
5th February, 1990.

Contents

- (1) Programme
- (2) Overall Steering Notes
- (3) Note on EC/US Relationship

Documents

- (4) Strasbourg European Council Conclusions
- (5) Note on Taoiseach's meeting with President Mitterrand on 20th October last
- (6) East/West Relations: Factual Overview [includes note on "Confederation"]
- (7) Baker Berlin Speech
- (8) Chancellor Kohl's Ten-Point Plan

Programme for Taoiseach's visit to Paris.

Monday 5th February

09.15 Depart Dublin Airport on G3  
 11.45 Arrive Orly Airport, Paris.  
 12.15 Arrive at Irish Embassy.  
 1.15 Lunch with President Mitterrand.  
 2.45 - 3.30 Meeting with President Mitterrand.  
 4.00 p.m. Return to Irish Embassy.  
 4.45 Charvets.

Depart Orly Airport, Paris.  
 Arrive Dublin Airport.

Delegation:

- (1) Taoiseach
- (2) Dermot Nally
- (3) Noel Dorr
- (4) P.J. Mara
- (5) Mairead Dunne
- (6) Donagh Morgan
- (7) S. O'hEigeartaigh
- (8) P. Gunning

Useful Numbers

Irish Embassy      Tel:      (16331) 45.00.20.87  
                          Fax:      (16331) 45.00.84.17

Ambassador        Res.:      (16331) 45.00.18.65  
                          Concierge      45.00.89.43

Elysee              Tel:      (16331) 42.92.81.00  
                          Fax:      (16221)

Taoiseach's Meeting with President Mitterrand

- 1. Overall Objectives: the overall objectives for the meeting, which is taking place at our request, might be
  - to discuss the principal issues on the European agenda in the months ahead, in particular Eastern Europe
  - to help prepare for the Taoiseach's meeting with President Bush on 27 February
  - to establish, if possible, French views on the idea of an informal Heads of Government meeting around the middle of our Presidency.

- 2. Agenda: In the light of this the principal items on the agenda might be
  - (i) European Architecture: the future shape of Europe East and West
  - (ii) Community/US relations
  - (iii) Economic and Monetary Union/Inter-Governmental Conference
  - (iv) Other possible issues: Environment  
Cars  
Drugs  
Audiovisual

External Relations: EFTA, Turkey

Social Dimension

Free Movement [ Court. Group ... ]

European Architecture

- 3. Our objective under this heading could be to obtain French views on a range of current issues affecting the future of Europe. It is clear that beyond the Community the French are engaged in bilateral discussions with their allies e.g. US, UK on developments in Eastern Europe. A sense of where these discussions are going and how they fit into developments in the Community framework would be useful.

NB. Priority for European Integration.

Particular issues for consideration

- an evaluation of political developments in Eastern Europe and the Soviet Union
  - . has democratic change taken root in all the countries of Eastern Europe? What about Romania
  - . Soviet Union faced with grave economic and ethnic threats. Can Gorbachev cope/survive?
- French views on the German question
  - . bringing forward of elections in East Germany to 18 March
  - . change in Soviet position on German unity
  - . is timetable for German unity quickening? French attitude?
  - . Can German unity be accommodated in the Community?
- Mitterrand's ideas for confederation/ask him to clarify?
  - . can this be done through the CSCE?
  - . French views on CSCE Summit later this year
- role of Community in relation to Eastern Europe
  - . refer to Dublin Ministerial on 20 January
  - . Community taking action on aid; trade and cooperation agreements; in G24
  - . now looking at ideas for Association Agreements
  - . progress on these issues (except humanitarian aid) should depend on real progress in countries concerned. Continuous political assessment necessary
- European Bank for Reconstruction and Development
  - . an important French initiative
  - . we are playing our part as Presidency in organising Twelve coordination
  - . number of key issues outstanding:-

See Somers' paper.

Soviet Union as potential borrower. How do we resolve US problem? Supported by UK in Community. Key political issues participation by EIB and Commission: is nominal participation sufficient blocking minority: US and Japan want to constitute a blocking minority. Not in original concept location and President of Bank. French views?

- Training Foundation and Educational Programmes (Tempus)
  - . Commission have now made proposals.
  - . First discussion today at General Affairs Council
  - . as Presidency we will want to make quick progress on these
  - . any particular French views or difficulties

- Community/US Relations

Objective: Our objective is to assess French position on recent US ideas for strengthening the EC/US relationship, particularly in the light of Baker's Berlin speech in December. This is especially desirable in view of the Taoiseach's meeting with Bush later in the month. French will be wary of anything amounting to a 13th seat.

- US appear to have made reassessment of the role of the Community
- Baker's ideas for stronger links interesting
- we have had discussions with US at level of Minister for Foreign Affairs. US ideas still somewhat vague. Possibilities are
  - . greater contact at expert level on political matters
  - . meeting between Secretary of State/Twelve Foreign Ministers twice a year. This could

structured

cover political and economic matters. Need to respect Commission competences.

- Can we/should we go further? A Treaty between the US and the Community as suggested by Baker *may not be a serious proposal.*

EMU/Inter-Governmental Conference

Objective: to obtain update of French thinking on EMU, in particular in regard to the preparations for the IGC; the role of the European Parliament; a second IGC to deal with issues beyond EMU.

- our work programme envisages work on all aspects of EMU before the June European Council. Some preparation now taking place in the Monetary Committee. We expect papers from the Commission in March and April. Can then work on these in EcoFin and Foreign Affairs Council.
  - Parliament may suggest an Inter-Institutional Conference in May (between Council, Commission, Parliament). Difficult to refuse invitation to attend. Will need to consider level of representation - all member States, Presidency, Troika? - and content of what we say. Parliament will be pressing for involvement in the IGC itself and an institutional role in relation to EMU.
  - Strasbourg "mandate" fairly clear. IGC to deal with EMU and related institutional changes. Some suggestions that IGC or second IGC should go beyond this
- A *to look at such issues as role of Commission, powers of Parliament, extend majority vote to other sectors (social, environment). Could perhaps discuss this at Dublin. But what is French attitude?*

Ted Barrington  
Assistant Secretary  
Department of Foreign Affairs

European Bank for Reconstruction and Development (EBRD)

Draft articles of agreement have now emerged with a large number of items in square brackets. Among the questions to be resolved are the following:-

- (1) President of Bank - Attali/Ruding?
- (2) Location -Berlin/Copenhagen/London/Paris/Amsterdam/Dublin and probably others - should be located within Community - U.S. and Japan may have some influence here.
- (3) Divide up of share capital (53%) among the Community - main question is whether Commission and E.I.B. should have 8½% between them (same as Germany, France, Italy and U.K.).
- (4) Directors - how many (16 to 20 - should Commission and E.I.B. have a director each?
- (5) Eligibility for loans - should U.S.S.R. be eligible at all or limited to small portion of Bank's resources?
- (6) Items to be financed - private sector only or private sector plus infrastructure?
- (7) Voting majority - where a qualified majority is required, should it be at 66⅓% or up to 85% (as suggested by U.S.A.)?

Discussion are being held at the levels of

- (i) the 12 members of the Community chaired by Ireland
- (ii) 24 members of the OECD co-chaired by France and the Commission
- (iii) 34 countries i.e. the 24 plus the Eastern Bloc plus some others.

The 12 meet again on 8 February and the 24 on 9 February. The 34 are not due to meet until 10 and 11 March. Between mid-February and mid-March the French envisage bilateral discussions to solve outstanding points.

Note for Taoiseach

European Bank for Reconstruction and Development

There will be a co-ordination meeting of Heads of Delegations from EC member countries in Paris on Thursday and this will be followed by a meeting of the Group of 24 (western countries) on Friday.

The French envisage that there will be a final plenary meeting of all delegations in Paris on the weekend of 10-11 March. Their expectation is that all outstanding problems can be resolved at this meeting. There are still several major problems to be resolved, however, and it is difficult to see how this timetable can be met unless there is an early breakthrough in negotiations. It seems inevitable that some issues will have to be referred to political level for resolution.

If all goes according to plan the French envisage that Ministers can come together by the end of March to sign the articles of agreement subject to ratification. Several members, including Ireland, would have to introduce domestic legislation to allow for ratification. On this basis, it would seem unlikely that the Bank could be constituted legally before the end of the year at the earliest but the intention is that interim arrangements would be made to allow for some activity pending the formal establishment of the Bank.

The main outstanding problems relate to:-

Share Capital the intention is that EC members will hold a majority but, within the EC, there is disagreement about the distribution of these shares. The main problem centres on the role of the Commission and the European Investment Bank. The Strasbourg Council envisaged that these institutions should participate and that the EIB should play a key role in preparing the way for the new institution but it did not specify the extent of participation. There are now strongly divided opinions on this within the EC - some members

consider that Commission and EIB participation should be taken while others argue for a significant shareholding for these institutions. Most non-EC countries are totally opposed to EIB membership.

#### Membership

the main problem under this heading is the USSR. While there now seems to be general agreement that the USSR should be subscriber, it seems that there are divided opinions as to the USSR being a beneficiary. If the USSR is to be a beneficiary, then the likelihood is that a ceiling will be imposed on the amount which it might borrow. This topic is to be discussed at lunch at the General Affairs Council and hopefully some resolution of the Community position on this will be agreed.

#### Functions

at the beginning this was an area of great disagreement but some progress has been made. The general thrust is that the Bank's activities will be oriented in particular towards private sector initiatives.

#### Directors

there are divided opinions on whether Directors should be resident or non-resident and how many Directors should be on the board. The main EC concern is that Community members should hold a majority of seats on the Board at all times. Linked to the question of share capital, the Community must yet decide whether it should insist on representation from the EIB and the Commission on the Board.

#### Qualified Majority

there is also divergence on the size of the qualified majority to be required for decisions on major issues. EC members generally feel that 66% should be the maximum if the Bank is to function

efficiently. At the other extreme the US and Japan favour 85% as do the Eastern European countries. This would allow either of these groups a blocking minority on major decisions.

Location

A number of countries have declared their interest in the location of the Bank headquarters.

|                |              |
|----------------|--------------|
| Denmark        | (Copenhagen) |
| Austria        | (Vienna)     |
| UK             | (London)     |
| Germany        | (Berlin)     |
| Ireland        | (Dublin)     |
| Czechoslovakia | (Prague)     |
| Poland         | (Warsaw)     |
| Netherlands    | (Amsterdam)  |

There is an informal understanding among the EC countries that the headquarters should be located in an EC Member State. It was expected at the outset that the French authorities would put forward a persuasive case for Paris but, so far, they have made no more.

Presidency

the French are very interested in the Presidency and it is understood informally that their nominee will be M. Attali, advisor to the President, the only name being presented formally so far is the Mr. O. Ruding of the Netherlands.

SECTION 3 OF BRIEF  
EMPTY.

14 DEC 2020

M. Mackey  
Senior Archivist, AES

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CONCLUSIONS OF THE PRESIDENCY  
EUROPEAN COUNCIL  
STRASBOURG, 8 AND 9 DECEMBER 1989

At the beginning of its meeting, the European Council heard a statement by Mr BARON, the President of the European Parliament, in which he set out the Parliament's position and priorities with regard to the main Community topics in the light of the current situation.

The European Council thanked Mr BARON for his address which made a valuable contribution to the ensuing discussions.

#### I. TOWARDS EUROPEAN UNION

The European Council is conscious of the responsibilities weighing on the Community in this crucial period for Europe. The current changes and the prospects for development in Europe demonstrate the attraction which the political and economic model of Community Europe holds for many countries.

The Community must live up to this expectation and these demands: its path lies not in withdrawal but in openness and co-operation, particularly with the other European States.

It is in the interest of all European States that the Community should become stronger and accelerate its progress towards European Union.

The European Council adopted the following conclusions to this end:

#### II. MAKING THE SINGLE ACT A REALITY

The Community is determined to carry out all the commitments contained in the Single Act in order to continue and extend the process of integration with a view to European Union. This presupposes that the Community must finish off, within the time limits laid down, the completion of the single market and that it should apply itself, at the same time, to giving concrete form to large-scale projects which will signify a new stage in its development.

##### A. An area without internal frontiers

The internal market is beginning to assume its final shape, and its positive effects are being felt in all sectors of economic life. In

general, the timetable which was set is being adhered to. Important decisions have been taken during this six-month period: in the area of financial services, decisions have been taken on the co-ordination of legislation enabling banks to offer their services throughout the Community, the prohibition of insider dealing and the co-ordination of motor vehicle insurance. The European Council hopes that this set of decisions will be swiftly supplemented by the adoption of directives, on the basis of Commission proposals, on investment services, regulations on the solvency ratio, takeover bids, company law, in particular the European Company Statute, and the three tax proposals concerning co-operation between companies.

Significant progress has also been made in the Council (Internal Market) on other major topics such as the control of company concentrations, on which a decision is to be taken before the end of this year. The European Council would also like decisive progress to be made regarding testing, standards and certification, the opening of public procurement markets in the telecommunications, energy, transport and water distribution sectors, and the freedom to provide life assurance services.

It is also requesting that rapid progress be made in the veterinary sphere. In the transport sector, it reiterates the importance of the initial decisions taken on road cabotage and the guidelines adopted on air transport. It would like a coherent Community policy to be drawn up in the latter sector and an effective response found to the problem of the congestion of air space, in order to guarantee maximum safety for passengers. Further progress is needed in the three transport sectors: road transport, air transport and shipping. It notes with satisfaction the progress made in the telecommunications sector.

Special priority should be given to the development and inter-connection of trans-European networks, notably in the area of air traffic control, the linking of the main Community conurbations by broad-band telecommunications networks, the most efficient surface communications links and energy distribution. The European Council asks the Commission to propose the appropriate measures, taking into account the possibility

of extending such action to the whole of the Community, paying particular attention to situations arising at the Community's limits in the context of economic and social cohesion.

With regard to the taxation of savings, the European Council notes the progress which has been made since Madrid. It asks the ECOFIN Council to complete its proceedings as soon as possible and, as an accompaniment to the liberalization of capital movements, to take measures to combat tax evasion effectively, in accordance with earlier decisions.

With regard to indirect taxation, it notes with satisfaction the progress made during the last few months, with the formulation of a transitional system which will lighten the burden on undertakings and administrations and enable border checks to be eliminated.

It considers that these arrangements need to be supplemented by the elements which will be essential in particular to enable the progressive approximation of VAT rates and to resolve the problems connected with the removal, on 1 January 1993, of limits on purchases by private individuals for their personal consumption when travelling within the Community.

The European Council asks the Council to adopt as soon as possible, on a proposal from the Commission, the decisions which will make the process of the complete abolition of fiscal frontiers irreversible.

#### B. Flanking policies

According to the Single Act, completion of the internal market must be backed up by a number of flanking policies. Amongst these, measures to achieve closer economic and social cohesion are of particular importance to enable the Community as a whole to reap the benefits expected from the large market. The European Council welcomes the implementation of the reform of the structural policies within the period laid down.

#### C. Environment

An improvement in the quality of life will come from paying greater attention to the problems of the environment. The nature and seriousness of the problems arising in this sphere make more and more necessary a perspective and measures which go beyond the national framework.

The European Council confirms the desire of the Community and its Member States to play a greater part in the devising of international strategies for combating the dangers which threaten the environment, in particular by taking an active part in the drafting of a world convention on climate.

The European Council notes with satisfaction the unanimous agreement of the Council on the arrangements for the setting-up of the European Environment Agency as from 1990. This Agency, which will be open to non-EEC European countries which wish to join, will constitute a decisive stage on the road towards improved knowledge of the state of the European environment and will thus help to improve the strategies for dealing with the problems that arise. The European Council would like the Council (General Affairs) to take an early decision on the Agency's headquarters.

#### D. Research

The European Council would like the Council to reach agreement before the end of the year on the new framework programme for 1990/1994, the implementation of which should enable major progress to be made regarding the competitiveness of key sectors of European industry.

The European Council is pleased with the increased participation by EFTA countries in Community research programmes and hopes that co-operation with these countries and their association will develop further when the new framework programme is implemented.

#### E. Audiovisual

The commitment of citizens to the European idea depends on positive measures being taken to enhance and promote European culture in its richness and diversity. In this context the European Council considers it essential to consolidate recent achievements and capitalize on the guidelines which emerged from the Audiovisual Conference in order to develop Europe's audiovisual capacity: Directive on the free movement of televised programmes and competition policy. It hopes that the efforts to produce the European HDTV system will be stepped up, that the Community action programme extending MEDIA will receive the necessary financial support and that the necessary synergy with audiovisual EUREKA will be ensured.

F. Free movement of persons and People's Europe

All Community policies in the economic and social spheres contribute directly and indirectly to consolidating a common sense of belonging. This movement must be broadened and accelerated by the adoption of concrete measures which will enable European citizens to recognize in their daily lives that they belong to a single entity.

The European Council underlines the importance in this respect of the progressive abolition of formalities at the Community's internal borders which impede the free movement of persons and symbolize division, which means that effective measures need to be taken at the same time to combat terrorism, drug addiction and organized crime. The progressive abolition of border formalities shall not affect the right of Member States to take such measures as they consider necessary for the purpose of controlling immigration from third countries, and to combat terrorism, crime, the traffic in drugs and illicit trading in works of art and antiques. The European Council asks the Commission, while taking account of national and Community spheres of competence, to study suitable measures for establishing effective controls at the Community's external frontiers.

The European Council takes note of the progress made within the Co-ordinators' Group as described in the progress report drawn up under the responsibility of the Presidency. The European Council would like the work to be stepped up and accelerated so that progress towards the free movement of persons can keep pace with that achieved on the free movement of goods, services and capital, in accordance with the timetable set out in the Palma document.

The European Council would like an inventory to be prepared of national positions on immigration so that a discussion on this issue within the Council (General Affairs) can be prepared. In the light of that debate, the European Council calls upon the relevant bodies to conclude as soon as possible, and no later than the end of 1990, the conventions which are under examination on the right of asylum, the crossing of the Community's external frontiers, and visas. In this context, an inventory will be made of national policies on asylum with a view to achieving harmonization.

The European Council emphasizes the need, throughout those proceedings, to ensure that the procedures for co-operation between administrations first ensure the protection of individuals with regard to the use of personalized data banks.

The European Council calls upon the Co-ordinators' Group on Drugs recently set up on the initiative of the President of the French Republic to take all necessary steps to ensure the vital co-ordination of Member States' actions in the main areas of the fight against this scourge, namely prevention, health and social policy with regard to drug addicts, the suppression of drug trafficking, and international action. In this context, the European Council warmly welcomes the courageous action taken by certain countries, notably Colombia, and would like everything possible to be done to contribute to the success of their efforts.

The European Council reaffirms in this connection the need for the resumption, as soon as possible, of the negotiations within the International Coffee Organization with a view to concluding a new Agreement to protect the income of producers in those countries.

The European Council welcomes the significant results obtained by implementing the programmes on exchanges of young persons and students (ERASMUS, COMETT, LINGUA), which contribute to developing European awareness, as will the forthcoming introduction of a European emergency health card and of a "European youth card". Similarly, the European Council particularly welcomes the decisive progress made recently towards agreement on granting all Community nationals the right of residence in the Member State of their choice. This important measure, which is scheduled for adoption before the end of the year, represents an important step towards the integration of the peoples of the Community. The European Council indicated its satisfaction at the conduct of the "Europe against Cancer" programme and at the agreement of principle reached on adoption of the second action programme 1990-1994.

### G. Social dimension

Establishment of the single market has already led to significant results, as evidenced by sustained growth, a considerable increase in investment and in particular by the creation of new jobs, projected at five million for 1988-1990.

The European Council considers that this trend, together with the adoption of directives on the health and safety of workers, Community action programmes relating to the integration of unemployed young persons into working life and the fight against long-term unemployment, and of those relating to vocational training, constitute decisive aspects of the Community social dimension.

The Heads of State and of Government of eleven Member States adopted "The Community Charter of the fundamental social rights of workers". This Charter reflects their sincere attachment to a model of social relations based on common traditions and practices. It will serve them as a reference point for taking fuller account in future of the social dimension in the development of the Community.

The European Council takes note of the fact that the Commission has drawn up an action programme on the application of the Charter and calls upon the Council to deliberate upon the Commission's proposals in the light of the social dimension of the internal market and having regard to national and Community responsibilities.

### III. ECONOMIC AND MONETARY UNION

1. The European Council examined the work carried out since the European Council meeting in Madrid with a view to a meeting of the Intergovernmental Conference.

It noted the agreement reached in the ECOFIN Council and the initiatives of the Governors of the Central Banks with a view to strengthening the co-ordination of economic policies and improving collaboration between Central Banks. It notes that these decisions will enable the first stage of EMU as defined in the report from the DELORS Committee to begin on 1 July 1990.

2. It took note of the report from the High Level Working Party, which identified the main technical, institutional and political issues to be discussed with a view to a Treaty on Economic and Monetary Union.

On this basis, and following a discussion on the calling of an Intergovernmental Conference charged with preparing an amendment of the Treaty with a view to the final stages of EMU, the President of the European Council noted that the necessary majority existed for convening such a conference under Article 236 of the Treaty. That conference will meet, under the auspices of the Italian authorities, before the end of 1990. It will draw up its own agenda and set the timetable for its proceedings.

3. The European Council emphasized, in this context, the need to ensure the proper observance of democratic control in each of the Member States.

With a view to the new term of the European Parliament which will begin in 1994, it calls for Economic and Monetary Union to comply fully with this democratic requirement.

4. The European Council also took note of the Commission's intention to submit before 1 April a composite paper on all aspects of the achievement of Economic and Monetary Union which will take into account all available analyses and contributions.

The European Council emphasized the need for the Council (General Affairs) and the ECOFIN Council to use the period prior to the opening of the Conference to ensure the best possible preparation.

The proceedings as a whole will be examined by the Council (General Affairs) in preparation for the European Council meeting in Dublin.

#### IV. A COMMUNITY OF RESPONSIBILITY AND SOLIDARITY

In keeping with the principles set out in the Rhodes and Madrid Declarations, the Community will develop its role and that of its Member States in the international political and economic arena in a spirit of openness, solidarity and co-operation. It will fully meet its responsibilities vis-à-vis countries with which it maintains all manner of links and relationships, historical and geographical in origin.

##### A. EFTA

The European Council welcomes the progress of the discussions which have taken place since the Madrid Council and hopes that at the ministerial meeting on 19 December a decision will be taken to begin negotiations so that the Community and EFTA can, at the earliest opportunity, reach a comprehensive agreement strengthening, on the basis of the relevant acquis communautaire, their co-operation in the framework of a European economic area of eighteen States in complete accordance with multilateral commitments.

The Community hopes that this co-operation will be as close as possible and that it will ensure EFTA's participation in certain Community activities and in the disciplines and benefits of the internal market, in full compliance with the independent decision-making processes of each organization and a strict balance of rights and obligations.

The European Council hopes that the negotiations to be opened in the first half of 1990 will produce appropriate, pragmatic arrangements for institutional co-operation which are fully in keeping with the above principles.

This new relationship between the EEC and EFTA will be in the interests of both parties and meet the expectations of the peoples of Europe.

##### B. COUNTRIES OF CENTRAL AND EASTERN EUROPE

The Community's dynamism and influence make it the European entity to which the countries of Central and Eastern Europe now refer, seeking to

establish close links. The Community has taken and will take the necessary decisions to strengthen its co-operation with peoples aspiring to freedom, democracy and progress and with States which intend their founding principles to be democracy, pluralism and the rule of law. It will encourage the necessary economic reforms by all the means at its disposal, and will continue its examination of the appropriate forms of association with the countries which are pursuing the path of economic and political reform. The Community's readiness and its commitment to co-operation are central to the policy which it is pursuing and which is defined in the declaration adopted today; the objective remains, as stated in the Rhodes Declaration, that of overcoming the divisions of Europe.

1. The Community has concluded Trade Agreements and, for the most part, Co-operation Agreements with Czechoslovakia, Hungary and Poland. The Agreement with the USSR should be signed by the end of this year. The Council will, as soon as possible, instruct the Commission to negotiate a Trade and Co-operation Agreement with the GDR to be concluded during the first half of 1990.

The European Council welcomes the decisions taken by the Council (General Affairs) on 27 November 1989 temporarily granting Poland and Hungary special trade facilities in order to contribute towards solving their specific political and economic problems.

It noted the decisions taken by the Community to assist economic reform in Poland and Hungary.

The Community took part, in co-operation with its main Western partners, in an operation to supply agricultural products to Poland. In view of the scale and urgency of the needs, the European Council would ask the Council to take a decision in the near future on a further such operation.

2. At their meeting in Paris on 18 November 1989, the Heads of State and of Government asked the Troika of Presidencies and the Commission to make progress in discussion and decision-taking with regard to the following:

- the European Council approved the principle of granting observer status to the USSR in GATT;
- the Commission has submitted proposals designed to allow nationals of the countries of Central and Eastern Europe to take part in a number of educational and training programmes similar to Community programmes; the European Council requests the Council to take the relevant decisions;
- the European Council calls upon the Council to take, at the beginning of 1990, the requisite decisions for the setting up of a European Vocational Training Foundation, on the basis of proposals which the Commission is to submit;
- the European Council approved the creation of a European Bank for Reconstruction and Development. Its aim will be to promote, in consultation with the IMF and the World Bank, productive and competitive investment in the States of Central and Eastern Europe, to reduce, where appropriate, any risks related to the financing of their economies, to assist the transition towards a more market-orientated economy and to speed up the necessary structural adjustments. The States of Central and Eastern Europe concerned will be able to participate in the capital and management of this Bank, in which the Member States, the Community and the European Investment Bank will have a majority holding. Other countries, and in particular the other member countries of the OECD, will be invited to participate. The European Council hopes that the European Bank for Reconstruction and Development will be set up as soon as possible. The European Council requests that the necessary steps be taken to ensure that negotiations are opened in January 1990. The European

Investment Bank will play a key role in preparing the way for this new institution.

3. The European Council confirmed the Community's readiness to participate, under the conditions defined at the meeting on 18 November, in the creation of a Stabilization Fund for Poland. It emphasized that the combined contributions of the Twelve would provide more than half the resources of the Fund, which is to receive 1 000 million dollars. The European Council referred to the need to grant Hungary, after agreement with the IMF, an adjustment loan of the same amount.

It called upon the Council to take an early decision on the Commission proposals.

4. The European Council confirmed the key importance it attaches to the fact that aid and co-operation projects decided on by Western countries should be as complementary as possible. It reaffirmed the need to maintain and strengthen the procedure established by the Community. It expects the forthcoming ministerial meeting of the 24 Western countries on 13 December to take the necessary substantive and procedural decisions to ensure that the efforts undertaken to facilitate the transition taking place in Poland and Hungary and possibly in other countries of Central and Eastern Europe are co-ordinated and effective.
5. The European Council is following carefully and with interest the important reforms planned in Yugoslavia and confirms the Community's undertaking to examine - once the agreement with the Monetary Fund is concluded - additional measures in support of the programme for improving that country's economic and financial situation.

#### C. MEDITERRANEAN

The European Council considers that the Community must in the coming months flesh out its policy of neighbourly relations with the

Mediterranean States, with which it has long had preferential ties. The specific relationship with Mediterranean countries must be intensified and make it possible to support them in their efforts towards co-operation with Europe, regional integration and economic development.

The Community attaches great importance to the creation of the AMU and will implement the most appropriate co-operation. It will continue the Euro-Arab dialogue at the December meeting.

The European Council calls upon the Council to adapt, on the basis of the Commission communication, the instruments provided for under the current Agreements in order to institute the means and methods of co-operation which are best suited to the special nature of the relations which must develop between the Community and these countries, taking into consideration the particular problems of each of them.

#### D. LATIN AMERICA AND ACP STATES

The Community must strengthen its co-operation with the Latin American countries: in particular it must support the efforts of the Andean Pact countries to combat drugs, find substitute crops and improve the outlets for those crops.

The European Council welcomes the conclusion of the fourth Lomé Convention, which deepens and broadens the privileged relations between the Community and the Associated African, Caribbean and Pacific States. That Convention will be signed within the coming days.

## EUROPEAN POLITICAL COOPERATION

1. The European Council discussed the following subjects of political cooperation :

- Central and Eastern Europe
- Middle East
- Lebanon
- Euro-Arab Conference
- Southern Africa
- Ethiopia
- Chile
- Central America

It approved the statements annexed below.

### 2. Cyprus

The European Council expressed its deep disquiet that the tragic division of Cyprus, a country belonging to the European family, remains unchanged despite the renewed efforts over fifteen months of the Secretary General of the United Nations.

It also reiterated its appeal to all parties to cooperate with Mr. Pérez de Cuellar and his representative on the spot so as to overcome the obstacles to the pursuit of dialogue. It asked them not to miss this opportunity for a just and lasting settlement that will safeguard the unity, independence, sovereignty, and territorial integrity of Cyprus in accordance with the relevant resolutions of the United Nations.

### 3. Human rights

The European Council took note of the report of the Political Committee summing up the activity of the Twelve in the field of human rights in the course of 1989. In this connection, it approved the text of a press release.

## DECLARATION ON CENTRAL AND EASTERN EUROPE

Each day in central and eastern Europe change is asserting itself more strongly. Everywhere a powerful aspiration toward freedom, democracy, respect of human rights, prosperity, social justice and peace is being expressed. The people are clearly showing their will to take their own destiny in hand and to choose the path of their development. Such a profound and rapid development would not have been possible without the policy of openness and reform led by Mr. Gorbachev.

Expressing the feelings of the people of the whole Community, we are deeply gladdened by the changes taking place. These are historic events and no doubt the most important since the Second World War. The success of a strong and dynamic European Community, the vitality of the CSCE process and stability in the area of security, in which the United States and Canada participate, have contributed greatly to them.

These changes give reason to hope that the division in Europe can be overcome in accordance with the aims of the Helsinki Final Act which seeks, through a global and balanced approach and on the basis of a set of principles which retain their full value, to establish new relations between European countries whether in the area of security, economic and technical cooperation, or the human dimension.

We seek the strengthening of the state of peace in Europe in which the German people will regain its unity through free self-determination. This process should take place peacefully and democratically, in full respect of the relevant agreements and treaties and of all the principles defined by the Helsinki Final Act, in a context of dialogue and East-West cooperation. It also has to be placed in the perspective of European integration.

Already the hopes which we expressed a year ago in the Rhodes Declaration have begun to take shape. The progress recorded in the negotiations on conventional and chemical disarmament, the greater freedom of movement of persons and ideas, the greater assurance of respect of human rights and fundamental freedoms, and the different agreements concluded between the Community and certain of these countries are substantially changing the climate of relations in Europe.

The European Council is convinced in the present circumstances that all must, more than ever, demonstrate their sense of responsibility. The changes and transitions which are necessary must not take place to the detriment of the stability of Europe but rather must contribute to strengthening it.

Far from wanting to derive unilateral advantages from the present situation, the Community and its member States mean to give their support to the countries which have embarked upon the road to democratic change. They deplore all the more so that in certain countries this process is still hindered.

The Community and its member States are fully conscious of the common responsibility which devolves on them in this decisive phase in the history of Europe. They are prepared to develop with the USSR and the other countries of central and eastern Europe, and with Yugoslavia, in so far as they are committed to this path, closer and more substantive relations based upon an intensification of political dialogue and increased cooperation

in all areas. The Community has in particular decided to support the economic reforms undertaken in these countries by contributing -in collaboration with its western partners- to the establishment of healthy and prosperous economies within the framework of appropriate structures.

The European Council has drawn up conclusions which illustrate this intention.

For the future and in accordance with the developments taking place, the Community is willing to implement still closer forms of cooperation with these countries.

At this time of profound and rapid change, the Community is and must remain a point of reference and influence. It remains the cornerstone of a new European architecture and, in its will to openness, a mooring for a future European equilibrium. This equilibrium will be still better ensured by a parallel development of the role of the Council of Europe, EFTA and the CSCE process.

Construction of the Community must therefore go forward: the building of European Union will permit the further development of a range of effective and harmonious relations with the other countries of Europe.

#### DECLARATION ON THE MIDDLE EAST

1. The European Council wishes once more to stress the over-riding need to find a political settlement to the Arab-Israeli conflict. In this regard it recalls that the position of the Twelve is defined in the Madrid Declaration of 27 June, 1989. In all its elements this Declaration remains fully valid.

It is in this spirit and with the guarantees specified in the Madrid Declaration that the Twelve supported the proposal for elections in the Occupied Territories, considered as a step in a process towards an overall settlement. Similarly they encourage efforts which seek to establish dialogue between the parties directly concerned. They recall the efforts they themselves make to this end, while respecting the principles which guide their search for a settlement. An illustration is the recent mission carried out by the Ministerial Troika.

2. Seriously concerned by violations of human rights in the Occupied Territories and recalling the need for the occupying power to observe strictly its obligations under the 4th Geneva Convention to which it has notably not conformed in such basic

areas as education and health, the European Council deplores the continuous deterioration of the situation in the Occupied Territories which seriously affects the living conditions of the people, compromises in a lasting fashion the future of Palestinian society and prevents the economic and social development of the Territories.

The Community and its member States are determined to increase substantially their aid to the inhabitants of these Territories. Within the framework of the new 1990/1992 triennial convention, the Community will continue with and increase its aid to Palestinians through UNRWA which has amounted to more than 388 million ECU since 1971. It wishes to see the activities of UNRWA carried out without hindrance. During the same period, the European Council establishes as an objective the doubling of the Community's direct aid which, since 1981, has amounted to 23 million ECU. The Community thus intends to contribute to the economic and social development of the Occupied Territories and, by its efforts in the area of health and education as well as by support for local Palestinian institutions, to help to preserve the common future of the Palestinian people.

#### STATEMENT ON LEBANON

Deeply concerned at the recent developments in Lebanon which have produced a further threat to the preservation of the country's unity, the European Council reaffirms its commitment to the implementation of the Taif Agreements. It expresses its conviction that in present circumstances there is no alternative to the process of national reconciliation and peace envisaged under those Agreements.

The European Council therefore calls on all parties concerned to lend their support to these objectives, in such a way that they are furthered through dialogue and consultation to the exclusion of any recourse to violent means, the upholding of the cease-fire being a main priority.

The European Council expresses its support for the constitutional order in Lebanon embodied by the President of the Republic and the Government appointed by him, so that in accordance with the aspirations of the whole population, the sovereignty, independence, unity and territorial integrity of Lebanon can be restored. This process implies the withdrawal of all foreign armed presence, so that the Lebanese people will be fully masters in their own house. The Council recalls the very positive role played by UNIFIL.

## STATEMENT ON THE EURO-ARAB CONFERENCE

The European Council expresses its desire to make closer the ties which unite the Twelve to the Arab world from one side of the Mediterranean to the other. It is in this spirit that a Conference has been organised which will meet in Paris on 21 and 22 December and whose purpose will be to give a new impetus to the Euro-Arab Dialogue in order to strengthen and develop their cooperation.

## DECLARATION BY THE TWELVE ON SOUTHERN AFRICA

Southern Africa has, for a year, been the scene of developments of such importance as consistently to demand the attention of the Twelve.

1. The most obvious of these concerns Namibia. Almost a year ago the signature of the New York Agreements opened the way for implementation of Resolution 435 as the Twelve have constantly wished. Up to now the transitional process has unfolded in a satisfactory manner and the Twelve wish, on this occasion, to express their appreciation of the vital role played by the Secretary General of the UN and his Special Representative for Namibia. The first valid and free elections have permitted the appointment of a Constituent Assembly which truly reflects the wishes of the Namibian people. The foundations of the new state are taking shape before our eyes.

Independent Namibia's needs will be significant. The Community and its member States are already prepared to contribute to meeting these through appropriate aid programmes. This effort will be in addition to the assistance envisaged by all of the member States on a bilateral level. Namibia will also be welcomed into the new Lomé Convention as soon as it expresses a wish to join it. The Troika has already made known this position to the representatives of the ACP States at their recent Ministerial meeting to discuss southern Africa.

2. A measure of progress has also been achieved in the process of national reconciliation in Angola and Mozambique. A favourable international climate has been availed of with courage and determination on the part of those with authority in these two States in order to make significant advances on the road to peace. The recent mission of the Troika of Political Directors to Angola brought out the real will of the leaders of this country to put an end to the conflict which has for too many years encumbered the economic development and well-being of its people.

The Community and its member States are resolved to match these developments by efforts to aid the reconstruction and development of both these countries.

3. Finally, in South Africa, President De Klerk's accession to power has been followed by several acts of clemency and a degree of freedom of expression which the Twelve have welcomed. These measures, however, are still insufficient with respect to the immense task posed by the dismantlement of apartheid. The objective of the Twelve remains the achievement through peaceful means of a democratic and multiracial system in South Africa. In this regard they support any process which can lead rapidly to the cessation of violence on all sides and to a dialogue between the parties. Only broad-based negotiations bringing together the true leaders of the different constituent parts of the South African people can result in a lasting settlement. In this respect the Conference for a Democratic Future, which is being held in Johannesburg from 9 to 12 December, is a step in the right direction.

In this context the Community and its member States have recalled their support for the programme of positive measures intended to help the victims of apartheid. With a view to preparing for the developments which are inescapable in South Africa, this programme will be strengthened over the next two years by granting new scholarships for study in Europe and in multi-racial South African universities. The purpose of this action is to facilitate exchanges between the different communities while allowing their least privileged members to attain a better level of education and thus to contribute to the training of the skilled personnel of which a multi-racial South Africa will have crucial need in the medium term.

The Community and its member States have, moreover, decided to maintain the pressure that they exert on the South African authorities in order to promote the profound and irreversible changes which they have repeatedly stood for and to reconsider it when there is clear evidence that these changes have been obtained.

A new South Africa, free from racial discrimination, in which all South Africans can live in peace and harmony and enjoy equal rights, is not a Utopian ideal. Its achievement will also be of vital importance to the peace, stability, security and economic development of the whole region and will allow South Africa once more to find its proper place within the international community.

## STATEMENT ON ETHIOPIA

The European Council welcomes the steps undertaken to advance towards negotiated solutions and expresses its conviction that only the conclusion of a political agreement between all parties will enable conflict to be brought to an end. They call on the parties concerned to pursue negotiations so as to achieve as soon as possible a settlement acceptable to all, in a spirit of national reconciliation.

The European Council expresses its deep concern at the gravity of the food shortage which affects the northern regions - in Erythraea and Tigré in particular - and threatens the life of millions of persons.

It affirms the determination of the European Community and its member States to come to the assistance of the populations who are victims of famine. It urges all parties concerned, in collaboration with the agencies of the United Nations, the World Food Programme, the International Committee of the Red Cross, and other non-governmental organisations, not to obstruct but on the contrary to facilitate the delivery and distribution of humanitarian assistance and emergency aid in the afflicted areas.

## DECLARATION ON THE EVE OF GENERAL ELECTIONS IN CHILE, 14 DECEMBER 1989

The European Council, which has constantly expressed its wish for the reestablishment of freedom in Chile, views the situation in that country with hope.

The results of the plebiscite of 5 October 1988 showed clearly the will of its people to put an end to the 16 years of the military regime and to renew its democratic traditions.

The European Council today welcomes the prospects offered by the forthcoming Presidential and legislative elections at the end of a process which should finally permit a return to a state founded on law.

The Community and its member States have already provided the Chilean people with assistance in various sectors. The European Council reiterates its intention to contribute to the economic and social development of a democratic Chile, in particular within the framework of a future cooperation agreement between the Community and that country.

## STATEMENT ON CENTRAL AMERICA

The European Council, concerned at the renewal of tensions in Central America and particularly at the recent explosion of violence in El Salvador, considers that a peaceful solution in accordance with the aspirations of the peoples of the region can only come through dialogue, the safeguarding of human rights, and respect for democracy. In this spirit, they call on all parties in the region to strive for a resumption of the regional peace process based on the Esquipulas agreements.

### PRESS STATEMENT ON THE ACTIVITY OF THE TWELVE IN THE FIELD OF HUMAN RIGHTS

- Cooperation in the field of human rights, which led earlier, in 1986, to a ministerial declaration and, in 1987, to the setting up of a special working group in accordance with the wishes of the European Parliament, has developed further in 1989.

- This has been a year of contrasts in human rights, marked by progress, particularly in some Eastern European countries, but also by disappointed hopes and the continuation of disturbing situations. Confronted with such events, the Twelve have made their voice heard. The interventions they have made in international fora (CSCE; United Nations - where for the first time last February, the Twelve made a joint intervention in the debate of the Commission on Human Rights), together with the positions they have adopted in the form of declarations, give witness to their will to react to such situations regardless of the continent in which they might occur. In certain cases (Iran, Romania, China, Panama), measures that have been taken have been made public.

- The question of human rights has become an important element in the dialogue and cooperation entered into with the developing countries. Respect of human rights is essential to lasting development.

- Actions in the field of human rights have also been carried out by way of numerous démarches made during the year to several governments, most often through the Ambassador of the Presidency or Heads of Mission forming the "Troika". For reasons of efficacy, most of these démarches have remained confidential. The purpose of some of them has been to protect or save persons who were victims of arbitrary treatment or racial discrimination, in particular apartheid. Others have marked the concern of members of the European Community with regard to certain particularly serious attacks on human rights (summary executions, torture, arbitrary arrests ...).

- The adoption in 1988 within the CSCE framework of a special procedure which both enables attention to be drawn to situations where human rights in Europe are not being respected and contributes to their resolution through dialogue between States, has also led the Twelve to act jointly. Thus the Presidency, making use of this procedure, has intervened on a number of occasions in 1989 in four countries of Eastern Europe.

- Coordination between member countries of the Community is accompanied by and relies increasingly upon enhanced on-the-spot cooperation between their Missions in countries where fundamental freedoms are violated.

- Particular attention has been paid to questions and resolutions of the European Parliament concerning human rights.

- All in all, the actions undertaken by the Community and its member States in 1989 in the area of human rights have marked a new stage in their common commitment to the respect of human rights.

**ROINN AN TAOISIGH**  
CONFIDENTIAL

Uimhir.....

Working Visit by President Mitterrand  
Friday, 20 October 1989

The Taoiseach met the French President at the airport and accompanied him, with an interpreter, to Áras an Uachtaráin for a courtesy call on the President and then to Dublin Castle where he hosted a working lunch. The discussions lasted from approximately 1.30 to 3.30 p.m. Items discussed were:-

- (1) economic and monetary union, including convergence,
- (2) the Social Charter, which the French wish to conclude at Strasbourg,
- (3) audio-visual, where they want the agreements put into practice,
- (4) environment, for which the proposed Agency is to be set up at or before Strasbourg,
- (5) Lomé IV, on which agreement as to country contributions is outstanding,
- (6) the Internal Market, where tax harmonisation is "frozen" but on which the French are taking a relaxed view at present,
- (7) specific items like health - the French propose an Agency on drugs which we would have to develop in our Presidency; and
- (8) the external policy of the Community, particularly in relation to Eastern Europe on which the President spoke most perceptively.

The President said that on many matters it would not be possible to reach finality during the French Presidency. The work of bringing progress would fall to the Irish Presidency. He instanced the High Level Group which would be trying to set terms of reference and parameters for the Inter-Governmental Council, the Environment Agency and drugs where there is also a French proposal for a working group. The moves towards a single currency and a single central bank, with tax harmonisation (on savings and VAT) will also, it appears, be handed to us.

The Taoiseach thanked the President for his brilliant and comprehensive presentation and assured him that we would follow the dossiers very closely. We were anxious to advance the matters of French interest and we would keep in touch. There is, in particular, a proposal for an expert group (outside the usual channels) to work on the social charter. Madame Guigou in the Elysee is the contact for this. Contact is to be between her and Mr Barrington.

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Beginning his presentation, the President said that it will be up to the Irish Presidency to pick up matters next January. He wanted to discuss, in particular, at the present meeting, EMU, the social charter, audio-visual matters, the environment and Lomé IV.

The main questions on tv without frontiers had now been settled. But this and all the other matters had now to be put into practice. Decisions on them will have to be taken by the European Community. The decisions on EMU and the social charter were difficult. There was opposition of principle, particularly from the UK. The position of other countries tends to vary, e.g. the Netherlands seems to see itself as a compromise man. There are also reservations of a practical nature from, e.g. Denmark, Portugal and perhaps Ireland. There are other countries with more specific positions. For example, on banking, Luxembourg has very strong views. He was trying to work out himself how to respond. The U.K. sometimes started with a very hard line but now seems to have softened quite a lot. On monetary union, they seemed to have genuine flexibility; on the social charter there is, in his view, false flexibility. The British Prime Minister appeared to object to things in principle, but then to deal pragmatically with them. This was a very British way of doing things. For example, she had objected initially to the idea of the committee of experts. She said that she was not in favour of this and that this was work which ECOFIN should do. The experts should then follow on after ECOFIN. The President did not think this was a good method at all. If you want to move forward in finance you do not give the job to Finance Ministers. If you want to move forward in agriculture you do not give the job to Agriculture Ministers. In the end, the British had turned up and been present at the Guigou committee. They appeared, there, to have no fundamental problem with what was going on.

There were very real problems on tax; there were difficulties on the savings tax because of British and German attitudes. They were strongly against the idea of taxation at source.

The British Prime Minister was arguing that the British would not abandon sovereignty. She argued that we did not need European legislation on the social charter.

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She did not want to give the trade unions in Britain more power. There were suspicions about the German position on co-management. She was, in fact, much closer to the French position on this - essentially they did not now favour co-management but rather contractual arrangements.

Arguments on sovereignty really did not hold much water since 1957 and, for the British, had been largely discarded in relation to agriculture and justice. They accepted the verdict of the European Court. They also accepted the verdicts of the Hague Court. What she was saying should not prevent Europe from giving itself monetary union or a social charter.

The President believed that Europe cannot develop without a social dimension. The workers must have a stake in what was happening. Next, legislation coming from Europe cannot give them less than they have in their own country. The Community is developing enormous powers in the economic area. There must be corresponding developments socially. His aim was to try to move forward pragmatically. Madame Guigou had been asked to go to London to examine what was happening there, in practice, in relation, for example, to industrial hygiene, working conditions, old age, etc. item by item. When this was done with all European countries we would know what the real difficulties are. We need to know what the differences are all about. That is one of the tasks on which Madame Guigou is engaged.

At this point Madame Guigou intervened to say she interrupted to say she expected to have the work completed in time for the Strasbourg Council.

The President went on to say that Mrs Thatcher was satisfied to look at the whole question pragmatically. Other countries took different views. For example, Portugal said that it was in favour, in principle, but because of their fragile economic situation and the present state of society did not want to bring difficulties on themselves. They required a period of transition and, perhaps also, some aid. The President thought the Irish position was similar to that of Portugal. It was very dangerous to mix everything because the British are just waiting for the opportunity to present their objections. She will say to each country that she is their friend and espouse their interests, and then use their arguments to wreck the charter.

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The President said that his aim was to isolate the practical difficulties. If Ireland wants to make known its practical problems then, so long as the general orientation is accepted, these can be accepted and pragmatic change can be made in texts to suit us. He would propose that there should be contacts outside official structures to see what precisely we wanted and, if possible, to reach agreement.

On the environment, everyone agrees as to the necessity for an Agency, the only question was where it would be located. The decision or lack of decision on where should not be allowed to hide the necessity for the Agency or to stop the proposal from going forward. So far, 47 cities wanted it. We simply can't say that we can't have the Agency because we can't decide where to put it. Andreotti said yes, of course, he agreed with an Agency and wanted it in Milano. The French also said they wanted an Agency and proposed Strasbourg. The Germans wanted it and had proposed Berlin (and Karlsruhe?).

On Lomé, the external policy of the Community towards the poor was involved. Everyone was prepared to contribute but, again, the practical question was how much. This was a subject which could be the subject of final decision in Strasbourg, if not before.

The Taoiseach thanked the President for his exposition.

On the Social Charter, the President had described our position correctly. We are completely in support of the philosophy of the concept. Europe was not just for the big organisations but for the working people. We had no difficulty with the principle but there were some matters of detail which we needed to have looked at. The President's proposal for contacts with Madame Guigou were invaluable. He assumed that contacts would be made soon so that the work could be advanced.

We too in this country had an advanced position socially. There was consensus, involving trade unions, in economic and social policy. We therefore had not policy problems of an ideological nature with the proposal for the Charter. However, we had to look at the following areas -

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- (1) What should be the subject of directives from the Commission, what national governments should deal with and what should be dealt with in collective bargaining. We had one of the best systems of collective bargaining. Our strong view was that many matters should be left to collective bargaining - and that more rather than less should be dealt with in this area;
- (2) We fully subscribe to the Social Charter which would encompass political obligations but we would have to be very careful about any suggestion that it be made mandatory. Our principal concern was employment and the creation of employment. We must not harm small or medium sized enterprises or impose impossible or unacceptable burdens on business, leading to unemployment;
- (3) The extent of existing domestic legislation should be fully taken into account so that workers would not have to accept less under Community arrangements than they had at present. In public sector enterprises worker participation was no problem. However, in the private sector this was not compulsory and we would have to be very careful. We had a substantial amount of very large external investment and many multi nationals operated in our country. We just could not afford to alienate or discourage this type of investment.

The Taoiseach felt that these problems were not insurmountable.

The President said that the purpose of the Charter can't be to fix a ceiling to social legislation but a floor. The French had been attracted at one time to the idea of legislation covering worker participation but now were inclined more towards contractual arrangements. They wanted everything possible to be done to support and protect employment and also the training of the young. The Taoiseach said that he subscribed to the idea of a political commitment.

The President went on to say that they were not going at the start to bind up 12 countries in one social framework but they wanted to define aims and to leave the way open for progress. He was particularly keen on

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vocational training, with European aid. They would have to look at programmes like those dealing with sickness, safety and hygiene in factories and at the actual organisation of work, for example working hours which were very different in many countries. He said that he found the Taoiseach's approach very constructive. The Taoiseach said that he thought of the matter as being concluded by the end of the year.

The President said that he genuinely wished to move forward in 1989. If we did not, then it would be regarded as a serious failure of the Community. We had said on monetary union that the IGC would be set up after 1st July 1990 and that gave a bit of leeway in regard to public perception but on other areas there was no such deferment. The IGC would be held in the second half of 1990. We would require a clear agenda for it. The Italians would not have time in six months unless some work was done before then on the Conference. That was why the French were now, in their Presidency, determined to fix a date in October/November/December 1990 for the IGC and also to set a clear agenda. It would be up to the Irish Presidency to define the detail of the work of the Conference. The Italians would have to complete it within the six months. Similarly, with the Social Charter. It would be better if this were completed sooner. A similar approach had been taken in 1985 to the SEA which the British had opposed on ideological grounds and the Danish on constitutional grounds. The Irish had supported the idea but had run into some problems constitutionally. However, they did not object to the principle of the SEA and this was much appreciated in Europe.

In reply to questions, the President said that he hoped to settle the date for the IGC in Strasbourg and the terms of reference. The Taoiseach said that he had no objection to October/November 1990. We would also, if necessary, continue the concept of the high level group to advance the idea.

The President said that the ultimate aim was to finish up with a European currency - perhaps the ECU and have a control mechanism with which all countries would be associated i.e. a European central bank. It would be much easier to move towards the ECU than towards a bank. What was left undone by the French Presidency would have to be carried forward by the Irish Presidency.

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The Taoiseach said that a basic Irish concern was that economic and monetary union should include equally the concept of convergence. This was fully in accord with the Delors report. We would be supporting the strengthening of the Community budget for this purpose. The President said that he had always favoured the expansion of the Structural Funds. He had noted the very considerable reluctance of Germany and Great Britain in this area. The more these countries slowed down the expansion of the Structural Funds the more Ireland will have a case for asking for special consideration in other areas. The Taoiseach said that EMU could not work without convergence. We had recently a report from NESC which he had sent to Heads of Government and he would ask that its conclusions be taken into account. NESC had said that Ireland could not accept all the disciplines and rigours of the EMU without aid. We would ask that the question of economic convergence be kept very much on the agenda. The President said "yes, I get the point". Madame Guigou said that the basic aims must be price stability plus growth plus convergence of the economies.

The Taoiseach asked as to whether the President had any view on UK entry to the EMS. The President said that he thought they might join on or before 1st July 1990. He appeared to have this view from the UK Treasury. The Taoiseach said they were under great pressure now. Madame Guigou said that the British wanted to show that EMU could work without a common currency and without a European central bank, that is, by co-ordination measures alone.

The Taoiseach enquired as to whether there was any sign yet of the Lawson paper. The President said that the Prime Minister was hostile to many things but she was never in a position to put forward anything else. If 10 or 11 out of 12 were in favour of a proposal then the Community could take a decision. They could move forward without regard to the UK position. Ireland had always taken the view in favour of the construction of Europe and he, himself, had always said that Ireland must not be penalised for that. The Taoiseach thanked him for this sentiment.

The President then went on to say that that had been the position about milk in 1984. He had told the Taoiseach's predecessor "trust us, give us time". Everything had turned out well in the end. The position had been so silly - the Community was paying for surplus production and also for the maintenance of stocks. That just could not last. He had said then "please tell us your difficulties and we will see what we can do. Trust us". Portugal had also been in the same position and had got the same type of safeguard.

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The Taoiseach said we want to support the Community; we want to progress but we do not want to get into insurmountable difficulties. The President said "I guarantee that I will try to help but I cannot guarantee that that help will always succeed".

The Taoiseach said that he supported the President's ideas on an environmental agency. The President responded "Yes, that means you want it in Cork!". The Taoiseach then said that we had the cleanest environment - to which the President replied "then you do not need the agency". The President then went on to say that he had ruled out Strasbourg/Brussels, and Luxembourg, because they all had their share of Community institutions. What really was important in determining where the agency should be located. The Taoiseach said that we had no important agency here. The President said that he was not putting forward a French candidate. Madame Guigou said that Copenhagen was making a very strong case. The President then went on to say that when the agency was set up it would have more work than it could do on smoke and acid rain, motorcar exhausts, waterways, use of fertilisers, etc. - within three months they would be asking for everything. His idea was to start with a nucleus and then build on that - as with EUREKA which had 18 countries with members. Pollution knows no frontiers. Ireland had no frontiers except perhaps for oil slicks! The Taoiseach mentioned UK nuclear waste. The President said that before the end of the year they wished to have a decision on the seat of the agency. Then the Irish Presidency would have to develop the work programme of the agency. It would be difficult for people to say "no" to what Ireland suggests.

In a brief discussion of the movement of people, there were references to immigration from outside the Internal Market. Other matters discussed were the Internal Market itself, police/security, and the difficulties of the Schengen group with German police on French territory etc.

On drugs the President said that what he had in mind was a group consisting of one very distinguished person carrying great weight from each country. The group would consist of 12 people - not Ministers who were too busy. It would begin its work during the Irish Presidency and would have to look at the production, processing, traffic, consumption aspects - and, the Taoiseach added, the financial aspects. The President then gave an account of his visit to Bogotá and the struggle going on there against drugs. He said that

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places like Burmah, Thailand, the Lebanon, and Syria were involved. There were large production facilities in Peru and Bolivia and large processing plants now even in the US. In Colombia drug barons controlled one-quarter of the total surface area of the country. They had their own ports on the Pacific, their own fleets, their own aircraft and ships.

In discussion of cancer and aids, he said the problem was to strengthen co-operation. The Taoiseach said more research was needed: the President agreed and said that more needed to be done to make sure that the results of research were properly disseminated. At present they tend to get lost.

The President then went on to say that the Community must exert itself more on foreign policy and went, in detail, into the situation in eastern Europe. Some people believe that Gorbachev would succeed, others - the majority, seem to think that he would fail. He stood in more danger from dislocation within USSR, wars as between regions or countries, than from economic problems. The Russians had always been poor and could understand poverty: but dislocation of the Empire was new. He had a tremendous problem ahead of him with nationalism and the regions. The Community must try to facilitate him with agreements on trade and food and, particularly, by management training. Gorbachev had told him that he could not get an office to work. Agriculture did not produce. He could also be helped by hastening agreements on disarmament. Nobody liked spending a lot of money on arms. The Taoiseach mentioned his contacts with Senators Kennedy and Dodd (who had not been particularly receptive) and said that we could not give much in the way of money but that we had offered management training. We had a particularly interesting situation here in that our public sector companies operated in the private sector. We could show the USSR companies how to adapt to trading in that sector.

In reply to a query from the Taoiseach, the President said that the move towards fiscal harmonisation was more or less frozen. He was not too concerned about the removal of exchange controls in 1990 though there were some worrying aspects. Inflation was at 3.4% and about 100,000 jobs a year were being created. There were references to Deutchmark/French currency matters and to Luxembourg's position as a tax haven, particularly for banking; also to a comparison between French and US contributions to the Third World (.55 of GNP against .27 for the US).

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After some further discussion, the meeting concluded. It was followed by a press conference which lasted for about 25 minutes. The participants at the meeting are shown in the attached list.

  
\_\_\_\_\_  
Dermot Nally

23 October 1989.

Copied to:

Mr Noel Dorr, Secretary, Department of Foreign Affairs.

Mr Michael Keegan, Secretary, Department of Labour.

Mr P Mullarkey, Second Secretary, Department of Finance.

Dr M Mansergh, Department of the Taoiseach.

Mr Ted Barrington, Assistant Secretary, Department of Foreign Affairs.

Mr W Kirwan, Assistant Secretary, Department of the Taoiseach.

# ROINN AN TAOISIGH

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Visit of President Mitterrand, Friday, 20 October, 1989

## Participants at Lunch

Taoiseach

President Mitterrand

Minister for Foreign Affairs, Mr Gerard Collins T.D.

Minister for Finance, Mr Albert Reynolds T.D.

Madame Guigou [senior official from the Elysee]

Monsieur Vedrine [President's spokesman]

French Ambassador, H.E. Jean Bouchaud

Secretary to the Government, Mr Dermot Nally.

Two interpreters were also present.

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Informal Meeting of Foreign Ministers

Dublin, 20 January 1990

I. COMMUNITY/TWELVE RELATIONS WITH EASTERN EUROPE

FACTUAL OVERVIEW

Bulgaria

Community: Negotiations on a Trade and Cooperation Agreement suspended April 1989 because of treatment of Turkish minority. Negotiations will resume in early February, and should be concluded rapidly.

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- II. CSCE MEETINGS p 4
- III. PROPOSAL FOR A EUROPEAN SUMMIT p 5
- IV. GERMAN - GERMAN RELATIONS pp 6-9
- V. EUROPEAN CONFEDERATION p 10
- VI. COUNCIL OF EUROPE RELATIONS WITH EASTERN EUROPE p 11
- VII. GORBACHEV'S SPEECH AT COUNCIL OF EUROPE p 12-13

GDR

Community: Aim to have Trade and Cooperation Agreement signed by June 1990.  
Twelve: Political dialogue approved in principle, but reply to GDR delayed pending developments.

Hungary

Community: Trade and Cooperation Agreement, signed September 1989. PEARE programme of economic assistance.  
Twelve: Political dialogue approved - through Presidency and Commission.

Poland

Community: Trade and Cooperation Agreement, signed September 1989. PEARE programme of economic assistance.  
Twelve: Political dialogue approved - through Presidency and Commission.

## I. COMMUNITY/TWELVE RELATIONS WITH EASTERN EUROPE

### Bulgaria

Community: Negotiations on a Trade and Cooperation Agreement suspended April 1989 because of treatment of Turkish minority.

Negotiations will resume in early February, and should be concluded rapidly.

Twelve: At present, there is no political dialogue.

President Mladenov has made a request in a letter to the Taoiseach for political dialogue. Twelve will await a formal request for dialogue with Twelve as such.

### Czechoslovakia

Community: Agreement on Trade (only) signed December 1988.

Question of extension to include cooperation elements being discussed, at Czech request, within Community.

Twelve: At present, no political dialogue.

Political Committee recommends to Ministers that Twelve should accede to FM Dienstbier's request (in letter to Minister for Foreign Affairs) for political dialogue.

### GDR

Community: Aim to have Trade and Cooperation Agreement signed by June 1990.

Twelve: Political dialogue approved in principle, but reply to GDR delayed pending developments.

### Hungary

Community: Trade and Cooperation Agreement, signed September 1988.

PHARE programme of economic assistance.

Twelve: Political dialogue approved - through Presidency and Commission.

### Poland

Community: Trade and Cooperation Agreement, signed September 1989.

PHARE programme of economic assistance.

Twelve: Political dialogue approved - through Presidency and Commission.

Romania

Community: Agreements on Industrial Trade and Joint Commission concluded 1980. Negotiations on trade and cooperation agreement opened 1986 and suspended 1989. Joint Commission Meeting and GSP treatment suspended December 1989. Council to cancel sanctions and approve new negotiating mandate.

Twelve: At present, no political dialogue. Political Committee recommend that Twelve await a formal Romanian request for dialogue.

USSR

Community: Trade and Cooperation Agreement, signed December 1989.

Twelve: Ongoing political dialogue, at Foreign Minister and Political Director level. Troika (Political Directors) visit to Moscow 11 May 1990 proposed.

Yugoslavia

Community: Trade and Cooperation Agreement, and relations of long standing.

Twelve: Ongoing political dialogue since February 1989.

\* London Information Forum (April-May 1989);

Council for Mutual Economic Assistance

Community: Joint Declaration establishing relations between Community and CMEA signed in Luxembourg, 25 June 1988.

B. Meetings yet to be held(i) Main Meetings

Helsinki Review Meeting, 1992; (possible) European Summit at date and venue still to be decided (see section III)

(ii) Remaining inter-annual meetings

Conference on Economic Cooperation in Europe (Bonn, March-April 1990); Copenhagen Conference on the Human Dimension (June 1990) followed by Moscow Conference on the Human Dimension (September-October 1991); Meeting on the Mediterranean (Palma de Mallorca, September-October 1990); Meeting on Peaceful Settlement of Disputes (Valetta, January 1991); Cultural Heritage Symposium (Cracow, May June 1991).

III. PROPOSAL FOR A EUROPEAN SUMMIT 4

**II. CSCE MEETINGS**

**A. Meetings already held**

**(i) Major Meetings:** Helsinki - produced Helsinki Final Act (1975);  
Belgrade Review Meeting (1977) - did not produce Final Document;  
Madrid Review Meeting - produced Madrid Concluding Document (1983);  
Stockholm Conference - produced document on CSBMs (1986);  
Vienna Review Meeting - produced Vienna Concluding Document (1989).

**(ii) Meetings since Vienna**

1. Signing of CAP Security-Building Measures (CSBM) (Vienna, since March 1989);  
2. Discussion of Negotiation on Conventional Armed Forces in Europe (CAFE) (Vienna, since March 1989) <sup>(1)</sup>;  
3. Discuss the London Information Forum (April-May 1989);  
4. including its Paris Conference on the Human Dimension (May-June 1989);  
Sofia Environment Meeting (October 1989).

**B. United States Views**

**B. Meetings yet to be held**

**(i) Main Meetings** Helsinki Review Meeting, 1992;  
(possible) European Summit at date and venue still to be decided (see section III)

**(ii) Remaining inter-sessional meetings**

Conference on Economic Cooperation in Europe (Bonn, March-April 1990);  
Copenhagen Conference on the Human Dimension (June 1990) followed by  
Moscow Conference on the Human Dimension (September-October 1991);  
Meeting on the Mediterranean (Palma de Mallorca, September-October 1990);  
Meeting on Peaceful Settlement of Disputes (Valetta, January 1991);  
Cultural Heritage Symposium (Cracow, May June 1991).

<sup>1</sup>. Participants are 16 members of NATO and 7 members of Warsaw Pact

### III. PROPOSAL FOR A EUROPEAN SUMMIT

#### A. Soviet Views

- Originally proposed by President Gorbachev; ideas have been refined and clarified by Shevardnadze and other Soviet spokesmen;
- Summit would take place in 1990 at the successful conclusion of the CAFE and CSBM talks;
- Participants would be all 35 CSCE States;
- Summit would not replace Helsinki Review Meeting of CSCE - this would go ahead as scheduled in 1992;
- Agenda would include:
  1. Signing of CAFE and CSBM agreements;
  2. Discussion of further means to reduce military tension;
  3. Discussion of situation in Europe;
  4. Discuss the future development of the CSCE, including its possible institutionalisation.
- The 1992 Meeting would probably also be a Summit and would constitute "Helsinki II".

#### B. United States Views

- Originally, wanted to confine it to 23 CAFE participants;
- Views are evolving. They now accept principle of 35 participation, but wish to separate Summit from CAFE talks.

#### C. Possible Twelve Action

- Twelve have not adopted a view or considered this matter in depth;
  - Ministers may wish to ask Political Committee to consider the question further.
1. ...
  2. ...
  3. ...
  4. ...
  5. Development of a confederative structure between the two German states, leading to a "federal state order in Germany" (this point has since been modified - Mr Kohl now says no-one can predict the form of the Germany that will emerge from this process)
  6. The future structure of Germany must fit into the future architecture of Europe as a whole, including respect for the

#### IV. GERMAN - GERMAN RELATIONS

##### A. Current position

- GDR is moving towards a pluralist political structure, with elections scheduled for 6 May 1990;
- In FRG, developments in GDR have led to a revival of interest in German reunification;
- Chancellor Kohl, on 28 November 1989, proposed a ten-point programme which would eventually lead to German reunification;
- He has emphasised that there is no intention of re-opening the question of the German-Polish border;
- He has also made clear
  - The plan does not have a specific time-scale
  - The plan does not prejudice the eventual form of the Germany that will emerge from the process of self-determination;
- Mr Genscher has also made a number of comments on the subject;
- Reactions have come from GDR, US, USSR and Twelve.

##### B. Kohl Ten-point Programme

1. Emergency assistance measures
2. Continued cooperation in all areas of direct benefit to people on both sides
3. Preparedness to extend cooperation extensively in the event of fundamental and irrevocable political and economic changes in GDR
4. Acceptance of GDR PM Modrow's idea of a "contractual community" between the two Germanies, including common institutions
5. Development of a confederative structure between the two German states, leading to a "federal state order in Germany" (this point has since been modified - Mr Kohl now says no-one can predict the form of the Germany that will emerge from this process)
6. The future structure of Germany must fit into the future architecture of Europe as a whole, including respect for the

- integrity and safety of each state, respect for international law, and the realisation of human rights.
- 7. Strengthening of the European Community as a feature of pan-European development. The Community must remain open to a democratic GDR and other democratic states in Eastern Europe
- 8. The CSCE process, a crucial part of the total European architecture, must be further advanced, including the development of new institutions for European cooperation
- 9. Acceleration of disarmament and arms control to keep step with political developments
- 10. The aim of this policy is freedom in Europe in which the German people can restore their unity through free self-determination.

#### C. Genscher proposals

Mr Genscher has also made proposals concerning the future shape of Europe, including the question of German reunification. In an interview on Deutschland Funk on 14 January, he made the following points.

- Continue with European integration process
  - EMU
  - greater powers for European Parliament
- Cooperation or association agreements with Central and Eastern Europe
- Openness for new members of EC when pre-conditions met
- GDR has options
  - make accession application
  - achieve membership through German reunification

but, all has to await establishment of democratic government after 36 May elections

- CSCE: agrees Summit 1990 and 1992
  - to endorse Vienna I (conventional forces) and start Vienna II (further disarmament and nuclear short-range)

(continued overleaf)

- Summit (continued from previous page)
  - to develop Helsinki Final Act further
  - on free elections
  - on all-European structures/institutions, e.g., environment agency, extending Council of Europe human rights machinery, verification centre
  - on European security structures the principles of the Helsinki Final Act was reiterated.
- Continuation of NATO and Warsaw Pact, with disarmament negotiation functions, vital for stability

- Continued involvement of U.S. vital
- Importance of Soviet involvement and of taking Soviet security interests into account

#### D. GDR position

- GDR PM Modrow had already proposed a "contractual Community" between the two states to underpin the increasingly close-knit network of agreements between them
- The future of the two German states will be defined in the
- GDR do not accept the possibility of reunification

#### E.LIMITS

##### E (i). Twelve

- At Strasbourg, the European Council declared: cooperation in conformity with the development of the European process
  - " We seek the strengthening of the state of peace in Europe in which the German people will regain its unity through free self-determination. This process should take place peacefully and democratically, in full respect of the relevant agreements and treaties and of all the principles defined by the Helsinki Final Act, in a context of dialogue and East-West cooperation. It also has to be placed in the perspective of European integration. "

##### E (ii) United States

President Bush has outlined four principles that guide US policy towards the question of German reunification:

- Self-determination must be pursued without prejudice to its outcome. No particular vision of unity should be endorsed or excluded at this time.

- Unification should occur in the context of Germany's continued commitment to NATO and an increasingly integrated European Community, and with due regard to the legal position of the four allied powers in Germany (US, UK, USSR, France)
- In the interests of general European stability, moves towards unification must be peaceful, gradual and part of a step-by-step process
- On the question of borders, support for the principles of the Helsinki Final Act was reiterated.

#### E (iii) Soviet Union

In his speech to the European Parliament on 19 December, Mr Shevardnadze set out the Soviet position, which is summarised below.

- It is essential to recognise the post-war realities, including the existence of two internationally-recognised German states
- To do otherwise threatens the stability of Europe
- The future of the two German states will be defined in the context of the development of the European process
- Both states belong to different and mutually-opposed military alliances, whose future existence may not, however, be essential
- the two states should develop closer forms of cooperation in conformity with the development of the European process
- One must take account of the legal realities, including the rights and responsibilities of the Allied powers under the Four-Power Agreements
- An essential element of the German question is the recognition as a fact of the final and irrevocable settlement of borders in Europe
- Each German state retains its right to self-determination, but this may only be exercised in the context of other principles of international law
- Self-determination must be exercised in such a way that it does not threaten peace and security in Europe
- Self-determination excludes external pressure on a state

## V. "EUROPEAN CONFEDERATION"

- In his New Year Message, President Mitterrand envisaged the development of a European Confederation which would associate all the countries of Europe
- The Confederation would:
  - be a system of Working dialogue and exchange
  - Associate all European countries with
    - political pluralism
    - free elections
    - a representative system
    - freedom of information
  - have 2 stages
    - (i) Strengthened EC as decided at Strasbourg  
plus EFTA democracies
    - (ii) all Europe (including Soviet Union)  
especially Poland, Hungary and Czechoslovakia now
- Council of Europe is not satisfactory because "it does not have an institutional existence"

## VI. COUNCIL OF EUROPE RELATIONS WITH EASTERN EUROPEAN COUNTRIES

### Hungary

- Party to European Cultural Convention
- "Guest" (observer) status with Consultative Assembly
- Applied, on 15 November 1989, to join Council of Europe

### Poland

- Party to European Cultural Convention
- Guest status with Consultative Assembly
- Has announced its intention of seeking membership of Council of Europe, but has not formally applied.

### USSR

- Guest status with Consultative Assembly

### Yugoslavia

- Guest status with Consultative Assembly

### Bulgaria

- Has applied for guest status with Consultative Assembly

### Czechoslovakia

- Has applied for guest status with Consultative Assembly
- Possibility of Committee of Ministers Meeting in March to discuss Council of Europe's role as a framework for dialogue with Eastern Europe
  - Portuguese Foreign Minister (Chairman of Committee of Ministers) may raise question at Informal Meeting
  - We do not wish to encourage this
  - Such a meeting would not be useful

- All-round cooperation must be developed:

- convening of 15-nation summit to discuss progress toward "a European Community of the 21st Century"

- Establishment, in the long term, of a single European economic space

VII GORBACHEV'S SPEECH AT THE COUNCIL OF EUROPE - 7 JULY 1989

Gorbachev set out at length his ideas about the future development of Europe in his speech to the Parliamentary Assembly of the Council of Europe in Strasbourg on 7 July 1989.

- The two most important prerequisites for a "normal European process" are:
  - i) the recognition that the states of Europe belong to different social systems;
  - ii) respect for the sovereign right of each people to choose its social system.
- By "Common European Home" he means a restructuring of the existing international order in Europe that would put common European values in the forefront and replace the traditional balance of forces with a balance of interests.
- Security is the foundation of the "Common European Home"
  - threat or use of force is ruled out, implying a doctrine of military restraint instead of deterrence
  - radical reduction in conventional arms and armed forces to a level of reasonable defence sufficiency
  - talks leading to the elimination of tactical nuclear weapons
  - the elimination of all nuclear weapons by the turn of the century
  - elimination of chemical weapons at the earliest possible date
  - complete withdrawal of all foreign troops from the territories of other countries
  - dismantling of military blocs
- All-round cooperation must be developed:
  - convening of 35-nation summit to discuss progress toward "a European Community of the 21st Century"
  - Establishment, in the long term, of a common European economic space

- long-term economic cooperation as an integral part of CSCE
- two-way flow of scientific and technical knowledge
- environmental cooperation
- cooperation in the cultural, scientific and information spheres
- the "Common European Home" will be based on the rule of law
  - creation of a European legal space

Receiving to the Government

7

You will recall the discussions on  
this address at yesterday's Kissinger  
meeting

Baker/Berlin

December 12, 1989

18/12

Baker Outlines Blueprint for New Era in Europe  
(Text: Address to Berlin Press Club)

Berlin -- Secretary of State Baker December 12 warmly welcomed changes underway in Eastern Europe and urged the West to adapt itself to the coming "new era" in Europe.

"From the Baltic to the Adriatic, an irresistible movement has gathered force -- a movement of, by, and for the people," Baker told the Berlin Press Club in a major policy address. "In their peaceful urgent multitude, the peoples of Eastern Europe have held up a mirror to the West and have reflected the enduring power of our own best values."

Baker was confident that "creative new arrangements can be devised to encourage and sustain the process of political and economic reform" in Eastern Europe while "preserving the integrity and the vitality of existing institutions" in the West.

In this effort, the secretary emphasized, the North Atlantic Treaty Organization (NATO) and the European Community (EC) must play central roles.

"This new architecture must have a place for old foundations and structures that remain valuable -- like NATO" and "must continue the construction of institutions -- "like the EC -- that can help draw together the West while also serving as an open door to the East."

And, he said, the new architecture must "build up frameworks" like the Conference on Security and Cooperation in Europe (CSCE) "that can overcome the division of Europe and bridge the Atlantic Ocean."

Noting that NATO and Warsaw Pact foreign ministers will be meeting in Ottawa in February to launch the Open Skies negotiations, Baker urged them to take the opportunity to "review and give a further push to the Vienna Talks on Conventional Forces." That could clear the way for a summit meeting during 1990 to conclude an agreement limiting conventional armaments from the Atlantic to the Urals, as President Bush proposed at Malta early this month.

The secretary said the November 9 opening of the Berlin Wall was "the most dramatic" event of the post-war era and characterized it as "one of the proudest achievements of the CSCE process as the GDR fulfilled its commitment to allow its people to travel freely."

"President Gorbachev deserves credit for being the first Soviet leader to have the courage and foresight to permit the lifting of

*M. Okrubator*  
*Thanks*  
*on*  
*19/12*

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ssion in Eastern Europe," Baker said. "But the real impulse for change comes from an altogether different source: the peoples of Poland, of Hungary, of Czechoslovakia, of Bulgaria, and of East Germany," he said.

Following is the text of Baker's speech as delivered:

(begin text)

It is truly an honor for an American to speak at this time in this city. For me and for millions of my fellow citizens, Berlin, Freedom's City, is the crucible of half a century of history.

-- Here we have seen clearly what elsewhere hid in the shadows.

-- Here the ambiguous disclosed its true nature

-- And here, together, we made the choices and we took the stands that shaped today's world.

In 1945, pictures of a bombed-out Berlin brought home to us the terrible cost of war.

In 1948, the Soviet Union stalked out of the Four Power Control Commission and blockaded Berlin -- a clear declaration of cold war.

In 1953, Berliners staged the first popular revolt against Soviet tyranny in Eastern Europe.

In 1961, the Berlin Wall closed the last escape hatch from the prison camp of nations which Eastern Europe had become.

In 1971, the Quadripartite Agreement on Berlin epitomized the terrible dilemma of detente -- the proposition that cooperation between East and West assumed the continued division of this continent.

And then in 1989, the most important event -- certainly the most dramatic event -- of the postwar era occurred, right here in Freedom City.

On November 9, the Wall became a gateway. Berliners celebrated history's largest and happiest family reunion. And all of us who watched these scenes felt, once again: We are all Berliners.

Once more images from Berlin flashed around the world, images that heralded a new reality. This new reality has its roots in those older Berlin scenes -- the scenes of West Berlin's dramatic postwar reconstruction; the scenes of allied aircraft supplying a blockaded city; the scenes if you will of American and Soviet tanks facing off at Checkpoint Charlie.

By standing together in Berlin as elsewhere, Western nations created the essential preconditions for overcoming the division of this city, the division of this nation, and indeed the division of this continent.

As these recent events have unfolded, the Soviet Union has demonstrated a remarkable degree of realism. And President Gorbachev deserves credit for being the first Soviet leader to have the courage and to have the foresight to permit the lifting of repression in Eastern Europe.

But the real impulse for change comes from an altogether different source: it comes from the peoples of Poland, of Hungary, of Czechoslovakia, of Bulgaria, and yes of East Germany.

They have in effect freed themselves.

From the Baltic to the Adriatic, an irresistible movement has gathered force -- it is a movement of, by, and for the people. In their peaceful urgent multitude, the peoples of Eastern Europe have held up a mirror to the West and they have reflected the enduring power of our own best values. In the words of Thomas Jefferson who was the first American secretary of State, "Nothing is more certainly written in the book of fate than that these people are to be free."

The changes amount to nothing less than a peaceful revolution.

And now, as President Bush stated last week, "the task before us is to consolidate the fruits of this peaceful revolution and to provide the architecture for continued peaceful change."

The first step is for free men and women to create free governments. The path may appear difficult, at times even confusing, but we must travel it and we must travel it with understanding. For true stability requires governments with legitimacy, governments in other words that are based on the consent of the governed.

The peoples of Eastern Europe are trying to build such governments. Our view, as President Bush told President Gorbachev, is that the political and economic reforms in the East can enhance both long-term stability in Europe and the prospects for perestroika. A legitimate and stable European order will help, it will help not threaten, legitimate Soviet interests. And, of course, an illegitimate order will provide no order at all.

Free men and free governments are the building blocks of a Europe whole and free. But hopes for a Europe whole and free are tinged with concern by some that a Europe undivided may not necessarily be a Europe peaceful and prosperous. Many of the guideposts that brought us securely through four sometimes tense and threatening decades are now coming down. Some of the divisive issues that once brought conflict to Europe are reemerging.

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As Europe changes, the instruments for Western cooperation have got to adapt. Working together, it is up to us to design and gradually to put into place what I refer to as a new architecture for this new era.

This new architecture must have a place for old foundations and structures that remain very valuable like NATO -- while recognizing that they can also serve new collective purposes. The new architecture must continue the construction of institutions -- like the European Community -- that can help draw together the West while also serving as an open door to the East. And the new architecture must build up frameworks -- like the CSCE process -- that can overcome the division of Europe and that at the same time can bridge the Atlantic Ocean.

This new structure must also accomplish two special purposes. First, as a part of overcoming the division of Europe there must be an opportunity to overcome through peace and freedom the division of Berlin and of Germany. The United States and NATO have stood for unification for 40 years, and we will not waiver from that goal.

Second, the architecture should reflect that America's security -- politically, militarily, and economically remains linked to Europe's security. The United States and Canada share Europe's neighborhood.

As President Bush stated in May, "The United States is and the United States will remain a European power." And as he added last week, "The United States will maintain significant military forces in Europe as long as our Allies desire our presence as part of a common security effort." This is our commitment to a common future, a recognition of a need for an active U.S. role in Europe, a need acknowledged even by President Gorbachev.

The change for us all then is to work together, to work together toward the New Europe and the New Atlanticism.

#### New Missions for NATO

In May of this year, President Bush suggested to his NATO colleagues that it was time to begin considering some new missions for NATO.

For over 40 years, the North Atlantic Treaty Organization has secured peace in Europe through both deterrence and dialogue with the East. Today, NATO is working in Vienna to build a new security structure for Europe, one in which the military component is reduced and the political is enhanced. This, of course, is NATO's first mission.

A conventional forces agreement is the keystone of this new security structure. In May, NATO adopted President Bush's suggestion to seek such an agreement and to seek it on an accelerated timetable. President Gorbachev has responded to this opportunity in a positive way. And we have moved significantly closer to concluding an agreement limiting conventional armaments from the Atlantic to the Urals. In Malta, President Bush proposed a summit meeting to sign such an agreement sometime during the year 1990.

Today, I further propose that the ministers of the 23 NATO and Warsaw Pact nations take advantage of our February meeting in Ottawa, where we will launch the Open Skies negotiations, to review the status and to give a further push to the conventional forces talks going on in Vienna.

As we construct a new security architecture that maintains the common defense, the non-military component of European security will grow. Arms control agreements, confidence-building measures and other political consultative arrangements are going to become more important. It is in such a world that the role of NATO is going to evolve. NATO will become the forum where Western nations cooperate; where Western nations cooperate to negotiate, to implement, to verify and to extend agreements between East and West.

In this context, the implementation and verification monitoring of a conventional forces agreement will present a major challenge for enduring security. NATO is going to have to make an important contribution to that.

I, therefore, also invite allied governments to consider establishing a NATO Arms Control Verification Staff. Verification will, of course, remain a national responsibility. But such a new staff would be able to assist member governments in monitoring compliance with arms control and confidence building measures in Europe. A NATO organization of this sort could be valuable; valuable in assisting all allies and in coordinating the implementation of inspections. It could provide a clearinghouse for information contributed by national governments, perhaps, joining with collective European efforts through the Western European Union.

As the East-West confrontation recedes, and as the prospects for East-West cooperation advance, other challenges for European and Atlantic security are going to arise. These point to NATO's second mission. Regional conflicts -- along with the proliferation of missiles and nuclear, chemical and biological weapons present us with ever-growing dangers. Intensified NATO consultations on these issues can play an important role in forming common Western approaches to these various threats.

Third, NATO should also begin considering further initiatives the West might take, through the CSCE process in particular, to build economic and political ties with the East, to promote respect for human rights, to help build democratic institutions, and to fashion,

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consistent with Western security interests, a more open environment for East-West trade and investment.

And finally, NATO may have its greatest and most lasting effect on the pattern of change by demonstrating to the nations of the East a fundamentally different approach to security. NATO's four decades offer a vision of cooperation, not coercion; of open borders, not iron curtains. The reconciliation of ancient enemies, which has taken place under the umbrella of NATO's collective security, offers the nations of Eastern Europe an appealing model of international relations.

Whatever security relationships the governments of Eastern Europe choose, NATO will continue to provide Western governments the optimal instrument to coordinate their efforts at defense and arms control, and to build a durable European order of peace. The interests of Eastern Europe, and indeed the interests of the Soviet Union, will be served by the maintenance of a vigorous North Atlantic Treaty Organization.

The Role of the European Community

The future development of the European Community will also play a central role in shaping the new Europe.

The example of Western cooperation through the European Community has already had a dramatic effect on Eastern attitudes toward economic liberty. The success of this great European experiment, perhaps more than any other factor, has caused Eastern Europeans to recognize that people as well as nations cooperate more productively when they are free to choose. The ballot box and the free market are of course the fundamental instruments of choice.

Naturally, the United States seeks a European Community which is open to cooperation with others. But the European experiment has succeeded not just because it has appealed to the enlightened self-interest of European producers and consumers. This experiment has succeeded because the vision of its founders encompassed and yet transcended the material. This experiment has succeeded because it also held out the higher goal of political as well as economic barriers overcome, that is of a Europe united.

This was the goal of Monnet and Schumann. This was the goal supported by the United States of Marshall and Acheson. This was the goal contained in the Treaty of Rome and more recently in the Single European Act. The United States supports this goal today with the same energy that it did 40 years ago.

We think that Americans will profit from access to a single European market, just as Europeans have long profited from their access to a single American market. However, it is vital to us all -- vital to us all that both these markets remain open -- and indeed that both become even more open.

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As Europe moves toward its goal of a common internal market, and as its institutions for political and security cooperation evolve, the link between the United States and the European Community will become even more important. We want our transatlantic cooperation to keep pace with European integration and with institutional reform.

To this end, we propose that the United States and the European Community work together to achieve, whether its in treaty or some other form, a significantly strengthened set of institutional and consultative links. Working from shared ideals and common values, we face a set of mutual challenges -- in economics, in foreign policy, the environment, science, and a host of other fields. So it makes sense for us to fashion our responses together as a matter of common course.

We suggest that our discussions about this idea proceed in parallel with Europe's efforts to achieve by 1992 a common internal market so that plans for U.S.-EC interaction would evolve along with changes in the community.

The United States also encourages the European Community to continue to expand cooperation with the nations of the East. The promotion of a political and economic reform in the East is a natural vocation for the European Community. That is why we were exceptionally pleased with the agreement at the Paris Economic Summit that the European Commission should assume a special role in the Group of 24 effort to promote reform in Poland and Hungary.

The United States has worked closely with the European Community in mobilizing economic and financial support for Poland and Hungary. Indeed, the United States has authorized almost 1,000 million dollars of assistance to these two nations. This week, we look at the Group of 24 meeting to move as close as possible toward achieving the additional 1,000 million dollar stabilization fund that Poland requested to support its major move toward currency convertibility and macroeconomic reform.

That should be just the start of our common labor. Poland and Hungary have 40 years of economic stagnation to overcome, and this is going to take time and it's going to take the steady support of all of us. As Czechoslovakia, Bulgaria and the German Democratic Republic undertake political and economic reforms comparable to those already underway in Poland and Hungary, we believe the activities of the Group of 24, centered around the EC, should be expanded to support peaceful change in these countries as well.

As the nations of Europe achieve more open political and economic systems, they may seek new relationships with the European Community, with the Council of Europe and with other institutions serving both Europe and the broader international community. In fact, such ties could be fundamental to our strategy of rebuilding the economies of Eastern Europe through private capital and private initiative.

Private investors in Eastern Europe are going to want to know that they can sell their products in Western markets.

I am confident that creative new arrangements can be devised to encourage and sustain the process of political and economic reform in the countries of Eastern Europe, while at the same time preserving the integrity and the vitality of existing institutions. We need to offer the nations of the East hope, opportunities that can be seized as they take steps toward democracy and economic liberty. Perhaps the recent work on an agreement between the EC and the six nations of the European Free Trade Association will set a pattern for improved ties with others.

We see no conflict between the process of European integration and an expansion of cooperation between the European Community and its neighbors to the East and West. Indeed, we believe that the attraction of the European Community for the countries of the East depends most on its continued vitality. And the vitality of the Economic Community depends in turn on its continued commitment to the goal of a united Europe envisaged by its founders -- free, democratic and closely linked to its North American partners.

#### The Helsinki Process -- The New Role of CSCE

The one institution that brings all the nations of the East and West together in Europe, the Conference on Security and Cooperation in Europe, is in fact an ongoing process launched over 14 years ago in Helsinki. There have been different perceptions as to the functions of this CSCE process. Some saw the Helsinki Final Act of 1975 as a ratification of the status the equivalent if you will of a peace treaty concluding World War II, and thus the legitimization of Europe's permanent division. Others, however, saw this process as a device by which these divisions could be overcome.

The dynamic concept of the CSCE process has prevailed. In 1975, the governments of Eastern Europe may not have taken seriously their commitments to respect a wide range of fundamental human rights. But their populations did. The standards of conduct set by the Helsinki Final Act are increasingly being met through international pressure and domestic ferment. Last month, here in Berlin, of course we witnessed one of the proudest achievements of the CSCE process as the GDR fulfilled its commitment to allow its people to travel freely.

Now it's time for the CSCE process to advance further. I think we can look toward filling each of its three baskets with new substance.

First, we can give the security basket further content through the 35-nation negotiations on confidence-building measures which are currently underway in Vienna. The agreements under consideration there should help prevent force, or the threat of force, from being

used again in an effort to intimidate any European nation. Apart from reducing further the risk of war, new confidence-building measures can create greater openness. They can institutionalize a predictable pattern of military interaction, a pattern that is difficult to reverse and that builds a new basis for trust.

Second, the relatively underdeveloped economic basket can assume new responsibilities. President Bush suggested to President Gorbachev at Malta that we could breath new life into this CSCE forum by focusing it on the conceptual and practical questions involved in the transition from stalled, planned economies to free, competitive markets. When our nations meet in Bonn in May of next year to discuss economic cooperation, I suggest we concentrate on this issue.

Third, the CSCE process has made its most distinctive mark in the field of human rights. One fundamental right, however, has not yet been fully institutionalized. This is the right for people to choose, through regular, free, open, multi-party elections, those who will govern them.

This, of course, is an ultimate human right, the right that secures all others. Without free elections, no rights can be long guaranteed. With free elections, no rights can be long be denied.

On May 31, in Mainz, President Bush announced a major new Helsinki initiative to help end the division of Europe. He called for free elections and political pluralism in all the countries of Europe. Now, this is beginning to come to pass.

In June, the United States and the United Kingdom co-sponsored a free elections initiative at the CSCE human rights meeting in Paris. This proposal called on all 35 CSCE participating states to allow periodic, genuine and contested elections based on universal and equal suffrage, by secret ballot, with international observers. Individuals would be allowed to establish and maintain their own political parties in order to ensure fully democratic procedures.

Free elections should now become the highest priority in the CSCE process. In 1945, Josef Stalin promised free elections and self-determination for the peoples of Eastern Europe. The fact that those elections were not free, and the fact that those peoples were not allowed to determine their destiny, was a fundamental cause of the Cold War.

Now this Stalinist legacy is being removed; being removed by people determined to reclaim their birthright to freedom. They should not be denied and they will not be denied.

As all or nearly all the CSCE states move toward fully functioning representative governments, I suggest we consider another step: We could involve parliamentarians more directly in CSCE processes, not only as observers as at present, but perhaps through their own meetings. To sustain the movement toward democracy, we need to reinforce the institutions of democracy.

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### Germany and Berlin in a New Europe

A new Europe, a Europe that is whole and free, must include of course arrangements that satisfy the aspirations of the German people and meet the legitimate concerns of Germany's neighbors. Before the Bundestag on November 28, Chancellor Kohl laid out an approach designed to achieve German aspirations in peace and freedom. At last week's NATO Summit, President Bush reaffirmed America's long-standing support for the goal of German reunification. He enunciated four principles -- four principles that guide our policy, and I am pleased to note these ideas were incorporated into the statement issued last week by the leaders of the European Community nations at Strasbourg.

-- One, self-determination must be pursued without prejudice to its outcome. We should not at this time endorse nor should we exclude any particular vision of unity.

-- Two, unification should occur in the context of Germany's continued commitment to NATO and an increasingly integrated European Community, and with due regard of course for the legal role and responsibilities of the allied powers.

-- Three, in the interests of general European stability, moves toward unification must be peaceful, they must be gradual, and part of a step-by-step process.

-- Four, and finally, on the question of borders, we should reiterate our support for the principles of the Helsinki Final Act.

President Bush concluded that "an end to the unnatural division of Europe, and of Germany, must proceed in accordance with and be based upon the values that are becoming universal ideals, as all the countries of Europe become part of a commonwealth of free nations."

As an American, ladies and gentlemen, I am very proud of the role my nation has played and will continue to play standing with you. Yet this very positive course will not be easy, nor can it be rushed. It must be peaceful. It must be democratic. And, of course, it must respect the legitimate concerns of all the participants in the New Europe.

As Berlin has stood at the center of a divided Europe, so may it stand at the center of a Europe which is whole and free -- no longer the embattled bastion of freedom, but instead a beacon of hope -- a beacon of hope to people around the world for a better life.

## A New Europe, A New Atlanticism

And so my friends, we see changes today underway in the East which are a great source of great hope. But a new era brings different concerns for all of us. Some of these are as old as Europe itself. Others are themselves the new products of changes.

Were the West to abandon the patterns of cooperation that we have built up over four decades, these concerns could grow into problems. But the institutions that we have created -- NATO, the European Community, and the CSCE process -- are alive. Rooted in democratic values, they fit well with the people power that is shaping history's new course.

More important, these institutions are also flexible and they are capable of adapting to rapidly changing circumstances. As we adapt, as we update and expand our cooperation with each other and with the nations of the East, we will create a new Europe -- a new Europe on the basis of a new Atlanticism.

NATO will remain North America's primary link with Europe. As arms control and political arrangements increasingly supplement the still vital military component of European security, NATO will take on new roles.

The European Community is already an economic pillar of the transatlantic relationship. It will also take on, perhaps in concert with other European institutions, increasingly important political roles. Indeed, it has already done so, as evidenced by the community's coordination of a Western effort to support reform in Eastern Europe. And as it continues to do so, the link between the United States and the European Community should grow more strong, the issues we discuss more diversified, and our common endeavors more important.

At the same time, the substantive overlap between NATO and European institutions will grow. This overlap must lead to synergy, not to friction. Better communication among European and transatlantic institutions will thus become more urgent.

The CSCE process could become the most important forum of East-West cooperation. Its mandate will grow as this cooperation takes root.

And as these changes proceed, as they overcome the division of Europe, so too will the divisions of Germany and Berlin be overcome in peace and freedom.

Ladies and gentlemen, this fall a powerful cry went up from the huge demonstrations in Leipzig, Dresden and Berlin. "We are the people." the crowds chanted at the party that ruled in their name. On

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the other side of the globe, Lech Walesa was addressing the U.S. Congress, thanking America for supporting Polish liberty. He began with words written two hundred years ago, the words that open the U.S. Constitution: "We the people."

Between 1789 and 1989, between the expressions "We the people" and "we are the people," runs one of history's deepest currents. What the American founding fathers knew, the people of East Germany and Eastern Europe now also know -- that freedom is a blessing, but not a gift. That the work of freedom is never done, and it is never done alone. Between the America of "We the people" and the Europe of "We are the people," there can be no division. On this basis a new Atlanticism will flourish, and a new Europe will be born.

(end text)

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Embassy of the Federal Republic of Germany

# Press Release



8

overcome peacefully.

we are also proud that Germans in the GDR have, with their powerful and peaceful intercession for freedom, human rights and self-determination, provided an example of their courage and love of freedom for the whole world, an example which is being esteemed throughout the world.

we are all deeply impressed by the lively and unbroken desire for freedom, which is moving the people of Leipzig and other cities. they want to determine their own future, in the original sense of the word. we will, of course, respect every decision met by the people of the GDR via free self-determination.

**Comments by**

**Federal Chancellor Dr. Helmut Kohl**

we, in the free part of Germany, stand in solidarity alongside our fellow countrymen.

**in the German parliamentary budget debate**

at the beginning of last week, federal minister Seitzers spoke with the chairman of the state council, Krenz, and prime minister, Modrow, in their respective leadership positions. we wanted to learn how the announced reform programme shall be put into effect and in which time frame concrete steps are to be expected.

**on November 28, 1989**

**concerning**

it has been agreed to continue discussions at the beginning of december. if, as we hope, initial results can be seen in the GDR, we would like to meet the responsible parties in the GDR before christmas.

**policy towards Germany**

in Berlin, federal minister Seitzers also spoke with representatives of the opposition and the church. in the last few weeks, i myself had contacts with representatives of the opposition in Bonn. we regard it as advisable, in all we are currently doing and in all the decisions we are making, to take into account the views, opinions and recommendations of the opposition in the GDR. we continue to place great value upon these contacts. we want to carefully cultivate these in the future.

**(unofficial translation)**

chances are arising to overcome the division of Europe and that of our fatherland. the Germans, who are reuniting in the spirit of freedom, will never pose a threat to, but will rather be an asset for, a Europe which is growing together.

the move to change, which we are currently experiencing, is primarily the desire of the people who are so impressively demonstrating their will for freedom. it is developments of past years, which we have, with our policy, substantially contributed to this.

since the opening of the inner-german border and sector boundary in berlin on november 9th, german-german politics has entered into a new phase, which offers new chances and new challenges.

we are all overjoyed about the newly won freedom of movement for those living in divided germany. we, along with those germans in the gdr, are happy that the wall and border blockades could finally, after decades, be overcome peacefully.

we are also proud that germans in the gdr have, with their powerful and peaceful intercession for freedom, human rights and self-determination, provided an example of their courage and love of freedom for the whole world, an example which is being esteemed throughout the world.

we are all deeply impressed by the lively and unbroken desire for freedom, which is moving the people of leipzig and other cities. they know what they want. they want to determine their own future, in the original sense of the word. we will, of course, respect every decision met by the people of the gdr via free self-determination.

we, in the free part of germany, stand in solidarity alongside our fellow countrymen.

at the beginning of last week, federal minister seiters spoke with the chairman of the state council, krenz, and prime minister, modrow about the new east german leaderships position. we wanted to learn how the announced reform programme shall be put into effect and in which time frame concrete steps are to be expected.

it has been agreed to continue discussions at the beginning of december. if, as we hope, initial results can be seen in these discussions, i myself would like to meet the responsible parties in the gdr before christmas.

in berlin, federal minister seiters also spoke with representatives of the opposition and the church. in the last few weeks, i myself have welcomed representatives of the opposition in bonn. we regard it as advisable, in all we are currently doing and in all the decisions we are making, to take into account the views, opinions and recommendations of the opposition in the gdr. we continue to place great value upon these contacts. we want to carefully cultivate these in the future.

chances are arising to overcome the division of europe and that of our fatherland. the germans, who are reuniting in the spirit of freedom, will never pose a threat to, but will rather be an asset for, a europe which is growing together.

the move to change, which we are currently experiencing, is primarily the deserts of the people who are so impressively demonstrating their will for freedom. it is also, however, the result of the many political developments of past years. we have, with our policy, substantially contributed to this.

- decisively important was the fact that we initially conducted this policy based on the solid foundation of our integration in the community of free democracies. the uniformity and steadfastness on the part of the alliance during the difficult test of 1983 have paid off. we have strengthened the backbone of the reform movement in central, eastern and south-eastern europe by pursuing our clear course within the atlantic alliance and in the european community.

- we have, with the transition to new stages of economic and political integration within the european community, successfully further developed the model for the free coalition of european peoples, which has attractive powers far beyond the community.

- on the other hand, general secretary gorbachev's reform policy within the soviet union and the new way of thinking in soviet foreign policy were a decisive prerequisite. without the recognition of the rights of peoples and countries to choose their own way, the reform movements in other countries of the warsaw pact would not have been successful.

- the dramatic occurrences in the gdr would not have taken place if poland and hungary had not led the way with far-reaching political, economic and social reforms. i welcome the fact that changes are also becoming apparent in bulgaria, and the cssr. i am particularly pleased that this year's german book trade peace prize winner, vaclav havel, is now finally able to harvest the fruits of his longstanding work and suffering for freedom. his magnificent acceptance speech at the paulskirche in frankfurt, which he himself could not deliver, was an impressive final reckoning with the socialist-communist system.

- the csce process also played an important role, whereby we, together with our partners, have always insisted on the dismantling of sources of tension, on dialogue and co-operation, and most particularly on the respect of human rights.

- thanks to the continual summit diplomacy of the major powers and the numerous intensive east-west meetings of heads of state and government, a new trust was able to develop in east-west relations. the historical breakthrough in disarmament and arms control is a visible expression of this trust.

- the broadly based contractual policy of the federal government towards the soviet union and all other warsaw pact states has made considerable contributions to the development of east-west relations and has given them important impulses.

the consistent policy with regard to the coherence of our nation is amongst the causes of the most recent changes. since 1987, millions of fellow countrymen from the gdr have visited us, amongst them many young people. our "small step policy" has, in difficult times, kept awake and sharpened the consciousness for the unity of the nation, and has deepened the germans sense of togetherness.

this is particularly apparent at the present time. (if) these developments refute all gloomy predictions by those people who, since the beginning of my term of office,

have been predicting a new "ice age" in east-west relations, and who have accused us and myself personally - of being unable to foster peace. exactly the opposite has occurred. today, we have a greater sense of understanding and community in germany and europe than has ever been felt since the end of world war ii.

today, as everyone can see, we have reached a new epoch in european and german history, an age which points beyond the status quo, and beyond the former political structures in europe. the change is primarily the work of people who insist on the conc ssion of reedom, on the respect of their human rights and on their right to determine their own future.

all who carry responsibility in and for europe have to make allowance for the will of people and nations. we are all called upon to design a new architecture for the house of europe and for a permanent and just order of peace on our continent as both general secretary gorbachev and i reaffirmed in our common declaration of june 13th this year m

hereby the l gitimate interests of all parties concerned must be guaranteed. this, of course, is also true of german interests.

we are therefore approaching the goal already set by the atlantic alliance in december 1967 - i quote: "a final and stable settlement in europe is not possible without a solution to the german question, which forms the nucleus of the current tensions in europe. any settlement of that kind must remove the unnatural barriers between eastern and western europe, which are manifested in the clearest and ugliest fashion in the division of germany."

we cannot plan the way to unity from our "armchairs" or with our appointment calendars. abstract models will help us no farther. we can today, however, already prepare those stages which lead to this goal. i would like to elucidate these using a ten-point-programme:

+ firstly: immediate measures need to be taken. these result from the events of the past few weeks, particularly from the movement of refugees and the new dimensions of inter-german traffic.

the federal government is prepared to provide immediate concrete aid where it is needed. we will assist in the humanitarian sector and provide medical assistance as far as is required.

we are also aware that the welcoming money, which is given once a year to every visitor from the gdr, can provide no long-term solution for the financing of journeys. the gdr must equip its nationals with the necessary currency. we are, however, prepared to contribute to a currency fund for the transition period. the prerequisites for this are, that the minimum sum of exchange imposed when travelling to the gdr must be relinquished, that entry into the gdr must be made easier and that the gdr itself makes a considerable contribution to this fund.

our aim is to establish the most unhindered form of tourist traffic possible in both directions.

secondly: the federal government will, as before, continue its co-operation with the gdr in all areas where it is of direct benefit to people on both sides. this is particularly true of economic, scientific and technological co-operation and of co-operation in cultural fields. it is of particular importance to intensify co-operation in the field of environmental protection. here we will be able to shortly take decisions concerning new projects.

additionally, we also want to help to ensure that the telephone network in the gdr is extended as quickly as possible.

we are continuing negotiations pertaining to the extension of the railway network hanover-berlin. in addition, dialogue is necessary concerning fundamental questions of rail traffic within a europe with open borders, and concerning the linking of the gdr network, with particular reference to modern high-speed trains.

thirdly: i have offered to extensively extend our aid and co-operation should fundamental change of the political and economic system in the gdr be firmly agreed upon and put irrevocably into effect. by irrevocable, we mean that the east german leadership comes to an understanding with opposition groups concerning constitutional change and a new electoral law.

we support the demands for free, equal and secret elections in the gdr which incorporates independent and non-socialist parties. the power monopoly of the sed must be lifted.

the introduction of constitutional state conditions means, above all, the abolition of laws concerning political crimes.

economic aid can only be effective if fundamental reforms within the economic system take place. former experience with all comecon states proves this. the bureaucratic planned economy must be dismantled.

we do not want to stabilize conditions which have become indefensible. economic improvement can only occur if the gdr opens its doors to western investment, if conditions of free enterprise are created and if private enterprise becomes possible. there are already examples of this in hungary and poland, examples which can be used by the gdr for orientation. under these conditions, joint-ventures would soon be possible. there is already a large degree of willingness to undertake such ventures both at home and abroad.

these are not official preconditions but factual prerequisites needed before our aid can take effect. additionally there can be no doubt that the people in the gdr want an economic order which can also provide them with economic freedom and prosperity.

fourthly: prime minister modrow spoke in his governmental declaration of a contractual community. we are prepared to accept these thoughts. the proximity and the special nature of the relationships between our two states in germany demand an increasingly close-knit network of agreements in all sectors and at all levels.

this co-operation will also increasingly demand common institutions. commissions which already exist can be given new tasks and further commissions can be called into being. here i am particularly thinking of the economic, transport, environmental, scientific and technical, health and cultural sectors. it goes without saying that berlin will be fully included in these co-operative efforts.

i call upon all social groups and institutions to actively participate in the development of such a contractual community.

fifthly: we are also prepared to take a further decisive step, namely, to develop confederative structures between the two states in germany with the goal of creating a federation, a federal state order in germany. a legitimate democratic government within the gdr is unrelinquishable prerequisite.

we can envisage that after free elections the following institutions be formed:

- a common governmental committee for permanent consultation and political harmonization,

- common technical committees,

- a common parliamentary gremium.

previous policy with reference to the gdr had to essentially concentrate itself on small steps, these strove to alleviate the results of being a divided nation and uphold and sharpen the consciousness for the unity of the nation. if in the future, a democratically legitimized, that is a freely elected government becomes our partner, totally new perspectives are available.

new forms of institutional co-operation could be created and further developed in stages. such a coming together is in the interest of the continuation of german history. state organizations within germany are always confederations or federations. at this time, we can once again make use of this historical precedence.

nobody knows how a reunified germany will look. i am however sure that unity will come, if it is wanted by the german nation.

sixthly: the development of inner-german relations remains bedded in the pan-european process and in east-west relations. the future structure of germany must fit into the future architecture of europe as a whole. the west has to provide pace-making aid here with its concept for a permanent and just european order of peace.

in our common declaration of june this year, the soviet leader gorbachev and i speak of the building components of a "common european house." i can name, for example:

- the unlimited respect of the integrity and safety of each state. each state has the right to choose its own political and social system.
- the unlimited respect of the principles and standards of international law, particularly respect for the peoples' right of self-determination.
- the realization of human rights.

- respect for, and the upholding of the historically based cultures of the people of europe.

with all of these points, as mr. gorbachev and i have prescribed, we want to link onto the historically based european traditions and help to overcome the divisions in europe.

seventhly: the powers of attraction and the aura of the european community is and remains a constant feature in the pan-european development. we want to strengthen this further.

the european community is now required to approach the reform-oriented states in central, eastern, and southern europe with openness and flexibility. this was ascertained unanimously by the heads of state and government of the eec member states during their recent meeting in paris.

this of course includes the gor.

- the federal government therefore approves the quick conclusion of a trade and co-operation agreement with the gdr. this would expand and secure the gdr's entry within the common market, including the perspectives of 1992.
- we can envisage for the future specific forms of association which would lead the economies of the reform-oriented countries of central and south-eastern europe to the ec, and thereby dismantle the economic and social gradients on our continent.

we understand the process leading to the recovery of the german unity to be of european concern. it must, therefore, be considered together with european integration. in keeping with this, the european community must remain open to a democratic gdr and to other democratic countries from central and south-eastern europe. the ec must not end on the elbe, but must remain open to the east.

only in this way is it possible that the foundation of the ec truly include a comprehensive european unity. only in this way can it maintain, assert and develop an identity characteristic of all europeans. this identity is not only based on the cultural diversity of europe, but also, and especially, on the fundamental values of freedom, democracy, human rights and self-determination.

if the countries of central and south-eastern europe fulfil the necessary prerequisites, we would also greet their entrance into the european council, especially into the convention for the protection of human rights and fundamental freedoms.

eightly: the csce process is and remains a crucial part of the total european architecture and must be further advanced. in order to do this, the following csce forums must be taken advantage of:

- the human rights conference in copenhagen, in 1990, and in moscow, in 1991.
- the conference on economic co-operation in bonn, in 1990.
- the cultural inheritance symposium in cracow, in 1991 and
- last, but not least, the next csce meeting in helsinki.

there we should think about new institutional forms for pan-european cooperation. we envisage a common

institution for the coordination of east-west economical cooperation, as well as, the creation of a pan-european environmental council.

ninthly: the surmounting of the separation of europe and the division of germany demands far-reaching and speedy steps pertaining to disarmament and arms control. disarmament and arms control must keep step with political developments and therefore, might have to be accelerated.

this is particularly true of the negotiations in vienna for the dismantling of conventional armed forces in europe and for the agreement upon measures to establish trust, such as the worldwide ban of chemical weapons. this also demands that the nuclear potential of world powers be reduced to a strategic minimal level. the upcoming meeting between president bush and general secretary gorbachev offers a good opportunity to add new impetus to current negotiations.

we are trying via bilateral discussions with the countries of the warsaw pact, including the gdr to support this process.

tenthly: with this sweeping policy, we are working towards the attainment of freedom within europe, whereby the german people can, via free self-determination, restore their unity. reunification, the reattainment of german state unity, remains the political goal of the federal government. we are grateful that we once again found support pertaining to this point from our allies in the announcement made at the nato summit in brussels, in may of this year.

we are conscious of the fact that particularly difficult problems will be encountered on the road to german unity that we can not yet completely answer. this also includes questions pertaining to overlapping security structures within europe.

the joining of the german question with pan-european developments and east-west relations, as i have explained in the previous ten points, enables an organic development which is of concern to all members and guarantees a peaceful co-existence in europe.

we can only peacefully overcome the division of europe and germany together and in an atmosphere of mutual trust. we need discretion, understanding and sound judgement on all sides in order for the current developments to steadily and peacefully continue.

this process could not be hampered by reforms, but rather by the non-acceptance thereof. freedom does not cause instability, but rather the oppression thereof. every successful reform step means more stability and increased

*Mr. O. H. ...*  
*Thanks*  
*24/1*  
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Summary for the Media of the Discussions on  
EC-Twelve Relations with the Countries  
of Central and Eastern Europe including the USSR

I am happy to welcome you to Dublin Castle to participate in this briefing on the Informal Meeting which has just taken place.

The purpose of our meeting was to up-date our political evaluation of recent developments in Eastern Europe and to look at the programme for Community action in the period ahead. It was an extremely useful and timely meeting. Our exchange of views gives us a good common assessment of what we must do.

It was, as you know, an informal meeting and of course there are no formal conclusions. But I would like to mention some of the main points that emerged from our discussion.

The EC/Twelve are determined to make their contribution to ensuring that the process of change on our continent will be to the advantage of all.

The Community's own integration process is of central importance in any consideration of the future of Europe. We reaffirmed our commitment to this purpose.

worth as a process in which wide-ranging cooperation covering the whole continent and extending across the Atlantic can be

Last December the Community concluded a trade and cooperation agreement with the Soviet Union. The Soviet Union has embarked on a large-scale programme of political and economic restructuring. We support the efforts of Mr Gorbachev to transform his country. We will continue our cooperation with the Soviet Union in our trade and cooperation agreement as well as in the political dialogue we have instituted, and through the CSCE process. We want to promote the process of liberalisation in Central and Eastern Europe. We support the movement towards pluralist democracy, in accordance with the rule of law, fully respecting human rights and offering equal electoral opportunities to all. We also support the intentions of the countries of Central and Eastern Europe to change towards more market-oriented economies.

We all saw the Council of Europe as a Body which can help the countries of Central and Eastern Europe in their efforts to transform themselves into pluralist democracies based on the rule of law and respecting human rights.

We discussed the proposals to organise a meeting of the Heads of Government of the 35 participating CSCE States in the course of this year. The Political Committee will examine this proposal carefully. The CSCE, which includes all European Countries, except Albania, as well as the US and Canada, has proved its worth as a process in which wide-ranging cooperation covering the whole continent and extending across the Atlantic can be

regulated. Its validity today is undiminished.

We shall be continuing to consider, at future meetings, the future shape of our continent as a result of the transformations now taking place.

We had a very interesting report from Vice-President Andriessen following his visits to Prague, Sofia and Bucharest and we expressed our appreciation of, and continued support for, the work undertaken by the Commission both in the Community framework and within the Group of Twenty-Four. We also heard most interesting reports and comments from other colleagues.

Regarding the various bilateral agreements between the Community and countries of Central and Eastern Europe, we felt that the Council would decide rapidly on Commission draft directives for a trade and economic cooperation agreement with Czechoslovakia and revised directives for a similar agreement with Romania. We noted with satisfaction that negotiations with Bulgaria and the GDR should be concluded rapidly.

We agreed that there should be a prompt and effective response from the Community to urgent requests from Poland and Romania for food aid. We greatly appreciate the effective way the Commission has fulfilled its recent responsibilities in this area.

We thought that a positive response should be given with the

Group of Twenty-Four to requests from other countries in Central and Eastern Europe who have embarked on political reforms to become beneficiaries of coordinated assistance. The Community will take the initiatives which correspond to its leading role in the Group of Twenty-Four. relations between the countries of this continent, as well as the US and Canada, can at last be We agreed to examine in a positive spirit any future Commission proposals for project assistance, in the light of each country's need and characteristics, to the countries of Central and Eastern Europe including proposals on Community training and exchange schemes. its responsibility to give every possible assistance to help bring about this transformation;

We noted the importance of the initiative on the Bank for European Reconstruction and Development and issues concerning it. cohesion are essential to our ability to fulfil this role.

We noted the views of the Commission on budgetary resources needed in the context of cooperation with, and assistance to, countries in Central and Eastern Europe and the comments of delegations on these views. We agreed that we will discuss this subject further once the Commission's proposals have been tabled.

The discussion in which my colleagues and I engaged this evening was detailed and comprehensive, covering both the political and economic aspects of our relations with Central and Eastern Europe.

I would say that three points clearly emerged from our discussions:

- strengthened hope that the divisions of Europe can finally be overcome and that relations between the countries of this continent, as well as the US and Canada, can at last be built on a genuine and enduring basis of mutual cooperation and security;
- renewed determination that the European Community will fully assume its responsibility to give every possible assistance to help bring about this transformation;
- deepened awareness that our own growing integration and cohesion are essential to our ability to fulfil this role.

Thank you.

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