MT

Part 7

GAS 524

Confidential Filing

Visits of President Mitterand

S 300b

FRANCE

Part 1: July 1979

Part 7: Sept 1989

Series closed : See mtgs with French Govt

Referred to	Date	Referred to	Date	Referred to	Date	Referred to	Date
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PREM 19/3348

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Foreign &
Commonwealth
Office

London SW1A 2AH

6 December 1991

Dear Stephen,

ORIGINAL filed on
FOR PCL: E(W Relations
pt 12

Soviet Nuclear Weapons

Officials followed up the Prime Minister's discussion with President Mitterrand, reported in your letter of 3 December, by talking to Bartholomew (US) and Guelluy (France) in Brussels yesterday.

There was no problem about agreeing on our immediate aims: to disable and eventually dismantle all Soviet nuclear systems due to be scrapped under START and the Bush-Gorbachev initiatives; and to ensure that all remaining systems, which will probably be centralised in due course in Soviet or Russian hands, are effectively controlled. But clear differences emerged between the French and American approaches. The French wanted to begin by reaching a political understanding about command and control of all nuclear weapons in the Soviet Union, to be formalised in meetings of the four Foreign Ministers: there is clearly an element of status-seeking in this. The Americans wanted to keep their hands free for their bilateral exchanges with the Soviet authorities and the Republics, which were already moving ahead well under cover of implementing the Bush-Gorbachev nuclear cuts; they were also concerned not to offend other allies, especially Germany and Italy, by appearing to set up a nuclear directorate.

/We proposed

We proposed a procedure which combines both approaches. This would involve:

- detailed coordination among the Three about the aims which we should set out for the Centre and Republics and the realistic scope for Western help over dismantling nuclear weapons, safeguarding those which remain and preventing the export of Soviet arms technology;

- discussion of these issues with senior officials from the Centre and Republics in a 3+1 format;

- continuing consultation in the Alliance, with a view to securing a general blessing for the activities of the Three;

- contact between the allies and the Centre plus Republics in a 16+1 format, possibly following a meeting of the North Atlantic Cooperation Council.

We pointed out that this approach should meet President Mitterrand's aim by enabling the nuclear powers to steer this activity while galvanising the international support which will be necessary to meet the costs involved. Partly because of the cost, we also suggested that Japan and other potential contributors should be associated with the work of the Alliance.

The French and Americans said that they were attracted by this approach and undertook to seek political clearance in the next couple of days. The Americans will meanwhile press on with their bilateral contacts in Moscow and Kiev, which their Political Director will visit this week and Secretary Baker next week. The Americans are, in practice, already in the lead. They are finalising detailed technical

/proposals

C

proposals for helping to disable weapons in situ in the four Republics concerned (Russia, Ukraine, Byelorussia and Kazakhstan). They have invited us and the French to feed in ideas as soon as possible. We will do so on the basis of the work already in hand in the MOD and FCO.

There is still a danger that the French and Americans will want to go their own different ways. Tactically, we need to tread a narrow path between them. In practical terms, we need to refine our proposals so that we can make a respectable technical input. We also need to recognise that dealing with the several thousands of warheads involved will entail very large costs. If we want this tackled quickly and effectively, this will involve expense to the international community. As a nuclear power and NPT depositary, we will be expected to participate: we have strong security and political interests in doing so.

Since these issues cover the interests of several departments, officials have agreed to set up an inter-departmental task force under Cabinet Office leadership.

Copies of this letter go to Simon Webb (MOD), Jeremy Heywood (HM Treasury), John Neilson (Department of Energy) and Sonia Phippard (Cabinet Office).

Yours ever

(S L Gass)
Private Secretary

Stephen Wall Esq
10 Downing Street

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cc R
cc p wp

PS/No 10

I enclose briefing for the Prime Minister's meeting with President Mitterrand on 2 December in the form of detailed speaking notes and background, as previously agreed for the Prime Minister's meetings with Kohl and Andreotti. These take into account your talks today in Paris with Pierre Morel and Caroline de Margerie.

Private Secretary

PRIME MINISTER'S MEETING WITH MITTERRAND, 2 DECEMBER

POLITICAL UNION: SPEAKING NOTES

General

- We want agreement at Maastricht. We want closer European cooperation across a wide range of policies. But we cannot move too fast. There are limits to what Parliament will accept. Political Union is an evolving, indeed inexorable, process. Great mistake to be over-ambitious now, and finish with no Maastricht outcome. Recognition of this from Kohl.

- Agreement in sight on large parts of Presidency text (subject to detailed work at Conclave): most institutional provisions, including negative assent procedure for Parliament; citizenship; new chapters on CFSP, and interior/justice cooperation; some extensions of competence.

- If we stand back from the sensitive points still outstanding (immigration, social, majority voting etc), this treaty will be a big step forward. Bigger than the Single European Act. Important to keep this firmly in view as we negotiate over the difficult issues at Maastricht.

GL4ACB/1

European Parliament

- Earlier ambitious proposals for "co-decision" now whittled down. Negative assent procedure now acceptable to all, (including Germany).

- We are willing to accept its inclusion provided scope is strictly limited. We have proposed Article 100a legislation (subject to some practical limitation), R and D (if unanimity retained) and environment multi-annual programmes, (but not on the basis of the current text).

- Do not rule out some limited further movement on our part, probably at the conclave. But Presidency proposals go too far. And any further extension particularly undesirable in areas of significant expenditure - development, networks - or in areas where we have problems with the texts themselves - eg social. We cannot be expected to make a double jump.

- Rest of package to increase non-legislative powers of the EP acceptable. Taken as a whole these measures will represent an important step forward.

- In principle we support French "Congress" proposal. Similar to our ideas for involving national parliaments. But too biassed in favour of EP. Officials in touch over changes which will allow us to support text. Doubts about a treaty text - (prefer declaration) because we can't tell Parliament what to do.

European Parliament: Background

1. The French have moved a long way to meet German desires for a greater legislative role for the EP, albeit with some reluctance. They accept the negative assent procedure now proposed, although Dumas spoke up against German efforts at the Conclave to make it still more friendly towards the EP.

2. Mitterrand himself will not have focussed on the details of the scope of the procedure, and will hope it can be resolved before Maastricht, so that he will not have to. The French can accept the latest Presidency proposals with the exception of development or cohesion, which they see as being too expensive. We need to convince Mitterrand that the Germans will settle for less than this.

3. The German proposal to increase the number of its MEPs to 99 is accepted by all, subject to a French reserve. It may be that the prospect of a German dominated Parliament will temper Mitterrand's views on the scope of codecision when he comes to focus on the issue.

4. We have two main difficulties with the French proposal for a "Congress" or Conference of European and National parliamentarians. It should not figure in the treaty itself (dictating to Westminster) and should not be so biassed in favour of MEPs (half the members and the chairman). We can tell Mitterrand we support the principle of the proposal, but will want to see some details changed. (We anticipate trouble in Westminster with the French text as it stands).

NK3AGZ/1

Interior/Justice Cooperation

- Clearly we must work together to combat illegal immigration, abuse of asylum and organised crime. Welcome provisions for this in separate treaty chapter on interior/justice.

- Article A, (outside competence), covers all the important areas: asylum; immigration conditions of residence, combatting unauthorised immigration; combatting drug addiction and international fraud; judicial cooperation in civil and criminal matters; customs and police cooperation in preventing terrorism, drug trafficking and serious forms of international crime.

- Strong UK interest in extending existing cooperation, within the Union on their basis.

- But see no need to introduce Community competence here. Commission has no experience in this area; wrong to give ECJ jurisdiction over sensitive national issues like immigration and visa policy.

- Recognise importance to Germany of immigration questions to be handled within Community competence at some stage. We might accept a provision that this could happen in the future. But no need to have any issues within competence now. Deal on these lines may be acceptable to Germany.

NK3AGY/5

Interior/Justice: Background

1. The Presidency text includes a separate pillar for interior/justice matters, including a substantial list of areas for inter-governmental cooperation in Article A. But some immigration matters (short-term immigration and visa issues) are placed within EC competence, with visas subject to QMV. A link between inter-governmental cooperation and the Treaty of Rome is also provided (Article K) which would enable other immigration/asylum issues to be brought within Community competence subject to a double-lock: unanimity and a national ratification procedure.

2. France has indicated it is willing to accept the treaty text as it stands. Although we would have expected them to share our concerns, (and parts of the French administration have done so), we have received little support for our scepticism about a Community immigration policy. It seems that France effectively accepts creeping Community competence in this area, and is ready to go along with any text acceptable to Germany. But it is not clear that Mitterand himself has yet focussed on the issue, or seen the potential domestic sensitivities of handing over immigration policy to the Community.

Competence and QMV

- Deletion of four marginal texts a significant improvement. No need to have texts on everything.

- Of remaining texts, willing to see extension of competence in areas such as health and education, with some QMV, eg on the environment.

- But concerned about potential costs of some competence chapters. In particular must retain unanimity for development, networks, and research and development. QMV could lead to higher costs and distortion of national policies. Given this growing cost to France [significant net contributions] we should share this objective.

- Difficulty, however, with texts on industry and culture. They are contrary to free market principles of Treaty, contrary to principle of subsidiarity; and to broad acquis of the Single Market, which has been the Community's success.

Competence: Background

1. The French are suspicious of the Commission's expansionist tendency and should be inclined to resist further encroachment. In practice, however, they have taken a relaxed view, and have said they can accept most of the texts on the table.

2. The industry text is a French initiative, to which Mitterrand will be attached. They have said that they are not willing to see it watered down further. In recent weeks this has moved higher up France's list of priorities for Maastricht for domestic reasons: unemployment, the lack of any economic recovery, irritation with the Commission over the De Havilland decision, and continued concern about competition from Japan in key industry sectors. Our preference would be deletion. Butas a fall-back we and the Germans, with some support, (eg Danes and Dutch) are seeking to remove any decision-making provision, and to keep the text as liberal as possible. Unanimity would be needed for any text we agreed.

3. The French would be reluctant to accept a treaty without any culture chapter: our objective is to delete it. We share common ground on development: we both require unanimity. But on the other big spending chapters - R and D and networks - the French can accept QMV, where we will insist on unanimity. Their budgetary interest (as net contributers) should be in unanimity.

Social Policy

- You know our position on this. We cannot go beyond the existing Treaty arrangements. The Commission is already interpreting existing treaty texts more widely than we want (eg over pregnant workers, working time directive etc). Widening those texts still further would not be acceptable to Parliament.

- Recognise you regard an extension of competence in the social field as important. But if others insist on retaining an unacceptable text in the treaty, there will be no political union treaty at all. Self-defeating to demand an over-ambitious text.

- Every member state has its own special concerns in employment and social policy. Not trying to interfere with national practices. Subsidiarity should apply.

- In UK, much political will and energy expended in past decade to improve structure of industrial relations. Not willing to put these advances at risk through inappropriate harmonisation.

- Presidency's proposals bear out problems: an elaborate structure dividing subjects between unanimity and QMV with exclusion clauses would simply not work in practice.

- Others are free to regulate their social provisions as they wish. But UK cannot accept Presidency proposals.

Social Policy: Background

1. A key subject for France. Mitterrand is keen to extend France's social protection levels to rest of Europe. Widespread support in France for this, so Mitterrand's position is therefore defined by political as much as by practical needs. At 12/13 November Conclave, France said current text on social was the bottom line for them. But we must hope that the French would risk losing their key objective (EMU) by incurring a British block on the social chapter and hence on political union as a whole.

2. Our objective with Mitterrand should therefore be to give him a clear indication of the limits in our flexibility on this issue. This may stimulate the French to consider before Maastricht what whether they can give Mitterrand the publicly defensible appearance of progress without the same degree of underlying substance.

NK3AGZ/4

Cohesion

- Very concerned about potential costs of Spanish proposals for cohesion. Would open floodgates to an ever bigger Community budget geared to subsidising Southern member states.

- But also concerned with present Presidency text on cohesion. Amendments are required, in particular to remove EMU from cohesion objectives, prevent cohesion becomming an objective of all Community policies, and to prevent the establishment of new funds.

- Hope we can cooperte at Maastricht to secure necessary improvements in this text.

- At most should list Spanish demands in a neutral declaration, indicating these are for discussion in next year's future financing review.

NK3AGY/2

Cohesion: Background

1. The French support the Northern line, although they are openly sympathetic to Spanish problems and would be prepared to accept a formula which gives a bigger nod in the direction of an increased EC budget than we would like. However, they are more worried than they were about France's growing net contribution and will be reasonably sensitive to our arguments.

2. A copy of our draft declaration on cohesion, already passed to Kohl and Lubbers, is attached.

NK3AGZ/5

DRAFT DECLARATION ON COHESION

1. The European Council reaffirms that ever closer economic and social cohesion is an integral part of the general development of the Union. It welcomes the amendments of the Treaty which have been agreed in the IGCs, as providing a flexible framework within which the Community can support its objectives and the sound economic and monetary policies which will best ensure continuing and sustainable reductions in regional disparities within the Community.

2. The European Council notes that the Community's Structural Funds are being doubled in real terms between 1987 and 1993 and that the EIB is lending large and increasing amounts for the benefit of poorer regions; that the Structural Funds account for over 25 per cent of the Community's budget; that they involve very large transfers especially as a proportion of the GDP of the less prosperous member states. The European Council reaffirms its belief that the Structural Funds will continue to play a considerable part in the achievement of Community objectives in the field of cohesion.

3. The European Council also notes that there have been proposals made for further expenditure in support of cohesion, particularly in the less prosperous member states; for a greater progressivity in the Community's financial arrangements; and for greater flexibility in administrative and financial arrangements under the Structural Funds. The European Council agrees that these proposals should be considered in the forthcoming reviews of the Community's finances and of the Structural Funds. The European Council agrees that the Community, while maintaining budget discipline, will continue to devote substantial resources to the objective of ever closer economic and social cohesion.

CFSP

- UK and France, more than other members of the Twelve, have really significant national foreign policies which cannot simply be overridden by the CFSP. We are willing to put our foreign policy assets at the disposal of the Twelve. But not against our own interests. No doubt France shares this view.

- UK strongly committed to strengthening European foreign policy. Will be one of the big steps forward from this IGC.

- We are ready to accept a legally binding commmitment to joint action if the detailed arrangements are right.

- Continue to believe that QMV in CFSP would be a mistake. Present text provides for its use "as a general rule" for the modalities of implementing joint action.

- On what sort of issues is France prepared to allow use of QMV? How will it be possible to define these? Will extension of QMV to issues of real substance not become inevitable once the principle of QMV in CFSP is agreed?

- Believe that the increase in our obligations to concert and abide by a CFSP means that we need a supreme national interest release clause.

- Both UK and France have a vital interest to protect in our Permanent Membership of the Security Council. Need to be sure that, in that forum, we cannot be gagged or paralysed by the CFSP.

- This means that we must have a declaration annexed to the Treaty on the Security Council. Our officials have agreed a form of words which the Belgians have sold to the Presidency. The Presidency are now negotiating the text with the Italians (who can be difficult on this subject).

- We need to be prepared to defend this declaration at Maastricht and ensure that it is not diluted.

B22ACK/1

BACKGROUND: CFSP

1. On CFSP the French are committed both to joint action and QMV. President Mitterrand is unlikely to be concerned about the exact terms of joint action, but should react strongly to any suggestion that French independence of action would in practice be curtailed. It would be worth harping on this. It may also be worth explaining our reservations about the use of QMV in CFSP. France has supported the last Presidency text providing for QMV "as a general rule" for implementing joint action, but will settle for the more limited case-by-case approach which the Presidency are now likely to propose. It would be useful to have Mitterrand as an ally on a supreme national interest let out clause, though the French may regard the existing text (Article C 3-5) as giving them enough of a let-out. We must make sure that Mitterrand is aware of efforts to secure a declaration protecting the British and French position in the Security Council and that he is prepared to fight for it, if necessary, at Maastricht.

PM/MITTERRAND

Defence

- We share same objective: to build a serious European defence capability compatible with Alliance.

- Glad that officials (Wall/Morel) able to clarify on Friday how this synthesis might be set out in Treaty Article on Defence and WEU Declaration on relations with Union and Alliance. But also clear that many differences remain and that text not yet ripe for Maastricht.

- Suggest we instruct officials to clear ground after Conclave on basis of:

  - perspective of a common European defence policy compatible with NATO (Rome Summit language);

  - WEU, as vehicle for this in next phase (1992-5). Independent, with close but different links to both Union and Alliance;

  - review in 1996.

- [If necessary]

- Not asking France to give up her perspectives (common defence in CFSP from start, fusion of WEU and Union). No prospect of agreement on these at Maastricht. For history and future reviews to decide.

- Defence too sensitive and complicated to be taken to Maastricht unprepared. Would prefer to leave this issue to 1996 rather than accept defective or ambiguous language.

CC1ACZ

- Specific UK difficulties with French proposals:

  - CFSP should not include defence from the start: but we could accept: "the longer term perspective of a common defence policy compatible with the common defence policy that certain member states already have in the Atlantic Alliance";

  - there should be a clear reference to compatibility with the Alliance (see above);

  - the WEU should not be subordinated to the Union (for example, obliged to act "in conformity with European Council Directives"). But we could say that the WEU should act <u>consistently</u> with policies of the Union (as of the Alliance).

CC1ACZ

Defence: Background

1. Mitterrand may well camp on the Franco-German proposals until Maastricht itself. Once there, however, he may well be prepared to be flexible over not including "common defence" in CFSP from the start, or subordinating WEU to the Union, provided the Treaty includes the perspective of a common defence. The most difficult task may well be to persuade him to accept a reference in the Treaty to compatibility with the Alliance. If we can persuade him that sending defence to Maastricht unprepared risks no agreement on it, then officials should be able to clear the ground between the Conclave and the European Council.

2. Although French and German officials agreed reluctantly on 27 November to discuss a single draft WEU Declaration, they showed virtually no flexibility on points of principle, and apparently still envisage the Twelve being invited to approve a text on relations between the Union and the WEU.

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GATT

Export subsidies

1. Agreement more likely on a mix of volume and value reductions (not volume alone, as US want).

2. If agreement reached on export subsidies EC's rebalancing demands will not prevail with US.

3. Lubbers found his meeting with Madame Guigou and the French Foreign Trade Minister, M. Strauss-Kahn helpful in giving him the room he needs to negotiate. Lubbers told me yesterday he will make clear these are not just one way negotiations, i.e. the Americans will have to move too.

c:\foreign\GATT (ecl)

CONFIDENTIAL

B.0919

MR WALL

cc Sir Robin Butler
Mr Gozney, PS/Foreign Secretary
Mr Webb, PS/Defence Secretary
Mr Mottram, MoD
Mr Goulden, FCO

President Mitterrand's Visit: Control of Weapons in the Soviet Union and Nuclear Assistance

Miss Binstead's letter to you of 28 November contains a line for the Prime Minister to take with President Mitterrand on nuclear proliferation from the Soviet Union. This is in addition to the FCO briefing in Richard Gozney's letter of the same date.

2. Sir Robin Butler's conversation this afternoon with Vedrine (recorded separately) makes clear that President Mitterrand is likely to pay close attention to the Prime Minister's remarks about nuclear matters. Vedrine confirmed that Mitterrand wanted to concert on a France/UK/US basis before taking forward his initiative for a meeting of the four nuclear powers. This is borne out by the news I have had via the MoD that the French have proposed a trilateral in the margins of the NAC. According to Vedrine, Mitterrand is also open to discussion in NATO itself.

3. In talking to Mitterrand, the Prime Minister will want to welcome the trilateral. The MoD, who came to see me today, are also keen, as reflected in their brief, that the Prime Minister should convey to Mitterrand personally that the UK has ideas in this area which it wishes to explore with the French and Americans.

Miss L P Neville-Jones

Cabinet Office
29 November 1991

CONFIDENTIAL

Mr Nell

CABINET OFFICE

With the compliments of

L. P. NEVILLE-JONES

70 Whitehall, London SW1A 2AS
Telephone 071-270 0360

CC PC
Bangt.

CONFIDENTIAL

B.0918

NOTE FOR THE RECORD

Telephone conversation between Sir Robin Butler and M. Vedrine, 3.30 p.m. 29 November 1991

M. Vedrine expressed his profound regret that he would be unable to attend the talks between President Mitterrand and the Prime Minister. As events had turned out, it was impossible for him to leave Paris.

CFSP/Defence

2. Sir Robin Butler ran through the agenda for the Prime Minister's talks with the President. On the Inter-governmental Conferences, the Prime Minister, following his recent discussions with Signor Andreotti and Chancellor Kohl was now more hopeful of success though there remained some difficult areas, especially concerning CFSP and defence. The Prime Minister wanted agreement but was worried that, on defence in particular, there might be too much work to do in the short time remaining. The UK still hoped that it would be possible before Maastricht to agree on a text between the two sides. Depending on how far Mr Wall had got in his talks with M. Morel earlier in the day it might be helpful for officials to get together after the Prime Minister and President had talked.

3. M. Vedrine said that he would first wish to talk to M. Morel about his talks with Mr Wall and then approach the President. He could not give his agreement to this proposal without the President's authority. He agreed that the idea of a meeting of officials could be looked at again in the light of the discussion between the Prime Minister and the President.

Other Maastricht issues

4. Sir Robin said that overall, the Prime Minister felt that the outlook for the treaty on EMU looked positive. The Prime Minister remained concened strictly to limit extensions of Community competence and hoped he would have the President's support, especially in those areas where significant expenditure could be involved for countries like the UK and France. On the European Parliament, the Prime Minister wanted tight restrictions on the areas in which the Parliament would be able to exercise a blocking power. He thought that the President was in agreement. M. Vedrine said that this catalogue corresponded to the areas the President wanted to cover.

GATT

5. Sir Robin said that the Prime Minister was concerned that the Round might be losing impetus. He hoped that Mitterrand might join him in an initiative to keep the talks moving to a conclusion before the end of the year.

6. M. Vedrine said that the President agreed that GATT should be discussed. France was worried about the immobility of the Americans and was open to making an approach to President Bush.

Lockerbie

7. Sir Robin said that the Prime Minister welcomed the close co-operation with France and agreed that the role of the United Nations was important. Vedrine interjected that it was very important to France. Sir Robin continued that in this respect our thinking was more in line with Paris than Washington though the Prime Minister did not under-estimate the difficulty of getting a UN Security Council

Resolution. For this reason he attached importance to action in the Group of 7 given the Venice Declaration and the EC as well. The Prime Minister would stress the importance of continuing to co-operate closely.

Soviet Union

8. The Prime Minister would say that he attached importance to a common position of the Twelve on recognition of the Ukraine. (Vedrine agreed.) The Prime Minister also thought that President Mitterrand's initiative could be very timely in the context of the control of nuclear weapons and would want to lend his support. The UK would like to start talks trilaterally.

9. Vedrine said that this was very good news. France was much concerned by developments in the Soviet Union and it was necessary to find a good procedure for talks. They wanted the four nuclear powers to meet, but it would be important to prepare a trois and also perhaps at sixteen. France foresaw a "combined approach" with the nuclear powers, having a special responsibility, playing a special role. President Mitterrand was anxious to get things going.

10. Sir Robin Butler said that the Prime Minister wanted food aid to the Soviet Union speeded up.

Yugoslavia

11. Sir Robin Butler said that the Prime Minister would welcome Anglo-French co-operation over Security Council Resolution 721 and would underline his concern that any commitment to peacekeeping should be limited in time. The UK wanted to stay in close touch over recognition of Slovenia and Croatia.

Anglo-French Frigate

11. The Prime Minister would want jointly publicly to welcome the project for the Anglo-French frigate.

12. M. Vedrine once again regretted his non-attendance. He looked forward to welcoming Sir Robin Butler in Paris in January.

Miss L P Neville-Jones

Cabinet Office
29 November 1991

Distribution: Sir Robin Butler
Mr Wall, No 10
Mr Gozney, FCO
Mr Webb, MoD

CONFIDENTIAL

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PRIME MINISTER

YOUR TALKS WITH PRESIDENT MITTERRAND: 2 DECEMBER

I attach the FCO brief for your meeting with President Mitterrand on Monday. Because of the conclave on that day, on our side you will be backed up by Sir Robin Butler, Andrew and me.

President Mitterrand is due to arrive at No 10 at one o'clock and leave again at 3 o'clock. All the discussion will take place over lunch.

The main subject will be the European Council but it has also been agreed that you will need to talk about Libya, Yugoslavia, the Soviet Union and GATT.

I had talks in Paris with Pierre Morel and others at the Elysee today. I got no sense that the French are committed to trying to help achieve a success in the way that Kohl is. But, as Ewen Fergusson has reported (see folder), they need an agreement so they will manoeuvre.

On the two areas where their thinking is close to ours (powers of the European Parliament and foreign policy) they will not hinder but they will equally not help. They can live with the Presidency's list of subjects to be covered by the negative assent procedure. They see no need for a national let out clause on foreign policy. They are happy to accept majority voting on implementing decisions. If we can win our points on all these issues the French will probably be quietly pleased but we will fight alone.

On defence I think we made some progress, as with the Germans. John Goulden explained in detail our difficulties with the Franco-German text pointing out in particular:

i. CFSP should not include defence from the start: but we could accept: "the longer term perspective of a common

defence policy compatible with the common defence policy that certain member states already have in the Atlantic Alliance;

ii. There should be a clear reference to compatibility with the Alliance (see above);

iii. The WEU should not be subordinated to the Union (for example, obliged to act "in conformity with European Council Directives". But we could say that the WEU should act consistently with policies of the Union (as of the Alliance).

We got the impression that the French could see that it was worth negotiating and I think they will so recommend to President Mitterrand. It is equally clear to me that this is an area where negotiation among Heads of Government at Maastricht itself would very quickly get acrimonious, so the more we can clear the undergrowth beforehand, the better. I think that if you make a pitch to President Mitterrand on Monday suggesting that there is scope for progress if our officials can get to work now, there is a fair chance he will agree.

On interior-justice issues the French thinking is not very far from our own, except that they can live with the immigration matters set out in Article 100C, not least because they see them as constraining what may otherwise be much more extensive Commission action under Article 8A.

The really difficult issues will be social policy, industry and EMU. President Mitterrand cannot return from the European Council without texts on social policy and industry. The French will be flexible over the drafting but I do not believe they will be willing to come away completely empty-handed.

On EMU, the French dislike the general no-coercion clause. I floated the Belgian\Luxembourg alternative, and they did not rule it out.

Despite the differences I think it should be possible to give Mitterrand the impression that an agreement is possible at Maastricht. You may also want to give him some of the political flavour at home. If Ewen Fergusson is to be believed, Mitterrand's socialism does not extend to wanting a Labour Government in Britain.

On Yugoslavia, the French are worried by the German rush to recognition. They see the establishment of a UN peace-keeping force as one constraint. You may want to indicate that recognition is inevitable sooner or later but perhaps not be explicit that we may be willing to see it happen some time between Maastricht and Christmas.

On Libya, the French do not favour action in the G7. They believe that this will be seen as a hostile action by the third world. We would not then be able to extend the coverage of any airline ban beyond the G7 and the ban would therefore be useless. They believe that it is both necessary and possible to go the UN route. They are aware of our views, which have been discussed with them since OPD(T). The brief gives a satisfactory line to take, making clear that we do not share the French judgement but showing willingness to explore the UN route further.

On the Soviet Union, President Mitterrand will revert to his idea of discussions between ourselves, the French and the Americans on the one hand, and the Soviet authorities on the other on control of nuclear weapons.

This idea has moved on since it was first mooted and I think now has real possibilities. President Mitterrand attaches importance to it and it would be helpful to the atmosphere if you could give him a reasonably positive hearing.

The French say that Mitterrand has told Gorbachev (and that Gorbachev has accepted) that there can be no discussion on disarmament involving putting the French and British deterrents

on the table. What the French want is a discussion of the control of nuclear weapons within the Soviet Union. That discussion would be with both the centre and the relevant republics and would be conducted by the western nuclear powers (US, UK, France) on an on-going basis, rather like the G7 talks on the economy. NATO members would be consulted but the French (rightly) judge that NATO is not the instrument for pursuing this dialogue.

Knowing that this was coming, we asked Robin Renwick to take a sounding of the Americans. The telegram with their response is in the folder. The Americans have certain conditions, which would be ours as well. But I think you could give the idea a reasonably fair wind.

On the Anglo-French Frigate, the Elysee are happy for you and President Mitterrand to announce collaboration on a future anti air warfare frigate. A form of words is attached.

Press handling. The President does not want to give a press conference. If things go well over lunch you may want to ask if he wants to say a few words in the street as he leaves. Otherwise we can put out a fairly anodyne statement on the Community aspects of the discussion together with the specific language on the frigate.

Stephen

J S WALL

29 November 1991

c\foreign\mitterrand (kw)

10 DOWNING STREET

LONDON SW1A 2AA

~~From the Private Secretary~~

Stephen,

Sir Robin Renwick called, please ring him. He asked me to pass on the following message:

" SPOKEN TO SCROWCROFT ABOUT IDEA OF TALKS ON CONTROL OF NUCLEAR WEAPONS. HE IS CAUTIOUSLY POSITIVE BUT WOULD WANT CONSULTATIONS IN NATO, AND, PROBABLY, TRIPARTITE DISCUSSION FIRST. CONCERNED ABOUT LEVEL OF TALKS - NOT TOO HIGH LEVEL. BUT BARTHOLOMEW HAS JUST FINISHED TALKS WITH OBOKOV AND UKRANIANS AT WHICH A LOT OF PROGRESS WAS MADE ON ALL THIS. NEED TO BE CAREFUL NOT TO CUT ACCROSS THAT. TELEGRAM FOLLOWS. "

Re telegram may have arrived by the time you see this. Please ring him.

Christopher

29/11

CONFIDENTIAL

Foreign & Commonwealth Office

London SW1A 2AH

28 November 1991

Dear Stephen,

PRIME MINISTER'S LUNCH WITH PRESIDENT MITTERRAND: 2 DECEMBER 1991

The lunch with President Mitterrand will last from 1300 to 1500 on 2 December. The President will be accompanied by ~~the Elysée Secretary-General, M Védrine;~~ his Diplomatic Adviser M Morel; the deputy Elysée Secretary-General (and Sherpa) Mme Lauvergeon and his EC adviser Mme de Margerie. The President's interpreter, M Thiery, and ours, Mrs Mary Penney, will also be present.

France Internal

President Mitterrand has proposed constitutional amendments, to be announced in late 1992 (after the regional elections but before the legislatives). They would affect the length of the presidential mandate, and in some cases involve a referendum. The President's announcement has temporarily wrong-footed the opposition but also divided the Socialists. The row, which will pit M Rocard and his allies against the President, looks set to come to the boil at the Socialists' extraordinary Congress in mid-December. The far right Front National has unveiled a 50-point programme including discriminatory measures against immigrants, to hostility from Government and mainstream opposition.

M Mitterrand's popularity in one recent poll reached its lowest-ever level of 28%. Mme Cresson's has crept back above 30%.

Bilateral Relations

There have been no attacks on British meat and livestock exports for a month. Sir Robin Butler had useful talks with M Védrine on 12 November. The Home Secretary signed the Protocol to the Channel Tunnel Treaty on policing and firearms and held talks on immigration issues in France on 25 November. The French Minister for Integration, M Yamgnane, meets Mrs Rumbold on 3 December. The Minister for the Arts is visiting France from 5-9 December. M Balladur, former Finance Minister and candidate for Prime Minister after the 1993 legislatives, will meet the Prime Minister and Foreign Secretary in London on 12 December. The State Visit to France will be from 9-12 June 1992.

Political Union

President Mitterrand has not shown his cards yet. He wants Maastricht to be a qualitative step forward for the Community, and to lay the foundation stones for an EC Defence Policy. He sees Maastricht through a Franco-German prism but French and German interests do not always coincide - the powers of the Commission and European Parliament are examples of divergences.

President Mitterrand wants binding commitments for Community Foreign Policy making, but will not want to give up French freedom of action. Other French concerns are Social Policy (to counterbalance the single market regime) and Industry (French dirigisme differs sharply

from German instincts). President Mitterrand is said to be strongly attracted to the former. As a significant net contributor, France ought to be concerned about new competences involving expenditure programmes. President Mitterrand may see their costs as a price worth paying for European construction. EMU is a must for the French: to reduce French dependence on the Bundesbank; and as part of the broader political aim of binding Germany in.

We cannot make further progress on defence unless President Mitterrand moves. We need to stress the need for preparatory work or there will be no agreement at Maastricht on defence. We should find common ground on CFSP, particularly on preserving our position in the UN Security Council. We should seek his support for a national interest let out clause. We have shared interests in strengthening inter-governmental cooperation on interior and justice matters, and must try to make M Mitterrand see the risks in bringing immigration policy within Community competence. On social policy our objectives are different. On the competence dossier, we want M Mitterrand to hold firm on unanimity for major expenditure programmes, and to help head off Southern demands for cohesion. He is unlikely to have focussed on the details of new powers for the European Parliament, (eg the Article 189B procedure) and will probably go along with the Presidency text.

President Mitterrand has not taken a close interest in all the details of the EMU negotiations. But there are a number of issues which are sufficiently important and sufficiently general for the Prime Minister to raise: no coercion, budget deficits and ECU notes and coins. Our objectives should be:

- To bring home to the President that it is essential for us to have a satisfactory provision on no coercion which is of general applicability.

- To emphasise the difficulties involved in our accepting any binding rules of sanctions on fiscal policy in Stage III, and to press for the procedure to operate with the lightest possible touch.

Points to make and background on individual IGC issues are enclosed.

Enlargement

The Prime Minister has agreed that we should seek a positive statement at Maastricht on enlargement. Mr Lubbers was cautious when he last saw the Prime Minister, but indicated that he could go along with a general statement reaffirming the objective of a Europe-wide Community. Subject to the outcome of the Prime Minister's further conversation with Mr Lubbers on 29 November he may wish to say to M Mitterrand:

- Fulfilling the founding fathers' vision of wider European Union entails readiness to extend the Community, including, when they are ready, the East Europeans.

- Maastricht should point the way ahead. Could issue a political statement reaffirming Community's willingness to offer membership to those who are willing and ready.

- (if required) No need for further institutional changes before accepting the first wave of applicants. EFTAns ready now.

GATT

EC-US negotiations on agriculture have faltered in the last few days. A breakthrough is needed by 2 December to allow time to complete negotiations on other sectors before Christmas. The Prime Minister wrote to G7 leaders, (and to Prime Ministers Bolger and Hawke), on 18 November to remind them of their commitment to personal intervention in the Round if necessary. He and Chancellor Kohl have also sent messages to M Delors urging him to ensure that Commission negotiators had sufficient flexibility to clinch a deal with the US.

There is broad EC-US understanding on cuts of around 30-35% in each of the three key agriculture areas - internal support, export subsidies and import barriers - but more work is needed on details to translate this into a firm agreement. Mr Dunkel has tabled a framework agreement on agriculture (ie without figures) which is being discussed widely this week.

The main areas of difficulty in other sectors are services (though the US have moved toward the Community position by accepting that financial services should be fully witin the GATT framework), market access (tariffs), and intellectual property.

The French remain antagonistic toward the US agriculture position and suspicious of the current Commission flexibility. They want to protect Community agriculture exports and minimise the impact on Community farmers of imports. EC Trade Ministers are to discuss GATT informally over dinner on 1 December, and the Presidency may call a special FAC (attended by Trade Ministers) immediately following the European Council.

The Prime Minister might say:

- Determined to live up to commitment to conclude Round this year. Have written to G7 colleagues; and Chancellor Kohl and I have both sent messages to Delors. Ready to take further action on G7 net.

- Have urged Delors to ensure Commission negotiators have enough flexibility to clinch deal with US on agriculture this week. Should then be just enough time to complete negotiations before Christmas: no insurmountable differences in other sectors.

- Would value your personal intervention to keep the momentum going. Understand sensitivities particularly on agriculture. But the prize of a successful GATT Round - which I now believe to be in sight - worth some sacrifice by all concerned.

Libya/Lockerbie

Anglo-French official talks on 29 November agreed on priority sanctions if Libya does not accede to our demands (ban on air services, diplomatic measures and arms ban) but not on fora in which to pursue them. We prefer to proceed at first through non-UN groupings (G7 and EC), so as to have a package ready by 15 December. Meanwhile, we would prepare the ground for action in the UN. President Mitterrand wants to use the UN only, fearing that action through the G7 or EC could be seen as "ganging up" on the Third World. President Mitterrand wants to discuss this with the Prime Minister. We need to resolve this issue quickly so that measures are in place by 15 December. Trilateral UK/US/France official talks are being held on 7 December.

The Prime Minister might make the following points:

- May be difficult to secure mandatory resolution in Security Council. To try and fail would undermine our position and give Qadhafi "face";

- Suggest we should ask 3 Permanent Representatives in New York to produce joint assessment of prospects for successful action at the UN and advice on tactics.

- Important to keep up momentum;

- We can start work in EC and G7 now so that measures are ready to implement immediately after 15 December. Action in UN on sanctions could not begin until after then and would be time consuming even if successful;

- Initial action in G7 and EC, gathering support from others, would not exclude action in UN. It would help to prepare ground in the UN.

- Need to resolve this quickly so substantive discussion on sanctions with other partners can begin.

Soviet Union

Recognition of Ukraine (and other republics) is being discussed at the Political Committee on 27-28 November. The Prime Minister might like to stress the main points in our approach:

- Common position of Twelve highly desirable.

- Good reasons to avoid hasty recognition after 1 December. Much will need clarification - outcome of referendum, Russian attitude, Ukrainian government's future policies.

- Need coordinated list of objectives which we seek to achieve before recognition, including accession to NPT as a non-nuclear weapons state; adherence to Soviet disarmament and other international obligations, acceptance of CSCE principles; acceptance of share of Soviet debt.

- After 1 December, Twelve should put objectives directly to Ukraine. Move cautiously to recognition as dialogue evolves.

EC Aid to Soviet Union

The EC's 500 mecu food credit was finalised on 26 November. We hope that the first tranche of the 1.25 becu food/medical aid standby credit facility will be agreed at the 3 December ECOFIN. We support the Commission's proposal to send 400 mecu (from the 1.25 becu facility) as soon as possible. But negotiations on who will provide guarantees on the Soviet side and the conditionality to apply to later tranches may delay disbursement until after January. We are pressing for disbursement of the first tranche soon and with minimal conditionality. The Commission and some partners may need to be pulled along.

President Delors has indicated that animal feed could be included in the 500 mecu credit. We are checking to establish whether it has been. The Commission have confirmed that animal feed can be included in the 1.25 becu credit. We are lobbying in Moscow and Brussels in support of Mayor Sobchak's appeal to the Prime Minister for animal feed for St Petersburg to be included in the first tranche.

The Prime Minister might say:

- Concerned by delays in disbursing EC 500 mecu credit and in setting up first tranche of 1.25 becu standby credit. Timely response to food shortages a test for West's credibility and would signal support for democratisation in Soviet Union. Must speed up disbursement.

- Would value your support in lobbying Commission and partners to help overcome remaining delays.

- Animal feed should be included in next delivery of EC aid to prevent farmers slaughtering livestock. We should help Mayor Sobchak if possible.

- Ready to look at any ideas to speed up disbursement.

Control of Weapons in the Soviet Union

M Mitterrand highlighted this issue in September with his proposal for a four-power conference for which the moment may now have come. The Foreign Secretary believes this is an opportunity to cooperate with President Mitterrand on a project close to his heart.

We cannot assume that the Russians and Ukrainians by themselves will be able to resolve the questions of the control, removal and destruction of these weapons. The international community will have to assist. Urgent coordination is needed to:-

(a) put pressure on the responsible authorities in the Soviet Union to honour arms control and NPT commitments;

(b) provide an overall framework and some help to the republics (eg over monitoring, safeguards, storage and possibly destruction of the weapons - MOD are currently examining the scope for assistance).

We have already agreed with the US, French and Germans that we should work together and regulate our relations with the republics in the light of their commitments on nuclear safety and non-proliferation (inter alia).

Even assuming the necessary commitments are made, it will take a lot of further effort and cooperation to ensure that weapons in the Ukraine remain securely under central control, and are eventually removed or destroyed. President Mitterrand's proposal for a four-power meeting could now be useful. We could get together representatives of the UK, US, France and Soviet authorities (including Russia and Ukraine) to discuss the transition of Ukraine and other republics to non-weapon state (NNWS) status, accession to the NPT and possible help by the Western nuclear powers (the US Congress has voted $500m partly for this purpose). The Prime Minister might suggest an urgent preliminary tripartite meeting. You might however wish to forewarn Mr Scowcroft of the line the Prime Minister decides to take on M Mitterrand's initiative.

In the background we should also seek to engage the G7, to ensure coherence of approach with financial questions.

The Russians may demand some compensation in Western arms control, especially if the denuclearisation of Ukraine and Kazakhstan in due course reduces their

arsenal below START levels. Both we and the French would take the view that our minimal nuclear forces should not be traded for reductions which the Soviets need to make to fulfil their non-proliferation obligations. Nonetheless the degree of destruction of its weapons and international supervision involved may be politically difficult for the Russian leadership. The question of any arms control link would be primarily for the Americans, and would need to be fully discussed with them.

The Prime Minister might accordingly say to President Mitterrand:

- Like you we see nuclear security and dangers of nuclear proliferation in the Soviet Union as a top priority.

- Glad our political directors have agreed that all must sing the same tune on recognition of Ukrainian independence.

- The nuclear issues will have to be dealt with internationally and at a high level; accent should be on helping the Soviet Union and republics to fulfil the policies which they have set for ~~them~~ themselves.

- Agree with you that a meeting of the four nuclear powers could now be very useful. Suggest we ask officials to meet urgently with US counterparts to discuss details.

Aim should be:-

(i) clarification of control arrangements in emerging republics. Control should remain with a single authority and the weapons should be removed or destroyed as soon as possible. Any arrangements whereby weapons remain on Ukrainian territory should be transitional only;

(ii) signature by non-Russian republics of NPT Treaty and achievement of NNWS status within a measured timescale.

(iii) international measures to help them to achieve this.

Bilateral Nuclear Policy Coordination

The shifting of the nuclear sands since the Soviet coup and the Bush/Gorbachev initiative require us to coordinate our nuclear, especially arms control, policies even more closely with France. The Prime Minister might additionally say:-

- Want to keep in closest possible step bilaterally using the Wall/Morel and MOD channels. Issues of equal concern to UK and France which are now under discussion/challenge include:-

(i) future of nuclear testing;

(ii) ballistic missile defence;

(iii) further strategic arms limitations. See no need to change our criteria about further involvement at this stage;

(iv) TASM: Remain convinced of need for a UK sub-strategic capability. Still evaluating options;

(v) nuclear dimension of European defence: aim should be to keep US umbrella, not substitute our own.

Yugoslavia

UNSCR 721 (co-sponsored by UK and France among others) was adopted on 27 November. This commits the Security Council to take swift action on peace-keeping should the Secretary General recommend the deployment of UN forces after Mr Vance's second mission to Yugoslavia. Although the French have not been pulling entirely in the same direction in the UN (they have doubts about an oil embargo), there is a good deal of common ground between us, eg in opposing German pressure to recognise Croatia and Slovenia at Maastricht. We should make the most of this. The Prime Minister could draw on the following line:

- UNSCR 721 is important progress towards UN peace-keeping operation. Represents useful Anglo-French cooperation.

- Must avoid an open-ended commitment to keep UN forces in Yugoslavia.

- UK part in any UN force would be limited to logistical support.

- Will be important to keep up pressure for a political settlement. Lord Carrington should continue his conference as soon as feasible, and we should keep further sanctions (notably on oil) in reserve to ensure worthwhile discussions take place.

- Germans intent on decision on recognition before Christmas. Like you, we see disadvantages of recognition. Will need careful thought, not least on effect of recognition on possible UN peace-keeping force. Blow for common foreign policy if Community splits on this.

Anglo-French Frigate

The MOD are writing to you separately on the Anglo-French Frigate (your letter of 23 November). The press line after the meeting could include the following:

"The President and Prime Minister welcomed the agreement by their Defence Ministers to begin exploratory work on a joint project for a future frigate, to enter service early in the next decade. They noted that this work marked a new milestone in Anglo-French Defence Co-operation."

The MOD will be issuing a longer press release in parallel. The French MOD will make a similar announcement.

I am copying this letter to Simon Webb (Ministry of Defence), Jeremy Heywood (HM Treasury), Martin Stanley (Department of Trade and Industry) and Sonia Phippard (Cabinet Office).

Yours ever,

Richard

(R H T Gozney)
Private Secretary

J S Wall Esq
10 Downing Street

CC PC
cc/D-UP

Foreign &
Commonwealth
Office

London SW1A 2AH

28 November 1991

Dear Stephen,

Political Union IGC: Your Talks with the French, 29 November

With JSW

As promised in my letter of 27 November, I enclose a note (the missing Annex B) about lists of areas for possible joint action.

I omitted to say anything in my letter about cohesion. Experience in the IGC suggests that the French are unlikely to share our concern to get the draft cohesion articles further amended, but we should nonetheless argue our case for Articles 130B and D (on pages 43 and 44 of the back to back). The French should be more sympathetic to the case for a non-prejudicial declaration, pushing Spanish demands forward into next year's future financing negotiations. I enclose a copy of our draft declaration, which you might give Morel.

Yours ever,

Christopher Prentice.

(C N R Prentice)
Private Secretary

J S Wall Esq
10 Downing Street

ANNEX B

Reference: Extract from Kohl/
Mitterrand letter of
11 October on CFSP

1. The Kohl/Mitterrand letter of 11 October on CFSP, which dealt largely with defence matters, included a section on a declaration by member states on priority areas of CFSP. This helpfully divided subjects for joint action from subjects to be included within the common security policy. In discussion at Political Committee the French and Germans made clear that they did not necessarily exclude security subjects from joint action. Nevertheless they are not repeating the confused approach in the Presidency CFSP text (annex 1) which includes all security issues in joint action.

2. We oppose the annexation of a list of subjects for joint action in the Treaty since this would impede our objectives of ensuring that joint action can be specific in scope, time-limited and reversible. We could agree a list of security issues falling within the common security policy to be annexed to the Treaty, subject to satisfactory wording.

CSCE
Arms control

3. A majority of partners will wish to have some kind of list to demonstrate that joint action will not be an empty concept. We could agree to a general and permissive list of subjects for joint action (to take the place of the "general guidelines from the European Council" on which joint action will be based), if this were in the Maastricht conclusions, not annexed to the Treaty, and subject to review just before CFSP came into effect (i.e. at Edinburgh). Possible wording might be as follows:

/"The ...

"The European Council considers that aspects of the following areas could be susceptible to joint actions under the common foreign and security policy. It agrees, therefore, that Foreign Ministers may, in the light of circumstances, and subject to review by the European Council at their meeting in Edinburgh in December 1992 shortly before the Union Treaty enters into force, decide to introduce joint action on specific questions arising in these areas:

- Eastern Europe;
- the Soviet Union;
- the CSCE Process (excluding Basket 1);
- the Middle East Peace Process."

4. This conclusions language draws on the Franco-German language which is helpful in some respects. We would need clearance before suggesting the questions which might be included in such a list, but the language without the list itself could be handed to the French.

PRIME MINISTER'S MEETING WITH MITTERRAND, 2 DECEMBER

POLITICAL UNION: SPEAKING NOTES

General

- We want agreement at Maastricht. We want closer European cooperation across a wide range of policies. But we cannot move too fast. There are limits to what Parliament will accept. Political Union is an evolving, indeed inexorable, process. Great mistake to be over-ambitious now, and finish with no Maastricht outcome. Recognition of this from Kohl.

- Agreement in sight on large parts of Presidency text (subject to detailed work at Conclave): most institutional provisions, including negative assent procedure for Parliament; citizenship; new chapters on CFSP, and interior/justice cooperation; some extensions of competence.

- If we stand back from the sensitive points still outstanding (immigration, social, majority voting etc), this treaty will be a big step forward. Bigger than the Single European Act. Important to keep this firmly in view as we negotiate over the difficult issues at Maastricht.

GL4ACB/1

European Parliament

- Earlier ambitious proposals for "co-decision" now whittled down. Negative assent procedure now acceptable to all, (including Germany) despite UK reservations.

- We are willing to accept its inclusion provided scope is strictly limited. We have proposed Article 100a legislation (subject to some practical limitation), R and D (if unanimity retained) and environment multi-annual programmes, (but not on the basis of the current text).

- Any further extension would go too far. Accepting principle of EP veto is in itself a significant change.

- Particularly undesirable in areas of significant expenditure - development, networks - or other areas where we have significant problems with the texts themselves - eg social. We cannot be expected to make a double jump.

- Rest of package to increase non-legislative powers of the EP acceptable. Taken as a whole these measures will represent an important step forward.

- In principle we support French "Congress" proposal. Similar to our ideas for involving national parliaments. But too biassed in favour of EP. Officials in touch over changes which will allow us to support text. Doubts about a treaty text - (prefer declaration) because we can't tell Parliament what to do.

European Parliament: Background

1. The French have moved a long way to meet German desires for a greater legislative role for the EP. They have done so with some reluctance, but have moved all the same. They accept the negative assent procedure now proposed, although Dumas spoke up against German efforts at the Conclave to make it still more friendly towards the EP.

2. Mitterrand himself is unlikely to have focussed on the details of the scope of the procedure. At the Conclave, France proposed a scope covering Articles 100a and 100b, environment, networks, R and D (with QMV), plus if necessary culture, health, training, industry and social. They explicitly ruled it out for development or cohesion. We need to convince Mitterrand that the Germans will settle for less than this, and that he stands to get less on the texts that matter to him if he insists on codecision as well.

3. The German proposal to increase the number of its MEPs to 99 is accepted by all, subject to a French reserve. It may be that the prospect of a German dominated Parliament will temper Mitterrand's views on the scope of codecision when he comes to focus on the issue.

4. We have two main difficulties with the French proposal for a "Congress" or Conference of European and National parliamentarians. It should not figure in the treaty itself (dictating to Westminster) and should not be so biassed in favour of MEPs (half the members and the chairman). We support the principle, but wish to amend the detail. We anticipate trouble in Westminster with the French text as it stands.

NK3AGZ/1

Interior/Justice Cooperation

- Clearly we must work together to combat illegal immigration, abuse of asylum and organised crime. Welcome provisions for this in separate treaty chapter on interior/justice.

- Article A, (outside competence), covers all the important areas: asylum; immigration conditions of residence, combatting unauthorised immigration; combatting drug addiction and international fraud; judicial cooperation in civil and criminal matters; customs and police cooperation in preventing terrorism, drug trafficking and serious forms of international crime.

- Strong UK interest in extending existing cooperation, within the Union on their basis.

- But see no need to introduce Community competence here. Commission has no experience in this area; wrong to give ECJ jurisdiction over sensitive national issues like immigration and visa policy. Would be surprised if France disagreed.

- Recognise importance to Germany of immigration questions to be handled within Community competence at some stage. We might accept a provision that this could happen in the future. But no need to have any issues within competence now. Deal on these lines may be acceptable to Germany.

NK3AGY/5

Interior/Justice: Background

1. The Presidency text includes a separate pillar for interior/justice matters, including a substantial list of areas for inter-governmental cooperation in Article A. But some immigrationmatters (short-term immigration and visa issues) are placed within EC competence, with visas subject to QMV. A link between inter-governmental cooperation and the Treaty of Rome is also provided (Article K) which would enable other immigration/asylum issues to be brought within Community competence subject to a double-lock: unanimity and a national ratification procedure.

2. France has indicated it is willing to accept the treaty text as it stands. Although we would have expected them to share our concerns, (and parts of the French administration have done so), we have received little support for our scepticism about a Community immigration policy. It seems that France effectively accepts creeping Community competence in this area, and is ready to go along with any text acceptable to Germany.

3. Given the sensitivity of immigration issues in French domestic politics at present and French distrust of the Commission, it is worth trying to shake Mitterrand out of this acquiescent ... approach.

Defence

- As you know, you and I both want to maintain the Atlantic Alliance and to build a serious European defence capability. The trick is to synthesise the Atlantic and European dimensions to our defence.

- Not difficult to identify the elements in such a synthesis, which should be reflected in agreement at Maastricht on Treaty article on defence, underpinned by a single Declaration by WEU on its links with Union and Alliance (as you and Chancellor Kohl suggested). Common ground:

  - perspective of a common European defence policy (which I said in Rome I was prepared to see written into Treaty);

  - compatibility with NATO (Rome Summit language);

  - independent WEU, with close but different links to both Union and Alliance, responsible for defence questions arising from CFSP;

  - review in 1996.

- Believe that all 4 could be incorporated in Treaty if we have time to get it right. But still far from there. With a week to go, officials should be authorised to get down to business.

- Not asking France to give up her perspectives (common defence in CFSP from start, fusion of WEU and Union); they can be for history and future reviews to decide.

- Defence too sensitive and complicated to be taken to Maastricht unprepared. Would prefer to leave this issue to 1996 rather than accept defective or ambiguous language.

- Chance of historic step forward at Maastricht on European defence if our officials start work now.

Defence: Background

1. Mitterrand's likely approach should become clearer at the Wall/Morel talks on 29 November. But the signs are that he may well camp on the Franco-German proposals until Maastricht itself. Once there, however, he may well be prepared to be flexible over not including "common defence" in CFSP from the start, or subordinating WEU to the Union, provided the Treaty includes the perspective of a common defence. The most difficult task may well be to persuade him to accept a reference in the Treaty to compatibility with the Alliance.

2. Although French and German officials agreed reluctantly on 27 November to discuss a single draft WEU Declaration, they showed virtually no flexibility on points of principle, and apparently still envisage the Twelve being invited to approve a text on relations between the Union and the WEU.

BX2ACC

CFSP

- UK strongly committed to strengthening European foreign policy. This will be one of the big steps forward from this IGC.

- We are ready to accept a legally binding commmitment to joint action if the detailed arrangements are right.

- Continue to believe that QMV in CFSP would be a mistake. Present text provides for its use "as a general rule" for the modalities of implementing joint action.

- On what sort of issues is France prepared to allow use of QMV? How will it be possible to define these? Will extension of QMV to issues of real substance not become inevitable once the principle of QMV in CFSP has been agreed?

- Believe that the increase in our obligations to concert and abide by a CFSP means that we need a supreme national interest release clause.

- Both UK and France have a vital interest to protect in our Permanent Membership of the Security Council. Need to be sure that, in that forum, we cannot be gagged or paralysed by the CFSP.

- This means that we must have a declaration annexed to the Treaty on the Security Council. Our officials have agreed a form of words which the Belgians have sold to the Presidency. The Presidency are now negotiating the text with the Italians (who can be difficult on this subject).

- We need to be prepared to defend this declaration at Maastricht and ensure that it is not diluted.

B22ACK/1

BACKGROUND: CFSP

1. On CFSP the French are committed both to joint action and QMV. President Mitterrand is unlikely to be concerned about the exact terms of joint action but it may be worth pursuing with him how far he is prepared to extend use of QMV in CFSP. France supports the Presidency text on this matter which provides for use of QMV "as a general rule" for the modalities of implementing joint action. It would be useful to have Mitterrand as an ally on a supreme national interest let out clause. We must also make sure that he is aware of efforts to secure a declaration protecting the British and French position in the Security Council and that he is prepared to fight for it, if necessary, at Maastricht.

Competence and QMV

- Deletion of four marginal texts a significant improvement. No need to have texts on everything.

- Of remaining texts, willing to see extension of competence in areas such as health and education.

- But texts on industry and culture are contrary to free market principles of Treaty, contrary to principle of subsidiarity; and to broad acquis of the Single Market, which has been the Community's success.

- Also very concerned about potential costs of some competence chapters. In particular must retain unanimity for development, networks, and research and development. QMV could lead to higher costs and distortion of national policies. Given this growing cost to France [significant net contributions] we should share this objective.

The National Archives

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Social Policy

- You know our position on this. We cannot go beyond the existing Treaty arrangements. The Commission is already interpreting existing treaty texts more widely than we want (eg over pregnant workers, working time directive etc). Widening those texts still further would not be acceptable to Parliament.

- Recognise you regard an extension of competence in the social field as important. But if others insist on retaining an unacceptable text in the treaty, there will be no political union treaty at all. Self-defeating to demand an over-ambitious text.

- Every member state has its own special concerns in employment and social policy. Not trying to interfere with national practices. Subsidiarity should apply.

- In UK, much political will and energy expended in past decade to improve structure of industrial relations. Not willing to put these advances at risk through inappropriate harmonisation.

- Presidency's proposals bear out problems: an elaborate structure dividing subjects between unanimity and QMV with exclusion clauses would simply not work in practice.

- Others are free to regulate their social provisions as they wish. But UK cannot accept Presidency proposals.

Social Policy: Background

1. A key subject for France. Mitterrand is keen to extend France's social protection levels to rest of Europe. Widespread support in France for this, so Mitterrand's position is therefore defined by political as much as by practical needs. At 12/13 November Conclave, France said current text on social was the bottom line for them. But we must hope that the French would risk losing their key objective (EMU) by incurring a British block on the social chapter and hence on political union as a whole.

2. Our objective with Mitterrand should therefore be to give him a clear indication of the limits in our flexibility on this issue. This may stimulate the French to consider before Maastricht what whether they can give Mitterrand the publicly defensible appearance of progress without the same degree of underlying substance.

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The National Archives

DEPARTMENT/SERIES PREM 19 PIECE/ITEM 3348 (one piece/item number)	Date and sign
Extract details: Prentice to Wall dated 28 November 1991: Cohesion	
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Cohesion: Background

1. The French support the Northern line, although they are openly sympathetic to Spanish problems and would be prepared to accept a formula which gives a bigger nod in the direction of an increased EC budget than we would like. However, they are more worried than they were about France's growing net contribution and will be reasonably sensitive to our arguments.

MINISTRY OF DEFENCE
WHITEHALL LONDON SW1A 2HB
Telephone 071-21 82111/3

SECRETARY OF STATE

MO 26/3/1G

28th November 1991

Dear Stephen

VISIT OF PRESIDENT MITTERAND: 2ND DECEMBER 1991

THE FUTURE FRIGATE

In your letter of 23rd November to Christopher Prentice, you asked for a form of words for inclusion in the press line on the prospect of co-operation between the UK and France on a future frigate. We suggest the following:

> The President and Prime Minister welcomed the agreement by their Defence Ministers to begin exploratory work on joint project for an anti-air warfare frigate to enter service early in the next decade. They noted that this work marked a new milestone in Anglo-French defence co-operation.

As requested, I also attach a line to take and background note on the project for the Prime Minister's use, together with a copy of the full press release that has been agreed with the French Ministry of Defence and from which the piece for the communique is drawn. The full release is too long for inclusion in the line at the end of the talks and we would propose to issue it as an MOD press release to complement the Summit press line.

As I cautioned in my letter of 14th November, you should not overestimate the importance of the current position. There is no Anglo/French frigate project as yet, and a number of difficult issues remain to be resolved before we can move (hopefully) to a co-operative programme with French in 1993.

I will deal separately with M.Joxe's Cabinet on the timing of the full press release.

J S Wall LVO CMG
10 Downing Street

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SECRETARY OF STATE

NUCLEAR ASSISTANCE TO THE SOVIET UNION

Separately, you may know that we are considering the feasibility of offering assistance to the Soviet Union in the nuclear field in order to try to reduce the risks of proliferation of nuclear weapons and expertise as central authority ebbs away. The Defence Secretary raised his concerns on this issue in the Debate on the Adjournment last Friday; and intends to minute colleagues shortly with proposals. One idea is for the West to pay for Soviet nuclear scientists to stay in the area dismantling their own weapons (rather than taking their expertise elsewhere).

The detail would need close co-ordination with the Americans. It would follow-up their programme, initiated with President Bush's nuclear initiative in September, for which Congress has now provided funding. The Prime Minister might wish to give President Mitterand an indication of our thinking (especially if President Mitterand returns to his proposal which we did not favour that the four nuclear powers meet to discuss technical control of nuclear weapons). A line to take is attached.

I am copying this letter to Christopher Prentice (FCO), Robert Canniff (Lord Chancellor of the Duchy of Lancaster), Tim Sutton (Lord President) and Martin Stanley (Trade and Industry) and to Sonia Phippard (Cabinet Office).

(MISS J R BINSTEAD)
Private Secretary

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VISIT OF PRESIDENT MITTERAND: 2 DECEMBER 1991
THE FUTURE FRIGATE

Line to Take

- Pleased that work is under way on a new prospect for Anglo-French co-operation.

- Feel sure both sides will work with determination and purpose to achieve a successful outcome.

Background

The UK and France have a requirement for a new anti-air warfare frigate to enter service early in the next decade. Work carried out jointly by both sides has confirmed that a co-operative project may be feasible.

UK and French Defence Ministers have exchanged letters which set out the basis for a further phase of work. This work is now underway and is aimed at developing a Joint Staff Requirement that is affordable and acceptable to both Nations, and the negotiation of a Memorandum of Understanding to cover the procurement arrangements for any subsequent phase that might be agreed.

A number of difficult issues need to be resolved before it can be confirmed that a co-operative programme offers best value for money.

DRAFT PQ FOR FUTURE FRIGATE ANNOUNCEMENT

Mr..... to ask the Secretary of State for Defence if he will make a statement on his plans for a replacement for the Type 42 destroyer.

I am pleased to announce that the Secretary of State for Defence has reached agreement with M. Pierre Joxe, his French counterpart, on the basis for a phase of preparatory work to establish the scope for a cooperative programme for an Anti-Air Warfare Frigate to enter service early in the next decade.

Work has already commenced and is expected to last about eighteen months. The outcome of this phase will enable a final decision on the development of the frigate to be taken in 1993.

A copy of the press announcement has been placed in the Library.

THE FUTURE FRIGATE - PRESS RELEASE

A new milestone has been reached in Anglo-French co-operation with the recent exchange of letters between the Rt Hon Tom King MP, Secretary of State for Defence and M. Pierre Joxe, his French opposite number.

Both Ministers have agreed to begin exploratory work lasting about eighteen months on a joint project for a future anti-air warfare frigate to enter service early in the next decade.

The new frigate would be equipped with anti-air missiles of the FAMS programme. Its task would be escorting and protecting maritime forces in the Atlantic or elsewhere.

This bilateral initiative concludes a series of discussions initiated one year ago, and follows a Joint Statement of Need by the two navies and a Joint Technical Report on the feasibility of a co-operative programme.

Both countries recognize the potential benefits of co-operation through standardization, rationalization and interoperability of equipments. A number of difficult issues will need to be addressed in this next phase of work, but the two Ministers are determined that every effort shall be made to resolve them. The outcome of this phase will enable a final decision on the development of the frigate to be taken in 1993.

The participation of the other nations co-operating on FAMS remains an option for any subsequent phase.

SECRETARY OF STATE

VISIT OF PRESIDENT MITTERAND: 2ND DECEMBER

NUCLEAR PROLIFERATION FROM SOVIET UNION

Line to Take

- Share your concerns about safeguarding Soviet nuclear weapons. New worries that Soviet nuclear scientists might be attracted away by emerging nuclear powers.

- Looking at possible practical assistance the West could give (eg. helping keep their scientists employed, especially on dismantling their surplus weapons). May want to discuss a French/UK/US programme as part of G7 aid.

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cc PJ
B'up
TSW

Foreign &
Commonwealth
Office

London SW1A 2AH

28 November 1991

Dear Stephen,

Meeting with President Mitterrand 2 December: Nuclear Issues

The Foreign Secretary thinks that the Prime Minister's meeting with President Mitterrand would be an opportunity to discuss the control of weapons in the Soviet Union. He has approved the enclosed draft brief and, unless you think that there will be no time to raise the matter, we will include it in the briefing pack. You may, in any case, want a copy for your discussions tomorrow with Morel.

Yours ever,

(S L Gass)
Private Secretary

Stephen Wall Esq CMG LVO
10 Downing Str eet

CONFIDENTIAL

MEETING WITH PRESIDENT MITTERRAND, 2 DECEMBER

Nuclear Issues

Control of weapons in the Soviet Union

1. Mitterrand highlighted this issue in September with his proposal for a four-power conference for which the moment may now have come. The Foreign Secretary believes this is an opportunity to cooperate with President Mitterrand on a project close to his heart.

2. We cannot assume that the Russians and Ukrainians by themselves will be able to resolve the questions of the control, removal and destruction of these weapons. The international community will have to help. Urgent coordination is needed to:-

(a) put pressure on the responsible authorities in the Soviet Union to honour arms control and NPT commitments;

(b) provide an overall framework and some help to the republics (eg over monitoring, safeguards, storage and possibly destruction of the weapons - MOD are currently examining the scope for help).

3. We have already agreed with the US, French and Germans that we should work together and regulate our relations with the republics in the light of their commitments on nuclear safety and non-proliferation (inter alia).

4. Even assuming the necessary commitments are made, it will take a lot of further effort and cooperation to ensure that weapons in the Ukraine remain securely under central control, and are eventually removed or destroyed. President Mitterrand's proposal for a four-power meeting, could now be useful. We could get together representatives of the UK, US, France and Soviet authorities (including Russia and Ukraine) to discuss the transition of Ukraine and other republics to non-weapon state (NNWS) status, accession to the NPT and possible help by the Western nuclear powers (the US Congress has voted $500m partly for this purpose). The Prime

Minister might suggest an urgent preliminary tripartite meeting. You might however wish to forewarn Scowcroft of the line the Prime Minister decides to take on the Mitterrand initiative.

5. In the background we should also seek to engage the G7, to ensure coherence of approach with financial questions.

6. The Russians may demand some compensation in Western arms control, especially if the denuclearisation of Ukraine and Kazakhstan in due course reduces their arsenal below START levels. Both we and the French would take the view that our minimal nuclear forces should not be traded for reductions which the Soviets need to make to fulfil their non-proliferation obligations. Nonetheless the degree of destruction of its weapons and international supervision involved may be politically difficult for the Russian leadership. The question of any arms control link would be primarily for the Americans, and would need to be fully discussed with them.

7. The Prime Minister might accordingly say to President Mitterrand:

- like you we see nuclear security and dangers of nuclear proliferation in the Soviet Union as a top priority;

- glad our political directors have agreed that all must sing the same tune on recognition of Ukrainian independence;

- the nuclear issues will have to be dealt with internationally and at a high level; accent should be on helping the Soviet Union and republics to fulfil the policies which they have set for themselves;

- agree with you that a meeting of the four nuclear powers could now be very useful. Suggest we ask officials to meet urgently with US counterparts to discuss details.

Aim should be:-

(i) clarification of control arrangements in emerging republics. Control should remain with a single authority and the weapons should be removed or destroyed as soon as possible. Any arrangements whereby weapons remain on Ukrainian territory should be transitional only;

(ii) signature by non-Russian republics of NPT Treaty and achievement of NNWS status within a measured timescale;

(iii) international measures to help them to achieve this.

Bilateral Coordination

8. The shifting of the nuclear sands since the Soviet coup and the Bush/Gorbachev initiative requires us to coordinate our nuclear, especially arms control, policies even more closely with France. The Prime Minister might additionally say:-

- Want to keep in closest possible step bilaterally using the Wall/Morel and MOD channels. Issues of equal concern to UK and France which are now under discussion/challenge include:-

(i) future of nuclear testing;

(ii) ballistic missile defence;

(iii) further strategic arms limitations. See no need to change our criteria about further involvement at this stage.

(iv) TASM: Remain convinced of need for a UK sub-strategic capability. Still evaluating options;

(v) nuclear dimension of European defence: aim should be to keep US umbrella, not substitute our own.

Mr Wall

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DL 290900Z FCOLN
OO BONNN
FM PARIS TO FCOLN
282008Z Nov
GRS 1200

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TO DESKBY 290900Z FCO
TELNO 1245
OF 282008Z NOVEMBER 91
INFO IMMEDIATE BONN

MY TELENOS 1237 AND 1238 : PRIME MINISTER'S MEETING WITH MITTERRAND
2 DECEMBER : MY CALL ON ELYSEE SECRETARY-GENERAL: MAASTRICHT

SUMMARY
1. VEDRINE (ELYSEE SECRETARY GENERAL) DESCRIBES PRESIDENT'S APPROACH TO MAASTRICHT. FRANCE'S KEY OBJECTIVE WAS AGREEMENT ON EMU: EVERYTHING ELSE, EVEN CFSP AND SOCIAL, WAS SECONDARY. POSSIBLY SIGNIFICANT HINT OF GIVE IN FRENCH POSITION ON SOCIAL AND INDUSTRY DOSSIERS. BUT HE INDICATES THAT THE FRENCH HAND ON MAJOR DIFFERENCES WOULD NOT BE SHOWN UNTIL MAASTRICHT, WHEN THE SHAPE OF ANY OVERALL AGREEMENT ON OFFER BECAME CLEARER. I EMPHASISE THAT THERE ARE A NUMBER OF MAJOR STICKING POINTS FOR UK ON WHICH WE NEED MOVEMENT FROM OTHERS IF AGREEMENT IS TO BE REACHED.

DETAIL
2. I HAD OVER HALF AN HOUR WITH VEDRINE THIS EVENING. (HE HAD NOT BEEN PRESENT AT THE PRESIDENT'S MEETING WITH LUBBERS WHICH WAS ENDING AS I ARRIVED). I GAVE HIM THE VERBATIM TEXT OF THE PRIME MINISTER'S SPEECH IN THE HOUSE OF COMMONS ON 20 NOVEMBER. I TOLD HIM THAT, SPEAKING PERSONALLY, I THOUGHT THAT THE PRIME MINISTER HAD TWO OPTIONS FOR MAASTRICHT; TO RETURN WITH A SATISFACTORY AGREEMENT OR TO RETURN WITHOUT AN AGREEMENT AT ALL BUT BEING SEEN IN THE UK TO HAVE FOUGHT HIS CORNER STRENUOUSLY. WHAT WOULD BE POLITICALLY IMPOSSIBLE WAS AN AGREEMENT WHICH FAILED TO MEET THE BASIC DESIDERATA PRESENTED TO THE HOUSE OF COMMONS (AS SET OUT IN THE SPEECH).

3. VEDRINE AGREED THAT THE DISCUSSION AT NUMBER 10 ON 2 DECEMBER WOULD BE MOST IMPORTANT. THE ATMOSPHERE WOULD NO DOUBT BE WARM WHICH WAS UNLIKELY TO BE THE CASE FOR ANY DISCUSSION AT MAASTRICHT ITSELF. HE DID NOT THINK THAT THE PRESIDENT WOULD SHOW HIS HAND ON THOSE AREAS WHERE THERE MIGHT BE A CHANCE OF ULTIMATE MOVEMENT. THAT COULD ONLY BE DONE AT MAASTRICHT WHEN THE PACKAGE AS A WHOLE COULD BE IDENTIFIED.

EMU
4. IN ANSWER TO MY OPENING QUESTION ABOUT FRENCH PRIORITIES VEDRINE MADE IT CLEAR THAT FOR FRANCE THE OVERRIDING CONCERN WAS TO ACHIEVE AGREEMENT ON EMU. ALL ELSE WAS CLEARLY SUBSIDIARY TO THAT. I MENTIONED OUR NEED TO HAVE A GENERAL OPT-OUT CLAUSES INSIDE THE TREATY. HE THOUGHT THAT THIS WOULD BE VERY DIFFICULT GIVEN THE

ATTITUDE OF A NUMBER OF EC COUNTRIES. I MENTIONED THE POSSIBILITY OF A DECLARATION BY ELEVEN COUNTRIES. HE SAID THAT IT SEEMED HARDLY APPROPRIATE TO DEAL WITH A PROBLEM SPECIFIC TO ONLY ONE COUNTRY IN THAT WAY. I REPEATED THAT IT WAS IMPORTANT FOR US THAT OUR PROBLEM SHOULD BE MET BY A GENERAL CLAUSE.

THE SOCIAL VOLET

5. VEDRINE ONLY CAME TO THIS TOPIC BELATEDLY WHEN I JOGGED HIS ELBOW AT THE END OF OUR DISCUSSION. HE TALKED, ON FAMILIAR LINES, OF THE NEED TO GIVE THE INTERNAL POLICIES OF THE COMMUNITY A HUMAN FACE. THAT WAS WHERE THE SUPPORT FROM PUBLIC OPINION WAS BEING ERODED IN CONTRAST TO THE EXTERNAL DIMENSION OF THE COMMUNITY WHICH SEEMED TO HAVE INCREASING SUPPORT. HE REFERRED TO THE CONSEQUENCES FOR INDUSTRIAL RELATIONS OF A SOCIAL POLICY. I ASKED WHETHER INDUSTRIAL AND SOCIAL POLICIES WERE LINKED IN THE FRENCH BOOK. HE SAID NOT AND INDICATED THAT THERE WAS SOME GIVEN LEFT IN THE FRENCH POSITION ON BOTH. I STRESSED THAT FOR US, FOR REASONS WITH WHICH HE WOULD BE FAMILIAR, SOCIAL POLICY WAS A MAJOR STICKING POINT.

DEFENCE AND CFSP

6. VEDRINE REJECTED MY ARGUMENT THAT PROGRESS COULD CONTINUE TO BE MADE OVER CFSP ON THE BASIS OF CONSENSUS. THAT WOULD LAND THE COMMUNITY WITH THE STATUS QUO. FRANCE AND BRITAIN SHARED FAR MORE COMMON ASSUMPTIONS OVER FOREIGN POLICY ISSUES THAN FRANCE DID WITH GERMANY, THE FRENCH HAD SOME SYMPATHY WITH OUR PRACTICAL ARGUMENTS OVER DEFINITION. HOWEVER WITH THE PROSPECT OF AN ENLARGING AND LESS COHERENT COMMUNITY IT WAS INDISPENSABLE NOW TO SEIZE ON THE OPPORTUNITY TO MAKE SIGNIFICANT PROGRESS. VEDRINE IMPLIED THAT THIS WAS LINKED WITH THE OVERRIDING ISSUE OF ACHIEVING AGREEMENT WITH THE GERMANS OVER EMU. AS FOR DEFENCE, HE HAD NOT HEARD OF THE TEXT AGREED BY OFFICIALS IN WEU AND SEEMED SURPRISED TO LEARN THAT A SINGLE TEXT WITH BRACKETS WAS BEING SUBMITTED TO FOREIGN MINISTERS ON 2 DECEMBER.

INDUSTRY

7. THIS CAME UP ONLY UNDER THE SOCIAL HEADING.

IMMIGRATION

8. I SAID, FOLLOWING A COMMENT ON THE IMPORTANCE OF THE PILLAR STRUCTURE, THAT WE REGARDED IT AS ESSENTIAL TO PRESERVE INTERIOR AND JUSTICE QUESTIONS FOR INTERGOVERNMENTAL COOPERATION. VEDRINE SAID THAT THE FRENCH SHARED MUCH OF OUR APPROACH BUT WERE NOT AS RIGID AS US. COULD WE NOT IMAGINE CERTAIN ASPECTS BEING BROUGHT WITHIN THE COMMUNITY COMPETENCE?

POWERS FOR THE EUROPEAN PARLIAMENT

9. VEDRINE SAID THAT THERE WAS NO ENTHUSIASM FOR ADDING SIGNIFICANTLY TO EUROPEAN PARLIAMENTARY POWERS THOUGH OTHER MEMBERS OF THE COMMUNITY WERE VERY INSISTENT. HIS IMPLICATION WAS CLEARLY THAT THIS WAS AN AREA WHERE THE FRENCH WOULD BE READY TO PAY A PRICE TO SECURE OTHER OBJECTIVES. HE WENT ON TO SAY THAT FRANCE WAS SENSITIVE TO THE ISSUE OF NATIONAL PARLIAMENTARY CONTROL. THAT WAS WHY THEY HAD PROPOSED THE IDEA OF A CONGRESS. GIVEN OUR SIMILAR INTERESTS AS REGARDS BOTH NATIONAL AND EUROPEAN PARLIAMENTS THE FRENCH HAD BEEN SURPRISED THAT WE HAD GIVEN THIS IDEA SO LITTLE SUPPORT.

FEDERALISM

10. I SAID THAT FOR US THE USE OF THE WORD FEDERAL WAS A RED RAG TO THE PARLIAMENTARY BULL. VEDRINE COMMENTED THAT FOR SOME MEMBERS OF THE COMMUNITY ITS LOSS WOULD BE AS KEENLY FELT AS ITS PRESENCE WOULD BE FOR US. THIS WAS ANOTHER OF THE ISSUES WHERE A SETTLEMENT COULD ONLY BE ACHIEVED IN THE FINAL ROUND OF NEGOTIATIONS AT MAASTRICHT. THE FRENCH POSITION WAS NOT DETERMINED BY PRO-FEDERAL IDEOLOGY BUT BY GEOPOLITICAL CHOICE.

CONCLUSION

11. VEDRINE IS THE PRESIDENT'S CLOSEST ADVISER AND HIS ACCOUNT IS AUTHORITATIVE CONFIRMATION OF OUR OTHER REPORTING. IN PARTICULAR, IT IS CLEARER THAN EVER THAT ALTHOUGH MITTERRAND WILL PLAY HIS CARDS LATE, HE MAY WELL BE PREPARED TO PAY A PRICE (TO US AS WELL AS TO THE GERMANS) ON EPU TO SECURE AGREEMENT ON EMU.

FERGUSSON

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FM PARIS
TO DESKBY 290900Z FCO
TELNO 1244
OF 281957Z NOVEMBER 91
INFO IMMEDIATE UKREP BRUSSELS, UKMIS GENEVA, WASHINGTON, BONN
INFO IMMEDIATE TOKYO, OTTAWA, ROME, ACTOR

FRAME GENERAL

CALL ON ELYSEE SECRETARY-GENERAL: GATT

SUMMARY

1. VEDRINE INDICATED THAT THE FRENCH POSITION REMAINS RIGID.

DETAIL

2. WHEN I CALLED ON VEDRINE (ELYSEE SECRETARY-GENERAL) THIS EVENING HE IMMEDIATELY PICKED ON THE GATT AMONG THE PROPOSED AGENDA ITEMS FOR THE PRESIDENT'S TALK WITH THE PRIME MINISTER AT NUMBER 10 ON MONDAY 2 DECEMBER AS A TOPIC WHICH THE PRESIDENT WOULD BE READY TO DISCUSS. VEDRINE EXPLAINED ON PREDICTABLE LINES THE SOCIAL AND POLITICAL PROBLEMS FACING FRENCH AGRICULTURE AND RESTATED THE FAMILIAR FRENCH POSITION THAT THE AMERICANS HAVE IN PRACTICE SHOWN NO DISPOSITION TO MOVE ON THE AGRICULTURE VOLET. HE COMMENTED CAUSTICALLY THAT IT WAS ALL VERY WELL MR LUBBERS SAYING THAT THE MOST IMPORTANT TASK OF THE DUTCH PRESIDENCY WAS THE COMPLETION OF THE GATT NEGOTIATIONS. THAT WAS CLEARLY THE IGCS. THE FRENCH WERE IN NO MOOD TO MAKE CONCESSIONS ON AGRICULTURE GIVEN THE PRESENT LACK OF MOVEMENT ON THE AMERICAN SIDE. INDEED HE SUGGESTED THAT FUTURE ELECTORAL PRESSURES IN THE UNITED STATES MIGHT BE A FACTOR PUSHING PRESIDENT BUSH TO MAKE FURTHER CONCESSIONS NOW. IF THE AMERICANS WANTED AN AGREEMENT IT WAS UP TO THEM TO SHIFT SUFFICIENTLY ON THE OTHER VOLETS TO JUSTIFY FURTHER MOVEMENT BY THE COMMUNITY.

FERGUSSON

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ADDITIONAL 1

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TELNO 1245
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MY TELENOS 1237 AND 1238 : PRIME MINISTER'S MEETING WITH MITTERRAND 2 DECEMBER : MY CALL ON ELYSEE SECRETARY-GENERAL: MAASTRICHT

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EMU

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MADE IT CLEAR THAT FOR FRANCE THE OVERRIDING CONCERN WAS TO ACHIEVE AGREEMENT ON EMU. ALL ELSE WAS CLEARLY SUBSIDIARY TO THAT. I MENTIONED OUR NEED TO HAVE A GENERAL OPT-OUT CLAUSES INSIDE THE TREATY. HE THOUGHT THAT THIS WOULD BE VERY DIFFICULT GIVEN THE ATTITUDE OF A NUMBER OF EC COUNTRIES. I MENTIONED THE POSSIBILITY OF A DECLARATION BY ELEVEN COUNTRIES. HE SAID THAT IT SEEMED HARDLY APPROPRIATE TO DEAL WITH A PROBLEM SPECIFIC TO ONLY ONE COUNTRY IN THAT WAY. I REPEATED THAT IT WAS IMPORTANT FOR US THAT OUR PROBLEM SHOULD BE MET BY A GENERAL CLAUSE.

THE SOCIAL VOLET

5. VEDRINE ONLY CAME TO THIS TOPIC BELATEDLY WHEN I JOGGED HIS ELBOW AT THE END OF OUR DISCUSSION. HE TALKED, ON FAMILIAR LINES, OF THE NEED TO GIVE THE INTERNAL POLICIES OF THE COMMUNITY A HUMAN FACE. THAT WAS WHERE THE SUPPORT FROM PUBLIC OPINION WAS BEING ERODED IN CONTRAST TO THE EXTERNAL DIMENSION OF THE COMMUNITY WHICH SEEMED TO HAVE INCREASING SUPPORT. HE REFERRED TO THE CONSEQUENCES FOR INDUSTRIAL RELATIONS OF A SOCIAL POLICY. I ASKED WHETHER INDUSTRIAL AND SOCIAL POLICIES WERE LINKED IN THE FRENCH BOOK. HE SAID NOT AND INDICATED THAT THERE WAS SOME GIVEN LEFT IN THE FRENCH POSITION ON BOTH. I STRESSED THAT FOR US, FOR REASONS WITH WHICH HE WOULD BE FAMILIAR, SOCIAL POLICY WAS A MAJOR STICKING POINT.

DEFENCE AND CFSP

6. VEDRINE REJECTED MY ARGUMENT THAT PROGRESS COULD CONTINUE TO BE MADE OVER CFSP ON THE BASIS OF CONSENSUS. THAT WOULD LAND THE COMMUNITY WITH THE STATUS QUO. FRANCE AND BRITAIN SHARED FAR MORE COMMON ASSUMPTIONS OVER FOREIGN POLICY ISSUES THAN FRANCE DID WITH GERMANY, THE FRENCH HAD SOME SYMPATHY WITH OUR PRACTICAL ARGUMENTS OVER DEFINITION. HOWEVER WITH THE PROSPECT OF AN ENLARGING AND LESS COHERENT COMMUNITY IT WAS INDISPENSABLE NOW TO SEIZE ON THE OPPORTUNITY TO MAKE SIGNIFICANT PROGRESS. VEDRINE IMPLIED THAT THIS WAS LINKED WITH THE OVERRIDING ISSUE OF ACHIEVING AGREEMENT WITH THE GERMANS OVER EMU. AS FOR DEFENCE, HE HAD NOT HEARD OF THE TEXT AGREED BY OFFICIALS IN WEU AND SEEMED SURPRISED TO LEARN THAT A SINGLE TEXT WITH BRACKETS WAS BEING SUBMITTED TO FOREIGN MINISTERS ON 2 DECEMBER.

INDUSTRY

7. THIS CAME UP ONLY UNDER THE SOCIAL HEADING.

IMMIGRATION

8. I SAID, FOLLOWING A COMMENT ON THE IMPORTANCE OF THE PILLAR STRUCTURE, THAT WE REGARDED IT AS ESSENTIAL TO PRESERVE INTERIOR

AND JUSTICE QUESTIONS FOR INTERGOVERNMENTAL COOPERATION. VEDRINE SAID THAT THE FRENCH SHARED MUCH OF OUR APPROACH BUT WERE NOT AS RIGID AS US. COULD WE NOT IMAGINE CERTAIN ASPECTS BEING BROUGHT WITHIN THE COMMUNITY COMPETENCE?

POWERS FOR THE EUROPEAN PARLIAMENT

9. VEDRINE SAID THAT THERE WAS NO ENTHUSIASM FOR ADDING SIGNIFICANTLY TO EUROPEAN PARLIAMENTARY POWERS THOUGH OTHER MEMBERS OF THE COMMUNITY WERE VERY INSISTENT. HIS IMPLICATION WAS CLEARLY THAT THIS WAS AN AREA WHERE THE FRENCH WOULD BE READY TO PAY A PRICE TO SECURE OTHER OBJECTIVES. HE WENT ON TO SAY THAT FRANCE WAS SENSITIVE TO THE ISSUE OF NATIONAL PARLIAMENTARY CONTROL. THAT WAS WHY THEY HAD PROPOSED THE IDEA OF A CONGRESS. GIVEN OUR SIMILAR INTERESTS AS REGARDS BOTH NATIONAL AND EUROPEAN PARLIAMENTS THE FRENCH HAD BEEN SURPRISED THAT WE HAD GIVEN THIS IDEA SO LITTLE SUPPORT.

FEDERALISM

10. I SAID THAT FOR US THE USE OF THE WORD FEDERAL WAS A RED RAG TO THE PARLIAMENTARY BULL. VEDRINE COMMENTED THAT FOR SOME MEMBERS OF THE COMMUNITY ITS LOSS WOULD BE AS KEENLY FELT AS ITS PRESENCE WOULD BE FOR US. THIS WAS ANOTHER OF THE ISSUES WHERE A SETTLEMENT COULD ONLY BE ACHIEVED IN THE FINAL ROUND OF NEGOTIATIONS AT MAASTRICHT. THE FRENCH POSITION WAS NOT DETERMINED BY PRO-FEDERAL IDEOLOGY BUT BY GEOPOLITICAL CHOICE.

CONCLUSION

11. VEDRINE IS THE PRESIDENT'S CLOSEST ADVISER AND HIS ACCOUNT IS AUTHORITATIVE CONFIRMATION OF OUR OTHER REPORTING. IN PARTICULAR, IT IS CLEARER THAN EVER THAT ALTHOUGH MITTERRAND WILL PLAY HIS CARDS LATE, HE MAY WELL BE PREPARED TO PAY A PRICE (TO US AS WELL AS TO THE GERMANS) ON EPU TO SECURE AGREEMENT ON EMU.

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TELNO 1238
OF 271803Z NOVEMBER 91
INFO IMMEDIATE BONN

FRAME GENERAL

MIPT: PRIME MINISTER'S MEETING WITH MITTERRAND, 2 DECEMBER: EUROPEAN AFFAIRS: DETAILED DOSSIERS

1. THE MAKE-OR-BREAK DOSSIERS FOR THE FRENCH ARE:

EMU

- THE OPT-OUT CLAUSE. GIVEN THEIR WEAK PARLIAMENT, THE FRENCH ARE NOT WORRIED ABOUT HOW THEY WOULD HANDLE DOUBLE RATIFICATION. BUT THEY ARE TERRIFIED THAT THE GERMANS WOULD MAKE USE OF A GENERALISED CLAUSE. FOR REASONS OF THEIR OWN, THE GERMANS HAVE ENCOURAGED THAT FEAR. THE FRENCH ARE THEREFORE ONLY LIKELY TO GIVE WAY IF WE AND BONN CAN COME UP WITH A SOLUTION WHICH BALANCES GERMANY'S NEED FOR CONSTRAINTS ON ITSELF (AND OTHERS) AGAINST FREEDOM FOR US. ON ALL OTHER EMU POINTS, FRENCH OFFICIALS SEEM TO BE UNDER INSTRUCTION TO REACH AGREEMENT WITH THE GERMANS, ALTHOUGH THIS HAS NOT YET BEEN FULLY ACHIEVED.

THE SOCIAL VOLET

- THE SOCIAL DIMENSION IS A BASIC FEATURE OF MITTERRAND'S PERSONAL VISION OF EUROPE'S 'HUMAN FACE'. IN SEEKING TO EXTEND TO THE EUROPEAN LEVEL SOME OF FRANCE'S EXTENSIVE SOCIAL PROTECTIONS, THE PRESIDENT HAS SOUGHT TO BUFF UP HIS SOCIALIST CREDENTIALS AT HOME WHILE UNDERMINING THE LOW-LABOUR COST ADVANTAGES OF FRANCE'S COMPETITORS. HE HAS WIDESPREAD SUPPORT IN FRANCE FOR THIS, AND HIS POSITION IS THEREFORE DEFINED BY POLITICAL AS MUCH AS BY PRACTICAL NEEDS. SO IN SPITE OF MME GUIGOU'S INFLEXIBLE LINE DURING THE MINIMAL DISCUSSION OF THIS DOSSIER IN THE IGC, IT IS DIFFICULT TO IMAGINE THAT THE FRENCH WOULD RISK THROWING AWAY THE KEY OBJECTIVE OF EMU BY INCURRING A BRITISH BLOCK ON THE SOCIAL VOLET AND HENCE EPU AS A WHOLE. IF FACED WITH SUCH A CHOICE, I BELIEVE THE FRENCH WOULD BE PREPARED TO LOOK FOR SOMETHING WHICH GAVE A PUBLICLY DEFENSIBLE APPEARANCE OF PROGRESS WITHOUT THE SAME DEGREE OF UNDERLYING SUBSTANCE. GIVEN THEIR TENDENCY TO MAKE DEALS LATER RATHER THAN SOONER, I DOUBT IF ONE WILL BE ABLE TO DRAW THEM NOW INTO A DETAILED DISCUSSION OF POSITIONS WHICH ARE BELOW THEIR STATED BOTTOM LINE. BUT BY SHOWING THEM CLEARLY WHAT OUR LIMITS REALLY ARE, WE MAY GET THEM STARTED THINKING ABOUT IT.

DEFENCE

- MITTERRAND ATTACHES GREAT IMPORTANCE TO MAASTRICHT GIVING THE EUROPEAN COUNCIL COMPETENCE ON DEFENCE FOR TWO MAIN REASONS. FIRST, HE DOES NOT BELIEVE EUROPE WILL EVER BECOME AN INTERNATIONAL POWER CAPABLE OF DEALING AS AN EQUAL WITH THE US WITHOUT AN INDEPENDENT DEFENCE CAPACITY. EQUALLY IMPORTANT, HE WANTS GERMANY LED INDISSOLUBLY INTO EUROPEAN DEFENCE STRUCTURES TO PREVENT FUTURE ADVENTURISM (NATO'S LONG-TERM FUTURE BEING, IN HIS EYES, UNCERTAIN).

- MITTERRAND ACCEPTS THAT, FOR THE TIME BEING, THIS DEFENCE COMPETENCE MUST BE IMPLEMENTED THROUGH THE WEU. HIS OFFICIALS WILL TRY UP TO THE LAST MINUTE TO INSERT INTO THE TREATY AND ACCOMPANYING WEU DECLARATION AS MUCH PREJUDICIAL LANGUAGE AS POSSIBLE FROM THE FRANCO-GERMAN PAPER OF 14 OCTOBER ON LINKS BETWEEN THE POLITICAL UNION AND WEU MEMBERSHIP, WHILST MINIMISING REFERENCES TO NATO. BUT PROVIDED HE ACHIEVES THE EUROPEAN DEFENCE SIGNPOST AND THE PROSPECT OF FUTURE DEVELOPMENT, MITTERRAND WILL NOT DIE IN THE DITCH FOR SUCH DETAILS.

- THE CREATION OF EUROPEAN DEFENCE FORCES HAS BEEN KICKED INTO 1992. MITTERRAND ARGUES THAT THE ROME NATO SUMMIT GAVE THE NECESSARY GREEN LIGHT TO SUCH A DEVELOPMENT PROVIDED THAT IT WAS COMPATIBLE WITH NATO. TRANSLATING THIS RHETORIC INTO REALITY ON THE GROUND WILL BE A MAJOR CHALLENGE, BUT ONLY AFTER MAASTRICHT.

SECOND ORDER ISSUES

2. WITH THE EXCEPTION OF INDUSTRY, THE FRENCH LAY LESS IMPORTANCE THAN THE GERMANS ON MOVING 'FORWARD' ON THE FOLLOWING ISSUES:

CFSP

- MITTERRAND DOES NOT SEEM TO BELIEVE THAT OPERATION OF QMV WOULD NECESSARILY IMPINGE ON FRANCE'S VITAL NATIONAL INTERESTS: ON THE CONTRARY, SUCH A VOTING SYSTEM WOULD ENABLE THOSE INTERESTS TO BE PROJECTED ONTO EUROPEAN LEVEL. THE FRENCH JUDGE THAT SEPARATION OF CFSP INTO SEPARATE COOPERATION AND JOINT ACTION BOXES WOULD ENABLE FRANCE TO PRESERVE ITS NATIONAL ROOM FOR MANOEUVRE. THEY REGARD OUR VIEWS ABOUT THE IMPRACTICALITY OF SUCH AN ARRANGEMENT AS BEING UNDULY LEGALISTIC: THEY THEREFORE EXPECT US TO GIVE GROUND IN THE END PROVIDING WE CAN OBTAIN ASSURANCES OF THE PRIMACY OF UNANIMITY ON BASIC POLICY AND THE RESTRICTION OF QMV TO TIME-LIMITED IMPLEMENTATION. THEY THEMSELVES WOULD WELCOME THIS, ALTHOUGH THEY WILL NOT ARGUE FORCEFULLY FOR IT IN PUBLIC.

INDUSTRY

- THE INDUSTRY CHAPTER HAS MOVED HIGHER UP FRANCE'S LIST OF PRIORITIES FOR MAASTRICHT FOR DOMESTIC REASONS: UNEMPLOYMENT, THE ELUSIVE ECONOMIC RECOVERY, IRRITATION WITH THE COMMISSION OVER THE DE HAVILLAND DECISION, AND CONTINUED CONCERN ABOUT COMPETITION FROM JAPAN IN KEY INDUSTRIAL SECTORS (ELECTRONICS AS WELL AS CARS). THE FRENCH THEREFORE WANT AN INDUSTRY TEXT TO USE AGAINST THE COMPETITION COMMISSIONER AND TO LEAVE OPEN THE POSSIBILITY OF ASSISTANCE TO QUOTE STRATEGIC INDUSTRIES UNQUOTE. THEY HAVE GONE TO CONSIDERABLE TROUBLE TO ALLAY INITIAL GERMAN OPPOSITION BY CLAIMING THAT THIS DOES NOT AMOUNT TO THE BACKING OF EURO-CHAMPIONS NOR THE INVOLVEMENT OF EXTRA EC EXPENDITURES. THEY MAY HAVE WON A LIMITED SUCCESS AT THE FRANCO-GERMAN SUMMIT.

IMMIGRATION

- THE FRENCH HAVE MOVED SOME WAY, AND NOW ACCEPT THE PRINCIPLE OF AT LEAST A LIMITED EXTENSION OF COMPETENCE FOR IMMIGRATION AND RELATED ISSUES. THIS IS PART OF THE PRICE THEY ARE WILLING TO PAY FOR AN OVERALL AGREEMENT, NOT LEAST BECAUSE OF THE IMPORTANCE THE GERMANS ATTACH TO IT. BUT IT WILL NOT BE A LARGE PRICE: FRANCE HAS LONG BEEN RESIGNED TO CREEPING COMPETENCE IN THIS AREA, SO IT WOULD HAVE LITTLE DIFFICULTY IN AGREEING TO SOMETHING WHICH IT REGARDS AS INEVITABLE IN THE LONG TERM. THERE ARE EVEN ADVANTAGES: AS WITH THE GERMANS, THE COMPETENCE ARGUMENT COULD ENABLE FRANCE TO TAKE DIFFICULT DECISIONS ON IMMIGRATION WHICH MIGHT BE UNPALATABLE DOMESTICALLY. THAT SAID, FRANCE WOULD CERTAINLY NOT HOLD OUT ON THIS ISSUE IF THE GERMANS AND WE WERE ABLE TO REACH AGREEMENT.

POWERS FOR THE EUROPEAN PARLIAMENT

- THE FRENCH ONLY PAY LIP-SERVICE TO THE NEED TO STRENGTHEN THE EP. THEY ARE NOT WORRIED ABOUT POSSIBLE OBJECTIONS TO THE REVISED TREATIES BY MEPS. THEY WILL ONLY GO AS FAR AS THE GERMANS OBLIGE THEM. ON THIS ISSUE ABOVE ALL, THE KEY FOR US LIES IN OUR WINNING IN BONN.

COMPETENCE

- THE FRENCH ARE IN GENERAL SUSPICIOUS OF THE COMMISSION'S EXPANSIONIST TENDENCY AND ARE INCLINED TO RESIST FURTHER ENCROACHMENT EXCEPT IN THOSE SPECIFIC CASES WHERE IT MIGHT HELP WITH PARTICULAR DOMESTIC PROBLEMS (EG THE SOCIAL DOSSIER AND IMMIGRATION).

COHESION

- THE FRENCH SUPPORT THE NORTHERN LINE, ALTHOUGH THEY ARE OPENLY SYMPATHETIC TO SPANISH PROBLEMS AND WOULD BE PREPARED TO ACCEPT A FORMULA WHICH GIVES A BIGGER NOD IN THE DIRECTION OF AN INCREASED EC BUDGET THAN WE WOULD LIKE. EVEN IN THE TRESOR THERE IS RESIGNED ACCEPTANCE THAT NEXT YEAR'S FUTURE FINANCE NEGOTIATION WILL LEAD TO A LARGER BUDGET BECAUSE OF THE COSTS OF COHESION AS WELL AS OF CAP REFORM. BUT THEY ARE MORE WORRIED THAN THEY WERE ABOUT FRANCE'S GROWING NET CONTRIBUTION, AND WILL BE REASONABLY SENSITIVE TO OUR ARGUMENTS.

FEDERALISM

- THE FRENCH ARE NOT WEDDED TO THE CURRENT FORMULA, ALTHOUGH THEY WOULD LIKE TO EXACT A PRICE FROM US FOR DROPPING IT. FOR THEM, REFERENCE TO 'LA VOCATION FEDERALE' IS TO A DEBATE WHICH WAS COMPLETED LONG AGO IN FRANCE: ITS ACCEPTANCE DOES NOT IN THEIR VIEW CONTRADICT THE CONTINUED EXPRESSION OF FRENCH NATIONAL SOVEREIGNTY. THEY CANNOT SAY WHY: IT IS SIMPLY SO.

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10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

23 November 1991

Dear Christopher,

VISIT OF PRESIDENT MITTERRAND: 2 DECEMBER

Pierre Morel rang this morning to confirm arrangements for President Mitterrand's visit on 2 December. He will, as Dorin indicated, be accompanied by Vedrine, Morel and Caroline de Margerie.

President Mitterrand will land at 1230 so we need to arrange a helicopter to get him to No.10 by 1300 for lunch. The lunch/talks will end at 1500. Helicopter back to the airport.

President Mitterrand does not wish to say anything to the Press but would prefer to issue a short agreed press line. I told Morel that I thought this would be fine with the Prime Minister.

We confirmed that the main subjects would be the IGCs, GATT, the Soviet Union, Yugoslavia and Lockerbie. Morel said the President would wish to raise his nuclear initiative, to which he is still clearly attached. Morel implied that if the Americans remained lukewarm Mitterrand might want to do something bilaterally with the Soviet Union. I think we should be prepared for a suggestion that we and the French might do something jointly.

On Lockerbie, Morel spoke enthusiastically about the talks that had been held in Paris. I will not record the detail since I imagine Duncan Slater will be reporting on it.

I mentioned the Anglo/French frigate and Morel agreed that it would, in principle, be a good idea if the President and Prime Minister could say something about it in the press line after the talks. I should be grateful if the Ministry of Defence could pursue this and let me have a background note and a form of words, brokered with the French as necessary.

I shall be in touch presently about participation on our side when I have consulted the Prime Minister.

CONFIDENTIAL

MRM

I am copying this letter to Simon Webb (Ministry of Defence) and Sonia Phippard (Cabinet Office).

Yours

J. S. WALL

Christopher Prentice, Esq.,
Foreign and Commonwealth Office

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apc

Foreign &
Commonwealth
Office

London SW1A 2AH

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22 November 1991

Dear Stephen,

Visit by President Mitterrand : 2 December

The French Ambassador called on Mr Garel-Jones this morning, and confirmed that President Mitterrand would be coming on 2 December. He said that he would be likely to arrive around 1230 and to leave immediately after lunch.

Mr Garel-Jones told M. Dorin (as we discussed earlier this week) that the Prime Minister would want to concentrate on the IGCs, Lockerbie and GATT; and that he would also want to touch on Yugoslavia, the Soviet Union and the Anglo-French Frigate (your letter of 15 November to Jane Binstead, MOD). The Middle East (Iraq and the peace process) might also be discussed, if time permitted. M. Dorin said that the President would probably be accompanied by Messrs Védrine and Morel and Mme. de Margerie. We expect he will also bring his interpreter, Christopher Thiery.

Mr Garel-Jones gave M. Dorin a detailed run-down of subjects of concern to us in the political union IGC.

I am copying this letter to Jane Binstead (MOD), Jeremy Heywood (HMT), Sue Bishop (DTI) and Sonia Phippard (Cabinet Office).

Yours ever,
Christopher Prentice.

(C N R Prentice)
Private Secretary

Stephen Wall Esq
10 Downing Street

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22 11.
A 191

Ref. A091/2818

MR WALL

Meeting with M. Védrine

--- I attach a note of my meeting with M. Védrine, Secretary General of the Elysée, on Monday. You may be interested to see the note in full as background to the Prime Minister's bilateral with the President. French preoccupations come through clearly. I hope that we might nevertheless have made some impact on Védrine about how to handle the external dossiers in order not to push us off board.

2. I am copying this minute and the note to Sir David Gillmore (who will wish to pass it on to Sir Ewen Fergusson and Sir John Kerr), Mr Mottram, Miss Neville-Jones and Mr Hadley.

R.F.R.B.

ROBIN BUTLER

14 November 1991

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Mon 2 & Wed 4 Dec
Offered to French. P.A.
S 31/10

PRIME MINISTER

pa

Stephen

Sandra

Grateful for suggestions
a date.

25/xi

WG are hoping that
Euro debate will take
place on 20-21 Nov.

25-~~26~~ Nov would fall
back dates, but CEx
may have IGC that day,
so not really a starter.
Could Hungary offer Mittwoch
Mon 25 Nov (if not Strasbourg)
(Rome on 27 Nov)
2 Dec (Hanover PM ITOS)
Wed 4 Dec S 25/10

IGC/~~FAC~~

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cc: PS/Chancellor of the Exchequer
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FOR PRIVATE SECRETARY

PRESIDENT MITTERRAND'S MEETING WITH PRIME MINISTER

1. MOREL (ELYSEE) HAS JUST TELEPHONED ME TO SAY THAT THE PROPOSED DATE OF 20 NOVEMBER FOR A MEETING IS NOW NOT POSSIBLE. MOREL'S HOPE THAT THE TIMINGS OF THE FRANCOPHONE SUMMIT COULD BE JUGGLED AROUND HAVE NOT PROVED REALISABLE. THE PERIOD 19-21 NOVEMBER IS COMPLETELY BLOCKED OFF. HE CONFIRMED THAT WITH 13 NOVEMBER UNAVAILABLE, AS YOU KNOW, AND 15 NOVEMBER BLOCKED OFF FOR THE FRANCO-GERMAN SUMMIT, THE ONLY OPTION NOW WAS FOR YOU AND HIM YET AGAIN TO COMB THROUGH THE DIARY. HE COMMENTED WRILY THAT THE SAME DIFFICULTIES ALWAYS SEEMED TO ARISE.

2. MOREL WAS RELUCTANT TO GUESS AT OTHER POSSIBLE OPTIONS IN THE ABSENCE OF A DETAILED EXCHANGE WITH YOU.

FERGUSSON

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MR JAY
MR GOULDEN
MR GREENSTOCK

NNNN

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k.l.e

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

17 October 1991

Dear Richard,

VISIT OF PRESIDENT MITTERRAND: 20 NOVEMBER 1991

Pierre Morel (Elysee) telephoned today to say that President Mitterrand could not come to London on 13 November but could manage 20 November. We agreed on the latter date.

Since the line was once again bad, we agreed that our Embassy would follow-up on the question of attendance. As far as I could hear, the President envisages having his Foreign and Finance Ministers with him. I asked about Defence Ministers but the reply got lost somewhere between Paris and Harare. Perhaps you could ask our Ambassador to pursue the point? I think the French would probably prefer to confine themselves to Foreign and Finance Ministers on the grounds that the main subject will be the two IGCs. That would be fine for the Prime Minister.

I am copying this letter to Jeremy Heywood (HM Treasury), Simon Webb (Ministry of Defence) and Sonia Phippard (Cabinet Office).

Yours,
Stephen

J. S. WALL

Richard Gozney, Esq.
Foreign and Commonwealth Office

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10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

15 October 1991

Dear Richard,

PRIME MINISTER'S MEETING WITH PRESIDENT MITTERRAND: 13 NOVEMBER

Pierre Morel (Elysee) telephoned this evening to say that President Mitterrand accepted the Prime Minister's invitation for talks and lunch on Wednesday 13 November. Although it was Cabinet day in France, he hoped that the President might be able to arrive by 12 noon London time. He did not say what time the President would leave, though I doubt if he would leave much before 1530. Morel did not say who would accompany the President and, since it was a poor line, I did not pursue the issue. Perhaps our Ambassador in Paris could ask Pierre Morel what they have in mind. There are a number of possible variants with which you are familiar:

- 1 + 1 talks and lunch;

- 1 + 1 talks with, e.g. Foreign, Finance and Defence Ministers, joining for lunch. I think the Prime Minister would be content to fit in with the President's preference.

Morel went on to talk about the letter which President Mitterrand and Chancellor Kohl will be issuing tomorrow, covering the Franco-German proposal. The line was breaking up but the gist of what he appeared to be saying was that the French and Germans were keen to present their proposals and ours in as positive a way as possible, looking forward to agreement at Maastricht.

Morel went on to suggest that I and other officials, on the same lines as before, should go over to Paris before the NATO Summit. I said I would identify a date and would be back in touch.

At the end of the conversation, Morel said that both we and they had had recent meetings with Gompert. There was caution on the French part as well as on ours about the latest Summit and we should discuss this.

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I am copying this letter to Jeremy Heywood (H.M. Treasury), Simon Webb (Ministry of Defence) and to Sonia Phippard (Cabinet Office).

Yours,

Stephen

J. S. WALL

Richard Gozney, Esq.,
Foreign and Commonwealth Office.

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

8 October 1991

Dear Christopher,

PRIME MINISTER'S MEETING WITH PRESIDENT MITTERRAND

I have told Pierre Morel (Elysée) that the Prime Minister would be able to offer President Mitterrand lunch and talks in London on Wednesday 13, Friday 15, or Wednesday 20 November. Morel said he would get back to me.

We have left the exact format of the talks open, but I recognise that 13 November would be impossible for the Foreign Secretary. Ideally, I think the Prime Minister would want to have an arrangement such as we had for the visit to Dunkirk, ie separate talks before lunch involving the Foreign Secretary, the Chancellor and the Secretary of State for Defence with their opposite numbers, with everyone meeting up for lunch and a general discussion. But it is frankly so difficult to find any date that suits both the Prime Minister and the President that I think we have to fix a date first and then arrange the details accordingly.

Morel said to me that he was disappointed that it had not been possible to go ahead with the proposed meeting between Foreign and Defence Ministers on 7 October, and he hoped it would be possible to use the prospect of a meeting between the President and the Prime Minister as a lever to get those talks reinstated. He evidently had in mind separate talks in advance of the summit. He also suggested that I might go over there for discussions, and I imagine this would be on a similar basis to our earlier talks, but again this is dependent on first fixing a date for the meeting between the President and the Prime Minister.

I am copying this letter to Jeremy Heywood (Treasury), Simon Webb (Ministry of Defence) and Sonia Phippard (Cabinet Office).

Yours,
Stephen

J S WALL

C N R Prentice Esq
Foreign and Commonwealth Office

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SIC ECJ
ANGLO/FRENCH SUMMIT: FRENCH PRESS REACTIONS
SUMMARY
1. POSITIVE, IF INSIDE-PAGE COVERAGE. AGREEMENT TO STRENGTHEN DEFENCE COOPERATION HIGHLIGHTED.

DETAIL
2. THOUGH PUSHED OFF THE FRONT PAGE BY EVENTS ELSEWHERE, COVERAGE OF THE 4 MAY SUMMIT IN THE FRENCH PRESS WAS UNANIMOUSLY FAVOURABLE. THE CHOICE OF WADDESDON MANOR WAS INTERPRETED AS A WELL JUDGED MARK OF RESPECT FOR MITTERRAND, AND A COMMENT BY 'LONDON SOURCES' THAT THE MEETING WAS TAKING PLACE IN AN ATMOSPHERE OF SERENITY BETWEEN LONDON AND PARIS WAS WIDELY QUOTED.

3. REPORTS OF THE DISCUSSIONS THEMSELVES DREW HEAVILY ON THE JOINT PRESS CONFERENCE AND THE DEFENCE COMMUNIQUE. AGREEMENT TO STRENGTHEN ANGLO/FRENCH DEFENCE COOPERATION IS SEEN AS THE SUMMIT'S MAIN ACHIEVEMENT, AND HIGHLIGHTED IN ALL THE MAIN PAPERS. PRINCIPAL HEADLINES INCLUDE:
- PARIS AND LONDON INTEND TO STRENGTHEN DEFENCE COOPERATION(LE MONDE, LEFT OF CENTRE)
- MITTERRAND AND THATCHER: AN ATMOSPHERE OF ENTENTE CORDIALE. FAR FROM FRANCO-GERMAN POMP, THE MEETING FORESHADOWED A CONVERGENCE OF DEFENCE ISSUES(LIBERATION, LEFT OF CENTRE)
- THE SUMMIT OF CONVERGING VIEWS: THATCHER AND MITTERRAND AGREE ON THE ATTITUDE TO TAKE TO MOSCOW (LE FIGARO, CONSERVATIVE).

4. ALL PAPERS QUOTE MITTERRAND'S COMMENT THAT NO DOMAIN (OF DEFENCE COOPERATION) IS EXCLUDED, BUT ALSO REFER TO HIS DESIRE FOR FASTER PROGRESS ON NUCLEAR COOPERATION (WITH PARTICULAR REFERENCE TO ASMP/ASLP). THE IDENTITY OF VIEW ON LITHUANIA AND GORBACHEV IS NOTED.

5. WHERE MENTIONED AT ALL, EXCHANGES ON POLITICAL UNION ARE DESCRIBED AS RESTATEMENTS OF WELL KNOW POSITIONS, BUT WITHOUT ACRIMONY.

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ANGLO/FRENCH SUMMIT
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GHF

MR APPLEYARD CABINET OFFICE
MR MANNING CABINET OFFICE

NNNN

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

9 May 1990

The Prime Minister has asked me to thank you and your crew very much indeed for flying her and her party to Waddesdon Manor on Friday. The clear morning made the journey most interesting, and the approach to the manor house was very beautiful indeed.

C.D. POWELL

Squadron Leader John Essery

File MEM

SUBJECT cc MASTER OPS

10 DOWNING STREET

THE PRIME MINISTER

Personal Minute

No. M4/90

The Foreign and Commonwealth Secretary

I am immensely grateful to all those in the Foreign and Commonwealth Office and GHF who were involved with the arrangements for the Anglo-French Summit at Waddesdon Manor. Their work was very well rewarded by the success of the occasion and the obvious impression which it made on our French guests. I know that a great deal of extra work was involved. But it was all worthwhile. Please convey my warm thanks to all concerned.

Margaret Thatcher

8 May, 1990.

The National Archives

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C:\WPDOCS\FOREIGN\
ROTH. MCM

10 DOWNING STREET
LONDON SW1A 2AA

THE PRIME MINISTER

5 May, 1990.

Dear Jacob.

I cannot thank you enough for making Waddesdon Manor available for yesterday's Anglo-French Summit. It was the perfect setting and very satisfying to be able to show the President and his colleagues such unique treasures. Style is so very important with the French, and there is no doubt that we excelled with the Waddesdon Summit. Thank you also for your very generous contribution of Chateau Lafite-Rothschild 1959 to crown an excellent lunch.

I very much enjoyed our tea afterwards and am immensely grateful to you and Serena for your kindness and hospitality.

Warm regards

Yours sincerely

Margaret

The Lord Rothschild

MBM

C:\WPDOCS\FOREIGN\
PINET. MLM

10 DOWNING STREET

LONDON SW1A 2AA

THE PRIME MINISTER

5 May, 1990.

Dear Mrs. Pinet,

I know how enormously hard you worked on the arrangements for the Anglo-French Summit at Waddesdon Manor and I just wanted to say how very grateful indeed I am. It was a tremendous success, not just because of the beauty of the house, but because of all the meticulous preparation which went into the occasion.

Thank you very much for your part.

Yours sincerely

Margaret Thatcher

Mrs. Danielle Pinet

MLM

FILE C:\WPDOCS\FOREIGN\
CRAWFORD-MEM

10 DOWNING STREET
LONDON SW1A 2AA

THE PRIME MINISTER

5 May, 1990.

Dear Colonel Crawforth,

I am most grateful to you for the immense trouble you took in making Waddesdon Manor available for the Anglo-French Summit yesterday. It very clearly made a tremendous impression on the President and his colleagues, and the arrangements could not have been bettered. I know that a very great deal of work was involved for you and your staff, and send you my warm gratitude.

With every good wish to you and your wife,

Yours sincerely

Margaret Thatcher

Colonel Tony Crawforth

NRM

CONFIDENTIAL

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

5 May 1990

Dear Stephen,

ANGLO-FRENCH SUMMIT: PLENARY SESSION

I enclose the record of the Plenary Session of the Anglo-French Summit at Waddesdon on 4 May. I am grateful to Mr. Cox for providing a draft.

I am copying this letter to John Gieve (H.M. Treasury), Simon Webb (Ministry of Defence), Martin Stanley (Department of Trade and Industry) and Sonia Phippard (Cabinet Office).

Yours sincerely,

C. D. POWELL

J.S. Wall, Esq.,
Foreign and Commonwealth Office.

CONFIDENTIAL

10 DOWNING STREET

LONDON SW1A 2AA

ANGLO-FRENCH SUMMIT, WADDESDON, 4 MAY
RECORD OF PLENARY SESSION

The Prime Minister said that she and President Mitterrand had discussed the changes in the Soviet Union, where President Gorbachev's position had been weakened by the enfeebled state of the economy and by growing separatism on the part of the Republics. But it remained in Britain's and France's interest to continue to do everything possible to support him. The Soviet military, concerned about the erosion of their prestige, were asserting themselves. One result was that we were unlikely to see more arms control initiatives from the Soviet side for the time being: the West would be in the lead. On Lithuania both countries recognised the Lithuanians' right of self determination, having never recognised Lithuania's annexation by the Soviet Union. At the same time, both recognised the importance of not undermining the Soviet government. Thus both would continue to say that we understood the clear views of the Lithuanian people but hoped that progress could be made through discussion and dialogue. There had been discussion at the Dublin European Council of humanitarian aid to Lithuania and this would need to be kept under review. President Bush had seen the Lithuanian Prime Minister, Mrs Prunskiene, not as Prime Minister but just as an elected representative. She would also meet her in London in this capacity and we had forewarned the Soviet Union.

The Prime Minister said that she and President Mitterrand had discussed the NATO Summit and agreed that it should be held in London towards the end of June. They wished it to reaffirm the importance of US forces and US nuclear weapons remaining in Europe. Our preference would be to adhere to the Comprehensive Concept and not to begin SNF negotiations until the implementation of conventional arms reductions had begun, although preparations for SNF negotiations could start before then. However President Bush was likely to support bringing forward the opening of negotiations.

The Prime Minister continued that the President and she had also discussed wider European strategy. They had agreed that the four key institutions, the EC, NATO, Council of Europe, and CSCE, each had its specific purpose. NATO was essential to preserve the trans-Atlantic link in defence. On the EC, they had discussed President Mitterrand's idea of a wider European

confederation as well as association agreements with East European countries. There was also scope to give the CSCE a wider role.

The Prime Minister said that she and the President had also discussed increasing bilateral defence cooperation: in a period of uncertain developments such cooperation could enhance stability. There might be a case for issuing a joint statement on this: she understood that a draft had been prepared.

They had also discussed the EBRD and the IMF. The UK had expressed its support for Mr Ruding as President of the EBRD before M Attali's candidature was known. But it would suit Britain well to have the EBRD sited in London, with M Attali as President and for Britain and France to share equal fourth place in the IMF. The two countries shared the same objectives but it was not certain how they could be achieved, given other partners' views. As for the IMF, the UK had already given away some of its quota to Japan and had no more to yield; perhaps other partners would give up some of their quotas.

President Mitterrand agreed with the Prime Minister's account. Some questions discussed would need further consideration eg arms control negotiations and how President Bush's ideas on SNF in Germany could be combined with conventional disarmament. He and the Prime Minister had both considered that the latest proposals raised questions of substance and of timing. Was it reasonable to decide on this before a CFE agreement? In a few months' time one might have a clearer idea of Soviet developments, in particular the position of President Gorbachev.

President Mitterrand said that he and the Prime Minister had also discussed Germany, the GDR's future position with regard to NATO, Polish concerns and other questions. He agreed that the EBRD and IMF issues might be settled as the Prime Minister had suggested, provided that other partners agreed. There had only been a brief discussion of Anglo-French defence and procurement cooperation, where there had been little progress over the last few years. Now the changing situation in the Alliance meant that conditions were more favourable.

The Prime Minister said that on EC issues both sides had agreed that the Council of Ministers should be strengthened as the main decision-taking body in the Community. President Mitterrand agreed that there was no differences between us on this point, although the two sides had different ideas of the content of political union.

The Foreign Secretary said that he and M Dumas had discussed the 2+4 meetings and had agreed that there should be a full cycle of six Ministerial meetings in the different capitals. We should let Mr Shevardnadze express his anxieties, although some questions he might raise would be for decision elsewhere. The 2+4 forum was a valuable sounding board for the Soviet Union to raise its concerns. The two Ministers had also discussed Polish anxieties; they agreed that the Poles were justified in wanting a

treaty on the border, which had now been agreed, and to be present at 2+4 meetings discussing it. They could probably be present at the third 2+4 Ministerial meeting in Paris in July. We could let the Polish Foreign Minister have his say and not limit him to discussion of the frontiers.

On Lithuania the Foreign Secretary said that his discussion with M Dumas had been on the same lines as the Prime Minister's with the President. They had judged that there was no real need for humanitarian assistance at present: medicines were in short supply, but this was the case everywhere in the Soviet Union. If real needs were identified later, these could best be met by NGOs, eg the Red Cross. He had mentioned Mrs Pruniskene's visit to London. On the Soviet Union, M Dumas had said that Gorbachev seemed to have his back to the wall. This confirmed what Mr Baker had said in Brussels on 3 May and impressions received from other sources.

The Foreign Secretary said that he and M Dumas had discussed political union and the follow-up to the Dublin Informal Council. He had read M Dumas' speech of 10 April to the National Assembly and identified points where British and French views converged: there were other points where they did not. Britain and France agreed on the central role of the European Council, on strengthening the responsibilities of national parliaments and financial control. The British side was working on ideas in these areas and the two Ministers had agreed that, when French ideas were clearer, British and French officials should be in touch in the run-up to the Dublin EC Council.

The Foreign Secretary said that the joint meeting of Foreign and Defence Ministers had discussed President Bush's speech of 4 May, the consequences for nuclear weapons in Europe and for the START negotiations. They would remain in close touch. They had agreed that British and French strategic forces were at a minimal level and were not to be called in question by present or future US/Soviet nuclear negotiations.

Turning to South Africa the Prime Minister said both she and President Mitterrand would be seeing President de Klerk shortly. It was important to push negotiations in the right direction. She would be seeing Mr Mandela on 3 or 4 July. On his first visit to the UK he had been fairly disobliging. But he was quite a key player on the future of South Africa; and despite his ritual statements about armed struggle, nationalisation, and sanctions, she believed he was in practice committed to a peaceful solution. She looked forward to seeing him. She believed that Mr de Klerk would also take the right path. There were many difficulties ahead, with different views on the kind of structures to be built up. But it was right to encourage inward investment in South Africa, the only route to greater prosperity, and to try to bring Mr de Klerk out of his international isolation.

President Mitterrand agreed that Mr de Klerk had made certain steps in the right direction. We should not be more

rigid than the ANC or Mr Mandela. He confirmed that he would be seeing Mr de Klerk in Paris. The South Africans must go further to end apartheid, and this would be very difficult. It was important to encourage them and help them out of their isolation. M Dumas noted that Britain and France had been in a minority of two in wishing to end the EC inward investment ban on South Africa.

M Dumas said that he and the Foreign Secretary had also discussed the CSCE Summit to be held towards the end of the year, probably in Paris, provided that agreement on CFE had been reached in Vienna. They had discussed whether it would be better to press for an agreement on the all the points in the Western negotiating position or to conclude on the basis of what was already agreed. They had agreed that this could only be decided in the circumstances nearer the time.

M Dumas said that on visas for East Europeans, both Ministers were in negotiation with their Interior Ministries. They had agreed that visas should be abolished for the GDR since the present situation was absurd.

M Chevenement said that Defence and Foreign Ministers had agreed on a draft Summit Communique on Anglo-French defence cooperation. The two Defence Ministers had also agreed on a more technical press release, concerning the development of cooperation, joint exercises, CFE verification, AWACS etc.

The Defence Secretary confirmed that the two Defence Ministers had produced a paper on the development of Anglo-French defence cooperation, showing that this was now going extremely well in a wide range of areas, including personnel exchanges, training, exercises, procurement and defence industry. In the nuclear area, the UK was examining the ASMP option as an alternative to the US TASM and there were other projects under consideration. The two sides were looking at cooperation on a frigate. Cooperation on counter-mine operations in the Channel was sensible. Existing out-of-area cooperation could be developed. The two sides were also looking at more use of each other's territory for training. The two Ministers had produced a report on progress and a statement for the press.

M Chevenement said that over the last year there had been a qualitative and quantitative increase of collaboration. There had been a remarkable intensification in the fields of armaments, research, exercises and exchanges.

The Prime Minister expressed her concerns about current talk of "CFE II" even before the CFE agreement had been concluded or digested. She supposed that France, like Britain, would not wish its basic defence philosophy, including its responsibilities out-of-area, to be affected by such talk. It would be difficult enough for the Soviet Union to carry out its obligations under the present CFE agreement; it would also have to withdraw its forces from Czechoslovakia, Hungary etc. She asked for French views of "CFE II".

M Dumas agreed that this was a difficult area. In CFE there were difficult problems eg over aircraft. He and Mr Hurd had discussed whether it would be right to leave some questions from the present CFE negotiations to a future negotiation. The issues were not yet ripe. The CSCE Summit would need to consider a mandate for future negotiation.

The Foreign Secretary agreed that difficult decisions would need to be taken during the summer. There had been a hardening of Soviet position: as well as the aircraft issue, Mr Shevardnadze had made difficulties over the sufficiency rule. If the Russians played hard, we would be faced with a difficult choice between signing what was already agreed and leaving over other matters for future negotiations, or having no agreement. We could not yet decide on this. Another issue was the strength of the Bundeswehr. The Soviet Union would press for a limit in 2+4, but the Germans would say that there should be no special limit and that national force limits could be considered in a subsequent CFE round.

M Chevenement said that there were different views on "CFE II". Some envisaged it as a consideration of issues postponed from CFE I, eg aircraft. Others envisaged more radical reductions, eg the halving of the limits fixed by CFE I. But CFE I already involved a 60 per cent cut of Soviet arms. General Moiseev had said that this would require seven or eight years to implement. Another question was the area of implementation. If "CFE II" was confined to the Atlantic-to-the-Urals zone, it would leave out most Soviet and all US territory. It would be easy for the Russians to mass their forces East of the Urals, or to pull forces back from Asia.

The Prime Minister said that there were already reports of the Soviet Union pulling forces back behind the Urals so as to avoid CFE constraints. This would be a major circumvention of the agreement.

The Prime Minister asked about French views on the proposed Human Rights Conference in Moscow in 1991. The UK had said that it would not attend unless the human rights situation in the Soviet Union had improved considerably. We had not yet decided on its position: it depended on developments in the USSR.

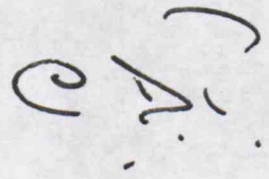
M Dumas said that France had not yet taken a decision either. However, he had agreed with Mr Baker that there was a need for balance: all baskets of the CSCE needed to advance. There was still need for progress on human rights, eg free elections. The CSCE Summit needed to look at all this.

President Mitterrand said that we must take a more optimistic attitude. There had been a positive evolution in the Soviet Union and we should wager on its continuation. France intended to attend the Moscow Conference and it would require grave events, a fundamental compromise of human rights, to prevent French attendance. Developments in all the East European countries were positive, there was a real contagion of democracy. Naturally in Russia change would take longer. The Prime Minister

agreed that we must be hopeful.

President Mitterrand said that although he was in complete agreement with the draft communique on defence cooperation and was happy for the Prime Minister to use it all in her remarks to the press, he would prefer not to make it a formal joint communique. It was only a partial account of our cooperation. He had been disillusioned with joint communiques by his experiences in Eastern Europe before recent reforms and by the last Franco-German Summit. The Prime Minister agreed with this approach.

The meeting ended at 1245.



CONFIDENTIAL

Foreign and Commonwealth Office

London SW1A 2AH

4 May 1990

Dear Charles

Anglo-French Summit: Plenary Session

I enclose our draft record of the plenary session of today's Summit.

Yours ever,

(J S Wall)
Private Secretary

C D Powell Esq
10 Downing Street

CONFIDENTIAL

From: The Rt. Hon. JULIAN AMERY, M.P.

112, EATON SQUARE,
LONDON SWIW 9AE
Tel: 01- 235 1543
01- 235 7409

4 May, 1990

Dear Charles,

You may like to see the enclosed. I wonder whether Mitterand's visit provides any confirmation?

Yours ever,

Julian.

Julian Amery

Charles Powell, Esq.

The National Archives

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AMBASSADE DE FRANCE
LONDRES

L'AMBASSADEUR
N° 1049

3 May 1990

CDM.

Dear Prime Minister

I have just received through the diplomatic bag a letter addressed to you by Monsieur François Mitterand, Président de la République.

I enclose it herewith.

Yours ever

Luc de La Barre de Nanteuil

The Rt. Hon. Margaret Thatcher, M.P.
Prime Minister
10 Downing street
London, SW1

(1)

MS

PRIME MINISTER

ANGLO-FRENCH SUMMIT: PRESS ARRANGEMENTS

Your meeting with President Mitterrand will be held in Waddesdon Manor tomorrow. I attach an outline programme for the Summit meeting which highlights your contact with the press: the Foreign Office will be providing a more detailed programme on the day's events. There are a series of photocalls envisaged through the course of the day, with the only opportunity for the press to ask questions coming at the Press Conference just before lunch.

Peter Bean

PETER BEAN
Press Office

3 May 1990

ANGLO-FRENCH SUMMIT AT WADDESDON MANOR: 4 MAY 1990

08.40 Depart No 10 by car for Wellington Barracks.

08.50 Depart Wellington barracks by air for Waddesdon Manor.

09.15 Arrive Waddesdon Manor: walk from the helicopter to the Manor house.

PRESS MAY BE PRESENT AND SHOUT QUESTIONS AT YOU AS YOU WALK PAST THE PRESS ENCLOSURE

09.45 President Mitterrand arrives. Once his helicopter arrives you walk from the Front door of the House down the main drive and greet him as he disembarks.
Escort the President to the Manor House (walk back along the main drive).

PRESS WILL COVER THE ARRIVAL FROM THE PRESS ENCLOSURE

Enter the House: Honour Guard at the Front door.

(PRESS POOL TO COVER YOUR WALK THROUGH THE HONOUR GUARD)

Walk to the room where your bilateral talks will be held (on the first floor-you will be guided to the room by the GHF Butler)

09.55 **PHOTOCALL BEFORE YOUR TALKS BEGIN**

10.00 Bilateral talks with the President (Mr Powell to sit in).

11.30 Talks end. Short break.

11.45 Plenary Session convenes.

PHOTOCALL ONCE YOU ARE ALL SEATED

12.30 Plenary ends.

c12.40 Walk to Marquee in the Press enclosure.

PRESS CONFERENCE

c13.20 Press Conference ends: return to the House.

13.30 Lunch.

15.15 Lunch ends: President takes a short rest.

15.45 Walk in the grounds of Waddesdon Manor accompanied by Foreign and Defence Ministers.

GROUP SHOT PHOTOCALL FOLLOWED BY COVERAGE OF YOUR WALK IN THE GROUNDS WITH THE PRESIDENT

Tour Waddesdon Manor House

16.45 Escort the President to his helicopter.
Farewells.

16.50 President departs.

PRESS COVER DEPARTURE FROM PRESS ENCLOSURE

16.55 You leave for Chequers by car.

PRESS CONFERENCE

1. PLEASED TO WELCOME PRESIDENT MITTERRAND AND HIS COLLEAGUES TO THIS GREAT HOUSE - WHICH ITSELF BRINGS TOGETHER SO MUCH OF WHAT IS BEST IN BRITAIN AND FRANCE.

2. WE HAVE COVERED A LOT OF GROUND IN OUR TALKS:

- THE SITUATION IN THE SOVIET UNION, WHICH BOTH OF US WILL BE VISITING SHORTLY.
- LITHUANIA. DIALOGUE/DISCUSSION. READY TO SEE MRS. PRUNSKIENE.
- FUTURE SHAPE AND STRUCTURE OF EUROPE.
- NATO SUMMIT IN LONDON.
- NUCLEAR WEAPONS IN EUROPE.
- EBRD/IMF
- DEFENCE COOPERATION: STATEMENT AGREED.

3. MEETING OF MINDS ON MANY OF THESE SUBJECTS, INDEED VERY NEARLY ALL OF THEM, CONFIRMING HOW VERY GOOD RELATIONS ARE BETWEEN US.

The National Archives

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10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

3 May 1990

Dear Richard,

ANGLO-FRENCH SUMMIT: STATEMENT ON BILATERAL DEFENCE COOPERATION

On reading the revised version of the proposed statement on bilateral Anglo-French defence cooperation, which we hope to agree at tomorrow's summit, the Prime Minister has now commented that it would be improved by the addition to the end of the first paragraph of the words:

> "particularly as Europe's only two nuclear powers" (or some variation of that phrase).

It would be most helpful if the Foreign and Defence Secretaries felt able to propose this amendment in the course of their own discussions tomorrow so that we can come to the plenary with it agreed.

Yours ever,

(C. D. POWELL)

Richard Gozney, Esq.,
Foreign and Commonwealth Office.

CONFIDENTIAL

Foreign and Commonwealth Office

London SW1A 2AH

CONFIDENTIAL

3 May 1990

Dear Charles,

Anglo-French Summit
Administrative Arrangements

Thank you for your letter of 27 April. The French have finally provided details of accompanying officials. They have dropped M. Bianco (Secretary General at the Elysée); his place at the tête à tête, Plenary and Ministerial lunch will be taken by M. Jacques Attali (Special Adviser to President Mitterrand). We have also made a minor change to that part of the programme which does not directly affect the Prime Minister: from 1045 - 1130 the Foreign and Defence Ministers will meet jointly.

The details of participation are as follows:

- Prime Minister's Meeting with President Mitterrand:

  Principals accompanied by you and M Attali;

- Plenary Session:

Prime Minister	President Mitterrand
Foreign Secretary	M. Dumas
Defence Secretary	M. Chevenement
You	M. Attali
HMA Paris	French Ambassdor
Mr Mottram, MOD	Vice Admiral Lanxade (Elysee Defence Staff)
Mr Weston, FCO	M. Vedrine (President Mitterrand's Spokesman and Defence Adviser)
Nigal Cox (Note-taker)	Mme. Guigou (President's EC Adviser)
	M. Hennekine (President's Diplomatic Adviser)
	— and note taker.

- Ministerial Lunch:

  The 6 principals; yourself, HMA Paris and Mr Ingham; Vice Admiral Lanxade, the French Ambassador, M Attali and M Vedrine; Lord and Lady Rothschild.

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Interpretation

M Thiery has confirmed his willingness to interpret both ways in the Prime Minister's bilateral with the President. Interpretation arrangements for the other sessions are now as follows:

- Plenary (simultaneous, using infra-red/CCTV system): Mrs Mary Penney and Mr Leo Scherman;

- Press Conference (simultaneous): Mrs Penney and M Thiery;

- Lunch (consecutive): Mrs Penney and M Thiery.

The second French interpreter, Mme Bourdelet-Goffinet will attend the Defence Ministers' bilateral in case of need.

The Foreign Secretary will be glad to see President Mitterrand and his party off at Northolt after the Summit.

I am copying this letter to Sonia Phippard (Cabinet Office) and Simon Webb (MOD).

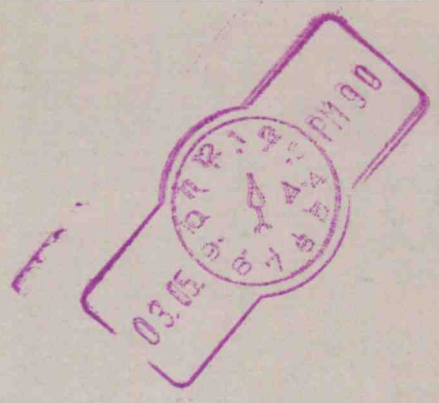
Yours ever,

Richard Gozney

(R H T Gozney)
Private Secretary

C D Powell Esq
10 Downing Street

CONFIDENTIAL



FRANCE : Visits of

Mitterand 84-7

Foreign and Commonwealth Office

London SW1A 2AH

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2 May 1990

Dear Charles,

Anglo-French Summit, 4 May

The Prime Minister will have one and a half hours of talks with President Mitterrand on 4 May, followed by a plenary session, a joint Press Conference and lunch. The Summit follows closely on the Prime Minister's and President Mitterrand's meetings with President Bush (13 and 19 April), the Franco-German Summit (25-26 April), and the informal EC Summit (28 April). NATO Foreign Ministers are meeting the day before. The first Ministerial "2+4" meeting will be held in Bonn the next day. President Bush has written to the Prime Minister about his meeting with President Mitterrand; the latter has promised to give the Prime Minister an account of his meeting at the Summit.

We see the main objectives for this meeting as:

- to concert views with the French on German unification and on relations with the Soviet Union (which President Mitterrand hopes to visit in late May);

- to explore the French approach to the development of NATO and to secure an eye-catching declaration which highlights our bilateral defence co-operation;

- on the EC, to review the main EC issues in the light of the Dublin informal summit.

We also see one regional objective: to persuade President Mitterrand before President de Klerk's visits to European capitals (including Paris and London) of the importance of a positive response from the Community to recent developments in South Africa.

France Internal

France faces its longest period without a major election since the mid-seventies. No Parliamentary elections are due until 1993, and the next Presidential election is due in 1995.

/On

On both left and right the electoral vacuum has provoked policy squabbles and personal rivalries as potential presidential candidates manoeuvre for position. Prime Minister Rocard now seems best-placed on the left: the right is riven by rivalry between former Prime Minister Chirac (RPR), former President Giscard (UDF) and the younger generation headed by Michel Noir.

President Mitterrand's popularity rating has fallen, to 48% in one opinion poll. The main reason for this was probably faction-fighting at the Socialist Party Congress in March. But with the opposition in disarray and the economy performing well, President Mitterrand and his Government are under no immediate pressure.

Immigration and related issues continue to attract attention in France, after a series of racial murders and a rise in racist sentiment.

France/Germany

The Paris/Bonn links look better than for some months, after the Mitterrand/Kohl joint statement on European Political Union, their Summit in Paris on 25-26 April and joint letter to the Lithuanian President. This activity shows the continuing political interest in Paris and Bonn in presenting a special bilateral relationship as the "motor of Europe". Behind the shared rhetoric lie differences of substance. The French remain privately concerned about the balance of the relationship, as German power grows.

German Unification

The Prime Minister could refer to the satisfactory outcome of the EC Informal Summit on 28 April, where there was universal support for the Commission's proposed approach to the integration of the GDR into the EC, and an explicit assurance from Kohl that the FRG does not want a special pre-accession aid programme.

The first 2+4 Ministerial is unlikely to conclude much given the uncertainty of the Soviet position on many of the key issues. It is important that the Western Four concert their negotiating position to reduce Soviet scope for wedge-driving. The Prime Minister could suggest that a priority is to agree on the form of a settlement: to avoid a

/cumbersome

cumbersome and anachronistic Peace Treaty involving all Second World War belligerents, and to aim instead for a range of legal instruments addressing the different aspects of a settlement. In our view, the 2+4 should concentrate on preparing only those instruments which are legitimate Four Power matters. We should resist Soviet attempts to put onto the 2+4 agenda issues which are properly for NATO, or which can be dealt with by the Western Four, or indeed by the FRG and GDR bilaterally (the FRG/GDR State Treaty on economic and monetary union, now under negotiation, is an obvious example).

Borders are another issue which will need tackling at an early stage. It has been agreed that the Poles should be invited to attend the first 2+4 Ministerial (date not yet fixed) at which their border with Germany is discussed. The French plan on this being a meeting in Paris in June/July.

Germany/NATO

The Russians are likely to make particular difficulties in 2+4 over the security aspects of unification. French views are close to our own. The Prime Minister could stress that:

- our tactical aim should be to lower Soviet expectations of Western concessions, while reassuring them about our readiness to take their own concerns into account.

- the Russians will try to pin us down on details of the agenda and include items we believe are not for this forum.

- we must resist this. The emphasis should be on issues to be decided at the Two Plus Four: military aspects of Berlin, future of Soviet forces in Germany.

- if Russians press for inclusion of other issues (eg limits on foreign forces in Germany, nuclear weapons) we should distinguish between our willingness to listen to what they have to say in Two Plus Four and our insistence that the detailed discussions and decisions must be handled elsewhere.

Defence/Security

The Summit will be an important opportunity to take forward the initiative launched at the Prime Minister's meeting with President Mitterrand on 20 January to enhance

/Anglo

Anglo-French defence co-operation. Since that meeting, the Foreign and Defence Secretaries have had further discussions with their French counterparts, and a joint meeting on 23 April. Officials have since agreed a note of the main points of agreement and of questions requiring further discussion by Ministers in five areas of current activity:

- the security aspects of German unification;

- the future of conventional arms control;

- future force structures;

- nuclear issues and bilateral defence co-operation.

// A copy is enclosed, together with a revised draft statement on Anglo-French defence relations (your letter of 27 April) which has now been agreed with the French at official level.

The Foreign and Defence Secretaries will be discussing the issues in the agreed note at their bilateral meetings during the Summit. On many of these issues, we share common ground with the French. But they remain wary of any moves which might be seen as drawing them back into the integrated military structure. Although they share our interest in maintaining public support in Europe for nuclear deterrence, they are unwilling to help to persuade the Germans of the importance of retaining nuclear weapons on their territory.

On the other issues, the Prime Minister might wish to draw on the following points when these subjects are discussed at the plenary session:

- future of conventional arms control. Need for continuing close Anglo-French consultation as NATO begins to develop its position. Useful to maintain the momentum of conventional arms control but reductions to parity in further categories in equipment, or further rounds of cuts in equipment already to be limited under CFE, would not necessarily be in our security interests. The focus for the next phase should be managing the security implications of Soviet withdrawal from Eastern Europe and German unification.

- future force structures. Interested by your comments at press conference with President Bush at Key Largo that France was willing to join a process of common reflection

/about

about the future of NATO. If NATO is to survive as a healthy Alliance, it must show that it can adapt to changing circumstances. Essential to retain support in Germany for the stationing of NATO (including US) forces. Also important to use the opportunity of adapting NATO to emphasise the European contribution to NATO's defence effort. Need for imaginative new thinking to maximise the contribution of each of us to Western defence.

- nuclear issues. The key is to retain public support for nuclear deterrence, particularly German support for the basing of nuclear weapons on German territory. Given the very likely end to funding for FOTL, TASM will be the essential sub-strategic system for the future. Decisions on NATO's SNF modernisation and arms control policies will need to be taken with that in mind. Against this background, attach great importance to continuing Anglo-French nuclear co-operation.

- if President Mitterand raises the question of Anglo-French collaboration on TASM, the Prime Minister might say that we are continuing to evaluate the French and American options. Defence Ministers have agreed on steps to extend the range of bilateral defence co-operation. These include extending the joint exercises programme and the possibility of further co-operation in the arms control field. As a longer term objective, officials are looking at more co-operative use of training areas. The MOD plan to issue a joint press release on defence co-operation to coincide with the final press conference.

EC Issues

There will be no need to dwell at length on 4 May on the integration of the GDR into the Community following the successful outcome on this subject in Dublin. The Prime Minister may however wish to stress to President Mitterrand:

- the need for vigilance by the Council in the period before unification to ensure that the Germans are scrupulous about keeping Commission/Community informed on state aids and investment in the GDR;

- the need for the Commission to monitor trade flows, to minimise the risk of distortion, and to keep the Council fully informed.

President Mitterrand will be generally content with the 28 April result on "political union", although the Dublin meeting deferred until June the decision on a second IGC. French and German views on the substance of political union differ markedly. While the Germans want to strengthen the Parliament, the French emphasis appears to favour strengthening the Council as a counter-weight to the Commission. The Prime Minister might probe President Mitterrand's views.

The French have shown some interest in a lengthy EMU Stage 2, which indicates some reluctance - at least in the Bank of France and French Treasury - to move quickly to a Stage 3 on Delors Report lines. If President Mitterrand raises EMU on 4 May, the Prime Minister could:

- stress the need for full and adequate preparation for the December IGC;

- offer close Anglo-French contacts on EMU development beyond Stage 1, and particularly on the definition of Stage 2.

It would also be useful to seek French support for a further spurt on the Single Market Programme in the remainder of the Irish Presidency; progress so far has been unimpressive. Areas to highlight are financial services and transport liberalisation.

The GATT Uruguay Round is entering its final phase. At the informal trade Ministers' meeting in Puerto Vallarta, Mexico, 18-20 April (Lord Trefgarne represented the UK; M Rausche represented France) Ministers agreed that detailed negotiating frameworks must be in place by July, including on agriculture. Much remains to be done if the Round is to succeed. We hope the Houston Summit will agree specific political commitments on key GATT issues, paving the way for a successful conclusion.

The French remain cautious about reductions in agricultural support - but agreement to this will be vital to the success of the Round. Concern about the CAP is also one reason for their reluctance to agree to the strengthening of the dispute settlement arrangements which we believe is necessary if the GATT is to be a credible alternative to US unilateralism.

In arguing for a constructive French position, the Prime Minister may wish to draw on the following points:

- a deal on agriculture is crucial to the success of the Round. Agreement in Mexico to produce detailed negotiating frameworks by July is a start. So are the welcome hints of US willingness to negotiate, which President Bush gave to the Prime Minister in Bermuda (and to the Commission in Washington);

- the Community must match US flexibility: we be willing to develop existing proposals by specific commitments to substantial reductions in support and protection;

- strengthened dispute settlement arrangements will also be vital to the future credibility of GATT. Only way to counter US unilateralism;

- hope we can use Houston Summit to pave the way to a successful outcome to the Round. The need at Houston will be for commitments on key areas (including agriculture and dispute settlement).

Soviet Union

Discussion on the Soviet Union is likely to be dominated by Lithuania. There have been some signs of movement towards the beginning of negotiations and the restoration of some energy supplies. But the situation remains unclear. The Prime Minister might emphasise the importance of continued strong Western pressure for purposeful dialogue, and for a reduction of tension over Lithuania. The Twelve should continue to keep in close contact over this. In wider discussion on the Soviet Union, the Prime Minister might draw on the following points:

- Gorbachev's political position strong. New Presidential powers. Shift of authority away from Party towards Supreme Soviet. Party's power likely to be further diminished after July Congress, and one multi-party system foreshadowed by amendment of Article 6 becomes a reality.

- New Supreme Soviet (elected by relatively democratic process) proving unexpectedly successful - both as debating chamber and legislature. New Republican Supreme Soviets likely to prove equally assertive - if not more so.

- But Gorbachev faced by formidable array of problems. Nationalist unrest in Central Asia and Western parts of Soviet Union as well as Baltics. No signs of improvement in economic position. Soviet authorities aware that radical measures necessary but unwilling to take difficult decisions. Prospects gloomy.

Eastern Europe

The Prime Minister promised President Havel in March she would discuss with President Mitterand the idea that they should meet in Prague on the anniversary of Munich, in order to consign it to history. President Havel said that President Mitterrand had responded favourably. We have had no other indications of his reaction.

The Prime Minister may like to give her impressions of Dr Antall, leader of the Hungarian Democratic Forum, who hopes to form a coalition government by mid-May including the Smallholders' Party. Since the election he has reiterated his support for gradual reform and intention to adhere to the IMF agreement. His supporters may urge a more aggressive policy towards Romania, but for the moment both sides seem to be trying not to exacerbate tensions in Transylvania.

South Africa

President de Klerk will visit Paris (9-10 May) before he comes to London during his forthcoming European tour. The Summit coincides with the final day of the exploratory talks between the South African Government and the ANC to see whether the obstacles to negotiations can be removed. The Prime Minister may therefore wish to raise South Africa, in particular the following points:

- the importance of encouraging all parties to enter negotiations.

- While President de Klerk has opened the way for an end to apartheid, he cannot accept "winner-takes-all" as the basis for a new constitution. This is what he means by "no majority rule". He needs checks and balances to protect minorities.

- The ANC are still advocating the armed struggle and seem unable/unwilling to curb continuing inter-black violence. They must be persuaded to stop the rhetoric of arms struggle and use the opportunity for negotiations now on offer.

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Bilateral Co-operation over Disaster Relief

The French are likely to raise this. The ODA are willing to discuss this with them, despite reservations as to the practical applications. The French have told us that they hope a declaration might be agreed at the Summit. We suggest the following:

- The two sides have agreed that British and French experts should examine the possibilities of extending existing co-ordination in emergency relief overseas in areas of mutual interest.

The Treasury will be writing separately on IMF Quotas /EBRD later this week, when it is hoped the position will be clear.

We will write again with material which could be drawn on at the joint Press Conference.

/ Personality notes on the President and Messrs Dumas and Chevènement are enclosed.

I am copying this letter to Sonia Phippard (Cabinet Office) and Simon Webb (MOD).

Yours ever
Richard Gozney

(R H T Gozney)
Private Secretary

C D Powell Esq
10 Downing Street

The National Archives

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As at 1.5.90

PRIME MINISTER'S VISIT TO WADDESDON FOR THE
ANGLO-FRENCH SUMMIT
FRIDAY, 4 MAY 190

DISTRIBUTION:

Mr. Powell
Mr. Ingham
Mr. Bean
Mr. Beaumont
Mrs. Allan
Mrs. Dibblin
DCI Dwyer
DI Lewis
Telephonists (Please see note below re Wet Weather Programme)
Duty Clerk
Garden Rooms
Mr. Oliver
Mr. Rumble
Mr. Dean
Mr. Blackeby

ADVANCE:

a.m.
Mr. Oliver to Waddesdon

Mr. Blackeby: Mr. Bean from home to Waddesdon
Beige Montego F733 RJD

GCS: Mr. Beaumont from home to Waddesdon Town Hall No pass needed.

p.m.
Mr. Dean to Waddesdon
Blue Rover E622 KYW

Helicopter Party

Prime Minister
Foreign Secretary
Mr. C.D. Powell
Mr. B. Ingham
Mrs. A. Allan
Mrs. J. Dibblin

TEMPORARILY RETAINED
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0840 Depart No.10 for Wellington Barracks

Car 1 (Mr. Rumble)
Prime Minister
Mr. C.D. Powell

Back-up

Car 2
Mr. B. Ingham (Mr. Dean)
Mrs. A. Allan
Mrs. J. Dibblin

0850 Depart Wellington Barracks for Waddesdon

0915 Arrive Waddesdon

Mr. Oliver and Mr. Blackeby available if necessary; or
Walk to house

0945 President Mitterrand arrives

1000-1130 Bilateral Meeting

1145-1230 Plenary Session

1240-1330 Press Conference

1330-1515 (for 1330) Lunch

(c. 1515 Depart for No.10 (Mr. Blackeby)
Mr. B. Ingham
Mr. I. Beaumont
Mrs. A. Allan)

1515-1545 Break
(Possibility of further talks or
Walk in the grounds)

½ hr early.

1545-1645 Tour of Waddesdon Manor

1650 President Mitterrand departs for Northolt with Foreign Secretary

c. 1655 Depart for Chequers

16.25?

Car 1 (Mr. Oliver)
Prime Minister
Mrs. J. Dibblin

Back-up

(c. 1655 Depart for No.10 (Mr. Dean)
Mr. C.D. Powell
Mr. P. Bean)

NB.

CONTACT POINT AT WADDESDON:

Mrs. J. Dibblin
Tel. 0296 651 211
Fax. 0296 651 293

WET WEATHER PROGRAMME

IN THE EVENT OF NO-GO, THE RAF WILL TELEPHONE NO.10 AT 0630 A.M.

TELEPHONISTS PLEASE INFORM DUTY CLERK, MRS. DIBBLIN and all participants.
FOREIGN SECRETARY'S CONTACT POINT: Resident Clerk, FCO.

0745 Depart No.10

Car 1 (Mr. Rumble)
Prime Minister
Mr. C.D. Powell

Car 2
Mr. B. Ingham (Mr. Dean)
Mrs. A. Allan
Mrs. J. Dibblin

jd c:waddesdon

CCB/4

LIST OF GUESTS ATTENDING THE LUNCHEON TO BE GIVEN BY THE PRIME MINISTER IN HONOUR OF HIS EXCELLENCY MONSIEUR FRANCOIS MITTERRAND, PRESIDENT OF THE FRENCH REPUBLIC AT WADDESDON MANOR ON FRIDAY, 4 MAY 1990 AT 1.30 PM FOR 1.45 PM

	The Prime Minister	
*	His Excellency Monsieur Francois Mitterrand	
	His Excellency Monsieur Roland Dumas	Foreign Minister
*	His Excellency Monsieur Jean-Pierre Chevenement	Defence Minister
	Vice Amiral Jacques d'Escadre Lanxade	Armed Forces Counsellor to the President of the French Republic
	His Excellency the Ambassador of the French Republic	
	Monsieur Jacques Attali	Special Counsellor to the President of the French Republic
	Monsieur Hubert Védrine	Adviser and Spokesman for the President
	Rt Hon Douglas Hurd, MP	
	Rt Hon Tom King, MP	
	The Lord Rothschild and The Lady Rothschild	
	Sir Ewen Fergusson	
	Mr. Charles Powell	
	Mr. Bernard Ingham	

REVISED SEATING PLAN FOR LUNCH ON 4 MAY

	Monsieur Jacques Attali	Mr. Charles Powell
	Rt Hon Tom King	The Lady Rothschild
*	HE Monsieur Jean-Pierre Chevenement	Monsieur Roland Dumas
	PRIME MINISTER	Rt Hon Douglas Hurd
*	HE Monsieur Francois Mitterrand	Vice Amiral Jacques d'Escadre Lanxade
	The Lord Rothschild	Sir Ewen Fergusson
	HE The Ambassador of the French Republic	Monsieur Hubert Védrine

Mr. Bernard Ingham

Double Doors open on to Conservatory

Draft of Anglo/French Summit Communiqu§ to register our intention to strengthen security cooperation

---

The President of the Republic and the Prime Minister agree that, at a time of profound change in East West relations, France and Great Britain should cooperate more closely on security and defence matters.

They have accordingly asked their Foreign and Defence Ministers to supervise an enhanced programme of cooperation on all these issues, with particular emphasis on future security arrangements in Europe.

They see this as a long term effort, with three goals;

- First, to ensure that the opportunties for the further development of East-West relations are purused, in conjunction with allies and partners, in ways which increase long term stability in Europe.

- Second, to make the fullest possible contribution to the security of Western Europe at a time of uncertainty and potential instability as well as hope for a safer and freer Europe;

- Third, to develop cooperation between their armed forces, building on similarities in outlook and structure.

They received a report from Foreign and Defence Ministers on these issues and agreed to review progress at their next meeting.

ANGLO-FRENCH SUMMIT, 4 MAY: PERSONALITY NOTES

FRANCOIS MITTERRAND GCB, PRESIDENT OF THE REPUBLIC

1. Born 1916. One of the few French politicians to oppose General De Gaulle's return to power in 1958. Elected President in 1981, and re-elected in 1988. Mitterrand has made the PS the dominant force on the French left. His tactical skills showed during the long period of opposition and of difficult relations with the Communist Party. As President, he has sought to appear aloof from Party politics, but still exerts influence behind the scenes. Since his re-election, he has generally enjoyed high popularity ratings. He does not speak English.

ROLAND DUMAS GCMG, FOREIGN MINISTER

2. Born 1922. Like Mitterrand, Dumas fought in the Resistance but voted against the establishment of De Gaulle's Fifth Republic. One of Mitterrand's closest political allies and rare confidants (he is his personal lawyer). Dumas has combined politics with a successful career at the Paris Bar. He also has a passion for art: he was Picasso's lawyer and played a key role in resolving the complex dispute over the artist's estate. He suffers from back problems and it was rumoured last year that he wanted to resign as Foreign Minister. A gifted linguist with quite good English.

JEAN-PIERRE CHEVÈNEMENT, DEFENCE MINISTER

3. Born 1939. Chevènement is on the left of the PS and has had his differences with Mitterrand. He sets great store by Republican values and is a strong nationalist, sound on defence and sceptical about European federation. He is leery of German unification. He favours an "autonomous" European defence system, centred on the British and French nuclear deterrents. He understands simple English but does not speak it.

02. 05. 90

RESTRICTED

Foreign and Commonwealth Office

London SW1A 2AH

30 April 1990

Dear Charles,

Anglo-French Summit: 4 May 1990

Thank you for your letter of 27 April. The Head of Western European Department, Hilary Synnott, will leave for Bonn immediately after the Summit in order to attend the 2 + 4 Ministerial meeting on 5 May. Therefore the Assistant, Nigel Cox, will go to Waddesdon to take the note of the plenary session.

Yours ever,

(R H T Gozney)
Private Secretary

C D Powell Esq
10 Downing Street

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FRANCE: Visits of Mitterand Part 7

Paris 27 April 1990

POINTS OF AGREEMENT AND QUESTIONS FOR MINISTERIAL

DISCUSSION JOINTLY DRAFTED BY OFFICIALS

(latest draft)

I SECURITY ASPECTS OF THE UNIFICATION OF GERMANY
(DISCUSSIONS BETWEEN THE 6)

1. We agree that:

- in particular we should not accept Soviet demands to negotiate in the discussions between the 6 limits (a) on the Bundeswehr, (b) on the stationning of Western forces in Germany, (c) on the presence of NATO nuclear weapons in Germany. Solutions to these questions should be found in the more general framework of disarmament negotiations (Vienna or SNF negotiations between the relevant allies);

- in the framework of the Ottawa Group we should adhere to the Helsinki principles, in particular:

  * the principle of sovereignty which prevents the imposition of any special statute for Germany,

  * the right of Germany to belong, or not to belong, to a security alliance

- progress on unification should not be conditional on any other negotiation, or on the transformation of Western defence structures;

2. Questions for Ministerial discussion

- How to convince the Soviet Union that its security concerns will be taken into account in the context of disarmament negotiations and in the development of certain models of European Security cooperation?

- by the opening of a new negotiation (CFE II) immediately after signature of the CFE Treaty (but without delaying that Signature), which will eventually take into account manpower levels?

- by specific measures for the GDR, falling short of creating a zone subject to special statute?

- by arrangements for the withdrawal of Soviet troops from GDR which will be agreed between Germany and the Soviet Union?

- by the unilateral reaffirmation by Germany not to produce ABC weapons?

- by the strengthening of the CSCE process, including a certain institutionalisation (regular meetings, crisis handling centre etc) and by agreeing that the Group of Six will report on its deliberations to the CSCE Summit?

II. THE FUTURE OF CONVENTIONAL ARMS CONTROL

1. We agree that:

- the momentum should be continued post-CFE;

- the CSCE Summit should be the occasion for laying down guidelines for further work, with minimum adjustments to the CFE mandate;

2. Questions for Ministerial discussion

- What should be the objectives of arms control:

  * ceilings on manpower?
  * further reductions across the board in existing or new TLE categories?
  * a special focus on central Europe as part of the security context of a possible complete withdrawal of Soviet forces back to the Soviet Union?

- What form should these new measures take: treaty imposed limitations or unilateral commitments?

III. FUTURE FORCE STRUCTURES

1. We agree that:

- changes in Europe require us to look again at our security arrangements;

- to this end, two objectives should be pursued:

  * to maintain the transatlantic security link, and thus the presence of American forces in Europe, including Germany,

  * to allow the development of cooperation between European forces, including in Germany.

- in this respect an intensified cooperation between European forces, including in multinational form, could be a positive factor.

2. Questions for Ministerial discussion

- How to strengthen European military cooperation?

- How, in parallel, to set about the renewal of existing Western security systems, whilst preserving a permanent transatlantic link and the presence of American forces in Europe?

- More specifically, can Western defence structures evolve in such a way as to maximise the defence efforts of the various allies in the conventional field? What role in this respect can cooperation play, including the idea of multinationality?

IV. NUCLEAR ISSUES

1. We agree that:

- nuclear deterrence should be preserved and requires a suitable mix of strategic and sub-strategic systems;
- it is important to retain European public support for deterrence, and the presence of nuclear weapons in Europe, including in Germany.

2. Questions for Ministerial discussion

- How best to guarantee support for nuclear deterrence in Europe?

- Should the European role of British and French nuclear systems be emphasized by developing or updating the nuclear section of the WEU platform to take on board minimum deterrence? By playing up the need for a European as well as an American element in the deterrence equation?

- What line to take on land based American missiles, given German opposition: negotiation (to equal levels or zero) or unilateral abandonment?

- Can we exploit apparent Soviet interest in the concept of "minimum nuclear deterrence" to engage them in bilateral discussion of our version of minimum deterrence?

V. BILATERAL DEFENCE COOPERATION

1. We agree that:

- bilateral defence cooperation is extensive, but can still be improved.

- the public perception of it does not match the reality.

2. Questions for Ministerial discussion

- What are the most promising areas in developing cooperation: participation in exercises, extra-European as well as European; reciprocal use of training areas and establishments?

- How can we best increase public awareness of the considerable practical cooperation that exists?

- How to ensure that this cooperation can strengthen broader European security cooperation?

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10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

27 April 1990

Dear Stephen.

ANGLO-FRENCH SUMMIT
ADMINISTRATIVE ARRANGEMENTS

Thank you for your letter of 27 April about the administrative arrangements for the Anglo-French Summit. These all seem to be going very well. I do not think there will be any difficulty in finding a place for the Foreign Secretary and his detective on the helicopter, although in extremis the detective might have to go separately. The Prime Minister would be most grateful if the Foreign Secretary were to see President Mitterrand off at Northolt after the meeting.

I agree with you that the French ideas on participation at the Plenary session are rather exaggerated and we ought to try to reduce them to 4 or 5 plus a notetaker. I think the two Ambassadors should attend the Ministerial lunch and so should Bernard Ingham on our side making it up to 15.

As regards interpretation, I know the Prime Minister's preference will be to use only M. Thierry for the bilateral if he is willing to translate in both directions. Could you please establish whether he is so willing.

Amanda Ponsonby is in touch separately about gifts. The Prime Minister has suggested a signed Piper print of Waddesdon. I would defy anyone to have recognised President Mitterrand's last gift as a teapot: let's hope this one will be more easily recognisable!

Yours ever.

(CHARLES POWELL)

J.S. Wall, Esq., L.V.O.,
Foreign and Commonwealth Office.

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Foreign and Commonwealth Office

London SW1A 2AH

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27 April 1990

Dear Charles,

Anglo-French Summit, 4 May: Administrative Arrangements

The French Chief of Protocol has carried out his reconnaissance visit to Waddesdon. GHF and our Protocol Department will be finalising the programme and full administration plans in the next few days.

On 26 April you sent us President Mitterrand's message agreeing to the Prime Minister's proposals on ministerial participation and the agenda (her letter of 17 April to President Mitterrand). The programme has also been agreed:

0945	President Mitterrand and his party arrive at Waddesdon
1000-1130	Bilateral meetings
1145-1230	Plenary Session
1240-1330	Joint press conference
1330 (for 1345)-1515	Lunch
1515-1545 Break	(possibility of further talks or a walk in the grounds)
1545-1645	Tour of Waddesdon Manor
1650	Depart for Northolt

I understand that the Prime Minister is travelling to Waddesdon Manor by helicopter, leaving Wellington Barracks at 0850 and arriving at Waddesdon at 0915, and that there are two places available in principle for the Foreign Secretary and his detective. Is this all right? The Defence Secretary will travel to Waddesdon separately, also by helicopter.

We assume that the Prime Minister will not wish to accompany President Mitterrand to Northolt after the Summit. The Foreign Secretary would be happy to do so.

Participation

For the Prime Minister's bilateral meeting with President Mitterrand the French have agreed to our proposal that the Prime Minister and President should be accompanied by one adviser each.

For the Plenary Session we had been thinking that the Prime Minister and President should be accompanied by one adviser each, and the Foreign and Defence Ministers and the two Ambassadors. However, the French here say they would like to include 8 or 9 senior officials. They would sit behind

their principals, not at the table. This seems excessive and we might ask them to reduce to 4 or 5 (including President Mitterrand's Adviser and their Ambassador).

For the lunch you said in your letter of 22 March said that you could agree to the President being accompanied by 2 or 3 members of his staff as well as Foreign and Defence Ministers. The French would like the President and the 2 Ministers to be accompanied by a total of 3 advisers, which meets your bill.

I should be grateful to know whether you can agree to these suggestions. If so we suggest that British participation at the Plenary might include 4 officials: yourself, HMA Paris, John Weston and an MOD official. I am pursuing separately the question of a notetaker. You have said that at the lunch you would be the only British official. This would mean, with Lord and Lady Rothschild, a total of 12, There will be a separate lunch for other officials, including the two Ambassadors.

We have no definite news yet from the French on the names of officials in the French party. We are therefore unable to say which officials will accompany the Foreign and Defence Secretaries in their bilateral meetings.

Interpretation

Consecutive interpretation will be provided during the Prime Minister's talks with the President by M Thierry and Mrs Maria Fairweather. I said in my letter of 21 March that there will be simultaneous interpretation during the Plenary Session. This will be provided by two British interpreters, Mrs Mary Penney and Mr L Scherman. (Neither of the French interpreters use the infra-red/CCTV system which will be in use.) Mr Scherman is an experienced French mother-tongue interpreter. The interpreters will be out of sight. Simultaneous interpretation at the press conference will be provided by Mrs Penney and M Thierry.

Gifts

We understand that President Mitterrand will bring a gift for the Prime Minister. We are told that it is likely to be a Sevres teapot.

We shall write again on content early next week.

I am copying this letter to Simon Webb (MOD)

Yours, Stephen Wall

(J S Wall)
Private Secretary

C D Powell Esq
10 Downing Street

RESTRICTED

(EAM) CA/WP80/5/FOREIGN/ANGLO. THW

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

27 April 1990

Anglo-French Summit

It would be very helpful to have someone nominated as note-taker for the plenary session of the Anglo-French Summit next week. Could you please find someone to take on this task.

CHARLES POWELL

J.S. Wall, Esq.,
Foreign and Commonwealth Office.

RESTRICTED

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(EAD)
C/WOODS/FOREIGN/SUMMIT. TOW

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

27 April 1990

Anglo-French Summit

Thank you for your letter of 26 April covering a draft statement about Anglo-French defence relations, which we might aim to issue from the Summit next Friday. I am confident the Prime Minister will be content with this.

I am copying this letter to Simon Webb (Ministry of Defence).

CHARLES POWELL

J.S. Wall, Esq.,
Foreign and Commonwealth Office.

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LCCPC (1)

Foreign and Commonwealth Office

London SW1A 2AH

26 April 1990

Dear Charles,

Anglo-French Summit, 4 May

In my letter of 12 April, I said that we would write with ideas on possible themes for inclusion in a joint declaration. You may also have seen Paris telnos 422 and 423.

The Foreign Secretary suggests that we should aim for a statement about the defence relationship. We have assembled a certain amount of material on the other areas listed by the Embassy in Paris (science and technology and cultural affairs), but there is little that is strikingly new. A declaration covering all of this grounds, but which made no mention of EC matters, would risk being counter-productive by highlighting the omission of the latter. I enclose a draft form of words, based on the text which the Foreign Secretary submitted to the Prime Minister before her meeting with President Mitterrand in January.

The Foreign Secretary thinks that the Embassy's suggestion that the Prime Minister might agree to be interviewed on French television might be looked at after the Summit.

We will write again soon on the administrative arrangements for the Summit.

I am copying this letter to Simon Webb (MOD).

Yours,

Stephen Wall

(J S Wall)
Private Secretary

C D Powell Esq
10 Downing Street

CONFIDENTIAL

A1190

DRAFT ANGLO-FRENCH SUMMIT DECLARATION: SECURITY ISSUES

- The Prime Minister and the President agree that, at a time of profound change in East-West relations, there is a strong need for Britain and France to cooperate more closely on defence and arms control issues.

- They accordingly asked their Foreign and Defence Ministers in January to supervise an enhanced programme of cooperation across the range of these issues, with particular emphasis on nuclear matters, future security arrangements in Europe and conventional arms control.

- They see this as a long term effort, with three goals:

  - first to develop cooperation between their armed forces, building on similarities in scale and structure;

  - second to make the fullest possible contribution to the security of Western Europe at a time of uncertainty and potential instability as well as hopes for a safer and freer Europe;

  - third to ensure that the opportunities for the further development of East-West relations are are pursued, in conjunction with allies and partners, in ways which increase long term stability in Europe.

- They received a report from Foreign and Defence Ministers on these issues and agreed to review progress at their next meeting.

FRANCE : Visits of Pres Mitterand

Part 7.

V18

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

25 April 1990

I enclose President Mitterrand's reply to the Prime Minister's recent message about the Anglo/French Summit.

CHARLES POWELL

Richard Gozney, Esq.,
Foreign and Commonwealth Office.

AMBASSADE DE FRANCE
LONDRES

L'AMBASSADEUR

April 25th, 1990

N° 974

Dear Prime Minister

I have just received the text of a letter addressed to you by Monsieur François MITTERRAND, Président de la République.

I enclose it herewith.

Yours ever

Luc de La Barre de Nanteuil

The Rt.Hon. Margaret THATCHER, MP

Prime Minister
10 Downing Street
LONDON S.W.1

LE PRÉSIDENT DE LA RÉPUBLIQUE

Paris, le 24 avril 1990

PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. T109A(ii)/90

Madame le Premier Ministre,

Je vous remercie de votre lettre du 17 avril et de vos propositions quant au prochain Sommet franco-britannique de Waddesdon Manor.

Je suis en plein accord avec vous sur les thèmes que vous proposez pour nos discussions, ainsi que sur la présence des seuls Ministres des Affaires Etrangères et de la Défense.

Je suis convaincu que nos conversations ne pourront que profiter d'un ordre du jour clairement circonscrit et d'une participation restreinte.

Les indications que vous m'avez transmises sur votre entretien avec le Président Bush aux Bermudes ont retenu toute mon attention.

Je me réjouis de pouvoir, le 4 mai, vous livrer mes propres impressions sur la rencontre de Key Largo.

Je vous prie de croire, Madame le Premier Ministre, à l'expression de mes très respectueux hommages et de mon fidèle souvenir

François Mitterrand

François MITTERRAND

Madame Margareth THATCHER
Premier Ministre du
Royaume-Uni de Grande Bretagne
Et d'Irlande du Nord

03.05.
AM 90

file ats

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

17 April 1990

I enclose the Prime Minister's letter to President Mitterrand, conveying the formal invitation to the Anglo-French Summit. I should be grateful if it could be telegraphed to Paris for delivery to the Elysée today.

C. D. POWELL

R. N. Peirce, Esq.
Foreign and Commonwealth Office

Subject cc Charter
Opd.

fric DTS
(cc Foreign
Mitterra. des)

PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. T76/90

10 DOWNING STREET
LONDON SW1A 2AA

cc FCO

THE PRIME MINISTER

17 April 1990

Dear Mr. President,

I am writing to invite you formally to the Anglo-French Summit at Waddesdon Manor on 4 May. I suggest that our main themes for discussion should be: the consequences of German unification, security issues, EC issues, and developments in the Soviet Union and Eastern Europe. There may be a number of regional issues to discuss as well. I think it will be important to have a very thorough exchange on these questions. In view of this agenda, I propose that ministerial attendance be limited to the two Foreign and Defence Ministers.

I hope these arrangements will meet with your agreement. The British Embassy in Paris will be in touch with your staff shortly to follow up more detailed arrangements.

I am greatly looking forward to our meeting and to showing you Waddesdon Manor. I shall be writing separately about my meeting with President Bush.

Yours sincerely

Margaret Thatcher

His Excellency Monsieur le President Mitterrand, G.C.B.

DS

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10 DOWNING STREET

LONDON SW1A 2AA

15 April 1990

From the Private Secretary

Dear Richard.

ANGLO-FRENCH SUMMIT, 4 MAY

Bob Peirce wrote to me on 12 April about the arrangements for the Anglo-French Summit. I am sure the Prime Minister would be content with the revised Ministerial participation and programme, and with what you propose for participation by officials. I will put the letter to President Mitterrand to her for signature.

Yours ever,

Charles

C. D. POWELL

Richard Gozney, Esq.
Foreign and Commonwealth Office

CONFIDENTIAL

cc PC
LSG

Foreign and Commonwealth Office

London SW1A 2AH

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12 April 1990

Dear Charles

Anglo-French Summit: 4 May

Thank you for your letters of 22 March and 2 April.

We have informed the French informally of the Prime Minister's preference as regards participation by Ministers. Officials at the Elysee have indicated that President Mitterrand's preference too would be for restricted participation. In practice, this means foreign and defence ministers only: we have been informed that the Chancellor of the Exchequer would not be able to attend the Summit (but, as I mentioned in my letter of 21 March, he and M Bérégovoy are meeting anyway on 15 May).

We think it advisable to put our ideas formally to the French soon, so that we can start tying down the administrative arrangements. The Prime Minister might like to write to President Mitterrand. I enclose a draft.

As to the programme, we agree that it would be best to hold the press conference before lunch. This means a programme along the following lines:

-	0945	Arrive at Waddesdon
-	1000-1130	Bilateral Meetings
-	1145-1230	Plenary Session
-	1240-1330	Press Conference
-	1330-1500	Lunch
-	1500-1530	Break (further tête à tête session or walk in the grounds)
-	1530-1630	Tour of Waddesdon Manor
-	1645	Depart for Northolt

/Your

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Your letter of 22 March set out your views on participation at the lunch. It would also be helpful to have your views on participation by officials in the Prime Minister's talks with President Mitterrand and at the Plenary Session. We assume that you would wish to keep numbers down to principals plus one each at the former. For the latter, we suggest that the Prime Minister and President Mitterrand be accompanied by one adviser each and that the other ministers attend unaccompanied other than by the two ambassadors.

We shall write again shortly on possible themes for inclusion in the joint declaration.

Yours ever

Bobby

(R N Peirce)
Private Secretary

C D Powell Esq
10 Downing Street

FROM: Prime Minister

TO: President Mitterrand

A: Foreign! Mitterra. das

I ~~thought it would be timely to write formally inviting~~ am writing to invite you formally ~~you~~ to the Anglo-French Summit at Waddesdon Manor on 4 May, ~~and to let you have~~ our thoughts on content and ~~participation.~~

I suggest that ~~the~~ our main themes for discussion ~~to be tackled~~ should be: the consequences of German unification; security issues; EC issues; and developments in the Soviet Union and Eastern Europe. There may ~~possibly~~ be one ~~or two~~ a number of regional issues to discuss as well. ~~It is important that we should be able~~ I think it will be very important to have a thorough exchange ~~of views~~ on these questions. In view of this agenda, I propose that ministerial attendance be limited to the two Foreign and Defence Ministers.

I hope these arrangements will meet with your agreement. The British Embassy in Paris will be in touch with your staff shortly to follow up more detailed arrangements.

I am greatly looking forward to our meeting when showing you Waddesdon Manor.

RK4ACU/1

FRANCE: Visit of Mitterrand
Pt 7

TPM

FILE
DA
LPC

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

2 April 1990

ANGLO-FRENCH SUMMIT

The Prime Minister has confirmed that she would like Jacob Rothschild and his wife to be at the lunch for President Mitterrand at Waddesdon Manor on 4 May. I should be grateful if Protocol Department could take account of this in their planning. I will meanwhile get in touch with them.

(C.D. POWELL)

Stephen Wall, Esq.,
Foreign and Commonwealth Office.

(1)

PRIME MINISTER

ANGLO/FRENCH SUMMIT

The arrangements for the Anglo/French Summit at Waddesdon are well in hand. The plan is to get through all the business and the press conference in the morning, then have lunch and look round Waddesdon in the afternoon.

I wonder whether you would want Jacob Rothschild to be on hand to show President Mitterrand round in the afternoon, in which case perhaps he (and his wife) ought to be included in the lunch.

Agree to this?

Yes pm

Yes please

CDP

C. D. POWELL
1 April 1990

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fracl (mem)

bcc PC

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

22 March 1990

Dear Richard.

ANGLO-FRENCH SUMMIT

Thank you for your letter of 21 March about the arrangements for the Anglo-French Summit.

As regards participation, I think that the Prime Minister's preference would be for the more restricted format. The agenda recommended by Sir Ewen Fergusson is perfectly all right.

Turning to the programme, I am sure the Prime Minister would like to get the press conference over before lunch, even if that means having lunch rather late. Could we not put it in from 1240-1330 and then go straight to lunch? Or perhaps even bring the whole morning programme forward by 15-30 minutes? The President could then have his break after a lunch - or a walk in the grounds which he sometimes prefers - followed by the tour of the house.

The interpretation, security arrangements and accommodation seem admirable. Participation at the lunch should be the President and the Prime Minister, other Ministers, two (or at the most three) members of President Mitterrand's staff and PS\PM. I think - but will check to be sure - that the Prime Minister would like Mr. and Mrs. (or now Lord and Lady) Rothschild to be present for lunch and the tour of the house.

The transport arrangements are fine and I agree that the ceremonial carpet guard should be at Waddesdon rather than Northolt. We shall need to decide whether the Prime Minister or Foreign Secretary should meet the President at Northolt. I think the Prime Minister would probably prefer to greet him at Waddesdon, getting there a bit early so that she can run an eye over the arrangements. But this will require a helicopter from here.

I am most grateful for the work which has already gone into this. I am copying this letter to Brian Hawtin (Ministry of Defence), John Gieve (HM Treasury) and Sonia Phippard (Cabinet Office).

Yours ever,
CHARLES POWELL

Richard Gozney, Esq.,
Foreign and Commonwealth Office

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Foreign and Commonwealth Office

London SW1A 2AH

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21 March 1990

Dear Charles,

Anglo-French Summit: 4 May

Thank you for your letter of 21 February. You may have seen Paris telno 284 (copy enclosed). We had a planning meeting with the French Embassy and a preliminary trip to Waddesdon on 14 March. Peter Bean was on the latter.

Participation

HMA Paris suggests two possibilities: wide participation involving up to eight ministers on each side; or a more restricted line-up including only the Foreign and Defence Secretaries, with the possible addition of the Chancellor and M Bérégovoy (although the latter are meeting anyway on 15 May). Our preference would be for the second option. The French Embassy here, who may not be fully up to speed with the latest thinking in Paris, see a possible role for Ministers of State for European affairs. But Foreign Ministers can cover European issues.

Agenda

We have nothing to add to Sir E Fergusson's recommendations:

- consequences of German unification;
- developments in the Soviet Union and Eastern Europe;
- security issues;
- EC issues
- regional issues.

Programme

Our discussions with the French have produced an outline programme on the following lines:

- 1000-1130	Bilateral Talks
- 1145-1230	Plenary Session
- 1245 (for 1300)-1430	Lunch
- 1430-1500	Further Tête à Tête Session if necessary
- 1500-1545	Press Conference
- 1545-1645	Tour of Waddesdon Manor

/The

The French were keen to allow for a short break after lunch, described above as "Further Tête à Tête Talks". This perhaps reflects indications from Paris that President Mitterrand would welcome a break in the programme. Although it is normal to hold the press conference rather earlier than 1500, there seems no scope for bringing it forward.

Interpretation

We are working on the basis of consecutive interpretation in the bilateral talks and the Principals' lunch; and simultaneous interpretation for the plenary session and the press conference.

Security

British and French security experts will want to check the arrangements without disturbance the day before the Summit, and the Thames Valley Police will wish to conduct a thorough search of the Manor House. This will mean closing the house to the public from Wednesday 2 May (to lay out the meeting rooms, install the equipment etc), and the house and grounds on the day of the Summit itself. The Administrator at Waddesdon advises us that the house would also have to be closed on the Saturday, as it will not have been re-arranged by then. This will affect the cost (see below).

Accommodation

We have identified rooms suitable for the Prime Minister's meeting with President Mitterrand, for three other bilateral meetings, for the plenary meeting, for the Principals' lunch (for a maximum of 18), for lunches for senior officials and support staff and for French and British office accommodation (including retiring rooms); and for the French communications. We shall need to arrange for telephones, photocopiers, etc to be installed in the two working offices.

Transport

The Queen's flight Wessex helicopter will be able to land close to the main entrance of Waddesdon; the two Pumas will land a short distance away on the estate. The occupants will be transferred to the manor by car. We assume that the Prime Minister would wish us to arrange for a ceremonial Carpet Guard on arrival at Waddesdon rather than at Northolt, where President Mitterrand will merely transfer from his aircraft to the helicopter. Waddesdon would be more photogenic.

/Press

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Press

There is no room large enough at Waddesdon (or at Eythrope) to hold the Press Conference. This will therefore have to take place in a marquee on the lawns in front of the manor. The press centre could be set up away from the estate, perhaps in the village of Waddesdon.

Cost

The Waddesdon Administrator has told us, apparently on the instructions of Mr Rothschild, that they will not charge us a facility fee. We shall, however, have to reimburse them for loss of revenue over the four days, estimated at £12,500. To this will need to be added the hire of a marquee and the installation of equipment in the two private offices. By way of comparison Leeds Castle would have cost £20,000 inclusive of catering which at Waddesdon will fall to GHF. Additional costs common to both include interpretation, transport and press facilities.

I am copying this letter to Brian Hawtin (MOD) John Gieve (HMT) and Sonia Phippard (Cabinet Office).

Yours ever,

Richard Gozney

(R H T Gozney)
Private Secretary

C D Powell Esq
10 Downing Street

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FOR WED

KERSHAW'S LETTER OF 26 FEBRUARY TO HEAD OF CHANCERY:
ANGLO-FRENCH SUMMIT, 4 MAY

SUMMARY

1. THE OBVIOUS THEME FOR THE SUMMIT WILL BE THE CONSEQUENCES OF DEVELOPMENTS IN GERMANY AND FURTHER EAST FOR EUROPEAN SECURITY AND THE COMMUNITY - AND FOR ANGLO-FRENCH COOPERATION. THIS ARGUES FOR RESTRICTED PARTICIPATION.

DETAIL

2. WE HAVE CONTACTED THE ELYSEE TO CONFIRM THAT THE SUMMIT WILL TAKE PLACE AT WADDESDON MANOR AND HAVE GIVEN THEM DETAILS ABOUT ARRIVAL AT NORTHOLT AND THE TIMING OF THE HELICOPTER JOURNEY TO WADDESDON. THE REACTION BY OFFICIALS WAS ENTHUSIASTIC ABOUT THE CHOICE OF VENUE.

3. IN SUCH A FAST-MOVING STIUATION THE PRECISE AGENDA WOULD PROBABLY BEST BE DECIDED NEARER THE TIME. BUT IT SEEMS BOTH INEVITABLE AND RIGHT THAT THE MAIN THEME OF THE SUMMIT SHOULD BE THE CONSEQUENCES OF GERMAN UNIFICATION AND DEVELOPMENTS IN THE SOVIET UNION AND EASTERN EUROPE, BOTH FOR EUROPEAN SECURITY AND FOR THE COMMUNITY. IT IS CERTAINLY THE SUBJECT WHICH MOST PREOCCUPIES PRESIDENT MITTERRAND. IT SHOULD BE POSSIBLE TO COVER THE FULL RANGE OF SECURITY (NATO, CSCE, BILATERAL DEFENCE COOPERATION) AND EC (INSTITUTIONAL AND FINANCIAL) ANGLES AS WELL AS TOUCHING BRIEFLY ON ANY BURNING ISSUES OUTSIDE EUROPE IN WHICH WE AND/OR THE FRENCH HAVE A PARTICULAR INTEREST, EG SOUTH AFRICA, AND FOR THEM LEBANON.

4. THE FRENCH WILL BE SENSITIVE ABOUT SEEING THIS SUMMIT REFERRED TO PUBLICLY AS BEING ABOUT GERMANY. THEY WILL PROBABLY WISH TO STICK TO A BLANDER DESCRIPTION OF IT AS A REGULAR EXCHANGE AT THE HIGHEST LEVEL ON CURRENT INTERNATIONAL AND BILATERAL ISSUES, WITH PARTICULAR FOCUS ON EUROPEAN QUESTIONS.

5. ON PARTICIPATION THERE ARE 2 BROAD POSSIBILITIES:

A) A WIDE RANGE OF MINISTERIAL PARTICIPATION PROVIDING SEPARATE DISCUSSIONS ON ALL MAJOR ASPECTS OF GERMAN UNIFICATION, INCLUDING, BEYOND THE THREE PAIRS ALREADY AGREED (PRIME MINISTER/MITTERRAND, FOREIGN SECRETARY/DUMAS, DEFENCE SECRETARY/CHEVENEMENT), MINISTERS OF FINANCE, INDUSTRY, AGRICULTURE, ENVIRONMENT AND INTERIOR.

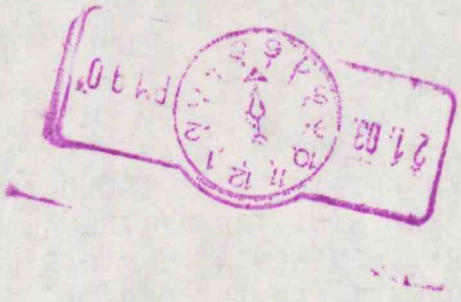
B) TO RESTRICT PARTICIPATION TO THE PRIME MINISTER AND FOREIGN AND DEFENCE SECRETARIES ON OUR SIDE, IDEALLY TOGETHER WITH THE CHANCELLOR AND M. BEREGOVOY, (BUT THEY ARE ALREADY PLANNING TO MEET BILATERALLY ON 15 MAY AND MINISTERS OF FINANCE HAVE RARELY ATTENDED BILATERAL SUMMITS.)

6. A) WOULD BE MORE COMPREHENSIVE. BUT THE PLENUM WOULD BE LENGTHY AND WITHOUT REAL EXCHANGE OF IDEAS, AND THE LARGE NUMBERS WOULD BE UNWIELDY. ALTHOUGH DRUGS AND THE ENVIRONMENT ARE ON PRESIDENT MITTERRAND'S MIND, I SHOULD NOT SUGGEST ADDING TO MINISTERIAL PARTICIPATION TO COVER THEM, SINCE THAT COULD DISTRACT ATTENTION FROM THE MAIN POLITICAL ISSUES. THE SECOND ALTERNATIVE IS MORE TO THE TASTE OF THE ELYSEE (AND FOR THAT MATTER THE QUAI ON THIS OCCASION), WHO TELL US THAT IT IS THE INFORMAL AND INTIMATE STYLE OF THE BEST CONTACTS WITH THE BRITISH WHICH IS MOST ATTRACTIVE TO MITTERRAND. THERE IS A HINT THAT THE PRESIDENT WOULD FIND A LONGISH AND MECHANICAL PLENARY SESSION BORING. THE PLENUM OF 6 OR 8 ROUND THE TABLE WOULD STAND A REASONABLE CHANCE OF PERMITTING A REAL TO AND FRO OF IDEAS, BUILDING ON THE DISCUSSIONS BETWEEN THE PRIME MINISTER AND MITTERRAND IN JANUARY, AND SUBSEQUENT MEETINGS BETWEEN FOREIGN AND DEFENCE MINISTERS.

7. I DO NOT RECOMMEND THAT ROCARD BE INVITED, GIVEN THE PRESIDENT'S ACKNOWLEDGED RESPONSIBILITY FOR FOREIGN AFFAIRS. ROCARD WOULD BE A SPARE WHEEL, AND A SLIGHTLY AWKWARD ONE TO HANDLE, SINCE HE WOULD NOT FIT INTO THE STRUCTURE OF BILATERALS. BUT IT IS NOT TO BE EXCLUDED THAT HE WOULD WANT TO COME AND THAT THE PRESIDENT WOULD WANT HIM. THERE ARE SENSITIVITIES HERE AND WE SHALL NEED TO TAKE SOUNDINGS OF THE ELYSEE NEARER THE TIME.

FERGUSSON

YYYY



FRANCE :

Visits of Mitterand Pt 7

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bc PC

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

21 February 1990

ANGLO-FRENCH SUMMIT, 4 MAY

Thank you for your letter of 20 February, taking further our discussion about the possibility of holding this year's Anglo-French Summit at Waddesdon Manor.

I have confirmed with the Prime Minister that she definitely wants to hold the Summit there, or as much of it as possible. She recognises that this is more difficult administratively than Leeds Castle, but thinks it will be infinitely more interesting for President Mitterrand.

The Prime Minister's preference would be to start at Waddesdon rather than Eythrope, and hold both the bilateral talks and the plenary session there. She would then like to allow at least one hour for a full tour of Waddesdon itself, in which she thinks President Mitterrand will be particularly interested. She would like to hold the lunch at Waddesdon as well as the press conference, provided it can be closed to the public that day, and the cost quoted by the Administrator can be substantially reduced. If not, we would use Eythrope.

I should be grateful if planning can now proceed on this as rapidly as possible. This should include the possibility of using helicopters (preferably of The Queen's flight for President Mitterrand) to bring the main French party direct into Waddesdon (or Eythrope).

The booking for Leeds Castle can now be dropped.

(C. D. POWELL)

Stephen Wall, Esq.,
Foreign and Commonwealth Office.

6

CONFIDENTIAL

(1)

PRIME MINISTER

Discussed CP.

ANGLO-FRENCH SUMMIT

You will wish to consider the attached letter about arrangements for the Anglo-French Summit at Waddesdon/Eythrope.

The proposal is to hold bilaterals at Eythrope, then drive the 5 minutes to Waddesdon for a plenary followed by a tour of the house. Depending on whether Waddesdon can be closed to the public that afternoon, the lunch could either be at Waddesdon or at Eythrope, followed by a press conference (probably in a marquee).

The alternative would be to go for Leeds Castle: but they have a rival booking, and we shall need to let them know today or tomorrow whether we want it.

The Waddesdon/Eythrope option will require some improvisation and has more risk of organisational failures: but it will undoubtedly be more fun, and would certainly give pleasure to President Mitterrand.

Agree to Waddesdon?

CP

CHARLES POWELL
21 FEBRUARY 1990

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CAPC

Foreign and Commonwealth Office

London SW1A 2AH

20 February 1990

Dear Charles,

Anglo-French Summit, 4 May top

Thank you for your letter of 11 February, in which you raised the possibility of holding at least half of this year's Anglo-French Summit at Waddesdon Manor.

It would certainly be feasible to hold the Summit at Waddesdon and/or Eythrope House, which is Jacob Rothschild's private house on the same estate. The main difficulty is that Waddesdon itself is in the hands of the National Trust, and is open the public between 1.00 and 5.00 pm on weekdays. The Director General of the National Trust, Mr Angus Stirling, was initially strongly against closing Waddesdon to the public on that day but he has now modified his stance somewhat. Disruption (and cost to HMG) could be minimised by following the scenario outlined below.

The most convenient airports for Waddesdon/Eythrope are RAF Brize Norton (45 minutes' escorted drive) or RAF Benson (escorted drive takes 40 minutes, but RAF Benson is not an all-weather airport and it closes at 5.00 pm). Northolt (45-60 minutes' drive) or Upper Heyford are also possibilities, though the latter is used exclusively by the US Air Force. Travelling time would be some 30 minutes. Alternatively, the VIPs could transfer to Eythrope by helicopter (there is no helicopter pad, but the helicopters could touch down on the lawns).

We imagine that the programme would be built around simultaneous meetings between the Prime Minister/President Mitterrand and participating Ministers and their French counterparts, followed by a plenary session and lunch. Eythrope has five rooms suitable for these meetings. The largest could take 20 people round a table. For this reason, it might make sense to hold the plenary session in Waddesdon itself, some 15 minutes' drive on private roads from Eythrope. This suggests a programme along the following lines:

0930-1030	Parallel bilateral talks at Eythrope
1045	Drive to Waddesdon
1100-1200	Plenary session
1200-1230	Tour of Waddesdon Manor
1230	Return to Eythrope

1300-1430	Lunch (separate lunches: principals plus one adviser each; other senior officials; support staff)
1500	Press conference at Eythrope (this would probably have to be held in a marquee)

If it is decided that Waddesdon Manor can, after all, be closed to the public on the day in question, the lunch and press conference could be held there too. But this would be more costly. The administrator at Waddesdon, Colonel Crawforth, originally estimated the cost of using the facilities there to be £25-30,000. I understand that Jacob Rothschild's staff have been in touch with him in New York and that he hopes a substantial reduction in this figure would be possible. Precise costings are not yet available.

As Richard Gozney mentioned in his letter of 9 February, Leeds Castle have a firm booking for 3-4 May which they have not so far confirmed. They are likely to come under heavy pressure to take a decision very soon.

Yours.

Stephen Wall

(J S Wall)
Private Secretary

C D Powell Esq
10 Downing Street

FRANCE : visits of Mitterand #7

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FILE KK

c/Foreign/Summit

bc PC

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

11 February 1990

ANGLO-FRENCH SUMMIT: 4 MAY 1990

Thank you for your letter of 9 February about the Anglo-French Summit. The Prime Minister has expressed interest in holding at least part of the Summit at Waddesdon, the Rothschild house in Buckinghamshire, and indeed mentioned this to Jacob Rothschild some weeks ago. She would like the possibilities to be looked at very rapidly before a decision is reached. If on examination it is found not to be feasible, I imagine she would agree to Leeds Castle.

(C. D. POWELL)

Richard Gozney, Esq.,
Foreign and Commonwealth Office.

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Foreign and Commonwealth Office

London SW1A 2AH

CONFIDENTIAL

9 February 1990

Dear Charles,

Anglo-French Summit : 4 May 1990

We have been looking into venues and "public" events for the Anglo-French Summit on 4 May as requested in your letter of 9 November.

The Foreign Secretary thinks it would be right to raise the profile of the Anglo-French Summit. A venue outside London or an outside visit would achieve this.

Venue

- Leeds Castle. The conference facilities are excellent and security can be ensured.

- Glasgow ("European City of Culture" for 1990.) Suitable accommodation could be found in the City Centre, but the meetings would have to be held in the City Chambers. Security aspects would need to be looked into carefully.

- Edinburgh. Edinburgh Castle would be a prestigious and secure venue for the meeting. Accomodation could be arranged in one of the city's two 5-star hotels.

Outside Element

- Education

A number of schools in Kent and East Sussex have good language departments and strong links with France. Sussex University also has links with France. Kent University is the focal point in the UK of the ERASMUS programme.

The Foreign Secretary favours holding the summit at Leeds Castle. We would need to make the booking quickly. Leeds Castle are under pressure, with a firm booking for 3/4 May. They will have to make a decision soon.

/If the

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You might want to make an outside visit nearby. If the Prime Minister agrees we could identify quickly a Kent Secondary School with a strong French Department and a good language laboratory, or a scientific project at Kent University which would lend itself to a publicised visit by the two Heads of Government.

Yours ever,

Richard Gozney

(R H T Gozney)
Private Secretary

C D Powell Esq
10 Downing Street

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FRANCE
visits of Mitterand
Pt 7.

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ANGLO-FRENCH SUMMIT - 4 MAY 1990

1. THE ELYSEE TOLD US TODAY THAT 4 MAY IS ACCEPTED AS THE DATE FOR THE NEXT ANGLO-FRENCH SUMMIT MEETING.

FERGUSSON

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10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

9 November 1989

ANGLO-FRENCH SUMMIT

You wrote to Dominic Morris on 20 October about dates for the Anglo-French Summit in 1990. The date which would be most manageable from the Prime Minister's point of view would be Friday 4 May. I agree that we should aim for relatively limited Ministerial participation. I think the Prime Minister would be open to a suggestion for an outside venue or at least some outside element to the programme. But previous attempts to come up with something have not been very successful, so I see little point in approaching her on the principle until we know what we can offer in practice.

(C.D. POWELL)

Richard Gozney, Esq.,
Foreign and Commonwealth Office.

MR. POWELL ✓ Not yet OR

I have offered Friday 4 May to the Foreign Office for next year's Anglo-French Summit. However, I have left it to them to check that Lee Kuan Yew (who was offered this date as an alternative to 25 May) will not be visiting the UK at that time. They will come back to me about this in a day or so.

Amanda

AMANDA
24.10.89

Charles

Richard Gozney has confirmed that Lee Kuan Yew will come on 25 May. We can therefore go for an Anglo-French summit on 4 May. AP 9/11

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Foreign and Commonwealth Office

London SW1A 2AH

20 October 1989

Dear Dominic,

Anglo-French Summit: 1990

The last annual Anglo-French Summit took place in France on 27 February 1989. It will be our turn to host it next year. It would be helpful to put dates to the French soon, and to know the Prime Minister's views on participation and venue.

Timing

As in previous years, the most convenient days seem to be Mondays and Fridays, thereby avoiding a clash with Cabinet, Prime Minister's Questions and French Cabinet (on Wednesdays). From a purely practical point of view, a Friday seems preferable: the inevitable last-minute hitches are more easily straightened out from the office.

It would also seem sensible to avoid clashes with other major commitments in the period in question. These include the Anglo-German Summit (29-30 March); the Easter Parliamentary Recess (12-23 April); an informal meeting of EC Foreign Ministers (28-29 April); a WEU Ministerial meeting (30 April - 1 May); a Foreign Affairs Council meeting (7-8 May); a possible visit to Paris by HM The Queen Mother (around 15 May - likely senior French involvement); and the Calais and Dunkirk celebrations in the last week of May (President Mitterrand is likely to attend). This suggests that the period from 27 April to 11 May, but preferably avoiding 30 April-1 May and 7-8 May, might be the most convenient.

Participation

In 1988, when we last hosted the Summit, the participants were the Prime Minister, the Foreign, Home and Defence Secretaries, the Chancellor of the Exchequer, the Minister of Agriculture, Lynda Chalker and Francis Maude. The last four did not participate this year; but the Secretary of State for Trade and Industry did. It is too early to decide on participation but we might keep it down to a relatively small team this time.

/Venue

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Venue

Particularly if the Summit takes place in the spring, we could consider a venue outside London. It would help to work in some more visible public event alongside the talks, to give the occasion more of a profile and perhaps show President Mitterrand some striking British achievement. If the Prime Minister favours the idea of an outside venue or some outside element to the programme, we could produce recommendations. The Prime Minister may have a venue in mind already.

I am copying this letter to Trevor Woolley (Cabinet Office).

Yours ever,

Richard Gozney

(R H T Gozney)
Private Secretary

Dominic Morris Esq
10 Downing Street

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MRMANF

cc PC

SUBJECT cc Mark

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

1 September 1989

PRIME MINISTER'S MEETING WITH PRESIDENT MITTERRAND

The Prime Minister entertained President Mitterrand at Chequers today for talks and lunch, lasting some five hours in all. The Prime Minister and the President held private talks, which were also attended by Madame Guigou on the French side, both before and after lunch, while Foreign Ministers and Ambassadors met in a separate room. The two Foreign Ministers joined the Prime Minister and the President at lunch. Later in the afternoon the Prime Minister and the President walked through the grounds of Chequers for some 45 minutes, and then concluded with a short plenary session over tea.

It was quite clear that the President envisaged the visit as part of his consultations as President of the European Community and the greater part of the discussion was concerned with Community business and Political Co-operation topics. Defence was dealt with only peripherally and arms control not at all. I am recording in separate letters the discussions of EC matters and of international political issues. The atmosphere throughout seemed to me very good, with the President stressing repeatedly his desire to avoid disputes with the United Kingdom within the European Community. We have reflected this in briefing the Press.

I am copying this letter to John Gieve (HM Treasury), Brian Hawtin (Ministry of Defence), Neil Thornton (Department of Trade and Industry) and Trevor Woolley (Cabinet Office).

CHARLES POWELL

Stephen Wall, Esq.,
Foreign and Commonwealth Office

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bc PC

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10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

1 September 1989

PRIME MINISTER'S MEETING WITH PRESIDENT MITTERRAND: EUROPEAN COMMUNITY AFFAIRS

The Prime Minister and President Mitterrand spent a good part of their meeting at Chequers today in discussion of European Community affairs. These were also dealt with in the separate meeting between the Foreign Secretary and Mr. Dumas, which you will be recording, and touched on in the concluding plenary discussion.

President Mitterrand said that he had been to see Senor Gonzalez in August as the immediate past President of the European Community. That meeting apart, the Prime Minister was the first of the other Community Heads of Government whom he would be seeing during his time as President. He had been due to meet Chancellor Kohl towards the end of next week, but this had now been postponed at Germany's request because of the many problems which the Chancellor faced in his domestic politics.

Enlargement

The Prime Minister referred to the applications for membership of the Community from Turkey and Austria and suggested that the right course was for the Community to say that it had as much on its plate at present as it could cope with, and could not even consider applications until after 1992 at the earliest. We would not say "no", but "not now". President Mitterrand agreed. He was opposed to both Austrian and Turkish membership. The main reason was that the Community was simply not ready to absorb other countries. It had enough difficulty already in co-ordinating its efforts and avoiding enlargement was a matter of elementary prudence. It would be better to postpone the whole subject for five or six years. He could not envisage how an underdeveloped country like Turkey could join the Community. People in France would never accept Turks, with their different religion and way of life, pouring into France and living in French villages. He thought the Community should have a simple line for all applicants: not now.

Social Charter

The Prime Minister explained our objections to the Social Charter. We did not want the Community to legislate in areas which were not within its competence. Moreover, we saw the Charter as an attempt to drag industry's costs up to German levels. This would serve only German interests and no-one else's. The Community should respect the diversity of national practices in this area, as well as the principle of subsidiarity.

President Mitterrand said that he was in favour of a Social Charter, but not with the same goals in mind as Germany. He was opposed to attempts at artificial equalisation. At the same time, he saw a need to show the working people of Europe that their interests were being taken into account in completion of the Single Market. In his view, the Social Charter should deal only with the most general principles, such as the need for people to enjoy basic social security: it did not matter what system was used to achieve that.

The Prime Minister commented that the Commission's draft had been an intellectual disgrace and reflected their determination to extend their role into new areas. They saw the Charter as a mechanism for securing authority to introduce new Community legislation. Some of their proposals were absurd. President Mitterrand said that the Prime Minister would never find him supporting an absurdity. He did not think that there was in practice a great difference between French and British views. He and the Prime Minister should ask Madame Guigou and Mr. Powell to sit down and work through all the practical issues involved to see what we could both accept and what caused difficulty. The purpose would be to enlarge the areas on which the two Governments could agree and reduce the areas of friction. Although he was a socialist, he very much shared the Prime Minister's oppostion to the state meddling in everything. He suggested that Madame Guigou and Mr. Powell should be asked to complete their task by the end of September. The Prime Minister said that she was much in favour of this approach. So far as possible, every government should be left to do things in its own way.

President Mitterrand agreed that the Commission always tended to take things too far. But the fact of the matter was that Britain and France were two of the most advanced countries in the world when it came to providing social protection and they ought to be able to agree on some broad principles to include in the Social Charter. He wanted a Charter but not one which led to divisions within the Community. He recognised that different countries had different ways of doing things.

President Mitterrand subsequently returned to this subject after lunch saying that he would try to keep a firm control over any differences of view between Britain and France. He did not want trouble between us. The two representatives should work as though they were Public

Notaries, setting out exactly what each side could and could not do. He wanted to emphasise his wish to avoid a Franco-British duel.

I should record that Madame Guigou subsequently said that she would be prepared to come over to London with a small team on 14 or 15 September to start on this exercise. She envisaged some three hours of discussion. On our side, I imagine it would be appropriate for David Halley to lead a team including John Kerr and representatives of the Department of Employment and other Departments. I should be grateful if arrangements could be made direct with Madame Guigou.

European Company Statute

The Prime Minister referred to the Commission's attempts to enforce a form of worker participation on Member States, using qualified majority voting. This was quite alien to our traditions and we were not prepared to accept it. President Mitterrand said that France did not have any tradition of worker participation, indeed their trade unions did not want it.

Economic and Monetary Cooperation

President Mitterrand said that it was not the task of the French Presidency to reach any decisions on the later stages of economic and monetary cooperation. The French task was simply to start to draw up a list of questions which would need to be discussed at an IGC to be held some time after July 1990. This was a sort of Clerk of the Court role and was the reason France had convened a high level group of officials. It would be for subsequent Presidencies to carry the work forward.

The Prime Minister said that the assumption at Madrid had been that ECOFIN would undertake this work. Surely the first step was for Ministers of Finance to consider the way ahead at their meeting on 8/9 September. President Mitterrand said that Ministers of Finance and Foreign Ministers should certainly be involved. But Finance Ministers would meet only three times during the French Presidency. More intensive work was required and that was why France had proposed the high level group. He realised that Britain and the Netherlands were opposed. But others were ready to go along. He wanted to emphasise that his aim was simply to put the train on the rails, not to decide where it should stop. He did not want six months to pass without any preparatory work for an IGC being done.

The Prime Minister repeated that she thought convening the group was premature until Finance Ministers had had a chance to discuss the matter. We had already had one experience of a high-level group with the Delors Committee and it had not been satisfactory. These were highly political matters and could not be left to officials. The matters concerned were the responsibility of Finance Ministers. Moreover the most important and pressing task

was to complete implementation of Stage 1 of the Delors Report. This would need a major impetus from the French Presidency. President Mitterrand said that procedural matters were traditionally left to the Presidency to decide. The high level group would meet. But he could assure the Prime Minister once again that it would do no more than define the questions which would eventually need to be answered.

This discussion was repeated in the final plenary, with the Prime Minister saying once again that Finance Ministers should examine the issues first and decide on the way ahead. If they agreed to set up a group well and good, but they should not be bypassed. The President concluded by saying that he would reflect on how the French and British positions could be harmonised. The two Foreign Ministers should be in touch in a day or two. The implication was that the Presidency might postpone the first meeting of the high-level group until after the informal ECOFIN on 8/9 September.

Environment

President Mitterrand said that he understood the United Kingdom could agree to a European Environment Agency. The UK was very much in the vanguard on environmental matters. The Prime Minister said it was important that such an Agency should not overlap with work done by national governments or by other international bodies.

Audio-Visual

President Mitterrand said that he was keen to make progress on audio-visual matters during the French Presidency. There would be an important meeting on 30 September/1 October.

Taxation

President Mitterrand said there was not sufficient support in the Community for a tax on savings, but there had to be much better arrangements to prevent tax fraud and evasion. The Prime Minister said that we were perfectly ready to discuss this.

Lomé Convention

President Mitterrand said that a discussion would be needed on the size of the EDF under the next Lomé Convention. The range under discussion was between 10-12 billion ECU. The Prime Minister commented only that she hoped Lomé aid would be tied more closely to environmental objectives.

Single Market

President Mitterrand said that France was prepared to accept the economic and political risks of free competition. They had in fact already implemented much the greater part

liberalisation of capital movements without any ill effects.

Frontiers

The Prime Minister said that it would be necessary to retain certain checks at frontiers after 1992. President Mitterrand said that France was prepared to go quite far in removing controls. He went on to say, however, that he was not at all happy at the idea of Italy or Greece having responsibility for France's frontiers, so that Yugoslavs and Turks could arrive in France through other countries. He understood British worries very well. France already had a very substantial influx of people from Northern Africa.

I am copying this letter to John Gieve (HM Treasury), Neil Thornton (Department of Trade and Industry), Clive Norris (Department of Employment), Colin Walters (Home Office) and Trevor Woolley (Cabinet Office).

(C. D. POWELL)

Stephen Wall, Esq.,
Foreign and Commonwealth Office

POINTS FOR MEETING WITH PRESIDENT MITTERRAND

1. Compliment on Bicentenary and Economic Summit. Thank for effective cooperation over IRA.

2. EC matters:

- economic and monetary
- social (diversity, subsidiarity, voluntarism)
- single market (investment services and transport)
- enlargement
- Uruguay Round

3. East/West:

- developments in the Soviet Union
- help for Poland (message to Bush)
- China

4. Germany:

- Kohl's prospects
- longer-term trends

/

5. Defence Cooperation and Arms Control:

- higher priority for defence relations. Foreign and Defence Ministers to review regularly.
- officials to be tasked to come forward at next Summit with specific proposals for practical cooperation.
- enlarge disclosure on nuclear matters and coordinate position on conditions in which British and French deterrents might be included in negotiations.
- work closely on CFE and problem of Soviet forces beyond the Urals.

6. Environment:

7. Drugs:

- help for Colombia
- Financial Action Task Force

8. International:

- Lebanon
- Cambodia
- Arab/Israel
- Southern Africa
- Argentina
- Hong Kong

KKIAVF

bc PC

SUBJECT cc Mabe

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

1 September 1989

PRIME MINISTER'S MEETING WITH PRESIDENT MITTERRAND: INTERNATIONAL POLITICAL ISSUES

The Prime Minister and President Mitterrand covered a number of international political issues during their meeting at Chequers today, mostly during the lunch at which Foreign Ministers were also present.

Cambodia

There was a brief and largely inconsequential exchange on Cambodia. The Prime Minister complimented the French Government on taking the initiative in calling the Press Conference, and regretted the fact that it had not achieved the results we all hoped. President Mitterrand appeared to regard this failure philosophically.

Lebanon

President Mitterrand lamented the irrational behaviour of all the parties in Lebanon. The Christians were no less difficult than the others. It was impossible for reasonable Moslems to come forward without risking their lives. The Prime Minister thought that only the Arab world could produce a solution in Lebanon. The Arab League Committee of Three had given up too soon. Syrian withdrawal was the key, but she doubted whether President Assad would withdraw. Monsieur Dumas agreed the Committee of Three was faint-hearted and not keen to take up its mission again. President Mitterrand said it was necessary for the West to exercise very great diplomatic pressure to prevent the Christians from being massacred, as had nearly happened in August. The Prime Minister queried whether Israel would let that happen. President Mitterrand thought they would: their only concern was that Syria should not approach too close to Israel itself.

Colombia

The Prime Minister and President Mitterrand agreed that President Barco was demonstrating exemplary courage. The Prime Minister described the help which we were proposing to offer to Colombia. President Mitterrand said that he was in

favour of any initiative. The Foreign Secretary suggested that it would helpful if the French presidency could organise a discussion on how the European Community could help. The Prime Minister recalled that President Mitterrand also remained Chairman of the Summit Seven and there might be scope for action in that forum, for instance through the Financial Action Task Force set up at the Paris Summit. It was also important to give the Cambodian Government moral support and we were discussing the possibility of a United Nations Security Council Resolution. M. Dumas commented that Germany appeared ready to examine the origin of funds invested in FRG, as a means of restricting the opportunities for legitimate investment of drug money. This was a courageous step.

Poland

The Prime Minister said that the Poles were unhappy that the Community was not moving faster to implement its offer of free food. M. Dumas suggested that one reason for this was the absence of surpluses, as a result of the Prime Minister's ferocious attitude to reducing them. This meant that the Community had to purchase food for Poland on the world market, a fact which was causing the French Government considerable difficulties with its farmers. The tradition that the whole Commission went on holiday in August had not helped. M. Dumas added that he thought the West was generally being rather backward in its help for Poland. We all needed to reflect on what more needed to be done. President Mitterrand observed that the United States was doing rather less than France and Britain.

Hungary

There was a brief exchange on developments in Hungary and the remarkable speed with which the Hungarian Communist Party was being transformed. Both the Prime Minister and President Mitterrand felt, however, that this was unlikely to be enough to save the party when it came to elections.

I am copying this letter to John Gieve (HM Treasury), Brian Hawtin (Ministry of Defence) and to Trevor Woolley (Cabinet Office).

(C. D. POWELL)

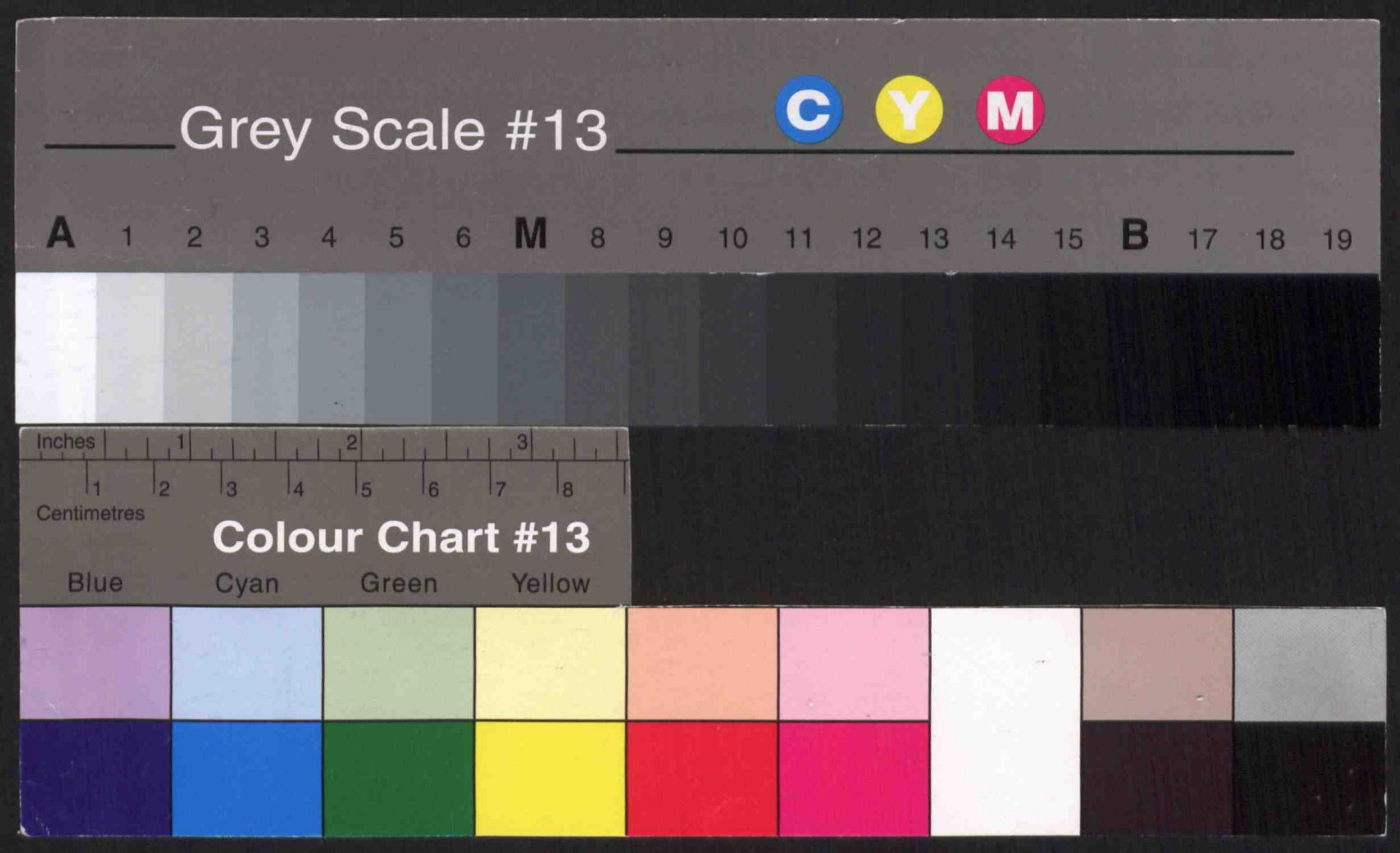
J. S. Wall, Esq.,
Foreign and Commonwealth Office.

PART 6 ends:-

SG to CDP 31.8.89

PART 7 begins:-

CDP to FCO 1.9.89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