PREM 19/1762

PART 5 -SECRET-

UK 6165 A' Confidential Filing

Visits of President Mittervand.

FRANCE

Part 1: July 1979

Part 5: October 1985

Referred to	Date	Referred to	Date	Referred to	Date	Referred to	Date
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Briefing for visit on 18/11/85 in folder altached to rear office. Briefs destroyed.

A pull set of 5 mv(85) briefs will be released in CAB 133/538

(5 Gray
10 September 2014)

Hora

TO BE RETAINED AS TOP ENCLOSURE

Cabinet / Cabinet Committee Documents

Reference	Date 21/11/1985	
CC(85) 33 rd Meeting minutes, item 3		

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 June Date 10/9/2014







Admiral Eberle telephoned me recently to say that President Mitterrand would be coming to London on Thursday 15 January to give a lecture at Chatham House. The FCO tell me that the Institute will then hold a luncheon in his honour with Mr. Callaghan in the chair.

m

N.L.U.

NIGEL WICKS

28 November 1986







With the compliments of

EUROPEAN COMMUNITY DEPARTMENT (INTERNAL)

FOREIGN AND COMMONWEALTH OFFICE LONDON, SW1 A 2AH



M. MITTERRAND'S VISIT, 16 OCTOBER

EC TOPICS

POINTS TO MAKE

- Welcome the <u>extremely close cooperation</u>
established between us on EC issues. Must continue and intensify this.

European Council: London 5/6 December

- Aim to show EC tackling problems that are $\underline{\text{top of}}$ public agenda.
- Intend first session to be focussed on theme of business and jobs:
 - need to carry forward work on ideas on employment now being discussed by Employment Ministers (better training for new technology, re-training for long-term unemployed, and helping young to become self-employed).
 - focus on problems of <u>small businesses</u> and how to create favourable conditions for them (eg by

PFIAMY

improving their access to venture capital and new technology). Crucial to job creation.

- need to review progress on <u>internal market</u> and give a push to Council decisions which need to be taken in December (areas where we want to see progress include liberalisation of capital movements, steps towards liberalisation in air transport - on both of which there is a measure of agreement between us and the French).
- Another main theme will be discussion over dinner of terrorism, drugs and immigration. Interior Ministers carrying forward work on this.

 Chancellor Kohl wants discussion of immigration and asylum seekers. European Council should call for:
 - top priority to be given to joint fight against terrorism: solidarity, no concessions to terrorists, more cooperation between police and tightening up Community's external frontiers
 - stepped up cooperation on <u>immigration</u>
 (cooperation on false passports, visa policy, abuse of asylum, ensuring expulsees do not return

PF1AMY



via other EC countries etc).

a joint anti-drugs campaign, following
up work of Interior Ministers (eg measures to
reduce demand among young, mutual enforcement of
confiscation of drug traffickers' assets)

President of Commission.

- We will be sounding Jacques Delors to confirm that he is willing to serve a further two years. Aim to announce this at European Council.

Japan

- Essential that Foreign Affairs Council this month confirms decision to take GATT action on Japanese discrimination against imported alcoholic drinks.
 - vigorous anti-dumping campaign also needed;
 - UK and France should continue to work closely together to maintain pressure on Japan (the main obstacle has been the Germans, who are now themselves increasingly concerned).

PFIAMY



EC Budget/1.4% VAT ceiling (if raised)

- We stand by Fontainebleau: "the maximum rate <u>may</u> be increased to 1.6% on 1 January 1988 by <u>unanimous</u> decision of the Council and after agreement has been given in accordance with national procedures."
- No increase could be considered before 1988.
- Effective action will have to be taken to put a stop to the waste of resources on agricultural production beyond what Community can consume and what we can export.
- Have to go on supporting our farmers, but in a rational way.
- It is the <u>marginal over-production</u> which imposes extremely high budgetary costs. This has to be corrected in the key sectors beef, milk and, for the future, cereals and olive oil.
- Hence ideas we put forward on alternative land use for <u>cereals</u>. Have also to reduce intervention price of beef and tighten up <u>milk</u> quotas.
- <u>Just as important to hold down non-agricultural</u>

 <u>expenditure</u>. Must resist pressures from Mediterranean.

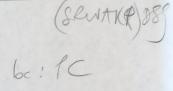
 Must continue to <u>concert privately together</u> to find solutions.

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10 DOWNING STREET

LONDON SWIA 2AA

From the Private Secretary

16 October 1986

Deer Whi.

PRIME MINISTER'S MEETING WITH PRESIDENT MITTERRAND: EUROPEAN COMMUNITY AND BILATERAL ISSUES

During their lunch today, the Prime Minister and President Mitterrand discussed briefly a number of European Community and bilateral issues.

London European Council

The Prime Minister said that we planned to make the main themes of the European Council in December jobs and the problems of terrorism, drugs and immigration. The emphasis should be on how the Community could help to stimulate enterprise and create new jobs. There might also be some discussion of how to control the growing burden of social security expenditure, even though there was traditionally a reluctance to embark on this delicate issue. Heads of Government might also need to give further impetus to completion of the internal market.

The Prime Minister continued that the United Kingdom Presidency had responded rapidly to the French Government's request for a meeting of interior Ministers on terrorism. Heads of Government should satisfy themselves that co-operation between security services throughout the Community was as close and effective as possible. The European Council would also need to confirm M. Delors as President of the Commission for a further two years.

President Mitterrand indicated agreement with these themes.

Japan

The Prime Minister referred to the importance of firm Community action to deal with trade problems with Japan. President Mitterrand agreed. There had been no improvement in the situation in the six years he had been concerned with the problem. Other Western countries let Japan off the hook too easily at Economic Summits.

DEG



Lamb

The Prime Minister noted that there had been further incidents involving cargoes of English lamb imported into France. President Mitterrand regretted the incidents which had taken place. He had instructed his Government to act sternly and to provide proper protection. Compensation would be paid and those responsible for the incidents would be punished. The Prime Minister said that she was grateful for these assurances.

Syria

President Mitterrand expressed interest in evidence of Syrian involvement in terrorism. The Prime Minister gave an account of the main evidence emerging from the Hindawi trial.

French Ambassador

The Prime Minister spoke warmly of the recently retired French Ambassador, M. Viot. He had done a great deal in a quiet way to promote good relations between Britain and France. We were very sorry to lose him.

I am copying this letter to Ivor Llewelyn (Ministry of Agriculture, Fisheries and Food), Tim Walker (Department of Trade and Industry), John Turner (Department of Employment) and David Williamson (Cabinet Office).

Charles Powell

Colin Budd, Esq., Foreign and Commonwealth Office.





bc: fc

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

16 October 1986

DEASLW

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PRIME MINISTER'S TALK WITH PRESIDENT MITTERRAND: ARMS CONTROL

Following the Prime Minister's discussion of the Reykjavik meeting with President Mitterrand at lunch today, which I shall be recording separately, I telephoned Herr Teltschik in Chancellor Kohl's office to give him an account of the general conclusions which had been reached.

I said that the Prime Minister and President Mitterrand had agreed that the proposals discussed at Reykjavik for the elimination of strategic ballistic missiles and/or strategic offensive weapons posed serious potential dangers for the Alliance's strategy. The Prime Minister and the President were agreed that these proposals needed to be thoroughly discussed in NATO with the objective of reaffirming the validity of nuclear deterrence as the basis for the West's defence. At the same time the Prime Minister and the President could support further negotiations between the United States and the Soviet Union directed towards achieving a fifty per cent reduction in strategic nuclear weapons, an agreement on INF based on zero-zero in Europe and agreement to eliminate chemical weapons. All these agreements would of course have to be supported by thorough and reliable verification. The Prime Minister and the President had agreed to pass on these general conclusions to Chancellor Kohl in the hope that he would feel able to reflect them in his talks with President Reagan next week.

I told Herr Teltschik the Prime Minister would have spoken directly to Chancellor Kohl but, given the difficulties of interpretation on the telephone, thought it would be easier for me to pass the points on to him. President Mitterrand or his office would probably be in touch to speak in similar terms.

Herr Teltschik said that he was sure the Chancellor would be grateful for this information, would agree with the views expressed and be ready to speak in these terms to President Reagan. He enquired whether the Prime Minister and the President had taken a position on SDI. I explained that British and French views differed in important respects on this. The Prime Minister fully supported the stand on SDI which President Reagan had taken at Reykjavik.

I am copying this letter to John Howe (Ministry of Defence) and Trevor Woolley (Cabinet Office).

your diarly.

(C.D. Powell)

Colin Budd, Esq., Foreign and Commonwealth Office.





be. PC

10 DOWNING STREET

LONDON SWIA 2AA

16 October, 1986.

From the Private Secretary

Dear Colin.

PRIME MINISTER'S MEETING WITH PRESIDENT MITTERRAND: EAST/WEST RELATIONS AND ARMS CONTROL

The Prime Minister gave lunch to President Mitterrand today. M. Attali was also present. This letter records their conversation about East/West relations and arms control to which they devoted virtually the whole of their discussion. The Prime Minister spoke very frankly, and would not want her comments to be circulated widely.

President Mitterrand opened by saying that the meeting was very timely in the light of the startling discussions which had taken place in Reykjavik. It was very important that he and the Prime Minister, as leaders of the two European nuclear weapons states, should make a joint assessment of those discussions. He wanted to know the Prime Minister's views before determining France's position.

The Prime Minister said that a great deal had changed in the past week. She agreed that Britain and France had a special role. Publicly the British Government had expressed full support for President Reagan's stand at Reykjavik, and in particular for his refusal to accept unreasonable constraints on the SDI. Privately she was alarmed at some of the proposals which had been made, without consultation with the Alliance. Nuclear weapons could not be treated in isolation without taking account of the overall balance of forces between East and West. The elimination of strategic ballistic missiles would undermine NATO's strategy, and would leave Europe exposed to the Soviet Union's vastly superior conventional forces. It would also raise doubts about whether the United Kingdom's agreement with the United States for the purchase of Trident would be honoured. She stressed that the United Kingdom had no intention of giving up its nuclear weapons. But the proposal was now on the table and would have to be dealt with. The Reykjavik meeting had not been prepared thoroughly enough to justify an attempt to reach agreement. In retrospect, we had cause to be thankful that Soviet insistence on acceptance of their terms on the SDI had blocked agreement.

President Mitterrand said that Reykjavik was supposed to have been a meeting to set the agenda for a subsequent Summit. It had been a surprise to learn that substance was discussed, let alone that an attempt had been made to reach agreements, without adequate preparation. Even minimal agreements required months of detailed negotiation. He concluded that it had been done for domestic political reasons on both sides. He wondered how the Prime Minister explained this absence of professionalism.

The Prime Minister said that she could only speculate. President Reagan was a man with a dream of freeing the world of nuclear weapons. This was impractical. Nuclear weapons would always be needed. But dreams could be dangerous. They encouraged people to take risks. The Russians had read the President's psychology correctly, and offered concessions in line with his dream. In return they hoped to persuade him that SDI was unnecessary. But here they had miscalculated. The President did not see proposals for the elimination of strategic ballistic missiles as an alternative to the SDI, but as a further justification for it.

President Mitterrand said that Gorbachev had made clear to him when he had visited Moscow that he would need considerable concessions on SDI if agreements were to be reached to reduce nuclear weapons. President Reagan's offer not to deploy a strategic defence system for ten years was meaningless since there was no realistic prospect of developing such a system in ten years. He could not see why the Americans could not accept a twenty year delay or even longer. The Prime Minister said that the President's proposal nonetheless offered the Russians assurance against a break-out. She was convinced that the President was right not to accept the additional constraints on SDI research which the Russians had demanded.

President Mitterrand said that he entirely shared the Prime Minister's view that strategic nuclear weapons were essential. He would never negotiate away France's strategic forces. He was less concerned about INF and would be content to accept a zero-zero agreement in Europe. INF had only been introduced as a counter to the SS-20. He did not place much weight on the risk of decoupling the United States from Europe. Whether or not the Americans would use their nuclear weapons to defend Europe was a psychological question. answer did not depend on the geographical location of those weapons. His worry about Reykjavik was that it would undermine confidence in the United States' guarantee. could not be sure about the automaticity of an American nuclear response to Soviet attack on Western Europe. Indeed, one could argue that this automaticity had already been called into question by the SDI. The Prime Minister agreed that

questions had been raised in Reykjavik which neither Britain nor France had thought were questions. Proposals had been made which could undermine Europe's security in the longer term. But the Russians must not be allowed to succeed in dividing Europe from the United States. She believed that President Reagan would be absolutely firm in Europe's defence.

President Mitterrand asked what the Prime Minister intended to do. The Prime Minister said that she would visit Washington in November to talk these issues through step by step with President Reagan. She would explain that the elimination of nuclear weapons would expose the world to greater risks rather than achieve greater security. Several senior American officials, in particular Mr. Weinberger, would probably be unhappy with the proposal to eliminate nuclear weapons. Their support should be sought. But it was important to avoid a confrontational approach. At the same time it was clear that both the Americans and Russians were now alarmed at the impression that Reykjavik had brought arms control negotiations to a full stop. They were looking for ways to resume talking. She proposed to encourage the Americans to pursue negotiations for a 50% reduction in strategic nuclear weapons, an agreement on INF, based if necessary on zero-zero in Europe, a ban on chemical weapons, and restrictions on nuclear testing. She would also support the United States refusal to accept unreasonable restrictions on SDI. But NATO should be invited to examine the impact on the Alliance's strategy and the overall balance of forces of the proposal to eliminate strategic nuclear weapons. Perhaps she and President Mitterrand should both send messages to President Reagan on these lines.

President Mitterrand recalled that France did not support SDI and had reservations about restrictions on nuclear tests. But otherwise he could support the Prime Minister's approach as representing a useful, practical outcome to their discussion. He would reflect on the possibility of a message. The Prime Minister said that Chancellor Kohl's support should be sought as well since he would be seeing President Reagan the following week. It was agreed that both the Prime Minister and the President would get in touch with Chancellor Kohl.

President Mitterrand said that Secretary Shultz had recently said to him that, while the French and British deterrents might be excluded from negotiations now, it would be much more difficult in five years time. He would resist inclusion of France's nuclear weapons in any negotiations. The Prime Minister said that the United Kingdom's nuclear deterrent was the irreducible minimum needed for our national defence. Logically it should be for the United States to make proportionately greater reductions in its own nuclear arsenal in order to leave the French and British systems untouched.

President Mitterrand noted Britain's technological dependence on the United States for its nuclear deterrent. In the light of what had happened at the Reykjavik meeting he wondered whether Britain and France should not look together

at the next generation of nuclear weapons. He was not pressing for this. It was the United Kingdom which faced the more acute problem. The Prime Minister said that she was not sure whether the phasing of British and French strategic programmes made this a practicable proposition. Trident would give the United Kingdom substantial advantages in range and sophistication, which would last well into the next century. But she would be ready to consider the scope for possible cooperation in some areas.

I am copying this letter to John Howe (Ministry of Defence) and Trevor Woolley (Cabinet Office).

C.D. Powell

C.R. Budd, Esq., Foreign and Commonwealth Office. LIST OF GUESTS ATTENDING THE LUNCHEON TO BE GIVEN BY THE

PRIME MINISTER IN HONOUR OF MONSIEUR FRANCOIS MITTERRAND, PRESIDENT

OF THE FRENCH REPUBLIC ON THURSDAY, 16 OCTOBER 1986 AT 1.00 PM

The Prime Minister

Monsieur François Mitterrand

Monsieur Jacques Attali

Special Adviser to the

President

Monsieur Christopher Thiery

Interpreter

Mr. Charles Powell

Outmess

Madame Michele Gendreau-Massaloux

Secretary-General of the

Presidency

Madame Elisabeth Guigou

Technical Adviser in the Secretariat-General of the

Presidency

Lieutenant-Colonel Pons

ADC

Capitaine Roux

Monsieur Philip Lespaux

Security

Mr. David Williamson

Cabinet Office

Brigadier Cowan

Government Hospitality Fund

Mr. Bryan Burrough

Government Hospitality Fund

Waiting Room

Monsieur Henri Petry

Communications



VENUE DE MONSIEUR LE PRESIDENT DE LA REPUBLIQUE A LONDRES LE 16 OCTOBRE 1986

Composition de la Délégation :

MP. / - M. Jacques ATTALI, Conseiller spécial auprès de M. le Président de la République.

- Mme Michèle GENDREAU-MASSALOUX, Secrétaire Général adjoint de la OM Présidence de la République.

 Mme Elisabeth GUIGOU, Conseiller technique au Secrétariat Général de la Présidence de la République.

OM - Lieutenant-Colonel PONS, Aide de Camp

MP/ - M. Christopher THIERY, Interprète

(1532)

- Capitaine ROUX, GSPR

OM . - M. Philippe LESPAUX, Sécurité privée.

Suite technique (arrivée la veille) :

- M. Jean-Jacques BONNABEAU, Voyages Officiels and coming to No 10

- M. Daniel BERNARD, GSPR

WE . * - M. Henri PETRY, GSPR - 1145' Como in coto.

- M. Patrick BONIFAIT, GSPR

- M. Pascal PETIT, GSPR

3 not coming to No. 10

Programme :

Arrivée à l'aéroport militaire de Northolt d'un Mystère 11 h 45 20 du GLAM (FRAFN FM 0012) qui fera office d'appareil de remplacement.

mp = main Padis om = Out Mess

WR - Waiting Room,

NB There will be a direct line to the Elysee in the waiting Room



With the compliments of

PROTOCOL DEPARTMENT
Visits Section

FOREIGN AND COMMONWEALTH OFFICE LONDON, SWIA 2AH

VISIT OF THE PRESIDENT OF THE FRENCH REPUBLIC TO LONDON: THURSDAY 16 OCTOBER 1986

TIMETABLE

1145 hrs (Spare) aircraft Mystère 20 arrives Northolt.

1200 hrs President Mitterrand arrives RAF Northolt by special flight, Mystère 50. He will be accompanied by:

M. Jacques Attali, Counseiller spécial auprès de M. le President de la République

Mme Michèle Gendreau-Massaloux, Secrétaire Général adjoint de la Presidence de la République

Mme Elizabeth Guigou, Counseiller Technique au Secrétariat Général de la Présidence de la République

Lt Col Pons, Aide de Camp

M. Christopher Theiry, Interpreter

Capt Roux, GSPR

M. Philippe Lespaux, Sécurité privée

The President will be met by:

The French Ambassador, HE M. de la Barre de Nanteuil

M. de Lacoste, Minister-Counsellor, French Embassy

Sir John Stow, Special Representative of the Secretary of State for Foreign and Commonwealth Affairs

Wing Commander R Williams, Deputy Station Commander, RAF Northolt

The President and his entourage will depart by RAF helicopter for Chelsea Barracks. He will be accompanied on the helicopter by HE the French Ambassador, and by Detective Inspector Paul Hudson (Special Branch).

1217 hrs Arrive Chelsea Barracks approx The President will be welcomed by: The Rt Hon The Baroness Young, Minister of State for Foreign and Commonwealth Affairs (Entrance to Chelsea Barracks by Ebury Bridge Road Gate). Depart by Car for No 10 Downing Street 1225 hrs approx 1235 hrs Arrive No 10 Downing Street approx 1245-1500 Talks and Luncheon at No 10 Downing Street (The President will be accompanied at the talks and at the luncheon only by M. Attali and M. Thiery) The President will depart by car for 1500 hrs Chelsea Barracks Arrive Chelsea Barracks 1510 hrs Depart Chelsea Barracks by RAF helicopter for 1515 hrs RAF Northolt 1530 hrs Arrive RAF Northolt approx Sir John Stow, HE the French Ambassador and M. de Lacoste will bid farewell Depart RAF Northolt for Paris 1535 hrs Aircraft Mystère 20 departs RAF Northolt 1610 hrs

DISTRIBUTION

No 10 Downing Street

Private Secretary (2) Press Office (2) Mr Fountain

Foreign and Commonwealth Office

Private Secretary (2) PS/Lady Young (2) PS/PUS (2) WED (Mr Kidd) (4) News Dept (Mr Worthington) (2) Protocol Dept (4) Colonel Durrant (2)



PRIME MINISTER

MEETING WITH PRESIDENT MITTERRAND

President Mitterrand is coming to lunch tomorrow. The purpose is to have an informal talk with you ahead of the Anglo-French bilateral summit (in Paris on 21 November) and the European Council (in London on 5/6 December). He also wants to compare notes on the outcome of the Reykjavik Summit and the next steps in East/West relations.

The visit presents some tactical problems. Part of
Mitterrand's purpose is to upstage Chirac. He has now decided
to give a press conference in London even though your meeting
is an informal and private one. This will be at the French
Embassy.

There is a lot of briefing in the attached folder. The key issues are as follows.

Mitterrand will be as exercised as you over President's Reagan's proposals for eliminating <u>nuclear</u> weapons. It will be useful to have a socialist Head of State taking a strong line in London on the virtues of nuclear deterrence.

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FREEDOM OF INFORMATION
ACT 2000

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CLOSED UNDER THE FREEDOM OF INFORMATION ACT 2000

You might also ask Mitterrand for his assessment of <u>Gorbachev</u> who visited Paris last summer and of the pressures on him within the Soviet Union.

On European Community issues, you are unlikely to encounter many problems with the French over our European Council. They will be pleased to find terrorism high on the agenda. The one issue which may cause difficulty is the future financing of the Community. Debate on whether to go up to a 1.6% maximum rate is bound to start in 1987, though we expect to be able to avoid any discussion at our European Council. You earlier accepted that the best tactics with the French were to stick scrupulously to the wording of the Fontainebleau conclusions i.e. the maximum rate may be increased by unanimous decision. So it is neither agreed nor ruled out. (The one thing that will get Mitterrand on his high horse is to say that it is ruled out). Incidentally the Treasury currently estimate that our net contribution to the allocated budget in calendar 1988 will be zero. This has a perverse side effect in that our abatement will be so large that it is itself a major source of pressure on the 1.4% ceiling!

You will want to sympathise with Mitterrand over recent terrorist incidents in Paris. The French ought to be pretty pleased with us because we responded rapidly to their request for a meeting of EC Interior Ministers.

On <u>agriculture</u> the prospects within the Community are pretty bleak with little progress on reform of the beef and milk regimes and the prospect of substantial extra spending in excess of the agricultural guideline next year.

He will probably want to talk about the <u>Middle East</u>. The French have real problems over UNIFIL but now seem less likely to withdraw their contingent unilaterally. You might ask his

CONFIDENTIAL

- 3 -

views on the prospects for an international conference as a way forward on Arab/Israel.

Finally you will need to raise the vexed issue of <u>lamb</u> on which the Sun, the Express and Robin Maxwell-Hyslop are on the rampage. Some lorry loads of English lamb have again been hijacked and destroyed. The French have already offered to pay compensation. The key to defusing the situation is to encourage them to pay it quickly.

There is nothing to be gained from raising <u>South Africa</u> with Mitterrand. Unlike Chirac, he favours further sanctions.

He may raise the <u>South Pacific</u> and ask for our support if there is a vote on New Caledonia at the UN. You might be a bit cagey given the unhelpful shift in the French vote on the Falklands last year.

Finally you might say a kind word about the recently retired Ambassador (M. Viot) and say we look forward to working with the new one.

G75

Charles Powell
15 October 1986

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Copy No / of 6 copies 77

SECRET Covering TOP SECRET

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MR POWELL

c Sir Robert Armstrong

Visit of President Mitterrand: Thursday 16 October

The attached defensive brief on our dialogue with France on certain nuclear weapons matters has been revised in the light of up-to-date advice from the Ambassador in Paris.

2. I am sending copies of this minute and the brief (though not the attachments) to David Goodall (FCO) and David Nicholls (MoD).

homanas

C L G Mallaby

15 October 1986

SECRET Covering TOP SECRET

ANGLO-FRENCH NUCLEAR WEAPONS DIALOGUE

Our Objective

1. If Mitterrand unexpectedly raises the subject, to say, in general and cautious terms, that the Anglo-French dialogue on certain nuclear weapons matters should continue to develop.

Arguments for use if the matter is raised

- (a) United Kingdom and France share common interests as European nuclear powers.
 - (b) Our exchanges on aspects of this subject have continued since you and I gave an impetus to them in 1981.
 - (c) Right that the dialogue should continue to develop.

Background

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- 3. As agreed by the Prime Minister (Sir Robert Armstrong's submission of 9 July attached at Flag A), the Secretary of State for Defence raised this subject with M. Giraud, his French opposite number, on 15 September. In a useful discussion the two Ministers agreed that there were two areas on which they might build on past exchanges: general politico/military and strategic matters on the one hand and technical matters on the other. Mr Younger followed up the meeting with a letter in which he spelled out in more detail what we had in mind (Flag B).
- 4. Officials on both sides are now looking at possible agendas for future discussions and considering what lines of communication should be used. The latter may be something of a problem for the French, since a number of parts of the French Government have a hand in policy advice in this field.



SECRET Covering TOP SECRET

- 5. Our Embassy understand that M. Giraud has not informed President Mitterrand of his contacts with Mr Younger. In view of the sensitivities of "cohabitation", it is best for us to leave M. Giraud or M. Chirac to inform the President.
- 6. We do not expect the President to raise the subject on 16 October and we suggest that the Prime Minister should not do so. But, given the recent publicity for the idea of United Kingdom/French co-operation on nuclear weapons, it is not inconceivable that M. Mitterrand, with whom the Prime Minister discussed this subject on 10 September 1981, will mention it now. The line suggested above for that eventuality is designed both to accord with our present policy and to avoid revealing the Younger/Giraud contacts.
- 7. M. Chirac was insistent that his remarks on this subject to the Prime Minister on 26 April should be regarded as private.

Nuclear Cop.

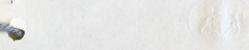
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SHORT COVETING LOP SHORE

I. Our mounty understand from M. Street has not latered. To resident Mittercand of his contents with the framewor. In the sensitivities of "Cabellitation", it to best for the contents of the formation of the fo

on to october and we suggest that the Prime Minister Shaula not do so. But, given the recent publicity for the idea of latted Singles/Primes do so operation on minister weapons, it is not inconcelerable that M. Mitterstand, with whom the Prime Minister discussed this subject on 10 September 1981, will educate it down. The line suggested above for that residuality is designed, both to scient with any present manistry and to avoid development of the recent of the process.

7. N. Chirac was insistent that his remarks of this radiose to the Prince Prince Western on to April should be regarded as private.



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MR POWELL

on.

c Sir Robert Armstrong

Visit of President Mitterrand: Thursday 16 October

I attach a short defensive brief, in case the question of the Anglo-French dialogue on nuclear weapons is unexpectedly raised by the French President with the Prime Minister on 16 October.

2. I am sending copies of this minute and the brief (though not the attachments) to David Goodall (FCO) and David Nicholls (MoD).

Comaleas

C L G Mallaby

15 October 1986

minute.

ANGLO-FRENCH NUCLEAR WEAPONS DIALOGUE

Our Objective

1. If Mitterrand unexpectedly raises the subject, to express hope that Anglo-French dialogue on certain nuclear weapons matters will develop in coming months.

Arguments

- (a) United Kingdom and France share common interests as European nuclear powers.
 - (b) Welcome discussion between our two Defence Ministers last month on developing the British-French dialogue on certain nuclear weapons matters.
 - (c) Hope that dialogue will grow accordingly in coming months.

Background

A

B

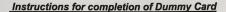
- 3. As agreed by the Prime Minister (Sir Robert Armstrong's submission of 9 July attached at Flag A), the Secretary of State for Defence raised this subject with M. Giraud, his French opposite number, on 15 September. In a useful discussion the two Ministers agreed that there were two areas on which they might build on past exchanges: general politico/military and strategic matters on the one hand and technical matters on the other. Mr Younger followed up the meeting with a letter in which he spelled out in more detail what we had in mind (Flag B).
- 4. Officials on both sides are now looking at possible agendas for future discussions and considering what lines of communication should be used. The latter may be something of a problem for the French, since a number of parts of the French Government have a hand in policy advice in this field.

SECRET Covering TOP SECRET

- 5. Our Embassy are arranging to brief President Mitterrand's staff about Mr Younger's contacts with M. Giraud. In view of the sensitivities of "cohabitation" this will be done with especial care. Meanwhile, we believe that the President is not aware of the recent exchanges. We accordingly do not expect him to raise the subject on 16 October and we suggest that the Prime Minister should not do so (though it may be a suitable subject for the Anglo-French Summit next month).
- 6. M. Chirac was insistent that his remarks on this subject to the Prime Minister on 26 April should be regarded as private.



PIECE/ITEM 1762 (one piece/item number)	Date and sign	
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TOP SECRET

DRAFT LETTER FROM THE SECRETARY OF STATE FOR DEFENCE TO MONSIEUR GIRAUD,

I promised to write to confirm what I said when we met on 15-16 September about developing the exchanges between our Governments on defence nuclear matters. I felt that our discussion represented the natural continuation of a process initiated in earlier contacts between our two Governments at senior levels.

- 2. I suggested at our meeting that there were two broad areas for extended exchanges between us: general politico/military and strategic matters on the one hand and technical matters on the other. British and French officials have of course had discussions of aspects of each area in the past.
- 3. An extended programme of exchanges on politico/military and strategic issues might cover such matters as national nuclear force structures and progress on modernisation, deterrence philosophies, sub-strategic concepts of operations and the practical and organisational aspects of nuclear weapon security and survivability and accident response arrangements. There are several ways in which such subjects might be handled: some of them are clearly suitable for the agenda of our regular politico-military talks, led by the two Foreign Ministries, or for defence staff talks; while others, such as nuclear accident response, would almost certainly require some kind of ad hoc group.

TOP SECRET

TOP SECRET

4. Our technical discussions in the past have included useful exchanges on blast and thermal effects of nuclear weapons and on flash x-ray diagnostics. Our exchanges could be extended to cover other subjects of common interest in the key areas of nuclear weapon safety and

mine.

5. If you could let me have your reactions before the Anglo-French Summit in November, we could discuss the way forward on that occasion. If your people wish in the meantime to have preliminary contacts with mine, I suggest that they get in touch with my Deputy Under Secretary (Policy) on the politico/military and strategic side and my Chief Scientific Adviser on the technical side.

security and supporting technology. The contact in

these fields would be between your technical experts and



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Page No 1 of 2 pages

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MINISTRY OF DEFENCE WHITEHALL LONDON SWIA 2HB

TELEPHONE 01-218 9000
DIRECT DIALLING 01-2182.1.1./3

30th September 1986

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Copy to:

PS/DUS(P)
MA/ACDS(Pol/Nuc)
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Hd Sec(NATO/UK)(P)
D Nuc Pol/Sy
FCO (Mr A D S Goodall)
Cabinet Office (Mr C L G Mallaby)

My Dear Colleague,

I very much valued our discussion on defence nuclear matters when we met on September 15th and am now writing to elaborate on what I then outlined to you about developing exchanges between our two Governments.

You will remember that I suggested that there were two broad areas in this field where we might build on past exchanges; general politico/military and strategic matters on the one hand and technical matters on the other. British and French officials have of course had discussions on aspects of each area in the past.

A programme of exchanges on politico/military and strategic . issues might cover such matters as national nuclear force structures and progress on modernisation, deterrence philosophies, sub-strategic concepts of operations and the practical and organisational aspects of nuclear weapons security and survivability. In the aftermath of the Chernobyl disaster, there might also be merit in exchanging views on our respective nuclear accident response arrangements. There are several ways in which such subjects might be handled. Some of them are clearly suitable for the agenda of our regular politicomilitary talks, led by the two Foreign Ministries, or for defence





staff talks; while others, such as nuclear accident response, would almost certainly require some kind of ad hoc group.

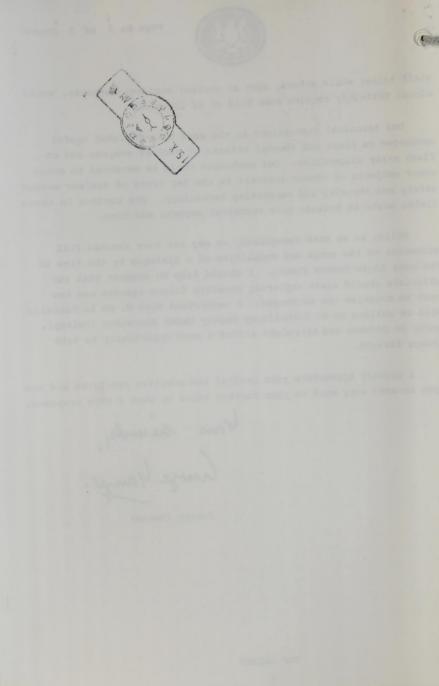
Our technical discussions in the past have included useful exchanges on blast and thermal effects of nuclear weapons and on flash x-ray diagnostics. Our exchanges could be extended to cover other subjects of common interest in the key areas of nuclear weapon safety and security and supporting technology. The contact in these fields would be between your technical experts and mine.

While, as we both recognised, we may not have reached full agreement on the scope and modalities of a dialogue by the time of the next Anglo-French Summit. I should like to suggest that our officials should start exploring possible future agendas and how best to organise the exchanges. I understand that M. de la Fortelle will be calling on Mr Nicholls, my Deputy Under Secretary (Policy), early in October and this might afford a good opportunity to take things forward.

I greatly appreciate your initial and positive reactions and now look forward very much to your further views on what I have proposed.

George Younger

Grosse Ganger.



CONFILENTIAL



Foreign and Commonwealth Office

London SW1A 2AH

15 October 1986

Dear Charles,

President Mitterrand's Visit

His meeting with the Prime Minister will last not much longer than two hours which, with full interpretation needed, suggests room for only a very short agenda. The main focus should be on post-Reykjavik and European Community issues in the run-up to the European Council. This letter covers both those subjects and a range of other issues, which there may be time to discuss more briefly.

Introduction

I attach a telegram from Sir John Fretwell in Paris describing Mitterrand's current preoccupations. Since the legislative elections in March forced Mitterrand to invite Chirac to form a right-wing Government, his grip on much of government policy. including most domestic and economic issues, has weakened. He does, however, retain under the Constitution an important, though not overriding, say in foreign and defence policy. While keeping a firm grip on that role he is increasingly presenting himself as a "Grand Statesman", intervening only in what he sees as the major issues of French foreign policy. The day-to-day handling of government business he leaves (as constitutionally he must) to Chirac. Opinion polls since March, which have given both Chirac and Mitterrand high personal ratings, have shown that cohabitation on this basis is widely popular.

/Mitterrand's



1988

Mitterrand's recent hint that he will not be a candidate in the Presidential election due by May 198 is not necessarily to be taken at face value. It is undoubtedly part of his objective in seeking this meeting with the Prime Minister to demonstrate, especially to the French public, his still predominant role in foreign policy. He will want to address, and be seen to address, the main topics of the moment.

East/West

As you know, we have been keeping in close touch with the French on the role of Third country nuclear forces in arms control negotiations. The Prime Minister could welcome this and our increasingly close cooperation on all defence matters, including equipment procurement. Since his election as President in 1981 Mitterrand has given the highest priority to maintaining the French deterrent and the US nuclear guarantee for Europe. Chirac's views on those subjects are identical though he did not share Mitterrand's initial hostility to the Strategic Defence Initiative (SDI), which was based on fear of its potential implications for the French deterrent and the American nuclear guarantee.

The Prime Minister might argue that, far from being a failure, the Reykjavik meeting made important progress on the key issues. The task now is to build on its achievements. Continued Alliance solidarity remains a prerequisite for success. She might stress our view that Gorbachev made excessive demands over SDI, and note that she made this point to Karpov. She could compare notes with Mitterrand on Russian debriefing: while Karpov was in London Mitterrand was receiving Bessmertnykh, Soviet Vice-Minister of Foreign Affairs. She might tell him that Karpov stressed Soviet willingness to accept SDI research and testing in the laboratory, but not development or testing, let alone deployment, outside narrow limits.

Tule is much -

/European Community Issues



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European Community Issues

The Elysee have said that preparation for the European Council was among Mitterrand's principal purposes in seeking this meeting. I enclose a detailed brief. We can expect the French to be content with most of our intentions. Under the new Government Mitterrand has a smaller role in deciding French policy on European Community issues, especially where the implications of these are primarily domestic. This may lead him to seek to concentrate discussion with the Prime Minister more on general objectives and presentation than on specific issues. He will however also want to show at the European Council that his is still the first voice of France. We shall need to guard against handling of the Council being made more difficult by competition between him and Chirac.

We recommend that in addition to specific points concerning the Council the Prime Minister should welcome the extremely close cooperation between us on European Community issues and express the intention that this should continue and be intensified.

Terrorism

The Prime Minister may wish to express her personal regret and abhorrence at the recent wave of terrorist attacks in Paris. Mitterrand and Chirac were united in proclaiming their determination not to make concessions; but Mitterrand left management of the crisis to Chirac (who acknowledged with appreciation the Prime Minister's message). Mitterrand may not be well-placed to discuss operational issues. It will, however, be valuable to impress on him our conviction that concessions to terrorists simply make the problem worse.

It is unlikely that Chirac would conclude such a deal without Mitterrand's acquiescence. The Prime Minister might also reiterate the value we attach to close international cooperation on terrorism, over which the French have for long shown reluctance.

/Regional Issues



Regional Issues

The French attach high importance to maintaining their influence in the Middle East. But they currently face difficulties. In September four members of their contingent with UNIFIL were killed. Eight French nationals continue to be held as hostages in Lebanon, probably by pro-Iranian factions. Chirac is in the lead over hostages, and Mitterrand's profile on the issue is low (nor is he personally associated with Chirac's attempt to normalise relations with Iran). However, Mitterrand's constitutional responsibilities for the armed forces give him a special interest in the security of the UNIFIL contingent. Like Chirac, he has to seek a balance between putting French soldiers' lives at risk and seeming to withdraw under terrorist pressure from Lebanon, an area of traditional French influence.

The Prime Minister might deplore the kidnapping of French nationals (a problem which we share) and the deaths of the UNIFIL servicemen; and express sympathy for French problems in the region. She might also ask how the French envisage trying to improve the position of UNIFIL, and if there is any way Mitterrand considers that the Presidency could help (we have offered to undertake demarches in support of UNIFIL with eg the Israelis, Syrians and Americans. But the French have politely discouraged us).

More generally, it would be useful to probe Mitterrand's thinking on future attempts to find a Middle East settlement. After his meeting with the Jordanian Prime Minister, Rifai, on 23 September Mitterrand reiterated support for a preparatory meeting for an international conference (an idea which the Russians favour) on the Arab/Israel dispute. But the Jordanians, particularly King Hussein, are apparently lukewarm about the idea. The Americans and Israelis are also opposed (Peres visited Paris last week), and the problem of Palestinian representation remains to be resolved.

/Mitterrand



Mitterrand may raise the South Pacific. The French feel defensive both about the South Pacific countries' aim to create a regional nuclear-free zone, which would interfere with French nuclear testing, and about their opposition to French plans for the territory of New Caledonia (Chirac's government has altered plans for a referendum offering internal autonomy in continuing conjunction with France; it will now offer a choice between full independence, which only a large minority are likely to seek, and the status quo). The countries of the South Pacific Forum intend to raise New Caledonia at the UN General Assembly, and France wants our support. We share French keenness to see the region stable, secure and pro-Western. But we have given no undertakings on how we will vote. We do not advise the Prime Minister to raise the subject. If Mitterrand does, we recommend that the Prime Minister say that we understand French concerns and are considering our position.

If there is discussion of the Falkland Islands, the Prime Minister may wish to mention a new development that concerns us. Since the Argentines' success in obtaining support for their resolution in the United Nations last year they have taken a more forward diplomatic position, seeking to challenge our sovereignty by concluding agreements over fish with the Soviet Union and Bulgaria which would intrude into the economic exclusion zone to which we are entitled. We are accordingly anxious that no further encouragement should be given to them through support for the resolution which they will put before this year's General Assembly. Mitterrand will be aware of the disappointment caused us by the change in the French vote last year.

/Bilateral Issues



Bilateral Issues

There is only one current problem. As you know, there have been at least three incidents this week in which British exports of lamb to France have been intercepted by French farmers. Mr Jopling has taken this up with the French Agriculture Minister and our Embassy in Paris are seeking adequate protection for our lorry drivers and their cargoes and prompt compensation. We recommend that the Prime Minister should raise the matter with Mitterrand. I enclose a speaking note for her to draw on and a line for subsequent use with the press.

We suggest that the Prime Minister should also express appreciation of the valuable contribution made to the bilateral relationship by the outgoing French Ambassador, Jacques Viot, who left on 10 October. We look forward to building on that work with his successor, Luc de Nanteuil.

I am copying this letter to Ivor Llewellyn in MAFF and to Trevor Woolley in the Cabinet Office.

Yours ever, Cohin Budd

(C R Budd) Private Secretary

C D Powell Esq No 10 Downing St

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ps

The Prime Minister may also wish to know that in speaking to the press on 13 October, Chirac described the Labour Party's position on defence as totally irresponsible, and stressed how important it was for a country that in its internal democratic debate its defence policy should not be called into question, since that deprived the country of its external credibility.

SPEAKING NOTE FOR THE PRIME MINISTER TO USE WITH PRESIDENT MITTERRAND: INCIDENTS AFFECTING EXPORTS OF LAMB TO FRANCE

- Since 3 October there have been incidents involving attempts by French farmers to destroy consignments of English lamb in France.
- Grateful for assurances from M. Guillaume about compensation. Important that this should be done promptly (there are some outstanding cases) and that police should prevent further attacks.
- Police have taken action in several cases. But exporters claim that in Lyons and Poitiers police have been slow to intervene.

[as necessary]

- The premium paid for lambs in Britain has to be re-paid before they are exported.
- Total value of lamb exports to France last year £ 64 million. Value of French agricultural exports to Britain £ 1 billion.

INCIDENTS AFFECTING EXPORTS OF BRITISH LAMB TO FRANCE:
PRESS LINE

- Since 3 October there have been a number of incidents in which French farmers have threatened to destroy consignments of British lamb in France.
- The French Government accept that it is the responsibility of the French authorities to protect consignments of British goods in France (just as it is our responsibility to ensure the security of French goods in Britain).
- We have expressed our concern that prompt action should be taken to deal with these incidents.
- The French Minister of Agriculture has expressed the regret of the French Government that such incidents have taken place.
- The French Government has agreed to pay compensation in cases where damage has been suffered.

BACKGROUND

- 1. French production of sheepmeat cannot meet French demand and about a third of their 240,000 tonnes consumption is imported. Britain supplies around half of these imports. Our exports to France have increased by about 20% this year (the French are claiming a 40% increase), and we are now able to send live animals to France for slaughter.
- 2. The French sheepmeat market is going through a weak period (low prices compounded by a summer drought in the main sheep-rearing areas) and, on 3 October, the French sheep producers federation, supported by the main French farming union, announced that lorries carrying imported lamb would be intercepted. This is mainly to put pressure on the French government to give them help. There has also been pressure on the main French importers to cut imports. The French claim that the current level of the pound and our use of variable premiums has led to a sharp increase in our lamb exports. But Belgian and Dutch exports have suffered even worse interference by French farmers.
- Following action against British, Dutch and Belgian lorries our Embassy in Paris has been in

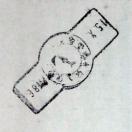
constant touch with the French authorities urging them to ensure that protective action is taken by the French police and to obtain assurances that compensation would be paid if British lorries carrying lamb were damaged by demonstrators. Mr Jopling raised the matter with M Guillaume at the Agriculture Council on 13 October. The French reponse has been that they will do everything possible to avoid damage and that in compensation will be payable. M Guillaume expressed formally in the Agriculture Council his regrets that there had been these incidents.

4. The French police headed off a potential demonstration at <u>Calais</u> on 9 October (outnumbering demonstrators four to one). In <u>Lyons</u> on 13 October the police did not move so swiftly and were unable to prevent a lorry load of 500 British lamb carcasses from being intercepted, the lamb unloaded and most of the carcasses rendered unfit for consumption. The French police deny claims of the British lorry driver that they stood and did nothing for seven hours while this happened: they contend that they successfully contained the demonstration and prevented any serious damage to life and limb. The Embassy in Paris is obtaining the police report. The French importer and British trucker

will be submitting claims for damages.

5. There was an incident near Poitiers on 15 October in which \$20,000 of lamb from Northern Ireland was ruined. The firm concerned also claim that the French police were present but did not intervene.

Lamb





VISIT BY PRESIDENT MITTERAND TO LONDON: 16 OCTOBER

EC TOPICS

POINTS TO MAKE

- Welcome the <u>extremely close cooperation</u>
established between us on EC issues. Must continue and intensify this.

European Council: London 5/6 December

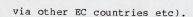
- Aim to show EC tackling problems that are top of public agenda.
- Intend first session to be focussed on theme of business and jobs:
 - need to carry forward work on ideas on <u>employment</u> now being discussed by Employment Ministers (better training for new technology, re-training for long-term unemployed, and helping young to become self-employed).
 - focus on problems of <u>small businesses</u> and how to create favourable conditions for them (eg by

PF1 AMY

improving their access to venture capital and new technology). Crucial to job creation.

- need to review progress on <u>internal market</u> and give a push to Council decisions which need to be taken in December (areas where we want to see progress include liberalisation of capital movements, steps towards liberalisation in air transport - on both of which there is a measure of agreement between us and the French).
- Another main theme will be discussion over dinner of terrorism, drugs and immigration. Interior Ministers carrying forward work on this.

 Chancellor Kohl wants discussion of immigration and asylum seekers. European Council should call for:
 - top priority to be given to joint fight against terrorism: solidarity, no concessions to terrorists, more cooperation between police and tightening up Community's external frontiers
 - stepped up cooperation on <u>immigration</u>
 (cooperation on false passports, visa policy,
 abuse of asylum, ensuring expulsees do not return



- a joint anti-drugs campaign, following

up work of Interior Ministers (eg measures to

reduce demand among young, mutual enforcement of

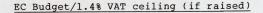
confiscation of drug traffickers' assets)

President of Commission.

- We will be sounding Jacques Delors to confirm that he is willing to serve a further two years. Aim to announce this at European Council.

Japan

- Essential that Foreign Affairs Council this month confirms decision to take GATT action on Japanese discrimination against imported alcoholic drinks.
 - vigorous anti-dumping campaign also needed;
 - UK and France should continue to work closely together to maintain pressure on Japan (the main obstacle has been the Germans, who are now themselves increasingly concerned).



- We stand by Fontainebleau: "the maximum rate <u>may</u> be increased to 1.6% on 1 January 1988 by <u>unanimous</u> decision of the Council and after agreement has been given in accordance with national procedures."
- No increase could be considered before 1988.
- Effective action will have to be taken to put a stop to the <u>waste of resources</u> on agricultural production beyond what Community can consume and what we can export.
- Have to go on supporting our farmers, but in a rational way.
- It is the <u>marginal over-production</u> which imposes extremely high budgetary costs. This has to be corrected in the key sectors beef, milk and, for the future, cereals and olive oil.
- Hence ideas we put forward on alternative land use for <u>cereals</u>. Have also to reduce intervention price of beef and tighten up <u>milk</u> quotas.
- <u>Just as important to hold down non-agricultural</u>

 <u>expenditure</u>. Must resist pressures from Mediterranean.

 Must continue to <u>concert privately together</u> to find solutions.

MS 1700

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MY TELNO 1007: PRESIDENT MITTERRAND'S VISIT TO LONDON, 16 OCTOBER.

SUMMARY

1. MITTERRAND'S PERSONAL POPULARITY HAS RISEM UNDER COHABITATION: HE IS PLAYING A WAITING GAME. FOREIGN VISITS HELP DISGUISE THE SHIFT OF POWER TO CHIRAC. FRENCH SEEM GENERALLY TO SHARE OUR VIEWS OVER MAIN SUBJECTS FOR THE EUROPEAN COUNCIL. DISCUSSING REYKJAVIK WITH THE PRIME MINISTER SUSTAINS PRESIDENT'S IMAGE AS A KEY PLAYER IN EAST/WEST RELATIONS. HE HAS NOT WHOLLY ENDORSED THE GOVERNMENT'S RESPONSE TO TERRORISM. AMBIGITY ON UNIFIL. PERHAPS MORE INTEREST THAN CHIRAC IN PREPARATORY COMMITTEE FOR MIDDLE EAST PEACE CONFERENCE. A MAJOR OBJECT OF VISIT WILL BE TO SCORE POINTS IN COHABITATION STRUGGLE.

DETAIL

INTERNAL POLITICAL SCENE

2. MITTERRAND'S POPULARITY RATING IS NOW HIGH (OVER 60 PERCENT, ACCORDING TO A RECENT POLL). HE IS GIVEN CREDIT FOR THE RELATIVELY SMOOTH WORKING OF COHABITATION. BUT THE ELYSEE HAS BEEN UNABLE TO DISGUISE THE FACT THAT POWER HAS SHIFTED FROM THE PRESIDENT TO THE PRIME MINISTER. RECENT POLLS REVEAL THAT THE PUBLIC HAS BELATEDLY UNDERSTOOD THIS. MITTERRAND CAN AND DOES DELAY LEGISLATION: BUT HE CANNOT PREVENT CHIRAC FROM IMPLEMENTING THE GOVERNMENT'S PROGRAMME. IN THESE CIRCUMSTANCES, THE PRESIDENT COMFORTS HIS POSITION WITH FOREIGN VISITS AND PLAYS A WAITING CAME. HE HOPES THAT THE MAJORITY WILL BECOME UNPOPULAR AND THAT ITS DIFFERENT COMPONENTS WILL FALL APART OVER THE RIGHT'S CHOICE FOR THE 1988 PRESIDENTIAL ELECTION. THIS WOULD ENHANCE THE CHANCES OF THE LEFT'S CANDIDATE WHOM MANY ASSUME WILL BE MITTERRAND HIMSELF. WHETHER IT WILL BE REMAINS UNCLEAR. IN A TYPICALLY AMBIGUOUS STATEMENT ON 13 OCTOBER. THE PRESIDENT PROFESSED RELUCTANCE TO STAND FOR A SECOND TERM, BUT CAREFULLY LEFT OPEN THE POSSIBILTY THAT HE MIGHT BE PREVAILED UPON TO DO SO.

FOREIGN VISITS UNDER COHABITATION

^{3.} AFTER HIGH-PROFILE VISITS TO THE US AND SOVIET UNION IN JULY. MITTERRAND MADE A LONG DELAYED STATE VISIT TO INDONESIA IN MID-SEPTEMBER. HE HAS ALSO MADE DAY TRIPS TO THE FRG AND NETHERLANDS. HE WILL SPEND A WEEK OR SO IN AFRICA NEXT MONTH. AROUND THE FRANCO-AFRICAN SUMMIT. Confidential

EUROPEAN COMMUNITY

4. RECENT CONTACTS HAVE CONFIRMED THAT THE FRENCH SHARE OUR VIEW OF THE PRINCIPAL SUBJECTS TO BE ADDRESSED AT THE EUROPEAN COUNCIL, IN PARTICULAR THE EMPHASIS ON JOB CREATION AND THE CONTRIBUTION TO THIS OF SMALL AND MEDIUM ENTERPRISES. LIKE US, THEY WISH TO AVOID THE COUNCIL LAUNCHING INTO PREMATURE DISCUSSION OF THE FUTURE FINANCING OF THE COMMUNITY. ON THE SUBSTANCE OF THIS ISSUE, THEY MAY BE READY TO CONSIDER AN EARLIER INCREASE IN OWN RESOURCES THAN WE ARE, BUT AS AN ACTUAL OR POTENTIAL NET CONTRIBUTOR THEY SHARE OUR INTEREST IN BRINGING THE GROWTH OF SPENDING UNDER CONTROL. THEY WILL ALSO AGREE THE PRIORITY TO BE GIVEN TO DISCUSSION OF THE STRENGTHENING OF THE COMMUNITY'S EXTERNAL DEFENCES AND INTERNAL COOPERATION AGAINST TERRORISM. DRUGS AND ILLEGAL IMMIGRATION. SUBJECTS WITH A HIGH PUBLIC PROFILE IN FRANCE AT PRESENT.

5. IN OTHER AREAS OF EC WORK. THE FRENCH ARE PROVING GENERALLY HELPFUL PARTNERS IN SUPPORT OF OUR PRESIDENCY OBJECTIVES. THEY DID NOT OVERPLAY THEIR HAND AT PUNTA DEL ESTE AND WERE VERY APPRECIATIVE OF OUR HANDLING OF THE PRESIDENCY ROLE. THEY HAVE TAKEN A POSITIVE APPROACH ON THE INTERNAL MARKET, IN PARTICULAR ON LIBERALISATION IN THE TRANSPORT SECTOR. ALTHOUGH THE PRESSURE OF MAJOR VESTED INTERESTS (E.G. THE ROAD HAULAGE LOBBY OR AIR FRANCE) IS ALWAYS LIABLE TO HOLD THEM BACK. ON THE CAP. THE FRENCH RECOGNISE THAT BUDGETARY CONSTRAINTS AND THEIR EXPORT INTERESTS MAKE IT NCECESSARY TO PURSUE THE PROCESS OF REFORM, THOUGH IT WILL BE POLITCALLY EASIER FOR THEM IF THIS IS ALONG LINES ALREADY ESTABLISHED (SUCH AS MILK QUOTAS AND CEREALS CO-RESPONSIBILITY LEVIES) RATHER THAN BY MORE RADICAL DEPARTURES SUCH AS LAND DIVERSION.

EAST/WEST

6. WE HOPE TO RECEIVE OUR FIRST OFFICIAL FRENCH BRIEFING ON REACTIONS TO THE OUTCOME OF REYKJAVIK LATER TODAY. CHIRAC TRIED YESTERDAY TO DISSIPATE THE INITIAL PESSIMISM. MITTERRAND IS ON RECORD AS CONSIDERING THAT SDI WILL REMAIN CENTRAL TO THE. DIFFICULTIES BETWEEN THE TWO SUPERPOWERS FOR A LONG TIME TO COME. ON THE OTHER HAND, FEW FRENCHMEN WILL REGRET THE FAILURE TO REACH AN AGREEMENT ON INF, PARICULARLY IF IT INCLUDED THE COMPLETE ELIMINATION OF AMERICAN INF IN EUROPE. AND THEY HAVE BEEN CONSISTENTLY SUSPICIOUS OF WHAT THE US MIGHT DO IF IT CAME TO THE CRUNCH OVER COUNTING IN FRENCH (AND BRITISH) STRATEGIC WEAPONS. IF REYKJAVIK IS FOLLOWED BY A LONG PAUSE IN US/SOVIET CONTACTS. THE FRENCH MAY BE TEMPTED TO LOOK FOR A MORE ACTIVE ROLE FOR THEMSELVES.

TERRORISM

7. MITTERRAND WILL WANT IT TO BE KNOW THAT HE HAS DISCUSSED. TERRORISM WITH THE PRIME MINISTER, BUT IS UNLIKELY TO HAVE ANY DETAILED PROPOSALS. HE HAS AVOIDED EXPLICITLY ENDORSING THE GOVERNMENT'S RECENT SECURITY MEASURES. THE PRESS MAYE REPORTED ELYSEE HINTS THAT HE BELIEVES CHIRAC OVER-REACTED TO THE RECENT BOMBINGS (THE LEFT IS WORRIED ABOUT INCREASED POLICE POWERS INFRINGING HUMAN RIGHTS). ON THE OTHER HAND, THE ELYSEE ALSO HIMTS THAT MITTERRAND IS NOW MORE RUDUST THAN CHIRAC IN REFUSING MESOTIATIONS WITH, OR CONCESSIONS TO, TERRORISTS. (IN FACT, SUCH 4 midential

ICHANGE

CHANGE OF HEART IS RATHER UNCONVINCING.) IT IS UNLIKELY THAT
MITTERRAND WILL HAVE NEW IDEAS ON SUMMIT SEVEN COOPERATION AGAINST
TERRORISM: BUT WE SHOULD BE WARY OF THE DOMESTIC FRENCH POLITICAL
IMPLICATIONS OF ANY PROPOSALS IN THIS AREA. (THE GENERAL FRENCH
RELUCTANCE TO ACCEPT ANY SORT OF COORDINATION OR OVERSIGHT FROM A
GROUP WHICH INCLUDES THE US IS COMPLICATED BY A COHABITATIONAL
SUB-PLOT, SINCE THE SUMMIT SEVEN IS A FORUM WHERE MITTERRAND IN
EFFECT ECLIPES CHIRAC.)

ARAB/ISRAEL

- 8. SOVIET IDEAS FOR A PREPARTORY COMMITTEE FOR A MIDDLE EAST PEACE CONFERENCE WERE FIRST UNVEILED IN THE WEST TO MITTERRAND. HE REACTED CAUTIOUSLY, BUT IS CONSIDERED TO BE SLIGHTLY MORE SYMPATHETIC TO THE PROPOSALS THAN CHIRAC. PERES WAS IN PARIS LAST WEEK (THE QUAI ARE GIVING AN EC BRIEFING LATER TODAY).
- 9. MITTERRAND'S CONSTITUTIONAL RESPONSIBILITIES FOR THE ARMED FORCES GIVE HIM A SPECIAL INTEREST IN THE PROBLEM OF THE UNIFIL CONTINGENT. LIKE CHIRAC, HE HAS TO SEEK A BALANCE BETWEEN SEEMING TO PUT FRENCH SOLDIERS' LIVES AT RISK FOR A FUTILE CAUSE AND SEEMING TO WITHDRAW FROM LEBANON (WHERE FRANCE CONSIDERS ITSELT TO HAVE A SPECIAL POSITION) UNDER TERRORIST PRESSURE. CHIRAC IS IN THE LEAD OVER HOSTAGES AND MITTERRAND'S PROFILE IS NOW LOW. HE IS NOT PERSONALLY ASSOCIATED WITH CHIRAC'S ATTEMPT TO NORMALIZE RELATIONS WITH THE FRENCH POLICY OVER THE LAST 10 YEARS OF SELLING ARMS TO IRAQ).

MITTERRAND'S OBJECTIVES

10. AS NOTED IN MY TELNO 1007, ONE OF MITTERRAND'S MAIN OBJECTIVES IN SEEKING THIS EXCHANGE WITH THE PRIME MINISTER, IS CERTAINLY TO SHOPE UP HIS DOMESTIC POSITION. (WE HAVE LEARNED THAT THE ELYSEE HAVE KEPT THE VISIT A SECRET FROMT THE QUAI - AND NO DOUBT THE MATIGNON - UNTIL THE WEEKEND.) HE NEEDS TO BE SEEN TO BE ACTIVE IN FOREIGN AND EC AFFAIRS, AS WELL AS IN DEFENCE, TO SUSTAIN HIS CLAIMS STILL TO BE THE MAJOR ACTOR IN THESE AREAS, HOWEVER DIMINISHED HIS CONTROL OVER THE GOVERNMENT MACHINE. NOT ONLY WILL HE IN GENERAL WANT TO BE SEEN AT THE TOP TABLE, BUT SPECIFICALLY HE MAY WELL BE PREPARING HIS TACTIS VIS-A-VIS CHIRAC FOR THE BILATERAL SUMMIT IN NOVEMBER AND THE EUROPEAN COUNCIL IN DECEMBER. WE MAY WELL FACE SOME PROTOCOL PROBLEMS ON BOTH OCCASIONS, SO SHOULD BE WARY OF ANY TRAPS THAT MAY BE LAID NOW.

FRETWELL

F C O PLEASE PASS SAVINGS EXEMPT CGS FRANCE

PCLNAN 5624

REPEATED AS REQUESTED

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ÉSILADY YOUNG COMMUNICATION

CONFIDENTIAL

cc gly

Qz 05369

MR POWELL (10 DOWNING STREET)

Prime Minister's meeting with President Mitterand

Briefing will be submitted shortly by the Foreign and Commonwealth Office. It seems to us that on European Community affairs there are three points which the Prime Minister may wish to keep in mind.

- 1) relations with France. On Community issues these are good and close, although we always have to be wary in our own interest. It has become more and more apparent, since the enlargement to twelve member states, that a UK/French/German understanding is now often the best way to hold back unjustified delays and demands from the south of the Community, particularly for extra spending. Effective examples of such understandings in recent months have been the Council's agreement on a draft 1987 budget which respects both the agricultural guideline and the maximum rate for non-obligatory expenditure (structural funds etc); a close position on the research and development framework programme; and combined opposition to various Spanish demands on the Mediterranean agreements.
 - 2) the London European Council, 5-6 December. We would expect President Mitterand to be content with the approach which the Foreign and Commonwealth Secretary has recommended to the Prime Minister, that apart from political cooperation issues the main themes should be Business and Jobs (creating the conditions for employment growth; opportunities for small and medium businesses; lifting the regulatory burden on business; and the consumer interest) and Terrorism/Drugs/Immigration. We have not yet discussed the approach with Elysee officials but they will know from Community discussions and will have briefed President Mitterand what our main concerns are.

- future financing of the Community. It was agreed at Fontainebleau that, one year before the 1.4 per cent VAT ceiling was reached, the Commission would present a report to the Council on future financing (the "ex-novo review"). The Commission has done little serious work on this but will present at the end of the year a report covering future financing, the coordination of the structural funds and possible further action on agricultural policy and expenditure. It is obvious, since we hold the top card (no change on the Fontainebleau abatement mechanism except by unanimity), that we shall say that we shall not accept any change in long term financing which is not at least as favourable as Fontainebleau. For the short term we stand by the Fontainebleau statement that "the maximum rate may be increased to 1.6 per cent on 1 January 1988 by unanimous decision of the Council and after agreement has been given in accordance with national procedures" - no more and no less than this text. Behind the scenes we have been
 - (i) seeking to ensure that the Commission report is not available before the London European Council, since we have nothing to gain from opening up prematurely a discussion which will lead many other member states to demand a higher level of Community resources;
 - and (ii) stressing to the Commission that the report must have some substance on stopping the agricultural budget haemorrhage if it is to be at all credible here.
- We believe that the debate on long term future financing will begin next year and will go on a long time. There will, however, be a difficult issue to handle in 1987 on short term financing: when the draft 1988 budget comes forward for decision during the autumn of 1988 it will be apparent that a quart will not go into a pint pot, ie that the combined effect of agricultural expenditure (fully respecting the agricultural guideline), expenditure on structural funds etc (even with a reduction) and the expected very high United Kingdom abatement would exceed the available resources within the 1.4 per cent VAT ceiling. The Treasury is currently estimating our

abatement in 1988 at 2750 million ecu (at current exchange rates above £1925 million) and our net contribution to the Community's allocated budget in 1988 at nil (the total net contribution for the budget year 1988/89 in terms of the public expenditure white paper is estimated to be about £350 million). Since all other member states will want to go to 1.6 per cent in 1988 or failing this, to target our abatement, we strongly recommend that the Prime Minister should continue to take the line, if asked, that

- we shall study with interest the ex novo review when it is received at about the end of the year. We shall look with particular interest at the Commission's proposals for cutting down the misuse of resources on, for example, the storage and disposal of abnormal agricultural surpluses
- for the financing of the Community in the immediate future we stand by the exact text of the Fontainebleau declaration on a possible move to 1.6 per cent VAT.

 It is neither agreed nor ruled out at this stage.

I am sending a copy to Sir Robert Armstrong.

DE Williamin

D F WILLIAMSON

Ref. A086/2859

MR POWELL

SECRET AND PERSONAL 5

Rive Rinota

CDP

13/x

I asked Monsieur Attali whether Monsieur Mitterrand had any particular subjects which he wished to discuss with the Prime Minister on 16 October. He said that, though the President would no doubt be glad to have a preliminary word about the preparations for the European Council in December, the subjects that would be uppermost in his mind, and the subjects which he most wished to discuss with the Prime Minister, were East-West relations, arms control and the implications of the Reykjavik meeting for Britain and France. Monsieur Mitterand may well be looking for closer relations between the two countries on defence nuclear matters. You will no doubt want to organise briefing accordingly.

ROBERT ARMSTRONG



be: PC

GREKT

10 DOWNING STREET LONDON SWIA 2AA

From the Private Secretary

SIR ROBERT ARMSTRONG

Thank you for your note about the announcement of President Mitterrand's visit on 16 October. I am perfectly content with the text and have asked the No. 10 Press Office to make the announcement at 1430 hours. I have confirmed this to M. Musitelli in the Elysee.

I also told M. Musitelli that the Prime Minister did not envisage any joint press conference or contacts with the press after the meeting. I said that she and President Mitterrand would no doubt agree a few sentences which could be used to characterise their discussions which each side would give out to the press separately. M. Musitelli thought that this would be entirely acceptable to President Mitterrand.

I am copying this minute to the Private Secretary to the Foreign and Commonwealth Secretary.

Charles Powell



Ref. A086/2858

MR POWELL

In the margins of the meeting of Personal Representatives over the weekend, I agreed provisionally with Monsieur Attali on the text of a press statement and background note for President Mitterrand's visit on 16 October.

- --- 2. The text is attached.
 - 3. I suggested that the statement should be put out on Tuesday 14 October. Monsieur Attali said that he was not sure that the news would hold until then, and we agreed provisionally that the statement should be issued jointly in London and Paris today, Monday 13 October, at 2.30 pm. (The times in London and Paris at present coincide).
 - 4. Unless the Elysée hear from us before then, they will issue the French translation of this text at 2.30 pm this afternoon. If we want to change either the text or the time of the announcement, I suggest that you get in touch direct with Monsieur Musitelli (Monsieur Attali said that he himself would not be available).
 - 5. We discussed briefly the press arrangements after the meeting. I said that I had no instructions. I doubted whether it was the kind of occasion that called for a joint press conference, but it would no doubt be necessary to have some brief joint press statement. I said that I would seek further instructions on this matter, with a view to having a word with Monsieur Attali on the telephone on Tuesday 14 October.

6. I am sending copies of this minute and of the press statement to the Private Secretary to the Foreign and Commonwealth Secretary.

RA

ROBERT ARMSTRONG





Ref. A086/2816 MR POWELL CDP.

Informal Visit by President Mitterrand

I have spoken again with Monsieur Attali in the light of your minute of 6 October.

- 2. This visit is not intended to replace the Anglo-French Summit arranged for 21 November. It is the intention to proceed with both meetings. President Mitterrand is perfectly content to be accompanied only by Monsieur Attali. I shall ascertain from Monsieur Attali over the weekend what matters President Mitterrand particularly wishes to discuss.
- 3. I offered the three dates mentioned in your minute, in that order of preference. The President has accepted for Thursday 16 October; it is understood that, since it is a Cabinet day, no Cabinet Minister would be able to meet the President on arrival. The President has a late afternoon appointment back in Paris, and will not therefore be hanging around.
- 4. I said I thought that we should probably arrange for helicopter transit between the airport and central London.
- 5. Monsieur Attali said that the President would not propose to make any announcement about this visit until next week; he was not more specific than that. This is also a point which I could discuss with him over the weekend.
- 6. I am sending a copy of this minute to the Private Secretary to the Foreign and Commonwealth Secretary.

ROBERT ARMSTRONG

ELIBES

be PC

ECI

10 DOWNING STREET

LONDON SWIA 2AA

7 October 1986

From the Private Secretary

97/9

VISIT OF PRESIDENT MITTERRAND

You have seen the exchange of minutes between Sir Robert Armstrong and me about President Mitterrand's wish to visit London shortly for an informal talk about the forthcoming European Council.

M. Attali informed Sir Robert this morning that, of the dates offered by the Prime Minister, 16 October would suit him best. I have subsequently spoken to M. Musitelli in the Elysée to discuss arrangements. We agreed in principle that President Mitterrand would arrive at Heathrow at 1200 hours. I explained that there would be a minimum of protocol and M. Musitelli said that this would suit the President very well indeed. The President would then helicopter into Central London and arrive at No.10 shortly before 1245. He would need to leave again at 1500 hours, again using a helicopter to the airport.

It was agreed that participation in the discussion would be limited to the Prime Minister, President Mitterrand and one official on each side, probably Mr. Attali and me. I suggested that Christopher Thierry, President Mitterrand's interpreter, should be the sole interpreter. The Prime Minister knows him and has full confidence in him.

M. Musitelli thought that this would be acceptable.

I suggested that we should think in terms of an announcement of the visit early next week. M. Musitelli agreed and will propose a brief text after he has spoken to President Mitterrand.

I should be grateful if Protocol and Conference Department and GHF could now take on the detailed arrangements for the visit. M. Musitelli undertook to telephone back before the end of the week with any comments on the above programme.

I am copying this letter to Michael Stark (Cabinet Office).

CHARLES POWELL

Colin Budd, Esq., Foreign and Commonwealth Office.



be PC



10 DOWNING STREET LONDON SWIA 2AA

From the Private Secretary

Sir Robert Armstrong

I have discussed with the Prime Minister your minute of 3 October conveying President Mitterrand's wish to have an informal talk with her later this month about the European Council.

There are some curious features about this request. is rather early to be talking about the European Council which, anyway looks likely to be uncontroversial, unless the French themselves want to raise Community financing and the 1.4% ceiling. We anyway have a regular Summit with the French Government on 21 November: this meeting would rather upstage it. The secrecy surrounding the request is presumably intended to keep it from M. Chirac.

The Prime Minister thinks that she has no choice but to see President Mitterrand as he requests. But she would like you to establish clearly the relationship between this meeting and the Anglo/French summit. Is it the intention to proceed with both meetings? If so, will President Mitterrand participate in the 21 November meeting as well? She would also want you to stress the informality of the occasion: she proposes to be accompanied only by a Private Secretary, and it would be better if President Mitterrand were not to bring his Foreign Minister, because to do so would emphasise M. Chirac's exclusion. She would also find it helpful to have more specific information on the aspects of the European Council, and indeed other subjects, which President Mitterrand wishes to discuss.

HARRING M

As regards dates, 17 and 21 October are both impossible for the Prime Minister. Her preferences are:

Friday 31 October Sunday 26 October (at Chequers)

Thursday 16 October (but since it is a Cabinet day, no Cabinet Minister would be able to meet the President on arrival).

Finally the Prime Minister would want the Foreign Secretary to be aware of the request and her proposed reply before you speak to M. Attali. I am therefore copying this exchange to his Private Secretary.

(C. D. POWELL) 6 October 1986

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CONFIDENTIAL

PRIME MINISTER

MANA

PRESIDENT MITTERRAND

You will see from the attached minute that President Mitterrand wants to come to have lunch with you soon to discuss the European Council. He suggests 16, 17 or 21 October.

It is a curious request. We have a regular summit on 21 November which isn't so far off. And it's rather early now to have a sensible discussion of the European Council.

I suspect his motives are:

- (a) to put M. Chirac in the shade. This will be underlined further if he brings the Foreign Minister with him; and
- (b) to discuss East/West relations and the prospects for the summit. The French are very worried that the Americans are over-enthusiastic for a summit for domestic reasons.

You don't particularly want to play Mitterrand's game against Chirac. On the other hand, of course, Chirac came alone to lunch at Chequers a few months ago. And it's actually quite hard to turn Mitterrand down without seeming to administer a rebuff.

Of the dates proposed, 17 and 21 October are out (visit to Haselmere and Prime Minister's Questions respectively). 16 October would be possible, though it is a Cabinet day and you could not meet the President at the airport. Alternative possible dates if you want to see him would be Saturday 18 or Sunday 26 October, both at Chequers; or Friday 31 October in Downing Street.

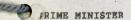
So:

agree to meet President Mitterrand? (1) CONFIDENTIAL

- (en)
- (2) if so, agree it should be just him plus one official? (our side would be just you and a Private Secretary);
- (3) order of preference between
 Thursday, 16 October
 Saturday, 18 October;
 Sunday, 26 October;
 Friday, 31 October.

C D. G.

(C. D. POWELL)
4 October 1986



PRESIDENT MITTERRAND

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So:

(1) agree to meet President Mitterrand?

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(2) if so, agree it should be just him plus one official? Ikuil (our side would be just you and a Private Secretary); have belief

(3) order of preference between

(3) Thursday, 16 October - but explain air port, Saturday, 18 October;

2) Sunday, 26 October;

Friday, 31 October.

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C D.G.

(C. D. POWELL) 4 October 1986

CONFIDENTIAL





Ref. A086/2793

MR POWELL

Monsieur Jacques Attali rang from the Elysee this evening, to say that the President of the French Republic would very much like to come and have an informal talk with the Prime Minister later this month, by way of preparation for the meeting of the European Council later in the year. He would come unaccompanied (save for a member of his staff, presumably Monsieur Attali) or with the Foreign Minister.

- 2. The specific proposal is that he should come for lunch on 16 October, 17 October or 21 October.
- 3. I was asked to put this to the Prime Minister, and to convey the answer personally to Monsieur Attali and not to anyone else.

ROBERT ARMSTRONG

3 October 1986

CCPE

From: THE PRIVATE SECRETARY

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7. 121-1423

HOME OFFICE QUEEN ANNE'S GATE LONDON SWIH 9AT

13 December 1985

Den Coli

Thank you for your letter of 5 December. The Home Secretary's diary for January is already difficult and he had decided therefore not to pursue the idea of a visit to Paris then. A copy of this letter goes to Charles Powell at No. 10.

W R FITTALL

C R Build Esq



Foreign and Commonwealth Office

London SW1A 2AH

5 December 1985

CDP 57in

Dear William,

Possible Visit to Paris by Mr Hurd

Thank you for your letter of 19 November and for the enclosed note of the Home Secretary's discussion with M. Joxe at the Anglo-French Summit.

We are glad that Mr Hurd considers that further discussions with his French counterpart would be useful and in principle welcome the idea of a visit to Paris. Given the approach of the National Assembly elections, our Paris Embassy's advice, which we endorse, is that any visit to Paris during the life of the present French Government should take place as early as possible in the New Year; and that the six-week period before the elections (1 February-16 March) should be avoided.

You may wish to draw Mr Hurd's attention to the growing controversy surrounding M. Joxe's personality and present policies. I attach a copy of a letter from our Paris Embassy giving further details. Whilst these points need not, in our view, deter Mr Hurd from going ahead with a working visit, we suggest that any attempt by the French to turn it into a high-profile occasion should be resisted.

Please let us know if you require further assistance or advice. If Home Office officials are in direct contact with our Paris Embassy about the visit, we should be grateful to be kept in the picture as arrangements develop.

I am copying this letter to Charles Powell at No 10.

Yours Sincerely Colin Budd

(C R Budd) Private Secretary

W R Fittall Esq PS/Secretary of State Home Office Queen Anne's Gate LONDON SW1

CONFIDENTIAL



BRITISH EMBASSY 35, rue du Faubourg Saint-Honoré - 75383 Paris Cedex 08

Telephone: 42 66 91 42

Your reference

R S G Clarke Esq WED FCO Our reference

Date 27 November 1985

Dear Roger,

POSSIBLE VISIT BY THE HOME SECRETARY TO PARIS

- 1. Thank you for your letter of 20 November which enclosed the record of the discussion on counter-terrorism between the Home Secretary and M. Joxe on 18 November. We read it with much interest.
- As seen from here, there are certainly no objections to a visit by the Home Secretary to Paris, in response to M. Joxe's invitation. But I ought perhaps to add a word or two on the growing controversy surrounding M. Joxe's personality and present policies (a point which the Ambassador mentioned to Mr Hurd on 18 November). In the aftermath of the Greenpeace affair, scarcely a day goes by without some newspaper (normally right-wing) surfacing a new theory that Joxe's real intention during his tenure of office as Minister of the Interior has been, and still is, to destabilise the efficiency of certain areas of the French security and intelligence services. Even this week's Le Point (moderate right wing weekly) has a paragraph on Joxe's apparent determination to change the system whereby officers who join the French Security Service (DST) remain within that service for their professional life. Joxe apparently wants to see more comings and goings; the deleterious effects of this latter system are well known to all those who are acquainted with the other French security agencies, notably the Renseignements Généraux and the DGSE. I have not yet heard authoritatively whether a plan by Joxe to alter the DST is really to be put into effect: but the rumours seem certain to continue. Ad you will no doubt recall the long history of rumour and innuendo attaching to the Joxe family, their days spent in Moscow and the oftproclaimed Marxist affiliations of both Pierre and Alain Joxe.
- 3. All of which merely to say that Joxe may prove to be a Minister under fire during the last four months of his present tenure of office. Given that the Home Secretary is likely to want to do continuing business with Joxe's successor, whoever he may be, we should therefore not take it too tragically if





no visit were able to be arranged before March. That said, there are a number of other topics apart from those mentioned in the record of meeting of 18 November) which could form the basis of a useful and interesting discussion between the Home Secretary and M. Joxe. I am thinking of the re-equipment of police forces, increased automation of crime records, vastly increased expenditure on law and order here in a period of budgetary rigour, and other topics which have been a notable feature of Joxe's fifteen months tenure of office. Indeed, even his worst detractors admit a degree of grudging admiration for the effective way in which M. Joxe has defended the material interests of the Ministry of the Interior and embarked upon an ambitious programme of modernisation (see copy of a recent minute attached below, by the Head of Chancery). As for our cooperation with the French agencies on counter terrorism, I think it is fair to say that this continues to flourish on the bilateral and trilateral fronts (alluded to in point 4(c) of the record); and that there is no obvious scope for further political initiatives to develop it.

4. Having advised the Home Office in the light of the above, no doubt you will let us know if you wish the Embassy to pursue with M. Joxe's cabinet the question of possible dates. If so, the earlier before the elections, the better: The Ambassador's view, in summary, is that a visit would be useful in January but that we should avoid the six weeks before the elections (1 February to 16 March) when Joxe in any event is likely to be on the campaign trail.

yours ever,

M J Reynolds

Enc

cc: Mr Newton, SCD, FCO

CONFIDENTIAL

APS

cc: {Mr Manning (fr & 3 74)

LUNCH BY LES AMIS DE LA REPUBLIQUE FRANÇAISE FOR PIERRE JOXE

- 1. I stood in for the Ambassador at the lunch to which he was invited today given by Les Amis de la République Française, at which the guest speaker was the Minister of the Interior, Pierre Joxe. In case you or your successor find it useful to have some guidance about this outfit, I shall record a few details. Their stock handout is attached below.
- 2. <u>Les Amis</u> have existed since the end of World War II. Although they have some quite illustrious people on their list of members and Central Committee, the cross-section who turned up to this event were all pretty elderly. In fact, I thought that the event was surprisingly ill-attended for such a prestigious speaker (maximum of 50). Nevertheless, several lesser Ambassadors were there (including the egregious Greek) and representatives of other Embassies, as well as sundry journalists.
- 3. Joxe himself spoke well. He started by dealing briefly with decentralisation (*it will take several local elections for this to enter into the reflexes of the French people»). He then turned to the police and having made much of the reduction in the figures for crime (the figures for the first quarter of 1985 had just appeared and he was about to announce that they would show a further overall reduction of the order of 4.5%), he explained in some detail the areas in which he was modernising the French police. An area which he particularly stressed was the technological section where he admitted that France was at present well behind the UK and the FRG. He hardly imagined that the Senate would hold up his draft law seeking a dramatic increase in the budget for the police force.....
- 4. One surprise at the end was the emphasis he put on the importance of civil defence. He said that this was a neglected area in France which was well behind several of its neighbours. In 5 or 10 years time, the French would wake up to this. He wanted to make a start at once.

Journalists I talked to said that this was the first time they had ever heard a French Minister of the Interior talk about the subject in public. One, more cynical, wondered whether it was not to take the wind out of the sails of the Opposition and their friends inside the armed forces who were criticising the government in the area of conventional defence.

Mistaphen Meurce.

19 November 1985

A C D S MacRae

FRANCE P75

POINTS FOR CABINET

A MEETING WITH PRESIDENT MITTERRAND

- Agreed to keep to timetable for <u>Channel Fixed Link</u> and to meet in France in late January to announce a decision assuming projects meet qualifications.
- Fairly similar views on East/West relations and Gorbachev. He stressed Gorbachev's determination to change the Soviet Union's image without changing the system. Mitterrand expects Strategic Defence to come one day, but not too soon. Expects to see mower towards Soviet/Israeli diplomatic relations and claimed to detect some flexibility in Soviet position on Afghanistan. Clearly a risk that French will desert us this year on Falklands. On European Community affairs and the Intergovernmental Conference, you played your cards close to your chest. He seemed uncertain what cards he had been dealt. But his general theme was that, while France could agree to more than the UK could, he was resigned to settle for considerably less than his maximum. He was also keen to get a settlement in Luxembourg, so that the issues do not get caught up in the French elections. But France will be difficult over monetary issues; and is all too likely to gang up again with Germany at the last minute and come up with something unacceptable to us.
- You also saw M. <u>Santer</u> of Luxembourg. Obviously trying hard and running business efficiently. But you left him with the clear message that his idea of a minimal outcome to the European Council was still well above your <u>minimum</u>: and a lot of work remained to be done to scale down proposals to a level which would interest us.
- On Reagan/Gorbachev, you hope to see Mr. McFarlane on Saturday for a full debriefing. (lear from thi)
 morning's ceremony that both sides regard
 it as a success. We should support



10 DOWNING STREET

From the Private Secretary

20 November 1985

Deu Glin

ANGLO-FRENCH SUMMIT

I enclose a record of the Plenary Session of the Anglo-French Summit held at 10 Downing Street on 18 18 November. I am grateful to David Williamson and David Dain for having jointly taken the record.

I am copying this letter and enclosure to Rachel Lomax (H.M. Treasury), John Mogg (Department of Trade and Industry), Richard Mottram (Ministry of Defence), Stephen Boys Smith (Home Office), Richard Allan (Department of Transport), Tim Abraham (Mr. Pattie's office, Department of Trade and Industry) and Michael Stark (Cabinet Office).

(Charles Powell)

Colin Budd, Esq., Foreign and Commonwealth Office.

CONFIDENTIAL

800

RECORD OF THE PLENARY SESSION OF THE ANGLO-FRENCH SUMMIT, HELD AT NO 10 DOWNING STREET AT 1100 ON MONDAY 18 NOVEMBER 1985

Present:

The Prime Minister
The Rt Hon Sir Geoffrey
Howe MP, Secretary of
State for Foreign and
Commonwealth Affairs

The Rt Hon Michael
Heseltine MP, Secretary of
State for Defence

The Rt Hon Douglas Hurd MP, Secretary of State for the Home Department

The Rt Hon Leon Brittan MP, Secretary of State for Trade and Industry

The Rt Hon Nicholas Ridley
MP, Secretary of State
for Transport

Mr Geoffrey Pattie MP, Minister of State for Industry and Information Technology

Officials

President Mitterrand

M. Roland Dumas, Minister for External Relations

M. Paul Quiles, Minister for Defence

M. Pierre Joxe, Minister for Interior and Decentralisation.

Mme Edith Cresson,
Minister of Industrial
Redeployment and External
Trade

M. Jean Auroux, Minister for Transport

M. Hubert Curien, Minister for Research and Technology

Mme Catherine Lalumiere, State Secretary (Junior Minister) for European Affairs

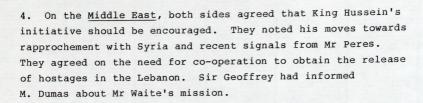
Officials

- 1. The <u>Prime Minister</u>, after words of welcome, said that in her discussion with the President they had agreed a joint statement about the <u>Channel Fixed Link</u>. She proposed to travel to France for the formal announcement of the project. She and President Mitterrand would later meet again to sign a Treaty. They had also discussed <u>East West relations</u>, though decided to make no prophesies about the Geneva Summit; and the approach to the <u>Luxembourg European Council</u>.
- 2. President Mitterrand said that it was important to keep to schedule on the Channel Fixed Link. As regards the Geneva Summit, France expected adherence to the 1972 ABM Treaty. At the Luxembourg Council it was important to avoid a repetition of the Milan deadlock. France did not require a maximalist solution. While they might like more, they could accept less. Negotiations seemed to be moving in the right direction. But it might be necessary to take things only as far as they could be taken at this time. A logical solution was needed for the powers of the European Parliament. The internal market was a matter for negotiation; separate partners should not pick and choose.

FOREIGN AFFAIRS

3. Sir Geoffrey Howe said he had thanked M. Dumas for the French statement on the Anglo-Irish Agreement. As regards East-West relations both Governments had received communications from the US and Soviet Governments about nuclear fusion. He understood that Gorbachev had also mentioned this in Paris. The two governments favoured co-operation in principle, but they agreed on the need to keep in close touch and to take full account of other projects such as JET. As regards the nuclear deterrent their responses to the Soviet approach had been substantially the same: "no" to negotiations, "yes" to a general exchange of views on armaments. It was useful to underline publicly how much our positions had in common.

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- 5. On terrorism Sir Geoffrey had spoken in favour of co-operation bilaterally and in the context of the Community and the Council of Europe. M. Dumas had explained France's reluctance to deal with terrorism in the Summit Seven.
- 6. They had touched only briefly on <a>EC affairs, which had been discussed more fully by Mr Rifkind and Mme Lalumiere.
- 7. On the <u>European Fighter Aircraft</u> the UK was willing to take part in a long term review, but without delay to the EFA project. M. Dumas had recognised the need not to hold it up.
- 8. Both agreed on the importance of Eureka. In the British view, while some form of secretariat was needed, its location required further discussion amongst the partners.
- 9. M. Dumas had urged continued British membership of UNESCO. Sir Geoffrey Howe had said that no decision had been taken and that the subject would be discussed in Parliament on 22 November.
- 10. On the <u>Falklands</u>, the <u>Prime Minister</u> intervened to say that it was very important that France did not change her vote in the United Nations General Assembly.
- 11. On bilateral relations the Ministers had agreed that the UK and France should continue to work together on the Guangdong project and not be thrown off course by Chinese tactics. They had agreed the report on bilateral relations, and decided that exchanges on defence matters had been useful and should continue. Britain looked for help from France in

taking Vietnamese refugees and it had been agreed to keep in close touch over this.

12. M. Dumas said he wished to add only on East-West relations that France had observed some movement by the Russians over human rights and diplomatic relations with Israel.

DEFENCE

- 13. On the <u>European Fighter Aircraft</u>, <u>M. Quiles</u> recalled President Mitterrand's letter to other European leaders. He had agreed with Mr Heseltine the need for a political overview of future analysis of requirements at a technical level: the French approach was pragmatic.
- 14. On <u>SDI</u> he said that Mr Heseltine had corrected false German press reports about the UK's agreement on co-operation with the United States (<u>Mr Heseltine</u> later added that the Government still had to make a decision, which had been delayed by his absence in the Far East.)
- 15. M. Quiles noted that in the efforts to find a financial partner for Westlands Helicopters, Sikorsky of the United States and Aerospatiale/MBB had an interest. This could be a case for European preference. A decision was needed quickly because of the seriousness of the financial position of Westlands.
- 16. Mr Heseltine said that their frank discussion had been desirable following the disappointment over EFA. The UK would take a practical view on finding common components with Rafale. We awaited the specific proposals promised by the French side. There was a need for study of possibilities for wider co-operation in the aeronautics field, as agreed at the Hague meeting of the IEPG. We had every wish to fulfil our European obligations.



17. On Westlands Mr Heseltine agreed that a conclusion was needed soon.

TRADE AND INDUSTRY

- 18. On <u>Tin</u>, <u>Mr Brittan</u> said he had told Mme Cresson that his legal advice was that each country was liable for the actions of the buffer stock manager. He hoped the French Government could accept our proposal for liabilities to be met and an orderly run-down of tin stocks. Mme Cresson had said she would take legal advice.
- 19. In discussion of <u>multilateral trade</u> negotiations

 <u>Mme Cresson</u> had expressed reservations about pressure on

 Brazil and India. She did not think there should be a start

 of GATT talks until pressure for protectionism in the United

 States had receded. Mr Brittan, who had recently returned

 from the US, did not assess the American position in the same
 way. We would not gain by delaying the GATT talks. As

 regards a new Multifibre Arrangement, the two Ministers agreed
 on a measure of liberalisation towards the poorest countries
 and countries not imposing barriers to the Community's
 exports.
- 20. On $\underline{\text{EC/US Steel}}$ it was vital for the UK to secure assurances from the United States on semi-finished products. Otherwise we would not be able to approve the agreement which had been negotiated.
- 21. It was agreed that revisions to the <u>Generalised Scheme of Preferences</u> should take account of the fact that some newly industrialised countries no longer needed preferential arrangements.
- 22. Mme Cresson had stressed the need for an EC/Mediterranean agreement on citrus, in the light of the European Community's wish to assist the Maghreb. The United Kingdom wanted the issue settled and a running sore removed.



- 23. The Ministers had agreed that <u>Japan</u> should be pressed to accept and comply with import targets, as an indicator of their readiness to open their market.
- 24. As regards the European Community the Ministers had also agreed on the desirability of completing the internal market.

 Mr Brittan had explained British concerns over vehicle emissions, which would be discussed at the meeting of the Environment Council on 28 November.
- 25. There was agreement that enough concessions had been made to the Chinese in the <u>Guangdong</u> negotiations.
- 26. There was satisfaction with work so far on $\underline{\text{Eureka}}$ and agreement that the momentum should be kept up.
- 27. In the field of <u>electronics</u>, <u>Mme Cresson</u> proposed that there should be regular Anglo-French meetings at industrial level, as the French already had with the Germans.

 Co-operation between British Telecom and CIT/Alcatel looked like producing interesting results. The two sides should try to strengthen co-operation in electronics, for example through the Plessey/Alcatel/Italtel/Siemens project. This could result in support for the wide band project in Eureka.
- 28. Mme Cresson said that Community countries should give priority to buying $\underline{\text{Airbus}}$. New projects (TAG/ll) were coming forward. She noted that British Airways had last year bought Boeings and intended to buy more.

RESEARCH AND TECHNOLOGY

- 29. Mr Pattie reported that his discussions with M. Curien had been under four headings.
- 30. The Hanover meeting on <u>Eureka</u> had been positive and the "chair" was now with the UK. They had agreed on the need for a task force as a clearing house for projects. The British side had noted the French and German views on where it should

be sited and considered that this needed further discussion with the other partners.

- 31. The two sides looked forward to the signing of a Memorandum of Understanding on <u>Spallation Neutron</u>
 <u>Source/European Synchroton Radiation Facility</u>. They had agreed to come back to this in the margins of the Research Council meeting on 10 December. The Italians were also expected to sign.
- 32. On <u>Space</u> the Ministers had agreed to keep in close touch over the main projects (Ariane V, Hermes, HOTOL).
- 33. The percentage increase recommended by the Commission for the EC Research and Development Programme was too ambitious. Less relevant projects should be dispensed with. A decision on environment and raw materials was not likely at the 10 December meeting. On the Joint Research Centre the Commission had mismanaged the finances. The Ministers had agreed that there should be a special meeting of the governing body to consider whether it should be put on the agenda for 10 December.
- 34. M. Curien confirmed that France and Germany saw advantages in Strasbourg as the base for a "light" Eureka secretariat. On space he wished to see Franco-British co-operation strengthened and the UK take a significant share in Hermes. He thought there was now also better understanding of the HOTOL programme.

TRANSPORT

35. Mr Ridley reported on the timetable for decision on the Channel Fixed Link. By 17 December there should be a report from officials on the advantages and disadvantages of the four schemes which had passed the qualifying conditions. There would follow a submission to Heads of Government; meanwhile public speculation on the respective merits of the schemes should be avoided. The aim was to announce a decision in

January. An intergovernmental agreement should be ready by February. A joint statement had been prepared for issue at the present meeting. He had also agreed a confidential note with M. Auroux ensuring that lorry traffic through the Channel Fixed Link would not be hampered by quantitative restrictions in France and dealing also with the prospects of an improved lorry network on the UK side.

- 36. Agreement had been reached on drivers' hours at the previous Thursday's Council of Ministers meeting. But there had been no agreement on coastal shipping trades. This had to be concluded by the end of the year if there were not to be serious delays as a result of Spanish and Portuguese accession. If necessary the Ministers would meet again before Christmas. Anglo-French agreement was important in this context.
- 37. M. Auroux emphasised the importance to France of keeping to the timetable for a CFL agreement. For French internal political reasons the Treaty needed to be signed by February. He thought it valuable that the railways were being encouraged to co-operate over the prospects of a rail link. France looked for a more liberal policy from the UK on lorry weights, to bring the present 38 ton limit up to 40 tons.
- 38. The <u>Prime Minister</u> emphasised the importance of keeping confidential the second of the two documents agreed by Transport Ministers. Anything which might be seen as having implications for lorry weights was very sensitive in the United Kingdom.

TERRORISM

39. Mr Hurd welcomed the full discussion he had had with M. Joxe and reported on the good record of bilateral co-operation between the two governments and French and British agencies. He had warned M. Joxe about the possibility of intensification of Irish terrorism in the short term following the Anglo-Irish agreement. He was grateful for the

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co-operation from France for instance over the arms seizure at Le Havre. The UK continued to be concerned about illicit arms traffic in Europe. Reduction of barriers to movement across frontiers made security more difficult. Multilateral co-operation was needed. Secure communications systems between police forces needed updating. M. Joxe had said that he would consider a UK technical paper on this subject. He had explained to Mr Hurd the reasons why France found consultation about terrorism difficult in the Summit Seven.

EUROPEAN COMMUNITY

- 40. Mme Lalumiere said she was presenting both sides' views in Mr Rifkind's absence. On the intergovernmental conference they had discussed two main themes. On the internal market Mr Rifkind had seen the "cohesion" proposals by the Commission as interfering with progress and causing delay by mixing the issues. France saw the matter in different terms: it was important to avoid creating more difficulties at Luxembourg, but France also believed that it would be impossible to create a full internal market without making some provision for cohesion. There was also the question what was meant by the internal market. The British favoured a restrictive definition limited to free movement for goods and services, omitting persons (capital had not been mentioned). France gave priority to goods and services but was more flexible on persons. Differences over this could emerge at the Luxembourg Council, but there was sufficient area of agreement to make it possible for these problems to be resolved.
- 41. On the <u>European Parliament</u> views were largely the same. The two sides accepted the outline proposed by the Presidency. A way should be found for the Parliament to "exert influence" on the Council, thus achieving co-operation, but the last word would remain with the Council. In the French view some new machinery was needed, though without fundamental change. Mme Lalumiere thought that with minor adjustments the Presidency's proposals could be acceptable. Time was short before the Council and much work needed. Close contacts between London

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and Paris should be maintained. She had noted Mr Rifkind's express wish that there should be no last minute surprises. The positions should have "transparency".

20 November 1985

CONFIDENTIAL (CMUStorset (SH + DSS)

RECORD OF A MEETING BETWEEN THE PRIME MINISTER AND PRESIDENT MITTERRAND ON THE OCCASION OF THE ANGLO-FRENCH SUMMIT AT 10 DOWNING STREET ON MONDAY 18 NOVEMBER 1985 AT 0900 HOURS

Prime Minister Mr Charles Powell

President Mitterrand M. Vedrine

CHANNEL FIXED LINK

The Prime Minister said that the Channel Fixed Link was one of the few really exciting projects in the public domain. She was glad to hear that the demanding timetable for presentation and assessment of proposals was being met. draft statement which she and the President might issue had been agreed between the Transport Ministers. Agreement in principle had also been reached on lorry quotas. She was content with both texts.

President Mitterrand confirmed that France too was eager to see the Channel Fixed Link built. He had no preference to express between the various projects which had been submitted. The important thing was to stick to the deadline and to avoid any delay. The Prime Minister said that she understood that President Mitterrand's preference would be for the two of them to meet towards the end of January to announce a decision on which project had been selected. She would be happy to go to Paris for this purpose. President Mitterrand suggested that, as well as a solemn ceremony in Paris, he and the Prime Minister might also make a joint visit to Calais. This would give more symbolism to the agreement. The Prime Minister said that she would be happy to leave it to President Mitterrand to suggest a time and place for their meeting.

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The Prime Minister said that she and the President would subsequently need to meet again to sign the Treaty on the Channel Fixed Link. She wondered whether, to avoid too much travelling, they might do this at the European Council in the The Hague in March. President Mitterrand appeared rather surprised at the idea of a link with the European Council. It was left that the matter would be discussed further.

CHINA

Conversation moved by a rather circuitous route to the subject of China. The Prime Minister observed that the Chinese were more flexible about changing the Communist system than the Soviet Union. President Mitterrand agreed. A new class of rich peasants were emerging. The Prime Minister hoped that the relatively more liberal system in China would outlast Deng Xaioping. President Mitterrand thought the changes which had taken place were irreversible. The Prime Minister commented that this pointed to continuing differences between China and the Soviet Union which was a comfort. President Mitterrand once more agreed. The West should not do anything to create the conditions for a reconciliation.

EAST-WEST RELATIONS

The Prime Minister invited President Mitterrand to give an account of his meetings with Mr Gorbachev in Paris.

President Mitterrand said that Gorbachev's visit had passed very easily. Gorbachev had two main preoccupations. The first was to correct the public image of the Soviet Union. He was the first Soviet leader since Lenin to understand that his country had bad press internationally and to ask himself why. He did not want to change the Soviet Union, only its image. His second preoccupation was with the

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United States' Strategic Defence Initiative. Gorbachev knew that his most important task was to increase living standards in the Soviet Union. To achieve this he had to bring about a reduction in defence spending or at least avoid an increase. If the United States went ahead with the SDI, he would be forced to follow suit. Gorbachev had been keen to discuss this problem in Paris because he knew that France also had reservations about strategic defence. He had sought to pin France down to a communique setting out a common position. This was impossible to accept. Although France shared reservations about the SDI, it would never say so jointly with the Soviet Union. "I know where my allegiance lies". The dominant impression which remained from Gorbachev's visit was of his determination to show an agreeable face to Europe. President Mitterrand concluded that he understood that Gorbachev had subsequently written to the Prime Minister.

The Prime Minister agreed that Gorbachev's aim was to try to separate Europe from the United States. The SDI was a very sensitive point for the Soviet Union, since they saw it as threatening their equality with the United States. She had replied to Gorbachev's recent letter making clear that there was no scope at present for negotiations about the United Kingdom's nuclear deterrent. She found it hard to define what his real expectations from the forthcoming meeting with President Reagan were. Her impression was that he was someone who was difficult to win over by argument, but good at using argument to win over others. There seemed to her three possible outcomes at Geneva: a limited success, but this was unlikely in view of Gorbachev's recent speeches; a failure, which Gorbachev could present to his colleagues in the Soviet Union as successfully refusing to give away anything to the United States; and agreement to continue a dialogue, which would give Gorbachev scope to carry on his efforts to influence public opinion in the West against the SDI. There would be no concrete progress but the debate

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would be prolonged. On the whole, she though the last scenario the most likely.

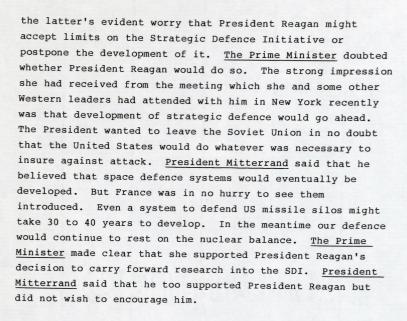
President Mitterrand said that he agreed with the Prime Minister's analysis. He thought that President Reagan would refuse to abandon the SDI, while Gorbachev would make clear that he was not prepared for serious negotiations on reductions in nuclear weapons unless strict limits were placed on the SDI. The two positions were irreconcilable and he did not expect any early solution. However, it was possible to envisage in the rather longer term an agreement on certain levels of weapons in space on the lines of the ABM Treaty. The Prime Minister thought that President Reagan would not be ready to set any limits at this stage. She had urged him to reaffirm the ABM Treaty and consider extending the period of notice for terminating it. President Reagan understood the need to give Gorbachev some success to take home from Geneva. But Gorbachev had not left himself much room for manoeuvre. She came back to the conclusion that the meeting would be presented by both sides as a limited success with some modest bilateral agreements and a commitment to go on talking. That would in fact be an advance and should be welcomed as such in any public reaction. She hoped that at their joint press conference she and President Mitterrand might take the line that as loyal members of the Alliance they hoped the talks in Geneva would succeed in giving an impetus to the negotiations on reducing nuclear weapons and would start a dialogue.

President Mitterrand asked what the Prime Minister made of the Weinberger letter urging the President to avoid any new arms control agreement or extension of existing agreements.

The Prime Minister said that she had been astounded by it. She thought that she detected the hand of Mr Perle.

President Mitterrand said that uncertainty labout the President's intentions seemed to be quite widespread. He had been struck during a recent talk with Dr Kissinger by

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President Mitterrand said that he had noted two points of particular interest during his discussions with Gorbachev. The first was a softening in the Soviet attitude towards Israel. The second was some flexibility on Afghanistan. He had told Gorbachev that Soviet policy on Afghanistan was a disaster. Hitherto the Soviet Union had always been careful to keep in the good books of the Third World and of the Arabs. They had lost enormously by their involvement in Afghanistan. They controlled the country anyway. There had to be a negotiated solution leading to some form of neutrality. Gorbachev had commented that if the UN Secretary General were to take a new initiative, he would not oppose it.

The Prime Minister said that both points were interesting. She pointed out that Perez de Cuellar had already taken an initiative on Afghanistan. Certainly the idea of neutrality

had been around for several years. <u>President Mitterrand</u> said that the situation was different now. He had written to President Reagan urging him to follow up Gorbachev's signal.

At this point Foreign Ministers joined the meeting.

EUROPEAN COMMUNITY

The <u>Prime Minister</u> said that she had not been following developments over the Intergovernmental Conference very closely and was not aware of President Mitterrand's precise views. She did know that a great many proposals had been made, most of them not very realistic. Her intention was to wait and see what was on the table at Luxembourg before reaching any conclusions. It would help her to know what the French position was.

President Mitterrand said that he hoped to avoid a confrontation similar to that at the Milan European Council. France had put forward some ideas for Milan. But Milan had failed. The tide of discussion there had swept apart those who wanted to reform the Treaty and those who were more interested in improving procedures. The task now was to find a middle way. He did not want Luxembourg to fail too. Nor did he want what could perfectly well be decided at Luxembourg to be postponed for a further three months. President Mitterrand continued that what the Prime Minister had proposed at Milan was reasonable, but not sufficient. He was not himself a maximalist. He could go further than the British proposals, but would settle for the best that could be achieved.

The <u>Prime Minister</u> said that it was characteristic of the European Community to refuse to face up to real problems like reform of the Common Agricultural Policy and retreat into fiddling with the institutions. This was a sign of

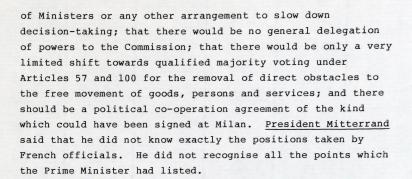
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weakness, and in contrast to the period of the French Presidency when real progress had been made. She understood that British and French officials had reached provisional conclusions about the possible outcome of the Intergovernmental Conference. But she was not clear whether the views of French officials had the President's backing. This was why she was waiting to see where the ball landed in Luxembourg. President Mitterrand said that one had to anticipate the ball. The Prime Minister replied that her natural inclination was to whack it back hard across the net.

President Mitterrand said that France was quite keen on the Commission's proposals on the procedures and functioning of the Community, though some reservations about their ideas on the role of the Parliament. He thought the proposals formed the basis for an acceptable conclusion in Luxembourg. France was in step with Germany, though the latter was keen to go further in most areas while blocking advance towards monetary union. He would sum up by saying that the French position was constructive and he did not want to postpone decisions until the next European Council in March.

The <u>Prime Minister</u> said that, like the Germans, we did not see any need to amend the monetary provisions of the Treaty, or to give the Commission extra powers on taxation and monetary matters. <u>President Mitterrand</u> said he noted the German and UK position on this. He agreed that taxation was a very delicate matter.

The <u>Prime Minister</u> continued that her understanding was that French and British officials agreed that if there were new Articles in the Treaty on the environment and technology, there would be unanimity on all important matters; that "cohesion" would not mean transfer of additional resources to the South; that there would be no change in the institutional balance between the Assembly and the Council



M. Dumas said that he understood officials from both sides agreed on: a single preamble; new Articles on the environment and technology; and the Presidency proposals on the Parliament, leaving the last word with the Council of Ministers. He also had the impression that British officials were not shocked by the idea of a text on EMS. The Prime Minister said that she was very wary of putting EMS in the Treaty and so was Germany. M. Dumas thought the German position had recently moved closer to that of France. The Prime Minister conceded that German views tended to change from meeting to meeting. M. Dumas continued that some divergence of view remained on the internal market where work remained to be done. France could not support complete de-regulation but wanted to take account of the social dimension. Sir Geoffrey Howe suggested the conclusion that French and British officials should continue to work closely together in the period up to the Luxembourg Summit in order to avoid another failure or unpleasant surprises. The Prime Minister said that she was ready for decisions at Luxembourg if only to get rid of the Intergovernmental Conference, but it sounded to her as though some of the difficulties which had been mentioned might take longer to solve. It was much more important to get down to the real problems of tackling agricultural surpluses.

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The Prime Minister reported subsequently that President Mitterrand had said to her on departure: "I wish you all success at Luxembourg".

COMMUNITY SHIPPING POLICY

The <u>Prime Minister</u> mentioned her disappointment at France's failure to join the United Kingdom, Netherlands and Federal Republic in opening up coastal trades. It was important to get agreement in the Community on this before the end of the year. Otherwise the arrival of Spain and Portugal would set back the prospects of progress. President Mitterrand was evidently unfamiliar with the issue.

FALKLANDS

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The <u>Prime Minister</u> raised this with President Mitterrand over lunch, making clear our strong hope that France would not support the Argentinian draft resolution. <u>President Mitterrand</u> said that the Argentinian draft did not mention discussions on the question of sovereignty. He certainly would not support any resolution which referred to sovereignty. The <u>Prime Minister</u> said that, while the word sovereignty was not used explicitly, there was a coded reference to it. There had been no change in the substance of the Argentinian position. <u>President Mitterrand</u> noted the Prime Minister's strong views.

From: THE PRIVATE SECRETARY
ERING CONFIDENTIAL



HOME OFFICE QUEEN ANNE'S GATE LONDON SWIH 9AT

November 1985

COP

MEETING WITH MONSIEUR PIERRE JOXE

I attach a copy of the note of yesterday's discussion between the Home Secretary and Monsieur Joxe of terrorism related issues.

The final paragraph records an invitation which Monsieur Joxe extended to the Home Secretary to visit Paris for a discussion of wider matters of common interest. I understand that, over lunch, Monsieur Joxe returned to the question of a possible visit to Paris by the Home Secretary. The Home Secretary agreed that such a visit would be useful and mentioned to our Ambassador that he would look to him to provide advice on the timing. Clearly it would be desirable for the discussions to take place before Monsieur Joxe becomes too heavily involved in the run-up to next year's elections in France. The Home Secretary would be grateful for further advice so that he can follow up Monsieur Joxe's invitation as soon as practicable.

A copy of this letter goes to Charles Powell at No 10.

W R FITTALL

Your Many

Colin Budd, Esq



NOTE OF A MEETING HELD ON 18 NOVEMBER 1985

ANGLO-FRENCH SUMMIT: TERRORISM

Present: Home Secretary

Mr Partridge
Miss Lewis Jones
Mr Fittall

Monsieur Joxe Monsieur Verbrugge Monsieur Trumau

Madame Bourdelet (Translator)

The meeting was one of a number of bilateral discussions taking place in London on the occasion of the Anglo-French Summit. It was preparatory to a plenary session at 10 Downing Street.

- The Home Secretary in welcoming Monsieur Joxe noted that this was the first time that they had met to discuss matters of common interest. The problem of terrorism was a serious one for both countries and it was good that effective co-operation between the various agencies in this country and their French counterparts was already well established. The Home Secretary said that he would find it helpful to hear from Monsieur Joxe an account of the nature and scale of the terrorist problem facing France. So far as the UK was concerned domestic terrorism (exluding foreign conflicts fought out on British soil) was almost exclusively related to the Irish situation. The two main terrorist groups (INLA and PIRA) were very different from each other in style and organisation but they shared an ability to mount deadly operations on both sides of the Irish Sea. There was every reason to suppose that the Anglo-Irish agreement, far from leading to a reduction in terrorist activity might actually, in the short term, provoke an escalation. It was only in the longer term that the Government could hope to change the climate in which militant nationalism currently flourished. For the time being the extremists would do all in their power to try to show that the agreement between the UK and Ireland was irrelevant. It would be of great assistance to the British authorities therefore if the French agencies could be particularly vigilant for any signs of money or arms en route for Ireland. Possible connections with Libyan sources remained a cause of concern.
- In response Monsieur Joxe said that his Government was pleased to note the signing of the Anglo-Irish agreement. He had not previously taken the point that it might in the short term lead to an increase in terrorist activity and he confirmed that he would ensure, on return to Paris, that officials were seized of the point. The mechanism for exchanging information between British and French agencies was well established and the French would certainly pass on anything which they learnt which might be of help. The French were particularly alive to possible Libyan involvement in terrorist activity, not least because of the direct implications for themselves of much Libyan activity (for example it was known that 15 New Caledonians had been invited to spend some time in Libya in 1984). The situation in France was more complex than in the United Kingdom. Apart from occasional terrorist incidents whose origins lay in conflicts outside France there were three main types of terrorism. The most worrying was that organised by Action Directe. There were perhaps no more than 20 activists in all (though probably a larger number of people were involved in supporting the group in one way or another). The organisation was committed to taking on the State and was prepared to go to extraordinary lengths to

mount spectacular operations to further their aims. Most recent incidents seem to have been planned to achieve the maximum publicity with the minimum risk to human life. The one attack which had deliberatly involved loss of life appeared to have been heavily influenced by German elements. There were clearly close links between Action Directe and extremist groups in Germany. The French were devoting considerable resources to defeating Action Directe. The size of the group gave grounds for hoping that it could be defeated once and for all but so far the authorities had few leads to work on. Such leads as there were led outside France (though not to the United Kingdom). The second source of terrorist activity was the Basque region. There was no substantial Basque political problem for France; the Basque Independents Movement was a Spanish phenomenon. The difficulties for the French authorities arose from the presence on French soil of terrorists who had mounted attacks in Spain. From time to time there were also attacks against suspected Basque leaders in France which had the hallmarks of being inspired by ultra right-wing groups in Spain. In general, however, the Basque problem like the Corsican problem - the third source of terrorist activity - was going better than a year or two ago. A truce had held in Corsica since the summer.

- 4. In discussion the following other points were touched on:
 - (a) the British Government's willingness to reconsider its extradition laws, and in particular the prima facie test, was welcomed by the French. The French had no plans to review their own law on extradition however. The present arrangements were widely accepted in France on all sides of the political spectrum. The French, despite earlier initiatives, had no enthusiasm for an 'espace europe@n judiciare'
 - (b) it was noted that both countries faced similar difficulties with the move towards the abolishing of internal frontier controls within the EEC. In both countries the differences of perspective between those responsible for, on the one hand, immigration and law and order and, on the other, the longer term aspirations for a united Europe were similar. Monsieur Joxe cited the example of Sri Lankans arriving in Europe via East Berlin and reaching France via West Germany and East Germany as one which persuaded him, though not necessarily the French Prime Minister or Foreign Minister, of the need for caution in abolishing frontier controls between member states. The Home Secretary said that the traditional British reliance on frontier controls made the European developments particularly worrying. Monsieur Joxe said that in the medium term he was satisfied that frontier controls would need to be intensified. New methods, drawing on the most up-todate technology, would be necessary;
 - (c) the French much preferred practical co-operation of a bilateral or trilateral kind to the sort of multilateral ventures which some other countries proposed from time to time. The French had been opposed to the Italian plan (which had in reality been an American proposal in disguise) for a permanent European secretariat on terrorism. Monsieur Joxe said that the French would also oppose plans in the Council of Europe for a new Ministerial structure. Any idea

/that the Summit

- that the Summit Seven should discuss terrorism was also an anathema to the French; the value of the summits as occasions for discussing economic problems should not be undermined by the introduction of extraneous subjects, however important in their own right;
- (d) the Home Secretary noted the need for an up-dating of the communication system for use by the Trevi partners. Monsieur Joxe said that the French were already spending considerable sums of money on the installation of secure communication systems between Paris and the Prefecture and would therefore be very sympathetic in principle to the need for effective and modern communication systems within Trevi. The precise proposals would need to be considered further at a technical level.
- 5. In conclusion, Monsieur Joxe said that he would be delighted to welcome the Home Secretqary to Paris, outside the framework of the regular summit meetings, for a discussion of wider matters of common interest.

Private Office 19.11.85 W R FITTALL Private Secretary

cc. Mr Pike
Mr Webber
Mr Partridge
Mr Hilary
Mr Harrington
Mr Nagler
Miss Lewis Jones



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Foreign and Commonwealth Office

London SW1A 2AH

an

20 November 1985

Dear Charles,

Anglo-French Summit

I enclose a draft record of the plenary session held at No 10 on 18 November.

Yours ever, Colin Budd

(C R Budd) Private Secretary

C D Powell Esq 10 Downing Street





bc: fir P. Cradock

10 DOWNING STREET

From the Private Secretary

18 November 1985

ANGLO-FRENCH SUMMIT

I enclose a record of the Prime Minister's discussion with President Mitterrand at the Anglo-French Summit, for the last part of which Foreign Ministers were also present.

I am copying this letter and relevant parts of the enclosure to Rachel Lomax (H.M. Treasury), Richard Allan (Department of Transport), John Mogg (Department of Trade and Industry), Richard Mottram (Ministry of Defence) and Michael Stark (Cabinet Office).

Charles Powell

Colin Budd, Esq., Foreign and Commonwealth Office.

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DRAFT: minute/letter/teleletter/despatch/note

TYPE: Draft/Final 1+ Reference

FROM:

Secretary of State

DEPARTMENT:

TEL. NO:

Confidential Restricted Unclassified

PRIVACY MARKING

.....In Confidence

CAVEAT.....

TO:

Prime Minister

SUBJECT:

Your Reference

Copies to:

YOUR MEETING WITH PRESIDENT MITTERRAND

- There has been a further round of discussions with 1. French officials on the matters under discussion in the intergovernmental conference. The French stated that:
- they agree that in proposed new articles on the environment and technology, unanimity must be maintained for all important decisions.
- (b) in discussion of "cohesion", they will not agree to new resource transfers to the southern member states. They will propose writing the terms of reference of the existing structural funds and better co-ordination between them into the treaty.

Enclosures—flag(s).....

(c) on the Parliament, they will agree to changes in procedure to enable the Parliament to put forward its views but will not agree to any change in the institutional balance or to arrangements which would make decision taking worse; and they will insist that the last word must remain with the Council. With prompting from the French and us, the Luxembourg Presidency have made proposals which comes close to meeting those requirements.

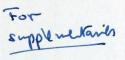
- (d) they will not agree to any general delegation of powers to the Commission, except in areas where the Council decides.
- (e) on decision taking, they envisage a limited shift to qualified majority voting for the removal of direct obstacles to the free movement of goods, persons, services and capital, ie amending parts of Articles 57 and 100. They are concerned, as we are, to maintain essential safeguards concerning public health and safety, animal and plant health, etc.
- (f) they think we are close to agreement on the political co-operation text. Like the Germans, they want this to form part of a wider agreement, including limited treaty changes, which they would describe as "European union".
- 2. Mitterrand attaches great importance to seeing something on monetary co-operation in any new agreement, based on the existing Articles 105 and 107 of the treaty. The French realise that Delors' proposal will not run. They and the Germans will be trying to get some general language agreed. I agree with the line the Chancellor

proposes to take on this matter at ECOFIN; but I agree also that we should not fore-close completely the possibility of a reference to the EMS.

- 3. I hope that you will use your meeting with Mitterrand to find out whether the line the French have been taking, which shows a considerable convergence of views on the <u>substance</u> of most of the issues, does indeed correspond to Mitterrand's own thinking as to what might be done at the European Council. If it does, there is common ground on which we should seek to build. But it will be important to get this established with himn personally. If these are not his views, we need to know that now.
- 4. If you are asked about this at your press conference, you might wish to say that we and the French both want to see decisions reached at the December European Council. What we want to get agreed is progress on decision taking, the internal market and the strengthening of political co-operation on the lines we have proposed.

RRAACR





ANGLO-FRENCH SUMMIT: 18 NOVEMBER

Arms Control Issues: Points for Press Conference

- 1. Importance of Camp David four points
 - (i) US/Western aim not to achieve superiority but to maintain balance
- (iii) Overall aim to enhance, not undermine, deterrence
 - (iv) East/West negotiations should aim to achieve security with reduced levels of offensive systems on both sides.
- 2. No question of negotiations involving British and French deterrents until well-known and frequently-stated conditions have been met. UK and France firmly in step in both cases, nuclear forces are minimum size necessary for deterrent purposes.
- 3. United Western position important factor in evolution of Soviet position. Both agreed on continuing need to maintain this unity. Western allies fully support US efforts to secure deep cuts in offensive weapons.

NoT

NOT USED

ANGLO-FRENCH SUMMIT: 18 NOVEMBER

STATEMENT ON CHANNEL FIXED LINK

The French and British Governments reaffirmed their willingness to set in hand a Channel Fixed Link between their two countries. They considered it to be an imaginative project which should bring great benefit to the trade links and economies of both countries.

The agreed deadlines have been and will be respected.

- April 1985: issue of the invitation to promoters for financing, constructing and operating a fixed link;
- 31 October 1985: deposit of promoters' proposals;
- December 1985: presentation to the two Governments of a joint report assessing the various proposals;
- the decision to be taken by the two Governments will be announced before the end of January 1986.

The decision to be taken by the two countries will take into account the need of the two Governments to be satisfied on such essential matters as safety and protection of health and the environment.

The Treaty, which will set out the legal and economic regime of the project and the undertakings of the states, will be signed the following month.

The two Governments have stated their willingness to take complementary measures in parallel with the construction of the project to facilitate frontier crossing and to improve traffic conditions on either side of the fixed link.

Customs and immigation controls will be co-located so as to reduce delays for travellers and traffic. In the case of a rail link, appropriate methods for controls in relation to through trains will be devised with the same objective.



Regulatory, economic and technical obstacles to lorry and coach traffic will be abolished progressively and in any case by the entry into operation of the fixed link.

Plans for improvements to the road networks giving access to the fixed link will be established and set in hand in parallel to the construction of the link.

The two governments will encourage the railway administrations of the two countries to take the maximum advantage, consistent with their commercial interests, of any rail element in the fixed link, in the framework of the development of the European network. PRIME MINISTER

cc Mr. Ingham

ANGLO-FRENCH SUMMIT: PRESS CONFERENCE

I attach a draft of some possible opening remarks.

CDA

CHARLES POWELL
17 November 1985

Mrs. Indition - Charel Rund 200 yn, Lemis shere - tenting

ANGLO-FRENCH SUMMIT:

DRAFT OPENING STATEMENT FOR THE PRESS CONFERENCE

LADIES AND GENTLEMEN, I AM VERY PLEASED TO WELCOME

PRESIDENT MITTERRAND TO LONDON FOR THIS

ANGLO-FRENCH BILATERAL CONSULTATION.

WE HAVE HAD A VERY FULL AND SATISFACTORY

DISCUSSION.

THE MOST IMPORTANT BILATERAL ISSUE WHICH WE DISCUSSED

WAS THE CHANNEL FIXED LINK.

WE ARE WORKING TOGETHER VERY CLOSELY ON THIS

EXCITING PROJECT AND OUR JOINT VIEWS ON HOW

TO PROCEED ARE SET OUT IN A STATEMENT WHICH

IS BEING RELEASED TO YOU.

WE HOPE TO MEET AGAIN EARLY NEXT YEAR TO
ANNOUNCE A DECISION ON WHICH PROJECT HAS BEEN
SELECTED.

SUBSEQUENTLY WE SHALL NEED TO MEET AGAIN TO SIGN A TREATY COVERING ALL THE NECESSARY ARRANGEMENTS.

IT HAS ALSO BEEN VERY VALUABLE ON THE DAY BEFORE THE

US/SOVIET SUMMIT MEETING, FOR THE TWO

EUROPEAN NUCLEAR POWERS AND PERMANENT MEMBERS

OF THE SECURITY COUNCIL TO MEET AND DISCUSS

THE PROSPECTS.

WE BOTH NATURALLY HOPE THAT THE SUMMIT WILL

GIVE AN IMPETUS TO ARMS CONTROL NEGOTIATIONS

AND WE LOOK FOR A POSITIVE SOVIET RESPONSE TO

THE LATEST US PROPOSALS.

AS FELLOW MEMBERS OF THE WESTERN ALLIANCE, WE
EXPRESS OUR SOLIDARITY WITH AND SUPPORT FOR
THE UNITED STATES AND OUR BEST WISHES TO BOTH
LEADERS FOR A SUCCESSFUL OUTCOME TO THEIR
MEETING.

WE NATURALLY HAD A FULL DISCUSSION OF EUROPEAN

COMMUNITY AFFAIRS, BOTH THE IMMEDIATE ISSUES

OF THE INTERGOVERNMENTAL CONFERENCE AND MORE

DEEP-ROOTED AND DIFFICULT PROBLEMS SUCH AS

AGRICULTURAL SURPLUSES AND THE FUTURE OF THE

C.A.P.

I THINK I CAN SAY THAT WE HAVE NOTED SOME

CONVERGENCE IN OUR VIEWS ON THE SUBSTANCE OF

SUBJECTS UNDER DISCUSSION AT THE INTERGOVERNMENTAL CONFERENCE.

WHAT WE WANT TO GET AGREED IS PROGRESS ON

DECISION-TAKING, THE INTERNAL MARKET AND THE

STRENGTHENING OF POLITICAL CO-OPERATION ON

THE LINES WE PROPOSED.

IT IS HIGH TIME TO GET THE COMMUNITY MOVING
FORWARD AND BOTH PRESIDENT MITTERRAND AND I
WANT TO SEE DECISIONS REACHED AT THE DECEMBER
EUROPEAN COUNCIL.

THIS WILL ONLY BE ACHIEVED BY CO-OPERATIVE ENDEAVOUR WHICH TAKES ALL MEMBER STATES'

INTERESTS INTO ACCOUNT.

WE DISCUSSED THE FRENCH INITIATIVE ON EUREKA AND

WELCOMED THE SUCCESSFUL OUTCOME OF THE MINISTERIAL MEETING IN HANOVER.

BRITAIN WILL CHAIR THE NEXT SUCH MEETING.

WE ALSO DISCUSSED DEFENCE MATTERS.

WE ARE BOTH IN FULL AGREEMENT ON THE

IMPORTANCE OF CO-OPERATION IN THE PLANNING

AND PRODUCTION OF ARMAMENTS AND ON THE NEED

TO LOOK FOR FURTHER OPPORTUNITIES FOR THIS.

I WILL ASK PRESIDENT MITTERRAND TO SAY A FEW WORDS.





ANGLO-FRENCH SUMMIT

1. Since your briefing meeting to discuss the Anglo-French Summit on 18 November I have given thought to what conclusions from the meeting you might aim to present publicly. It seems to me important that there should be a clear message to deliver at the press conference which follows the plenary session. The following seem to me the five key points it is worth aiming to put across (I am not of course wedded to the precise drafting).

(a) East/West Relations

It has been valuable on the day before the US/Soviet Summit for the two European nuclear powers and permanent Security Council members to have met and taken stock. We stand with the Americans and hope the Russians will participate in a constructive spirit. We hope the Summit will give impetus to arms control negotiations and look for a positive Soviet response to the latest US proposals.

(b) European Community

We have noted considerable convergence in our views on the substance of subjects under discussion at the Inter-Governmental Conference. What we want to get agreed is progress on decision taking, the internal market and the strengthening of political cooperation on the lines we have proposed. It is high time to get the Community moving forward (I have looked again at this formulation in the light of our talk in the plane back from Belfast - and think it strikes about the right balance between the constructive and the delphic).

(c) Eureka

We welcome the successful outcome of the Ministerial meeting at Hanover, following up this important French initiative. We are playing a full part and look forward to working closely with France in preparation for the next Ministerial meeting, which we shall chair. We agree on the need for Europe to strengthen its competitiveness in the field of advanced technology.

/(d) Channel Fixed Link

(d) Channel Fixed Link

This was the most important bilateral issue we discussed today. Our collaboration is close and we are in agreement on how next to proceed towards a decision. It is too early to comment on the merits of the separate proposals. But I should like to draw attention to the joint statement we have made. This project offers an exciting opportunity for a permanent and tangible link between the British Isles and the rest of Europe.

(e) <u>Defence</u>

We welcome the progress that has been made extending still further our contacts in the defence field. As an example, this year has seen the renewal after sixteen years of visits by Royal Navy nuclear-powered submarines to French ports. We are in full agreement on the importance of cooperation in the planning and production of armaments and on the need to look for further opportunities for this.

2. We both of course appreciate the importance of dealing with press questions about French and British responses to the Soviet disarmament proposals in a way that gives the media no opportunity to drive wedges between us. I attach a short note of points that could form the basis of your answers to the inevitable probing. This is a point which you will obviously want to mention to Mitterand before the press conference.

Ri 1. J

Approved by the Secretary of State and signed in his absence

16 November 1985



DEPARTMENT OF TRANSPORT 2 MARSHAM STREET LONDON SW1P 3EB

01-212 3434

time linster

C D Powell Esq Private Secretary 10 Downing Street LONDON SW1

15 November 1985

Dear Charles,

ANGLO-FRENCH SUMMIT: 18 NOVEMBER

There are two points which my Secretary of State would like to draw to the Prime Minister's attention before she sees President Mitterrand on Monday.

Channel Fixed Link

First, in the margins of yesterday's Transport Council, we were able to agree with the French two texts on the Channel Fixed Link. I enclose the English version of these (we hope to sort out a minor problem with the French texts on Monday morning). The first (A) is a statement for issue at the Summit on the timetable for decisions on the Fixed Link and other connected issues. This includes a square bracketed passage on a proposal from President Mitterrand that he and the Prime Minister should meet towards the end of January and that a decision on the project for the Channel Fixed Link should be announced after that meeting. We have told the French that the possibility of a further meeting between the Prime Minister and President Mitterrand is something on which a decision will have to be taken when the two meet at the Summit.

The second enclosed text (B) consists of confidential undertakings by the two Governments on the subject of road and rall links. This meets our requirement that bilateral quotas on lorry traffic should be set at levels which do not limit the volume of traffic. At French insistance, the text also includes a British undertaking on improving road infrastructure. This is in response to French pressure on us to make some commitment on allowing heavier lorries once the Link is open. The passage finally agreed by the French does not in fact include any such commitment. It is possible, however, that President Mitterrand will raise the question of heavier lorries with the Prime Minister.

We have not discussed yet with the French how these confidential undertakings can be given legal effect. Given the likelihood of a change of French Government after their March elections, however, we believe that it is important that we should incorporate these undertakings in the Treaty to be signed in February. This is a point which the Prime Minister may wish to make to President Mitterrand.

Community Shipping Policy

My Secretary of State considers that it would be worth the Prime Minister's while mentioning to M. Mitterrand our disappointment with the French line on shipping at yesterday's Transport Council. Together with the Dutch we had worked out a line which would have enabled us to make real progress on the question of opening up coastal trades – a key objective for our shipping industry. With this out of the way we could have stood a fair chance of getting the entire set of shipping policy proposals approved before the end of the year, when the arrival of Spain and Portugal is bound to set the process back a long way. It is still not too late to complete the work but the French will have to show a far greater sense of urgency than they are doing at the moment.

There was a suggestion that M. Lengagne, the Minister of the Sea, was waiting to hear from M. Mitterrand that his intended concessions were acceptable. Whether or not this is the case, it would do no harm, having regard to our mutual co-operation on the Channel Fixed Link, to encourage M. Mitterrand to give the shipping question a push.

Copies of this letter go to the Private Secretaries to the Foreign Secretary, the Chancellor of the Exchequer and Sir Robert Armstrong.

Yours, Richard.

R A ALLAN Private Secretary DRAFT STATEMENT

CHANNEL FIXED LINK

The French and British Governments reaffirmed their willingness to set in hand a Channel Fixed Link between their two countries. They considered it to be an imaginative project which should bring great benefit to the trade links and economies of both countries.

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- April 1985: issue of the invitation to promoters fro financing, constructing and operating a fixed link;
- 31 October 1985: deposit of promoters' proposals;
- December 1985: presentation to the two Governments of a joint report assessing the various proposals;
- the decision to be taken by the two Governments will be announced before the end of January 1986 /on the occasion of a meeting between Mrs Thatcher and Monsieur Mitterrand/.

The decision to be taken by the two countries will take into account the need of the two Governments to be satisfied on such essential matters as safety and protection of health and the environment.

The Treaty, which will set out the legal and economic regime of the project and the undertakings of the states, will be signed the following month.

The two Governments have stated their willingness to take complementary measures in parallel with the construction of the project to facilitate frontier crossing and to improve traffic conditions on either side of the fixed link.

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The two governments will encourage the railway administrations of the two countries to take the maximum advantage, consistent with their commercial interests, of any rail element in the fixed link, in the framework of the development of the European network.

UN RTAKINGS BY UNITED KINGDOM AND FRENCH GOVERNMENTS

1. Road traffic between France and the United Kingdom

From 1986, the bilateral quotas will be regularly revised so that there is no quantative limitation on the circulation of goods vehicles and coaches for journeys between France and the United Kingdom.

The liberalisation of transit traffic between the two countries by these same vehicles will be introduced at the next meeting of the competent Franco-British joint committee.

The liberalisation of transit journeys by vehicles of EEC member countries across France on the way to the United Kingdom or vice versa will be achieved when the Channel Fixed Link enters into operation, if there is no appropriate Community legislation, by means of a modification of the bilateral agreements between France and the United Kingdom and the countries concerned.

2. Road infrastructure in France and the United Kingdom

The United Kingdom will endeavour to make progress as rapidly as possible with the strengthening of its major road network, in order to bring it towards the conditions laid down in Community obligations. A first priority will be the road network in South-East England which should be completed by the opening of the Link.

3. Rail

The two Governments are in favour of a high-speed rail link between Paris and London, provided that it conforms to the conditions set out in the guidelines. In the first stage, if the choice of fixed link scheme permits this, the two Governments will encourage the railways to act together, involving the private sector as necessary, to develop the equipment permitting a service between Paris and London and to establish industrial co-operation for the corresponding production.





Foreign and Commonwealth Office

London SW1A 2AH

15 November 1985

Dear Charles,

Prime Minister's Meeting with President Mitterrand

The Prime Minister may like to see as background Mr Hannay's telegram of 14 November about the IGC, which in the Foreign Secretary's view contains wise advice.

We have had a further round of discussions with French officials this week on the matters under discussion in the Intergovernmental Conference. The French stated that:

- (a) they agree that in proposed new articles on the environment and technology, unanimity must be maintained for all important decisions;
- (b) in discussion of "cohesion", they will not agree to new resource transfers to the southern Member States. They will propose writing the terms of reference of the existing structural funds and better coordination between them into the treaty;
- (c) on the Parliament, they will agree to changes in procedure to enable the Parliament to put forward its views but will not agree to any change in the institutional balance or to arrangements which would make decision-taking worse; and they will insist that the last word must remain with the Council. With prompting from the French and us, the Luxembourg Presidency have made proposals which come close to meeting those requirements;
- (d) they will not agree to any general delegation of powers to the Commission, except in areas where the Council decides;
- (e) on decision-taking, they envisage a limited shift to qualified majority voting for the removal of direct obstacles to the free movement of goods, persona, services and capital, i.e. amending parts of Articles 57 and 100. They are concerned, as we are, to maintain essential safeguards concerning public health and safety, animal and plant health, etc;



(f) they think we are close to agreement on the political cooperation text. Like the Germans, they want this to form part of a wider agreement, including limited treaty changes, which they would describe as "European union".

Mitterrand attaches great importance to seeing something on monetary cooperation in any new agreement, based on the existing Articles 105 and 107 of the treaty. The French realise that Delors' proposal will not run. They and the Germans will be trying to get some general language agreed. The Foreign Secretary agrees with the line the Chancellor proposes to take on this matter at ECOFIN; but agrees also that we should not foreclose completely the possibility of a reference to the EMS.

The Foreign Secretary hopes that the Prime Minister will use her meeting with Mitterrand to find out whether the line the French have been taking, which shows a considerable convergence of views on the substance of most of the issues, does indeed correspond to Mitterrand's own thinking as to what might be done at the European Council. If it does, there is common ground on which we should seek to build. But it will be important to get this established with him personally. If these are not his views, we need to know that now.

Yours ever, Colin Budd

(C R Budd) Private Secretary

C D Powell Esq 10 Downing Street CONFIDENTIAL FM UKREP BRUSSELS TO DESKBY 150900Z FCO TELMO 3845

CONFIDENTIAL

[FRAME INSTITUTIONAU]

OF 141730Z NOVEMBER 85 INFO PRIORITY EUROPEAN COMMUNITY POSTS LISBON MADRID

THE INTER-GOVERNMENTAL CONFERENCE (IGC). 1. OVER THE NEXT THREE WEEKS YOU AND THE PRIME MINISTER WILL BE HAVING A SURFEIT OF EURO-MEETINGS. THERE WILL BE BILATERAL CONTACTS WITH THE FRENCH. THE LUXEMBOURG PRESIDENCY. THE GERMANS THE COMMISSION AND OTHERS: THERE ARE AT LEAST TWO AND PERHAPS MORE SESSIONS OF THE IGC TO COME AND THE LUXEMBOURG EUROPEAN COUNCIL ITSELF LIES AT THE END OF THE ROAD. THE ISSUE OF POSSIBLE TREATY REVISION, AND IF SO HOW MUCH AND WITH WHAT CONTENT, WILL ARISE AT ALL THESE MEETINGS AND WILL DOMINATE MOST OF THEM. IT MIGHT BE A USEFUL MOMENT TO TAKE STOCK AND TO GIVE YOU THE VIEW FROM BRUSSELS.

- 2. UNTIL THE END OF OCTOBER CONFUSION WAS ALMOST TOTAL. THE CONFERENCE TABLE BECAME QUITE LITERALLY PILED HIGH WITH A PLETHORA OF DIFFERENT PROPOSALS. THE MOST AMBITIOUS AND THE LEAST REALISTIC CAME FROM THE ITALIANS (ON THE PARLIAMENT). FROM THE COMMISSION (ON THE INTERNAL MARKET. ON THEIR OWN POWERS AND ON MONETARY AFFAIRS) AND FROM THE GREEKS (ON MORE MONEY FOR THEMSELVES. ALSO KNOWN AS COHESION). WHILE THESE PROPOSALS REMAIN ON THE TABLE, THEY ARE ALL NOW GATHERING DUST AND ARE NOT GENUINE RUNNERS. INSTEAD THE LUXEMBOURG PRESIDENCY HAS BEGUN A PROCESS OF SUBSTITUTING MORE MODEST TEXTS WHICH TAKE ACCOUNT OF A GOOD DEAL OF WHAT WE AND OTHERS HAVE SAID. DESPITE A TENDENCY TO STICK TOO CLOSE TO COMMISSION TEXTS. THE PRESIDENCY IS MOVING STEADILY CLOSER TO POSITIONS WHICH PROTECT THE SUBSTAANCE OF OUR INTERESTS. BUT THEY STILL FALL SOME WAY SHORT IN A NUMBER OF AREAS.
- 3. THE PERFORMANCE OF THE ''MAXIMALISTS'' (THE ITALIANS AND THE BENELUX COUNTRIES) HAS BEEN MERCIFULLY ILL-COORDINATED. IT WAS PARTICULARLY HELPFUL THAT THEY DISAGREED SHARPLY OVER THE PARLIAMENT. THE FRENCH (CONSISTENTLY AND ELEGANTLY) AND THE GERMANS (CLUMSILY AND ERRATICALLY) HAVE BEEN WORKING TO SCALE DOWN ANY POSSIBLE OUTCOME. THEIR VIEWS AND OUR OWN ARE INCREASINGLY IN THE SAME TARGET AREA. THE TWO OTHER COUNTRIES WHICH VOTED AGAINST THE DECISION TO CALL AN IGC. GREECE AND DENMARK, HAVE BEEN CAREFULLY POSITIONING THEMSELVES SO AS TO BE ABLE TO ACCEPT AT LEAST SOME TREATY CHANGES IF THAT IS THE WAY THE WIND BLOWS.
- 4. OUR TACTIC OF CONSTRUCTIVE COOPERATION, WHILE FULLY RESERVING OUR POSITION ON TREATY AMENDMENT, HAS WORKED SO FAR PRETTY WELL. WE HAVE HAD TO FOREGO THE OPTION OF TABLING TEXTS OURSELVES, AND THUS DIRECTLY SHAPING THE OUTCOME, AND WE HAVE HAD TO TAKE SOME HARD WORDS FROM THE PRESS ABOUT DRAGGING OUR FEET. BUT WE HAVE FLUSHED THE FRENCH AND GERMANS OUT FROM THEIR TRADITIONAL POSTURE OF SHELTERING BEHIND OUR OBJECTIONS TO COMMISSION PROPOSALS. BANQUO'S GHOST. IN THE FORM OF THE NEED TO GET OUR EVENTUAL CONSENT TO ANY TREATY CHANGE. HAS BEEN EVER PRESENT AND HAS HELPED US TO ACHIEVE CONSIDERABLE INDIRECT INFLUENCE ON THE TEXTS AS THEY HAVE EVOLVED. 15

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- 5. THE PRESENT STATE OF PLAY IS A FOLLOWS:
- (I) TECHNOLOGY. A TEXT DESIGNED TO CODIFY IN THE TREATY WHAT THE COMMUNITY IS ALREADY DOING. THERE IS STILL DISAGREEMENT ABOUT OUR INSISTENCE THAT UNANIMITY MUST BE RETAINED FOR THE MAIN COMPONENTS (INCLUDING FINANCE) AND SPECIFIC PROGRAMMES. WE ARE IN GOOD COMPANY WITH THE FRENCH AND GERMANS AND SHOULD EVENTUALLY GET OUR WAY.
- (II) ENVIRONMENT. AGAIN A TEXT DESIGNED TO CODIFY IN THE TREATY WHAT THE COMMUNITY IS ALREADY DOING. OUR REQUIREMENT TO MAINTAIN UNANIMITY FOR DECISIONS HAS WON THE DAY AND IS COMMON GROUND.
- (III) INTERNAL MARKET. STILL A VERY CONFUSED SCENE WITH NO TEXT
 THAT WE COULD RECOMMEND AS COVERING OUR INTERESTS YET IN
 SIGHT. BUT SOLID GERMAN AND FRENCH SUPPORT FOR RESISTING
 MAJORITY VOTING ON TAX MATTERS, FOR KEEPING SAFEGUARDS ON THE
 FREE MOVEMENT OF PERSONS AND FOR THE PROTECTION OF LIFE AND
 HEALTH OF HUMANS, ANIMALS AND PLANTS.
- (IV) MONETARY COOPERATION. DELORS' PROPOSAL HAS GONE DOWN LIKE A LEAD BALLOON IN BONN AND SEEMS UNLIKELY TO SURVIVE EVEN WITHOUT OUR OWN OPPOSITION. BUT THERE WILL BE PRESSURE FROM SOME FOR A MORE MODEST TEXT BRINGING THE EMS WITHIN THE SCOPE OF THE TREATY AND REITERATING EARLIER COMMUNITY EARLIER COMMUNITY COMMITMENTS TO ECONOMIC AND MONETARY UNION.
- (V) COMMISSION POWERS. WE ARE AMONG A LARGE MAJORITY OF MEMBER STATES INSISTING THAT THE COUNCIL MUST CONTINUE TO DECIDE IN EACH CASE THE POWERS OF ADMINISTRAATION TO BE GIVEN TO THE COMMISSION WHILE DOING THIS MORE SYSTEMATICALLY THAN IN THE PAST.
- (VI) PARLIAMENT. THE PRESIDENCY HAS NOW MOVED DISCUSSION AWAY FROM THE MORE FAR-REACHING PROPOSALS TO ONE WHICH IS LITTLE MORE THAN A REFORM OF THE PRESENT PROCESSES FOR CONSULTING THE PARLIAMENT ALTHOUGH IT IS DRESSED UP UNDER THE NAME OF COOPERATION. IT LEAVES THE LAST WORD, AS NOW, FIRMLY WITH THE COUNCIL. BUT SOME OF THE OTHERS MAY TRY TO GET THIS RE-OPENED.
- (VII) COHESION. THE MEDITERRANEAN BEGGING BOWL, WHICH HAS GOT MORE SUPPORT FROM THE COMMISSION THAN IT OUGHT TO HAVE DONE. BUT THERE IS A VERY SOLID NORTHERN LINE-UP (INCLUDING THE FRENCH) BEHIND A TEXT WHICH ENDORSES CONVERGENCE OF ECONOMIC POLICIES RATHER THAN PERFORMANCE AND LIVING STANDARDS, MERELY CODIFIES IN THE TREATY THE REGIONAL AND AGRICULTURE STRUCTURE FUNDS (THE SOCIAL FUND IS ALREADY THERE) AND CONTAINS NO COMMITMENT TO ADDITIONAL BUDGETARY TRANSFERS.

CONFIDENTIAL -1 -

G. SO FAR, NOT SO BAD. BUT HOW WILL THINGS GO IN THE ALL-IMPORTANT RUN-UP TO THE LUXEMBOURG EUROPEAN COUNCIL. THERE IS AN EMERGING CONSENSUS IN FAVOUR OF REACHING DECISIONS THERE ONE WAY OR THE OTHER. THIS VIEW IS REINFORCED BY THE COMPLICATIONS LIKELY TO ARISE FROM THE FRENCH ELECTIONS, THE WISH TO SHOW SOME PROGRESS, THE REALISATION THAT THE IGC IS ITSELF DIVERTING ATTENTION FROM COMMUNITY ISSUES OF GREATER SUBSTANTIVE IMPORTANCE. WITHOUT OUR BEING IN ANY WAY DEMANDEURS FOR AN EARLY CONCLUSION, I BELIEVE IT IS IN OUR INTEREST TO TAKE THE SAME VIEW. PRESSURE FOR AN EARLY CONCLUSION IS HELPING TO SHRINK THE PACKAGE. THE LONGER THE NEGOTIATION GOES ON, THE GREATER THE RISK OF UNACCEPTABLY AMBITIOUS PROPOSALS PICKING UP SUPPORT AND THE MORE DIVISIVE AN ULTIMATE FAILURE TO AGREE. SO I HOPE WE CAN GO ALONG WITH ANY EXTRA EFFORTS THE PRESIDENCY MAKES TO REACH A CLEAR CUT CONCLUSION ON 2/3 DECEMBER.

7. THE JOKER IN THE PACK IS, AND WILL REMAIN UNTIL THE LAST MINUTE, THE FRANCO-GERMAN RELATIONSHIP. UP TILL NOW IT HAS BEEN WORKING IN OUR FAVOUR. THE DESIRE TO REACH A COMMON VIEW HAS LED EACH TO SCALE DOWN IDEAS THE OTHER DISLIKES, THE GERMANS ON THE PARLIAMENT AND THE ENVIRONMENT, THE FRENCH ON MONETARY QUESTIONS AND TAX HARMONISATION. BUT WE CANNOT COUNT ON THAT CONTINUING. THE RECENT EPISODE OVER THE PROPOSAL TO SITE THE EUREKA SECRETARIAT IN STRASBOURG HAS DEMONSTRATED YET AGAIN THE CAPACITY OF MITTERRAND AND KOHL AND THEIR POLITICAL STAFFS TO IGNORE ALL THE OFFICIAL ADVICE AND THE VIEWS AND INTERESTS OF THEIR PARTNERS IF THEY THINK THEIR OWN WILL BE WELL SERVED. RIGHT UP TO THE END WE RISK BEING LEFT HOLDING A SHORT STRAW. BUT THE MORE INTENSIVE OUR CONTACTS WITH BOTH THE FRENCH AND THE GERMANS AT EVERY LEVEL IN THE NEXT THREE WEEKS — AND THE MORE ACTIVELY WE CAN ACTUALLY NEGOTIATE WITH THEM — THE BETTER THE RISK OF SUCH AN EVENTUALITY.

8. IS THERE ANY CHANCE OF AMICABLY REACHING THE CONCLUSION THAT THE IGC GAME HAS NOT BEEN WORTH THE CANDLE, THAT OUR OWN PRAGMATIC APPROACH MADE MORE SENSE? I FEAR THERE IS NOT, EVEN THOUGH MANY OF THOSE INVOLVED NOW MORE THAN HALF REGRET THE DECISION TO GO FOR TREATY AMENDMENT. BUT ALTHOUGH THE WATER HAS TURNED OUT TO BE COLDER AND MORE TURBULENT THAN THEY EXPECTED, THE MAJORITY REMAIN DETERMINED TO STRUGGLE ACROSS TO THE OTHER SIDE RATHER THAN HUMILIATINGLY CLAMBERING UP THE NEAR BANK. SO, IF WE WERE TO CONCLUDE THAT WE COULD NOT GO ALONG WITH A PACKAGE THAT SEEMS LIKELY TO EMERGE FROM THIS PROCESS, THERE WOULD BE DAMAGE BOTH TO OUR

ABILITY TO SHAPE COMMUNITY POLICIES IN THE FUTURE AND TO OUR EFFORTS TO ENSURE THAT WE REMAIN A CORE MEMBER OF THE ENLARGED COMMUNITY.

HANNAY

YYYY

FCO ADVANCE TO:
FCO - PS PS/MR RIFKIND RENWICK WALL

CAB - WILLIAMSON JAY

DTI - PS/MR BRITTAIN

MAFF - PS/MR JOPLING

TSY - PS/MR LAWSON

DOE - PS/MR BAKER

NO 10 - PS



(ADVANCED AS REQUESTED)

FRAME INSTITUTIONAL ECD(I)

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CONFIDENTIAL





Foreign and Commonwealth Office London SWIA 2AH

15 November 1985

Dear Charles,

Anglo-French Summit: Brief for handling the plenary

I understand that you asked for a note of the subjects likely to be covered by Ministers reporting to the plenary session on Monday, with brief lines for the Prime Minister to take. I enclose such a list, which has been cleared as far as possible with the Departments concerned.

I am copying this letter to Michael Stark at the Cabinet Office.

Yours ever, Colin Budd

(C R Budd) Private Secretary

C D Powell Esq 10 Downing Street ANGLO/FRENCH SUMMIT: 18 NOVEMBER 1985

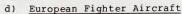
HANDLING BRIEF FOR PLENARY SESSION

Report on discussions by Foreign Ministers

- a) East/West Relations and Arms Control
- need to avoid opportunities for Soviet and media wedge-driving
- b) Falklands/Argentina
- efforts to normalize relations with Argentina
- crucial importance of French abstention
- c) Southern Africa
- encourage dialogue, not drive South Africans into state of siege
- d) Middle East
- need to maintain support for Hussein
- importance of working together on hostage problems
- e) Joint Report on bilateral relations
- reminder of breadth/depth of relationship
- propose to draw on at press conference

Report on discussions by Defence Ministers

- a) European Security Cooperation (WEU, IEPG)
- welcome as contribution to strengthening of Alliance
- b) Bilateral Defence Relations
- welcome further strengthening of defence links including preparation of joint threat assessment
- resumption of nuclear submarine visits particularly noteworthy: propose to refer to this at press conference
- c) Equipment collaboration
- agree efforts needed to identify new opportunities



 support collaboration in principle, but work must not be slowed down

Report on discussions by Trade and Industry Ministers

a) Industrial collaboration

- on Guangdong, must continue to stand together
- on Westlands, would like to see a European solution
- on <u>Airbus</u>, welcome success of A320: for industry to determine priorities for new versions
- welcome <u>IT collaboration</u> important to build on existing relationships

b) International Trade

- must start formal preparations for launching new <u>GATT Round</u> very soon
- right that <u>Japan</u> sets itself an import target. Must work for international recognition of this
- US needs help in resisting congressional pressures for protectionism. EC should play its part

Report on discussions by Research Ministers

a) EUREKA

- Hanover momentum to be maintained during UK "chairmanship"
- primacy of the market and private finance
- reserve position on Secretariat siting

b) SNS/ESRF

- French commitment to SNS at 10 December Research Council

Report on discussions by Transport Ministers

a) Channel Fixed Link

- endorse joint statement for Press Conference
- no prejudgement
- lorry quotas

b) Follow-up to Transport Council

- support liberalization on shipping, road haulage, aviation

Report on discussions by Interior Ministers

a) Counter-terrorism

- importance of bilateral and multilateral collaboration
- need for closer contacts on hostages

Report on discussions by Ministers for European Affairs

a) IGC/Luxembourg Council

- underline convergence of views and wish to work with French (and Germans)
- avoid commitment to firm position

b) <u>Internal Market</u>

must speed up completion, while safeguarding legitimate national concerns



10 DOWNING STREET

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Pine Rinser

Anglo [Frhal Lumnit Pere as texts for you a Resider Petterne n agree on the Channel Fixed Link. The outstanding gultin is weter you would work to week Milterard for in Jamen to announce a decision, as well as in Febru to righ a Tresty



MR. JOCE

cc Mr. Taylor

ANGLO-FRENCH SUMMIT

The French have asked whether they could add two people for the Plenary and lunch. They are M. Vidal and M. Morel. I have agreed to this. We shall need two more chairs on the back row on the French side.

They have also asked whether, on a contingency basis, we could make a room available for President Mitterrand between 1430 and 1450 to sit and rest if he prefers not to visit the War Cabinet Room. I have also agreed to this and suggest it be the White Drawing Room. He would want five or six of his officials with him.

(Charles Powell)





10 DOWNING STREET

From the Private Secretary

15 November 1985

ANGLO-FRENCH SUMMIT: PARTICIPATION

Thank you for your letter of 15 November, about participation in the Anglo-French Summit.

I understand the French would settle for two more senior officials at the Plenary, M. Morel and M. Vidal. We can accommodate them both at the Plenary and at the lunch.

(Charles Powell)

L.V. Appleyard, Esq., Foreign and Commonwealth Office.

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Foreign and Commonwealth Office

Think you must London SWIA 2AH

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Hogger to

15 November 1985

Anglo-French Summit: 18 November

This is to confirm our telephone conversation. French Embassy have told us that the President has been consulted about how the half hour might be filled between his saying goodbye to the Prime Minister and his arrival at Buckingham Palace for his audience with The Queen at 1500.

The President is interested in visiting the Cabinet War Rooms and hopes to spend the time doing this. But he has asked to be allowed to make a final decision after the meetings on Monday morning. He considers that he may in the event prefer to take a short rest before going to the Palace.

The President accordingly asked if a room could be set aside at No 10 to which he could go with members of his immediate entourage (seven or eight people) if he did not feel up to the visit to the War Rooms. It would be clearly understood that he would at 1430 have said goodbye to the Prime Minister and that she need not feel any further obligation to entertain him after that. You kindly agreed to see whether a room could be made available for this purpose.

> (L V Appleyard) Private Secretary

C D Powell Esq 10 Downing Street

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Foreign and Commonwealth Office

London SW1A 2AH

15 November 1985

Dear Charles.

Anglo-French Summit: Participation

I sent to you yesterday what we intended should be the definitive list of those attending the plenary session.

The French have told us that the restriction on the numbers of their senior officials attending the Plenary causes great difficulties for them. They have asked us if each Minister attending the plenary could have with him one senior official except Dumas, who would need two (his Political and Economic Directors), who are both of key importance to us. This would make an addition of seven to the list we sent you yesterday when we remained strictly within your original limit of 11 at the table and five behind. This is normal procedure in France's bilateral summits with other countries.

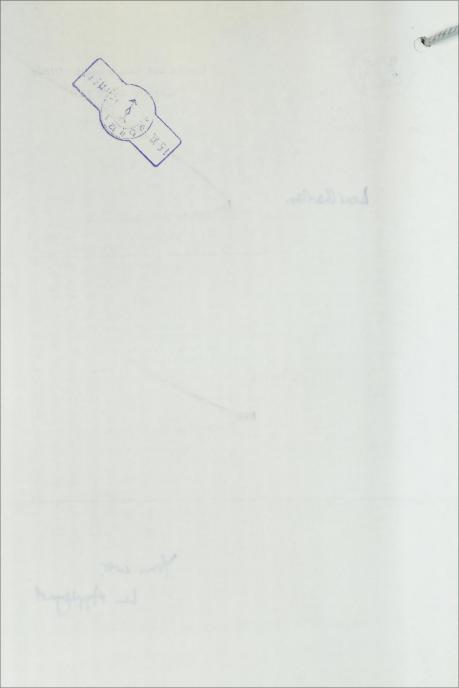
The French attach substantive importance to being present when the Prime Minister and President sum up the meeting in their final discussion and give their comments on the reports of other Ministers on their bilateral discussions. This may be the only authoritative guidance they will get for future work with us. Unless we can accommodate them, we risk reducing the effectiveness of the Plenary as well as leaving a sense of injury among a group of French officials who are extremely influential in the French Government machine.

We realise that this is extremely difficult in view of the limited size of the Cabinet Room. Nevertheless, we hope very much that some way can be found of accommodating these numbers on the French side. There would of course be no question of any more places on the British side.

You wer,

(L V Appleyard) Private Secretary

C D Powell Esq 10 Downing Street



pm agreed

Detectives told

- 1. MR. POWELL
- 2. PRIME MINISTER

VISIT OF PRESIDENT MITTERRAND ON MONDAY 18 NOVEMBER TRAVEL ARRANGEMENTS FROM NORTHOLT

The Detectives have proposed three alternative suggestions and would like to know which arrangement is preferred.

- (i) Prime Minister to travel in the same car as President Mitterrand;
- (ii) Prime Minister's car to travel at the end of President Mitterrand's convoy;
- (iii) Convoy with the Prime Minister's car first, then President Mitterrand's car and the rest of the French entourage.

J. Bowers.

Duty Clerk

15 November 1985

Foreign and Commonwealth Office

10:30

London SW1A 2AH

15 November 1985

Dear Charles,

Anglo-French Summit: Officials

The French have asked whether it would be possible for the President's staff to meet their 'opposite numbers' in the Prime Minister's staff.

Mme Guigou will be taken care of by Mr Renwick (FCO), and Mr Williamson who will collect her from No 10 at 0900, You may like to 'pair' M. Bianco with Nigel Wicks and M. Vauzelle with Bernard Ingham. Sir Robert Armstrong has offered to see M. Attali at 1000.

The French have now told us that Mme Mithois will not be coming, so her name should be deleted from the lists attached to our letter of 13 November. M. Denis Verret has been replaced by M. Daniel Bernard, another of the French Prime Minister's advisers.

Mme Mithois was to have attended the press conference. We are content that places be reserved only for the two Ambassadors and the French spokesman (your letter of 13 November) but should be grateful if M. Yelda, the Press Counsellor from the French Embassy, could be allowed to mingle with the French press at the conference. No seat need be reserved for him.

Yours ever, Cohin Budd

(C R Budd) Private Secretary

C D Powell Esq 10 Downing Street





10 DOWNING STREET

From the Private Secretary

15 November 1985

ANGLO-FRENCH SUMMIT: OFFICIALS

Your letter of 15 November, received at 2150 hours, announcing that Mitterrand's staff wished to see their opposite numbers in No.10 at 0900 on Monday 18 November puts us in a very difficult situation. Nigel Wicks is unlikely to be available before 1030 at the earliest and possibly only later. By dint of cancelling other arrangements Bernard Ingham could make himself available between 1000 and 1100 to M. Vauzelle. Had we received any sort of notice, it might have been possible to make some better arrangements. As it is, I fear that M. Bianco, M. Vauzelle, M. Attali and M. Bernard will have to spend a great deal of time in our waiting room unless you can find something else for them to do. Perhaps Sir Robert Armstrong would be willing to take M. Bianco as well as M. Attali.

(Charles Powell)

Colin Budd, Esq., Foreign and Commonwealth Office.

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PRIME MINISTER

cc.Mr. Ingham

ANGLO-FRENCH SUMMIT

The Summit is on Monday. You meet President Mitterrand at Northolt at 0830, and start with a tete-a-tete with him from 0900-1030. Foreign Ministers join you from 1030-1100. The Plenary is in the Cabinet Room from 1100-1145: the Press Conference in 12 Downing Street from 1200-1245. Lunch is promptly at 1300 round the large table, and President Mitterrand departs at 1430.

Ministers taking part are: Foreign Affairs, Home Affairs, Defence, Transport, Trade and Industry, Research and European Affairs.

The impression which we want to go out from the Summit is of a reasonably functioning Anglo-French cooperation. You will want to show yourself unconcerned by any suggestion that the United Kingdom is a sort of afterthought of Franco-German cooperation. If reform of the Community is to get anywhere it won't be by any grouping dictating to the rest: it needs a cooperative endeavour which takes everyone's interests into account. The main news should be the Channel Fixed Link on which the Summit's main task will be to confirm a deadline for agreement early in the New Year. You are bound to be asked whether you discussed Ptarmigan/MSE: it's probably best to show good sportsmanship (whatever you feel), and refer to future competitions, e.g., for low-level air defence, which we intend to win. On Europe the impression we want is of continued readiness to discuss practical ways to improve decision-taking and generally improve the way the Community is run, but of a certain mystery about how far we are prepared to go. You will want to fire a warning shot about CAP surpluses, and the need to reform the CAP. You will want to kill any speculation about Anglo-French nuclear cooperation.

East/West we want the French to join us in a firm statement of support and encouragement for President Reagan on the eve of the Summit. But if, as is possible, Mitterrand is unwilling to go very far in this direction, you should have no hesitation in contrasting publicly our loyal support with French ambivalence.

In the talks with Mitterrand you might first ask him about the <u>situation in France</u>. Thereafter you will want to cover the following subjects:

- (i) <u>East/West relations</u>. He will be longing to tell you about Gorbachev's visit to Paris (which clearly wasn't nearly as fresh and interesting as his earlier visit to the United Kingdom). You will want to compare notes about our <u>slightly</u> different responses to Gorbachev's offer of talks on nuclear weapons; discuss the prospects for the Reagan/Gorbachev meeting; and decide what you will say publicly about it at your press conference.
- want to tantalise Mitterrand by leaving him uncertain as to what you will and will not agree to at the European Council. You will see what's on the table when you get there, and judge accordingly. You will be ready to reach an agreement at the December Council if there is material for one, but are quite relaxed about the possibility of waiting longer if necessary. You might commend the good cooperation between British and French officials, while being careful not to give the impression that you will be bound by anything they agree. In general you will want to bring home to him that there are many more important issues in the Community than the Intergovernmental Conference reform of the CAP, completion of the internal market, etc.

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- 3 -

- (iii) Channel Fixed Link. The points to look out for here are any attempt by Mitterrand to suggest that some of the proposals can be junked straight away: we don't want to close any of the options at this stage. We are ready to stick to the timetable of a joint signing of a Treaty 2/3 weeks after a decision is reached. But all this is on the basis that there is a satisfactory agreement on lorry quotas. You will want to discuss the text of a joint statement.
 - (iv) <u>Falklands</u>. It seems more and more likely that the French will support a 'soft' Argentinian resolution, and you will not want to invest too much capital in trying to dissuade Mitterrand. You could rehearse our readiness for talks with Argentina about normalising relations, and stress the importance of self-determination. You will want to say enough to let him know that we shall be fed up if France changes her vote, but not so much as to give him the feeling that we are begging.
 - (v) <u>European Fighter Aircraft</u>. You will have replied to his letter expressing willingness to consider in rather general terms future cooperation on aircraft projects. But your general tone ought to be one of polite but limited interest, with no hint that the EFA itself is still open to French participation.
 - (vi) <u>Scientific Cooperation</u>. You should mention <u>Eureka</u> briefly, complimenting him on the French initiative in starting the ball rolling, but leaving him in no doubt that the project has been hijacked by those of us who want it to be market-oriented. It must have the support of industrialists if it is to succeed. We shall not agree to a Secretariat in Strasbourg. You could tell him about <u>Spallation</u> and say you hope France will participate. He may raise <u>Skynet</u>.

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- 4 -

(vii) <u>Guangdong</u>. You will want to say how pleased you are with the collaboration between French and British officials in the negotiations with the Chinese. It is important that we continue to resist impossible Chinese demands both on financing and price.

I attach the briefs and some cards.

CDP

14 November, 1985.

JD3AEY

ANGLO -FRENCH SUMMIT: ADDITIONAL SPEAKING NOTE ON EUROPEAN COMMUNITY

Understand that our officials have been in close contact about the matters under discussion in the intergovernmental conference.

Our impression is that you are working towards an outcome covering the following points:

- <u>if</u> there were new Treaty Articles on environment and technology, there would have to be unanimity on all important decisions;
- 'cohesion' does <u>not</u> mean new resource transfers to the Southern member states;



- no change in the institutional balance between the Assembly and the Council, or any arrangements which would slow down decision-taking;
- no general delegation of powers to the Commission;
- only a very limited shift to qualified majority voting under Articles 57 and 100 for the removal of direct obstacles to free movement of goods, persons and services;
- a political co-operation agreement.

It would help me reach a view on the position which Britain will adopt at Luxembourg, if you could let me know whether these points correspond to your own thinking (i.e. are not just those of officials). If they are not your views it's better to know now, so that we can avoid the confusion which prevailed at Milan.

NGLO-FRENCH SUMMIT: ADDITIONAL SPEAKING NOTE

Channel Fixed Link

Can agree text for issue at press conference. Wonder whether it's really necessary for us to meet at the time of the decision on the chosen project in January and to sign a Treaty in February. But ready to do so if you attach great importance to it.

Satisfied with confidential text on lorry quotas. <u>Cannot</u> give commitment to allow heavy lorries once the Fixed Link is open.

Community Shipping Policy

Sorry that France has not been able to co-operate with us at EC Transport Council in opening up shipping trades. Very important

to get this done before Spain and Portugal join. Hope you can agree to give the issue a push before the end of the year.

Amendment to Article 107 (Exchange Rate Provisions)

Don't see such an amendment as necessary or desirable. Believe this is also the German position. The real priorities are for France and Italy to remove exchange control and for Germany to recognise the ECU. A reference to European Monetary Union is politically unacceptable. And a Treaty reference to EMS would open up question of Community competence and central banks' independence. Hope Delors proposal will be withdrawn.

MEETING WITH PRESIDENT MITTERRAND

1. East/West Relations

- Gorbachev's visit to Paris.
- responses to his offer to discuss British and French nuclear weapons.
- prospects for Summit.
- what to say to the press.

2. Europe

- ready to try to reach a positive conclusion to the Intergovernmental Conference at Luxembourg.
- but will depend on the nature of the package available.

- welcome contacts between British and French officials. But not bound by them: very political question.
- other more important issues on which Community should focus eg CAP reform.

3. Channel Fixed Link

- timetable followed so far. Lot of work to be done. But hope to be ready to sign treaty by late February.
- must have an assurance that there will be no limitation in practice on our lorry traffic.

- need to give upbeat statement at press conference.
- 4. Falklands
- hope that France will continue to abstain.
- even 'soft' resolution cannot conceal fact that Argentinians continue to want to absorb the islands without regard to the wishes of the inhabitants.
- we have offered normalisation of relations and have lifted unilaterally all trade restrictions.

5.Defence Cooperation

 replied to letter. Willing to consider co-operation on the future generation of aircraft projects. need early details of French ideas on co-operation over equipment for EFA and Rafale.

6. Scientific Co-operation

- welcome successful launch of Eureka. Important that it is market-orientated and that private finance should be dominant.
- not keen on establishing bureaucracy. Could consider small secretariat.
- hope France will take part in Spallatian Neutron Source Project.

4.

- ready to consider UK participation in Synchrotron

- 7. Guangdong
- welcome close Anglo/French Co-operation.
- 8. Electricity Links

Radiation Facility.

- Good example of co-operation.
- but keep publicity to a minimum.

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FM PARIS [COLLAR]

TO HAMEDHATE FCO

TELNO 993

OF 141701Z NOVEMBER 85

INFO SAVING WASHINGTON, MOSCOW, WELLINGTON, BONN, ROME, INFO SAVING UKREP BRUSSELS. UKMIS NEW YORK.

MY TELNO 962 (NOT TO ALL): THE ANGLO FRENCH SUMMIT.

SUMMARY

1. MITTERRAND AS TO GIVE A PRESS CONFERENCE ON 21 NOVEMBER. FOREIGN POLICY ASSUES ARE LIKELY TO BE PROMINENT, BUT THE TIMING AS PROMPTED BY ANTERNAL POLITICAL FACTORS.

DETAIL.

- 2. THE ELYSEE HAS ANNOUNCED THAT MITTERRAND WILL GIVE A PRESS CONFERENCE ON 21 NOVEMBER, HIS FOURTH SINCE BECOMING PRESIDENT IN 1981.
- 3. THE THIMMING MEANS THAT FOREIGN POLICY ISSUES ARE LIKELY TO LOOM LARGE. THE CONFERENCE WILL TAKE PLACE AFTER THE ANGLO-FRENCH AND REAGAN/GORBACHEV SUMMINS, AND JUST BEFORE THE TURENGE COUPLE ARE SENTENCED IN NEW ZEALAND FOR THEIR PART IN THE GREENPEACE AFFAIR. MUTTERRAND WILL HOPE TO CAPITALISE ON PRESS INTEREST IN THESE EVENTS TO PRESENT HIMSELF AS AN AUTHORITATIVE AND INFLUENTIAL FIGURE ON THE INTERNATIONAL STAGE.
- 4. BUT THE DECISION TO HOLD THE CONFERENCE IS PROBABLY PROMPTED BY INTERNAL RATHER THAN EXTERNAL FACTORS. FABILIS' UNEXPECTEDLY POOR PERFORMANCE IN HIS TELEVISED DEBATE WITH CHIRAC (MANNING'S LETTER OF 29 OCTOBER TO CLARKE, WED) HAS DAMAGED THE SOCIALISTS, AND HAS LED TO A DECLINE IN BOTH HIS AND THE PRESIDENT'S POLL RATINGS. THE PRESS CONFERENCE WILL GIVE MITTERRAND THE OPPORTUNITY TO TRY TO MAKE GOOD THE DAMAGE.
- 5. HT WILL ALSO GIVE HIM THE CHANCE, BEFORE THE ELECTION CAMPAIGN
 GETS FULLY HATO HITS STRIBE, TO TALK ABOUT THE PROSPECTS FOR 1986-83.
 HE HIS LINKELY TO PROMOTE HIMSELF AS A UNIFYING FIGURE, ABOVE AND
 BEYOND THE HIMMEDINATE POLITICAL FRAY, WHO HATENDS TO COMPLETE HIS
 PRESHDENTHAL TERM AND EXERCISE HIS FULL CONSTITUTIONAL POWERS
 WHATEVER THE RESULT OF THE ELECTIONS NEXT MARCH (TUR).

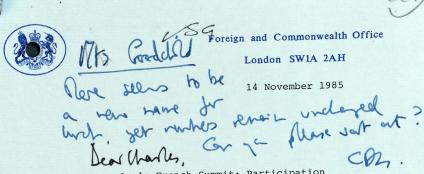
FRETWELL

FCO PLEASE PASS SAVING ADDRESSEES

(REPEATED AS REQUESTED)

EUROPEAN POLITICAL WED

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Anglo-French Summit: Participation

The French have now confirmed that Mme Cresson will after all take part in the summit and that M. Beregovoy, M. Malvy and M. Mexandeau will not.

I enclose revised lists of those attending the plenary, the lunch and the press conference. These supercede those enclosed with my letter of 13 November. We have confirmed them with the French Embassy and asked them to avoid any further changes unless absolutely inescapable.

The French would like M. Hubert Vedrine to take the note on their side during the tete-a-tete with the President.

M. Auroux has expressed interest in having a meeting with Mr Pattie. We hope that this will be possible during the press conference. As both Ministers will be at the plenary and lunch, it would be helpful if a room at No 10 could be found for the meeting.

You we.

Private Secretary

C D Powell Esq 10 Downing Street

MINISTERIAL PARTICIPATION

France

M Roland Dumas Minister for External Relations

M Paul Ouiles Minister for Defence

M Pierre Joxe Minister for Interior and Decentralisation

Mme Edith Cresson Minister of Industrial Redeployment and External Trade

M Jean Auroux Minister for Transport

M Hubert Curien Minister for Research and Technology

Mme Catherine Lalumière State Secretary (junior minister) Minister of State for Foreign for European Affairs

UK

The Rt Hon Sir Geoffrey Howe MP Secretary of State for Foreign and Commonwealth Affairs

The Rt Hon Michael Heseltine MP Secretary of State for Defence

The Rt Hon Douglas Hurd MP Secretary of State for the Home Department

The Rt Hon Leon Brittan MP Secretary of State for Trade and Industry

The Rt Hon Nicholas Ridley MP Secretary of State for Transport

Mr Geoffrey Pattie MP Minister of State for Industry and Information Technology

Mr Malcolm Rifkind MP and Commonwealth Affairs

PARTICIPATION AT THE PLENARY

France

M Roland Dumas Minister for External Relations

M Paul Quilès Minister for Defence

M Pierre Joxe Minister for Interior and Decentralisation

Mme Edith Cresson Minister of Industrial Redeployment and External Trade

M Jean Auroux Minister for Transport

M Hubert Curien Minister for Research and Technology

Mme Catherine Lalumière State Secretary (junior minister) for European Affairs

UK

The Rt Hon Sir Geoffrey Howe MP Secretary of State for Foreign and Commonwealth Affairs

The Rt Hon Michael Heseltine MP Secretary of State for Defence

The Rt Hon Douglas Hurd MP Secretary of State for the Home Department

The Rt Hon Leon Brittan MP Secretary of State for Trade and Industry

The Rt Hon Nicholas Ridley MP Secretary of State for Transport

Mr Geoffrey Pattie MP Minister of State for Industry and Information Technology

6

M Jacques Viot French Ambassador

M Jean Louis Bianco Secretary-General of the Presidency

M Michel Vauzelle Spokesman for the Presidency Sir John Fretwell British Ambassador, Paris

Sir Robert Armstrong Cabinet Secretary

Sir Antony Acland Permanent Under Secretary of State Foreign and Commonwealth Office

Sir Clive Whitmore Permanent Under Secretary of State Ministry of Defence

Notetaker Mr David Dain Head of Western European Dept Foreign and Commonwealth Office M Jacques Attali Special Adviser to the President

M Hubert Vedrine Technical Adviser in the Secretariat-General of the Presidency

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Mme Elisabeth Guigou Technical Adviser in the Secretariat-General of the Presidency

Mme Cécile Mithois
Adwiser in the Secretariat General
of the Presidency

M Denis Verret Adviser to the Frime Minister

Mr. Dancel Bernard Adviser to the PM

ATTENDANCE AT PRESS CONFERENCE

M Jacques Viot French Ambassador

Sir John Fretwell British Ambassador, Paris

M Michel Vauzelle Spokesman for the Presidency

Mme Cècile Mithois Adviser in the Secretariat-General of the Presidency

M Guy Yelda Press Counsellor French Embassy

ATTENDANCE AT LUNCH

France

M Roland Dumas Minister for External Relations

M Paul Quilès Minister for Defence

M Pierre Joxe Minister for Interior and Decentralisation

Mme Edith Cresson Minister for Industrial Redeployment and Foreign Trade

M Jean Auroux Minister for Transport

M Hubert Curien Minister for Research and Technology

Mme Catherine Lalumière State Secretary (junior minister) Minister of State for Foreign for European Affairs

M Jacques Viot French Ambassador

M Jean Louis Bianco Secretary-General of the Presidency

M Jacques Attali Special Adviser to the President Permanent Under

M Michel Vauzelle Spokesman for the Presidency

M Hubert Vedrine Technical Adviser in the Secretariat-General of the Presidency

Mme Elisabeth Guigou Technical Adviser in the Secretariat-General of the Presidency

UK

The Rt Hon Sir Geoffrey Howe MP Secretary of State for Foreign and Commonwealth Affairs

The Rt Hon Michael Heseltine MP Secretary of State for Defence

The Rt Hon Douglas Hurd MP Secretary of State for the Home Department

The Rt Hon Leon Brittan MP Secretary of State for Trade and Industry

The Rt Hon Nicholas Ridley MP Secretary of State for Transport

Mr Geoffrey Pattie MP Minister of State for Industry and Information Technology

Mr Malcolm Rifkind MP and Commonwealth Affairs

Sir John Fretwell British Ambassador, Paris

Sir Robert Armstrong Cabinet Secretary

Sir Antony Acland Secretary of State Foreign and Commonwealth Office Mme Cécile Mithois Adviser in the Secretariat General of the Presidency

THE ROOM

M Denis Verret Adviser to the Prime Minister

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Foreign and Commonwealth Office

London SW1A 2AH

13 November 1985

C100).

Lear Charles,

Anglo-French Summit: 18 November

Thank you for your letters of 4 and 11 November about arrangements for the Anglo-French Summit.

I attach the latest version of the programme (Annex A) together with the latest envisaged attendance on each side (Annex B). As you will see, there are three Ministers on the French side we have had difficulty "pairing up". Mr Lawson intends to attend the ECOFIN meeting that day to discuss M. Delors' monetary proposals. The French Embassy have told us that M. Beregovoy understands this and will not be coming. M. Mexandeau and M. Malvy have been proposed by the French as replacements for Mme Cresson (Trade and Industry Minister) who cannot now attend. M. Mexandeau's normal opposite number would be Mr Pattie, who will be occupied with M. Curien, and Mr Buchanan-Smith who would normally act as M. Malvy's interlocutor, has a prior engagement in Edinburgh. If we ask the French to stand down all three Ministers, the Summit could appear rather light on the Economic/Industrial side. The French have made it clear that they particularly want M. Malvy to come, although they are less worried about M. Mexandreau. It would clearly be awkward to have a French Minister without/matching British Minister. We propose to stand down M. Mexandreau anyway, and would be grateful for your views on the Malvy problem.

The only other differences between the current list and that proposed in Colin Budd's letter of 1 November are the deletion of Culture Ministers (M. Lang/Mr Luce) and the addition of Ministers for European Affairs (Mme Lalumiere/Mr Rifkind). We recommend agreement to these changes.

I also attach lists of our suggestions for attendance at the plenary session (Annex C), press conference (Annex D) and lunch (Annex E.

1 . . .



Sir John Fretwell has asked particularly to attend the press conference as the French Ambassador will be there. This is the only exception we recommend to your suggestion that UK officials abstain altogether.

Ye env. Peto Pidatts

(P F Ricketts) Private Secretary

C D Powell Esq 10 Downing Street



ANGLO-FRENCH SUMMIT: 18 NOVEMBER

PROGRAMME

Monday 18 November	
07.30	French Ministers and Officials arrive RAF Northolt Met by FCO Representative Leave by car for French Embassy
08.30	President Mitterrand arrives RAF Northolt Welcomed by Prime Minister Leave by car for No 10 Downing Street
09.00	Arrive at No 10 Downing Street Tête-a-tête between the Prime Minister and President Mitterrand In parallel, bilateral meetings between Ministers at the respective Ministries
10.30	Prime Minister and President Mitterrand
	joined by Foreign Ministers
10.55	Other participating Ministers arrive at No 10 Downing Street
11.00	Plenary session
11.45	Prime Minister and President Mitterrand leave for No 12 Downing Street. Other Ministers continue bilateral discussions or make other arrangements as appropriate.
	Joint press conference at No 12 Downing St
12.00	
12.40	Prime Minister and President Mitterrand return to No 10 Downing Street. Rejoined by other participating Ministers.
12.45 for 13.00	Working lunch at Nd 10 Downing Street
14.30	President Mitterrand and his Ministers leave No 10 Downing Street. Prime Minister bids farewell.
15.00	President Mitterrand arrives at

15.30 approx

16.00

Buckingham Palace Audience with Her Majesty The Queen. Other Ministers depart RAF Northolt. An FCO Representative bids farewell.

President Mitterrand leaves Buckingham Palace by car for RAF Northolt.

President Mitterrand departs RAF Northolt.

Foreign and Commonwealth Secretary bids farewell

Casinet Minister

POSSIBLE MINISTERIAL PARTICIPATION

France

M Roland Dumas Minister for External Relations

M Paul Ouiles Minister for Defence

M Jean Auroux Minister for Transport

M Pierre Joxe Minister for Interior and Decentralisation

M Hubert Curien Minister for Research and Technology

> Mme Catherine Lalumière State Secretary (junior minister) Minister of State for Foreign for European Affairs

UK

Sir Geoffrey Howe MP Secretary of State for Foreign and Commonwealth Affairs

Mr Michael Heseltine MP Secretary of State for Defence

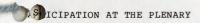
Mr Nicholas Ridley MP Secretary of State for Transport

Mr Douglas Hurd MP Secretary of State for the Home Department

Mr Geoffrey Pattie MP Minister of State for Industry and Information Technology

Mr Malcolm Rifkind and Commonwealth Affairs

? M Martin Malvy State Secretary for Energy



France

M Roland Dumas Minister for External Relations

M Paul Quiles Minister for Defence

M Jean Auroux Minister for Transport

M Pierre Joxe Minister for Interior and Decentralisation

M Hubert Curien Minister for Research and Technology

Mme Catherine Lalumière State Secretary (junior minister) for European Affairs

M Martin Malvy State Secretary for Energy

mme Edith Cressoft mm by Gor Trade + Indstry

M Jean Louis Bianco Secretary-General of the Presidency

M Michel Vauzelle Spokesman for the Presidency

M Jacques Attali Special Adviser to the President

M Hubert Vedrine Technical Adviser in the Secretariat-General of the Presidency

UK

Sir Geoffrey Howe MP Secretary of State for Foreign and Commonwealth Affairs

Mr Michael Heseltine MP Secretary of State for Defence Mr Nicholas Ridley MP Secretary of State for Transport

Mr Douglas Hurd MP Secretary of State for the Home Department

Mr Geoffrey Pattie MP Minister of State for Industry and Information Technology

Sir Robert Armstrong Cabinet Secretary

Sir John Fretwell Ambassador in Paris

sir Antony Acland Permanent Under Secretary Secretary of State Foreign and Commonwealth Office

Secretary of State for Trade + Industry Mme Elisabeth Guigou Secretariat-General of the Presidency

M Denis Verret Adviser to the Prime Minister

M Jacques Viot French Ambassador Sir Clive Whitmore
Permanent Under Secretary
Secretary of State
Ministry of Defence

Notetaker
Mr David Dain
Head of Western European Dept
Foreign and Commonwealth Office



ATTENDANCE AT PRESS CONFERENCE

M Jean Louis Bianco Secretary-General of the Presidency

M Michel Vauzelle Spokesman for the Presidency

M Jacques Attali Special Adviser to the President

M Hubert Vedrine Technical Adviser to the President

M Jacques Viot French Ambassador

Sir John Fretwell British Ambassador, Paris RESTRICTED

FLE

DA bell



10 DOWNING STREET

From the Private Secretary

13 November 1985

Dear Retir

ANGLO-FRENCH SUMMIT

Thank you for your letter of 13 November enclosing a draft programme and list of participants. It was helpful to have these.

I do not think that the Prime Minister would wish to press the Department of Energy to find an interlocutor for M. Malvy although I am sure she would hope they would offer a bilateral meeting on energy matters on a reasonably early occasion.

I see no problem with the deletion of Cultural Ministers and the addition of Ministers for European Affairs. I understand that Mme. Cresson will now attend and Mr. Brittan will also be present.

We are now arranging to have the press conference piped into one of the No.10 reception rooms so that all members of delegations can watch it there. It would therefore be helpful if the number of French officials who actually go to 12 Downing Street for the press conference could be reduced to the spokesman and the two Ambassadors alone.

(Charles Powell)

Peter Ricketts, Esq., Foreign and Commonwealth Office.

RESTRICTED

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CONFIDENTIAL

PRIME MINISTER

ANGLO-FRENCH SUMMIT

The briefing meeting for next Monday's Anglo-French Summit is tomorrow. You won't have time tonight to read the briefs, but might just glance at the <u>Steering Brief</u> and the Brief on EC issues in the enclosed folder.

The points which you might discuss at the briefing meeting are:

(i) Analysis of French Motives. Will they be looking for a moderately constructive outcome? Or a bit of a bust-up? You could ask H M Ambassador Paris for his judgement.

(ii) Channel Fixed Link. This is clearly the main

- business issue. The French are keen to commit us to very early progress, including signature of a Treaty at another Summit by the end of January. This is unrealistic. We for our part need copper-bottomed assurances that our lorry traffic won't be hindered by French quotas. You will want to ask the Transport Secretary whether he envisages a joint statement at the Summit. If so will it be negotiated in advance?
- (iii) Falklands. This is the other main business issue. The French have said privately but not so far publicly that they will support a 'moderate' Argentinian resolution, even though in practice there will be no change in Argentinian ambitions. You will want to ask the Foreign Secretary for arguments which might persuade the French to hold back from openly supporting Argentina.

- line which you took with M. Fabius has served us well and you will want to maintain a certain mystery about our intentions at the European Council. You will want to judge whether President Mitterrand is really looking for agreement at the European Council; and urge him not to 'gang up' with the Germans to present proposals on a take-it or leave-it basis. We hope French officials will continue to work closely with ours.
- (v) East/West Relations. We shall want the firmest available message of support for President Reagan to come out of your meeting just a day before the President and Gorbachev meet in Geneva. Should we try to agree a text with the French in advance?
- (vi) European Fighter Aircraft. President Mitterrand wrote to you (and other Heads of Government) to propose French 'association' with the project.

 This may be a spoiling tactic. You will want to ask Clive Whitmore's advice. You have not yet replied to Mitterrand's message.
- (vii) Anglo-French Research Foundation. You will remember that Mitterrand proposed the creation of such a foundation during his State Visit but we have not yet taken a position. What should you say at the Summit?

These are the main issues. You might ask whether there are particular points you should be aware of on Eureka, Scientific Cooperation, International Trade, and UNESCO.

CONFIDENTIAL

-3-

Mitterrand may try to get you to attend a <u>Conference</u> in Paris on <u>Deforestation</u>. You will want to parry this.

You could try asking our Ambassador whether it is true that Mitterrand's Labrador dog has just died. Should we offer him another?

CDP

C D POWELL

11 November 1985

60

Ref. A085/2886

MR POWELL

Roy promotion of John Trade Ninster on dropping out.

<u>Prime Minister's Briefing Meeting for Anglo-French Summit</u>
6.00 pm Tuesday 12 November

The following Ministers and officials have been invited to attend the Prime Minister's briefing meeting:

The Foreign and Commonwealth Secretary
The Secretary of State for Trade and Industry
The Home Secretary
The Secretary of State for Transport

HE Sir John Fretwell Sir Clive Whitmore Mr D F WIlliamson Mr D M D Thomas

Are you content?

Kn whis home

ROSALIND MULLIGAN

11 November 1985



bc Pc. Sue G

10 DOWNING STREET

From the Private Secretary

11 November 1985

ANGLO-FRENCH SUMMIT

I have a few random points on the programme for the Anglo-French Summit which you might pass on to those dealing with the arrangements.

- ef 1
- We need to have rather soon a proposed list of participants on each side at (a) the plenary session and (b) the lunch. In deciding who should be present at the former you will wish to bear in mind the constraints of the Cabinet Room. There is place for a maximum of eleven each side at the table. We could provide chairs for a maximum of five more people in a second row on the French side and three on the United Kingdom side.
- (ii) President Mitterrand may want to confer briefly with his advisers at the end of the plenary and before the press conference. I think that this can only be in the Cabinet Room itself. The United Kingdom side can withdraw to the ante room.
- (iii) Given that the space available in No. 12 Downing Street for the press conference is retricted we shall want to reduce to an absolute minimum attendance by Ministers and officials on both sides. I suggest that six places should be reserved for those French Ministers or senior officials who want to attend, but that the United Kingdom side should abstain from the press conference altogether. Those not attending the press conference might proceed directly upstairs for a rather protracted drink before lunch. The constraints of space will need to be explained to the French in advance.
- (iv) The interpretation facilities at the plenary and at the press conference allow only one interpreter to operate at a time, interpreting <u>both</u> ways. I assume this is aceptable to Mrs Fairweather.
- (v) Finally, I assume that provision will be made for President Mitterrand's interpreter to travel in the car with the President and the Prime Minister from the airport.

CHARLES POWELL





H M Treasury

Parliament Street London SW1P 3AG

Switchboard 01-233 3000 Direct Dialling 01-233 3.6.20

Sir Peter Middleton KCB Permanent Secretary (200) Axi

M C Stark Esq PS/Sir Robert Armstrong GCB CVO Cabinet Office 70 Whitehall LONDON SW1

8 November 1985

Dear Muchael,

ANGLO-FRENCH SUMMIT: 18 NOVEMBER 1985

Thank you for your letter of 1 November about briefing arrangements for this Summit. We have agreed with the FCO that the Treasury, in line with normal practice, and the arrangements for the forthcoming Anglo-German Summit, will take over lead responsibility for the brief on International Economic Issues.

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

1965

K F MURPHY
Private Secretary

GRS 1700

CONFIDENTIAL

CONFIDENTIAL [COLLAR] FM PARIS TO IMMEDIATE FCO **TELNO 962** OF O81812Z NOVEMBER 85 INFO SAVING BONN. ROME. UKREP BRUSSELS, UKMIS NEW YORK, WASHINGTON



PROSPECTS FOR THE ANGLO-FRENCH SUMMIT : 18 NOVEMBER

SHMMARY

1. THE SUMMIT COMES AT A MOMENT WHEN ANGLO-FRENCH RELATIONS ARE PASSING THROUGH A ROUGH PATCH AND PRESIDENT MITTERRAND HAS HIS EYE ON THE FORTHCOMING LEGISLATIVE ELECTIONS. WE SHOULD SPEAK PLAINLY TO THE FRENCH ABOUT THE R VOTING INTENTIONS ON THE FALKLANDS. BUT SHOULD SEEK TO LIMITE THE DAMAGE IN OTHER AREAS OF CONTROVERSY AND TO MAINTAIN A COOPERATIVE RELATIONSHIP ON SUBJECTS WHERE BRITISH AND FRENCH UNTERESTS ARE OR OUGHT TO BE CONVERGENT.

DETAIL

- 2. LITTLE OVER 4 MONTHS FROM THE ELECTIONS THE SOCIALISTS LOOK SET TO LOSE THE IR OVERALL MAJORITY IN THE NATIONAL ASSEMBLY, AND LESS AND LESS LIKELY TO FIGURE AT ALL IN THE GOVERNMENT WHICH EMERGES IN MARCH, POLITICIANS AND SENIOR OFFICIALS ARE ALL OPERATING WITH AN EYE TO THEIR OWN POSITION UNDER THE NEW ORDER. THERE IS A DISTINCT ATMOSPHERE IN PARIS OF THE END OF A CHAPTER.
- 3. MITTERRAND HIMSELF HAS RECENTLY BEEN RECOVERING SOME GROUND IN THE OPINIOIN POLLS ALTHOUGH THE SOCIALISTS HAVE NOT. HE IS PREPARING TO COHABIT WITH TH EXPECTED RIGHT-WING GOVERNMENT AFTER MARCH. IT WILL BE THE FIRST TIME DURING THE FIFTH REPUBLIC THAT PRESIDENT AND GOVERNMENT HAVE BEEN OF DIFFERENT POLITICAL PERSUASIONS: THE RELATIONSHIP IS LIKELY TO BE DIFFICULT. THE RIGHT WARN THAT THEY WILL IMPLEMENT THEIR PROGRAMME WITHOUT COMPROMISE AND THAT, IF MAITTERRAND OBJECTS, HE SHOULD RESIGN. BUT HE IS UNLIKELY TO DO SO. HIS STRATEGY WILL PROBABLY BE TO MAKE FULL USE OF HIS CONSTITUTIONAL POWERS. ESPECIALLY HIS POWERR TO DESIGNATE THE NEW PRIME MINISTER, TO WAIT FOR THE NEW GOVERNMENT TO MAKE MISTAKES, AND TO EXPLOIT THEM. HE COULD IN THEORY DISSOLVE THE ASSEMBLY PREMATURELY. BUT THIS WOULD SERVE LATTLE PURPOSE UNDER THE PR SYSTEM UNLESS OPINION HAD SWUNG DRAMATICALLY TO THE LEFT. (IIT IS HOWEVER POSSIBLE THAT THE NEW GOVERNMENT MIGHT QUICKLY MODIFY THE PR SYSTEM. THEREBY RESTORING THE POTENTIAL ADVANTAGES AND COSTS OF A DISSOLUTION). FOR THE MOMENT MITTERRAND'S AIMS ARE TO LIMIT THE ELECTORAL DAMAGE TO THE PS IN MARCH AND TO PROMOTE HIMSELF AS A UNIFYING FIGURE AND AS THE NATURAL REPRESENTATIVE OF FRANCE IN INTERNATIONAL AFFAIRS. IN HIS PRESENT MOOD, HE IS INORDINATELY SENSITIVE TO WHAT HE SEES AS CRITICISM FROM ABROAD OR ATTEMPTS TO TAKE ADVANTAGE OF THE SOCIALISTS' LAME DUCK SITUATION - PARTICULARLY BECAUSE OF THE STRONGLY NATIONALIST LINE BEING TAKEN BY THE OPPOSITION. CONFIDENTIAL 14.

HAN HAS CREET NOTO ANGLO-FRENCH RELATIONS OVER THE 4. THE EDGINESS THAT HAS LAST TWO OR THREE MONTHS SHOULD BE SEEN AGAINST THIS BACKGROUND. FRENCH ISOLATION FROM THE TURIN AGREEMENT ON THE FUTURE EUROPEAN FIGHTER AIRCRAFT, ENVY OVER THE TORNADO CONTRACT WHICH DISPLACED FRENCH SALES PROSPECTS IN SAUDI ARABIA. RESENTMENT OVER THE REPORTED ANTI-FRENCH LINE TAKEN IN BRITISH LOBBYING IN WASHINGTON ON MSE. THE BELIEF THAT WE DELIBERATELY WEIGHED IN PUBLICLY AGAINST FRANCE AT THE MOMENT OF MAXIMUM POLITICAL EMBARRASSMENT OVER THE RATBOW WARRIOR AFFAIR, AND OUR APPARENT ASSOCIATION WITH UNHELPUL FORMULAE IN THE CHOGM COMMUNIQUE ON SOUTH PACIFIC ISSUES, ESPECIALLY THE NUCLEAR FREE ZONE TREATY, ALL FORM PART OF THE LITTANY. IN THE CIRCUMSTANCES AT IS NOT ENTIRELY SURPRISING THAT RESTRAINTS HAVE BEEN REMOVED ON PRE-ELECTORAL PROPAGANDA BY THE FRENCH SOCIALIST PARTY AND BY GOVERNMENT MINISTERS TO THE EFFECT THAT ECONOMIC LIBERALISM HAS LED IN THE UK TO SOCIAL DISASTER.

5. HOWEVER IN DO NOT BELIEVE THIS ROUGH PATCH WILL BLIND THE FRENCH TO THE IMPORTANT INTERESTS THAT FRANCE AND THE UNITED KINGDOM CONTINUE TO SHARE; AND LIT WOULD BE OUT OF CHARACTER FOR MITTERRAND TO SEEK A CONFRONTATION AT THE BILATERAL SUMMIT. ON PAST FORM HE PREFERS TO AVOID SHARP CONTROVERSY ON SUCH OCCASIONS, AND TO GO FOR SOME MODEST BUT FAVOURABLE PUBLICITY, THUS LEAVING HIS HANDS FREE EGIN FUTURE COMMUNITY NEGOTIATIONS. THIS WILL NOT, OF COURSE, DO FOR US AS FAR AS THE FAKKLANDS IS CONCERNED. WHATEVER STAGE WE HAVE REACHED ON 18 NOVEMBER, SOME PLAIN TALKING ON THIS SUBJECT WILL BE ESSENTIAL. WE SHOULD ALSO CONSIDER WHETHER TO SEEK A CLEARER UNDERSTANDING FROM THE FRENCH ON ARMS SALES TO ARGENTIMA: THE MAIN OBSTACLE TO FRENCH SALES AT PRESENT IS NOT FRENCH PRINCIPLE, BUT ARGENTIME SHORTAGE OF CASH.

6. BUT THERE ARE A NUMBER OF IMPORTANT AREAS FOR DISCUSSION WITH MITTERRAND WHERE IT SHOULD BE POSSIBLE TO STRIKE A MORE POSITIVE NOTE. THESE INCLUDE THE CFL, STATEGIC ISSUES, THE IGC AND FUTURE DEFENCE EQUIPMENT COLLABORATION.

CHANNEL FIXED LINK

7. THERE IS NO DOUBTING THE FRENCH GOVERNMENT'S CONTINUED

COMMITMENT TO THE CFL PROJECT. AS THE PAGE OF ACTIVITY ON THE CFL

HAS QUICKENED, THE LEVEL OF PUBLIC INTEREST - EVEN ENTHUSIASM - HAS

HEIGHTENED IN THE BELIEF THAT THIS TIME, AT LAST, THE PROJECT WILL

BE REALISED. MITTERRAND WILL BE LOOKING TO THE SUMMIT FOR A

REAFFIRMATION BY BOTH SIDES OF THEIR POLITICAL COMMITMENT TO SEE THE

PROJECT SUCCEED ON THE TERMS LAID DOWN IN APRIL AND FOR CONFIRMATION

OF THE TIMETABLE TO WHICH BOTH SIDES WILL WORK FROM NOW ON. THE

FRENCH EXPECT THIS TO BE: A DECISION BY THE TWO GOVERNMENTS ON THE

CHOICE OF PROJECT IN JANUARY 1986: TREATY SIGNATURE IN FEBRUARY

1986: AND TRATY RATIFICATION AS SOON AS RESPECTIVE PARLIAMENTARY

PROCEDURES ALLOW. THIS TIMETABLE FITS NEATLY WITH THAT OF THE FRENCH

ELECTIONS. -2-CONFIDENTIAL

CONFIDENTIAL

8. THERE REMAINS THE QUESTION OF LIBERALISATION OF LORRY QUOTAS BETWEEN FRANCE AND THE UK. MY TELNO 909 OF 23 OCTOBER DISCUSSED THE TACTICAL HANDLING OF THIS. THE OPPORTUNITY SHOULD BE TAKEN TO REMIND MITTERRAND THAT WE REQUIRE A SATISFACTORY COMMITMENT BY THE FRENCH GOVERNMENT THAT TRAFFIC WILL BE FREE OF BILATERAL QUOTAS BY THE TIME THE LINK IS OPERATIONAL.

GENEVA

9. MITTERRAND'S LINE SO FAR ON GENEVA HAS BEEN THAT HE WISHES REAGAN LUCK BUT THAT THE US/SOVIET NEGOTIATIONS ARE NOTHING TO DO WITH FRANCE. THIS ENABLES HIM TO AVOID SPECIFICS WHICH MIGHT UPSET ONE OR THER OTHER (EG WHETHER SDI SHOULD BE A BARGAINING CHIP). MINIMISES THE CHANCES OF FRANCE' NUCLEAR MISSILES HAVING TO BE PUT ON THE TABLE. AND CORRESPONDS TO THE INDEPENDENT POSTURE WHICH GOES DOWN WELL AT HOME. HE WILL PROBABLY NOT WANT TO DEPART TOO FAR FROM THIS LINE, BUT HE CANNOT DECENTLY REFUSE TO JOIN THE PRIME MINISTER IN EXPRESSING GENERAL SUPPORT FOR THE UNITED STATES ONE DAY BEFORE GENEVA: AND HE WOULD PROBABLY WELCOME A CHANCE TO SIGNAL THAT FRANCE AND BRITAIN ARE UNITED IN REJECTING GORBACHEV'S SUGGESTION OF NEGOTIATIONS ON OUR RESPECTIVE DETERRENTS, WHILE NOT RULING OUT CONTINUING EXCHANGES WITH THE RUSSIANS.

Enter. Covernerd Orfer a)

10. THE FRENCH APPROACH TO THE IGC IS A CAREFUL BALANCING ACT. MITTERRAND WOULD LIKE AN OUTCOME WHICH CAN BE REPRSENTED AS AT LEAST A MODEST SUCCESS. AT THE SAME TIME, THERE IS A DEFINITE LIMIT TO HOW FAR HE CAN AFFORD TO GO. ON THE SUBSTANCE OF MOST OF THE KEY ISSUES FOR THE IGC - THE EUROPEAN PARLIAMENT, DECISION-TAKING, POLITICAL COOPERATION. THE INTERNAL MARKET. COHESION. NEW AREAS OF COMPETENCE. - FRANCE IS NOT ALL THAT FAR FROM THE UK. BUT IF THE SPECTRUM OF VIEWS AT THE EUROPEAN COUNCIL IS TOO WIDE FOR AGREEMENT TO BE POSSIBLE. MITTERRAND WILL WANT TO SAFEGUARD HIS EUROPEAN CREDENTHALS AND TO ENSURE THAT DEYLIGHT APPEARS BETWEEN THE VIEWS OF THE FRANCO-GERMAN TANDEM AND THE UK, NOT BETWEEN THE TANDEM AND HTALY. IN LONDON HE WILL TRY TO JUDGE WHAT ARE THE BREAK-POINTS FOR THE UK SO AS TO BE ABLE TO PLAY THE HAND AT LUXEMBOURG TO ACHIEVE THIS RESULT IF A MODES AGREEMENT PROVES UNATTAINABLE.

DEFENCE EQUIPMENT COLLABORATION

11. THE FRENCH GOVERNMENT HAS HAD LITTLE DIFFICULTY DOMESTICALLY IN JUSTIFYING HTS INDEPENDENT STAND OVER EFA. WITHIN THE ADMINISTRATION, HOWEVER, ISOLATION IS SEEN AS A MAJOR SETBACK TO BOTH THE IDEAL OF COOPERATION AND THE LEADING ROLE OF THE FRENCH AEROSPACE INDUSTRY. MITTERRAND'S RECENT LETTER TO THE PRIME MINISTER SEEKS TO RECAPTURE THE INITIATIVE. THE EFA NEGOTIATIONS HAVE NOT HOWVER SOURED DISCUSSIONS ABOUT OTHER COLLABORATIVE DEFENCE PROJECTS. IF ANYTHING, THERE APPEARS TO BE RENEWED INTEREST IN THIS AREA. WITH PROSPECTS WHICH WE MAY BE ABLE TO PURSUE TO OUR ADVANTAGE.

FRETWELL EUROPEAN POUTICAL WED.

-3-CONFIDENTIAL REPEATED SAVING AS REQUESTED Ref. A085/2857

MR POWELL COS FIXE

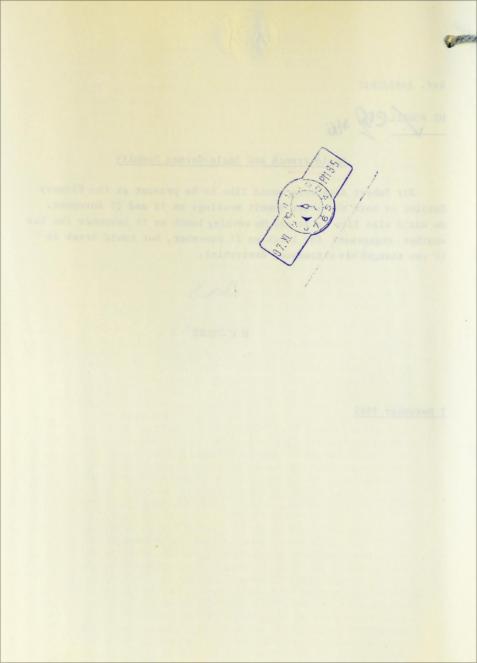
Anglo-French and Anglo-German Summits

Sir Robert Armstrong would like to be present at the Plenary Session of both the above Summit meetings on 18 and 27 November. He would also like to attend the working lunch on 18 November (he has another engagement for lunch on 27 November, but could break it if you thought his attendance desirable).

MS

M C STARK

7 November 1985



col



From the Minister for the Arts

Charles Powell Esq Private Secretary 10 Downing Street OFFICE OF ARTS AND LIBRARIES Great George Street London SWIP 3AL Telephone 01-233 8610

CO)

5 November 1985

Jear Charles,

ANGLO-FRENCH SUMMIT: 18 NOVEMBER

Len Appleyard copied to me his letter to you of 1 November in which he suggested that the French would probably welcome the inclusion of Ministers of Culture in this Summit. For our part we are not attracted to this idea as we have no points of substance which we would wish to raise with the French at this stage. FCO officials have been asked to confirm with the French that they have no points to raise either.

I am copying this letter to Len Appleyard and to Michael Stark in Sir Robert Armstrong's office.

Your ever Paul Florias

PAUL THOMAS Private Secretary



France As visits y Mutterrance

SECRET AND PERSONAL

Prine Nimster

Ref. A085/2824

MR POWELL

I had a conversation with Monsieur Attali in Paris yesterday.

- 2. I said that the Prime Minister was looking forward to President Mitterrand's visit on 18 November. I explained that it was probable (though not certain) that she would have to make a statement in the House of Commons that afternoon; and that the proceedings would therefore need to be over by 3.00 pm. Monsieur Attali showed no signs whatever of concern about that.
- 3. We briefly reviewed a number of bilateral problems which had been disturbing the Anglo-French relationship recently.
- 4. Monsieur Attali raised the matter of the British
 Government's reaction to the "Rainbow Warrior" affair, which had
 upset the President. I said that we had abstained from any
 reaction until the French Government had formally acknowledged
 its involvement; and then we had said as little as we could,
 given the strength of public feeling and the volume of media
 activity on the matter. Monsieur Attali commented that other
 European partners had not felt obliged to say anything. I
 reminded him that "Rainbow Warrior" was a British registered
 ship.
- 5. Monsieur Attali said that the President had been "very upset" by the sentence in the CHOGM communiqué which recorded that Heads of Government "stressed the need for the early independence of New Caledonia". I explained in detail the problems which the Prime Minister had faced at the meeting, the success of her achievement in arriving at a declaration on South Africa which was acceptable to us, despite overwhelming odds,

and the difficulty of pushing every point in the communique. I said that the Prime Minister and the Foreign and Commonwealth Secretary had tried to get the offending sentence deleted, but had met very stiff opposition from members of the South African Forum because the sentence had already been included in the communique issued by that Forum. Monsieur Attali said that we could at least have used the "most of us stressed" formula that we had succeeded in using in the paragraph on nuclear free zones. I said that I was gratified that the President had read the communique in such detail: I thought that he was one of only very few who had done so.

- 6. Monsieur Attali referred in passing to the French
 Government's concern about the tactics which British Ministers
 were supposed to have used in seeking to persuade the Americans
 to buy Ptarmigan rather than Rita.
- 7. On the United Nations Falklands resolution, Monsieur Attali was at some pains to explain that the policy described in Monsieur Dumas's recent letter to Sir Geoffrey Howe was not new: it reflected the statement which the President had made in public when President Alfonsin visited Paris in September. In the relevant sentence of that speech, President Mitterrand said (my translation): "Our situation in the European Community authorises me to declare here that we shall approve any initiative which promotes a negotiated solution between the Argentinians and the British on the subject of the Falkland Islands. Indeed, I am convinced that no solution is possible apart from negotiation without any bar on any subject. To refuse to lend oneself to that will only delay the coming of peace".
- 8. I think that Monsieur Attali was making this point largely in order to establish that French policy on this matter antedated the Commonwealth Heads of Government Meeting communiqué. I said that the Prime Minister had been very upset

[? Did you know]

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by the French Government's decision to vote for the draft Argentinian resolution. She recalled that President Mitterrand had been the first Head of State or Government to express his support for Britain at the time of the Argentine invasion of the Falklands. It was the more disappointing that he should now feel it necessary to support the Argentine draft resolution in the United Nations. She was bound to take a very serious view of the matter, since the French decision would undoubtedly encourage others to follow suit. I had no doubt that she would want to take this matter up with the President.

- 9. We agreed, however, that these no doubt troublesome bilateral issues should not be allowed to detract from the major matters on which the British and the French positions had much in common.
- 10. I said that I thought that the Prime Minister would want to concentrate in her meeting with President Mitterrand in the first instance on East/West relations, arms control, the forthcoming Reagan-Gorbachev summit and Mr Gorbachev's recent visit to Paris. I had no doubt that she would be extremely interested to hear the President's personal impressions of Mr Gorbachev; she had noted with admiration the President's firm stand against attempts to divide the Atlantic Alliance.
- 11. Monsieur Attali remarked that Mr Gorbachev had said very
 little to the President in private which he had not also said in
 public. The President had been much on guard against attempts
 to divide the Alliance. Monsieur Attali's own personal
 impression of Mr Gorbachev had been that he was extremely well
 informed and articulate. He agreed that Mr Gorbachev's approach
 was pragmatic, but that he remained through and through a
 Marxist. Mrs Gorbachev had also greatly impressed those who had
 met her.

- 12. Monsieur Attali said that the President would also wish to discuss the Middle East with the Prime Minister. Mr Peres had been in Paris the previous week, and King Hussein is due to be there this week. The President would wish to consider with Mrs Thatcher the prospects for getting a dialogue going between the Israeli Government and the Jordanians without the Palestine Liberation Organisation (PLO). He asked whether we knew why the two PLO leaders had withdrawn their commitment to eschew violence and therefore denied themselves the ability to talk to Sir Geoffrey Howe. I said that we thought that it was as likely as anything to be a matter of personal fear.
- 13. I said that I thought that the Prime Minister would wish to discuss European Community affairs with the President, and particularly how he saw the development of the Intergovernmental Conference in relation to the forthcoming meeting of the European Council in Luxembourg. I thought that our own hope would be that the European Council could at least agree to some kind of set of principles, arising out of the work of the Intergovernmental Conference. I said that it seemed to us that the French and British positions in the Intergovernmental Conference were in practice pretty close to each other. We had not excluded the possibility of Treaty amendments, though we would on the whole prefer not to amend the Treaties unless there was very good reason for doing so. Monsieur Attali did not comment on any of this, save to say that he agreed that the French and British positions were not far apart. I had the impression it was some time since he had had to involve himself in this subject.
- 14. Finally, I told Monsieur Attali, making it clear that I was speaking for his and the President's ears only, that it was likely that the British and Irish Governments would conclude an agreement shortly: indeed, it was for the purpose of making a statement on this that the Prime Minister would have to conclude her time with the President on 18 November not later than

[3]

[3]

3.00 pm, if an agreement had (as we expected) been concluded before then. I described briefly the reasons why the two Governments had decided to embark on negotiations for the agreement, the nature of the agreement which now appeared to be in sight, and the problems and opportunities that might be encountered as a result of it. I said that I was sure that both the Prime Minister and the Taoiseach would hope that, if an agreement was reached, the French Government would be able to give it a positive welcome as a hopeful development in relations between two members of the European Community. Monsieur Attali said that he understood that there was some question of a fund. I said that the agreement was likely to contain a commitment by the two Governments to work together for purposes of economic reconstruction and development, particularly in Northern Ireland, and would envisage the possibility of international support for that. There were indications that the United States Administration might be willing to make a contribution for this purpose, and the intention was that the two Governments should set up a fund to administer contributions so received. Contributions would of course be welcome from other Governments and from the European Community.

15. I am sending copies of this minute to Len Appleyard and Sherard Cowper-Coles.

ms

ROBERT ARMSTRONG

Approved by Sir Robert and Signed in his absence

5 November 1985



CF OV.

10 DOWNING STREET

Charles, RTA's office. rang to say that so Kobert would like to be involved in the 11 pm meeting with the French and the Lunch thereafter. If you are Content Con you arrange to have him added to the questlist 91 5/1/84.





bc 81

10 DOWNING STREET

From the Private Secretary

4 November 1985

ANGLO-FRENCH SUMMIT: 18 NOVEMBER

Thank you for your letter of 1 November setting out proposed arrangements for the Anglo-French Summit on 18 November.

The Prime Minister is content with the proposed programme. She is prepared to meet President Mitterrand on arrival though points out that it is likely to take more than half an hour to get from Northolt to 10 Downing Street at that time of the morning. We might suggest that President Mitterrand aim to arrive at 8.15 at the latest to avoid delays later in the programme. The Prime Minister would not wish the press conference to take place in the Banqueting House: she would prefer a smaller press conference in No 12 Downing Street. Bernard Ingham will look into this.

The Prime Minister would, I think, be content with the proposed participation in the Summit, though every Minister you add risks extending the length of the plenary session which we are keen to avoid. I imagine it is not practicable to drop the plenary session altogether. But I hope we can come to an arrangement that there should be alternate reports by British and French Ministers so that it is not necessary for both to report on each bilateral discussion.

I understand that Mrs Fairweather will be available to interpret that day. You will wish to confirm the arrangements with her.

I am copying this letter to Private Secretaries to the Secretaries of State for Trade, Transport, Energy, the Home Secretary and the Minister of State for Industry and Technology and also to Michael Stark (Cabinet Office).

(C. D. POWELL)

Len Appleyard, Esq., Foreign and Commonwealth Office 2

Foreign and Commonwealth Office

proposed programme? Is fo next brith 1 November 1985 hitemad at leathrow? Is Ca proposed policipation?

Anglo-French Summit: 18 November

We should be grateful for your views on the programme and participation for the Summit meeting on 18 November.

Programme

We recommend the following pattern:

0900-1030 Heads of Government tete-a-tete

1030-1100 Heads of Government joined by Foreign Ministers

1100-1145 Plenary. As we discussed, we might allow one report only to the plenary from each pair of Ministers.

1200-1240 Joint Press Conference by Heads of Government

1250-1430 Lunch (a working lunch attended by all

participating Ministers and a few key officials)

The Queen has offered to receive President Mitterrand at 1700. (She is unable to grant an earlier audience.) On the assumption that he would wish to take this up, we are considering with the French what arrangements might be made to fill the space in his programme. We expect President Mitterrand and his Ministers to return to Paris that evening.

Arrangements for greeting and bidding farewell

President Mitterrand will arrive at Northolt at about 0830.

At the last two Anglo-French Summits in London (1981 and 1983) the Prime Minister (and a representative of The Queen) met President Mitterrand at the airport. It would doubtless be welcomed by the President if the Prime Minister were able to do so again. We would also envisage the provision of an RAF Ceremonial Guard at Northolt on arrival. We propose that, as in previous years, a Cabinet Minister should bid the President farewell.

/Press



Press Conference

We suggest that the Press Conference should be held in the Banqueting House. This would require the Lord Chamberlain's permission, which your Press Office would need to seek. The Great Hall of the Institute of Civil Engineers, which we propose to use for the Anglo/German Summit, is not available on 18 November.

Participation

To judge by precedent and initial indications from the French, it is unlikely that the French Prime Minister, M Fabius, will attend. Sir Geoffrey Howe recommends that the participants should include Foreign Ministers, Ministers of Defence (reflecting efforts in the past year to raise the profile of the bilateral defence relationship); Trade and Industry Ministers (to discuss the development of industrial collaboration and international trade issues); Transport Ministers (the Channel Fixed Link is likely to figure prominently); Ministers of the Interior/Home Affairs (to follow up contacts on counter-terrorism between Mr Brittan and his French counterpart, M Joxe); and Ministers of Research and Technology (to discuss Eureka and other collaborative ventures in this field). A meeting between the Secretary of State for Energy and the French Minister for Trade and Industry (who holds the Energy portfolio) should be included in the programme - the French are expecting to discuss energy issues, notably-cross-Channel electricity and gas links and oil matters. The French would probably welcome the inclusion of Ministers of Culture, given the importance they attach to cultural matters. the closeness of M Lang to President Mitterrand, and the high level of bilateral exchanges and events in this field over the past year. Participation by Finance and Agriculture Ministers will not be practicable, as they will, under present arrangements, be attending EC ministerial meetings in Brussels on that day.

Thus abbreviated, interpretation in the programme may be manageable in toto by Maria Fairweather. Shall we pursue it with her, or would you prefer to do so yourself?

I am copying this letter to the Private Secretaries of Ministers who may be involved and to PS/Sir Robert Armstrong.

Your we, Le Appleyard









4 /xi

70 WHITEHALL, LONDON SW1A 2AS

01-233 8319

From the Secretary of the Cabinet and Head of the Home Civil Service
Sir Robert Armstrong GCB CVO

PS(85) 24

1 November 1985

Dear Private Secretary,

Anglo-French Summit: 18 November 1985

This letter sets out the briefing arrangements for the Anglo-French Summit which is to take place on 18 November 1985 in London.

The list of briefs to be prepared, with an indication of Departmental responsibility, is at Annex A. Instructions on format are at Annexes B and C. Those preparing briefs should note carefully the details on the format of briefs set out in Annex B. Departments should, therefore, aim to ensure that, apart from the General Brief, individual subject briefs do not exceed two sides of paper.

80 copies of each brief should be sent to the Cabinet Office as soon as they are ready. In any case they should reach the Cabinet Office by close of play on Monday 11 November, AT THE VERY LATEST. They should be addressed to Mr A S Victory in Committee Section, who should be consulted (tel no 233 7343) about any technical points arising.

I am sending copies of this letter to the Private Secretaries to Sir Antony Acland, Sir Peter Middleton, Sir Clive Whitmore, Sir Brian Hayes, Sir Michael Franklin, Sir Peter Lazarus, Mr P L Gregson, Sir Brian Cubbon, Mr T M Heiser, Mr R W L Wilding and Sir Robin Nicholson, and to Charles Powell at No 10.

(Signed) ROSALIND MULLIGAN
Assistant Private Secretary

LIST OF BRIEFS FOR ANGLO-FRENCH SUMMIT 18 NOVEMBER 1985

JMV (85)	- [Subject	<u>Lead</u> <u>Department</u>	$\frac{\text{In consultation}}{\underbrace{\text{with}}}$
1.	Steering Brief (to include International Issues not covered elsewhere). Programme, Personality Notes and Annex on the French Internal Scene		FCO(WED)	as appropriate
2.		:/West Relations Arms Control	FCO(Soviet D/ACDD)	MOD
3.	European Community Topics			
	a.	Intergovernmental Conference and Prospects for the December European Council	FCO(ECD(I))	Cabinet Office
	b.	International Trade Problems (GATT Round, Protectionism, Relations with the United States and Japan)	DTI	FCO Cabinet Office
4.	Bilateral Relations			
	а.	General (to include industrial collaboration)	FCO(WED)	DTI MOD Energy
	b.	Channel Fixed Link	Transport	FCO MOD DTI Treasury
	с.	Scientific Issues	Cabinet Office	DTI DES
	d.	Defence Relations	MOD	FCO(Defence D)
5.	EUF	REKA	DTI	Cabinet Office FCO(ESSD) Treasury

CONFIDENTIAL

JMV (85)	Subject	<u>Lead</u> <u>Department</u>	In consultation with
6.	Counter-terrorism	FCO(SCD)	Home Office MOD
7.	International Economic Issues (including Debt and North/South Issues)	FCO(ERD)	Treasury
8.	Energy	Energy	FCO(ESSD)

ANNEX B

THE FOLLOWING INSTRUCTIONS ABOUT FORMAT SHOULD BE FOLLOWED CAREFULLY

All briefs should be laid out in the same way with a top page in accordance with the specimen layout at Annex C. Those preparing briefs should pay particular attention to ensuring that the following instructions are fully observed:

Content

- (a) Briefs should be concise. Each brief should whenever possible be no more than two sides long.
- (b) The main body of each brief should comprise three sections: a very brief statement of the United Kingdom Objective (normally no more than a couple of lines); a concise list of Points to Make; and a factual Background section which distinguishes clearly between information which can be freely used and information which should not be disclosed.
- (c) Briefs should be complete and self-contained with all the information required on that particular subject.

Layout

- (d) Briefs should be typed in double spacing, using both sides of the paper. Pages should be numbered at the foot of each page.
- (e) As shown in the specimen at Annex C, the top page only of each brief should contain the following details: the symbol and number of the brief in the top left-hand corner (eg JMV(85) 10) with the date of circulation below: a copy number in red at the top righ-hand corner; the visit heading; the title of the brief (in capitals) and the name of the Department responsible.
- (f) At the foot of the last page and on the left-hand side, briefs should bear the name of the originating Government Department and the date of origin.

Reproduction

- (g) Briefs should be reproduced throughout on plain white paper, with each page bearing a security classification at top and bottom (as in Annex C). <u>Care should be taken that the</u> reproduction method employed results in clear readable copies.
- (h) It is important that, on arrival at the Cabinet Office, briefs should be complete in all detail - collated, stapled and copy numbered and ready for immediate circulation.

CONFIDENTIAL

Updating

- (i) If late developments require a brief to be amended or updated, a revise should be prepared. It should be set out in the form described at (e) above, with the brief number amended to show that it is a revise (eg JMV(85) 10 (Revise)). Subsequent revises should be numbered (eg JMV(85) 10 (Revise 2), etc). If it is a question of adding material to the brief rather than revising its existing contents, an addendum may be prepared, in the form described at (e) above with the brief number (eg JMV(85) 10 Addendum) and title to which it relates at the top of the front page. The Private Secretary to the Secretary of the Cabinet should be informed when a revise or an addendum is in preparation and also about corrigenda to briefs.
- (j) Additions to the list of briefs in Annex A require the authorisation of the Private Secretary to the Secretary of the Cabinet.

[CLASSIFICATION]

ANNEX C

THIS DOCUMENT IS THE PROPERTY OF HER BRITANNIC MAJESTY'S GOVERNMENT

[Leave 1½" margin]

JMV(85) [Serial No as specified in Annex A] COPY NO [in red] [Date]

ANGLO-FRENCH SUMMIT 18 NOVEMBER 1985

[SUBJECT] [Insert subject in capitals]

Brief by [name of originating Department, eg Foreign and Commonwealth Office]

[At foot of last page on left-hand side:-]

[Originating Government Department, eg Foreign and Commonwealth Office or Department of Energy, <u>not</u> a subordinate section or division]

[Date of origin]





10 DOWNING STREET

From the Private Secretary

31 October 1985

Anglo-French Summit

Thank you for your letter of 30 October about the Anglo-French Summit. On reflection, the Prime Minister has decided that changing the date of the Anglo-French Summit causes too many complications and might be embarrassing were it subsequently to become necessary to postpone the Anglo-Irish meeting. She has therefore decided firmly to go ahead with the Anglo-French Summit on Monday 18 November on the explicit and very important condition that it will finish at 1500 hours promptly.

I should be grateful if you could reassure me that arrangements can be made to ensure that the meeting is over by this time. I should be grateful also if you would now ask Mrs Fairweather if she would be able to interpret on 18 November.

I am copying this letter to Sir Robert Armstrong.

(CHARLES POWELL)

L.V. Appleyard, Esq., Foreign and Commonwealth Office.

TS

SECRET



10 DOWNING STREET

THE PRIME MINISTER

SUSPEND

I am dismayed to have to write to you at this late stage to ask you to consider an alternative date for our meeting in London on 18 November. I would not be doing so if the circumstances were not wholly exceptional. Let me explain the background.

You know, I think, that Garret Fitzgerald and I have been discussing for many months the extremely delicate question of relations between the Republic of Ireland and Northern Ireland. Given the acute sensitivities on both sides, these talks have been conducted in the greatest secrecy. But I am able to tell you in strictest confidence that we are now very near to agreement. If such an agreement is indeed achieved, as I confidently expect, we shall have to move rapidly to signature. Otherwise there is a risk that the agreement will unravel. It would be difficult to exaggerate the importance of this breakthrough. I believe it offers a real opportunity to reduce the level of violence in Northern Ireland and make progress towards reconciliation between the two communities.

After canvassing a wide range of alternatives, we have found that mid-November is literally the only time which both Garret Fitzgerald and myself can manage during the next few weeks. If we were to let it slip, we would risk losing this crucial opportunity.

You will understand that in view of the enormous interest that this will create, the agreement will need to be announced to Parliament at the first opportunity after signature, which may turn out to be the afternoon of 18 November. To wait even a day more would be to risk facing a public outcry which could jeopardise the whole agreement. My statement to Parliament will lead to a difficult discussion for which I shall need to prepare myself very carefully indeed. I fear that it would be impossible for me to do justice to an Anglo/French Summit meeting at the same time. To attempt to do so would be a grave discourtesy to you.

I am very conscious of the extent of inconvenience this will involve for you and I apologise for it. I am asking Sir Robert Armstrong to bring this letter to Paris personally and to explain the circumstances to Monsieur Attali. I do hope you will understand. And I would of course be grateful if you could treat the reasons as very strictly confidential.

I still attach great importance to our having an opportunity to talk together before the Inter-Governmental Conference in Luxembourg in December. It will be an important meeting and we need to prepare carefully for it. We shall also both want, I am sure, to give further impetus to the work that has been done on the Channel Fixed Link since we last met. And there may be important things to discuss on broader international questions on the eve of President Reagan's meeting with Mr. Gorbachev. I very much hope therefore that it will be possible to find an alternative date that would be manageable for us both.

What I would like to suggest is that, given the circumstances, instead of a full Summit format, we should aim on this occasion to have a more intimate meeting, involving just ourselves and our Foreign Ministers. I suggest that, if this is convenient for you, we should try to do this on Saturday 23 November or, if that is not convenient for you, Saturday 16 November. I would be happy to invite you for a

private discussion at Chequers on one of these days. Or, if it would suit you better, I could come to Paris.

Let me say again how very sorry I am to be suggesting this change in our arrangements so late in the day. I would not be doing so for a less compelling reason.

His Excellency Monsieur Francois Mitterrand

DRAFT LETTER FROM THE PRIME MINISTER TO PRESIDENT MITTERRAND

I am dismayed to have to write to you at this late stage to ask you to consider an alternative date for our meeting in London on 18 November I would not be doing so if the circumstances were not wholly exceptional. Let me explain the background.

You know, I think, that Garret Fitzgerald and I have been discussing for many months the extremely delicate question of relations between the Republic of Ireland and Northern Ireland. Given the acute sensitivities on both sides, these talks have been conducted in the greatest secrecy. But I am able to tell you in strictest confidence that we have now reached agreement. On a number of important steps that will be included in the confidence to be signed in the confidence of this break-

progress towards reconciliation in a marderous conflict which which has beset our two peoples for several centuries.

Now that agreement has at last been reached, it is vital to move to signature as soon as possible. The Parliamentary timetable here, which includes the State Opening of Parliament on 6 November followed by a three-day debate on The Queen's speech, blocks out much of the first part of the month and Garret Pitzgerald's timetable is equally intractable. After canvassing a wide range of alternatives, we have found that 15 November is literally the only date which both Garret Fitzgerald and myself

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such object indeed

an manage during the next few weeks. If we were to let it slip, we would risk losing this crucial opportunity.

You will understand that in view of the enormous interest that this will create, the agreement will need to be announced to Parliament at the first opportunity after signature, That means the afternoon of 18 November. To wait until the following day would be to risk facing a public outcry which could jeopardise the whole agreement. I assure you that I do not exaggerate. My statement to Parliament, even on Monday, will lead to a heated and emotional discussion for which I shall need to prepare myself very carefully indeed. I fear that it would be impossible for me to do justice to an Anglo/French Summit meeting at the same time. To attempt to do so would be the gravest discourtesy to you.

I am very conscious of the extent of inconvenience this

I am therefore asking Sir Robert Armstrong

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will involve for you.

I still attach great importance to Thaving an opportunity to talk together before the Inter-Governmenttal Conference in Luxembourg in December. It will be an important meeting and we need to prepare carefully for it. We shall also both want, I am sure, to give further impetus to the work that has been done on the Channel Fixed Link since we last met. And there may be important things to discuss on broader international questions on the eve of Romale-Reagan's meeting with Mr Gorbachev. I very

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much hope therefore that it will be possible to find an alternative date that would be manageable for us both.

What I would like to suggest is that, given the circumstances, instead of a full Summit format, we should aim on this occasion to have a more initimate meeting, involving just ourselves and our Foreign Ministers. I suggest that, if this is convenient for you, we should try to do this on Saturday 28 November, which would involve bringing the Summit forward two days. I would be happy to invite you to Chequers on that day. Or, if it would suit you better, I could come to Paris. If this date is not suitable for you, may I propose Saturday 23 November or Sunday 24 November?

Let me say again how very sorry I am to be suggesting this change in our arrangements so late in the day. I would not be doing so for a less compelling reason.



Foreign and Commonwealth Office

London SW1A 2AH

30 October 1985

Agree to write as the Foreign Levely property (as bear thate, Anglo/French Summit his for a few hours

Thank you for your letter of 29 October about the need to find an alternative date on which the Prime Minister could necessay: meet President Mitterrand.

The Foreign Secretary, who has had a chance to discuss this with Sir John Fretwell, fears that in the present state of mind of the French Government, this change of plan will risk giving considerable offence. President Mitterrand will find it difficult fully to understand the reality of the Parliamentary pressures that make it essential for the Prime Minister to change an important commitment of this kind at the last moment, and it is conceivable that, in his present political circumstances, he might fall prey to a suspicion that we were motivated partly at least by a desire to humiliate him. The Foreign Secretary agrees therefore that the circumstances will need very careful explanation and handling.

He thinks that the best way to minimise the risks would be for the Prime Minister to write a personal letter of explanation to President Mitterrand and for Sir Robert Armstrong to take this to Paris to give to M. Attali for the President. This would be the only effective way of bringing home the seriousness of the Prime Minister's problem and of her concern to find a way over it that did not involve cancellation of the meeting.

I enclose a draft letter which would meet the case. It is couched in the kind of terms which we believe are necessary if it is to serve its purpose. As you will see, the draft conveys the thought that on this occasion a more intimate meeting will in fact be more useful than a full Summit meeting, given the priority issues to be discussed. The Foreign Secretary also thinks it would be essential for the Prime Minister at least to make the offer of going to Paris instead of assuming that President Mitterrand will still come here. It would be more difficult to make this offer afterwards if President Mitterrand replied that he could not make it to London but would be glad to see the Prime Minister in Paris if she chose to come.

/ The Foreign ...

CONFIDENTIAL COVERING SECRET



The Foreign Secretary has asked me to explore with Sir Robert Armstrong the possibility of his advancing his visit to Paris to this coming Friday. He believes it will be important to make this approach to the Elysee as soon as possible after the Cabinet discussion has taken place so as to reduce the possibility of the French picking up the scent of the problem before President Mitterrand has heard from the Prime Minister direct.

I am copying this letter to Sir Robert Armstrong.

(L V Appleyard)
Private Secretary

C D Powell Esq 10 Downing Street



10 DOWNING STREET

From the Private Secretary

30 October 1985

ANGLO-FRENCH SUMMIT

Thank you for your letter of 30 October about interpretation at the Anglo-French Summit.

As you know the dates of this meeting are now in question. It may be considerably nearer the end of the month, in which case Mr Lederer may after all be available.

In any event neither of the ladies you mention are up to the necessary standard. If Mr Lederer is not available, we shall just have to rely on the French side's interpreter \underline{if} he is willing.

(C. D. Powell)

C. R. Budd, Esq.,
Foreign and Commonwealth Office.

1

Foreign and Commonwealth Office

London SWIA 2AH

30 October 1985

Dear Charles,

Anglo-French Summit: 18 November

As you will recall, it was agreed that we should engage Mr Rudolf Lederer as interpreter for the Prime Minister's talks with President Mitterrand on 18 November.

Unfortunately Mr Lederer has now told us that he will be unable to leave Brussels at this particular time, since he has a daughter who is seriously ill. He expects to be available again towards the end of November, so his engagement for the Anglo-German Summit on 27 November is not affected.

As our own French interpreter-designate, John Penney, will not finish his training until June, we must find some other replacement. In the past we have on occasions used other freelance French interpreters for the Prime Minister including:

Mrs Marie-Helene Taylor

 Prime Minister's talks with President Mobutu of Zaire (September 1984)

Mrs Micheline Dennis

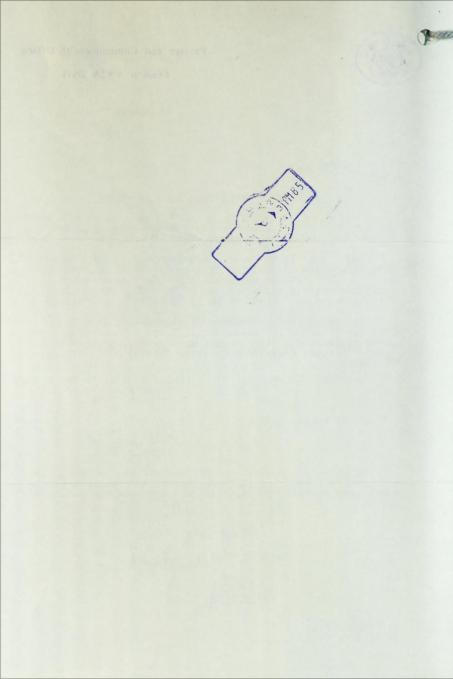
 Prime Minister's talks with Mr Klibi, Secretary General of the Arab League (February 1984)

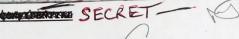
If this arrangement is still acceptable, we should be grateful to know which of these alternative interpreters is preferred, so that we can secure her services without further delay.

Yours ever, Colin Budd

(C R Budd) Private Secretary

C D Powell Esq 10 Downing Street









10 DOWNING STREET

From the Private Secretary

29 October 1985

Dow Rr.

ANGLO/FRENCH SUMMIT

It now seems virtually certain that the Anglo/Irish Summit will be on Friday 15 November and that the Prime Minister will in consequence have to make a statement to the House on Monday 18 November. At her meeting with the Foreign Secretary and the North Ireland Secretary this morning, it was agreed that it would not be reasonable to try to take the Anglo/French Summit on the same day as at present planned. It was agreed, however, that it remained very important to have a high level meeting with the French before the Luxembourg European Council.

This presents us with two problems. The first is how to explain to the French that we can no longer maintain the date of Monday 18 November. My own feeling is that we shall have to come clean with the Elysee in the strictest confidence. I understand that Sir Robert Armstrong is to visit Paris early next week. One course would be to warn the French later this week of the need to change the dates, saying that Sir Robert would explain the reasons when he came. But if you have an alternative solution it would be helpful to know.

The second problem is to find alternative dates. I think that the only real prospect for doing this is to consider weekends; and to look at the possibility of moving from a full scale bilateral summit to a meeting involving Heads of Government and Foreign Ministers only at Chequers. Assuming this latter could be arranged, the best dates from the Prime Minister's point of view would be Saturday 23 or Sunday 24 November, with Saturday 16 November a reluctant third choice.

I would be grateful if you would consider the handling of this and let me know the Foreign Secretary's views on how we should proceed. It might be prudent to wait until after Cabinet discussion on Ireland on Thursday before taking any irrevocable step with the French Government.

I am copying this letter to Sir Robert Armstrong.

Len Appleyard, Esq., Foreign and Commonwealth Office.

semestary SECRET

MR POWELL I have arranged briefing meetings for the French and German bilaterals. The Foreign Secretary unfortunately cannot make either but it would be difficult for me to find other times. Would it be possible for me to have these briefing meetings without the Foreign Secretary. CAROLINE 29 October 1985

MRS. RYDER o/r

BILATERALS

Would you have a word with Sandra at FCO about briefing meetings for the Bilaterals with the FRG and France. There are already slots identified in the diary for this (14 November, 1700-1800, 26 November, 1700-1800). The Foreign Secretary may, I understand, find it difficult to fit in with these times, and you will need to check with Sandra to see if they need to be changed.

MEA

(MARK ADDISON)
22 October 1985





10 DOWNING STREET

From the Private Secretary

MISS BOWDRAY
Cabinet Office

ANGLO-FRENCH SUMMIT

Just to say that I am content with the list of briefs for this Summit set out in the Annex to Mr. Cowper-Coles' letter of 16 October.

CHARLES POWELL 25 October 1985

CABINET OFFICE

A . \$.284 17 OCT 1985



London SWIA ZAEH

16 October 1985



1. Michael

Sir Antony Acland KCMG KCVO Permanent Under-Secretary of State

> M C Stark Esq Private Secretary to Sir Robert Armstrong GCB CVO CABINET OFFICE

c - Mr Powell + attachments

Any Comments on list

الده.

CAP STr

My dear Michael,

ANGLO-FRENCH SUMMIT: 18 NOVEMBER 1985

- 1. This letter sets the scene for the Anglo-French Summit due to take place in London on 18 November.
- President Mitterrand and his Government, led by the Prime Minister, Laurent Fabius, are hard pressed at home. Fabius's reputation for good management has been damaged by the Greenpeace scandal, which led to the resignation of the Defence Minister, Charles Hernu. The affair has now died down, but could yet spring further surprises. Mitterrand's popularity rating remains low. Although his personal dominance over the Socialists is not in doubt, his own faction in the party has lost ground recently to the group led by Michel Rocard, the former Agriculture Minister who resigned in June (and who represents the social democratic tendency in the party). The Socialists are almost certain to lose their overall majority in next March's National Assembly elections, when the Centrists and Gaullists are likely to win enough seats to form a coalition government. If they do, France will, for the first time under the Fifth Republic, have a President and Government of different political complexions. Relations between them could well be difficult. But Mitterrand appears determined to stay in office whill the end of his term in 1988 and calculates that the continuing rivalry between the opposition leaders Barre, Chirac and Giscard (the last two of whom do not want an early presidential election for fear of losing to the currently popular Barre) will increase his room for manoeuvre.



- 3. For the first time in recent years, we have agreed with the French, in accordance with the Prime Minister's wishes, that the Summit should take place within a single day. We have recommended separately that, as well as the Prime Minister, the Foreign Secretary, the Secretary of State for Trade and Industry, the Home Secretary, the Secretary of State for Energy, the Secretary of State for Defence, the Secretary of State for Transport, the Minister for the Arts and the Minister of State for Industry and Information Technology should take part in the Summit.
- 4. The main areas on which the Prime Minister will probably wish to focus are East/West Relations (President Reagan meets Mr Gorbachev on 19-20 November), EC issues (before the meeting of the Inter-Governmental Conference planned for 19 November and the Luxembourg Council in December) and bilateral issues (primarily the Channel Fixed Link). Other issues which will be discussed by Ministers participating in the Summit, and which may be raised in the plenary session, depending on circumstances at the time, include terrorism, Eureka, and other international questions notably the Falklands.

East/West Relations and Arms Control

5. The meeting takes place the day before the Reagan/Gorbachev Summit in Geneva. Both the Prime Minister and President Mitterrand have first hand experience of Mr Gorbachev - in Mitterrand's case during the Russian leader's visit to Paris from 2 to 5 October. The Prime Minister will have met Mr Reagan at the Summit Seven lunch in New York on 24 October. Mitterrand has refused to attend this, but has asked for a bilateral with Reagan in advance of the Geneva meeting. Both sides may want to use the opportunity to exchange views on how to react to the outcome of the Reagan/Gorbachev meeting, and on the prospects for Geneva and for East/West relations generally. They may also want to compare notes on the Soviet proposals for direct talks with France and the UK.



European Community

The meeting will be an important opportunity to explore directly with Mitterrand his attitude to the proposals for additions or changes to the existing EC treaties which will be before the Heads of Government at the European Council in Luxembourg on 2-3 December. On the substance of many of these issues we have more in common with the French than with most other member states. We have been able to work quite closely with them in the Inter-Governmental Conference. At a political level, however, Mitterrand will want to try to present himself as more "European" than us, and to remain close to Chancellor Kohl. But Mitterrand probably does want an agreed outcome, if possible, at the European Council; and he will not want the discussions to drag on through the French elections. The French have cooperated with us in keeping the draft 1986 EC budget within the financial guideline; and joined with us in pressing for cuts in cereal prices (resisted by the Germans). They are insisting that negotiations on preservation of the Mediterranean countries' trade access to the EC be concluded in advance of the accession of Spain and Portugal - we share both their sense of urgency and their approach on the substance.

Bilateral Relations

7. Bilateral relations have been under some strain recently. Difficulties at the Milan Summit and differences over policy towards South Africa were exacerbated in French eyes by our public and private expressions of concern and calls for compensation following Fabius's admission of French responsibility for sinking the Rainbow Warrior - and by press suggestions that the Prime Minister and Mr Heseltine had called France's reliability as an ally into question in approaching President Reagan in support of the sale of British battlefield communications equipment (following our success in selling Tornado to Saudi Arabia against French competition). It is far from certain that the storm has blown over, particularly in the Elysée.



- The Channel Fixed Link is likely to be the dominant bilateral dossier. We expect at least four promoters to have submitted proposals by the 31 October deadline. Neither we nor the French will have evaluated these bids enough to permit detailed discussion at the Summit, but the French wish the Prime Minister and President Mitterrand to re-affirm their commitment to the project and to the timetable for final selection. The issue of French quotas for British lorries may also require further discussion at the Summit. The Prime Minister raised this with Fabius in August. The French have not agreed to lift their quota restrictions on the road haulage traffic that would use the CFL although they agreed in September to a useful increase (17%) in the UK/France bilateral quota.
- 9. At last year's Summit it was decided to raise the profile of our bilateral defence exchanges. This has given new impetus to this aspect of our relationship and a report on defence contacts over the past year will be submitted to Defence Ministers at the Summit. It will show an increase in the quality if not the number of exchanges. National Armaments Directors are to submit a separate report on bilateral defence equipment collaboration. In addition, agreement to resume visits by nuclear-powered submarines has been reached (HMS Splendid will visit Toulon in the next few weeks); and a proposal has been put forward for a joint out-of-area exercise in France in late 1987.
- The Summit may also provide an opportunity to review progress on other collaborative ventures such as European space projects, Airbus, collaboration on information technology and telecommunications, and the Guangdong Nuclear Power Station project. It is possible that a decision on British participation in the European Synchrotron Radiation Facility at Grenoble and on French participation in the UK's Spallation Neutron Source, currently due to be taken in time for the EC Research Ministers' meeting on 10 December, might be advanced to permit an announcement at the Summit if the decisions are positive. President Mitterrand may revive his proposal for an Anglo-French Research Foundation, launched during his State Visit last year. The Franco-British Council have been actively canvassing industrial interest in Britain, but the response has been at best lukewarm.



Eureka

11. Ministers are meeting in Hanover on 5-6 November to define the structure of Eureka and take note of progress towards projects. Discussion at the Summit is thus likely to be in general terms. But Mitterrand may wish to argue for French concepts, such as the need to promote research as well as product development and the need for support from public funds. Some 20 French and British companies have had contacts to discuss possible projects in a number of high technology areas, and we would hope that it may be possible to announce the launch of one or two projects at or before the Summit. We shall wish to draw on the discussions at the Financiers' Conference in London on 14 October to emphasise the lead role in Eureka of the market, private industry and private finance.

Terrorism

12. This subject will need careful handling in the light of the Rainbow Warrior affair. But the events of recent months make it all the more urgent to develop international cooperation to counter terrorism. The French, whilst ready to intensify bilateral exchanges (we have had useful meetings at Ministerial and senior official level in recent months), have shown some reticence in discussing it in international fora, notably the Summit Seven. Four French hostages are currently held by Palestinian organisations in Lebanon, whilst in France itself the left-wing Action Directe, which has links with other European terrorist groups, has continued to carry out sporadic attacks, as have other groups.

Other International Issues

13. The Summit provides an opportunity to put across our views on developing relations with Argentina and to reassert the importance we attach to French abstention in the Falklands debate at the UNGA (scheduled for 26 November). During President Alfonsin's visit to Paris in September Mitterrand expressed support for Argentina's insistence on negotiations on sovereignty, but appears to have avoided a commitment to voting with Argentina at the General Assembly. The latest indications are that the Argentines are making a renewed bid for French support and the French are hinting at linkage between their continued support for us and our adopting a position



helpful to them over proposals for a South Pacific Nuclear Free Zone (which they see as directed against their testing programme). The French have recently been reasonably reassuring in response to our approaches on arms sales to Argentina, but it cannot be excluded that the subject will need to be raised again.

14. The Prime Minister may wish to follow up her discussion of Southern Africa with Fabius in August. A decision on whether to remain a member of UNESCO is due to be taken in the light of the Sofia conference which ends on 12 November. It is unlikely that the necessary consultations will have been completed by the time of the Summit, and Mitterrand may lobby in favour of our remaining. He may also wish to encourage high level British participation in a conference on the problems of deforestation in Africa and Europe due to be held in Paris in February. Other regional issues are likely to be covered by Foreign Ministers.

International Trade and Economic matters

The Summit will also provide an opportunity for the Foreign and Trade and Industry Ministers to reinforce with the French the need for the EC to manage its trade relations with the US very sensitively this autumn, while making clear to the Americans the Community's ability to retaliate against any protectionist moves. We shall also want to remind the French, who have been over-sensitive within the Community to developing country criticism of a new GATT round, that urgent progress is needed to restrain the Americans from pursuing bilateral solutions to their trade problems. The French may raise EC/Japan trade relations, as well as relations between developed and developing countries, and the economic situation in Africa. Following Mitterrand's visit to Brazil and Colombia this month, we may wish to raise the problem of debt, not least in an attempt to dissuade him from supporting too openly Latin American calls for a political dialogue.



Public Handling

- 16. The summit will be announced about 10 days beforehand. It has been recommended that the Prime Minister should give an interview to the major French weekly news magazine "Le Point" on the eve of the summit. Consideration is also being given to an interview for French television. We will be arranging the usual pre-summit briefing of the British press by senior officials here.
- 17. The Summit itself will be concluded with a joint press conference, probably at the Banqueting House. Attention will almost inevitably be focused on East/West relations and arms control in view of the Reagan/Gorbachev meeting the following day. The press will certainly see the Anglo-French Summit as having some significance in that context, not least because of the role of Britain and France as the two European nuclear powers. We are considering a joint statement on the British and French attitude to the Gorbachev proposals. The French will probably press for a joint communiqué on the Channel Fixed Link. We would hope to use the press conference to draw attention to some of the more successful collaborative ventures in which Britain and France are involved. We will be seeking advice from Whitehall on what the best items to highlight might be. This could be covered at the meeting of MISC 76 which we will be arranging, mainly to discuss the steering brief, in early November.
- 18. I attach a suggested list of briefs for the Summit. I should be grateful if any comments on this list or on the contents of this letter could reach this office by Wednesday 23 October.

Sherard Cowper-Coles Private Secretary

cc: overleaf



cc: Private Secretaries to:
Sir Peter Middleton KCB, HM Treasury
Sir Clive Whitmore KCB, CVO, MOD
Sir Brian Hayes KCB, DTI
Sir Michael Franklin KCB, CMG, MAFF
Sir Peter Lazarus KCB, D/Tp
P L Gregson Esq CB, D/Energy
Sir Brian Cubbon GCB, Home Office
T M Heiser Esq CB, D/Environment
R W L Wilding Esq CB, Office of Arts and Libraries



DRAFT LIST OF BRIEFS FOR ANGLO-FRENCH SUMMIT: 18 NOVEMBER

SUBJECT	LEAD DEPT	IN CONSULTATION WITH
1. Steering Brief FCO (WED) Others as appropriate International Issues not covered elsewhere). Programme, Personality Notes and annex on the French Internal Scene		
2. East/West Relation and Arms Control	ns FCO (Soviet D/ACDD)	MOD
3. European Community Topics	7	
a) IGC	FCO ECD(I)	Cabinet Office
b) Community Financing	Treasury	FCO (ECD(I))
c) Agriculture	MAFF	FCO (ECD(I))
d) Mediterranean Police	y FCO (ECD(E))	MAFF
4. Bilateral Relation	ıs	
a) General (to include industrial collaborat		DTI MOD D/Energy
b) Channel Fixed Link	D/Transport	FCO (MAED)
c) Scientific Issues	Cabinet Office	DTI
d) Defence Relations	FCO (Defence D)/MOD	
5. EUREKA	DTI	Cabinet Office FCO (ESSD)
6. Counter-Terriorism FCO (SCD)		Home Office



7. International Treasury Economic and Trade FCO (ECD(E) Treasury DTI Issues (to include and ERD) DTI international debt and

North/South issues)

8. Oil Policy

D/Energy

FCO (ESSD)



PART 4 ends:-

Dr Nicholson to DB (W0803) 2.11.84

PART 5 begins:-

FCO to M. Stark 16:10:85