

PREM 19/1506

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PART 2

Confidential Filing

Anglo - French Relations

FRANCE

Pt 1: - October 1979

Pt 2: - JUNE 1982

Referred to	Date	Referred to	Date	Referred to	Date	Referred to	Date
<del>29.6.82</del>		25.4.82					
<del>31.8.82</del>		27.4.84					
<del>29.9.82</del>		1.5.84					
<del>11.10.82</del>		11.5.84					
<del>11.10.82</del>		17.5.84					
<del>15.11.82</del>		31.5.84					
<del>12.11.81</del>		7.6.84					
<del>17.11.82</del>		12.6.84					
21.12.82		4/6/84					
16.6.83		18/6/84					
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17.7.83		28.9.84					
21.7.83		4.10.84					
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14.12.83		4.2.85					
3.1.84		13.2.85					
5.1.84		15.2.85					
30.1.84		22.2.85					
24.2.84		7/3/85					
24/2/84							
10.4.84							

PREM 19/1506

PART 2 ends:-

CDP to FLO (meeting record) 7.3.85.

PART 3 begins:-

FLO to CDP. 10.7.85.

TO BE RETAINED AS TOP ENCLOSURE

### Cabinet / Cabinet Committee Documents

Reference	Date
CC (82) 4 <sup>th</sup> Conclusions, Minute 2	14.10.82
CC (84) 7 <sup>th</sup> Conclusions, Minute 2	23.2.84
CC (84) 18 <sup>th</sup> Conclusions, Minute 2	10.5.84

The documents listed above, which were enclosed on this file, have been removed and destroyed. Such documents are the responsibility of the Cabinet Office. When released they are available in the appropriate CAB (CABINET OFFICE) CLASSES

Signed Wayland

Date 12 December 2013

PREM Records Team

Subject cc master

FILE

LANAGT



10 DOWNING STREET

7 March, 1985

*From the Private Secretary*

PRIME MINISTER'S MEETING WITH MONSIEUR RAYMOND BARRE ON  
7 MARCH, 1985 AT THE HOUSE OF COMMONS

The Prime Minister saw Monsieur Barre in her Room at the House of Commons this afternoon.

Economic Prospects

The Prime Minister said that the simple message which she had brought back from her visit to the United States was that Europe was choosing unemployment by spurning enterprise. In their view we paid people to be unemployed rather than provide incentives to them to work.

M. Barre said that he was familiar with these arguments and that there was a fair amount of truth in them. But the most important contribution the Americans could make in the present situation was to correct progressively their budget deficit. There was no doubt that they had been pursuing a policy of benign neglect on this. It simply did not make sense for the strongest economic power in the world to be a net debtor. He expected the US dollar to remain strong this year but thought that the US economy would slow down in 1986. The European countries must maintain cautious economic policies this year in order to be able to offset the slow-down in US activity next year. It would be foolish to reflate now. But the policy being pursued by the British and German governments and, belatedly, by the French government would allow a further margin of manoeuvre in 1986. The Prime Minister commented that the German government had shown itself strong-minded in cutting public expenditure and holding back increases in benefits. M. Barre agreed, that adding he expected the German government to bring in fiscal reform and tax reductions in 1986/87.

The Prime Minister said that there was a risk of protectionist measures in the US. President Reagan had so far resisted pressure for this but the position in Congress was less easy to predict. She had encountered much criticism of the protectionism of the Common Agriculture Policy. She had pointed out that agriculture was even more highly subsidised in the United States than in Europe. None the less she saw a risk of confrontation between the United States and the European Community in this area.

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-2-

M. Barre said that the ending of the miners' strike had been a turning point for Britain and for Europe. The jinx of trade unionism had been broken. In his view, far too many benefits had been handed out in response to trade union pressure in France and elsewhere in Europe in recent years. Trade unions had to choose between rising wages and fuller employment: and they unerringly chose the former. The only way out was to seek exceptions from collective agreements entered into earlier for periods of two or three years. The notion of a minimum wage for young people should be eliminated. They must accept lower pay while they acquired expertise.

Political situation in France

M. Barre said that President Mitterrand expected that, with the present electoral law, the Socialists would lose their majority in the National Assembly elections. He was therefore working on a revision of the elected law to substitute either a fully proportional system or a mixed one. If there were to be a majority against him he would not be able to remain as President since it would be a vote of no confidence in him. By changing his economic policies, President Mitterrand had alienated many of his own party and the Communists. His standing in the opinion polls was lower than that of any president in the Fifth Republic. The Socialist Party had lost all elections over the last two years held under the present electoral system.

M. Barre continued that the real watershed would be the Presidential Elections in 1988. He foresaw a period of confusion between 1986 and 1988. President Mitterrand might appoint a rightist government which would face a difficult economic situation and be unable to correct it. He would then be able to go to the country in 1988 claiming that conservative policies did not work. Although President Mitterrand had changed his economic policy quite considerably it was still inspired by socialism with incomes policy, regulation, and price controls. The budget deficit was increasing every year.

Europe

The Prime Minister said that the Community was once again in a difficult situation. President Mitterrand had secured the Fontainebleau agreement but there were still problems over implementing it. At the heart of the Community's difficulties lay the amount of resources devoted to agriculture. Germany was the villain here, dragging up prices for the rest of Europe. The German Government paid lip service for the need for economic and financial discipline but in practice was one of the worst for incurring extra expenditure. M. Barre said that the unhappy state of the Common Agricultural Policy could be traced to 1964 when the French Government had accepted a rise in wheat prices of some 30 per cent to satisfy marginal producers in Germany. The Common Agricultural Policy had to be progressively reshaped.

The Prime Minister said that the nature of the Community would change after enlargement with a belt of socialist Mediterranean countries demanding an ever increasing share of resources. M. Barre said that four things were necessary in the Community (in the event he only had time to mention three of them). The Common Agricultural Policy had to be progressively reshaped, a genuine domestic market created and the European monetary system consolidated. On this third point he was not thinking of a European currency, though it would be desirable if the United Kingdom could enter the exchange rate mechanism. He had in mind rather an increasing convergence of economic policies and measures to obtain a wider use of the ecu. He saw the ecu as a new financial instrument.

The conversation had to break off at this point. But the Prime Minister urged M. Barre to come to see her again when next in London.

I am sending a copy of this letter to Rachel Lomax (HM Treasury), Callum McCarthy (Department of Trade and Industry) and to Richard Hatfield (Cabinet Office). The Prime Minister does not wish it to be given a wide circulation.

(C.D. Powell)

L. Appleyard, Esq.,  
Foreign and Commonwealth Office



Foreign and Commonwealth Office

London SW1A 2AH

6 March 1985

*Dear Charles,*Visit of M. Barre: 7 March

In our exchange of letters on 15 February we agreed that I should provide a short account of M. Barre's current preoccupations and activities as briefing for his call on the Prime Minister. The following should be read in conjunction with the enclosed biographical note and brief on the French internal scene.

M. Barre continues to enjoy considerable popularity - his score in recent opinion polls has been consistently higher than those of Giscard and Chirac. He has adopted a higher profile in recent months. He addressed a rally of some 10,000 people in Toulouse last December, organised by the Republican Party (part of the UDF). And he is engaged in a continuing public debate with other Opposition leaders on the need for unity among the Right, and on the merits of 'cohabitation', i.e. the possibility of a Government of the Right co-existing with a Socialist President following the legislative elections in 1986. Barre rejects this possibility, whereas Giscard and Chirac accept it. Barre says that, if the Right win in 1986, they should refuse to govern unless Mitterrand resigns the Presidency. He defends his sometimes independent positions by saying that he wants and practices Opposition unity but will not accept uniformity.

The first round of the Cantonal elections (for representatives to Departmental Councils, the most powerful bodies in provincial administration in France) will take place on Sunday 10 March. Domestic preoccupations will therefore be prominent in M. Barre's mind this week. The elections are seen as a test of the relative strengths of the different parties. People will be watching the performance of the extreme right National Front (M. le Pen), in particular. Barre initially favoured a dialogue with the Front, but has now joined other Opposition leaders in rejecting any electoral pact with it.

M. Barre has not made any noteworthy statements on foreign policy matters recently.

/One





One subject which the Prime Minister could raise is terrorism - our hope for still more effective cooperation, both bilaterally and at a European level, in the fight against it. (The French Interior Minister, M. Joxe, will be visiting London for talks with Mr Brittan later this month. Police and security cooperation is generally good, but successive French governments have shown reluctance to change policies which effectively provide a safe haven for other countries' terrorists.)

M. Barre may wish to discuss the miners' strike - he showed a keen interest in the subject in a recent discussion with HM Ambassador, Paris. French politicians have in general declined to comment on the strike, though French trade unions have offered moral support and, in the case of the Communist CGT, material assistance to miners' families.

✓ M. Barre will be calling at the House of Commons before his meeting with the Prime Minister, and will be going on to address a meeting at the Westminster Central Hall organised by the 'Union des Francais a l'Etranger'. As far as we know he will be unaccompanied - his office have confirmed that an interpreter will not be required.

*Yours ever,  
Colin Budd*

(C R Budd)  
Private Secretary

C D Powell Esq  
10 Downing Street



BARRE, RAYMOND

Former Prime Minister.

Born 1924 in Réunion. Professor at Caen, then Paris. Director of Economic Research at the National Institute of Political Sciences 1958. Cabinet of Jeanneney (Minister of Industry 1959-62). Professor of Political Economy, Sciences Po, 1963. French Vice-President of the Brussels Commission, with responsibility for economic and financial affairs 1967-72. Member of the General Council of the Bank of France in 1973. His first Ministerial post in Giscard's Government was as Minister of Foreign Trade from January 1976 until August of the same year when he replaced Chirac as Prime Minister. He was reappointed Prime Minister following the Government's success in the 1978 Legislative elections and remained in office until Giscard's defeat in May 1981. UDF Deputy for Lyons since 1978.

As an economist, Barre has been more concerned with teaching than thinking. His main work on political economy (published in 1956) has become the basic text-book for French universities. He is an economic liberal, but a monetary disciplinarian. He favours a greater role for market forces within the framework of a French economy which still retains considerable government intervention, and is opposed to protectionism.

Barre was a surprise choice as Prime Minister in 1976, having played no previous part in partisan politics. He professes distaste for the wheeling and dealing side of politics but when Prime Minister defended with evident relish and much pugnacity his Government's policies both in Parliament and in the media. Barre's term of office was closely identified with the eponymous Plans for economic recovery. He steadfastly maintained that there was no viable alternative to his policies but the opinion polls suggest that he was the scapegoat for the electorate's dissatisfaction with the level of unemployment and inflation.

After the 1981 elections Barre at first adopted a low but adamant profile in the hope that public opinion will eventually turn to him as the man "in reserve for the Republic". This

/strategy



strategy appears to be paying off: UDF supporters in increasing numbers see him as their candidate for the 1988 Presidential election. Barre has done nothing to discourage such expectation.

Barre has never fully reconciled himself to the UK accession to the European Community, not because he is anti-British but because he believes that the UK's membership cannot fail to alter the character of the Community to France's disadvantage.

He is married to a wife of Hungarian descent. They have two boys. He speaks good English.

## FRENCH INTERNAL POLITICAL AND ECONOMIC SCENE

Political

1. Following the resignation of Prime Minister Mauroy, President Mitterrand appointed Laurent Fabius Prime Minister on 17 July 1984. The change of Government followed poor results for the Left in the June European Elections, and growing public and parliamentary opposition to a number of proposed government reforms.

2. Fabius's appointment reflected Mitterrand's wish to put emphasis on pragmatism, efficiency and modernisation, and thereby to win back votes from the Centre. This change of course has been illustrated by the departure of Communist Ministers from the government, the dropping of a controversial Educational Bill, the postponement of effective application of a new law on press ownership, and the promotion of the theme of national unity. The new Government contains representatives from all factions of the Socialist party, and from other left-of-centre groups.

3. Despite last summer's changes and recent signs of a slight improvement, popularity ratings for the President remain some of the lowest in the history of the Fifth Republic. The apparent mishandling of the agreed withdrawal of French and Libyan forces from Chad, and the crisis in New Caledonia, have dented the Government's previously incisive image in foreign policy. There will be a series of local (cantonal) elections on 10 and 17 March. Legislative elections are due in 1986, Presidential elections in 1988. While, at present, there seems no prospect that the Socialists' Parliamentary majority can be maintained after 1986, Mitterrand himself appears determined to hold on to the Presidency for his full term, if necessary by seeking to establish a working relationship with the centre right.

4. The Opposition have made as much political capital as they can from the troubles besetting the Left, but suffer from rivalry between the three key figures, Chirac, Barre and Giscard. Although the Opposition presented a joint list in the European Elections, they barely improved (43%) on their combined score in the 1981 legislative elections. M. Barre, who is currently the most popular of the Opposition leaders according to the opinion polls, is pursuing an independent line. Whilst Giscard tends to be dismissed as a proven failure, he is climbing slowly back up the polls, made a well-judged return to the National Assembly in September last year, and has since made considerable efforts to overcome differences with Chirac, in a scarcely veiled attempt to block Barre. Chirac continues to run the most effective political machine (the RPR) but has encountered difficulty in appealing to the moderate voters of the centre-left whilst preventing his more right-wing supporters deserting to the extreme Right National Front. Led by Jean-Marie Le Pen, the Front, which won 11% of the vote in the European Elections, has emerged from nowhere to become an element of some importance on the national political scene.

5. The French Communist Party (PCF), which had four Ministers under Mauroy, decided not to participate in the Fabius Government in the absence of guarantees that economic policy would be modified to deal with unemployment. The PCF were emasculated by inclusion in the Government (their vote dropped to 11% in the European Elections). This year's Party Congress in February endorsed a hard-line report by Secretary General, Georges Marchais, highly critical of the Government's policies, despite a few dissenting voices calling for reform and reappraisal of the Party's position.

#### Economic

6. Although there are continuing calls from within the Socialist Party and from the Communists for national reflation behind a protectionist tariff wall, economic performance suggests that the government's firm austerity policies, adopted following the last EMS realignment in March 1983, are beginning to pay off. An important start has been made in cutting inflation and reducing the trade

deficit but progress has been uneven and there are doubts over how much of it is sustainable. Recently there have been some encouraging signs of a more market-oriented attitude (easing of price, exchange controls) but these are modest steps.

7. Many of the figures for the French economy in 1984 were encouraging for the Government. Inflation, at 6.7% against 9.3% at the end of 1983, reached its lowest level since 1971 - selective price controls have helped. The current account deficit was virtually eliminated, wage increases decelerated and the financial situation of companies recovered substantially. The Government's statistical agency, INSEE, estimated that GDP grew by 1.9%. But unemployment continued to rise, reaching 2.4 million seasonally adjusted (the fate of the long term unemployed who cease to be eligible for state benefits is causing increasing concern), company bankruptcies are at a high level and official external debt increased again. December brought a set-back to hopes of a negotiated reduction of labour market rigidity - an agreement reached by the employers' federation and the national leadership of the main non-Communist trade unions was rejected by militant union officials. But despite widespread discontent among the labour-force, and the militancy of the Communist-led CGT, industrial unrest is currently being kept within manageable bounds.

8. Restriction of domestic demand helped reduce the trade deficit to just under 20 billion francs in 1984. But the improvement is fragile and a slight deterioration in the trade balance is forecast in 1985 by INSEE. The relative stability of the franc within the EMS is largely a result of the strong dollar depressing the deutschmark.

9. The Government's budget deficit targets (3% of GDP) have been repeatedly overshot. Further fiscal strain is likely this year if Mitterrand's pledge to cut the tax burden by 1% of GDP is to be fulfilled. The draft 1985 budget has met with scepticism and has been extensively attacked by the opposition. The Government has promised a further 3% cut in income tax in 1986.



10 DOWNING STREET

*From the Private Secretary*

Prime Minister

Meeting with M. Barre.

Note from the FCO attached.

You may also like to re-read  
Hugh Thomas' note of his  
meeting with M. Barre at the  
end of January.

You are seeing M. Giscard  
in June.

CDP  
4/3



67

cc: P.C.

10 DOWNING STREET

*From the Private Secretary*

22 February, 1985

VISIT OF M. BARRE

Thank you for your letter of 21 February about interpretation for M. Barre.

We should be happy to have Mrs. Taylor.

(C D Powell)

P.F. Ricketts, Esq.,  
Foreign and Commonwealth Office

A handwritten signature, possibly 'P.F. Ricketts', written in dark ink at the bottom right of the page.





Foreign and Commonwealth Office

London SW1A 2AH

21 February 1985

Mr Powell of

Dear David,

Visit of M. Barre

Charles Powell wrote to Colin Budd on 15 February. We will provide briefing as agreed a day or two before the visit.

We agree that an interpreter will be necessary. Unfortunately, Mrs Fairweather has other commitments in Strasbourg on 7 March. We have however established that Mme Marie-Helene Taylor would be available. She has, I understand, interpreted on previous occasions for the Prime Minister (most recently at meetings last autumn with M. Delors and President Mobutu). If you agree, we will make arrangements for her to be present at the meeting.

*Yours ever*  
*Peter Ricketts*

(P F Ricketts)  
Private Secretary

David Barclay Esq  
No 10 Downing Street

FRANCE ; Relations ; Pt 2,

21 FEB 1985

11 12 1 2 3 4  
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10 DOWNING STREET

*From the Private Secretary*

15 February 1985

Visit of M. Barre

Thank you for your letter of  
15 February.

It would be helpful to have the sort  
of brief you describe.

I agree that we shall not need an  
agenda or other participants. But we  
shall, I think, want an interpreter.  
Is Mrs. Fairweather available?

Charles Powell

Colin Budd Esq  
Foreign and Commonwealth Office.

CST



Foreign and Commonwealth Office

London SW1A 2AH

15 February 1985

Dear Charles,

Visit of M Barre: 7 March 1985

Thank you for your letter of 11 February. The Embassy in Paris have now reported that M Barre is very happy to accept the Prime Minister's invitation for him to call at 10 Downing Street at 1700 on 7 March.

I note that, when M Barre lunched at Chequers in April 1983, briefing was provided in the form of a letter covering M Barre's preoccupations and activities, with a biographical note and a short background note on the French internal political scene. Would briefing on similar lines be appropriate for the call on 7 March? And am I right in thinking that the Prime Minister will not wish there to be a formal agenda, nor any other participants except perhaps yourself?

Yours ever,

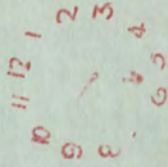
Colin Budd

(C R Budd)  
Private Secretary

C D Powell Esq  
No 10 Downing Street

FRANCE: Relations: R 2.

15 FEB 1985





Foreign and Commonwealth Office

—London SW1A 2AH

13 February 1985

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NBM  
CDD  
13/2

Dear Robert,

Visit of Giscard D'Estaing

Thank you for your letter of 4 February. We sent a telegram to Sir John Fretwell along the lines you suggested and, as you will probably have noted from his reply, which was copied to you, Giscard has accepted with pleasure the invitations from the Prime Minister and Lord Whitelaw.

Janet Lewis-Jones, to whom I am copying this letter, will wish to note that the Embassy have now had confirmation that Madame Giscard is delighted to accept Lord Whitelaw's lunch invitation.

A copy of this letter also goes to Charles Powell.

Yours ever,  
Len Appleyard.

(L V Appleyard)  
Private Secretary

Sir Robert Armstrong GCB CVO  
Secretary of the Cabinet and  
Head of the Home Civil Service  
Cabinet Office  
70 Whitehall  
London SW1

France: Anglo French Reds Pt 2



Alc

10 DOWNING STREET

*From the Private Secretary*

11 February 1985

Visit of M. Barre

The Prime Minister has noted Paris telegram No. 109 conveying M. Barre's request to call on her.

BF1 The Prime Minister would be able to see M. Barre between 5 and 6 pm on 7 March. I should be grateful if an invitation to call on the Prime Minister then could be conveyed to him.

(C.D. Powell)

Colin Budd, Esq.,  
Foreign and Commonwealth Office

JR



5-6 in March

Prime Minister

You will recall that Hugh Thomas sent you a note about him recently.

Agree to

Yes see him?

CDP 7/2.

GRS 180

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FM PARIS 061700Z FEB 85

TO PRIORITY F C O

TELEGRAM NUMBER 109 OF 6 FEBRUARY

BARRE: REQUEST FOR CALL ON PRIME MINISTER

1. THE FORMER FRENCH PRIME MINISTER, RAYMOND BARRE, HAS ASKED WHETHER IT WOULD BE POSSIBLE TO CALL ON THE PRIME MINISTER IN THE COURSE OF ONE OF THE TWO VISITS HE PLANS TO MAKE TO THE UK IN THE NEXT FEW WEEKS. IDEALLY, HE WOULD LIKE TO CALL ON THE AFTERNOON OF 7 MARCH; THE ALTERNATIVE DATES WOULD BE 15 OR 16 APRIL, WITH A PREFERENCE FOR THE AFTERNOON OF 16 APRIL.

2. BARRE'S STANDING IN FRANCE IS HIGH: ACCORDING TO THE OPINION POLLS, HE IS CURRENTLY THE MOST POPULAR OPPOSITION POLITICIAN IN FRANCE HE IS ONE OF THE THREE LEADING CANDIDATES FOR THE PRESIDENCY IN 1988. HE IS AN AVOWED ADMIRER OF MRS THATCHER'S ECONOMIC POLICIES.

3. IN A LETTER TO BARRE DATED 13 NOV 1984, THE PRIME MINISTER EXPRESSED THE HOPE THAT A MEETING WOULD BE POSSIBLE NEXT TIME HE WAS IN THE UK. I RECOMMEND THAT SHE SHOULD AGREE TO SEE HIM IF HER DIARY PERMITS.

FRETWELL

MINIMAL  
WED  
PROTOCOL D

COPIES TO  
PS/NO 10 DOWNING ST

RESTRICTED

MR POWELL  
DP 4/2

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70 Whitehall, London SW1A 2AS Telephone 01-233 8319

Secretary of the Cabinet and Head of the Home Civil Service

Sir Robert Armstrong GCB CVO

Ref. A085/346

4 February 1985

will request if req. / Dear Len,

I sent you a copy of my letter of 28 January to Janet Lewis-Jones about Monsieur Giscard's visit for the Ditchley Lecture on 12 July.

I understand that the Lord President has agreed to host a lunch for Monsieur and Madame Giscard.

May I suggest that you arrange for a telegram to be sent to John Fretwell on the lines of the draft attached?

I am sending copies of this letter and of the draft telegram to Charles Powell and Janet Lewis-Jones.

Yours ever  
Robert

L V Appleyard Esq

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DRAFT TELEGRAM TO PARIS

The Government understands that Monsieur Giscard d'Estaing has accepted an invitation to visit the United Kingdom on 12 July next for the purpose of delivering the annual Ditchley Lecture.

We understand that Madame Giscard will accompany him.

The Prime Minister would very much have liked to be able to offer lunch to Monsieur Giscard herself. She much regrets that she cannot do so, because of an unbreakable constituency engagement that day. She hopes, however, that it may be possible for Monsieur Giscard to come and see her at 10 Downing Street at 11.30 am; she would much welcome the opportunity of a conversation with him.

The Lord President of the Council, Lord Whitelaw, would like to give a lunch that day in honour of Monsieur and Madame Giscard, if that would be agreeable to them.

I should be grateful if you would convey these invitations to Monsieur Giscard and let me know if they are acceptable to him.

The organisers of the Ditchley Lecture are aware of these invitations.

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ANGLO/FRENCH

F-4 FEB 1985

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Prime Minister (2)  
esp  
1/2

Prime Minister

CONVERSATION WITH MONSIEUR RAYMOND BARRE

On January 29th I went to see Monsieur Raymond Barre in Paris, both out of general interest and because I had heard it said on several occasions that although he may turn out to be the next president of France, he never meets any Englishmen. I found Monsieur Barre extremely relaxed and very clear. He plainly is nothing like so dynamic as Monsieur Chirac, but I expect he is more trustworthy. For that reason alone the French who have suffered from experiments under Mitterand, are surely more likely to choose him as their next president.

Monsieur Barre said that he thought the next presidential election might very well be next year, 1986, since he could not imagine Mitterand staying on if he loses (as looks likely) the parliamentary elections.

Monsieur Barre was extremely encouraging about his hopes to create in France, despite its history of .. an overweening state, what he calls a liberal society in which government intervention in the country and society generally is progressively reduced. He thought that the experience of socialism had convinced the nation (and many socialists) that the less the state bossed people around the stronger the economy would become. He himself initiated an extension of these views by referring to the need to complete the internal market in the Community. He agrees absolutely with you on the importance of giving this subject priority. He thought that the European Community, like France, was at a stage where it wanted practical solutions not ideologies (nous sommes tous dans l'époque du fin d'ideologie). Unlike Monsieur Chirac, he strongly supports the entry of Spain to the European Community providing the proper transitional stage can be reached. He was a little more cynical about Monsieur Mitterand's attitude towards the Soviet Union than the rest of us generally are.

.../..

He adjured me to read Mademoiselle Ney's biography about Mitterand "Le Noir et le Rouge" which I hope to read shortly.

For what it is worth, my sister-in-law who is married to a French scientist confirms that their circle of alarmingly avant garde computerised frenchmen all look to Monsieur Barre as a good prospect for the future.

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(From  
Hugh Thomas)

January 30, 1985



*filed*

10 DOWNING STREET

*From the Private Secretary*

SIR ROBERT ARMSTRONG

You minuted on 22 January about the visit of M. Giscard d'Estaing, the former President of the French Republic, in July.

The Prime Minister would be very ready to see M. Giscard on the morning of 12 July from 1130-1230. Unfortunately, she cannot offer him lunch as she has an unbreakable constituency engagement that day. She suggests, however, that the Lord President or the Foreign and Commonwealth Secretary might like to host a lunch for him in her stead. You may wish to pursue this with them.

CHARLES POWELL

*[Handwritten signature]*

24 January 1985



10 DOWNING STREET

Prime Minister

Joy tells me  
that the Carnival  
has definitely been  
switched to a  
Friday this year —  
though you have not  
hitherto been informed.

CDD



The Carnival is  
Saturday

Prime Minister

①

It's Finchley Carnival day,  
so lunch won't work.

Agree to see him on  
the morning of 12 July &  
suggest that Lord President or  
Foreign Secretary give lunch?

Ref. A085/211

MR POWELL

Can i do  
lunch on Fri

Monsieur Giscard d'Estaing, the former President of the French Republic, has accepted an invitation to give the annual Ditchley Lecture at Ditchley on the evening of Friday 12 July. He will be accompanied on his visit to this country for this purpose by Madame Giscard d'Estaing.

CDP  
22/1

Y  
ho  
M

2. The organisers are wondering whether, as this will be in the nature of a public visit, the Prime Minister would like to have the opportunity of meeting Monsieur Giscard while he was here. Given that he has to be at Ditchley in the evening one possibility, if the Prime Minister wanted to pay him a courtesy as a former President, would be for her to entertain him and Madame Giscard to lunch on Friday 12 July.

3. I should be very glad if you could let me know whether the Prime Minister would like to receive Monsieur Giscard on the occasion of this visit, and if so when, so that I can give the organisers at Ditchley an idea of what to plan for.

REA

ROBERT ARMSTRONG

22 January 1985

RESTRICTED

*APC*



Foreign and Commonwealth Office

London SW1A 2AH

3 January, 1985

*CDP*  
*4/1*

*Dear Charles,*

Possible Visit by French Prime Minister

Thank you for your letter of 27 December. We spoke with Caroline Ryder as you suggested and established that the Prime Minister might after all be free to offer Monsieur Fabius dinner on 8 March. *Attached*

The French Embassy have however now informed us that plans for a visit by Monsieur Fabius in March have been shelved, as The Economist has rescheduled its programme of seminars. They are now planning to hold the seminar to which they would like to invite Monsieur Fabius in May - the exact date has yet to be fixed. We will keep in touch with the French Embassy and let you know what transpires.

*Yours ever,*

*Colin Budd*

(C R Budd)  
Private Secretary

C D Powell Esq  
10 Downing Street

RESTRICTED

MR. POWELL

The attached is self-explanatory. I spoke to Roger Clark on the French desk of the Foreign and Commonwealth Office yesterday. He checked with his colleague on the Italian desk about the dates we had offered for the Italian bilaterals. I am told that the Italians are in a muddle and do not wish to have these bilateral sessions during their Presidency, though Craxi is planning a visit here. Given this fact, I would have thought that we could offer M. Fabius dinner on 8 March. Don't you?

2 January, 1985

CR.  
Mr. Powell

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Visit  
cancelled

PRIME MINISTER

VISIT OF FRENCH PRIME MINISTER: 8 MARCH

You mentioned that you would like M. Fabius to be invited to dinner on 8 March. It is a Friday and it is one of the days that we have offered to the Italians, with the Local Government Conference the following day. So it is going to be a pretty hectic schedule.

Content for us to still offer M. Fabius this date?

*We shall have to  
mess up Veterans for a  
bit. decision.  
=*

31 December 1984

SUBJECT

AMBASSADE DE FRANCE  
LONDRES

1) DB to see <sup>2/1</sup>  
2) Cabinet office are  
commissioning <sup>dept</sup>  
reply. <sup>CDP 2/1</sup>  
c- Mr Powell (No.10)

PRIME MINISTER'S

PERSONAL MESSAGE

SERIAL No. T212B/84

28th December 1984

a Master  
of

Dear Sir Robert,

I have just received the text of a  
message addressed to The Rt. Hon. Margaret THATCHER,  
Prime Minister by M. François MITTERRAND, Président de la  
République.

I enclose it herewith.

Yours Sincerely  
Alain Grenier

Alain GRENIER  
Chargé d'Affaires a.i.

Sir Robert ARMSTRONG, GCB, CVO  
Secretary of the Cabinet  
and Head of the Home Civil Service

Cabinet Office  
n°10 Downing Street

London SW1

AMBASSADE DE FRANCE

LONDRES

Madame le Premier Ministre,

En Juin dernier, lors du sommet des pays industrialisés de Londres, j'avais indiqué qu'à la suite du colloque organisé à l'initiative du Premier Ministre du Japon sur les sciences de la vie et l'homme à Hakone, la France avait l'intention de réunir au printemps 1985 un nouveau colloque international sur les questions de "bioéthique", domaine capital que nos pays commencent à peine à explorer.

Je viens donc vous demander de bien vouloir désigner trois personnalités qui participeraient à ce deuxième colloque, du 18 au 22 avril 1985 au Château de Rambouillet. Il s'agirait, comme pour Hakone, de choisir trois personnes éminentes, compétentes dans les grands domaines considérés : biologie, médecine, philosophie, éthique et sciences sociales.

Le programme de cette réunion s'organiserait de la façon suivante :

- première journée : génie génétique et transferts de gènes
- deuxième journée : diagnostic prénatal et nouveaux vaccins
- troisième journée : procréation artificielle.

Après le premier tour d'horizon très utile accompli à Hakone, il serait en effet souhaitable d'aborder des thèmes très précis, afin qu'une discussion libre et approfondie sur chacun d'entre eux puisse éclairer nos gouvernements face à des développements concrets qui exigent de leur part des choix souvent difficiles.

.../...

J'ai confié la préparation de ce colloque au Professeur François Gros, Professeur au Collège de France et Conseiller du Premier Ministre, qui transmettra prochainement par la voie diplomatique un projet de programme détaillé.

J'espère que cette conférence nous permettra de progresser dans la réflexion et la recherche d'orientations communes sur des problèmes qui concernent l'ensemble de l'humanité. Les progrès spectaculaires des sciences de la vie ont des conséquences très directes sur la vie quotidienne, et suscitent des interrogations auxquelles l'homme n'avait encore jamais dû faire face. En choisissant d'encourager dès le départ une démarche commune, nous ferons notre devoir de gouvernants soucieux de travailler pour les générations futures.

Le sommet des pays industrialisés de Bonn, qui se tiendra peu après, pourrait nous permettre d'échanger nos premières impressions à la suite de ce colloque, voire d'esquisser quelques perspectives pour la coopération internationale dans ce domaine.

Dans l'attente de votre réponse, je vous prie, Madame le Premier Ministre, de croire à l'expression de mes sentiments les meilleurs.

Signé : François MITTERRAND

RENCH EMBASSY  
LONDON

Dear Prime Minister,

Last June, at the London summit of the industrialized countries, I indicated that following a symposium on the sciences of life and man organized, on the initiative of the Japanese Prime Minister at Hakone, it was the intention of France to set up in the spring of 1985 a new international symposium on questions of "bioethics", a vital area which our countries are only just beginning to explore.

I would therefore ask you to nominate three people to take part in this second symposium from 18 to 22 April 1985 at the Château of Rambouillet. As in the case of Hakone, this involves selecting three eminent persons, competent in the major fields under consideration: biology, medicine, philosophy, codes of ethics and social sciences.

The programme for this meeting would be as follows:

- first day : genetic engineering and transfers of genes
- second day : ante-natal diagnosis and new vaccines
- third day : the creation of life by artificial means.

After the first, extremely useful, survey conducted at Hakone it would in fact be desirable to look at specific subjects so that free and detailed discussion on each of them can show our governments the way in the face of actual developments requiring of them what are often difficult choices.

I have asked Professor François Gros, who is Professor at the Collège de France and Adviser to the Prime Minister, to prepare this symposium and he will soon be sending details of the draft programme through the diplomatic channel.

I hope that this conference will enable us to make progress in our reflection on and research into common guidelines on problems concerning the whole of humanity. The spectacular progress made in the sciences of life have very direct consequences on daily life and raise questions with which man has never before been confronted. By choosing from the



outset to encourage a joint approach we shall be doing our duty as governments anxious to work for the interests of future generations.

The Bonn summit of the industrialized countries, which will follow shortly afterwards, could offer us the possibility of discussing our first impressions after the symposium or perhaps even of outlining some prospects for international co-operation in that area.

Complimentary close.

Signed : François Mitterrand.

LE PRÉSIDENT DE LA RÉPUBLIQUE

Paris,  
Le 7 décembre 1984

*original of  
or earlier  
communication  
CSP seen*

Madame le Premier Ministre,

En juin dernier, lors du Sommet des pays industrialisés de LONDRES, j'avais indiqué qu'à la suite du Colloque organisé à l'initiative du Premier Ministre du Japon sur les Sciences de la Vie et l'Homme à Hakone, la France avait l'intention de réunir au printemps 1985 un nouveau Colloque international sur les questions de "bio-éthique", domaine capital que nos pays commencent à peine à explorer.

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Madame Margaret THATCHER  
Premier Ministre du Royaume Uni

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Le Sommet des Pays industrialisés de Bonn, qui se tiendra peu après, pourrait nous permettre d'échanger nos premières impressions à la suite de ce Colloque, voire d'esquisser quelques perspectives pour la coopération internationale dans ce domaine.

Dans l'attente de votre réponse, je vous prie, Madame le Premier Ministre, de croire à l'expression de mes sentiments les meilleurs.

*A vous*

*F. Mitterrand*

François MITTERRAND

53 JAN 1985

12123  
694



10 DOWNING STREET

*From the Private Secretary*

27 December 1984

BF

The Prime Minister has seen your letter of 21 December about a possible visit by M. Fabius. The Prime Minister would like to see M. Fabius during his visit and if possible would like to offer him dinner. This however will be subject to diary considerations since the evenings of 7 and 8 March are already occupied by other events. Perhaps you could discuss the possibility with Caroline Ryder on her return next week.

Timothy Flesher

Colin Budd, Esq.,  
Foreign and Commonwealth Office.

010

cek  
①



Foreign and Commonwealth Office

London SW1A 2AH

Yes and dinner  
not

21 December, 1984

Prime Minister

Agree to see M.  
Fabius on 8 March

CDP 23/12

Dear Charles,

Possible Visit by French Prime Minister

The French Embassy telephoned us this morning to say that M. Fabius had been invited to attend a seminar organised by The Economist on 8 March. He had not yet replied. Before he did so, he wished to know whether, were he to come, there would be any possibility of a meeting with the Prime Minister. The date of 8 March is convenient for him, but I understand The Economist is also flexible about the date.

You will recall that, in her letter to M. Fabius of 3 December, the Prime Minister expressed the hope that he would visit London. This visit would be very brief and is clearly not intended by Fabius as a response to the Prime Minister's invitation. Nor is it clear whether his acceptance of The Economist's invitation is dependent on his seeing the Prime Minister.

If the Prime Minister's diary allows for it, we see every advantage in her agreeing to see Fabius, and perhaps offering him dinner.

Yours ever,

Colin Budd

(C R Budd)  
Private Secretary

C D Powell Esq  
10 Downing Street

France  
Fabius

Foreign and Commonwealth Office

London SW1A 2AH



MO 14/4



EDP  
b Ki

NOTE FOR THE RECORD OF A MEETING WITH THE FRENCH DEFENCE MINISTER  
M. CHARLES HERNU, IN PARIS AT 1830 ON THURSDAY 29TH NOVEMBER 1984

Those Present:

The Rt Hon Michael Heseltine MP  
Secretary of State for Defence

M. Charles Hernu  
French Defence Minister

Mr D Nicholls  
DUS(P)

IGA Blanc

Mr R C Mottram  
PS/Secretary of State for Defence

M. Sibiude

M. J F Bureau

Brigadier Vivian  
Defence Attache, Paris

CA Coupe

Mr W Davies  
British Embassy, Paris

Mr P Ford  
British Embassy, Paris

Equipment Co-operation

1. After a preliminary tête à tête exchange which covered no points of substance, M. Hernu said that he had informed the Council of Ministers that morning of the outcome of the IEPG meeting in the Hague. The President was pleased with the result. The French Government were content that the next IEPG meeting should be held in London. The Secretary of State said that he had talked to the Prime Minister about the outcome of the meeting who had enquired about the practical effects in terms of new co-operative projects. He believed that there were now real opportunities to strengthen co-operation and to improve the two-way street with the United States, to the benefit of Britain and France as the European countries with the two biggest armaments industries. They needed now to follow-up the general principles agreed at the Hague in a way which encouraged the smaller European countries to participate rather than to rely on the United States for their equipment, but without creating in them industries which duplicated those already in being in France and Britain. They needed too to address how their own industries could be persuaded of the benefits from a more integrated approach within Europe. He had already started to prepare the ground with the British press and the





outcome of the Hague meeting had so far had a very balanced reception. To ensure the general principles agreed there were carried into action, he intended to issue instructions that before proposals for equipment programmes were put to him, all opportunities for collaboration must be explored and the results reported in the papers seeking a decision.

2. M. Hernu said that the role of the smaller European countries raised difficult issues. They were beyond the stage where the four European countries with strong armaments industries could simply sell equipment to the others. They expected assistance in establishing a viable defence industry in their own country. Once such an industry had been established, it proceeded to sell equipment in competition with France and even to countries which France herself was unwilling to supply. This was not a satisfactory outcome in moral or other terms. While they had to accept that technical assistance would be provided to other European countries if they were to resist US competition, it was important to establish rules over third country sales. The IEPG had an important role to play in establishing a concerted approach but other fora, such as the WEU, were also important. They should not expect too much of the IEPG. To achieve collaboration on complex projects, it was necessary to restrict participation to a small number of countries: two countries together could achieve something, with three progress was possible, by the time four were involved it became very difficult. He therefore believed that the United Kingdom, the Federal Republic of Germany and France should work closely together in this area. He agreed with the importance of making clear to industry that there was a genuine political will to achieve enhanced co-operation and he had already taken steps to do this. In France it was also necessary to explain matters clearly to the Trade Unions. Within Government, he had issued specific instructions to the Heads of the Armed Services and to those responsible for equipment procurement on the need to harmonize equipment specifications.

3. The Secretary of State recalled that when he had first become Defence Secretary, he had been much attracted by a trilateral approach to collaboration. But the Italian Government had reacted extremely strongly to their exclusion and he had come to feel sympathy for their concerns. They had acted with great resolution over the deployment of Ground-Launched Cruise Missiles and it seemed wrong to belittle their position. He wondered therefore whether there was a case for establishing a quadripartite inner group. M. Hernu said that he recognised the Italian case. But the problem was one of drawing the line there: others, like Spain, would argue that they too should be involved. The Secretary of State said that there were differences in the scale of defence industrial capability which would justify drawing the line at four countries.

4. The meeting ended at 8pm.

5. When the two Ministers met at 9am the following morning, the first part of the discussion concentrated on the text of the joint statement to the plenary session and subsequently to be drawn on in public. The Secretary of State said that he hoped that they might follow through the close identity of view that they had established in their earlier discussion by increasing their contacts at both Ministerial and other levels.



M. Hernu agreed. He suggested that their Chiefs of Defence Staff and National Armaments Directors might hold joint meetings. (M. Blanc pointed out that he already had frequent meetings with CDP). They might also encourage contacts between their respective industrialists. The Secretary of State said that, while it was very important to press ahead in the area of armaments co-operation on the lines they had agreed, he hoped too that there might be a more extended dialogue on politico-military questions involving both Chiefs of Staff and the relevant civilian experts. It was agreed that these exchanges should involve staff from Foreign Ministries as well as from Defence Ministries.

6. A copy is attached of the text of the joint statement as finally agreed

#### Equipment Projects

7. At the end of the meeting, M. Blanc referred briefly to some specific opportunities for collaboration. He hoped that we would look carefully at the scope for collaboration with France and Germany on helicopters, on which the Secretary of State commented that he would need to reach a view soon on the competing opportunities for collaborative projects involving Italy or France and Germany. M. Blanc said that co-operation on satellites might be enhanced by Britain making use of French trial facilities at Toulouse, which he had discussed with CDP. The Secretary of State said that he would look at that. He asked about the French position on airborne early warning. M. Blanc said that France hoped to conduct trials involving the competing equipments before next summer. Meanwhile they were faced with the difficult problem that the AWACs system was reaching the end of production and some action had to be taken with Westinghouse if the AWACs option was to be preserved. This would not mean that a final decision had been taken, rather it kept open one of the options. The Secretary of State said that he understood the French position. The problem was that a "small step" of the kind now contemplated tended in the event to turn into a much bigger commitment. He hoped that options were not being closed off.

8. The meeting ended at 10am.

*Rm.*

6 DEC 1984

#### Distribution

PS/Minister (AF)	PS/CDP	AUS (D Staff)	PS/Prime Minister—
PS/Minister (DP)	PS/CAS	Head of DS12	PS/Foreign and Commonwealth Secretary
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PSO/CDS	MA/MGO	Head of DS3	
PS/PUS	PS/CA		PS/Secretary of the Cabinet
Sec/CNS	DUS (P)		Sir J Fretwell, Paris
MA/CGS	DUS (Pol) (PE)		Sir J Graham, UK DEL NATO
PA/CAS	AUS (IP)		Sir J Bullard, Bonn
			Lord Bridges, Rome

CONFIDENTIAL

## JOINT DECLARATION OF THE DEFENCE MINISTERS

1. The two Ministers noted with satisfaction the existing relations between their Departments and affirmed their common will to enhance their exchanges across the range of their responsibilities.
2. This is especially true of cooperation in the field of defence equipment. In this connection they reviewed the conclusions of the recent IEPG meeting in the Hague to re-emphasise this strengthened European contribution to the Alliance in the field of equipment.
3. They considered specific measures that could be taken to give full effect to the conclusions of that meeting.
4. The intention is to improve the commonality and quality of European arms products and at the same time to contribute to a more balanced defence trade with the US.
5. To this end Ministers agreed to instruct their officials as a matter of routine fully to examine cooperative possibilities relative to timescales and characteristics before individual weapon project proposals were considered for approval.
6. They also decided to initiate discussions with senior representatives of defence industries in order to stimulate opportunities for cooperation at the industrial level.
7. The Ministers agreed to pursue these measures in full consultation with their European counterparts.
8. Finally they decided to invite their staff to pursue exchanges on political-strategic issues.

- 6 DEC 1984

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FCS/84/265

SECRETARY OF STATE FOR DEFENCE

Nuclear Powered Submarine Visits Between UK and France

1. Thank you for your minute of 28 September about the proposed resumption of visits to France by nuclear powered submarines (SSNs) of the Royal Navy and of visits to the UK by French SSNs.

2. I welcome the proposed resumption of these visits and I hope that the last minute problems with the French about our liability assurances will be overcome. This will be a useful step forward in strengthening Anglo/French relations in the defence field. If the planned visit by HMS Sceptre to Brest in October takes place some publicity might be desirable as a modest counter to the extensive coverage given to Franco-German cooperation.

3. I am copying this to the Prime Minister and Sir Robert Armstrong.

GEOFFREY HOWE

Foreign and Commonwealth Office  
8 October, 1984

1950

France pt 2

Relatias

DEPARTMENT/SERIES ..... <i>PREM 19</i> ..... PIECE/ITEM ..... <i>1506</i> ..... (one piece/item number)	Date and sign
Extract/Item details:  <i>Letter from Appleyard to  Moore dated 4 October 1984,  with enclosures</i>	
CLOSED FOR ..... YEARS UNDER FOI EXEMPTION	
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Foreign and Commonwealth Office

London SW1A 2AH

4 October 1984

*M. brief forward  
for briefing before  
Anglo-French  
summit. CD 4/x.*

*Dear Charles,*

Comments by the French Prime Minister on Britain

Our Ambassador at Paris has recently reported some disobliging remarks made by the French Prime Minister in a recently published interview in one of France's best-selling Sunday newspapers. I enclose his letter of 19 September which gives details. We understand that M. Fabius again treated UK economic policy as a negative example when he spoke on the Antenne 2 television channel on the evening of 26 September, contrasting American success in reducing unemployment with Britain's experience, in order to make the point that the British example was unfortunately more relevant to France than the American.

Sir John Fretwell has written to Fabius to draw his attention to the more positive aspects of the recent performance of the UK economy. He will be writing again in response to the remarks made in the TV interview. Sir John has recommended that there should be no further public response by HMG to these remarks, which we should treat as not meriting further attention. We agree with this advice. We also support the Ambassador's suggestion that the Prime Minister should take the first available opportunity to talk to M. Fabius about the performance of the British economy. There will be such an opportunity at the bilateral Summit in Paris, or the immediately following Conference in Avignon, at the end of November.

In the meantime, our Embassy will of course continue to look for opportunities to impress upon leading French socialists the realities of life in this country, and the economic achievements of recent years.

*Yours ever,*

*Len Appleyard*

(L V Appleyard)  
Private Secretary

C D Powell Esq  
10 Downing Street

RESTRICTED



BRITISH EMBASSY,  
PARIS.

FROM THE AMBASSADOR

19 September 1984

M R H Jenkins Esq  
AUSS  
FCO*Den Ireland,*

## COMMENTS BY FABIUS ON BRITAIN

1. I enclose a copy of an interview with Fabius which appeared in the Journal du Dimanche of 16 September. The point of interest is the second segment in the second column, where Fabius, responding to a question about Chirac, comments ungraciously about Britain. The key extract reads: "He (Chirac) is seeking to recover part of his electorate. For that purpose he is using ideological language: the neo-liberalism of Mr Reagan and Mrs Thatcher. He promises us the best of America, but he would bring us the worst of England. America has formidable capacities, but it is a continent which cannot be compared with France. If one wished to copy everything from America one would risk in reality finding oneself back in the English situation." This segment of the interview was picked up and repeated in Le Matin and Le Monde, but in both cases with reference to Fabius' view on Chirac, not his views on Britain, which presumably did not seem to either paper to call for comment.

2. I wrote to Fabius on 17 September (copy enclosed) to let him know that his remarks had not gone unnoticed and to put on record one or two points about the British economy which I thought it would be useful to register with him. I have not yet had a reply but will let you know if I receive one.

/3.

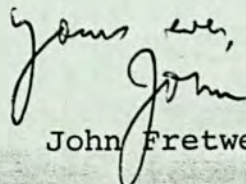


3. There are two points you may wish to consider:-

(a) Should anything more be said to indicate official displeasure with Fabius' remarks? The French themselves are ultra-sensitive to anything which can be construed as official criticism by a foreign government of their economic performance, but I do not think their example is one we would necessarily wish to follow. A better stance for us, I would suggest, is that we are sufficiently confident of our achievement not to over-react to comments of this sort. And the French would probably claim that Fabius only referred to the "English situation" without actually characterising it: it is up to the reader to decide for himself whether it is good, bad or indifferent. On balance I would recommend that from the point of view of a public response we treat Fabius' remarks as not meriting further attention or comment.

(b) Should we nevertheless do more to try to impress the facts on Fabius himself? His remarks suggest to me that he has absorbed and takes for granted the picture which many Frenchmen have of Britain as a nation still in decline and suffering in particular from massive unemployment and widespread de-industrialisation as a direct consequence of present policies. We have had a somewhat better press over the last 18 months, but perhaps that has not got through to Fabius.

4. If plans for the Franco-British Council meeting in Avignon go ahead as now envisaged the Prime Minister may see quite a lot of Fabius: they will presumably sit together at the dinner; and as Fabius is keen to project himself on the foreign policy scene he may want to take the opportunity to have a session of talks with the Prime Minister and possibly even to escort her on a visit in or near Avignon. On the pattern of the last Anglo-French Summit in Paris, he might also have hosted a lunch for the Prime Minister on the same day at Matignon. Unless some new subject of absorbing interest arises, the Prime Minister might like to use this opportunity to talk to Fabius in some depth about the performance of the British and French economies. She might indeed seize the bull by the horns and say she is aware of his doubts about the effect of her policies and about "la situation anglaise". I believe this would be educational for Fabius and of real benefit in giving him a better understanding of Britain. What he said in the interview was perhaps only a throw-away line, but the degree of misunderstanding of British affairs which lies behind it is rather disturbing.

*Yours ever,*  
  
 John Fretwell

interand p/w l'elta finu Ambanaou lo M. Fabius

of 17 september commenting on sideline: romanis leg - FR-028



# La rencontre de Patrick Poivre d'Arvor

REFLEXIONS

Mitterrand-Fabius. « Lui, c'est lui. Moi, c'est moi... Si le premier est florentin, père tranquille sphinx, de quel bois est donc fait le second? Pinocchio de Gepetto? L'explication a tenu mois et volera vite en éclats. Qu'est-ce donc le pousse à grimper, sans accroc, toujours plus haut? Qu'est-ce qui lui donne aujourd'hui cette confiance provisoire de premier communiant? On a le droit de le voir trébucher pour répondre.

Attendant, il nous faut bien regarder à sa salle d'attente où le directeur hésite entre le recueil des courriers de « MM. les chefs de cabinet depuis 1815 » s'arrête à Pierre Mauroy et ordinateurs Thomson M05 et proposés aux visiteurs qui patientent (seul l'un deux jeté à l'eau et a laissé ces mots sur l'imprimante : « dix des postes à budget 1985. Revenus fixes ». Un détail sans aucun doute). Laurent Fabius ressemble aussi à un bureau. Un mélange d'adolescent prolongé (vieux cartable noir comme on n'en fait plus) et d'homme d'affaires modeste, presque dissimulé (coin de pièce), de père de famille attentif (il ouvre la fenêtre pour me montrer le quartier où s'ébattent ses enfants, les après-midi) et d'homme d'État (pas de souvenir personnel sur la table des dossiers courts mais efficaces).

Et autour de 7%. Ce serait une bonne chose d'être en-dessous. C'est à la fois mieux que dans la période précédente et encore trop élevé quand on compare avec nos voisins. L'inflation est dramatique pour les épargnants, les retraités, les personnes à revenu modeste, mais aussi pour la France entière puisque si nos prix sont trop chers, nous ne vendrons pas. Les Français sont, hélas, depuis de nombreuses années, drogués d'inflation. Ce sera pour vous le climat gérant majeur? « Avec le commerce extérieur parce que ces deux chiffres là sont les clés de l'emploi. »



Entracte pour Laurent Fabius. Le Premier ministre, accompagné de sa femme Françoise, a assisté, vendredi soir, au Zénith, à la première de France Gall. Il y a chanté à Matignon pour le goûter offert aux enfants.

plutôt une manière de dire: j'ai un cœur comme tout le monde. Ce n'est pas parce que j'ai une tête bien pleine, que j'ai l'air d'un technocrate, que je ne vibre pas, moi aussi. « Technocrate, technocrate... J'ai une formation d'expert, c'est vrai. Mais n'oubliez pas que je suis depuis longtemps élu local, député, que j'ai présidé ma région, la Haute-Normandie. J'aime le contact avec les gens. »

Alors, vous avez bien dû sentir, par exemple, que votre baisse des impôts à 5% n'est pas très bien passée. On a surtout vu les hausses du téléphone, de l'essence, etc. « Fallait-il ne pas baisser les impôts? Ne pas réduire les dépenses? Ne pas rééquilibrer la Sécurité sociale? Fallait-il laisser filer les déficits? Il était indispensable de réduire la masse des prélèvements (taxes comprises) qui augmentaient depuis quatorze ans. Il fallait faire aussi des économies. Les dépenses publiques augmentent moins que la richesse nationale en 1985. C'est la première fois dans ces proportions. »

# Fabius : sous le miel, l'acier

Au fond, ce doit être un vrai radical, comme on en fabriquait au début du siècle, derrière le philosophe Alain. Il adore le mot « petit », excelle dans les petits pas, les coups d'aiguille d'acupuncture qui font moins mal que les grandes opérations au bistouri, les petits mots qui réglent les petits problèmes. Il aime plus les chapelles que les cathédrales, on s'en aperçoit lors de son premier passage à la télévision, il y a dix jours.

## « Bébé joufflu »

Il a une manière très touchante de se juger après « l'Heure de vérité » qu'il a revue au magnétoscope : « Une tête de bébé joufflu », à cause du maquillage, « une veste mal fichue », des oublis : « Je n'ai pas parlé de ma décision de développer dès la rentrée prochaine l'éducation civique comme j'en avais l'intention. On ne dit pas la moitié des choses qu'on veut dire. Et ce qu'on dit, c'est autre chose que ce que l'on voulait. Mais c'est comme ça. Là n'est pas l'essentiel. L'écho que j'ai recueilli est plutôt bon. Les gens ont eu le sentiment qu'on leur disait la vérité, dans un langage compréhensible. »

Ce qui vous a valu une mauvaise note de la part des spécialistes du langage : vocabulaire pauvre, ont-ils dit. « Oui... Mes professeurs doivent se retourner dans leurs tombes. Mais le summum du dialogue, ce n'est pas d'être hermétique. L'émission a été très écoutée. J'ai cherché une chose : dire la vérité. Expliquer la nécessité de la modernisation. Je n'ai pas essayé de dorer la pilule. Je ne me suis pas livré à des attaques inutiles. Je n'ai pas pris d'engagements sur les chiffres parce que, aujourd'hui, ça n'est pas crédible. »

Parlons chiffres quand même... 0,5% d'inflation pour le mois d'août, vient-on d'apprendre. Ça ne paraît pas beaucoup mais c'est énorme si l'on compare aux résultats de nos voisins allemands : inflation nulle. Or, on sait ce qu'est le problème du différentiel d'inflation. C'est important, en effet, Pierre Bérégovoy m'a confirmé que c'était conforme aux prévisions, qu'on devrait tourner

Et l'endettement de la France, la santé du franc? « Bien sûr, il ne faut pas que la France s'endette davantage. Actuellement, la situation du franc est correcte. Toutes les monnaies souffrent terriblement par rapport au dollar, le franc moins que d'autres... Mais les choses peuvent se renverser. On vit dans un monde complètement instable. Les pays du tiers monde, l'Europe paient le déficit budgétaire des U.S.A. Depuis 1971, l'Amérique bat monnaie pour le reste du monde. D'où la nécessité de s'unir entre Européens et d'appuyer le développement du tiers monde. On vit sur une poudrière qui peut favoriser les actions les plus folles. »

Deuxième rentrée politique à la télévision. Après la vôtre, celle de Jacques Chirac. L'avez-vous regardé, jeudi soir, à l'« Enjeu » sur TF 1? « Oui. J'ai trouvé qu'il s'extrémise. Bien sûr, ce qui lui pose un problème, c'est l'extrême-droite. Il cherche à rattraper une partie de son électorat. Il utilise pour cela un langage idéologique : le néo-libéralisme de M. Reagan et de Mme Thatcher. Il nous promet le meilleur de l'Amérique, mais il nous amènerait le plus mauvais de l'Angleterre. L'Amérique a des capacités formidables, mais elle est un continent qu'on ne peut pas comparer avec la France. Si l'on voulait tout copier d'elle, on risquerait en réalité de se retrouver dans la situation anglaise. »

Peut-être. Mais il faut sacrément mouche auprès de l'électorat lorsqu'il propose de réduire l'impôt sur le revenu à 50%... « Jusqu'à présent, Jacques Chirac a surtout marqué la fiscalité française en inventant... la taxe professionnelle! » Pourquoi ne verriez-vous pas Jacques Chirac, vous qui prônez la décripation? « Bien sûr, par exemple si c'est

nécessaire pour régler le problème des jeux Olympiques. Il souhaite les organiser à Paris. Le gouvernement, lui aussi, y est tout à fait favorable. Ce serait ridicule de travailler chacun dans son coin. »

Et sur d'autres problèmes, pourquoi ne pas rencontrer vos prédécesseurs à Matignon, Jacques Chirac ou Raymond Barre? « Pourquoi pas? Par exemple, je suis tout à fait d'accord sur le fait qu'un grave problème est posé par la nouvelle pauvreté, dont parlait récemment André Bergeron. Il faut que, si possible, tous ensemble, on trouve des solutions. Les plus pauvres sont ceux qui ne savent pas ou n'osent pas s'adresser aux organismes existants. Ces problèmes doivent dépasser les clivages politiques. »

Un dernier mot sur Jacques Chirac. Nombreux sont ceux qui, comme lui, jugent que la politique économique du gouvernement a changé à 180 degrés... « Il critiquait hier. Il critique aujourd'hui, même s'il pense que c'est le contraire. Allez comprendre! » (Laurent Fabius rit de bon cœur.)

## La boîte à idées

Vous voilà aux affaires depuis deux mois à peine. Vous avez sans doute remarqué ce sondage qui place, dans les préoccupations des gens pendant l'été, votre arrivée à la tête du gouvernement bien devant le feuilleton référendum, mais aussi loin derrière les hausses estivales : téléphone, essence... « Ce qui compte, bien sûr, c'est la vie quotidienne. Ce que je voudrais essayer de faire, c'est précisément de trouver les moyens qui améliorent cette vie quotidienne. »

Le Premier ministre fouille alors dans ses dossiers et en sort

une chemise bleue. « Propositions ». C'est sa boîte à idées. A tous ses visiteurs, il demande des suggestions pratiques. « L'autre jour, un camarade me demande si l'on ne pourrait pas autoriser les fils d'agriculteurs qui partent au service national à faire des remplacements dans les exploitations agricoles. Je vais étudier ça. Autre suggestion : actuellement, il y a des limites d'âge pour la fonction publique, ce qui empêche, au-delà d'une certaine limite d'âge, d'embaucher des chômeurs. A voir aussi le système actuel des seuils fiscaux, la création de téléphones verts dans toutes les banques pour les créateurs d'entreprises, etc. Il n'existe pas énormément de marges de manœuvre aujourd'hui sur ce qu'on appelle la macro-économie. Il faut s'occuper des micro-décisions. Par exemple, favoriser les initiatives individuelles, donner leur chance aux jeunes, jumeler entreprises et écoles, ouvrir la télévision du matin, qui doit concerner à peu près 800.000 personnes. Cela existe partout, je ne vois pas pourquoi ça ne se ferait pas chez nous. »

Vous avez annoncé qu'elle se ferait dès le 1<sup>er</sup> janvier. On s'est demandé si ça voulait dire au plus tard le 1<sup>er</sup> janvier ou au plus tôt... « A partir du 1<sup>er</sup> janvier. Il faut laisser à chacun le soin de discuter. Avancions pas à pas. »

Petites choses, pas à pas... Vous adoptez un profil bas, à ras de terre... « Non, mais je vais vous faire une réflexion de bon sens. Beaucoup de gens ne comprennent pas pourquoi les gouvernements prennent telle ou telle décision. Ils ont l'impression que les pouvoirs publics en arrivant le matin se disent : Qu'est-ce qu'on pourrait faire aujourd'hui aux citoyens pour leur casser les pieds? Or, ce gouvernement est fait d'hommes et de femmes responsables et raisonnables, qui travaillent pour faire progresser les choses. Ils cherchent à faire la

balance des inconvénients et des avantages avant de prendre chaque décision. Je souhaite que l'on puisse expliquer les raisons pour lesquelles on prend les décisions. C'est simple. Et c'est en même temps très ambitieux. »

Depuis trois ans, on ne peut pas dire que la politique des socialistes soit apparue très limpide aux yeux de l'opinion. « Exact. Il faut expliquer pourquoi on fait tel ou tel choix. »

C'est tout? On va vous dire que vous jetez toute l'idéologie aux orties. « J'ai mes convictions. J'y suis fidèle. Mais on ne peut pas chaque jour construire une cathédrale. »

Voilà qui nous change de votre prédécesseur qui aimait à parler, avec des gestes amples, un peu comme on le fait d'une chaire de cathédrale. « Ne soyez pas excessif. Nous n'intervenons pas au même moment. Les grandes réformes de structure ont été faites au début du septennat. On ne va pas les refaire chaque année. Il faut maintenant que tout cela vive, réussisse. Je reviens à votre question sur l'idéologie. Quand c'est la droite qui fait les choses, on dit qu'il n'y a pas d'idéologie. Quand c'est la gauche, on dit qu'il y en a une. Vous ne trouvez pas cela étonnant? »

« Jaurès disait, c'est bien connu : « Le courage c'est d'aller à l'idéal et de comprendre le réel ». Se passionner pour l'idéal, oui. Mais si on ne comprend pas le réel, on échoue. L'autre jour je parlais de la « Marseillaise » à la télévision. Venant d'un homme jeune, aux convictions socialistes, ça a étonné. Pourquoi? On peut parler de patrie sans être archaïque. J'aime mon pays, c'est comme ça. Je veux, de tout mon cœur, qu'il réussisse. »

Cette allusion à la « Marseillaise », n'était-ce pas

## Bêbête

Il y a chez Laurent Fabius une fermeté qui surprend. On sourit. Sous le miel, j'ai suis sûr que bien des choses vont pas tarder à le découvrir. Il dit déjà que ses colères — froides, le plus souvent — sont ravagées. Il déteste la réunionite, s'est entouré d'un cabinet très dégraissé (deux fois moins de conseillers que Pierre Mauroy) et ne jure que par l'efficacité, par le verbe... Et ses relations avec le président de la République? Lui, c'est lui, moi, c'est moi.

Mais encore? « Des relations d'amitié et même d'affection. »

Affection? Derrière vous deux portraits. Ceux de François Mitterrand et de Pierre Mendès France. Quel est le père? « Allons, allons! Ce sont deux hommes pour lesquels j'ai de l'admiration. Mais chacun a sa fonction, chacun son caractère. Les rôles ne sont pas les mêmes. Quand j'ai été nommé, certains ont dit : puisqu'ils s'entendent bien, Fabius va passer sous la table. C'était assez bêbête. C'est précisément quand deux responsables s'entendent bien qu'il peuvent avoir une certaine indépendance. »

Que dit le président de son élève au terme de ces cinquante jours à Matignon? « Nous n'avons pas parlé de ces termes. De toute façon, François Mitterrand consacre un maximum de temps au travail et nous discutons surtout du fond des choses... »

Ici, pour sa première interview dans la presse écrite, Laurent Fabius est plus expansif, mais ne se livrera jamais sur l'essentiel sur le mécanisme qui l'anime profondément. Simple ambition. Beaucoup plus à mon sens. Surprême habileté dans le camouflage? Evidemment. Il me dit : pas être gêné par son surnom de Fafa, révélé aux caricaturistes par son épouse. Au fond, il aimerait bien qu'on lui découvre un chair, une âme. Il adorerait qu'on ne lui parle pas politique et pouvoir continuer à en faire, à sa manière, sans couleurs outrées sans références idéologiques. Faire jeune sans trop le souligner, jouer au centre sans trop le dire... Mais, dans dix-huit mois se profilent déjà les législatives. On lui demandera de devenir le chef de meute. Saura-t-il se déguiser?



MO 18/5 Annex

Prime Minister

CJP  
20/9.

MS

FOREIGN AND COMMONWEALTH SECRETARYNUCLEAR-POWERED SUBMARINE VISITS BETWEEN UK AND FRANCE

You will wish to know that I have been considering the resumption of visits to France by nuclear-powered submarines (SSNs) of the Royal Navy. These were suspended in 1969, when French legislation obliged all nuclear-powered warship operators to agree to certain jurisdictional rights of the French courts in the event of an accident. This made it impossible for our SSNs to visit France by imposing requirements which went beyond what we were prepared to offer, under the terms of the Standard Statement which supports our nuclear-powered warships visits abroad. The United States Navy was similarly affected.

2. However, in 1982, and coinciding with the commissioning of the French RUBIS class of SSNs, this legislation was abrogated. The French wish these SSNs (unlike their SSBNs) to visit other countries, as their RN and USN counterparts do. The US has taken the lead in negotiating with France a French Standard Statement which is supported by a public liability guarantee. It has been confirmed by officials of our two Departments that the French Standard Statement and supporting liability guarantee are as good as those used for SSN visits by the UK and US governments.

3. The Americans, whose requirement in this instance is more pressing than ours, resumed SSN visits to France in 1982, and such visits now take place frequently. In addition, following the finalisation of the French Standard Statement, a French SSN visited the United States in May. The RN has refrained from resuming SSN visits to France until the way ahead for reciprocal visits was clearer.



4. In considering a resumption of RN SSN visits to France I have taken advice, from my independent nuclear safety experts on the Nuclear Powered Warships Safety Committee, on the safety aspects of reciprocal French visits. Although detailed technical information on French nuclear operations is limited (and we would not, of course, wish to approach the French for more information, since we could not reciprocate), the Committee has reviewed the available evidence on French nuclear technical and safety standards. Having found no grounds for concern on the safety issue, the Committee is content for visits by French SSNs to proceed to appropriately cleared berths in the UK.

5. In the light of these factors, and with a view to strengthening further the already excellent relations between the RN and the French Navy, I have approved a visit by the SSN HMS SCEPTRE to Brest, to take place next month. Arrangements for this visit, on the basis of our Standard Statement, are now in hand. In addition, I have given my approval in principle to accepting subsequent French SSN visits to approved berths in the UK, on the basis of the French Standard Statement.

6. I am copying this minute to the Prime Minister and to Sir Robert Armstrong.

*WJH*

Ministry of Defence  
28th September 1984

MJ

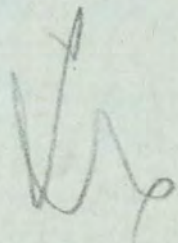
16 July 1984

No-Passport Excursions to France

Thank you for sending me a copy of the letter from the General Council of British Shipping to Sir Geoffrey Howe. I have shown this to the Prime Minister. She will herself be lunching with the General Council of British Shipping today.

CP

Len Appleyard Esq  
Foreign and Commonwealth Office.

A handwritten signature in dark ink, appearing to be 'L.A.', is located in the bottom right corner of the page.



ccpc  
NEMT  
GDD  
19/6

Treasury Chambers, Parliament Street, SW1P 3AG

**CONFIDENTIAL**

The Rt Hon Nicholas Ridley MP  
Secretary of State for Transport  
Department of Transport  
2 Marsham Street  
LONDON SW1P 3EB

18 June 1984

*Nicholas Ridley*

**IMPLICATIONS FOR THE UK OF THE FRENCH LORRY DRIVERS' BLOCKADE**

I refer to your letter to Leon Brittan of 12 June. No doubt by now you will have seen my letter of 14 June in which we have concurred with the proposals to set up consultation with the Kent Police and the Dover Harbour Board.

I would however like to offer some comments on the penultimate paragraph of your letter in which you refer to the need for Customs to take steps to ensure that importers and freight agents understand the new position. The Customs have in fact already issued a good deal of publicity on this matter and have received a flood of applications to join the duty deferment scheme which they are processing as quickly as possible. Moreover they are participating in seminars which are being organised throughout the country by the Simplification of International Trade Procedures Board (SITPRO) and a number of trade associations which are aimed at educating the trading community to the new requirements.

The Customs themselves are making the necessary arrangements to cope with the payment of VAT at importation and extra staff has been authorised to deal with the additional work arising. It is perhaps not unreasonable to point out what this involves in broad terms is the collection of customs charges on something in the region of 3 million import transactions on which currently no charges arise because of VAT deferment and exemption from customs charges for Community goods. Although the net gain to the Exchequer is around £1,200 million, the gross amount to be collected at importation is in the region of £8,000 million. I think these points are worth making in order to put into perspective the burden of extra work which falls on HM Customs and Excise.

At the end of the day what will determine the smoothness or otherwise with which this new procedure operates is the ability of the trading community (importers and forwarding agents) to ensure that either proper arrangements have been made for duty deferment or, if not, that the requisite sum is available for payment at the time of importation. As was shown in the Rayner study on errors in import entries, standards of compliance with Customs documentation are often of poor quality and the avoidance of delays in clearance will inevitably be dependent on the ability of importers and their agents to meet their obligations under the changed circumstances.



**CONFIDENTIAL**

I am copying this letter to the recipients of your own letter to Leon Brittan.

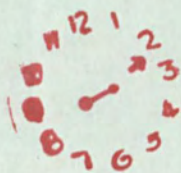
A handwritten signature in cursive script, appearing to read 'Leon Brittan' and 'Barney'.

**BARNEY HAYHOE**



France: Anglo/French Relats Pt 2.

19 JUN 1984





Treasury Chambers, Parliament Street, SW1P 3AG

CONFIDENTIAL

The Rt Hon Leon Brittan QC MP  
Secretary of State for the Home  
Department  
50 Queen Anne's Gate  
LONDON SW1H 9AT

14 June 1984

*Dear Leon*

**IMPLICATIONS FOR THE UNITED KINGDOM OF THE FRENCH LORRY DRIVERS' STRIKE**

Your letter of 8 June to Nicholas Ridley suggested that the CCU take this matter further by establishing a Working Party to co-ordinate the work of Departments.

I am content for this to proceed and for a report to be made to the CCU by 1 September 1984. However, I must request that Customs and Excise officials should be involved, both centrally in the Working Party and at Dover. It would clearly be storing up considerable problems if arrangements were made for the removal of lorries not cleared through Dover Customs without Customs being party to these arrangements. I suggest therefore that the Collector of Customs at Dover (an Assistant Secretary) should participate in the discussions with the Kent Police and the Dover Harbour Board.

I am copying this letter to recipients of yours.

*Barney Hayhoe*

BARNEY HAYHOE

France Relations Pt 2

CONFIDENTIAL



DEPARTMENT OF TRANSPORT  
2 MARSHAM STREET LONDON SW1P 3EB

01-212 3434

CCP  
1/50

The Rt Hon Leon Brittan QC MP  
Secretary of State for the  
Home Department  
Home Office  
50 Queen Anne's Gate  
LONDON SW1H 9AT

12 June 1984

nbpm  
DMB  
13/6

Dear Leon

IMPLICATIONS FOR THE UK OF THE FRENCH LORRY DRIVERS BLOCKADE

I must take issue with a point made by Barney Hayhoe, as recorded in his Private Secretary's letter of 31 May to your Private Secretary. He suggested that no approach about contingency planning should be made at this stage to the Dover Harbour Board.

I am well aware of the criticism that Barney Hayhoe has come under recently from the Board, both in respect of the delays that may occur in clearing goods at the port when VAT begins to be imposed at import from the beginning of October and in respect of the proposals in the Rayner study on customs attendance. But if there were to be an attempt at a blockade in Dover, it would be as likely to occur on the harbour board's property as on the public road system and only the Harbour Board and their police have the knowledge and authority to prepare and be ready to implement any plans for dealing with such trouble on their land. I think it is essential that we should ask the Harbour Board to concert contingency preparations with the Kent Police but, as I

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# CONFIDENTIAL

said in my earlier letter, I think they can be asked informally to do this and to let the CCU have a report in due course.

I do not think we need fear that the Harbour Board will do anything irresponsible. They have already recognised the risk of a blockade, as was evident from their recent submission to the Treasury on customs attendance. I understand that they have in fact already begun to consider what measures they might need to be ready to take. They are used to acting with the Kent Police and I think we should make them aware of our interest in their conclusions.

I am glad to see that Barney Hayhoe has asked Customs & Excise to take steps to ensure that delays at the ports on account of the change in VAT payment arrangements are kept to the minimum. That will be a help. But I hope that he and customs officials will also, and in good time, ensure that importers and freight agents understand what the new requirements are and will do everything possible to smooth the way for those requirements to be met.

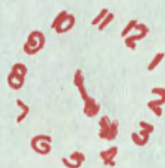
/ I am copying this letter to the Prime Minister, the Lord President, the Chancellor of the Exchequer, the Secretaries of State for Northern Ireland, Scotland, Defence, the Environment, Social Services, Trade and Industry, and Employment, the Minister of Agriculture, the Attorney General and Sir Robert Armstrong.

*Tomman*  
*Nicholas*

NICHOLAS RIDLEY

# CONFIDENTIAL

13 JUN 1964





CONFIDENTIAL

QUEEN ANNE'S GATE LONDON SW1H 9AT

8 June 1984

*nbpm  
Dus  
11/6*

IMPLICATIONS FOR THE UNITED KINGDOM OF THE FRENCH LORRY DRIVERS'  
STRIKE

---

I am grateful for your agreement, and that of colleagues to whom my letter of 19 April was copied, that contingency plans should be made to cope with a possible lorry drivers' blockade at Dover. I have noted the reservations made by you in your letter of 11 May and by the Minister of State, Treasury, in his letter of 31 May.

I entirely agree that we do not want a full scale exercise by the CCU of a kind which could provoke the action we are trying to forestall. I appreciate both the importance of confidentiality and the need to avoid embarrassment with the Dover Harbour Board over the VAT arrangements to be introduced on 1 October. It is clear, however, that no worthwhile contingency planning can be undertaken without the involvement of the Dover Harbour Board. Fortunately I do not believe that this need entail any serious risk of embarrassment. I understand that the Board have themselves already given some thought to coping with a blockade in the light of the French lorry drivers' strike and it should be possible to use that as the immediate point of departure without conceding that the changes taking place on 1 October make a blockade likely. The confidential nature of the exercise would, of course, be stressed to the Dover Harbour Board and participation within that organisation would be on a rigorously restricted "need to know" basis. Since they have in the past been involved in confidential contingency planning for transition to war, thought ought not to create any difficulty. The contacts with the Kent police and the Dover Harbour Board would, as you envisage, be through Home Office and Department of Transport officials and, although there would be a Working Party under the CCU's aegis to co-ordinate the work of Departments and to prepare a report by the CCU, the exercise would be undertaken with the lowest possible profile.

I hope that you and the Minister of State, Treasury, will be content that the exercise should now go ahead on this basis with a view to a report to the CCU by 1 September 1984.

I am sending copies of this letter to the Prime Minister, the Lord President, the Minister of State (Treasury) and Sir Robert Armstrong.

The Rt Hon Nicholas Ridley, M.P.

FRANCE : Angl-fr. Relations  
Pt 2



Ref. A084/1638

MR FLESHER

Thank you for your letter of 18 May concerning the letter which the Prime Minister has received from Mr John Watson MP about the case of the late Mr Niall Campbell. I am sorry to be slightly late in replying.

2. So far as the background to this case is concerned, there is nothing to add to the information contained in Roger Bone's letter to John Coles of 13 December 1983 (copy attached for convenience).

*Passage deleted and retained under  
Section 3(4).*

*Wayland  
12 December 2013*

3. Although, for obvious reasons, we normally say as little as possible about such matters, it is quite understandable, in view of some of the speculation in the press concerning Mr Campbell's death, that Mrs Campbell should wish to know a little more about this report and Mr Watson's letter suggests that both he and Mrs Campbell would treat any information very responsibly. In these circumstances, the Prime Minister might wish to write to Mr Watson in confidence with sufficient information to lay Mrs Campbell's mind at rest. I attach a draft which the Prime Minister might care to use for this purpose.

*NB - unclassified correspondence  
with Watson MP, held by C.R.  
CST 11/6/84*

*R*  
R P HATFIELD

6 June 1984

DRAFT LETTER FROM THE PRIME MINISTER TO

John Watson Esq MP  
House of Commons  
London  
SW1A 0AA

Thank you for your letter of 17 May concerning the late Niall Campbell.

In view of some of the press speculation that surrounded Mr Campbell's tragic death, I can quite understand that Mrs Campbell should wish to know whether there is anything to the report she has heard.

*Passage deleted and retained  
under Section 3(4).*

*Wayland  
12 Dec. 2013*

I should be grateful if this information could be held as strictly personal to yourself and Mrs Campbell.



CCX  
NO  
shpm  
DMS  
1/6

Treasury Chambers, Parliament Street, SW1P 3AG

Private Secretary to the Home Secretary  
Home Office  
50 Queen Anne's Gate  
LONDON SW1

31 May 1984

*Dear Private Secretary*

IMPLICATIONS FOR THE UK OF THE FRENCH LORRY DRIVERS' BLOCKADE

The Chancellor of the Exchequer and the Minister of State have seen the Home Secretary's letter to the Secretary of State for Transport dated 19 April and also the subsequent correspondence, including the Prime Minister's comment as recorded in her Private Secretary's note of 25 April.

As suggested in the Civil Contingencies Unit report, a possible basis of trouble could be delays in clearance of goods when VAT is imposed at import on 1 October next. There has been considerable criticism of this measure by trade interests affected including the Dover Harbour Board. In these circumstances there could be serious embarrassment if it became known that the Government were seriously considering the possibility of a blockade.

The Minister agrees that some limited contingency planning should take place at Dover but is concerned that confidentiality should be maintained. He would be content for the Civil Contingencies Unit to approach the Kent police provided no approach were made to the Dover Harbour Board at this stage.

The Minister has asked Customs and Excise to take steps to ensure that so far as possible delays at the ports on account of the additional work arising from 1 October are kept to the minimum. However, the speed of clearance depends critically on the effectiveness with which importers and their clearing agents comply with the new requirements.

I am copying this letter to the recipients of the Home Secretary's letter.

*Yours sincerely*  
*Michael Corcoran*

M E CORCORAN  
Private Secretary

France Pt 2

Anglo / French Relations



ULU...  
1941



CC PG ✓  
NO ✓

SCOTTISH OFFICE  
WHITEHALL, LONDON SW1A 2AU

CONFIDENTIAL

The Rt Hon Leon Brittan QC MP  
Home Office  
Queen Anne's Gate  
LONDON  
SW1H 9AT

nbpw  
2ms  
18/5 17 May 1984

Dear hon,

IMPLICATIONS FOR THE UNITED KINGDOM OF THE FRENCH LORRY  
DRIVERS' BLOCKADE

I have seen your letter of 19 April to Nicholas Ridley about  
the implications of the French lorry drivers' action.

I agree, for the reasons given in your letter, that it would  
be desirable to make contingency plans to deal with a possible  
blockade at Dover but that, in view of the current low risk  
of disruptive action elsewhere in the UK, no further plans  
need be prepared for the time being.

In Scotland, a blockade at the Forth or Tay Bridges would  
cause some inconvenience but, as with several other such  
bridges in Scotland, alternative routes are available which  
could be signposted at short notice. At present, therefore,  
I see no need for special contingency planning in Scotland.

I am sending copies of this letter to the recipients of yours.

Yours wvs,  
George

france Pt 2

Anglo / French Relations





DEPARTMENT OF TRANSPORT  
2 MARSHAM STREET LONDON SW1P 3EB

01-212 3434

The Rt Hon Leon Brittan QC MP  
Secretary of State for the Home Department  
Home Office  
50 Queen Anne's Gate  
LONDON  
SW1H 9AT

11 May 1984

*Dear Leon*

*n.b.p.m.  
Dubs  
11/5*

IMPLICATIONS FOR THE UNITED KINGDOM OF THE FRENCH LORRY DRIVERS' BLOCKADE

Thank you for your letter of 19 April.

I have noted the conclusions of the report by officials and I agree that it would be desirable for contingency plans to be made to deal with a possible blockade at Dover. However, I am not persuaded that this requires a full-scale exercise under the aegis of CCU. There is a risk that if we make too much of this, we may provoke the very action we are trying to forestall. As you say, most of the detailed work would in any case have to be done by the Dover Harbour Board and the Kent Police and it seems to me preferable that we should leave it to them to get on with. I therefore propose that we invite officials to get in touch with the Harbour Board and the Kent Police to ensure that they are aware of the problem and to report through CCU in due course. I do not think we need take similar action in regard to other ports.

More generally, I am extremely concerned at the potential situation arising from the change in VAT procedures next October, in view of my responsibilities for the freight transport industry and for the sea and air ports. At a time when I am pressing hard for other countries in the EC to improve their frontier arrangements and reduce delays, there is already criticism of the delays at ports such as Dover, Folkestone and Felixstowe and there is a serious risk that these will become much worse in October. While I appreciate the financial advantages, and advantages to our manufacturing industry, of the new arrangements, I feel it is wrong that they should be introduced at the expense of the freight transporters and of our already congested ports. We must do everything possible to minimise the additional delays that will result from the new procedures.

I understand that Customs & Excise are meeting interested trade associations to discuss these issues and I trust that Nigel Lawson will ensure that my department is kept fully in the picture.

Copies of this letter go to the Prime Minister, the Lord President, the Chancellor of the Exchequer, the Secretaries of State for Northern Ireland, Scotland, Defence, the Environment, Social Services, Trade and Industry and Employment, the Minister of Agriculture, the Attorney General and Sir Robert Armstrong.

*Yours  
Nicholas*

NICHOLAS RIDLEY



FRANCE : Anglo-French Relations

Pt 2



c Pc

10 DOWNING STREET

*From the Private Secretary*

1 May 1984

No-Passport Excursions to France

BC /  
The Prime Minister has seen your letter of 1 May about the possibility of early French denunciation of the Anglo-French agreement on no-passport excursions. Mrs. Thatcher has noted the present situation and the contents of the draft statement which will be issued in the event of denunciation. But I take it that you will consider whether to recommend that the Prime Minister should urge on President Mitterrand, when she sees him on Friday, the undesirability of a step which is bound to cause a certain amount of anti-French feeling in this country.

I am copying this letter to the Private Secretaries to the Home Secretary, the Minister of Transport, the Lord President, the Lord Privy Seal and the Chief Whip.

A J COLES

R.B. Bone, Esq.,  
Foreign and Commonwealth Office.



Foreign and Commonwealth Office

London SW1A 2AH

1 May, 1984

Prime Minister.

Copy: Mr. Ingham

A. J. C. 5.1

New John.

No-Passport Excursions to France

In my letter of 16 April I described the background to this problem, and pointed to the possibility of early French denunciation of the Anglo-French agreement on no-passport excursions.

Since I wrote, we have made a number of approaches to the French to stave off a denunciation and preserve the agreement, including a personal message from the Foreign Secretary to M. Cheysson; but the latter's reply was negative and on 27 April the French told us that they proposed to denounce the agreement the following day.

We made a final bid to save something from the wreck by suggesting a postponement of denunciation by one month while we examined the possibility of an entirely new scheme whereby the Post Office might issue excursion cards. Although this would be much less attractive than the present arrangement (it would involve the public in producing documentation to support their application as well as paying a fee) we think that it might be better than nothing for the travelling public and commercial carriers.

The French replied by agreeing to suspend denunciation by one week. Our new ideas will be discussed with the French on 4 May, when the Secretary-General of the Foreign Ministry will be in London for talks with Sir Antony Acland. The French give us to understand that if no agreement is reached then they will have to denounce very shortly thereafter: their haste (so they tell us) is to ensure termination before the tourist season of the present arrangements, which they consider open to abuse (though they have not been able to produce any clear evidence). The two months notice required would mean termination in the early days of July.

As a contingency we have prepared the attached draft statement for issue by the FCO/Home Office in the event of denunciation. This has been agreed by Ministers in both Departments. We will also be circulating supplementary material on the implications and consequences of the denunciation, to help in meeting press and parliamentary queries.

We shall also, if necessary, provide a short brief for the Prime Minister's meeting with M. Mitterrand on Friday.

I am sending a copy of this letter and its enclosure to the Private Secretaries to the Home Secretary, the Minister of Transport and (with a copy of my letter under reference) the

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Lord President, the Lord Privy Seal and the Chief Whip.

*Yes in  
reply to*

(R B Bone)  
Private Secretary

A J Coles Esq  
10 Downing Street

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DRAFT PRESS STATEMENT

1. The French Government have told us of their decision to end the present arrangements for no-passport excursions to France, which have been in existence for nearly 30 years. In accordance with the terms of the Memorandum of Understanding covering this scheme, two months' notice must be given. The French decision means that the present arrangements will come to an end on 1 July.
2. On 12 August last year the FCO/Home Office issued a statement saying that the French Government were prepared to admit only British citizens on no-passport excursion cards, and that other Commonwealth citizens must travel on a passport, obtaining a visa where appropriate. This holds good until 30 June. But the French denunciation means that, after that date, everyone must carry a standard or British Visitors' Passport.
3. The background is as follows. Last summer the French authorities asked to have discussions about the operation of the no-passport scheme. They were concerned that the scheme was open to abuse by persons not entitled to benefit under it. Since then a series of discussions has been held at official and Ministerial level. We have also been in close touch with the tour operators and carriers.
4. We put forward detailed proposals involving substantial changes in the scheme, designed to meet ~~[the main]~~ French concerns. The French Government, for their part, continue to insist that the only acceptable excursion identity card would be one issued by the British Government which certified the nationality and identity of the passenger. But to do this would involve the same sort of procedures as people have to follow when they apply for an ordinary passport, including the payment of a fee. This would undermine the spirit and purpose of the no-passport excursion arrangements, which is to provide easy and cheap travel to France.



5. The British Government very much regret the end of a scheme which has operated smoothly for so many years to the mutual benefit of all concerned. We shall continue to be in touch with the French authorities in the hope that it may be possible to devise some new arrangement acceptable to them, and which is consistent with our wish to keep no-passport excursion arrangements in being.

France: Anglo/French relations pt 2.





CCND

DEPARTMENT OF TRADE AND INDUSTRY  
1-19 VICTORIA STREET  
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Telephone (Direct dialling) 01-215) 5422  
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Secretary of State for Trade and Industry

27 April 1984

The Rt Hon Leon Brittan MP  
Secretary of State for the  
Home Department  
Home Office  
50 Queen Anne's Gate  
London SW1

nbpm  
DUB  
27/4

D Leon.

IMPLICATIONS FOR THE UNITED KINGDOM OF THE FRENCH LORRY DRIVERS' BLOCKADE

You wrote to Nicholas Ridley on 19 April about the implications of the French lorry drivers' action.

2 I agree with the report of the Civil Contingencies Unit that the risks of similar disruption action being taken in this country are low. I accept however that the introduction of new procedures for charging VAT at import is somewhat exceptional and that contingency planning for Dover seems justified.

3 You say that you would wish to keep the number of exercises such as that for Dover to the absolute minimum until after the end of the miners' dispute. I would go further and suggest that no other exercises be authorised until we have the benefit of experience of the Dover study later in the year.

4 I am sending copies of this letter to the recipients of yours.

NORMAN TEBBIT



France relations Pt 2

27 12 1984



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PRIVY COUNCIL OFFICE  
 WHITEHALL, LONDON SW1A 2AT

25 April 1984

*OK*  
*20/4*

*Dear Hugh,*

IMPLICATIONS FOR THE UNITED KINGDOM OF THE  
 FRENCH LORRY DRIVERS' BLOCKADE

*with TF?*

The Lord President has seen the Home Secretary's letter of 19 April to the Secretary of State for Transport. He agrees that it would be desirable to make contingency plans to deal with a possible blockade at Dover, but that no further plans should be prepared for the time being.

I am sending copies of this letter to the Private Secretaries to the Prime Minister, the Chancellor of the Exchequer, the Secretaries of State for Northern Ireland, Scotland, Defence, the Environment, Social Services, Trade and Industry, Employment, and Transport, the Minister of Agriculture, the Attorney General and Sir Robert Armstrong.

*Yours ever,*  
*Janet Lewis-Jones*

Hugh Taylor Esq

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FILE DA



10 DOWNING STREET

cc: D/TMS DTI  
LPO D/emp  
HMT MAFF  
NIO A-S  
SO CO.  
MOD  
DoE  
DH38

*From the Private Secretary*

25 April 1984

*Dear Hugh,*

Implications for the United Kingdom of the French Lorry Drivers' Blockade

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The Prime Minister has seen a copy of the Home Secretary's letter of 19 April to the Secretary of State for Transport about the implications for the United Kingdom of the French lorry drivers' blockade.

Subject to the views of colleagues, the Prime Minister would be content for your Secretary of State to set in hand further detailed work in relation to Dover. She has noted the conclusions of the report by officials which was attached to the Home Secretary's letter.

I am sending copies of this letter to the Private Secretaries to the recipients of yours.

*Yours ever,*

*David*

David Barclay

Hugh Taylor, Esq.,  
Home Office.

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Prime Minister<sup>(1)</sup>

The Home Secretary proposes further work on the possibility of a blockade at Dover, but not more generally. Content, subject to colleagues?

QUEEN ANNE'S GATE LONDON SW1H 9AT

19 April 1984

R Nich,

JMB  
24/4

Yes

IMPLICATIONS FOR THE UNITED KINGDOM OF THE FRENCH LORRY DRIVERS' BLOCKADE

I was invited by Cabinet on 23 February (CC(84)7th Conclusions, Minute 2) to set in hand a study by the Civil Contingencies Unit (CCU) of the implications of the French lorry drivers' action, of the ways in which the risk of similar action (not only by lorry drivers) in this country might be averted, and of measures which might be taken to limit the use of effectiveness of such techniques in the United Kingdom. I attach a copy of the report which has been prepared by officials of the Departments mainly concerned under the aegis of the CCU. The conclusions and recommendations are summarised in paragraphs 36 - 44 of the report.

Although we have had some experience in this country of the use of light vehicles such as cars and taxis to disrupt traffic (most recently in the miners' dispute) this has been dealt with without much difficulty. We have not, however, had experience of blockading by heavy vehicles and this, as the French experience showed, would be much more difficult to deal with. The report concludes that the risks of disruptive action of this kind by the groups who have access to heavy lorries and other heavy vehicles are in general low.

There is, however, one possible exception arising from the risk of delays to British and foreign lorry drivers at ports such as Dover in October of this year arising out of new procedures for charging VAT at import. This might conceivably provoke some of them to mount a blockade in protest at the delays on the model of the French action which was originally provoked by customs delays on the French/Italian border.

The preparation of comprehensive contingency plans against all possible risks of blockade by heavy vehicles in all vulnerable locations would involve a very great deal of work. Most of this work would fall on the police. Bearing in mind the additional burden which the police are already carrying as a result of the miners' dispute, I do not consider that the degree of risk justifies additional work on this scale, at any rate for the time being. However, in view of the risks identified in relation to the change in VAT procedures next October,

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I think that it would be desirable to make contingency plans to deal with a possible blockade at Dover.

I should be grateful to know whether you and other colleagues agree that further detailed work should now be done in relation to Dover. A working party would need to be set up under the aegis of the CCU with participation particularly by your Department and mine, but most of the detailed work would have to be done by the Dover Harbour Board and the Kent police.

If any colleague feels that the degree of risk would justify a similar exercise in relation to some other location, I would, of course, be happy to consider the proposal, but I would wish to keep the number of such exercises to the absolute minimum until after the end of the miners' dispute. Other possible locations could be at major estuarial crossings like the Dartford and Mersey tunnels and the Fourth and Severn bridges, and key points in the motorway system such as those around Birmingham.

I am sending copies of this letter to the Prime Minister, the Lord President, the Chancellor of the Exchequer, the Secretaries of State for Northern Ireland, Scotland, Defence, the Environment, Social Services, Trade and Industry and Employment, the Minister of Agriculture, the Attorney General and Sir Robert Armstrong.

W. W.,  
L.

The Rt Hon Nicholas Ridley, M.P.

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IMPLICATIONS FOR THE UNITED KINGDOM OF THE FRENCH  
LORRY DRIVERS BLOCKADE

Note by Officials

INTRODUCTION

1. Following the blockading of roads in France by French lorry drivers during February 1984 Ministers instructed the Civil Contingencies Unit to study the implications of the action for the United Kingdom, the ways in which the risk of similar action (not only by lorry drivers) in this country might be averted and measures that might be taken to limit the use and effectiveness of such techniques. This note reports the outcome of work undertaken in accordance with these instructions.

RESUME OF EVENTS IN FRANCE

2. French lorry drivers began their blockade on 16 February in response to delays on the French/Italian border resulting from industrial action by both Italian and French Customs Officials. At first the blockade affected only roads across the Alps but during the course of the following few days action spread to other parts of France. CB radio was used for contact between drivers and permitted a degree of control and coordination to be achieved. By 22 February 145 barricades involving some 6500 lorries had been erected in areas across France, and included inter alia, the blockade of some ports and a mobile blockade of slowly driven lorries on the Paris ring road. (This latter was eventually dispersed by the French Police and the ring road subsequently kept open). A number of grievances, some of them longstanding, were advanced as reasons for spreading the blockade across the country.

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3. Many aspects of life in France were affected including the severe disruption of the movement of a large number of skiers to holiday resorts in the Alps during the school half term holidays; the flow of goods and agricultural trades were also seriously disrupted; foreign lorries (including several hundred from UK) transitting France were trapped and workers were laid off in the French motor industry as road delivered car components failed to arrive.

4. Initial attempts by the authorities to remove the blockades, by utilising the police and military, failed - due almost certainly to the sheer numbers of heavy vehicles involved, the lack of turning space, and off road parking areas - particularly on Alpine roads, and a lack of drivers and equipment suitable for moving heavy articulated vehicles. Subsequent attempts to negotiate removal of the blockages proved difficult because a high proportion of the French road haulage industry is administered by small firms and independent truckers (70% of the 30,000 companies consist of firms with less than 6 employees) and even though the trade unions and associations of the industry supported the strike they appeared to offer no easily identified focus for Government negotiators to deal with. Such negotiations as took place tended to make the situation worse.

5. However by 24 February a number of factors including the very cold weather; a Government promise to take part on 1 March in talks to resolve grievances; the rising cost of the dispute for those participating, particularly independent operators; the prospect of some £170 (Ff 2000) payment by Government to those who left the blockade; the unwillingness of the opposition parties to give unqualified backing to drivers; the weight of public opinion and the apparent firmness of the Government not to negotiate under duress (but nonetheless indicating that they had some understanding of the problems involved), combined to undermine the resolve of drivers. In addition the road haulage associations ultimately

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advised their members to lift the blockade. Once dispersal had started the blockading vehicles were removed fairly quickly and by the weekend 25/26 February the main motorway network was free of obstruction.

6. Information is not yet available concerning the outcome of the negotiations between the French Government and lorry drivers that began on 1 March so it is not yet possible to assess whether the blockading action will prove to have been worthwhile. It is worth noting that blockades - whether of heavy lorries, farm vehicles and equipment or just people seem to be a peculiarly French method of registering discontent and it may therefore be less likely to be adopted in the UK, unless future events demonstrate that the benefits to French lorry drivers, as a result of their blockading tactics, prove to be so great as to persuade UK lorry drivers that use of this technique is indeed likely to pay worthwhile dividends.

#### PROBLEMS LIKELY TO ARISE IN THE UNITED KINGDOM

7. In the light of experience in France it would appear that blockades formed of heavy vehicles could take one of three main forms:-

- a. Vehicles parked and perhaps immobilised in such a way as to block completely one or more roads; drivers may or may not remain with their vehicles.
- b. Vehicles being driven, either singly or in groups, so slowly as to produce a mobile blockage preventing other vehicles from making proper use of the affected roads.
- c. Vehicles parked so as partially to block a route with the blocking vehicle drivers directing a limited flow of the types of traffic they decide to let pass.

8. There is virtually no previous experience of blockades formed by heavy vehicles in Great Britain - certainly nothing on the scale of that seen in France in February this year. It has been known for pedestrians to block roads temporarily as a form of protest and taxi drivers have on a few occasions driven their vehicles slowly around city centres. More recently striking Yorkshire miners drove their cars in line abreast at 5 mph along a section of the A1(M), causing a long but short lived tailback, and this was followed by further attempts to block a motorway and a major route. But these events have been of short duration and produced localised and temporary difficulties.

9. There are a number of groups in this country who have vehicles that could conceivably be used to blockade roads. Each group will be considered in turn from the points of view of both their capability for producing an effective blockade and their possible motives for so doing.

#### Lorry Drivers

10. In the UK there are thought to be some 600,000 active full time lorry drivers, not all of whom drive heavy and in many cases articulated, vehicles. The drivers are distributed between -

- a. 87% of firms with operators licences who have fleets of between 1 - 5 vehicles (187,000 vehicles representing about 38% of the total fleet) and employing relatively few drivers per firm.
- b. 12% of licensed firms having fleets of between 6 - 50 vehicles (193,000 vehicles representing about 40% of the total fleet).
- c. Remaining 1% of licensed firms having fleets of over 51 vehicles (108,000 vehicles representing about 22% of the total fleet).

It is thought that about 60% of lorry drivers are union members, mainly in the Transport & General Workers Union (TGWU) and that union membership is high amongst employees of the larger fleet operators and low amongst those of the small fleet operators.

11. So far as motives for using blockading techniques are concerned the following factors are relevant:

- a. Annual pay negotiations in the road haulage industry are conducted on an area basis - the 1984 negotiations have just been concluded with no problems that might conceivably have led to the establishment of blockades. In any event the blockade would seem a much less likely tactic than strike action if a dispute were to arise over pay, or any other issue between lorry drivers and their employers rather than between drivers and Government.
- b. Possible grievances against Government could stem from higher vehicle excise duties for heavier vehicles, such as those announced in the recent budget if they were to be regarded as wholly unreasonable, large future increases in diesel fuel prices and current and future trade union legislation. There are at present no signs of widespread concern about these issues, amongst lorry drivers.
- c. It is possible that frustration among lorry drivers might lead to an attempt to emulate the French if vehicles were subjected to extended periods of delay at import or export. This could happen, for instance during industrial action by custom staff (the origin of the French troubles was working to rule by Italian customs officials), or when major changes are being introduced.

12. A major procedural change affecting customs import facilities is due to take effect on 1 October 1984. From that date VAT becomes chargeable at import following the Chancellor's budget announcement that postponed accounting is to be discontinued, at any rate until other members of the European Community accept the provisions of the 14th VAT Directive in this respect. Although extra manpower has been approved to facilitate implementation of the new arrangements this will only serve to cope with the new procedural and documentary processes, but it cannot be expected to eliminate the delays which will occur while the new additional processes are being completed. Customs will be taking steps during the next 6 months to ensure that documentary procedures are so arranged as to keep the formalities to a minimum, but collecting VAT at points of entry is more complex than the present arrangement. Delays at ports such as Dover might lead to some difficulty and thus provide an excuse for blockading action - particularly in view of the obvious connection with the original cause of blockades in France.

13. Apart from the risk described in paragraphs 11c and 12 above it is difficult to identify reasons why any category of UK lorry drivers, or their union, should seek to establish blockades, rather than take strike action, in pursuance of any grievances they might have. The experiences of those UK drivers trapped during the French blockade are likely to act as a deterrent unless the eventual outcome of negotiations with the French Government clearly showed that the drivers had achieved major advantages in the solution of their grievances from mounting the blockade.

#### Public Transport Drivers

14. Buses and coaches are large enough to form effective barricades. However the organisation of public transport in urban and sub-urban areas is such that grievances are likely to be directed against their local employers and any action taken is thought more likely to be strike action rather than setting up blockades. Drivers of urban

and rural stage services are largely union members, drivers employed by independent operators or who are self employed are mostly non-union. The risk of blockading action being adopted by bus and coach drivers is reckoned to be small and any blockades which were to be established would be more likely to be on a local rather than a national scale.

Farmers and Farm Workers

15. The establishment of blockades by farmers or their workers has not been part of the UK farming tradition. The majority of farm vehicles and machinery are not particularly well suited to establish potentially effective blockades except in the areas where large, mainly arable farms are located. It would be relatively easy to use, for example, large modern combined harvesters in the vicinity of the farms where they are based, but not easy to move them to other areas.

16. However, difficulties in establishing an agreed EEC policy for agriculture and in particular, recent proposals for a reduction in milk production could provide a focus of discontent against Government and thus an excuse to consider using blockading tactics. But the Ministry of Agriculture, Fisheries and Food which maintains close contacts with the farming industry assesses the risk of blockades being mounted in UK on a national or local basis by farmers or their workers as low.

Construction Industry Workers

17. There are a significant number of large and heavy vehicles in daily use by workers in the construction industry. Many of the vehicles are wheeled (as opposed to tracked) and are therefore easily moved on roads and could be used to form an effective blockade. But it is difficult to visualise an issue likely to provide construction workers with a reason for adopting blockading tactics, they, like other groups already mentioned, are

considered more likely to take strike action.

Foreign Lorry Drivers

18. Although foreign lorry drivers are seen with increasing frequency on UK roads driving the heavy lorries that could form an effective blockade it is considered unlikely that, as a group, they would choose to initiate a blockade of roads or installations in the UK. They could be, willingly or unwillingly, caught up in a blockade initiated by UK drivers but, with the possible exception of a blockade at ports of entry in protest at delays arising from, for example, the change in VAT rules to be introduced in October 1984, the risk from this group is considered to be negligible.

Ambulance Drivers

19. It has been reported that ambulance drivers in certain areas have threatened to use the blockading tactic during future disputes. As ambulances would be unlikely to form an effective blockade (it would be relatively easy to move them); as any effects would be local rather than national; as the only immediately foreseeable cause of grievance might be opposition to the implementation of more effective management in line with the recommendations of the recent Rayner Scrutiny of the NHS (pay is not expected to precipitate industrial action in 1984/85) and as public reaction to ambulances being used for blockades is likely to be unfavourable, it is considered that these threats need not be taken too seriously.

Summary

20. Although the groups of drivers mentioned in this section all, with the exception of ambulancemen, drive vehicles which could be used to form a potentially effective blockade it is considered an unlikely tactic except in cases where the cause of a grievance might be firmly laid on government as opposed to their own employers. Currently there are no signs that blockades are being seriously

considered and those recently attempted by striking miners have served to infuriate other road users rather than advance the miners cause and were soon discontinued. There is however one issue - the changed arrangements for the collection of VAT from 1 October 1984 that could conceivably provoke UK drivers to adopt blockading tactics but mainly due to an association of ideas, because the French blockade in February stemmed from frustration caused by delays at Customs arising in part from the collection of VAT.

#### VULNERABLE LOCATIONS

21. Although in theory a blockade could be mounted at virtually any place in the country, there are such a great variety of alternative routes available in the UK for even the heaviest vehicles, that a blockade is most likely to be set up in places where it would prove difficult to remove the blockading vehicles and where the maximum problems for, and damage to, the interests of the authorities could be caused.

22. Any attempt to establish a comprehensive list of likely sites for blockades would involve a great deal of detailed work at local level where the exact configuration of roads etc and other geographic factors would need to be properly assessed. The kinds of places where blockades would be most likely to be effective include; ports - particularly busy ones with restricted access routes such as Dover, major bridges (eg Severn, Forth, Tay and Tamar) and tunnels (eg Dartford and Mersey), where lengthy detours would be required to avoid the blockade, and motorways and other major routes where they run through cuttings or over embankments and it would therefore be difficult to get off the road. Such sites would provide particularly severe problems for those attempting to remove blockading vehicles. In Northern Ireland blockades established at the port of Larne, or at Newry on the main North-South link road, would pose particularly serious problems.

23. In many roll on-roll off (RO-RO) ports the most vulnerable points apart from port entrances mentioned above, would be the link span loading ramps - essential for the embarkation and disembarkation of vehicles. If the link spans or port entrances were to be blockaded the effect would be congestion within the port as vehicles progressively filled all available parking and waiting areas and outside the port because vehicles could not get in. During the 1972 dock strike traffic congestion at Dover was felt as far away as Canterbury, with freight needing to be stored at emergency sites throughout East Kent.

#### DEALING WITH THE PROBLEMS

24. It will always be preferable to avert the risk of a blockade being formed than to have to cope with the effects of one or more blockades in being. Averting the risk will invariably involve dealing speedily and effectively with the causes of grievances which might, if left unresolved tempt drivers to form blockades. But it may not always be possible - or practicable to deal with all causes of grievances eg. it is highly unlikely that the decision to change VAT regulations in October would be changed purely to avert the risk of a blockade by lorry drivers. It is therefore necessary to consider what might in practice be done either to prevent the establishment of a blockade or to remove and/or circumvent a blockade already established.

#### Powers available to the Police

25. Under normal circumstances existing legislation would appear to give the police a number of powers to deal with a blockade once it had been formed. Powers to prevent the formation of a blockade are not so clearly defined. These are discussed in Annex A. It would appear that declaration of a state of emergency under the Emergency Powers Act 1920 (EPA 1920) would be unlikely to confer any major useful additional advantages in countering the effects of a blockade (see Annex B). It also seems unlikely that a lorry



drivers blockade would provide a convenient opportunity to introduce any or all of the draft amendments to EPA 1920 currently being held in reserve.

26. Although in theory legal powers appear to be available to deal with a major blockade, enforcement could present difficulties for the police despite mutual re-inforcement arrangements. The scale of difficulty would clearly depend upon the scale of a blockade and the efficiency with which it was organised. With the advent of CB radio individual drivers might be expected to be capable of a fairly high degree of organisation, and of immediate central direction and control. Additionally, opportunities for planning a blockade would be available during travel on cross channel ferries when drivers could meet together in public rooms aboard ships.

Legal Liabilities of Trade Unions in Relation to a Lorry Drivers Blockade

27. If officers or members of a Union's Executive Council, authorise the commission of a crime they can be charged as individuals, in the same way as any Union members who carry out the crime. The prosecution would need to adduce evidence to establish beyond reasonable doubt the mens rea of the individual charged, including any specific intent which was an element of the offence alleged. Any attempt to prosecute the Trade Union itself, as opposed to its officials or members, would encounter greater difficulty, both legal and evidential.

28. Immunity from civil actions relates only to interference with contracts of employment or certain commercial contracts when done in contemplation or furtherance of a trade dispute. Otherwise, the virtually complete immunity from actions in tort, previously enjoyed by trade unions and employers' associations,

was removed by the Employment Act 1982. (This Act does not apply to Northern Ireland; similar legislation has not yet been enacted for the Province). In any action for damages the liability of the Union would need to be proved on a balance of probabilities; in an appropriate case the courts will grant an interim injunction, restraining industrial action, where they are satisfied by the plaintiff that there is a serious issue to be tried.

29. Blockading will almost certainly involve civil and criminal offences, by the individuals taking part, which fall outside any immunity conferred by the Trade Union legislation. The question of whether the Union officials organising the action, or at least in civil cases, the Unions themselves can be successfully brought to court will depend on the evidence available at the time.

30. Where unions organised "blacking" of private sector firms contracted by the police or the Government to remove vehicles in the blockade, this would almost certainly be unlawful secondary action and anyone whose commercial contracts were interfered with as a result would have a prima facie cause for action against the union. Again, the success of any such action in practice would depend on the facts of the particular case.

#### Operational Considerations

31. Responsibility for the enforcement of road traffic law, and for deciding whether to institute proceedings in respect of an alleged breach finally rests with the chief officer of police. If a blockade were thought to be imminent, it is likely that the Association of Chief Police Officers (ACPO) (who have not been consulted during the preparation of this note) would wish to seek an agreed national approach to planning against and dealing with the problem, in consultation with the Home Departments.

32. Priorities for police operations would need to be established, for example so that sufficient officers could be committed to ensuring that important routes were kept clear. Minor routes might suffer under such a scheme, but the French police appear to have achieved some success in keeping the Paris ring road open in the face of an attempted blockade. In practice the prospect of the success of any operation of this kind is likely to depend largely on the layout of specific road routes and their local geography.

33. Clearing large numbers of heavy lorries from the highway would present a problem which the police would not have the equipment to deal with. Vehicles and trailers could be effectively immobilised using the air brake system. Trailers without tractors would require a prime mover to release the braking system and tow the trailers away. A skilled mechanic using special tools would be needed to release vehicle air brakes that were locked on due to exhaustion of the air reservoir and even then there would be a risk of inadvertent damage being caused. Assuming vehicles could be driven it is unlikely there would be sufficient qualified police drivers. It is also doubtful whether Chief Officers would wish to see police manpower used for this purpose. Breakdown crews and equipment, and qualified drivers would be needed. They might act under police supervision if necessary, particularly when moving any high value loads. There are a number of private breakdown and recovery services which might be hired by the police.

34. Separate consideration would apply to dealing with blockades inside docks ie. on private rather than public roads. Further work would be needed to discover the exact legal powers, (perhaps made available under bye laws) under which port and harbour authorities might act. The Dover Harbour Board (DHB) have their own port police and have said they would expect to liaise closely with

the Kent police during any crisis. DHB believe they have adequate powers to move blocking vehicles but the practical application of these powers in the event of a deliberate large scale blockade would probably need to be examined further.

Service Assistance

35. Service resources for the removal of heavy vehicles are extremely limited, both in nature and in quantity; they are deployed at a few locations around the country and have specific peacetime and operational functions. If there was to be a requirement to move a significant number of heavy vehicles, in one or more locations, these service resources would make, at best, only a marginal contribution. Should there be a need for HGV qualified drivers the services would be in a position to provide assistance. Under other contingency plans (for oil tanker drivers and firemens disputes) some 5000 HGV licensed servicemen have been identified who could, with due notice and prior Ministerial approval, be considered for deployment in support of the police.

CONCLUSIONS

The French example

36. The French lorry drivers' blockade had a number of special features, and it is still unclear whether they actually achieved anything significant from it. Nevertheless it will have drawn attention to the disruption which can be caused by this form of protest.

Assessment of risk in the UK

37. Previous experience in the UK has suggested that blockades by light vehicles such as cars and taxis can be dealt with without much difficulty, as is shown by recent experience during the miners' dispute. There has been no significant example in the UK of blocking by heavy vehicles but, if it were to occur, it would be much

more difficult to deal with. The vehicles in question might be heavy lorries, buses and coaches, farm vehicles and machinery, and construction equipment.

38. The risk of disruptive action of this kind by the groups that have access to such vehicles is thought to be generally low. In disputes between employees and employers more traditional forms of industrial action would be more likely to be effective in securing employees' objectives. The use of blockading tactics would seem more likely in circumstances where there were grievances against the Government, and there is thought to be a greater risk of their being adopted spontaneously and irrationally than as part of a deliberate and organised plan.

39. In general departments consider it unlikely that these circumstances would arise, with one possible exception. There is a risk of delays to British and foreign lorry drivers at ports such as Dover in October of this year, arising out of new procedures for charging VAT at import, and this might conceivably provoke some of them to mount a blockade in protest at the delays on the model of the French action, which was originally provoked by customs delays on the French/Italian border.

#### Vulnerable locations

40. In many parts of the UK there are a selection of alternative routes that could be taken by heavy vehicles to avoid blockades and it therefore seems likely that defiles and choke points (major bridges, tunnels, facilities with restricted access routes (eg ports) and certain places on major routes where it is not easy to get off the road) would be the most favourable places to attempt the establishment of blockades. It is possible that in the UK, as in France, CB radio could be used by drivers participating in blockades to achieve a degree of control and coordination.

Legal powers

41. Under existing legislation police would appear to have powers of various kinds to deal with those involved in a blockade (see Annex A). There would not appear to be a need to seek additional powers under the Emergency Powers Act 1920 (see Annex B). The question of whether to take civil action under existing employment legislation against unions who might be concerned in organising a blockade would need to be decided by those whose business was interfered with, in the light of circumstances. There would appear to be little likelihood of the unions benefiting from any statutory immunities.

Operational considerations

42. The main responsibility for dealing with a blockade of roads by heavy vehicles would rest with the police. Priorities for police action would need to be established. The major practical problem would be the lack of qualified drivers and equipment to move vehicles and trailers, many of which might have been immobilised. Private breakdown and recovery services would probably have to be hired. The availability of appropriate equipment from the armed services is very limited, but qualified service drivers could assist, if Ministers considered this was desirable and acceptable on policy grounds.

43. If Ministers wished to make better contingency arrangements for dealing with a blockade by heavy vehicles, this would require a great deal of work, mainly at local level, to identify the places most likely to attract a blockade and to make contingency plans for prevention or removal. It is doubtful whether the assessed degree of risk would justify undertaking the detailed work for more than a few particularly vulnerable locations.

RECOMMENDATIONS

44. It is recommended that Ministers:-

- a. Take note of the assessments made in this report;
- b. Decide whether, in the light of the assessed low level of risk of blockades being established in UK it is worth undertaking any detailed contingency planning at local level;
- c. If contingency planning is to be undertaken decide whether all potential sites where it is considered that an effective blockade might be established should be included or only those which appear to be particularly vulnerable. If the latter, which kinds of site should be covered.

POLICE AND CRIMINAL LAW POWERS IN RELATION TO  
A LORRY DRIVERS' BLOCKADE

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1. If lorry drivers took action to cause major congestion or a blockade of roads, in England and Wales, proceedings for obstructing the highway could be brought under the Highways Act 1980 (Section 137 - wilfully obstructing free passage of a highway, also an arrestable offence), the Town Police Clauses Act 1847 (wilfully causing an obstruction in any public footpath or thoroughfare) or Regulation 122 of the Motor Vehicles (Construction and Use) Regulations 1978 (causing or permitting a motor vehicle or trailer to stand on a road so as to cause any unnecessary obstruction thereon). The police have power to require the removal of any vehicle which is obstructing the Highway, under section 5 of the Removal and Disposal of Vehicles Regulations 1968. Any person required to move a vehicle and who fails to comply with this request commits an offence under Section 87 of the Road Traffic Regulations Act 1967. Moreover Section 4 of the Removal and Disposal of Vehicles Regulations 1968 gives the police power to remove any vehicle which they could require to be removed. In addition under section 159 of the Road Traffic Act 1972 a person driving a motor vehicle on a road is required to stop when directed to do so by a police constable in uniform. There is no proviso that a police officer must first suspect that an offence has been committed. Although section 22 of the same Act makes it an offence for a driver to fail to comply with a direction given to him by a police constable engaged in the regulation of traffic in a road, it seems doubtful however whether a police officer would, under road traffic legislation, be able to direct lorries or other vehicles thought likely to cause a blockade off the road whilst allowing other vehicles to proceed. The situation in Scotland is broadly similar. Separate but similar legislation applies in



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Northern Ireland under the Roads Order (NI) 1980 and the Road Traffic Order (NI) 1981.

2. At common law, instituting a blockade might create circumstances liable to lead to a breach of the peace, enabling action to be taken by a constable. Certainly in individual cases, as the events in France show, violence may be anticipated, and breach of the peace powers will be relevant, and in making a statement on criminal law and picketing to the House on 16 March, which the Lord Advocate agrees reflects the main principles of the law in Scotland (Hansard Cols 279-80) the Attorney-General said "there is no doubt that if a constable reasonably comes to the conclusion that persons are travelling for the purpose of taking part in a picket in circumstances where there is likely to be a breach of the peace, he has the power at common law to call upon them not to continue their journey and to call upon their driver to take them no further. Any person who fails to comply with police requests in those circumstances will be committing the offence of obstructing a police officer in the course of his duty".

3. A picket of the kind experienced in the Spring 1984 coal miners dispute is a different matter from a blockade and whether or not the police could act to prevent a blockade being instituted by turning back vehicles by virtue of this common law power would depend on the character of the blockade. It should also be borne in mind that if police stopped a driver carrying a perishable load, and that driver was not intending to assist in forming a blockade, but carrying out his normal work, any damage to the load could result in action being taken eg. by the driver's employer, to secure compensation from the police.

4. Clearly the police take care when moving or arranging for the movement of vehicles, to avoid damage, and it is a rare occurrence. Where the police cause damage they do reimburse the owners. However,

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the principle would appear to be that where the police arrange for the removal of a vehicle by a contractor, particularly if they use reasonable care in the choice of contractor, they should not be liable for damage caused to vehicles by the contractor's negligence; such damage should normally be covered by the contractor's insurance.

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THE EMERGENCY POWERS ACT 1920 IN RELATION TO  
A LORRY DRIVERS' BLOCKADE

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1. A state of emergency be proclaimed only if both of two conditions are satisfied. The first is that events that have occurred, or are about to occur, are of such a nature that they are calculated to interfere with the supply and distribution of food, water, fuel or light, or with the means of locomotion. The second is that such interference will deprive the community, or any substantial proportion of the community, of the essentials of life.
2. The purpose of proclaiming a state of emergency would be to enable the Government to take powers, contained in the draft Emergency Regulations, which it would not otherwise have, so that it could deal more effectively with interference with the supply of essential requirements than other, normal means, would allow.
3. Before any major blockade of roads or nodal points in the delivery and transport system took place, it might be difficult to assess the extent to which there might be interference with the supply of the essentials of life, and whether that interference might warrant proclamation of a state of emergency. Nevertheless, a major blockade of roads could indeed appear to be calculated to interfere with the provisions of the essentials of life.
4. In addition contingency draft legislation has been prepared to amend the 1920 Act to add fire, health and sewerage services, and communications to the list of items under the first condition, and to widen the second condition to include grave industrial or

economic damage and provisions for "limited" emergency powers in circumstances where events are not of national significance. Should, therefore, a blockade of roads appear to be calculated to cause grave industrial or economic damage before any interference with provision of the essentials of life became apparent it would appear possible to seek proclamation of a state of emergency under the terms of an amended Act, if Ministers were prepared to take this particular opportunity to introduce such amending legislation.

5. Once an emergency had been declared, there might not be a great deal that the Government could do by making use of Emergency Regulations to remove the blockade. The Emergency Powers Act 1920 specifically excludes the making of any regulations imposing any form of industrial conscription so that a regulation requiring a driver to continue his journey would be likely to be ultra vires. The existing draft regulations empower the Secretary of State to give certain directions to any person carrying on a business as a carrier of goods. It is conceivable that a direction under emergency powers would convince an owner of the need to arrange for a vehicle to be moved when he would otherwise be unwilling to do so for reasons of industrial relations, but it is more likely that the direction would be either superfluous (because of existing police powers) or ineffective, apart from providing another legal penalty. It is possible that requisitioning powers (under Regulation 30) could be useful in facilitating the actual removal of blockading vehicles should other methods prove ineffective.

6. However, if it could be shown that the blockade constituted an interference with persons performing essential services, such as trying to deliver foodstuffs or fuel, then that would seem to be an offence under Regulation 34(2). The proviso to Regulation 38 that a person is not to be guilty of an offence against the Regulations by reason only of his taking part in a strike would not appear to save the lorry drivers or their leaders, as ob-

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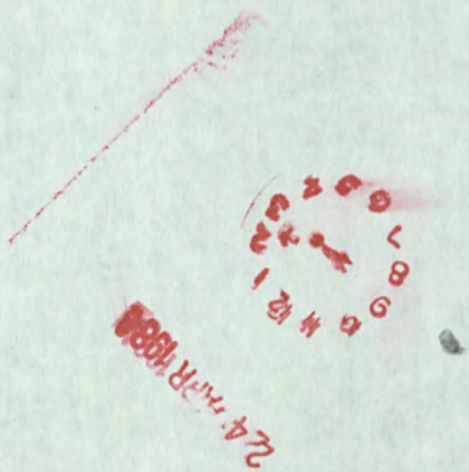
struction of the highway would go beyond the protection afforded by the provisos. Thus once a state of emergency had been proclaimed and the Emergency Regulations made, it would be an offence for anyone to interfere with those performing essential services. In addition, if any action had been taken under any of the Regulations, such as Regulation 26 (issue of directions by the Secretary of State as to the carriage and destination of essential goods), a person who interfered with the exercise of powers or duties under any of these Regulations would be guilty of an offence.

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FRANCE: Anglo-French  
Relations  
Pt 2





Foreign and Commonwealth Office

London SW1A 2AH

Mr. Dayley.

Please keep in hand  
in case the issue arises

16 April 1984

CF: please keep A.J.C. 16/4  
on file.

John John, Dms  
17/4

No-Passport Excursions: France

As you know, the French told us last summer that they were unhappy about what they alleged were abuses of the Anglo-French No-Passport excursion arrangements, and wished to amend these. Matters may come to a head on this in the next few days. You may therefore like a note on the present state of play.

Under the arrangements, which have been in existence for nearly thirty years, British and Commonwealth citizens have been enabled to make short trips to France and back on production of a special card issued by carrying companies and/or travel agents. The French told us last summer that people not entitled to benefit from these arrangements were entering France and they turned back a number of excursionists whom they believed failed to qualify. The press made great play of the fact that all those turned back were coloured, and Parliamentary interest has continued to concentrate on this aspect of the French action. The French explained to us that their concerns were about two aspects of the arrangement. One was that in covering all Commonwealth citizens, it included citizens of Independent Commonwealth countries who would ordinarily require a visa. The other was the ease with which the cards are obtained. They are in fact issued on the basis of a personal declaration of identity and nationality without production of documentation in support.

We have had several rounds of discussions with the French with a view to meeting their concerns. The last of these took place in February, between Mr Whitney and the Secretary-General of the French Foreign Ministry. Mr Whitney put forward proposals which would have limited beneficiaries of the scheme to British citizens, and tightened up procedures for the issue of excursion cards, which would in future be stamped by our Immigration Officers. The French gave these proposals a good initial reception, and we had hopes of amending the arrangements along these lines. In the last few days, however, there have been further exchanges with the French, in which they made it clear that their Ministry of the Interior was unwilling to accept excursion cards unless they were issued by the British Government and certified the nationality and identity of the passenger.



We had already explained to the French that to do this would involve the procedures which people have to follow when they apply for an ordinary passport, including the payment of a fee. This would undermine the whole purpose and spirit of the no-passport excursion arrangements, which is to provide cheap and easy travel to France. We have emphasised that ending the existing arrangements would have damaging consequences commercially, both here and in France, and is likely to be represented by the media as a new Anglo-French row of the sort we should both be concerned to avoid. The Foreign Secretary has himself stressed these points on a number of occasions with the French, the latest being in Luxembourg last week, when he spoke to M. Dumas. We have of course kept in close touch with the commercial carriers.

Sir Antony Acland has spoken this morning to the French Ambassador and Mr Whitney has been in touch with the Secretary-General at the Quai d'Orsay in Paris to encourage the French to reflect carefully on the proposals we had made. Gutmann told Mr Whitney, however, that the fact that the cars would still be issued by the carriers and not by the British Government remained a basic problem for the French. In addition, a senior Home Office official has been in Paris today for meetings with the French Ministry of the Interior. The French attitude is therefore not yet entirely clear, and we hope that the French will now pause and reconsider. But there is, in our view, a possibility that the French may move to a fairly early denunciation of existing arrangements to which, under the terms of the agreement, would amount to two months' notice of their termination.

I am sending copies of this letter to the Private Secretaries to the Home Secretary and the Minister of Transport.

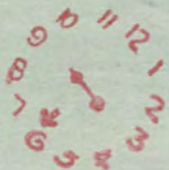
*Yours*  
*R B Bone*

(R B Bone)  
Private Secretary

A J Coles Esq  
10 Downing Street



16 JUN 1964





10 DOWNING STREET

*From the Private Secretary*

29 February 1984

Mr. Denis Thatcher has shown me your letter of 25 January in which you ask informally whether the Prime Minister would be prepared to accept the award to be given by *Politique Internationale* in the late autumn of this year.

The Prime Minister has asked me to say that while she deeply appreciates the suggestion which you make she very much regrets that she will not be able to accept the award on this occasion.

A J COLES

Ronald Thatcher, Esq.

Copies all + No 10 use  
29/2

FROM: M J Llewellyn Smith, WED

DATE: 29 February 1984

cc: Mr Jenkins

ECD(I)

Consular Dept

News Dept

Mr Hannay

PS/Lady Young

A.S.C. 21  
1.2

HOUSE OF LORDS FOREIGN AFFAIRS DEBATE 29 FEBRUARY: LORRY DRIVERS'  
DISPUTE IN FRANCE

1. Our Embassy in Paris have provided further information about the French attitude to compensation (my submission of 28 February). According to the Ministry of Economy and Finance:

- (i) There is no question of compensation as such; it would set a very awkward precedent.
- (ii) The FF8 million fund to which reference has been made was not for "compensation". It was to provide exceptional aid to the stranded lorry drivers, and was used for making on-the-spot handouts of FF2,000 per head to those lorry drivers who had been stranded the longest. Much of it was used up in this way and there are no new plans for it now that the blockages are at an end.
- (iii) French regional organisations, known as "codesi", which operate at the level of departement, will help French enterprises in difficulties in their negotiations with banks over rescheduling loans etc. No public money is apparently involved, and there is no suggestion that non-French companies could benefit.

2. I understand that there was discussion of compensation at the PUS's meeting this morning, where it was agreed that we should be very careful not to get into a position of pressing the French for compensation where in similar circumstances we would not pay it in

the UK. In the light of this and the information in para 1, I  
submit a revised Line to Take.

*M J Llewellyn Smith*

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M J Llewellyn Smith

HUMANITARIAN AID AND COMPENSATION: LINE TO TAKE

The French authorities were very helpful in providing help and food to stranded drivers, and we appreciate this.

The Government asked the French authorities that any financial or other relief provided to stranded drivers should be provided on exactly the same basis to our own people as to French nationals. My Hon Friend the Member for Wycombe put this to the French authorities in Paris on 23 February and they agreed that the two Governments should keep in close touch. A number of British drivers in the Rhone/Alps region benefitted from the payments of FF2,000 which the French authorities made on the spot.

## NOTES FOR SUPPLEMENTARIES

(If pressed to demand compensation)

The French authorities provided financial help (2000 French francs) to some of our stranded drivers. As to compensation, I think Noble Lords should ask themselves whether this or any other Government in a free democracy would pay compensation for inconvenience suffered as a result of a strike.

What are the French offering?

In cases of deliberate damage to a vehicle or its contents, the French have undertaken to consider claims, supported by a local police report.

The 2,000 francs?

This sum was given to drivers in three départements close to the Mont Blanc tunnel, who had been stranded longest. It was a one-off payment intended to allow them to buy fuel and food and recharge batteries etc.

(If pressed on a British fund)

I understand that the Road Haulage Association have made representations to the Under Secretary of State for Transport, Mrs Lynda Chalker, and these are under consideration.

## BACKGROUND

The dispute started around 15 February when French lorry drivers started to block roads, initially at the approach to the Mont Blanc tunnel, but subsequently throughout France, in protest against a go-slow by French and Italian customs officials. Demands were widened to include a reduction of tax on diesel fuel, flexibility over working hours and other longstanding claims. The blockades were finally cleared on 24 February, after the French Government promised further talks this week.

In Italy traffic with France began flowing satisfactorily on 24 February. The Italians took measures to speed up traffic and customs clearance. Legislation is now being drafted to recruit additional customs staff and improve their working conditions (cause of the go-slow). The Brenner Pass with Austria remains blocked but is used less frequently by British vehicles.



10 DOWNING STREET

Please attach earlier  
pages - which began with  
a letter from Brian Cooper.

AR 24  
1/2 .



# TOTTEN CONES

1. The writer is NOT a relative of any description. Many years ago he used to be a member of Hamlethurst G.C. before he "exported" himself to France.
2. I seem to remember that he has "been round this course"

before with some one else  
(those name I forget)  
making an official  
inquiries

3. This must be a  
matter for you and  
"our man" in Paris and  
the NY.

7. I have acknowledged  
on a "holding" basis

D 28/2.

RONALD THATCHER

19, RUE VERGNAUD

75013 PARIS

TÉL. 588.29.60

25th February, 1984,

Dear Denis.

No doubt you will have heard of the magazine Politique Internationale, the most reputed monthly covering international affairs in the French language. It is equivalent to the American magazine Foreign Affairs, has no political bias and publishes articles from both socialist (Hornu, Bheysen) and right wing party members.

You will be aware, also, that it awards a prize to the outstanding statesman for his, or her contribution to the causes of freedom, peace and the defence of democracy.

Last year, the prize was awarded to President Sadat, but, you will know that, unfortunately, it had to be accepted by his wife.

The Directors of Politique Internationale would like to offer the next award to the Prime Minister, particularly in recognition of her stand on the Falklands, amongst other reasons.

They hope to arrange the presentation for late Autumn, in person, in Paris, (it would take 6 months to arrange). All the most important people in France would be invited to the reception (800 were present for Sadat).

I have been told that acceptance would not only show friendly feelings towards the French, but could do much to improve Franco-British relations.

The P.M. is highly respected by the French (in spite of the media), and personally, I can add that it would give enormous pleasure to the British community here. As for British politics, world opinion and the P.M.'s position as longest serving Western statesman, you are in a better position to form an opinion.

Rather than using official channels, the Directors have asked me to make a discreet and confidential enquiry as to whether the P.M. would accept the award, and whether they may make formal contact.

If you prefer to telephone your reply, the best times are before 08.30 and after 19.00, English time (except Friday evening) or all the weekend.

Kindest regards,

Sincerely,

Arnold.

P.S. The British Conservative Association remains very active. I have been asked to take over as Secretary.

A

FRENCH LORRY DRIVERS' DISPUTE

SITREP 1530 FRIDAY 24 FEBRUARY

France

1. There are signs that the French lorry drivers at least in the Alps and the north east are heeding the Road Haulage Association's call to remove blockages.

2. Lyons report:

a) Southern Route - the situation in this area is back to normal with traffic moving freely through the Frejus Tunnel. Road blocks from Modane to Saint Jean de Maurienne and through to Chambéry have now been lifted;

b) Northern Route - traffic beginning to flow through Mont Blanc Tunnel. Situation has improved around Sallanches, Le Fayet and Cluses;

c) Lyons - blockages persist around Lyons;

d) there are still road blocks at Pont d'Ain, Villefranche, Bourg-en-Bresse, Mâcon and Roanne.

3. Lille. According to local police, the north eastern channel ports and the roads round Lille are now unblocked.

4. Paris. Blockages on the motorway out of Paris have been removed.

5. Marseilles report that a French car ran into the back of a stationary British lorry at Chateaufort. One French national was killed and another injured; no injuries sustained by the British lorry driver.

6. Our Consular Officers continue to maintain contact with lorry drivers and with local authorities. Lyons have made contact with about 300 drivers in their district and Paris with about 60.

Italy

7. British lorries are travelling north both through Mont Blanc Tunnel and some via Switzerland (under 28 tons only). Consular

/Officers

Officers from our Consulate-General in Milan have made contact with about 60 drivers, advancing money for diesel where necessary, and are also in touch with the local authorities. Milan report that traffic is moving smoothly and of 400 lorries estimated to have been stranded on Italian side of border, only about 40 remain.

7. The Emergency Unit has so far received only one telephone call from a member of the public about the situation in France.

8. I attach copies of the transcript of Mr Whitney's interview on 'Today' programme of 24 February, of the line to be used in answer to questions on compensation and of report from Brussels (telegram number 48) on action taken by Belgian authorities.

*Dorothy Symes*

Dorothy Symes  
Consular Emergency Unit

24 February 1984

P.S. 1600 hours. The Consulate-General, Lyons, have had a report that a British driver, Terry Lawrence of JFP Isle of Man, has been taken to hospital in Chamonix with respiratory problems. The Vice-Consul will try to trace him and visit him and report to us further. The Emergency Unit are trying to contact his firm in the Isle of Man.

Distribution: PS  
PS/Lady Young  
PS/Mr Rifkind  
PS/Mr Whitney  
PS/PUS  
Sir J Bullard  
Sir C Tickell  
Chief Clerk  
Lord N G Lennox  
Mr M Jenkins  
Mr Llewelyn Smith  
Consular Dept  
News Dept  
European Community (E) Dept  
Information Dept

MR RAY WHITNEY: 'TODAY PROGRAMME': BRITISH LORRIES IN FRANCE: 24 FEBRUARY

14-00 (7)

I: On the line now is Ray Whitney, the Under-Secretary of State at the Foreign Office. Mr Whitney I believe you went to Paris yourself yesterday?

A: Yes I did. I came back last night.

I: So it looks as if the representations are doing some good?

A: Well it wasn't our representations that affected that particular change I would imagine. But obviously the great concern which is felt certainly within France and with those of us who have dealings with France would have had some effect.

I: It has been put about, of course, that the Government here was a bit dozy about this, and slow in responding?

A: Well it's always put about isn't it. You chaps in the media like to put that about, but of course it's not true. The Consuls throughout France were working very hard right from the start, but it's a very difficult job. They were working in close collaboration with the French authorities.

I: It took them a long time though to appear on the scene. The lorry drivers weren't very pleased?

A: No, you had one roving reporter on the BBC who happened to find one lorry driver at the top of Mount Blanc. There were hundreds of other drivers who saw our Consuls doing their job as they were right and properly doing.

I: But to be serious about the whole thing, clearly it might happen again unless there is a change of attitude throughout the EEC to the movement of traffic across the Continent?

A: It does raise a much wider, and as you say a much more serious, question. The fact is we have not yet got a real Common Market where there are no barriers, and it's one of the things we are working at in the improvement and reform of the European Community arrangements.

I: But in the meantime are you prepared to compensate those hauliers, those British hauliers, who have suffered because of this?

A: It's not for the British Government to compensate them, it's for the British Government to protect their interests, and this is what we are doing certainly.

I: But in as much as they will be hoping to get compensation from France, would you be prepared to underwrite that, as it were, to prevent people from going bankrupt in the meantime?

A: All we can do, as indeed all the other Governments can do, and the French Government itself, is represent the problems that are being faced by the road hauliers, and try and seek an accommodation which will improve the situation. But the first thing, of course, is the humanitarian side, to get relief, get the clothing, the food and the money; that's the first thing to sort out.

I: We had a representative of the RHA on this morning, who said although of course they don't like their members being messed about in this way, they are in sympathy with the action that the French hauliers have taken. They do feel that they are an over-taxed and messed about industry?

A: Do you mean in Britain?

I: Yes.

A: Not at all. I think they have a very good crack at the whip. I think the important thing that the road hauliers have been saying is how well they have been looked after by the British Consular service. They have told us frequently how much they appreciate the help that they have been given.

I: They are thinking, there is actually going to be a resolution put forward in the North of England, that they should take similar action?

A: Well I think that would be very regrettable at a time when Britain is really beginning to recover. The one thing that all of us need to avoid, is going back to the bad old days of winters of discontent and all that sort of thing that we suffered under the Labour Government.



I: When this whole business is over will you just settle back, or do you think there will be new proposals?

A: In which area?

I: In the movement of transport across Europe.

A: Well as I say, one of the things we are working for all the time, is to improve and get into a reality what we refer to at the moment as the 'Common Market'. We aren't there yet, but we are on our way.

I: With a new sense of urgency?

A: We have always had a sense of urgency to make the European Community work better than it does at the moment.

I: Mr Whitney thank you very much.

A: Thank you.

PS  
PS/PUS  
PS/Lady Tunag  
PS/Mr. Rifford  
PS/Mr. Whitney

Sir J. Bullard  
Lord N Garden - Linnova.  
Mr. Jenkins  
WED  
Consular Dept  
Mr. Hanray

DTI (ECIP)  
DIP (FRH)  
No 10 Press Office.

Mr Jenkins

FRENCH LORRY DRIVERS' DISPUTE; COMPENSATION

1. I attach the line prepared for News Department in answer to questions on compensation for those caught up in the blockades. It was cleared with Sir Ian Sinclair and Mr Whitney.

*M J Llewellyn Smith*

M J Llewellyn Smith

24 February 1984

cc. PS  
PS/Lady Young  
PS/Mr Rifkind  
PS/Mr Whitney  
PS/PUS  
Sir J Bullard  
Sir C Tickell  
Lord N Gordon Lennox  
Mr Hannay  
Consular Emergency Unit ✓  
Consular Dept  
Mr Bickford, Legal Advisers  
Mr Hetherington, FRH Division,  
DTp  
Miss Weir, ECIP, DTI

## FRENCH LORRY DRIVERS' DISPUTE

### LINE IN ANSWER TO QUESTIONS ON COMPENSATION

1. The Government have asked the French authorities to consider claims for compensation by British drivers on exactly the same basis as claims by their own nationals. The French Minister for Foreign Trade (Mme Cresson) said yesterday on BBC Radio that she would see what could be done.

2. We have no reason to believe that the French will not consider claims, in cases of deliberate damage to a vehicle or its contents, where it is supported by a local police report. (This was the procedure followed during the recent farmers' actions.) The Embassy in Paris are seeking further clarifications.

3. However, the French authorities have said that they would not envisage compensation for foreign nationals inconvenienced by a strike in a free democracy. (If pressed) The British Government would not expect to pay compensation to those inconvenienced by strikes in the UK.

4. The French authorities are, on application, distributing FF2,000 to all those of any nationality held up since the beginning of the blockades in the Ain, Savoie and Haute Savoie departments. This payment is being made, on the production of drivers' passports and lorry documents, to assist with purchases of fuel and food, recharging batteries etc. It does not constitute acknowledgement of any liability.

5. Also a fund is under negotiation in France which would enable small operators to delay payments they are due to make in cases where bankruptcy would otherwise result. It is still not clear whether the fund would cover foreign operators. (If asked) It is for the Department of Transport to consider whether a similar fund should be set up in Britain.

6. The French have said they would look into individual hardship cases. They are already providing humanitarian aid.

Background (not for use)

Mr Ridley decided last night that the Government would not set up a fund similar to that under negotiation in France. At that time, however, he was unaware of what the French have done. Mr Ridley is now likely to reconsider the question, and make a statement. He is in touch with M. Fiterman.

UNCLASSIFIED

24 FEB 1984

⑧

FM BRUSSELS 241140Z FEB 84

TO IMMEDIATE FCO

TELEGRAM NUMBER 48 OF 24 FEBRUARY 1984 0 11 12 1 2  
INFO PRIORITY ROME, PARIS, THE HAGUE, LUXEMBOURG, BONN, VIENNA,  
BERNE, DUBLIN

YOUR TELNO 61 TO ROME : BELGIUM AND THE FRENCH LORRY DRIVERS DISPUTE

1. AN ESTIMATED 1500 TO 2000 BELGIAN LORRY DRIVERS ARE STRANDED IN FRANCE. SOME 180 OF THESE HAVE BEEN STUCK FOR A LONG PERIOD IN THE ALPINE PASSES, INCLUDING 100 IN THE VICINITY OF MONT BLANC.
2. ACCORDING TO THE PRESS THE MINISTRY OF COMMUNICATIONS HAS CHARTERED A BELGIAN AIR FORCE AIRCRAFT. THIS IS REPORTEDLY FLYING TODAY 24 FEBRUARY TO GENEVA WITH WARM CLOTHING AND FOOD FOR STRANDED BELGIAN LORRY DRIVERS. THESE WILL THEN BE DELIVERED BY BELGIAN CONSULAR OFFICIALS. IT WILL ALSO TAKE SOME 30 DRIVERS TO RELIEVE THEIR STRANDED COLLEAGUES. HOWEVER, THE CABINET IN THE MINISTRY OF COMMUNICATIONS SAY IT IS NOT CERTAIN THAT THE AIRCRAFT WILL LEAVE, AS CARRYING ONLY 30 RELIEF DRIVERS MAY NOT BE CONSIDERED ENOUGH TO JUSTIFY THE DESPATCH OF THE AIRCRAFT.
3. THE MFA ISSUED INSTRUCTIONS ON 21 FEBRUARY TO CONSULATES, INCLUDING HONORARY CONSULATES, IN FRANCE, NORTH ITALY AND AUSTRIA, TO PROVIDE HELP TO STRANDED LORRY DRIVERS AND TO ADVANCE MONEY WHERE NECESSARY. THIS IS AGAINST A GUARANTEE OF REPAYMENT PROVIDED BY THE TRANSPORT FEDERATION (IE THE EMPLOYMENT ASSOCIATION). ON 22 FEBRUARY THE BELGIAN CONSUL GENERAL IN MILAN MADE CONTACT WITH BELGIAN DRIVERS ON THE ITALIAN SIDE OF THE BORDER AND SUCCEEDED IN FORMING THEM INTO TWO LARGE GROUPS. NO DRIVERS WERE EVACUATED BUT ARRANGEMENTS WERE MADE TO FLY OUT A SICK CHILD. SOME DRIVERS WHOSE CARGOES WERE NOT PARTICULARLY VALUABLE OR PERISHABLE SUCCEEDED IN PARKING THEIR VEHICLES OFF THE ROAD, APPARENTLY IN FACTORY YARDS, ETC., AND RETURNED BY TRAIN BEFORE THAT BECAME IMPOSSIBLE. THE MFA SAY THAT THERE COULD BE DIFFICULTY IN GETTING SOME OF THE LORRIES GOING AGAIN AS MANY OF THEIR ENGINE BLOCKS ARE FROZEN.

4. THE BELGIAN MINISTER FOR EMPLOYMENT, H. VAN DEN BROEK, HAS TAKEN MEASURES TO ENSURE THAT STRANDED DRIVERS ARE CONSIDERED AS TECHNICALLY UNEMPLOYED. THEY CAN THUS RECEIVE UNEMPLOYMENT BENEFITS. THE MINISTRY OF TRANSPORT TELL US THAT THE PRINCIPLE PURPOSE HERE IS TO RELIEVE THE STRAIN ON HAULAGE COMPANIES WHO ARE OBLIGED TO PAY SALARIES WHEN THEIR DRIVERS ARE NOT WORKING.

5. I AM TELEGRAPHING SEPARATELY ON PRESS COVERAGE. THERE HAS BEEN SOME CRITICISM THAT THE BELGIAN GOVERNMENT HAS NOT DONE ENOUGH TO HELP THEIR STRANDED DRIVERS. ONE DRIVER WHO SUCCEEDED IN GETTING THROUGH SAID, WHEN INTERVIEWED IN BRUSSELS, THAT THE BRITISH AND THE DUTCH BY COMPARISON HAD DONE FAR MORE. THE OFFICIAL IN THE MFA WHO HAS BEEN COORDINATING THE BELGIAN RELIEF ARRANGEMENTS SPOKE TO US ADMIRINGLY OF THE PANACHE DEMONSTRATED BY OUR CONSULAR OFFICIAL APPARENTLY SHOWN ON BBC TELEVISION NEWS LAST NIGHT (23 FEBRUARY) USING A HELICOPTER TO GET TO BRITISH LORRY DRIVERS.

6. RHIND FROM THE MINISTRY OF TRANSPORT IN LONDON WAS IN TOUCH, VIA THE CONSULATE, WITH THE BELGIAN MINISTRY OF TRANSPORT TO SECURE PERMISSION FOR VARIOUS BRITISH COACH SHUFFLE SERVICES TO BE ROUTED THROUGH BELGIUM INSTEAD OF FRANCE. THIS WAS READILY GIVEN.

7. NO EXTRA LOAD HAS SO FAR FALLEN ON MY CONSULATE AS A RESULT OF THE STRIKE.

JACKSON

[FRAME GENERAL] CONFIDENTIAL

GRS 500

CONFIDENTIAL

FM DUBLIN 230900Z FEB 84

TO IMMEDIATE FCO

TELEGRAM NUMBER 91 OF 22 FEBRUARY 1984

INFO PRIORITY PARIS, UKREP BRUSSELS, OTHER EC POSTS

MY TELNO 67: POST STUTTGART NEGOTIATIONS: PRESIDENT MITTERAND'S VISIT

1. PRESIDENT MITTERAND VISITED DUBLIN ON 21 FEBRUARY FOR TALKS WITH THE TAOISEACH. M DUMAS HAD PARALLEL DISCUSSIONS WITH MR BARRY. THE TANAISTE (DEPUTY PRIME MINISTER) JOINED THE FOUR FOR LUNCH.

2. AT A NEWS CONFERENCE MITTERAND SAID THAT HE COULD NOT COMMIT HIMSELF TO SUPPORTING IRELAND'S DEMAND FOR EXEMPTION FROM THE PROPOSED SUPER-LEVY ON MILK. FRANCE WAS ONE OF THE COUNTRIES CLOSEST TO IRELAND ON THE MILK PROBLEM BUT IF IRELAND WERE ACCEPTED AS A SPECIAL CASE, GREECE AND ITALY WOULD REQUEST SIMILAR TREATMENT. HE WARNED THAT A COMPROMISE WOULD REQUIRE CONCESSIONS FROM ALL.

3. AN IRISH GOVERNMENT SPOKESMAN SAID THAT MITTERAND ALSO EXPLAINED THE FRENCH PROPOSAL FOR A MILITARY PRESENCE IN BEIRUT AND THE TAOISEACH SPOKE ABOUT NORTHERN IRELAND.

4. IRISH LORRY DRIVERS OBSTRUCTED TRAFFIC TO DRAW ATTENTION TO THE PLIGHT OF THEIR COLLEAGUES IN FRANCE.

5. I ASKED THE TANAISTE LAST NIGHT WHETHER THE PRESIDENT HAD COME TO NEGOTIATE OR WHETHER HE HAD MERELY LISTENED TO AN ACCOUNT OF THE IRISH POSITION. HE SAID THE FRENCH HAD NOT PRODUCED A PLAN TO MEET THE COMMUNITY'S DIFFICULTIES. THE PRESIDENT HAD LISTENED TO WHAT THEY HAD TO SAY. I ASKED WHETHER HE THOUGHT PRESIDENT MITTERAND COULD ACHIEVE A SOLUTION AT THE BRUSSELS COUNCIL WITHOUT NEGOTIATIONS IN ADVANCE. HE REPLIED EVASIVELY. HE GAVE NO IMPRESSION THAT THE IRISH HAD BEEN ENCOURAGED BY THE VISIT.

6

6. MEANWHILE, FOGARTY (DEPARTMENT OF FOREIGN AFFAIRS) SAYS THAT THE TAOISEACH IS WELL SATISFIED WITH THE VISIT. PRESIDENT MITTERAND DID NOT JUST CONCENTRATE ON IRISH PROBLEMS. HE DID, HOWEVER, SAY THAT HE UNDERSTOOD THEM, EVEN THOUGH HE COULD NOT TAKE UP ANY SPECIFIC ATTITUDE ON THEM WITHOUT CONSULTATION WITH OTHERS. HE HAD EMPHASISED THE IMPORTANCE OF BUDGETARY DISCIPLINE AS NECESSARY TO SATISFY BOTH THE GERMANS AND HMG. HE HAD WELCOMED THE COMMISSION PAPER ON THIS TOPIC WHICH COREPER WERE TO CONSIDER AND REFER TO THE FOREIGN AFFAIRS COUNCIL. HE HAD ALSO RECOGNISED THE IMPORTANCE OF SOLVING THE QUESTION OF BUDGETARY IMBALANCES AND HAD SAID THAT THE SOLUTION MUST LAST AS LONG AS THE DECISION ON OWN RESOURCES LASTED. HE SAID THE FRENCH WERE INCLINED TO BASE THE CALCULATION OF THE IMBALANCES ON VAT CONTRIBUTIONS ONLY. (HE RESPONDED FIRMLY ON THIS POINT.) NO FIGURES HAD BEEN MENTIONED. THEY HAD RATHER TAKEN THE VIEW THAT WHAT WAS REQUIRED WAS TO REACH A FIGURE POLITICALLY ACCEPTABLE TO ALL MEMBER STATES. ON PROSPECTS FOR THE EUROPEAN COUNCIL, PRESIDENT MITTERAND HAD BEEN "QUITE OPTIMISTIC" FOR SUBSTANTIAL AGREEMENT, PROVIDED THE AGRICULTURE AND OTHER SPECIALIST COUNCILS WORKED HARD ON THE BASIS OF THE INPUT BY THE PRESIDENCY. IT WAS CLEAR THAT PRESIDENT MITTERAND WAS PUTTING HIS PRESTIGE ON THE LINE AND THE TAOISEACH WAS RELATIVELY OPTIMISTIC.

7. I TOLD HIM THAT THE TANAISTE HAD SAID THE FRENCH HAD NOT REVEALED ANY DEFINITE PLAN OR ATTEMPTED TO NEGOTIATE. HE CONFIRMED THAT THIS WAS SO.

GOODISON  
FRAME GENERAL  
ECD(I)  
WED  
R.I.D.

REPEATED AS REQUESTED

CONFIDENTIAL





CC ASQ  
B1

Ministry of Agriculture, Fisheries and Food  
Whitehall Place London SW1A 2HH

From the  
Minister of State

Tim Flesher Esq  
Prime Ministers' Office  
10 Downing Street  
London SW1

30 January 1984

*Dear Tim*

PRIVATE NOTICE QUESTION

Sir Peter Mills MP: To ask the Minister of Agriculture, Fisheries and Food if he will make a statement on the ban on imports of meat by the French.

I enclose copies of the answer the Minister of State (C) Mr Macgregor, proposes to give to Sir Peter Mills' PNQ this afternoon.

I am also sending copies to Murdo Maclean, David Beamish, David Heyhoe, and to the Private Secretaries to the other Agriculture Ministers.

*Yours sincerely*  
*Allen Puleo*

*je*

David Harbourne  
Private Secretary

PS. This draft reply, which is also being copied to the FCO, is still subject to amendment.

Also, this is being repeated in the Lords.

PRIVATE NOTICE QUESTION: 30 JANUARY 1984

Sir Peter Mills

To ask the Minister of Agriculture, Fisheries and Food if he will make a statement on the ban on imports of meat by the French.

DRAFT REPLY

We understand that the French Government proposes to restrict the number of points of entry through which meat may be imported into France. I raised the matter with the French Minister of Agriculture last Friday to register our concern that any such measures should not impede the normal flow of trade and to seek clarification of precisely what was entailed. He agreed that our officials should meet to discuss the details and this will be arranged as soon as possible. So far no details of the French proposals have been announced.

PRIVATE NOTICE QUESTION: 30 JANUARY 1984

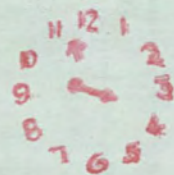
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30 JAN 1984





hle da

10 DOWNING STREET

*From the Private Secretary*

5 January 1984

I write to thank you for your letter of 5 January enclosing a letter from the Prime Minister of France to the Prime Minister. I shall bring M. Mauroy's letter to Mrs. Thatcher's attention immediately.

A. J. COLES

Madame Janine Kraitsowits

AMBASSADE DE FRANCE  
LONDRES

JK/ra

5 January 1984

N° 15 /

Dear Sir,

This Embassy has just received a letter  
addressed to the prime Minister.

I enclose it herewith.

Yours faithfully

*J. Kraitsowitz*

J. Kraitsowitz  
Second Secretary

Enc. I

F.E.R. BUTLER, Esq.  
Principal Private Secretary  
to the Prime Minister  
Prime Minister's Office  
10, Downing Street  
London SW1

---



10 DOWNING STREET

SEE B Crozier to PM

OCT 17.83

I wrote to Mr. Crozier

before Christmas explaining that  
the Prime Minister would not be  
able to go to Paris to accept  
the prize.

A.S.C.  $\frac{3}{12}$

f.a.

*Subred*

*of Master of*

1

PRIME MINISTER'S **TOP COPY**

PERSONAL MESSAGE

SERIAL No. T001/84

UNCLASSIFIED

REF ID: A66939 - 1	
- 3 JAN 1984	
DE 4	ST.
INDEX	TOP TO
<i>DMY 4/1</i>	

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GRS 60

UNCLASSIFIED

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FM F C O 011700Z JAN 84

TO IMMEDIATE PARIS

TELEGRAM NUMBER 1 OF 1 JANUARY

TERRORIST BOMBINGS

PLEASE PASS THE FOLLOWING MESSAGE FROM PRIME MINISTER TO PRESIDENT MITTERAND:

BEGINS.

I WAS SHOCKED TO HEAR OF THE BOMB OUTRAGES IN FRANCE OVER THE NEW YEAR AND THE LOSS OF FRENCH LIVES. PLEASE ACCEPT MY SINCERE CONDOLENCES.

ENDS.

HOWE

MINIMAL

WFO

NEWS D



D. R.

A. J. C.  $\frac{3}{1}$

f.a.

TEXT OF MESSAGE AGREED BY PRIME MINISTER:  
1 JANUARY 1984: TO BE SENT TO PRESIDENT  
MITTERRAND

---

"My dear President",

I was shocked to hear of the bomb outrage  
in France over the New Year and the loss of French  
lives. Please accept my sincere condolences."

Duty Clerk

1 January, 1984.

PM's agreement passed to FCO 1/1/84.

*Le Premier Ministre*

Paris, le

29 DEC. 1983

162650

Madame,

A l'occasion de l'année nouvelle, il m'est agréable de vous adresser les vœux que je forme à votre intention personnelle et à celle du peuple britannique.

Puisse l'année 1984 voir se resserrer davantage encore les liens d'amitié et de coopération entre nos deux pays et nos deux gouvernements. J'y vois l'une des conditions essentielles à la prospérité de nos deux nations, à l'approfondissement de la construction européenne et au renforcement de la paix qui est notre objectif commun.

Je saisis cette occasion pour vous renouveler, Madame, l'expression de mes hommages.

*avec mes plus sincères  
Pierre Mauroy*

Pierre MAUROY

Madame Margaret THATCHER

Premier Ministre  
du Royaume-Uni de Grande Bretagne  
et d'Irlande

---

HL

14 December 1983

Disappearance of Mr. Niall Campbell

The Prime Minister has noted the contents  
of your letter of 13 December.

JL

Roger Bone, Esq.,  
Foreign and Commonwealth Office.

SECRET.



Foreign and Commonwealth Office

London SW1A 2AH

13 December, 1983

*John [unclear]*

*MS*

Prime Minister.

To be aware.

A.J.C. 13/12

Disappearance of Mr Niall Campbell

/ We have submitted separately, through the Parliamentary Unit, the enclosed line for the Prime Minister to take at Question Time on Mr Campbell's disappearance.

*Paragraph deleted and retained under Section 3(4).  
O'Dayland, 12 December 2013*

---

I am copying this to Richard Hatfield (Cabinet Office).

*Yours faithfully,  
R B Bone*

(R B Bone)  
Private Secretary

A J Coles Esq  
10 Downing Street

PRIME MINISTER'S QUESTION TIME, 13 DECEMBER 1983;  
LINE TO TAKE: DISAPPEARANCE IN PARIS ON 29 NOVEMBER AND  
1 DECEMBER RESPECTIVELY OF MR ROBERT GRAHAM AND  
MR NIALL CAMPBELL

Since the disappearance of Mr Graham and Mr Campbell was notified to our Embassy in Paris on the first and second of December respectively, the Embassy has remained in contact with the French police, who are investigating these matters. The Embassy was told by the police on the tenth of December that a body found in the sea near Brest had been identified as Mr Campbell's. There is still no news of Mr Graham.

PRIME MINISTER'S QUESTION TIME, 13 DECEMBER 1983;  
DISAPPEARANCE IN PARIS ON 29 NOVEMBER AND 1 DECEMBER  
RESPECTIVELY OF MR ROBERT GRAHAM AND MR NIALL CAMPBELL

NOTES FOR SUPPLEMENTARIES

HOW DID MR CAMPBELL DIE?

Apparently by drowning - his body is said to have been in  
the sea for five to ten hours. The police are still  
actively investigating the circumstances of his death.

WHO HAS BEEN KEPT INFORMED OF THESE CASES?

The Embassy has been throughout in close touch with the  
next of kin and professional colleagues of both men.

DID MR CAMPBELL OR MR GRAHAM WORK FOR BRITISH INTELLIGENCE?

I do not comment on security matters.

UNCLASSIFIED

DISAPPEARANCE IN PARIS ON 29 NOVEMBER AND 1 DECEMBER  
RESPECTIVELY OF MR ROBERT GRAHAM AND MR NIALL CAMPBELL

BACKGROUND NOTE

- A
1. Please see Paris telno Distress U/N of 12 December which gives a full summary of the information available to our Embassy.
  2. Mr Niall Campbell, aged 42, worked as an assistant planning manager for ICI and was on a routine business visit to Paris.
  3. Mr Robert Graham, aged 27, is a chartered accountant, believed to work for the London-based Transport Development Group.
- B
4. British press speculation continues: see article on page 6 of today's Times.

Consular Department,  
FCO  
13 December 1983  
UNCLASSIFIED

12 DECEMBER 1983. PARIS TELEGRAM DISTRESS U/N

PARIS TELNO 1150 : MISSING BRITONS

1. THE DISAPPEARANCE IN PARIS OF TWO BRITISH CITIZENS ROBERT GRAHAM AND NIALL CAMPBELL WITHIN 2 DAYS OF EACH OTHER AND IN SIMILAR CIRCUMSTANCES HAS BEEN TREATED AS A MATTER OF GRAVE CONCERN BY THIS EMBASSY SINCE GRAHAM WAS FIRST REPORTED MISSING ON 1 DECEMBER. THE DISCOVERY OF CAMPBELL'S BODY IN BREST HARBOUR IDENTIFIED ON 10 DECEMBER, HAS AROUSED CONSIDERABLE PRESS INTEREST, CULMINATING IN THE INACCURATE REPORT IN TONIGHT'S LONDON STANDARD ALLEGING THAT A SECOND (HEADLESS) BODY FOUND NEAR BREST IS THAT OF GRAHAM. THE FOLLOWING IS A SUMMARY OF THE FACTS AS THEY ARE KNOWN TO THE EMBASSY.

CAMPBELL

2. THE EMBASSY WERE NOTIFIED ON 2 DECEMBER THAT NIALL CAMPBELL HAD FAILED TO RETURN TO HIS HOTEL ON 1 DECEMBER AND THAT THE FRENCH POLICE HAD BEEN INFORMED. THE EMBASSY CHECKED WITH HOSPITALS TO ENSURE THAT HE HAD NOT BEEN THE VICTIM OF AN ACCIDENT AND SUBSEQUENTLY KEPT IN CONTACT WITH THE POLICE IN THEIR EFFORTS TO TRACE HIM. NO NEWS WAS RECEIVED UNTIL HIS BODY WAS IDENTIFIED ON SATURDAY 10 DECEMBER AFTER BEING DISCOVERED IN THE SEA NEAR THE ARSENAL AT BREST 300 MILES FROM PARIS AT ABOUT 9AM ON 2 DECEMBER. THE BODY WAS SAID TO HAVE BEEN IN THE SEA FOR 5 - 10 HOURS. PRELIMINARY EXAMINATIONS INDICATED THAT CAMPBELL DIED BY DROWNING. HIS NEXT OF KIN WERE IMMEDIATELY INFORMED. THE POLICE AND EXAMINING MAGISTRATE ARE NOW ACTIVELY INVESTIGATING THE CIRCUMSTANCES OF HIS DEATH.

GRAHAM

3. ROBERT GRAHAM HAS NOT BEEN SEEN SINCE HE LEFT HIS PARIS HOTEL ON TUESDAY 29 NOVEMBER. HIS DISAPPEARANCE WAS REPORTED TO THE EMBASSY ON 1 DECEMBER ON WHICH DATE THE POLICE WERE INFORMED. WITH THE APPROVAL OF HIS NEXT OF KIN, AND THE CO-OPERATION OF THE MEDIA, PHOTOGRAPHS OF GRAHAM HAVE BEEN WIDELY DISTRIBUTED. THE POLICE ARE PURSUING THEIR ENQUIRIES BUT SAY THEY HAVE NO REASON TO LINK THE DISAPPEARANCE OF GRAHAM TO THAT OF CAMPBELL. SO FAR THERE IS NO NEWS OF HIS WHEREABOUTS. FRANCE SOIR, THE PAPER WHICH FIRST ALLEGED THAT THE SECOND BODY DISCOVERED IN THE SEA NEAR BREST WAS THAT OF ROBERT GRAHAM, HAVE TOLD THE EMBASSY TODAY THAT, AFTER DISCUSSION WITH THE FRENCH POLICE, THEY ARE SURE THE BODY IS NOT THAT OF GRAHAM.

4. THE EMBASSY HAVE BEEN IN CLOSE TOUCH WITH THE NEXT OF KIN AND PROFESSIONAL COLLEAGUES OF BOTH CAMPBELL AND GRAHAM THROUGHOUT.

ADVANCE COPIES TO ATKINSON, CONS DEPT  
NEWS DEPT  
WED

FRETWELL



## Mystery of businessman's death

# Bodies, denials and hints of spying

From Our Own Correspondent, Paris

French police are still keeping an open mind about the death of Mr Niall Campbell, the ICI employee, who disappeared in Paris on December 1. Further tests on the body were carried out yesterday in Brest.

The initial post-mortem examination showed that he had drowned, but police would like to know if he was given any drugs or was hit before he fell or was pushed into the sea. There is a wound on his forehead, but it is not clear whether he received it before or after he drowned.

Mr Campbell, aged 42, was married with two children and worked as an assistant planning manager for ICI's fibres division in Harrogate. He came to Paris for a routine business visit on November 30 and booked into his usual hotel, the Vernet.

The next day, December 1, he brought his suitcase down to the lobby, saying he was planning to leave that evening. After attending meetings at ICI's Paris offices in the morning, he lunched with colleagues, before returning to the hotel to leave his briefcase, containing his passport, return air ticket and some money, saying he was going shopping. He was never seen alive again.

On December 2, the French Maritime Police picked up a body which had been washed up on to the rocks near Brest, not far from the French nuclear submarine base on the Ile Longue. The post-mortem showed the man had died at about midnight on December 1, but he was not identified until last Saturday, more than a week later.

Neither Mr Campbell's wife nor ICI know why he should suddenly have gone to Brest. There have been rumours,

however, that he was approached by the British secret service shortly before leaving for Paris.

The Foreign Office has denied any connexion between Mr Campbell and the intelligence services, as it would have to even if true.

The rumours were fed by the disappearance from Paris of a



Mr Campbell: What was he doing near Brest?

second British businessman, Mr Robert Graham, a newly-married accountant, aged 27, with the London-based Transport Development Group.

French police have stepped up their search for Mr Graham, but insist there is no evidence to suggest any link between the cases.

More excitement was generated by reports that a headless, armless body had been found washed up on the rocks near where Mr Campbell's body had been found. It now appears that no such body exists and that the story probably dates back to an incident several months ago.

FIVE

54.

bcc: Roger Bone  
(FCO)

8 December, 1983

You wrote to Mr. Denis Thatcher on 2 and 5 November about the Prix Politique Internationale.

I regret that, partly owing to the Prime Minister's absence in India for the Commonwealth Heads of Government Meeting and her subsequent visit to Athens, a reply has had to be delayed.

The Prime Minister has now asked me to tell you that she very much regrets that she will not be able to accept the prize.

A. J. COLES

Brian Crozier, Esq.

*(Handwritten initials)*



10 DOWNING STREET

Mr Colley ✓

In view of the sensitivity  
you may prefer to do  
this "regret".

✓ Could I pl. have  
the papers.

WOL 7.  
12

Dub  
7/82

H. R.

PRIME MINISTER

POLITIQUE INTERNATIONALE

You will remember that Brian Crozier suggested that you should go to Paris to receive the Prix Politique Internationale at any date which is convenient to you. You asked me to check this out with the FCO.

I attach the FCO advice. The magazine Politique Internationale is seen in France as markedly right wing. The prize has only been awarded once before - to President Sadat posthumously. If you went, you could make a major speech and get good coverage for it.

But I doubt if it is worth a special visit. You could combine acceptance of the prize with attendance at the European Council on 25/26 June or with the next annual bilateral which will be in the autumn.

Shall we tell Brian Crozier that you accept the idea in principle, but would not wish to be fully committed until about spring of next year when we would see whether the event could be combined with some other visit to France?

*Very much  
regret  
mb*

A. J. C.

1 December 1983

RESTRICTED



Foreign and Commonwealth Office

London SW1A 2AH

30 November, 1983

*Jon Stan*

Politique Internationale

Thank you for your letter of 11 November asking for information about the prize that this magazine wishes to award the Prime Minister and for advice on whether she should visit France and accept it. We have consulted the Ambassador at Paris, and the following reflects his advice.

Politique Internationale was set up 1978 as a French equivalent to Foreign Affairs. There are two main magazines in the foreign affairs field published in France. The other is Politique Etrangere, the house magazine of the Institut Francais des Relations Internationales, the French equivalent of Chatham House. Of the two, Politique Internationale has by far the larger circulation - 100,000 as against about 5,000 - but a fairly high proportion of the copies appear to be given away.

The launching of Politique Internationale had the support of M. Jacques Chirac (whom the Prime Minister is seeing this week). It is seen in France as markedly right-wing, but it is not consistently critical of the present French Government and a recent edition contained a long interview with M. Claude Cheysson on French foreign policy.

As for the prize, it has only been awarded once before, to President Sadat posthumously. Although the Prime Minister's acceptance of the prize would do more for the magazine and its editor than for her, you may think that this is not in itself a reason for not accepting the prize. The occasion of the presentation would provide a good opportunity for the Prime Minister to make a major speech in Paris, for which we could hope to achieve some television coverage. Sir Geoffrey Howe would therefore see advantage in the Prime Minister accepting the prize.

In selecting a date, you might take into account that the Prime Minister will be travelling to France on 25-26 June for the European Council. She will also be visiting France again later in the year for the annual bilateral Summit.

*Jon Stan*  
*R B Bone*

(R B Bone)  
Private Secretary

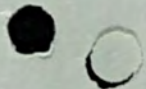
A J Coles Esq  
10 Downing Street

RESTRICTED

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Anglo France  
Relativity  
Pt 2

30 NOV 1983

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19 8 7 9 5





10 DOWNING STREET

*From the Private Secretary*

11 November 1983

POLITIQUE INTERNATIONALE

The Editor of the above Journal has asked whether the Prime Minister would visit Paris to receive the Prix Politique Internationale. I understand that this prize is awarded for "political courage" and is jointly sponsored by Politique Internationale and the French publishing house, Hachette. Apparently, the Prime Minister could select any date of her choice in March, April or May next year to receive the prize. She would be expected to make a speech of acceptance.

SA  
I should be grateful for any information you can provide about the prize and for your advice on whether the Prime Minister should visit France to accept it.

A. J. COLES

R.B. Bone, Esq.,  
Foreign and Commonwealth Office.

EW

PRIME MINISTER

BRIAN CROZIER: PRIZE FOR POLITICAL  
COURAGE PRESENTED BY POLITIQUE  
INTERNATIONALE

---

Mr. Thatcher has passed to us the attached papers in which Brian Crozier suggests that you should go to Paris at a date of your own choosing to receive the above prize.

Would you like me to find out from the Foreign Office what the organisation is and if it is a good idea for you to do this?

*Yes please  
not  
A.S.C.*

10 November 1983



From Brian Crozier

Denis Thatcher, Esq.,  
10 Downing Street,  
London SW1

Kulm House,  
Dollis Avenue,  
Finchley,  
London N3 1DA  
Tel. 01-346 8124

*Dear Denis,*

5 Nov 83

In Paris yesterday I lunched with Patrick Wajsman of POLITIQUE INTERNATIONALE, and I think I can now dispel the previous confusion. As I thought, he did not write directly to 10 Downing Street, and the material you saw, which related to last year's event, must have been the stuff I sent to Margaret at Wajsman's suggestion.

The position is as follows:

- By a large majority, the distinguished Jury picked Margaret Thatcher for the PRIX POLITIQUE INTERNATIONALE (for "political courage").

- The Prize is jointly sponsored by POLITIQUE INTERNATIONALE and the biggest French publishing house, HACHETTE.

- If the Prime Minister accepts, the date is up to her: any date of her choice in March, April or May 1984.

- The sponsors need a lengthy notice as well as the recipient. About 800 people will be invited. They will include (as they did on the first occasion) the Heads of some 300 of the largest companies, at least 50 politicians of different parties, distinguished people in various walks of life, all the newspapers, agencies and television-radio organisations in Paris, etc.

- Although Wajsman himself, and his review, are "on our side", the range of opinions represented on POLITIQUE INTERNATIONALE is very wide. If the Prime Minister accepts, the award will not be for any particular act of policy but to herself as a political personality.

- No official invitation will be issued until there is an informal acceptance, through me.

- The ceremony will begin at about 5 p.m. and last two hours. She would be required to make a short speech of acceptance: 10/20 minutes, as she may wish. The ceremony will be followed by a banquet at which her attendance is optional, although it is naturally hoped that she will attend.

- The invitation, of course, includes yourself.

I hope this note clears up all outstanding points. I repeat, this invitation from French sponsors to a British Prime Minister, and to Margaret Thatcher in particular, is in my view something which one can only strongly urge Margaret to accept.

Best regards,  
Yours ever,  
Pruitt

---

I do hope your sciatica & allied ailments are on the wane.

Mr Robin Butler

2.11.83

Mr Thatcher

Brian Crozier would like a word with you please if possible today (346 8124). He has to go to Paris tomorrow and he wants to clear a misunderstanding relating to the award of a prize to the P.M. about which he has already contacted you.

---

Joy

I do NOT think the P.M.  
is going to believe  
this but all I can  
do is pass it on

S S /  
//

From Brian Crozier

Kulm House,  
Dollis Avenue,  
Finchley,  
London N3 1DA  
Tel. 01-346 8124

Denis Thatcher, Esq

2 November 83

*Dear Denis,*

Many thanks for your help, and I'm sorry to have to bother you again (which I am doing in writing in case I can't reach you by telephone). There is a misunderstanding about POLITIQUE INTERNATIONALE.

I spoke to the Editor, Patrick Wajzman, yesterday. He made it clear, as he had not done previously, that nobody expected the Prime Minister to come to Paris in November to receive the prize for "political courage". All that is needed is her acceptance. Thereafter, she can pick her own date, if necessary, months ahead. He pointed out that they would need lengthy notice anyway, to ensure that a sufficiently distinguished panel, plus visitors, could be present on the occasion.

I do hope, in these new circumstances, that Margaret will accept the Prize, which would bring a lot of excellent publicity, especially coming from a French institution to a British Prime Minister, and to Margaret Thatcher in particular.

I am lunching with Wajzman in Paris on Friday. I shall tell him of this further démarche, and I hope that before long I shall hear that the answer is Yes, with one or two provisional dates, say in the first half of next year. A formal invitation could then be issued.

*Yours ever  
Brian*

---



10 DOWNING STREET

Prime Minister

Can I assume that you  
will tell Brian Cozier  
your reaction -  
or do you want me to  
say?

A.F.C.  $\frac{4}{2}$

He forgets to mention it  
- would you telephone

John - have found  
this letter at last.

FROM: J S WALL  
DATE: 24 October 1983

Mr Young, WED  
PS

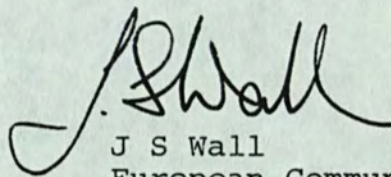
cc: Mr Evans  
Mr Hannay  
Mr Fairweather o/r  
Miss Marsden  
Mr Cary  
Mr Paul  
Mr Hallett  
Mr Armour, WED

A.J.C. 27/10.

h.e.

SECRETARY OF STATE'S BILATERAL WITH M CHEYSSON  
DRAFT RECORD

1. I submit a draft record of the Secretary of State's bilateral talks with M Cheysson, held on 20 October.



J S Wall  
European Community Dept (Internal)

24 October 1983

RECORD OF MEETING BETWEEN THE SECRETARY OF STATE FOR FOREIGN AND COMMONWEALTH AFFAIRS, THE RIGHT HON SIR GEOFFREY HOWE QC MP AND THE MINISTER FOR FOREIGN AFFAIRS OF FRANCE, M CLAUDE CHEYSSON HELD AT THE FOREIGN AND COMMONWEALTH OFFICE ON THURSDAY 20 OCTOBER 1983

Present:

UK

The Rt Hon Sir Geoffrey Howe QC MP  
Mr Malcolm Rifkind MP  
Sir J Fretwell (HM Ambassador, Paris)  
Mr D Williamson, Cabinet Office  
Mr R Evans  
Mr D H A Hannay  
Mr B P Fall  
Mr P S Fairweather  
Mr R Young  
Mr R Bone  
Mr J S Wall

France:

M Claude Cheysson,  
Minister for Foreign  
Affairs  
M André Chandernagor,  
Minister with  
responsibility for  
Foreign Affairs  
M Jean-Claude Paye,  
Economic Directeur,  
Quai d'Orsay  
M Pierre Morel, Chargé  
de Mission à la  
Présidence de la  
République  
M Dufourcq, Directeur  
d'Europe  
M Daniel Bernard,  
Conseiller Technique au  
Cabinet de M Cheysson  
M Alain Grenier, Ministre-  
Conseiller, Ambassade  
de France au GB  
M Alexandre Carnelutti,  
Premier Secrétaire,  
Ambassade de France au GB

**EUROPEAN COMMUNITY**

1. M Cheysson said that it was necessary to take an overall view in the current negotiations. It would be difficult to make

progress on one issue in the absence of an overall idea of what could be achieved. France would not make concessions on some issues unless it knew what might be available on others. The procedure adopted at Stuttgart had provoked a very thorough discussion. The tone was unusually good and the Community had managed to address all the substantial issues with the result that the number of really difficult issues now to be faced was limited. This was an achievement. But we should also recognise what would happen if no proper result were achieved at the Athens Summit in December. The French Government was convinced that, after so substantial a negotiation, the absence of a result at Athens would have consequences for the EC more serious than any since its foundation: the Parliament would probably reject the budget; the United Kingdom would be left without any refund; there would be major problems over agriculture and the enlargement negotiations would lose all sense. Europe would be frozen. It was equally clear that results as between the EC Member States were not enough. After Athens there would have to be a negotiation with the United States. This negotiation must address the agricultural trade issues but it would need to go wider. The technical aspects of the discussion could probably be started now but the global aspects would only become clear after the Community knew where it stood, post Athens, eg on enlargement.

2. Sir Geoffrey Howe said that, while he agreed with M Cheysson's assessment of the need for negotiation with the United States, he did not like the prospect of US/EC relations becoming part of the pre-Athens agenda. But he agreed that the problem of agricultural surpluses was cumulative and could blow up in our faces. Our task in the present negotiations was to prepare the Community for the necessary dialogue with the UK. M Cheysson commented that the problem was not simply one of cumulative surpluses but the fact that enlargement would change the whole pattern of US trade. For example, the US was now a major importer of Spanish products. That would have to change.



New Policies

3. Sir Geoffrey Howe agreed that failure at Athens would have very serious consequences. We had been committed by the pattern of events to solving a number of issues at the same time. The Community's lack of cash was a major factor in the negotiation. Hence the argument put forward by some on the need to increase own resources. If these question, including the budget and the role of the CAP, were not resolved we would face a very serious combination of conditions. He himself had, at an earlier stage, been tempted to speak of the need to "break the back" of the negotiations at Athens but was no longer doing so because the phrase reduced expectations and implied that some of the problems would still remain after Athens. He hoped we could do better and complete the agenda. We must try our damndest and we did have a chance of success. The Community approach to new policies (on which we and the French had put forward proposals) would be an important part of the agenda. We must look at the dynamic elements of the Community. Our proposals and those of the French were more than window dressing. They represented a real commitment. We should draw our proposals together to get a short list for decision. We would not see eye to eye on all proposals but there were many where we could march together.

4. M Chandernagor agreed that a general declaration of intent on new policies would be of little benefit. Nor was there much sense in losing the issues in the Specialist Councils. We should aim to find one or two sectors in which our national enterprises could cooperate. This would not just improve the general climate but would constitute practical proposals which would give us credibility. If Britain and France could reach agreement we could then draw in our other partners.

5. Turning to expenditure, M Chandernagor said that he had just read the Court of Auditors Report. The report brought out very clearly that the structural funds were not geared to real need but were simply a way of making financial transfers. We should ensure that these funds only increased to the extent that they achieved

real results, on genuine projects. France had no specific suggestions at this stage.

6. Sir Geoffrey Howe agreed that Britain and France should try to make progress on new policies. Some areas of Community activity eg ESPRIT were near to readiness. Others would not require Community funding. To avoid misunderstanding, he wished to make it clear that the British Government was perhaps less disposed than the French to governmental initiatives but rather looked to facilitating spontaneous cooperation by individual companies. Maybe what we decided at Athens could facilitate rather than disrupt that process. M Chandernagor wondered whether structural funds would be in a state in which conclusions could be reached at Athens. Proposals for Integrated Mediterranean Programmes (IMPs) looked pretty formidable since they were really a structural fund though perhaps under another name.

7. M Cheysson said that on new policies he was attracted by the idea of getting together key people from France and Britain to agree a list which could then be submitted to Heads of Government. We should agree on methods and sectors. The likely areas were all in the documents that had been submitted. Officials should get together within a week or so. Sir Geoffrey Howe commented that there were some sectoral issues like ESPRIT which should be included. There were other less easily categorised requirements that could also be included eg the environmental issue of setting a date for lead-free petrol. M Cheysson said that it was also important to look at methods. We should organise the meeting to which he had referred before the next Special Council. Turning to structural funds, M Cheysson said that the description give by M Chandernagor represented the position of the French Government. There was only one way to make progress ie instead of making available funds and then finding programmes to fit them the funds should only be provided to fit a programme requirement. Youth unemployment, for example, had been identified as a priority area under the social fund. The Regional fund should be suitably directed under the general aegis of national governments.

Sir Geoffrey Howe commented that he was not certain how much of a reform of the regional fund could be achieved in this way.

M Chandernagor said that, as with food aid, the Community should try to fix eligible criteria. Sir Geoffrey Howe mentioned reconversion of old industries. Decline in agricultural production had been one sector mentioned in discussion at the last Special Council.

8. Referring to the powers of the European Parliament M Cheysson said that the global exercise on the European Community for which M Mitterrand had called some time previously, should include the budgetary powers of the European Parliament.

9. The issue of the Parliament's budgetary powers could only be addressed in the context of its powers overall. Dankert had recently said in private conversation during a visit to Paris that he would be prepared to see some reduction in the Parliament's budgetary powers in exchange for an increase in its normative powers. But all Member States fought shy over facing this problem and we could not jump into the cold water before Athens.

Sir Geoffrey Howe agreed that, as M Cheysson had said, the issue could not be addressed this side of Athens or before next year's European Parliamentary elections. M Cheysson pointed out, however, that when national parliaments came to consider the increase in own resources, this was the one opportunity available to member governments to change the powers of the Parliament. There would be no second chance.

10. Mr Hannay remarked that, as the country which had pressed for a strict financial guideline for the CAP, we could not deny the principle of stringent financial control for other funds. He noted that the Commission's ideas lent themselves to such an approach. It should be too difficult to agree with the Parliament on a more modest rate of growth. Sir Geoffrey Howe said it was very difficult to work on this on a time scale suitable for Athens but we should look at the problem in the next week or so to see how it may be handled. M Chandernagor doubted whether French

thinking was far enough advanced.

11. Future Financing

Sir Geoffrey Howe said that several different approaches were now on the table. The French proposed amendment to the Danish Convergence Fund was helpful because it involved reliefs on the revenue side. But the Danish proposal still failed to match up to the size of the problem. The French approach on duration was also helpful ie looking at qualitative criteria rather than just a set term. He wondered whether it would be possible for ourselves and the French to work out between us - together with German ideas - a sensible approach to the problem. There were some interests in common notably the additional burden of contributions which would be placed on Member States after enlargement.

12. M Cheysson said it would be very difficult to talk financing before the rest of the package became clear. The French Government had not yet decided its position on duration ie whether any scheme should be short or fixed by objective criteria. More serious was the difference between us on the issue of net contributions, and on this issue, the French thought that the arrangement should be closer to the Danish convergence fund ie related to spending in each country linked to GDP. Our disagreement on this was fundamental and M Cheysson did not think it possible to make progress on it during that evening's discussions.

13. M Chandernagor said that the concept of net contributions had been rejected by a number of countries. The French government endorsed these objections. If we were going to look at net contributions then we should look at the much wider picture also. The Danish convergence fund had the advantage that it was not based on net contributions, was not complicated, and had achieved a fair amount of support. Its merits had not really been explored closely.

14. Mr Rifkind said that, if the argument for net contributions was ignored any alternative set of proposals could provide only

short term relief. Sir Geoffrey Howe said that if one went beyond net contributions to non-budgetary costs as M Cheysson appeared to be suggesting, the consequences in terms of the balance of advantage would only increase the size of our claim. We had confined our case to the measured impact. As Chancellor of the Exchequer he had seen the reality of net transfers of resources. If, after enlargement, France found itself in a similar position, M Delors would quickly appreciate what he meant. One could not measure only one side of the burden, the problem was one of money in and money out. We must answer the vital question of measurement.

15. M Chandernagor said that the problem about net contributions had been well and definitively summarised by the Dutch when they said that under our proposal, the more New Zealand products we imported, the more we would be entitled to compensation.

Mr Williamson commented that it was quite wrong to suggest that the buying patterns of importers would be affected by considerations related to our net contribution. The net contribution was a consequence of importing patterns but did not itself determine what those patterns were.

16. Sir Geoffrey Howe said that M Chandernagor had usefully identified a number of different approaches. Net contributions was one. The Danish convergence fund was another. It might be useful to get together to see how these different components were identified. M Chandernagor reiterated that there were enormous differences which made discussion very difficult. Nor had France yet looked at the figures and at the end of the day figures would be very important.

#### CAP

17. Sir Geoffrey Howe said that, in a speech in July, M Cheysson had talked of the need to control costs in terms which he might have used himself. The British approach was double pronged. We had put forward proposals for a strict financial guideline but were also interested in structural changes. He wondered whether

the French approach would enable us to take enough decisions on the structural side. M Cheysson said that our proposals on agriculture were very different. Britain wanted a strict financial guideline which France could not accept because it was contrary to the rules of the CAP. As to the rest, our positions should be closer. France wanted the regulation of the different regimes. This was an economic problem. It was undesirable to have unmarketable surpluses. It was also a social problem. Growth in milk production was absurd and must be remedied. Amalgamation of the various methods proposed might provide an answer. He was comforted by the fact that no-one was taking immovable positions.

18. M Cheysson said that he was very concerned about MCAs. Positive MCAs created a particular anomaly. The Commission proposals for abolishing MCAs were fine but were unacceptable to the Germans because they would lower agricultural prices in Deutschmark terms. Equally, the German proposals were unworkable because they would create a Deutschmark zone. The green rate would be the same as the Deutschmark.

19. M Chandernagor said that agricultural agreement in the negotiations would need to be based on a package consisting of milk, cereals substitutes and MCAs. At present these represented a parcel of absurdities which must be unravelled. Other products were easier to deal with. The Commission's proposals could represent important savings of up to 600 mecu.

20. Sir Geoffrey Howe agreed with M Cheysson in rejecting the German approach to MCAs. Britain had a particular problem because of its variable MCAs and he had no insight as to how to solve it. He agreed that we must search for solutions on particular regimes. Mr Williamson commented that the Germans had at one stage reduced their MCAs and compensated their farmers by lowering VAT rates. M Cheysson commented that this might be an area which could be looked at again. Sir Geoffrey Howe said that we must recognise the differences between us on the strict financial guideline. We

were also very reluctant to see agricultural proposals directed against third country producers eg the oils and fats tax and cereals substitutes. He was not saying that the US were right in their approach to this. M Cheysson himself had talked of the need to prepare for a negotiation with the US. An important part of that preparation must be to avoid including in the package components which would make negotiation more difficult.

21. M Cheysson said that the arguments about oils and fats tax were very familiar to him. The present cost of subsidies was very high and Spanish entry into the EC would lift them to a fantastic level. The Commission's proposals were an effort to find a solution and he found it hard to think of what else could be done. He agreed that the negotiation with the US would be very difficult, particularly on cereals substitutes where US exports to the Community had increased by 30% in six months. He agreed that the US would not be pleased at the prospect that their sales might be blocked.

#### New Own Resources

22. Sir Geoffrey Howe said that without prejudice to the basic decision on whether an increase in New Own Resources was required, he wished to reiterate that our two prior conditions were vital. He wondered whether the French had come with an idea of what the upper limit on an increase in VAT might be. M Chandernagor said that some preliminary thought had been given to this subject. The French were thinking of something within the range of between 1.2 and 1.4%. What was crucial was to avoid giving Parliament a blank cheque for subsequent increases. The requirement of ratification by national parliaments must be maintained. When we had fixed a level, it should be such as to last for the next ten years. M Cheysson commented that bilateral official level talks on this subject would be worthwhile.

#### Institutions

23. Sir Geoffrey Howe asked whether the French had given any thought to eg the number of Commissioners there should be after

enlargement. We thought it might be sensible to limit the number of Commissioners to 12. We were not convinced that the present 14 were fully employed and wondered whether 17 (the pro rata increase after enlargement) would have enough work to do. M Cheysson said that we had time to consider these issues since they would not affect the next Commission. The enlargement of the Commission would not happen before ratification. Mr Hannay pointed out that the present Commission's period of office expired at the end of next year and that the new Commission would have to be appointed for 4 years. If we were to make changes they would have to be made then. Otherwise Portugal and Spain would enter the Community on the basis of the present rules and there would be no subsequent opportunity for change.

24. M Cheysson took this point. He said that there was a case for having less than 17 Commissioners but that it was important to differentiate between the larger and the smaller states. One possibility would be to have deputy Commissioners for the 4 large states. Another possibility would be for the smaller states to be grouped in twos ie to alternate in their representation on the Commission but this would be very difficult. M Chandernagor commented that it was not difficult to play with those figures. Ultimately a political decision was needed. The Commission should be strengthened (it was increasingly weak and timid). He would prefer a smaller number of Commissioners. A figure of 17 encourage within the Commission. M Cheysson said that France and Britain had always ensured that they nominated Commissioners of quality. This was not always the case with other countries. The Germans in particular, as he had said in the past to Chancellor Schmidt, sent decent but undistinguished men to the Commission. The appointment of a Commissioner was an important decision for a country. Really top men could exercise considerable influence. For example, the influence of a man like Davignon far exceeded the influence of the country from which he came. Thorn of Luxembourg was a similar example.

25. The meeting ended at 2015 hours when the Ministers left for No 10 Downing Street.



Distribution:

PS

PS/Mr Rifkind

~~PS/No 10 Downing Street~~

PS/Sir R Armstrong

PS/PUS

Sir J Bullard

Mr Evans

Mr Hannay

Head Planning Staff

Head News Dept

Head ECD(E)

Head ECD(I)

Head ESID

Head WED

HM Ambassadors Paris and all other EC posts

Sir M Butler, UKRep Brussels

Mr D Williamson, Cabinet Office

Mr B Unwin, HM Treasury

Mr D Andrews, MAFF

HM Embassy, Washington

RESTRICTED

FROM: J S Wall  
DATE: 24 October 1983

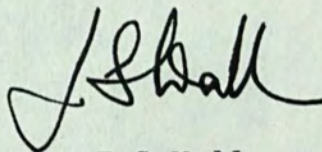
PS/Mr Rifkind

cc: Mr Evans  
Mr Hannay  
Mr Fairweather or  
Miss Marsden  
Mr Cary  
Mr Paul  
Mr Hallett  
Mr Armour, WED  
ECD(I)

A.J.C. 22/10

MR RIFKIND'S DISCUSSIONS WITH M CHANDERNAGOR

1. I submit a draft record of Mr Rifkind's discussions with the French Minister for European Affairs, Mr Andre Chandernagor, held last Friday, 21 October.



J S Wall  
European Community Dept (Internal)

24 October 1983

RESTRICTED

RECORD OF MEETING BETWEEN THE MINISTER OF STATE FOR FOREIGN AND COMMONWEALTH AFFAIRS, MALCOLM RIFKIND MP AND THE FRENCH MINISTER WITH RESPONSIBILITY FOR EUROPEAN AFFAIRS, M ANDRE CHANDERNAGOR, HELD AT FOREIGN AND COMMONWEALTH OFFICE ON FRIDAY 21 OCTOBER 1983

Those Present:

French side:

M Chandernagor

M Peltier, Directeur de Cabinet of M Chandernagor

M Alexandre Carnelutti, French Embassy

British side:

Mr Malcolm Rifkind MP

Mr D Hannay

Mr S M J Lamport

Mr J S Wall

Enlargement

1. M Chandernagor said that he was just back from Portugal where the Portuguese authorities had insisted on the importance they attached to a rapid indication of what their fate was going to be in the enlargement negotiations. This was understandable. Portugal was a poor country in the grip of an austerity programme. The prospect of EC membership was a pleasant one since the Community would be Father Christmas to Portugal. Mr Rifkind pointed out that it was quite possible that Portugal would be a net contributor, in which case Father Christmas might not prove quite so popular a figure. M Chandernagor said that the Portuguese had been warm, pressing and threatening. They had threatened that if the Community did not want Portugal then Portugal did not want the Community and would turn to the US. In considering these threats one needed to aim off for domestic consumption. He was confident that Portugal did wish to enter the Community at an early date. He himself had pointed out that if 7 months had been lost, this had not been the responsibility of

the Community but a consequence of the crisis involving the outgoing Portuguese Government. He had told the Portuguese that 1984 would be decisive for the negotiations. Either the Community would solve its problems and would move on towards enlargement or it would not solve its problems in which case enlargement could not take place. The Portuguese had argued that their dossier was easier than the Spanish dossier and that we should speed up their negotiation. The Portuguese Prime Minister wished to sign with the Community as soon as the negotiations were over whereas the President had said that the completion of the negotiations would be such a significant signal that they could then afford to wait until completion of the negotiations with Spain before signing.

2. As regards the pace of negotiations under the French Presidency in 1984, M Chandernagor said that negotiations must proceed at their natural pace. The Portuguese negotiations would go faster. The main elements in the negotiation with Portugal were fisheries and social affairs. For the Portuguese, the social affairs file was the most important because they would insist on the free circulation of labour. On the Spanish dossier, fisheries would be the most difficult issue. The Commission had been dilatory in its stand on Spanish and Portuguese agreements with third countries on grounds of lack of staff. He hoped this problem had been resolved. But the substantive difficulties were enormous. Spain wanted some room for their fishing industry but it would be difficult to make room for them.

3. Mr Rifkind said that it would be ludicrous if Portugal, as one of the poorest contributors of the Community, were to find itself as a net contributor. This emphasised the importance of solving the problem of future financing on a basis that would serve for all EC Member States, as necessary. M Chandernagor said that he was not certain that the problem really existed. If a problem arose it should be dealt with. Mr Hannay commented that, because of the transitional period, it could be some time before Portugal became a net contributor but the problem would certainly arise in any case because the Portuguese would want guarantees that they

would not in any circumstances be net contributors. Rather than go down the old route of bailing out by expenditure on the Regional and Social Fund etc we should ensure that we had overall equitable budget arrangements in the first place.

#### Institutions

4. Mr Rifkind said that the institutional implications of enlargement eg voting within the Council would need to be looked at. M Chandernagor agreed. The French had just started to look at these matters. The figures on voting would obviously change but the ratios on qualified majorities should not alter. Mr Rifkind said that we wished to preserve the system whereby two of the existing large Member States could mount a blocking minority. M Chandernagor said that the French view tended in the same direction. Mr Hannay said that a number of smaller institutions like the Economic and Social Committee would be affected by enlargement. He thought that their size should not simply be increased pro rata but that we should take a fresh look with a view to cost and decision effectiveness. We should also look at the cost of interpreting and translation services which were already enormous and would be horrifying in the enlarged Community. M Chandernagor said that he sympathised with the British view that the number of Commissioners should be reduced at enlargement. The impact of enlargement on other Community institutions would need to be looked at. The French wished to strengthen the Economic and Social Committee by associating its work more closely to that of the Council. This might be something the French could look at during their own Presidency. Mr Hannay cited the European Investment Bank as another example of a top heavy institution. We were also concerned about the size and effectiveness of the Court of Auditors. We could perhaps discuss these matters on the diplomatic channel since our ideas and those of the French seemed to be very close. M Chandernagor agreed to this course of action. He was not sure how far the Court of Auditors was in need of reform. It had just produced a very good report on the regional fund. It had to contend with matters of national sovereignty in each Member State. He would talk to the

French representative, who had been President of the Court and was a serious figure, whose appointment had been renewed by the present French Government even though he had been nominated by their predecessors.

5. Mr Rifkind asked what plans the French had to promote the enlargement negotiations during their Presidency. M Chandernagor said that the negotiations must follow their own rhythm. All elements would be on the table. The French would not slow things down. However, without being tied to a rigid timetable, he thought that the negotiations might end during 1984 or at the beginning of 1985. Mr Rifkind said that the Spaniards had started to get very impatient although the settling of the Mediterranean acquis would help.

6. Mr Hannay said that a problem arose because a number of Member States were thinking of timing any increase in the Community's own resources to coincide with enlargement. However, ratification of the accession Treaties to take account of enlargement could not possibly take place before the end of 1985. The Community might well need more money before then, if an acceptable package covering the UK's conditions was agreed. M Chandernagor said that this problem should be studied. If a package were agreed as a result of the present post-Stuttgart negotiations some intermediate solution would be needed, not least because it would take until 1985 to ratify such an agreement. In the meantime, the Community must pay its way through 1984 which it could only do with the greatest difficulty on the basis of its present resources. It could not possibly pay its way in 1985. Would national contributions by Member States be a partial answer? These would have to be budgetised at the national level. If a satisfactory package were concluded at Athens this problem would need to be addressed immediately afterwards.

7. Mr Hannay said that there was no UK position on this but officials had looked at the technical possibility of having a supplementary budget in 1985 based on new agreed (and ratified)

financing arrangements. Another possibility would be a 1985 budget which would be based on the assumption of ratification but would not preempt it. We might have to start looking at this problem, not after Athens, but as part of the Athens decisions.

M Chandernagor commented that, given that it was impossible to make accurate predictions for 1985 (as the Commission's budgetary predictions paper had shown) it was difficult to address the issue successfully until after the package had been agreed. Thereafter the framework should be much clearer.

#### Internal Market

8. Mr Rifkind asked what plans the French had to hold Internal Market Councils during their Presidency in order to speed up work in this area. M Chandernagor said that the French would hold Internal Market Councils though their position was well known: they were prepared to see progress on the development of the internal market so long as it was accompanied by an external trade policy. The French wished to facilitate opening up the Internal Market to European companies but not to the point where they would simply be opening up the market to the outside world without limitation.

9. Mr Rifkind said that he understood the French concern but there were areas such as frontier controls and the harmonisation of documents where immediate action would be of benefit to the consumer without damaging the EC's trading position.

M Chandernagor did not dissent but said that national trading organisations tended to be hostile. There was opposition within France to the single administrative document on the basis that it did not contain enough information. Computerisation was the obvious answer but the Commission seemed unenthusiastic. He would be meeting some of his ministerial colleagues before the Internal Market Council on 26 October and would try to push things forward.

10. In reply to a question from Mr Rifkind, M Chandernagor said that France still had reservations on one or two points on the third country problem, but, in principle, we were not far apart.

He had been encouraging Lambsdorff to agree to a package which could lead to progress but Lambsdorff did not seem to wish to go ahead. Mr Hannay said that we had no objection to the adoption of a Common Commercial Policy Regulation but did not believe that the decision making process should depart from that under Article 113. M Chandernagor said that we did not wish to see barriers created which could make it difficult to implement the regulation. Mr Hannay commented that the Community was able to take positions under Article 113 but M Chandernagor said that it did so only with great caution.

EC/US Relations

11. Mr Rifkind noted that M Cheysson had predicted negotiations with the United States on agricultural matters. Did M Chandernagor have any detailed thoughts? M Chandernagor said that France's main concern was cereal substitutes within the context of the whole of the CAP and the need to try to avoid a trade war. We and the US needed to decide how we could share the markets. Decisions would be needed soon. If we waited until the result of the Athens negotiations we could wait too long. France agreed with the Commission's plan to use the GATT as a basis of a package for discussion. This would also help create conditions in which progress could be made at Athens. There was no doubt, however, that negotiation with the US would be a tough one.

12. Mr Rifkind asked whether M Chandernagor had any assessment of American willingness to negotiate with the European Community. The Americans might take the view that time was on their side and he himself was not sure that we were in a strong position. M Chandernagor said that he was familiar with this argument, which was used about relations with Japan as well as the US. It was a question of will. If the EC always saw itself as the weaker partner then it would always lose. It must either stand up or forever play the role of kid brother. Mr Rifkind agreed with this as a general proposition though it was not true in individual cases. In the case of the United States the real question was whether the Americans would perceive that we had enough of a



common interest to make it worthwhile entering into negotiations. M Chandernagor thought that the Community's position was quite strong. The Community could find itself in the permanent position of being vassals to the United States unless they stood up for their interests.

13. Mr Hannay commented that the position was not as clear cut as that. The United States had clear, legally established rights under the GATT to which the EC had subscribed. If, by its approach, the EC provoked a confrontation both we and the US would lose in the ensuing competitive confrontation. We should approach our dealings with the US with these facts clearly in mind. M Chandernagor said that the Americans' approach was not overly legalistic. They blocked imports and then agreed to talk subsequently. The discussion with the US should take place at the start of next year. It would have to be give and take. The negotiation could hardly be unsuccessful than the present situation which was so costly to the Community.

#### CAP

14. Mr Rifkind recalled that, in discussion the previous evening, both M Cheysson and M Chandernagor had described a binding financial guideline as an unacceptable basis for agreement on the CAP. Their description might be based on a misunderstanding since the strict financial guideline, while it would determine expenditure, would not be binding in the sense of being absolute. We had proposed procedures in the event of unforeseen spending requirements involving a return to the Council. Our proposals would provide a discipline not currently available. Both we and the French agreed on the desirability of reform and accepted that the CAP had not worked well. M Chandernagor said that the introduction of new budgetary rules governing agriculture had implications beyond the agricultural budget alone. Once such a guideline was introduced for agriculture it should logically be extended to other policies eg the structural funds which had a less rational basis for expenditure than the CAP. Both the British and Dutch proposals would require amendment to the Treaty.

For this reason the French tended towards the position taken by the Commission. They thought that the idea of a joint meeting of Finance and Agricultural Ministers if there were a prospect of overspending was not a bad one.

15. Mr Rifkind said one had to ask oneself whether the constraints so far proposed had any significant effect in curbing agricultural spending. We currently tolerated on a Community basis a situation that none of us would put up with for a moment at the national level. The time had come to get to grips with agricultural expenditure, and unless reforms had the desired effect we would all be wasting our time. M Chandernagor said that while British farmers were relatively biddable, farmers elsewhere in the Community were not. The French Government was not prepared to destabilise the state to please the British. Mr Rifkind said that he understood the individual domestic problems of each country. We needed not only sensible reform but to look at the problems of individual types of farmer. But the needs of farmers should not be the sole determinant of agricultural spending overall. Rationalisation of agriculture was one of the central purposes of the CAP and should not be overlooked.

16. M Chandernagor said that the CAP was based on a number of principles all of which should be respected. The farmers had plenty of arguments on their side eg the fact that they were penalised while we nonetheless continued to import butter and lamb from New Zealand. The farmers wanted to know what had happened to the system of Community preference, when any EC external agreement had to include some agricultural benefit for the non EC country concerned. The UK was asking the rest of the Community to take account of its budgetary situation. The UK in turn must take account of others' needs. Britain could not expect both a solution to its budgetary problem and to impose its own solution on others in the field of agriculture. This is not a balanced way to approach the negotiations. Mr Hannay commented that the fruits of Community preference could be seen in the balance of agricultural trade between Britain and France since accession. If

we had 10 national agricultural policies the nature of budgetary constraints would already have led to limits being imposed on agricultural spending. But when we tried to achieve the same result at a European level everyone said it was impossible. M Chandernagor said that the task was not impossible. The savings should be achieved by reform of the guarantee system. The farmers would protest but substantial savings could be made. But we could not go in at all levels at the same time. The UK wished to have a solution to its particular needs but could not achieve that at the expense of the Community as a whole.

17. Mr Rifkind said that M Chandernagor should not assume that our farmers could not create problems. Mr Hannay cited the NFU's opposition to the super levy as one example. Mr Rifkind said that each Government must look to its own internal situation but the Community had to remember that the CAP had not been designed to produce vast surpluses to be paid for by consumers and tax payers. M Chandernagor said that the CAP had created a zone of guaranteed revenue. Structures had evolved but it was difficult to make them evolve further given current employment problems.

13. The meeting ended at this point so that the Ministers could attend the plenary discussion at Downing Street.

Distribution:

PS	Head ECD(E)
PS/Mr Rifkind	Head ECD(I)
<del>PS</del> /No 10 Downing Street	Head ESID
PS/Sir R Armstrong	Head WED
PS/PUS	HM Ambassadors Paris, all other EC posts
Sir J Bullard	Sir M Butler, UKRep Brussels
Mr Evans	Mr D Williamson, Cabinet Office
Mr Hannay	Mr B Unwin, HM Treasury
Planning Staff	Mr D Andrews, MAFF
Head News Dept	HM Embassy Washington



A-J.C. 27/10

f-a-

RECORD OF A DISCUSSION BETWEEN THE CHANCELLOR AND THE FRENCH MINISTER  
FOR THE ECONOMY, FINANCE AND THE BUDGET AT 9.15AM ON 21 OCTOBER 1983  
AT NO 11 DOWNING STREET

Present:-

Chancellor  
Mr Middleton  
Mr Littler  
Mr Unwin  
Mr Kerr

M. Jacques Delors  
M. Philippe Jurgensen  
M. Sauvel

International Financial System

The Chancellor suggested that further work, following up Williamsburg, on international monetary issues should be kept in the G5/G10 framework; and that the Commission proposals on the "economic and monetary environment" should be considered in ECOFIN, rather than the Athens European Council. M. Delors agreed on both points. A G5 meeting in Paris in January might be helpful. Within the Community, it would be unrealistic to imagine that progress on completing the ERM, enhancing the status of the Ecu, and establishing a new financial zone could be taken very far within the framework of current EC negotiations aimed at the Athens European Council. It would be necessary to persuade M. Ortoli that all three subjects needed to be pursued separately, and in separate timescales. The urgent issue now, to which M. Ortoli should be directing his attention, was the future financing of the Community.

Brazilian Debt

2. The Chancellor thought that the Americans would probably go on pressing for new Governmental money to fill the "financing gap". His instinct however was that, when they had concluded that they could get no more, they would either fill the gap themselves, or decide that it was smaller than had previously been thought. The UK position was



that our new contribution to Brazil took the form of agreement to the Paris Club rescheduling. Given that we, unlike the Americans, would also contribute to the proposed BIS loan to the IMF, he did not feel that the case for further support for Brazil from the UK taxpayer had been made out. He also saw considerable dangers in talk of "financing gaps". If it came to be accepted that Governments would step in when such gaps were "discovered", commercial banks would tend to back out, and the gaps thus to grow.

3. M. Delors said that the French attitude was very similar. He was concerned that BIS might be asked to produce a new bridging loan for Brazil in order to fill the "gap"; and he agreed that the "gap" theory could set a very damaging precedent. Nor did he approve of the US pressure for pledges of new Government credit: such pledges would be wrong in principle, and also quite impracticable. It would be desirable to agree once again with the Americans that policy, vis a vis Brazil and other similarly placed countries, must rest on firm agreement on strong Fund programmes unlocking Fund financing, backed as necessary by "Paris Club" and commercial bank rescheduling. The UK and France should maintain their common line.

#### UK and French Economies

4. The Chancellor gave an account of current UK economic developments. Inflation would rise to some 5½ per cent by the turn of the year, but would be back below 5 per cent next year, and was clearly still on a downward trend. Growth this year would be some 3 per cent, largely thanks to a continuing revival of domestic demand: developments next year would be more dependent on the world scene, and a better export performance. The fiscal and monetary policies of the last four years would be maintained. Unemployment was now rising more slowly, and could peak in 1984-85. Having taken our anti-inflationary measures earlier than most of our partners, we had gone into recession earlier and were coming out earlier: it was now clear that the low point had been in early 1981.



5. M. Delors said that he expected nil growth in France this year. The Government's measures had brought an unexpectedly rapid turn-round on exports, and the balance of payments, though French industry was still targeted too narrowly to Eastern Europe, the developing world, and OPEC, and must learn to compete more effectively in the industrialised world. The root problem was still inflation; price rises were decelerating, but not fast enough. The rigidities in the French economy were still very strong; and he envied the UK Government's success in diminishing parallel rigidities.

#### Community Financing

6. The Chancellor suggested that it would be important for the UK and France to remain in very close contact at all levels in the run up to the Athens European Council. The greater the degree of Anglo-French agreement which could be reached, the better the chances of overall agreement. We already agreed that the two problems to be solved were that of controlling total expenditure, and financing it equitably. On the former, we were clear that the key lay in control of the growth of agricultural expenditure. We certainly wished to see the Community develop, and develop new policies, but we could not agree to any increase in own resources until a proper system for budgetary control had been established, together with an equitable financing system. On the latter, we were clear that the key lay in basing the system on net contributions: hence our "safety net" proposal.

7. M. Delors said that his personal and longstanding view was that it was essential to have a proper financing system in order to provide a lasting solution to the budget problem - and prevent its regularly souring the atmosphere of Community discussion at the highest level, and thus imposing a brake on the Community's development. As a Finance Minister, obliged to impose economies at home, he also agreed that it would be quite wrong to release substantial new resources to the Community until it had acquired an effective budgetary



system. To deal with the former problem, the UK had proposed the "safety net": he himself thought that the alternative of an ecretement scheme deserved careful consideration, together with the latest Danish ideas. As for the latter problem, he of course agreed that it was crucial to control agricultural spending; but it would be very much easier - particularly in France - to sell such control if it stemmed from the nature of the CAP, rather than from an external constraint, as the UK had proposed. He was pleased that the UK envisaged the development of new Community policies: he himself thought that regional policy, the modernisation of decaying industries, and scientific and technological co-operation deserved further Community support. But, given that enlargement would be costly, there would be little scope for such desirable additional expenditure unless proper economies were introduced on current programmes.

8. The Chancellor said that, on the financing issue, he had indeed studied the latest Danish proposal. The French amendments to it had improved it considerably, but he feared that it was still flawed, and could not produce a satisfactory outcome: it dealt only with the problem of inadequate receipts, and ignored that of excessive contributions, and would still leave us unprotected against increases in our uncorrected net contribution. It would be important to discuss the matter further - first on a bilateral Anglo-French basis, and later bringing in the Germans. We were certainly not wedded to every last detail of our "safety net" proposal; but he remained convinced that an arrangement satisfactory to all parties could be built on it.

9. The meeting ended at 10.45am.

A handwritten signature in black ink, appearing to be 'J O Kerr'.

J O KERR  
21 October 1983



DISTRIBUTION:

Those Present  
PS/Chief Secretary  
PS/Economic Secretary  
Mr Fitchew  
Mr Battishill  
Mr Mountfield  
Mr Edwards  
Mr Bostock  
Mrs Case  
Mr Bottrill

— Mr Coles: No 10  
Mr Fall: FCO  
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Mr Williamson: Cabinet Office  
Sir John Fretwell: Paris  
Sir Michael Butler: UKREP EC



✓ Copy to Econ Pol : „Indebtedness

25 OCT 1983

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*There isn't a hope in November. The month is packed with engagements and a Commemorative Dinner.*

309 The Linen Hall, 162-168 Regent Street, London W1R 5TB

Tel: (01) 437 8172-4

Telex: 915538

FROM BRIAN CROZIER  
The Rt. Hon. Mrs Margaret Thatcher, MP  
The Prime Minister,  
10 Downing Street,  
London SW1.

As From:  
Kulm House,  
Dollis Avenue,  
London N3 1DA.

*November is an awful month.*

October 17, 1983

*A & C. 27.*

*ms*  
*Dear Margaret,*

The important French quarterly POLITIQUE INTERNATIONALE voted a few days ago to award you its new international Prize, "for political courage". The Editor, Patrick Wajsman telephoned me with the news and asked if I had some way of communicating it to you without passing through official channels. I said I would try.

If I may so presume, I do strongly urge you to accept this Prize. Coming from a French publication, and awarded to you in particular, it seems to me that the benefits in terms of favourable publicity will be immense.

The Politique Internationale Prize was created last year and was awarded posthumously to President Sadat. His widow, Jehan Sadat, made the trip to Paris especially to receive it, before a large and distinguished audience. I should add that it is a condition of your acceptance that you should be willing to go to Paris to receive the Prize in person. I enclose some relevant material.

In addition to editing Politique Internationale, Patrick Wajsman has a regular column in Le Figaro, in which he has on several occasions praised your vigorous policy. In about five years, this review — a kind of French equivalent of the American FOREIGN AFFAIRS, but distinctly "on our side" — has established itself as the most important publication of its kind in the Western world.

I myself have contributed several times, and the forthcoming issue, out next week, will contain a long piece by myself analysing your foreign policy — in terms which will still further enhance your standing in French and European eyes.

You may be interested to know that the Politique Internationale jury was divided between those who wished to award the Prize to King Juan Carlos and your own supporters, who in the end won by a substantial majority.

I understand that an early decision would be appreciated, as the award would be made in November, and preparation has to be made, invitations printed, and so forth.

Just to make a point clear, I only learned of this matter after my return from the United States. The other matters I hope to discuss with you are, I think, important, and I should be most grateful if you could find a moment before long in your impossible time-table.

*Best regards, Yours ever, Brian*

# Politique Internationale

11, rue du Bois de Boulogne, 75116 Paris

Téléphone : 500.15.26

*Le Directeur*

Paris, le 12 Octobre 1983

Cher Brian Crozier,

Trois mots, simplement, pour vous apporter quelques précisions concernant notre "Prix".

Le "Prix Politique Internationale" a été créé l'année dernière par notre Revue et a été attribué au Président Sadate. C'est Madame Sadate qui est venue, en personne, invitée par nous, chercher ce Prix à Paris. La manifestation s'est déroulée au Pavillon Gabriel, dans le jardin des Champs-Élysées, devant 900 personnes représentant le "tout-Paris" politique, industriel, financier, journalistique, etc...

Ce Prix, qui est une sorte de "Prix Nobel du courage politique", et qui porte le nom de notre Revue, est décerné par un Jury d'un niveau très élevé, dont je vous joins la liste.

J'ajoute que lorsque nous remettons ce Prix, les membres de l'Opposition et de la majorité sont présents : ce qui prouve bien que cette récompense honore le courage, mais pas dans un esprit étroitement partisan.

Est-il utile de vous préciser, Cher Brian Crozier, à quel point nous serions heureux et flattés que Madame Thatcher, en faveur de qui j'ai pris personnellement position dans mes éditoriaux du Figaro, soit la deuxième bénéficiaire du "Prix Politique Internationale". Elle succéderait ainsi au Président Sadate ; ce qui n'est pas, je crois, une trop mauvaise référence ...

Je vous remercie mille fois par avance de lui demander si elle accepterait de venir à Paris recevoir cette récompense (sa présence physique est, en effet, une condition sine qua non). Je me permettrai de vous passer un petit coup de fil prochainement afin de recueillir de votre bouche - je l'espère - l'heureuse nouvelle.

Avec toutes mes amitiés fidèles.

*Bien à vous*  
*P. Wajzman*

Patrick WAJSMAN

MEMBRES DU JURY DU "PRIX POLITIQUE INTERNATIONALE"

Denise ARTAUD	Maître de Recherches au C.N.R.S.
Hélène CARRERE d'ENCAUSSE	Professeur à la Sorbonne et à l'Institut d'Etudes Politiques de Paris.
Hervé CASSAN	Professeur agrégé des Facultés de Droit.
Jacques CHAPUS	Rédacteur en chef à R. T. L.
Alain CHEVALIER	Industriel.
Olivier CHEVRILLON	Président-Directeur Général du Magazine LE POINT.
Bertrand DAUGNY	Industriel.
Patrick DEVEDJIAN	Avocat à la Cour de Paris.
Jean-Yves EICHENBERGER	Industriel.
Henri-Christian GIRAUD	Rédacteur en chef du FIGARO MAGAZINE.
Jacqueline GRAPIN	Journaliste au MONDE.
Jacques GUILLEME-BRULON	Editorialiste au FIGARO.
Branko LAZITCH	Conseiller de la Rédaction en chef du Magazine L'EXPRESS.
Philippe MARCOVICI	Rédacteur en chef du QUOTIDIEN DE PARIS.
Christine OCKRENT	Journaliste à ANTENNE 2.
Ralph PINTO	Chef du Service Etranger à FRANCE-INTER.
Jean-François PREVOST	Professeur agrégé des Facultés de Droit; Avocat.
François de ROSE	Ambassadeur de France.
Edouard SABLIER	Conseiller diplomatique à la Présidence de RADIO-FRANCE.
Patrick WAJSMAN	Directeur Général de POLITIQUE INTERNATIONALE.
François de ZIEGLER	Ambassadeur de Suisse en France.

## Le Prix de politique internationale en hommage à la mémoire du président Sadate

Récompenser une personnalité qui — par son action ou sa réflexion — contribue, ou a contribué à la paix, tel est le but du « Prix de politique internationale » qui a été créé cette année. Le jury, composé d'universitaires et de journalistes, a donc désigné pour 1982, à titre posthume, le président égyptien Anouar El Sadate en hommage à « sa lucidité politique et à son courage exceptionnel ».

Mme Jehan Sadate a accepté de recevoir elle-même ce prix — symbolisé par une sculpture de Julian Smelling — qui lui a été remis hier à Paris par MM. Yves Sabouret, vice-président-directeur général de Hachette et Patrick Wajzman, directeur général de la revue « Politique internationale » en présence de nombreuses personnalités du Tout-Paris.



**A** H, Enrico, comme je vous remercie pour tout ce que vous avez fait dans vos chansons », a dit les larmes aux yeux, Jihane Sadate au chanteur Macias. C'était la semaine dernière au Pavillon Gabriel où la Librairie Hachette et la revue « Politique internationale » décernaient le Prix « politique internationale. Destiné à récompenser une personnalité qui par son action ou sa réflexion contribue — ou a contribué — à la Paix, ce Prix est allé au président Anouar el-Sadate. C'est sa veuve, venue tout exprès à Paris, qui l'a reçu. De son mari, devant le Tout-Paris politique, Mme Sadate, très digne, très belle, dans sa robe noire, a déclaré simplement : « Il est mort pour ses idées. » V. F.

## ment :

## analysée ports

entendre blocage subsistera aussi long-  
perturba-temps qu'entreprises ou profes-  
sionnelles- sions n'accepteront pas de pas-  
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ans les cotisations patronales à l'assu-  
nts syn- rance chômage.

● LE GOUVERNEMENT, quant à  
dans la lui, maintient sa politique. Ainsi,  
E on a a-t-on appris, hier, que le S.M.I.C.  
e série ne serait pas augmenté le 1<sup>er</sup> no-  
mouve- vembre ; le rajustement n'inté-  
noter en viendra que le 1<sup>er</sup> décembre.

Jacques Delors a expliqué  
dockers hier : « Les prévisions d'augmen-  
plus ou tation de 4 % du pouvoir d'achat  
certains du S.M.I.C. ne pourront pas être  
qui per- respectées cette année. Le  
ions. S.M.I.C., a-t-il précisé, ne doit  
a enre- être ni un camion-balai ni une lo-  
prises de comotive. Si c'est un camion-  
mbre de balai cela ne sert à rien. Si c'est  
e contre une locomotive, cela a deux in-  
ouverne-convénients : cela tue la politique  
-blocage contractuelle et cela écrase la  
tie, dé- hiérarchie des qualifications des  
é de la ouvriers et des employés. »  
car le



Page 10 :  
rations d'Henri Krasucki  
grèves à la R.A.T.P.  
à la S.N.C.F.

**Le « prix Nobel du courage »** ainsi pourrait s'appeler aussi « le prix Politique internationale », créé par la revue du même nom. C'est en effet au président Sadate « dans l'esprit du Nobel du courage de la paix », comme le soulignait hier soir, au pavillon Gabriel, notre ami Patrick Wajsman, en présence de nombreuses personnalités politiques et de la presse, que ce prix a été pour la première fois décerné. C'est Mme Sadate, en compagnie de sa fille, qui est venue

Informations

Prime Minister

(4)

This contains some quite ambitious ideas about Anglo/French cooperation on new weapons.

A.J.C. 25/7



MO 14/4

NOTE FOR THE RECORD

*M*

RECORD OF A MEETING BETWEEN THE DEFENCE SECRETARY AND THE FRENCH DEFENCE MINISTER HELD AT THE HOTEL DE BRIENNE AT 1645 ON THURSDAY 21ST JULY 1983

Present:

The Rt Hon Michael Heseltine MP  
Secretary of State for Defence

Monsieur Charles Hernu  
Ministre de la Défense

Mr G Pattie Esq MP  
Minister (DP)

S E Monsieur de Margerie  
Ambassadeur à Londres

Sir J Fretwell  
HM Ambassador, Paris

Général Lacaze  
Chef d'Etat-Major des Armées

Field Marshal Sir Edwin Bramall  
GCB OBE MC  
Chief of the Defence Staff

Ingénieur Général de l'Armement  
Guigue  
Délégation Générale de l'Armement

Sir Clive Whitmore KCB CVO  
Permanent Under Secretary of  
State

Vice-Amiral Mosneron Dupin  
Attaché des Forces Armées à  
Londres

Mr David Perry  
Chief of Defence Procurement

Monsieur Heisbourg  
Conseiller diplomatique

Air Commodore J-M A Parker  
Defence Attache

Contre-Amiral Hugues  
Chef Cabinet Militaire

Mr R C Mottram  
PS/Secretary of State

Ingénieur Général de )  
l'Armement Audran ) Note  
takers  
Monsieur Arnaud )

1. Prior to the full meeting of both delegations, M Hernu showed the Secretary of State some of the historic rooms in The Hotel de Brienne but did not suggest a private meeting.



2. Opening the formal meeting, M Hernu said that it was sometimes the case that the closest of friends neglected the need to keep up their relationship. It was said that there was little defence co-operation between Britain and France but during the Falklands incident France had stopped the export of arms to Argentina and the two Military Staffs had been in close contact. It was said that the approaches of the two countries to arms co-operation were different but he was not sure that this was the case. Under the Elysee treaty, he and Dr Woerner were committed to regular meetings but this did not mean that the British had to be excluded. He suggested that they might first talk about bilateral co-operation and then have a more general exchange about security matters within Europe. The Secretary of State referred to the importance he attached to the Franco-British relationship. He had heard nothing but praise for the assistance which the French Government had provided during the Falklands war. The problems which had arisen over equipment were the unavoidable consequences of the international arms trade. Britain did not want to disrupt the closeness of the Franco-German relationship but rather to establish similarly close relations on a trilateral basis.

3. - Turning to equipment co-operation, the Secretary of State said that Britain had moved too slowly towards European co-operation during the 1970s. But there had now been a significant change in attitudes. It was the responsibility of Government to encourage industrialists to strengthen these links still further. He believed that the right way forward would be for M Hernu, himself and Dr Woerner to meet regularly to see that progress was being maintained. The Secretary of State recalled that he had been the Minister who persuaded the British Government to come into the European Space Agency: this had involved a small amount of money but a big commitment. It was perhaps ironic that one of the items on their agenda was the question of using Ariane to launch Skynet 4. M Hernu commented that arms production and sales employed over one million people in France and considerable thought was being given to policy in this area. Restrictions were maintained on sales to certain countries such as South Africa and Chile and there was no question of exporting sensitive technology to the East. As to bilateral equipment relations, it was a fact that they had declined and it was important to establish the reasons for this. He was in no way hostile to developing multilateral co-operation but the right way to start this was by establishing a sound relationship with Britain and West Germany. He had had it in mind to propose a trilateral meeting in early November. Co-operation had to be seen in the context of France's economic problems and the need for national self reliance in armaments. Important industrial sectors could not simply be abandoned. But this did not mean that there was not wide scope for co-operation in areas such as engines, tanks, aircraft, helicopters, and other weapons. And they might talk first about the launcher for Skynet 4.





#### Launcher for Skynet 4

4. The Secretary of State said that a clear course of action for the launch of Skynet 4 was already under way when he had arrived at the Ministry of Defence. To change course now would entail extra costs and a range of other penalties. He recognised, however, that he appeared to be in the position of seeking co-operation in general but explaining why he could not co-operate in particular. He had decided not to take a decision on the launcher until he had had the opportunity for a full exchange of view. He would be very frank in explaining his difficulties. In the design of the Skynet 4 satellite, we were married in to the shuttle as the launch vehicle and if we changed now the contractor would have to do redesign work which would enable him to re-negotiate the whole contract. We had already made payments to the shuttle programme and a cancellation fee would be involved if we changed course. The alternative of Ariane would itself involve a cost premium of some £8-9 million. There were perhaps ways in which we could overcome the shortage of capacity while waiting for an Ariane launch but these too would cost money. All in all we were talking of a cost penalty of the order of £20 million. The United States would see a decision in favour of Ariane as being a political one and there could be repercussions how for our sales to the American market. Decisions had had to be taken about/ to maintain our operational capability at a time when the Ariane project was less well developed and, as a result, we were more committed to the shuttle alternative than would have been the case if we were considering the issues from scratch now.

5. M Hernu said that he perfectly understood our situation. As he understood it, the costs quoted by Arianespace were competitive particularly when the better technical performance of Ariane was taken into account. It offered better accuracy of ejection and so a longer life in orbit. The French authorities were also willing to discuss any security problems that we might have. In discussion, it was established that there had already been extensive consultations between experts and that the better accuracy of Ariane was only a theoretical bonus since the Skynet 4 satellite itself would not have a sufficient life to exploit it. In response to questions about cost, the French side ~~stated~~ stated that this was a matter for Ariane - space and not for the French Ministry of Defence. It was agreed that any further points of clarification should be pursued between the experts.

#### RTM 322 Engine

6. IGA Guigue referred to the proposal of Rolls Royce and Turbomeca to develop an advanced engine for use in tactical transport helicopters and possibly the EH 101 helicopter. The French were making provision in their 1984 budget. If Britain also participated we could embark upon a European programme for helicopter engines against US competition. The Secretary of State said that we would be pressing ahead with the EH 101 project provided that the Italians also did so. The advantage of the General Electric T700 engine was



that it already existed. We were however sympathetic to proposals for the development of the RTM 322 and hoped to reach a view on this later in the year. Sir Clive Whitmore drew attention to the problem of timescales and made it clear that the T700 would have to be used for the development programme for the EH 101. IGA Guigue said that the French were very well aware of the position on the first prototype but they hoped that we would keep open the option of using the RTM 322 for production helicopters and possibly for the very last prototypes. The Secretary of State commented that he would look at the steps that were necessary to keep the options open. M Heisbourg commented that the British appeared to be in the same position on the T700 as the French were in the case of the F404 for their future combat aircraft.

#### Engine for the ACX

7. In response to a question from the Secretary of State about the case for selecting the RB199 as the engine for the ACX, IGA Guigue said that the choice of engine for the ACX had no significance for the decision on the engine for their future combat aircraft. They had to use an engine in the weight range of 7-7.5 tons and the choice was effectively between the RB199 and the General Electric F404: for the future combat aircraft they would be looking for something lighter. M Heisbourg commented that a decision had not yet been taken but the trend was in favour of the F404.

#### Future combat aircraft

8. The Secretary of State said that the Royal Air Force had a requirement for a new combat aircraft in the 1990s and his staff were anxious that work should proceed on how to meet that requirement for both industrial and financial reasons. He would be interested to hear how M Hernu saw the problem. Mr Hernu said that they were not yet a long way ahead on meeting that particular need but it would be important to establish a programme and not to allow it to slip.

France could not afford to fall behind its potential adversaries. IGA Guigue said that the ACX was not a prototype for the future combat aircraft - the ACT. The ACT would not be the same size, it would not use the same materials, and, above all, it would have different weapons systems. The ACX was essentially a study vehicle for the airframe. The ACT was at the design stage and development was planned to begin in 1986. At that stage there would be the first serious study of the components to be used. The first prototype would fly by 1989-90, with production beginning in mid to late 1991. The Secretary of State said that the timescales for the requirement in the two countries seemed similar. The choice lay between establishing a common programme or going their different ways. He believed that a dialogue should be established very quickly between officials and between



representatives of industry to establish the options for a common programme which could then be considered by Ministers. In making this proposal, he recognised that at the outset each of the parties would have to accept that there would be a realistic apportionment of the industrial and technological benefits of the programme. They had to face that difficult decision now. M Hernu said that he fully agreed with the benefits of seeking a common venture now on the single condition that this approach would not delay the programme which France needed for its defence.

9. In further discussion of the handling of this work, M Hernu suggested that the starting point was to identify a common requirement in a common timescale. The manufacturing options and the choice of the engine were secondary. The Air Staffs might review the requirement and report to a Ministerial meeting, on a trilateral basis, early in November. The Secretary of State commented that, while it was very important to establish the views of the Air Staffs, he believed that industrialists in each of the countries should begin talking as soon as possible. A parallel process was preferable: otherwise industrialists would get to know of the work in hand and each lobby intensively their own Minister in a way which would be very difficult to control. Sir Clive Whitmore pointed out that industrialists were already talking to each other and the problem would be how to harness the discussions. M Hernu suggested that to meet these difficulties there should be an earlier trilateral meeting of Ministers in September rather than November to establish how the work was to be carried forward. The British side welcomed this approach. Mr Pattie pointed out that there could be sensitivity in Germany about such a meeting before proposals had been put to the Bundestag on the Air Staff target on which the German Air Staff were working. The public presentation of a meeting would need careful handling to take account of this. M Hernu commented that the meeting might be presented as the usual exchange of generalities between Ministers about security issues which would excite little interest or comment from the press.

#### Future tank

10. In response to a question from the French side about possible co-operation on a future tank, Field Marshal Bramall said we envisaged a requirement for a new tank in the middle 1990s or slightly before. Challenger would provide a replacement for half of our Fleet. The next step might be for the Staffs to get together to seek agreement on a tactical concept. M Hernu agreed.

#### Nuclear arms control

11. M Hernu said that he wished to make three points about the position of France on nuclear arms control. First, France could never accept that its independent nuclear forces should be counted in an agreement at Geneva. The Soviet Union sought to count French forces in the NATO total in order to create difficulties between



Europe and America. The French deterrent was not part of NATO's force structure. It provided a last resort defence should America ever become isolated from Europe and France face the choice of using its own forces or accepting Sovietisation. There was a second less official and less discussed concern about treating French forces as part of a fixed NATO total. If under this arrangement a French President decided to increase the number of his strategic submarines or the number of warheads on each of his missiles, this could go ahead only if the United States was willing to reduce its own inventory to make room for the French addition. The Soviet Union would have succeeded in turning a deterrent to a Soviet threat into a source of friction between France and the United States. Thirdly, he wished to emphasise that France did not want to see the large scale deployment of new intermediate range nuclear missiles in Europe. But the threat from the SS 20 could not be ignored and, if the Soviet Union would not take the necessary steps to eliminate it, then the United States would have to move to restore the military balance. It was an imbalance in forces which led to war.

12. The Secretary of State said that these questions were some of the most intellectually testing with which we had to deal. There was no way in which Britain's independent strategic deterrent could be traded for Soviet SS 20s in a negotiation in Geneva. There was no pressure from our allies and the United States was totally resolute in resisting it. The difficult question came when people asked what would happen if the START talks were to bring about a major change in the scale of the strategic weapons of the superpowers. It was intellectually untenable to argue that, looked at from the Soviet point of view, only US force levels mattered and the British and French deterrents could simply be ignored. There was a genuine problem here. The line which he had been taking in public was that if in START there was a massive breakthrough which changed in a dramatic way the scale of superpower deployments, we would not stand aside from considering the implications for our own irreducible minimum strategic nuclear deterrent. When asked what this meant in practice in relation to British participation in arms control talks and to the scale of our deterrent, he fell back on essentially repeating the same formula. There were only a very small number of people on both sides who could influence the course of the arms race and those with political responsibilities had to consider every possibility for establishing a meaningful dialogue. M Hernu said that France's refusal to allow its deterrent to be counted in US/Soviet talks did not mean that there were no circumstances in which France would be prepared to participate in a nuclear arms limitation exercise. France could preserve its independence and freedom only by the possession of a nuclear deterrent and knew that



the deterrent as it presently stood was the absolute minimum level necessary to deter the Soviet Union. France could not accept any reduction or constraint on modernisation which took her below this level. Nuclear reductions should begin with the superpowers whose strengths were so disproportionate to those of the smaller nuclear powers. If circumstances changed, France would take a searching look at what might be possible. The Secretary of State commented that their views were at one.

Rum.

Ministry of Defence  
25th July 1983

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Head of DS12  
Head of DS17  
Head of IP2

PS/Prime Minister  
PS/Foreign & Commonwealth Secretary  
PS/Chancellor of the Exchequer  
PS/S of S for Trade & Industry  
PS/Secretary of the Cabinet  
Sir J Fretwell, Paris  
Sir O Wright, Bonn

cc A.P.P.

FCS/83/136SECRETARY OF STATE FOR DEFENCE

N.B.P.R.

A.F.C.  $\frac{26}{7}$ 

h.a.

Anglo/French Equipment Collaboration

1. Thank you for your minute of 11 July (which I fear only reached us on 15 July). I am grateful for the opportunity to comment on the line you propose to take with M. Hernu on 21 July on the launch vehicle for SKYNET 4 and on the future combat aircraft.

Launch Vehicle for SKYNET 4

2. It is clear from approaches we have had from the French on this subject - not least the French Ambassador's call on Ray Whitney on 7 July - that they attach considerable political importance to the question and will extract what political advantage they can should we opt for Shuttle as the launcher. Our officials will need carefully to co-ordinate tactics on how to handle the French once you have settled on a proposed course of action. As to the line on 21 July, our officials are in touch on details. But I hope you feel able to assure M. Hernu that we have honoured our commitment fully to consider Ariane for SKYNET 4, and that we shall continue to consider Ariane for future projects. He might, I suppose, complain that the decision taken to base SKYNET's design on compatibility with Shuttle effectively ruled out Ariane from the start. If so, I see no alternative but to say frankly that some assumptions had to be made for planning purposes, and that at the time in question Ariane had not proved its reliability and was not a viable first option. However, I think it would be disingenuous to invite

/M. Hernu's



M. Hernu's further comments unless the choice between Ariane and Shuttle is as open as that would imply. In any case M. Hernu can be relied upon to reiterate known French views.

Future Combat Aircraft

3. I agree with the line you propose to take. A collaborative project for the procurement of the next generation of combat aircraft which involves the French as well as the Germans and the Italians would be a major prize, not least because it would eliminate independent French competition from the overseas markets and place Europe in an excellent position to compete effectively with the Americans, as well as pool Europe's technical and financial resources in what is bound to be a very expensive project indeed. So far the French have indicated that they are not willing to contemplate collaboration with the UK until they are confident that HMG is committed to buying the aircraft that is developed. But it will be important to avoid giving the French the impression that we are demandeurs. I hope you will be able to leave M. Hernu in no doubt that we have a firm requirement for a future combat aircraft, and that we propose to proceed with a programme to develop such an aircraft, and that - subject of course to the satisfactory outcome of negotiations on a collaborative programme - we would prefer the aircraft to be the produce of European collaboration. If M. Hernu concludes that, while we would prefer to include the French in a collaborative project, we would be ready to proceed without

/them



them if necessary, so much the better. It might help in this context to remind him of the success of Anglo/German/Italian collaboration on Tornado, and of the experience which these three countries have already gained from working together.

4. I am sending copies of this minute to the Chancellor of the Exchequer and the Secretary of State for Trade and Industry; and also to the Prime Minister and the Secretary to the Cabinet.

Foreign and Commonwealth Office



20 JUL 1983

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Treasury Chambers, Parliament Street, SW1P 3AG

Rt Hon Michael Heseltine MP  
 Secretary of State for Defence  
 Ministry of Defence  
 Main Building  
 Whitehall  
 LONDON  
 SW1A 2HB

N. B. P. R.

A. J. C. 20/7.  
 19 July 1983

*Dear Secretary of State*

ANGLO-FRENCH EQUIPMENT COLLABORATION

Thank you for sending me a copy of your minute of 11 July to Geoffrey Howe setting out the line you proposed to take with M Hernu on Thursday over the Skynet launch vehicle and the future combat aircraft. *attached*

On Skynet, as you know, Treasury Ministers were not brought into the earlier correspondence to which you refer on the choice between Shuttle and Ariane as the launch vehicle. I understand that the balance of financial and technical considerations is clearly in favour of Shuttle, which is also a less risky vehicle. I recognise, of course, that there are less easily quantifiable political and, perhaps industrial arguments the other way. I suggest it would be helpful for all of us with an interest in this matter to have an early opportunity to consider all the relevant facts and arguments.

In the meantime, I am concerned that the line you propose to taken with M Henru may raise French expectations unduly and add to our difficulties later. I should feel happier if you were to tell him that while we are sympathetic to the French approach, and certainly want to hear his views before reaching a final decision, the balance of financial and technical advantage presently seems to lie in favour of Shuttle.

I am content with the line that you propose to take on the Future Combat Aircraft. I agree that we must explore at an early stage the various collaborative possibilities to be sure that we are presented with the most cost-effective options for the way ahead. I would only add the warning that the cost of a new aircraft, whether developed nationally or collaboratively, or purchased from overseas, is likely to be very substantial; and we cannot make any decisions until it is clear that the public expenditure implications can be accommodated.

I am sending copies of this letter to the recipients of your minute.

Yours sincerely

Jst. Gieve

J. PETER REES

[Approved by the Chief Secret.]

20 JUL 1983

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MO 14/4/1

FOREIGN AND COMMONWEALTH SECRETARYANGLO-FRENCH EQUIPMENT COLLABORATION

I hope to meet my French opposite number, M. Hernu, in Paris shortly. We were to have met on 15th July but M. Hernu now says this is not convenient - I am hoping the meeting will go ahead on 21st July. One of the areas I shall particularly wish to discuss with him is defence equipment collaboration which I believe needs a new impetus at Ministerial level - and preferably on a trilateral basis with the Germans - to supplement official level machinery. In the course of this discussion two possibilities for collaboration of particular sensitivity are likely to arise - the question of the launch vehicle for Skynet 4 and the future combat aircraft - on which you will wish to know the line I propose to take.

Launch Vehicle for Skynet 4

2. There was correspondence earlier in the year on the choice between the Shuttle and Ariane as the launch vehicle for Skynet 4 ending with Francis Pym's minute of 28th April. An assessment has now been completed of the merits of the two alternatives. Geoffrey Pattie and I will not have completed our consideration of what is a finely balanced issue by the time we visit M. Hernu. At the discussion in Paris I propose therefore to take the line that my own past commitment to European collaboration in this area is well known and I therefore have a good deal of sympathy for the basic French approach; but that my freedom of manoeuvre on Skynet 4 is constrained since the project was well under way by the time I became Defence Secretary. I cannot therefore make any promises to M. Hernu but would want to hear his views before reaching a final view.

✓ AP  
 (2)  
Prime Minister

For information.

A.D.C.  $\frac{15}{7}$

ms



### The Future Combat Aircraft

3. The background here is that, following directions by the Defence Ministers of the United Kingdom, France and Germany at trilateral meetings in the late seventies, there were industrial studies of a European combat aircraft by British Aerospace, Dassault and Messerschmitt Bolkow Blohm. These, however, did not achieve success, primarily because of differing operational requirements, difficulties over industrial collaboration and high development costs. For our part budgetary problems in 1981 led to the announcement in Cmnd 8288 that we should not be able to afford any direct and early replacement for the Jaguar force.

4. Meanwhile, industries have been turning their attention to how future combat aircraft requirements might be met, and officials and air staffs have remained in touch. On the industrial front BAe proposed last year that we should purchase for the RAF their P110, which started as a national private venture project but subsequently acquired German and Italian industrial collaboration and emerged as the Agile Combat Aircraft. My predecessor was unable to accept BAe's proposal but agreed to undertake jointly with them the Experimental Aircraft Programme to explore technologies applicable to a range of future combat aircraft options and to give a sounder base for future decisions. This programme was announced at the Farnborough Air Show in 1982. Shortly afterwards the French announced their own combat aircraft technology demonstrator programme - the ACX. The indications are that the French firmly intend to push ahead with the development of a combat aircraft to meet their own air force's requirement and that, whilst they express interest in collaboration, they will go ahead nationally if need be.

5. At recent meetings of air staffs (UK, France, Germany, Italy, and Spain) common views have been emerging towards a requirement for an agile combat aircraft with an in-service date of the mid-nineties.



In looking at how such a requirement might be met, there is a range of options to be considered, including a purely national solution, and I believe we must now start seriously to explore the chances and implications of European collaboration. Given a postulated mid-nineties in-service date, there would be no need to enter into significant financial and contractual commitments before 1985, and we shall obviously need to give the most careful thought both to the requirement itself and to the options before reaching any decision on the project. But it is not too soon to be initiating political discussions on collaborative prospects, both to ensure that our 1985 decision is an informed one and to prevent a situation in which the French, in default of a declaration by the United Kingdom of real interest, establish either alone or with the Federal Republic of Germany a pre-eminent position with ourselves as a late suppliant. A complicating factor is that in any context BAe, for commercial reasons, favour an earlier in-service date than our own Air Staff or that of any prospective collaborative partner.

6. In talking to M Hernu I propose to take the following line. Britain and France and others in Europe see a need for a new combat aircraft for which a mid-1990s in-service date is acceptable. The costs involved suggest collaboration could be advantageous for all countries. Contractual commitments for development would need to be undertaken by 1985, and prospects for European collaboration need therefore to be explored without delay. Preliminary Air Staff discussions suggest a high degree of common interest and we now need to have parallel discussions on industrial aspects. The project is very significant for Europe. It is important therefore to get a full analysis of the prospects. To this end we should agree to instruct our staffs - both Air Staff and procurement staffs in conjunction with industry - to submit by the end of 1983 a report on the terms and conditions for a collaborative European project, with clear identification of areas where differences of view arise, to enable Ministers to take an informed view of the prospects. If the French agree, we should invite our German and Italian colleagues to give similar instructions to their officials.



7. I am sending copies of this minute to the Chancellor of the Exchequer and the Secretary of State for Trade and Industry. I would be glad to know that you and they are content with the line I propose to adopt. I am also sending a copy to the Prime Minister and to Sir Robert Armstrong.

*WGA*

Ministry of Defence  
11th July 1983



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of Thanks  
AD

30 June 1983

Letter to the Prime Minister from Georges Marchais

Thank you for your letter of 30 June.  
I agree that Sir John Fretwell should acknowledge receipt of the letter on the Prime Minister's behalf.

JOHN COLES

Roger Bone, Esq.,  
Foreign and Commonwealth Office.

A

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GR?



Foreign and Commonwealth Office

London SW1A 2AH

30 June 1983

*John [unclear]*

Letter to the Prime Minister from  
Georges Marchais

Thank you for your letter of 20 June enclosing a letter which the Prime Minister has received from M Georges Marchais, the Secretary General of the French Communist Party (PCF). I enclose a translation.

The PCF have sent identical letters to all Western European Ambassadors in Paris and also to Eastern European Party leaders. Other Western leaders in addition to the Prime Minister will also no doubt be approached directly. Sir J Fretwell has suggested that he should merely acknowledge receipt of the letter on the Prime Minister's behalf. We endorse this recommendation. It is HMG policy not to enhance the standing of European communist parties by paying them public attention except when strictly necessary and we think it would be inappropriate for the Prime Minister to become engaged in direct correspondence with M Marchais.

If you are content with this approach we will ask HMA to proceed accordingly.

*[Handwritten signature]*

(R B Bone)  
Private Secretary

A J Coles Esq  
Number 10 Downing Street

CONFIDENTIAL

GENERAL SECRETARY

FRENCH COMMUNIST PARTY  
2 Place du Colonel Fabien  
Paris 19  
Tel. 238 6655

Paris, 14 June 1983

The Prime Minister  
10 Downing Street  
London S W 1  
Great Britain

Dear Prime Minister,

The high office which you hold must undoubtedly cause you to be concerned over the situation at present prevailing on our continent of Europe as a result of the arms race and the risks of seeing fresh developments in that arms race at the end of the year.

The French Communist Party has just formulated an important proposal designed to conduce to the success of the Geneva negotiations. It is for this reason that I take the liberty of writing to you to acquaint you, in the attached document, with the scope of the proposal and the reasons behind it.

I shall naturally study with the greatest interest any comments or thoughts you may wish to express on the subject.

I feel sure that this proposal will receive your full attention...

[Complimentary close]

[signature]

Georges Marchais

The French Communist Party is addressing all the governments and all the forces for peace in Europe to propose that the current Geneva negotiations be thrown open to all European governments that wish [to participate].

The profound reasons for this step are as follows :

Everyone agrees in recognising that the year 1983 represents an extremely important deadline for the peoples of our continent : either it will see an agreement allowing a start to be made on arms reduction, or it will see a new and dangerous escalation, particularly on European soil where there are already stocks of weapons whose destructive power is many times what would be needed to eliminate all trace of life.

In the nuclear age, the present situation therefore holds enormous dangers for the peace and security of all the peoples and all the States of Europe.

Moreover, a new factor has emerged with the declaration from the seven Heads of State who met at the Williamsburg "Summit" on 28 and 30 May. In effect, in setting for the Geneva negotiations the objective of "determining the level of future deployments", that declaration is to be seen in the context of the placing of further missiles in Europe and not in that of reducing nuclear weapons.

We are therefore facing a real risk of a further escalation in the arms race with the incalculable consequences that that may represent. For the future of our continent. And also for those millions of men, women and children who, throughout the world, are still experiencing hunger, malnutrition, disease

poverty [and] underdevelopment. We are thus preparing to waste considerable sums that would be so useful for work connected with life.

It is the fate of Europe that is now at stake. All the governments, all the peoples of our continent are directly concerned. It cannot therefore be left to negotiation between the United States and the Soviet Union alone when what is concerned is a matter of such capital importance as the peace, the security and the life of every country and every people in Europe.

It is this consideration and the scale of the obstacles to be overcome at Geneva that have led the French Communist Party to formulate its proposal that these negotiations be thrown open to all European governments that wish[to participate]. Naturally if, as we hope, this proposal were to be given a favourable reception, every government taking part in the negotiations would do so in terms of its own situation and the positions appropriate to it.

In that context, France's situation is highly eccentric.

A member of the Atlantic Alliance, bearing the responsibilities incumbent on it as a result of that membership, France has since 1966 withdrawn from the integrated military command of NATO.

Having subscribed to the Williamsburg declaration, it is involved in the Geneva negotiations.

There is, of course, no question of the French nuclear deterrent being a subject of negotiation at Geneva. Like every other State, France is concerned to preserve the means for its defence, its security and its independence. Those means are not open to negotiation. The French forces, which constitute one of those means cannot therefore be the subject of negotiations

until there has been a significant advance in the process of disarmament. Only then might such a question arise.

Participation by European governments that wish to do so would enable all to be better informed about the state of the negotiations [and] the various proposals made and thus to be in a position to exert an influence in favour of an agreement on the balanced reduction of nuclear weapons in Europe. This would be in keeping with the demands of reason and with the interests of all peoples and all countries.

The French Communist Party



30 JUN 1983

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FRENCH Communist Party  
(Georges Marchais)

30/6



10 DOWNING STREET

From the Private Secretary

20 June 1983

Arms Control

I enclose a copy of a letter which the Prime Minister has received from the Secretary General of the French Communist Party.

I should be grateful for your advice on a reply and a suitable draft.

I am copying this letter and enclosure to Richard Mottram (Ministry of Defence).

A J COLES

Roger Bone Esq  
Foreign and Commonwealth Office.

RB

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communiste  
français  
2 place  
du colonel fabien  
paris 19

~~tel 202 70 10 / 203 20 74~~  
tel 238 66 55

ATC

secrétaire général

Paris, le 14 juin 1983

Madame le premier ministre  
10, downing street  
London SW 1  
Grande-Bretagne

R.20

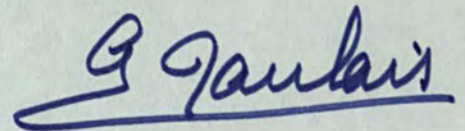
Madame le premier ministre,

La haute fonction que vous exercez vous conduit sans nul doute à être préoccupé par la situation qui prévaut actuellement sur notre continent européen, du fait de la course aux armements et des risques de voir celle-ci connaître de nouveaux développements à la fin de cette année.

Le Parti communiste français vient de formuler une importante proposition en vue de favoriser le succès de la négociation de Genève. C'est pourquoi je me permets de m'adresser à vous pour porter à votre connaissance, dans le document ci-joint, sa portée et ses motivations.

C'est, naturellement, avec le plus grand intérêt que j'étudierai toute remarque ou réflexion que vous pourriez formuler.

Persuadé que cette proposition retiendra toute votre attention, je vous prie d'agréer, Madame le premier ministre, l'assurance de ma considération distinguée.



Georges Marchais

Le Parti communiste français s'adresse à tous les gouvernements et à toutes les forces de paix en Europe pour leur proposer que la négociation en cours à Genève soit ouverte à tous les gouvernements européens qui le souhaitent.

Les motivations profondes de cette démarche sont les suivantes :

Chacun s'accorde à reconnaître que l'année 1983 constitue une échéance extrêmement importante pour les peuples de notre continent : ou bien elle sera celle d'un accord permettant d'amorcer une réduction des armements; ou bien elle sera celle d'une nouvelle et dangereuse escalade, notamment sur le sol européen où sont déjà entreposées des armes dont la puissance destructrice est plusieurs fois supérieure à celle qui serait nécessaire pour faire disparaître toute trace de vie.

A l'heure nucléaire, la situation présente recèle donc d'immenses dangers pour la paix, pour la sécurité de chaque peuple, de chaque Etat européens.

De plus, un fait nouveau vient d'intervenir avec la déclaration des sept chefs d'Etat réunis au "Sommet" de Williamsburg, les 28 et 30 mai derniers. Celle-ci, en fixant à la négociation de Genève l'objectif de "déterminer le niveau auquel se situeront les déploiements", se place, en effet, dans la perspective de l'installation de nouveaux missiles en Europe, et non dans celle d'une réduction des armements nucléaires.

Nous sommes donc bien devant le risque d'une nouvelle escalade de la course aux armements, avec les conséquences incalculables que cela peut représenter. Pour l'avenir de notre continent. Et aussi pour ces millions d'hommes, de femmes, d'enfants qui, de par le monde, connaissent encore la faim, la malnutrition, les maladies, la

misère, le sous-développement. On s'apprête ainsi à gaspiller des sommes considérables qui seraient si utiles pour les oeuvres de vie.

C'est le sort de l'Europe qui est actuellement en jeu. Tous les gouvernements, tous les peuples de notre continent sont directement concernés. On ne peut donc s'en remettre aux négociations entre les seuls Etats-Unis et l'Union soviétique, dès lors qu'il s'agit d'une question aussi capitale que la paix, la sécurité, la vie de chaque pays, de chaque peuple de l'Europe.

C'est cette considération, et la mesure des obstacles dressés à Genève, qui amènent le Parti communiste français à formuler sa proposition d'ouvrir cette négociation à tous les gouvernements européens qui le souhaitent. Naturellement, si, comme nous l'espérons, cette proposition était accueillie favorablement, chaque gouvernement qui y participerait le ferait en fonction de la situation et des positions qui lui sont propres.

Dans ce cadre, la situation de la France est profondément originale.

Membre de l'Alliance atlantique et devant, à ce titre, en assumer les responsabilités, la France s'est retirée depuis 1966 du commandement militaire intégré de l'O.T.A.N.

Ayant souscrit à la déclaration de Williamsburg, elle est impliquée par la négociation de Genève.

Il est, bien entendu, hors de question que s'y négocie la force de dissuasion nucléaire française. Comme chaque Etat, la France tient à préserver les moyens de sa défense, de sa sécurité, de son indépendance. Ces moyens ne sauraient être négociables. Les forces françaises, qui constituent un de ces moyens, ne peuvent donc être

l'objet de négociations, tant que le processus de désarmement n'aura pas progressé de manière importante. C'est alors seulement qu'une telle question pourrait se poser.

La participation des gouvernements européens qui le souhaitent permettrait à chacun d'avoir une meilleure connaissance de l'état des négociations, des propositions diverses qui sont faites, et d'être ainsi en mesure d'influer dans un sens favorable à un accord de réduction équilibrée des armes nucléaires en Europe. Ce serait conforme à la raison, aux intérêts de tous les peuples et de tous les pays.

Le Parti communiste français

PERSONAL AND CONFIDENTIAL

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Relations Pt 2.*

SIR ROBERT ARMSTRONG

YOUR TALKS WITH M. ATTALI

The Prime Minister has noted the contents of your minute of 10 June.

Mrs. Thatcher has made no comment on the suggestion that there should be an informal meeting between President Mitterrand and herself in the next few weeks.

14 June 1983

PERSONAL AND CONFIDENTIAL

Prime MinisterTOP COPY on FRANCE: Anglo/fr.  
Relations Pt 2

Ref. A083/1630

MR COLES ✓

I am minuting you separately about the outcome of my discussions with Monsieur Attali yesterday on the European budget. This note records two other matters which came up during the course of the discussion.

2. Monsieur Attali was at some pains to stress the extent of "political unity" between the President and the Prime Minister (and indeed the Federal Chancellor); he said that they had a common view of many things. He stressed the President's respect for the Prime Minister and his desire to have a good relationship with her. He reverted to the suggestion that, as there had not been a chance for a bilateral meeting between the President and the Prime Minister at Williamsburg, they should meet informally in the next few weeks, and in any case before the next formal bilateral Summit meeting. He said that he was sure that the President would very much welcome it, if the Prime Minister felt able to go across to Paris for lunch or dinner between now and the end of July, or indeed in August; he would not be going out of France. Monsieur Attali indicated that he would not exclude the possibility that the President would accept an invitation to come to London or Chequers for a meal. We agreed that the President and the Prime Minister would be seeing each other at Stuttgart and the possibility could be pursued there.

3. On the Williamsburg Summit, Monsieur Attali referred to the doubts which the President had expressed in his television broadcast the previous evening. He said that what the President had said reflected the President's own views, not any kind of briefing. Some of the French press had interpreted what the President had said as indicating some uncertainty whether he would agree to attend another Summit in 1984. That was wrong: the President would of course accept an invitation to attend the Economic Summit in the United Kingdom next year. But the fact remained that, though the President valued the opportunity of talking with his colleagues, the occasions presented him with some difficulty: he was the only man of the left at the table, and (so long as that was the case) could not expect to get a


great deal out of the meetings. The President would hope that we should be able to scale down next year's Summit. In particular, he would like to reduce the public relations element in it. For him the ideal arrangement would be that a communique should be issued from 10 Downing Street simply saying that the Summit had been held a week earlier. Secondly, the President would hope that we would carry further the development already begun at Williamsburg of increasing the number of meetings of Heads of State or Government on their own. So far as he was concerned, the ideal arrangement would be that the whole meeting should be of Heads of State or Government only, though Monsieur Attali and I agreed that that would probably be impossible for Germany, because of the coalition problem, and perhaps for some of the other countries as well.



ROBERT ARMSTRONG

10 June 1983

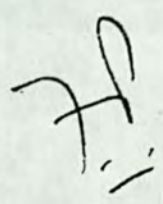




FCS/83/87

SECRETARY OF STATE FOR DEFENCE

Skynet IV and Ariane

1. Thank you for your letter of 21 April. I look forward to hearing from you again when you and Geoffrey Pattie have had a chance to look at the issues in more detail, and before the question of a final decision and announcement arises. In the meantime, I hope that our officials will work very closely together, more especially on the foreign political and legal aspects of the choice between Shuttle and Ariane, along the lines agreed at the meeting on 31 March of the Official Group on Space Policy. Whichever choice is made, there is of course a prospect of considerable political and presentational difficulties with the loser, but it will also be especially important to ensure that the legal aspects are fully covered: if we did decide in favour of Shuttle, we would need not only to have arguments which we found convincing within the Government, but also a good case to use if necessary in public with the French or other Arianespace colleagues if they challenged our decision.
  2. I am copying this letter to Patrick Jenkin and Sir Robert Armstrong.
- 

(FRANCIS PYM)

Foreign and Commonwealth Office

28 April, 1983

118 JUL 1983

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A J Coles Esq.



Handwritten initials and numbers: "M" followed by "2/5" and "h a".

CABINET OFFICE

With the compliments of  
Sir Robert Armstrong KCB, CVO  
*Secretary of the Cabinet*

70 Whitehall, London SW1A 2AS  
Telephone: 01-233 8319

France

Ref. A082/0597

MR INGHAM

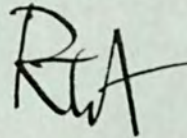
c Mr Coles

You were approached in September by Monsieur Nicolas Traube with a request to be allowed to film at 10 Downing Street or interview the Prime Minister for a television series on the residences of the world's Heads of State or Government. Mr Kydd wrote to Monsieur Traube on 15 November, regretting that it was not possible to meet this request.

2. When I was in Paris some days ago for a meeting of Personal Representatives, I was approached on this subject by the French President's Personal Representative, Monsieur Attali. It appears that his wife is the presenter of this series of programmes. He asked whether it would be possible to reconsider the request that had been made. I said that I knew that we were obliged to be very restrictive about access to 10 Downing Street, but I would make enquiries.

3. Monsieur Attali did not mention the idea of an interview with the Prime Minister; it was simply a matter of filming inside the house.

4. I know indeed that it is the custom to be very restrictive about this. I can only say that, if it were possible to make an exception in this case, it would be very good for my relations with Monsieur Attali and - what is much more important - good for the Prime Minister's relations with President Mitterrand.



ROBERT ARMSTRONG

21 December 1982

France

Pr/NO 10  
Dorring St.

**CONFIDENTIAL**

GRS 500  
DEDIP  
CONFIDENTIAL  
DESKBY 171300Z NOV 82  
FM PARIS 171117Z NOV 82  
TO IMMEDIATE FCO  
TELEGRAM NUMBER 1094 OF 17 NOVEMBER 1982

AR 17  
H-a-

FOR WED.  
MY TELNO. 1078: CLOSER CONTACTS BETWEEN BRITISH AND FRENCH GOVERNMENTS.

1. I AM TOLD THAT THE DEPARTMENT WOULD LIKE MY VIEWS ON HOW THE CONTACTS (REFERRED TO IN PARAS. 7 AND 9 OF MY TUR) BETWEEN THE CABINET OFFICE AND THE ELYSEE MIGHT BE BEST PURSUED.

2. I THINK THE POINT OF DEPARTURE SHOULD BE THAT ARRANGEMENTS SHOULD SUPPLEMENT, NOT DUPLICATE OR SUPERSEDE, EXISTING CHANNELS OF COMMUNICATION. ARRANGEMENTS AT PRESENT ARE FOR MEETINGS:

(A) BETWEEN SIR R ARMSTRONG AND ATTALI (AT THE LAST OF WHICH BIANCO TOOK PART). THE SUBJECTS DISCUSSED INCLUDE COMMUNITY MATTERS, ESPECIALLY THE BUDGET, AND PREPARATION FOR AND FOLLOW UP TO SUMMITS, INCLUDING THE VERSAILLES TECHNOLOGY INITIATIVE. THESE MEETINGS HAVE BEEN HANDLED WITH GREAT DISCRETION AND SHOULD NOT BE DISCUSSED WITHOUT SIR R ARMSTRONG'S APPROVAL:

(B) BETWEEN HANCOCK AND MOREL, AT WHICH ARE DISCUSSED COMMUNITY MATTERS AND ESPECIALLY THE BUDGET.

THESE ARRANGEMENTS SEEM TO ME TO COVER THE KEY PEOPLE (GIVEN THAT BIANCO SEEMS NOW TO TAKE PART IN THE MEETINGS WITH SIR R ARMSTRONG) AND THE KEY SUBJECTS. WE MIGHT CONSIDER IN DUE COURSE WHETHER THERE IS ANYONE ELSE IN THE ELYSEE WITH WHOM IT WOULD BE VALUABLE FOR THERE TO BE DIRECT CABINET OFFICE CONTACTS ON MORE WIDE RANGING DIPLOMATIC ISSUES OR ON DEFENCE ISSUES. AT THE MOMENT, I DO NOT BELIEVE SUCH CONTACTS WOULD BE FRUITFUL SINCE I AM NOT CONVINCED THAT THERE IS ANY ONE PERSON IN THE ELYSEE WHO CARRIES SUFFICIENT WEIGHT WITH THE PRESIDENT ON THESE ISSUES. THE DIPLOMATIC ADVISER, VEDRINE, WHILE OF THE SAME SENIORITY AS MOREL (THEY ARE BOTH "CONSEILLERS TECHNIQUES"), DOES NOT PLAY THE SORT OF ROLE IN POLICY MAKING WHICH WOULD MAKE HIM VERY USEFUL AS A CONTACT FOR THE CABINET OFFICE. THOUGH COMPARISONS ARE INEVITABLY MISLEADING I THINK HIS ROLE IS CLOSER TO THAT OF MR COLES IN NO. 10 THAN TO THAT OF JUDGE CLARK IN THE WHITE HOUSE. SIMILAR LIMITATIONS BROADLY APPLY TO OTHER CONSEILLERS TECHNIQUES WHO WORK WITH HIM LIKE MLE. GUIGOU OR BOUBLIL.

# CONFIDENTIAL

3. I THINK IT WOULD BE ODD IF THE SUBJECT OF ELYSEE/CABINET OFFICE CONTACTS WERE NOT MENTIONED AT ALL BETWEEN THE PUS AND GUTMANN GIVEN THAT THEY FORM SUCH A KEY POINT OF THE CLOSER CONSULTATION, BUT I SEE NO NEED FOR THERE TO BE DISCUSSION OF DETAILED ARRANGEMENTS. THE PUS SHOULD BE AWARE THAT SPEAKING PERSONALLY TO THE MINISTER ON 16 NOVEMBER, PAYE (ECONOMIC DIRECTOR, QUAI) THOUGHT THAT THE TIME HAD COME TO REVIVE THE INFORMAL BRAINSTORMING SESSIONS OF AN EARLIER PERIOD BETWEEN THOSE MOST CLOSELY CONCERNED WITH COMMUNITY QUESTIONS AT THE QUAI, FCO, SGC1 AND CABINET OFFICE BEFORE THEY WERE OBLIGED TO SUBMIT POLICY RECOMMENDATIONS TO THEIR MINISTERS. PAYE LOOKED FORWARD TO DISCUSSING THIS WITH EVANS DURING THE PUS/GUTMANN MEETING NEXT WEEK. HE ADDED THAT HE MIGHT ALSO SEE WHETHER MOREL (ELYSEE) WOULD WISH TO TAKE PART IN DUE COURSE IN THE BRAINSTORMING SESSIONS.

4. GRATEFUL IF WED WOULD ARRANGE DISTRIBUTION IN THE LIGHT OF PARA. 2(A) ABOVE.

FRETWELL

LIMITED  
HD/WEI  
HD/EC(D)(E)  
HD/EC(E)  
PS/LORD BELSTEAD  
PS/PUS  
SIR J. BURNARD  
MR EVANS  
MR GOODISON  
MR HANNAY

COPIES TO:  
PS/NO 10 DOWNING STREET  
PS/SIR R. ARMSTRONG } CABINET  
MR GOODALL }  
MR HANCOCK } OFFICE  
MISS LAMBERT }

2

# CONFIDENTIAL

SUBJECT

PRIME MINISTER'S  
PERSONAL MESSAGE  
SERIAL No. T 216<sup>B</sup>/82



10 DOWNING STREET

file DS4  
T 216<sup>B</sup>/82 France  
c/aco

THE PRIME MINISTER

12 November 1982

Dear Prime Minister,

It was very kind of you to send me your book: "C'est ici le chemin".

This will be a most agreeable souvenir of our meetings in Edinburgh, London, Versailles and Paris. I shall look forward to reading it.

Yours sincerely  
Raymond Barthelemy

His Excellency Monsieur Pierre Mauroy.

B

2000/12/18

ADVANCE COPY

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CONFIDENTIAL

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FM PARIS 121845Z NOV 82

TO IMMEDIATE FCO

PS / PUS

TELEGRAM NUMBER 1078 OF 12 NOVEMBER 1982

PS / M' (Hans)  
PS / W Belstead  
GRT J Bullard

YOUR TELNO 612: CLOSER CONTACTS BETWEEN BRITISH AND FRENCH GOVERNMENT S

*mt*

1. YOU ASKED FOR ADVICE ON HOW WE MIGHT TAKE FORWARD THE AGREEMENT ON CLOSER CONTACTS AND HOW THE FRENCH WILL INTERPRET THE AGREEMENT. YOU ALSO GAVE INSTRUCTIONS THAT THE APPROPRIATE OFFICIALS IN THE FRENCH ADMINISTRATION SHOULD BE CONTACTED IN RELATION TO THE ECONOMIC/COMMUNITY SUBJECTS ON WHICH URGENT ACTION IS REQUIRED.

2. THE RESULTS OF OUR CONTACTS ON THE LATTER POINT ARE AS FOLLOWS:

(A) COMMUNITY BUDGET PROBLEM: MEETING MOREL/HANCOCK. AS REQUESTED BY HANCOCK, MINISTER PROPOSED TO MOREL THAT HE SHOULD VISIT LONDON ON 16, 17 OR 18 NOVEMBER. MOREL REPLIED THAT HE WELCOMED THE SUGGESTION AND SAW THE DESIRABILITY OF A MEETING IN THE WEEK BEGINNING 15 NOVEMBER. UNFORTUNATELY HE WAS MUCH INVOLVED IN WORK FOR THE VERSAILLES TECHNOLOGY GROUP. MOREOVER HE WOULD NEED TO CONSULT OTHERS BECAUSE HIS OWN CONTACTS NEEDED TO BE FITTED INTO THE WIDER FRAMEWORK OF CONSULTATIONS AGREED BETWEEN THE PRESIDENT AND THE PRIME MINISTER. MOREL, AND MOST OF THE REST OF THE ELYSEE OFFICIALS, ARE NOW TAKING A LONG WEEKEND OFF FOR ARMISTICE DAY

(B) COMERCIAL POLICY

THE MEETING BETWEEN GRAY AND DAVID HAS BEEN PROVISIONALLY FIXED FOR 18 NOVEMBER IN PARIS.

(C) ECONOMIC AND SOCIAL SITUATION IN THE COMMUNITY.



(C) ECONOMIC AND SOCIAL SITUATION IN THE COMMUNITY.

LITTLE (TREASURY) HAS TOLD FINANCIAL COUNSELLOR THAT HE HAS SPOKEN TO JURGENSEN (TRESOR) AND CONFIRMS THAT HE WILL CONSULT THE FRENCH IN THE MARGINS OF THE JUMBO COUNCIL ABOUT THE NEED FOR A BILATERAL BEFORE THE EUROPEAN COUNCIL AND WILL THEN TELEGRAPH THE EMBASSY ACCORDINGLY. WE ASSUME THAT THERE WILL BE DIRECT CONTACTS BETWEEN THE DEPT OF EMPLOYMENT AND THE MINISTRY OF LABOUR ON THE SAME OCCASION TO DISCUSS THE SUGGESTION IN PARA 7 OF TUR.

3. WE AGREE GENERALLY WITH THE GUIDING ELEMENTS LISTED IN PARA 2 OF TUR ALTHOUGH IT WILL NOT BE EASY TO BALANCE THE REQUIREMENTS IN SUB-PARAGRAPH (III). THE AIM SHOULD BE TO ENSURE THAT CERTAIN KEY INDIVIDUALS MEET REGULARLY, THOUGH NOT NECESSARILY AT FIXED INTERVALS, TO TACKLE THE KEY CURRENT SUBJECTS. IF NECESSARY THEY COULD BRING IN SPECIALIST ADVISORS. ON OCCASIONS THEY COULD PROPOSE A MEETING AT MINISTERIAL LEVEL. YOUR INTENTION TO BUILD ON THE EXISTING PATTERN OF BILATERAL RELATIONSHIPS WOULD FIT WELL INTO THIS APPROACH. A POSSIBLE STRUCTURE DESIGNED TO BE AS FLEXIBLE AS POSSIBLE, MIGHT BE AS FOLLOWS:

(A) A COORDINATOR SHOULD BE NOMINATED IN BOTH THE FCO AND THE QUAI. THEY SHOULD BE AT LEAST AT ASSISTANT UNDER SECRETARY/DIRECTEUR LEVEL IN ORDER TO HAVE SUFFICIENT WEIGHT WITHIN THEIR ADMINISTRATIONS. THE OBVIOUS CANDIDATES WOULD BE IN THE FCO THE ASSISTANT UNDER SECRETARY FOR EUROPE AND IN THE QUAI THE DIRECTEUR FOR EUROPE (DUFOURCQ) OR THE DEPUTY POLITICAL DIRECTOR. THEY WOULD BE ASSISTED BY THE HEADS OF THEIR RESPECTIVE DEPARTMENTS CONCERNED WE WED IN THE FCO AND ITS EQUIVALENT IN THE QUAI. THEY WOULD MEET, OR AT LEAST COMMUNICATE DIRECTLY ONCE A MONTH. THE FIRST SUCH OPPORTUNITY COULD OCCUR ON 25 NOVEMBER, WHEN GOODISON ACCOMPANIES THE PUS TO PARIS. HE WILL ALSO BE SEEING DUFOURCQ IN PARIS ON 30 NOVEMBER.

(B) THE FIRST TASK OF THE COORDINATORS WOULD BE TO PLAN THE PATTERN OF MEETINGS ACROSS THE BOARD TO ENSURE THAT KEY SUBJECTS WERE TACKLED ON A COORDINATED BASIS. THEY WOULD EXAMINE THE LIST OF MEETINGS OR VISITS ALREADY ARRANGED AND WOULD BE RESPONSIBLE FOR DRAWING ATTENTION TO THE OBVIOUS GAPS AND ENSURING THAT THEY WERE FILLED.

(C) THEY WOULD REPORT REGULARLY TO THEIR OWN AUTHORITIES ON THE WORKING OF THE SYSTEM AND WOULD MAKE JOINT REPORTS TO THE BILATERAL ANNUAL SUMMITS AND TO THE INTERVENING BILATERAL MEETINGS OF FOREIGN MINISTERS.

4. THE TWO COORDINATORS WOULD NOT BE RESPONSIBLE FOR DETAILED PLANNING OF MEETINGS BEYOND, POSSIBLY, THOSE BETWEEN THE TWO FOREIGN MINISTRIES. OTHER MEETINGS WOULD CONTINUE TO BE ARRANGED THROUGH EMBASSIES IN THE LIGHT OF THE RECOMMENDATIONS AGREED BY THE TWO COORDINATORS, ALTHOUGH THIS WOULD BY NO MEANS PRECLUDE DIRECT CONTACTS BETWEEN OTHER PARTS OF THE ADMINISTRATIONS. THE IMPORTANT THING WOULD BE TO ENSURE THAT THE COORDINATORS AND THE EMBASSIES WERE INFORMED.

IMPORTANT THING WOULD BE TO ENSURE THAT THE COORDINATORS AND THE EMBASSIES WERE INFORMED.

#### NEXT STEPS

5. ONCE YOU HAVE AN IDEA OF A POSSIBLE SYSTEM TO PUT TO THE FRENCH, WE SUGGEST THIS EMBASSY SHOULD FEED IT INFORMALLY INTO THE QUAI AND THE ELYSEE BEFORE THE PUS AND GUTMANN MEET WHEN IT CAN BE DISCUSSED IN DETAIL. IT WOULD ALSO BE NECESSARY TO DECIDE ON A LIST OF THE AREAS TO BE COVERED IN REGULAR TALKS AND A LIST OF THE PEOPLE ON BOTH SIDES WHO SHOULD BE INVOLVED IN REGULAR MEETINGS.

#### FRENCH VIEWS

6. MOREL TOLD THE MINISTER THAT THE FRENCH HAD NOT YET WORKED OUT THEIR IDEAS ON THE WIDER FRAMEWORK OF CONSULTATIONS. HE THOUGHT IT POSSIBLE THAT BIANCO (THE SECRETARY GENERAL OF THE ELYSEE) WOULD ASK ME TO CALL TO HEAR FRENCH VIEWS WITHIN THE NEXT FEW DAYS. FROM A SUBSEQUENT CONTACT WITH JOUANNEAU (HEAD OF WESTERN EUROPEAN DEPARTMENT, QUAI) IT APPEARS THAT HE IS RESPONSIBLE FOR DRAFTING PROPOSALS FOR THE QUAI TO PUT TO THE ELYSEE AND THAT THE DIRECTION FOR EUROPE HAS ALREADY BEEN MADE THE GENERAL COORDINATION POINT FOR THE FOLLOW UP.

7. JOUANNEAU SAID THAT THE FRENCH INTERPRETED THE AGREEMENT BETWEEN THE PRIME MINISTER AND PRESIDENT AS LEADING TO A GRADUAL MIXING TOGETHER OF THE TWO ADMINISTRATIONS SO THAT THEY COULD SOLVE PROBLEMS BEFORE THEY BECAME SERIOUS AND AVOID MIS-UNDERSTANDINGS. HE QUOTED THE MEETINGS BETWEEN FISHERIES DIRECTORS AS AN EXCELLENT EXAMPLE OF WHAT THIS SORT OF CO-OPERATION COULD ACHIEVE. JOUANNEAU HAS NOT YET SUBMITTED ANY PROPOSALS BUT HIS IDEAS HAVE THE GENERAL BLESSING OF DUFOURCO AND LEGRAS (HEAD OF COMMUNITY AFFAIRS, QUAI). HE ENVISAGES THAT THE COORDINATORS WOULD BE RESPONSIBLE FOR KEEPING A RUNNING PROGRAMME 3 MONTHS AHEAD. THE MEETING ON 25 NOVEMBER BETWEEN GUTMANN AND THE PUS WOULD BE THE FIRST IN THE SERIES. (HE WAS NOT AWARE THAT A MEETING BETWEEN GRAY AND DAVID HAD BEEN ARRANGED). HE THOUGHT THAT THE PRINCIPAL GANDONNEX (INDUSTRY) AND HIS UK OPPOSITE NUMBER TO DISCUSS LUCAS/DUCELLIER. LOOKING AHEAD TO JANUARY, HE WAS THINKING IN TERMS OF POSSIBLE MEETINGS BETWEEN PAYE AND EVANS OR LEGRAS AND HANNAY, AND BETWEEN WARIN (INDUSTRY) AND SIR P CAREY. NONE OF THESE OF COURSE WOULD PRECLUDE OTHER DIRECT CONTACTS E.G. BETWEEN THE CABINET OFFICE AND THE ELYSEE.

8. THIS APPROACH IS COMPATIBLE WITH THE IDEAS IN PARAGRAPHS 3-5 ABOVE, BUT WE WOULD HAVE TO ENSURE THROUGH THE TWO CO-ORDINATORS THAT ADEQUATE ARRANGEMENTS WERE MADE TO COVER THE MOST IMPORTANT SUBJECTS, ESPECIALLY THE COMMUNITY BUDGET,

8. THIS APPROACH IS COMPATIBLE WITH THE IDEAS IN PARAGRAPHS 3-5 ABOVE, BUT WE WOULD HAVE TO ENSURE THROUGH THE TWO CO-ORDINATORS THAT ADEQUATE ARRANGEMENTS WERE MADE TO COVER THE MOST IMPORTANT SUBJECTS, ESPECIALLY THE COMMUNITY BUDGET, IN DEPTH AND ON A SUSTAINED BASIS.

9. ONE FURTHER COMMENT: THERE WILL BE SOME JOCKEYING BETWEEN FRENCH OFFICIALS FOR A PRE-EMINENT ROLE ON CERTAIN SUBJECTS AND WE SHALL WANT TO ENSURE THAT INDIVIDUALS WHO COULD BE HELPFUL TO US, SUCH AS SOME OF THOSE IN THE TRESOR AND THE QUAI WHO DEAL WITH THE COMMUNITY BUDGET, ARE NOT CUT OUT. AT THE SAME TIME IF WE CAN DETECT A GENUINE IMPULSION FROM THE ELYSEE TOWARDS REACHING AGREEMENT WE MUST TAKE FULL ADVANTAGE OF THAT TOO. WE SHALL HAVE TO RETAIN CONSIDERABLE FLEXIBILITY TO ACHIEVE THIS. WE SHALL ALSO ON OCCASION WANT TO BRING IN THE ELYSEE EITHER TO TAKE AN OVERVIEW OF THE WHOLE PROCESS OR TO QUESTION THE LINE BEING TAKEN ELSEWHERE IN THE FRENCH MACHINE.

FRETWELL

NNNN

AMBASSADE DE FRANCE  
LONDRES

5th November 1982

Mr Coles

I think this m<sup>d</sup>  
have been addressed  
to you.

ADD [unclear]

107  
/x

Dear Mr. Wade-Gery,

I have pleasure in forwarding  
to you herewith a message of Monsieur Pierre  
Mauroy addressed to Mrs. Thatcher, together with  
a book written by our Primer Minister.

Yours sincerely.

J. Kraitsowits

Janine Kraitsowits  
Second Secretary

R L Wade-Gery, Esq, C M G,  
Deputy Secretary,  
Cabinet Office,  
70 Whitehall,  
LONDON SW1.

WBSEA

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*Le Premier Ministre*

Paris, le 22 octobre 1982

PRIME MINISTER'S  
PERSONAL MESSAGE  
SERIAL No. T 1998/82

Madame,

En souvenir de nos rencontres en Grande-Bretagne et à Versailles, j'ai le plaisir de vous faire parvenir un exemplaire de mon dernier livre : "c'est ici le chemin".

En vous demandant de bien vouloir accepter cet envoi comme un gage de considération, je vous prie d'agréer, Madame, l'assurance de mes respectueux hommages,

*Pierre Mauroy*

Son Excellence Madame Margaret THATCHER  
Premier Ministre du Royaume-Uni de  
Grande-Bretagne et Irlande du Nord

Pierre MAUROY

cc Williamsberg Econ. Summit  
Pt II



FILE

SW

4

FRANCE

10 DOWNING STREET

*From the Private Secretary*

SIR ROBERT ARMSTRONG

The Prime Minister was grateful for your note of your conversation with Monsieur Attali on 5 October and has noted its contents.

A. J. COLES

11 October, 1982

cc Williamsberg Bear Summit  
PT 11

Prime Minister

A.F.C. 8/10

Ref. A09677

MR COLES ✓

cc PM's Visit to France : Part 3  
Anglo French Summit

*[Handwritten signature]*

- I attach a note of a conversation which I had with Monsieur Attali in Paris on 5th October.

2. I am sending copies of this minute and the note to the Private Secretary to the Foreign and Commonwealth Secretary. Monsieur Attali spoke with great candour, and I hope that this record may be treated accordingly: specifically, I would ask that copies should not be circulated in the Foreign and Commonwealth Office beyond those with a strict need to know.

3. I am also sending a copy of paragraphs 3 to 11 to the Private Secretary to the Chancellor of the Exchequer, with a similar request.

*RA*

ROBERT ARMSTRONG

7th October 1982

## CONFIDENTIAL AND PERSONAL

NOTE FOR RECORD

I went to see Monsieur Jacques Attali, Special Adviser to the President of the French Republic, at his invitation, in the Elysée on Tuesday, 5th October 1982. Our discussion took place over lunch. Monsieur Bianco, the new Secretary General at the Elysée, was also present. Before Monsieur Bianco arrived, Monsieur Attali explained that he had now added to his responsibilities for international economic matters new responsibilities on the political side of the President's work. The Secretary General was responsible for "running the house". But Monsieur Bianco contributed to our discussion in a way that made it clear that he was well informed over a wide range of the President's business.

Visit of the Federal Chancellor

2. It appeared that Monsieur Attali had not been there when Monsieur Mitterrand saw the new Federal Chancellor at the Elysée the previous evening; but Monsieur Bianco was there. He said that the discussion had been mainly about security issues (not including terrorism). Other issues had been mentioned but not discussed; these would no doubt be pursued at the next Franco-German bilateral meeting on 21st and 22nd October. Monsieur Bianco said that the Federal Chancellor had told the President that there would be new Federal elections in Germany in the first or second week of March 1983; they would coincide with two or three Land elections.

Economic Summit 1983

3. Monsieur Attali said that the French President had been "very angry" at President Reagan's attempt to obtain a commitment to an Economic Summit on 10th to 12th June 1983 at 48 hours' notice. It was no way to do business among Heads of State or Government. On the President's instructions Monsieur Attali had told the new United States Personal Representative, Mr. Allen Wallis, that the French President could not and would not attend an Economic Summit before July. If the date was fixed before that, they could hold it but he would not come. Monsieur Attali and Monsieur Bianco explained that the President's schedule for the first half of the year was already full. He would have to stay in France during the run-up to the Municipal elections in March; and, as he had been



criticised for travelling abroad too much, he had decided to limit his trips abroad to one a month.

4. I said that one disadvantage of leaving the Summit over until after the end of June was that the European Community would once again have to be represented by a Prime Minister of a country not otherwise represented at the Summit; in this case, Greece. Monsieur Attali looked rather thoughtful about this, and thought that he might be able to prevail upon the French President to accept a date towards the end of June.

5. Monsieur Attali asked why the Prime Minister was proposing that the Summit should be brought forward to earlier in the year. It was clear that he thought that domestic political considerations might have prompted this suggestion. I said that the Prime Minister was keeping her own counsel about the date of the next General Election, but I thought it unlikely that her suggestion for an earlier Summit reflected domestic political considerations. She was increasingly concerned about the international financial situation, and she thought that its management might well require an input from the Heads of Government of the industrialised countries before June. She recognised that it might be difficult to hold the Summit before the Federal elections in Germany, but hoped that a date towards the end of March or early April might be possible.

Monsieur Attali once again recalled the instructions he had received from his President.

6. I asked Monsieur Attali whether he was satisfied with progress on the work to follow up the President's report on technology at Versailles. Monsieur Attali said that he was optimistic about that, and hoped that it would lead to proposals for a number of co-operative projects and initiatives. He was grateful for the contribution that the United Kingdom representatives had made to this work.

#### Community Budget

7. I said that the British Government was hoping that it would be possible at the next meeting of the Council of Ministers to reach agreement on the implications of the 25 May 1982 agreement on compensation to the United Kingdom for 1982. I knew that the French had raised problems at the last meeting about the contribution to the German payments. I recalled that at the meeting on

CONFIDENTIAL AND PERSONAL

25th September the French delegation had argued that the question of the United Kingdom's gross contribution to the German payments should be linked with the "corrections" in respect of 1980 and 1981; but that was contrary to the terms of the 25th May agreement, which made it clear that corrections for 1980 and 1981 would be taken into account when negotiating the solution for 1983 and subsequent years. Monsieur Attali said that the French Government agreed that the United Kingdom compensation should be fixed at 850 million ecus net, and he agreed that "corrections" for 1980 and 1981 were to be dealt with in relation to the long-term solution and not in relation to the settlement for 1982. But there was no way in which France would pay a dollar or a penny towards the German contribution. German agriculture had done incredibly well out of the Common Agricultural Policy, and considerably better than French agriculture. If there was any question of France paying for part of the German contribution, the agreement for 1982 would be void. This was not a Franco-British problem, because France agreed that compensation for the United Kingdom for 1982 should be 850 million ecus net, and would pay her due contribution for that; but no more. It was a Franco-German problem. The President had mentioned this when he saw the Federal Chancellor the previous evening but there had been no discussion. I wondered whether it might be possible to resolve this problem by drawing upon the surpluses on the Community budget for previous years which I understood to be substantial. Monsieur Attali agreed that that might be possible, but emphasised again that it was a question of principle that France would not contribute to the relief of Germany.

8. Turning to the longer term problem, Monsieur Attali asked what our position was. I said that it remained what it had been. We were not asking for "juste retour", and we were prepared to continue to pay a modest net contribution. But it was unacceptable that a country which was relatively less prosperous should be required to be a net contributor on the scale of our unadjusted net contribution. The Community was committed to find solutions to unacceptable situations. We were still looking for a solution that lasted as long as the problem. Monsieur Attali said that in that case he feared that the Community was in for a very difficult time. As he had told me on a previous occasion, the President recognised the need for a short-term solution to deal with the immediate political

CONFIDENTIAL AND PERSONAL

problem in Great Britain, and would be ready to help; but there would have to be a private or public understanding that that was "the beginning of the end of the transitional period". The problem would have to be resolved in the context of the extension of the "own resources" system. The French balance of payments was such that France could not afford the balance of payments consequences of continuing arrangements like those of 30th May 1980. Monsieur Attali reminded me that he had said to me before that Monsieur Mitterrand, when in opposition, had criticised the settlement of 30th May 1980 as over-generous. It was for him a political imperative that France should not have to pay more, and should pay less, for the relief of the United Kingdom than was implied in the 30th May 1980 settlement. This remained a political imperative, and was one of the reasons why France would make no payments in respect of the German contribution in 1982.

9. Monsieur Attali hoped that it would be possible to limit as far as possible the extent to which this matter gave rise to difficulties and misunderstandings between France and Britain. He suggested that he and I should keep in close contact over these matters over the coming months. He agreed that it would be useful for Mr. Hancock to meet Monsieur Morel to go over the ground in more detail before the Anglo-German bilateral and before the Prime Minister's visit to Paris at the beginning of November.

10. I handed Monsieur Attali an aide-memoire on the 25th May 1982 agreement on compensation to the United Kingdom for 1982. I said that I thought that he should also know that the Government thought that the real nature of the Community budget problem and the reasons for Britain's position were not yet fully understood by the public in many European countries, and had, therefore, arranged to produce a pamphlet on the subject which was being made available to industrial and trade associations and other interested bodies. I said that Monsieur Attali would himself, of course, need no elucidation on the matter; but I thought that he should know of what was being done, and might like to see the pamphlet which we were issuing. Monsieur Attali said that he had heard about the pamphlet, and he accepted a copy of the French version of it.

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11. We did not discuss any other Community issues. Monsieur Attali, with a smile, made a passing and light-hearted reference to British turkeys; I said that I thought that it had been very tactful of him to serve neither turkey nor lamb at our lunch.

Composition of Team and Agenda for the Franco-British Bilateral Summit in November

12. It was clear that neither Monsieur Attali nor the President had yet given much thought to these matters. Monsieur Attali asked what Ministers the Prime Minister had in mind to bring with her. I said that I thought she would hope to be accompanied by the Foreign and Commonwealth Secretary, the Chancellor of the Exchequer, the Secretary of State for Industry and the Secretary of State for Trade. It was for question whether it would be also useful for the Secretary of State for Defence to come; there were perhaps matters which Defence Ministers could usefully discuss together. Monsieur Attali said that he would like to think further about the suggestion that Defence Ministers should come, but for the rest he thought that the composition was perfectly suitable, and he would propose accordingly that the President should match that.

13. As to the agenda, we agreed that the President and the Prime Minister would want to discuss developments in the international financial and economic situation since Versailles, and problems of transatlantic relations. They would also no doubt need to have some discussion on the Community problems that we had just been discussing; though that might not be for any communiqué, it would be important that they should understand one another's positions. For the rest, it would be useful to find something more positive in the area of bilateral relations. I said that it seemed doubtful whether the Airbus or the fixed Channel link would be ripe for discussion by Heads of State or Government by the beginning of November. We wondered whether there might be any scope for agreement on co-operation on the development of new technology. In the course of the discussion it emerged that the French Government was working up to decisions about a wide extension of cable in

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France. I said that we were in the same position in Great Britain. We thought that this might be an area on which there could be scope for some bilateral activity, perhaps even in the form of studies of a cross-channel cable link.

Robert Armstrong

7th October 1982

ee Fco VB

France.

SUBJECT.



10 DOWNING STREET

THE PRIME MINISTER

31 August, 1982.

PRIME MINISTER'S  
PERSONAL MESSAGE  
SERIAL No. T 171/82

Dear Mr. President:

✓. Marked set  
qs.

Thank you for your kind letter of 26 August,  
and for your good wishes. I only had to go to hospital  
for a very minor operation, and I am now quite well,  
back at work and looking forward to seeing you in the  
autumn.

With best wishes, and many thanks for the very  
beautiful roses which came with your letter. They add  
a touch of life and beauty to my study.

With every good wish,

Yours sincerely

Margaret Thatcher

His Excellency Monsieur Francois Mitterrand

ds

SUBJECT.

MESSAGE DE MONSIEUR FRANCOIS MITTERRAND

PRESIDENT DE LA REPUBLIQUE FRANCAISE

A

PRIME MINISTER'S  
PERSONAL MESSAGE  
SERIAL No. T 168/82

MRS. MARGARET THATCHER,

PREMIER MINISTRE DE GRANDE-BRETAGNE

cc. raster set  
etc.

Paris, le 26 août 1982

" Madame le Premier Ministre,

J'ai appris que vous aviez été brièvement hospitalisée.

Je tiens à vous adresser mes vœux sincères et très chaleureux de bon et prompt rétablissement.

En me réjouissant de vous accueillir à Paris cet automne, je vous prie, Madame le Premier Ministre, de bien vouloir accepter mes très respectueux hommages et l'expression de mon fidèle souvenir.

signé : François Mitterrand"../.

Royal translation:

I have learnt that you have been briefly in hospital.  
I send you my sincere and warmest wishes for a proper and speedy recovery.  
I look forward to receiving you in Paris this autumn and beg you to accept etc etc  
Yours sincerely

AMBASSADE DE FRANCE  
LONDRES

26th August 1982

Dear Prime Minister,

I have just received the text of a message  
addressed to you by Monsieur François Mitterrand, Président  
de la République Française.

I enclose it herewith.

Yours Sincerely

Alain Grenier

The Rt. Hon. Margaret Thatcher, M. P.  
Prime Minister,  
10, Downing Street,  
London, S.W.1.



DEPARTMENT/SERIES ..... <i>PREM 19</i> ..... PIECE/ITEM ..... <i>1506</i> ..... (one piece/item number)	Date and sign
Extract/Item details:  <i>Letter from Fretwell to Adland          dated 29 June 1982, with          enclosure</i>	
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25/3/82

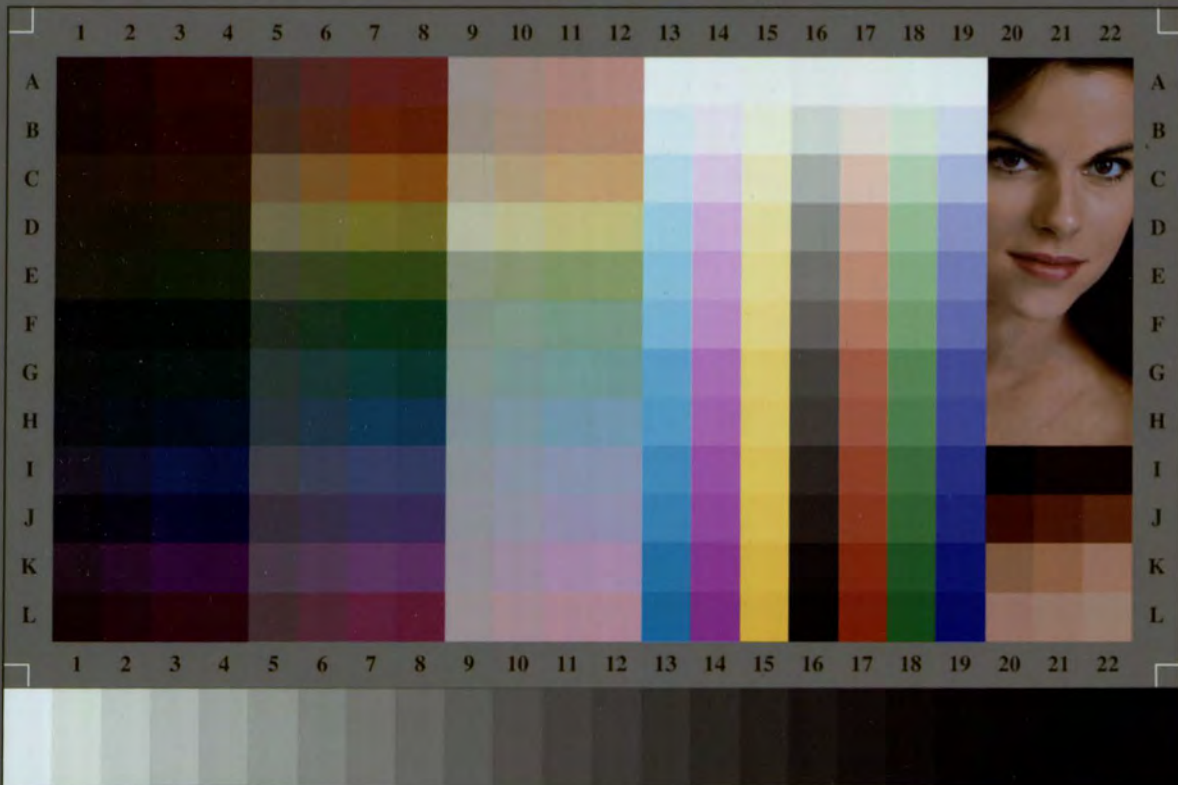
PART 2 begins:-

British Embassy, Paris to Sir Anthony Deland

29/6/82

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