

W.R. SUBJECT

Enh +/ Economic Policy for

CONVERSATION BETWEEN THE PRIME MINISTER AND PRESIDENT GISCARD D'ESTAING
ON WEDNESDAY 16 MARCH 1977 at 0800.

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PRESIDENT: Mr. Callaghan, how are you?

PM: Oh, Mr. President, good morning.

PRESIDENT: Good morning.

PM: How are you?

PRESIDENT: Quite well, thank you. How was your trip.

PM: Oh, very good. I'm sorry we didn't have a word before I left. But we seemed to miss each other. I wanted just to mention to you the President's view about one or two things in relation to May, if I could. The meeting in May. First of all he said that the Americans would welcome the presence of the President of the Community.

That is to say Mr. Jenkins. I told him that this would be a battle we would have to agree by consensus and that I took note of what he said. But he expressed himself once or twice as being in favour of the Community and he thought, seemed to think this was one way of doing it. So I thought you would want to know that. I told him that we would go along with the consensus on this matter but that privately I wasn't certain that it would add to our deliberations, but I didn't wish in any case to appear to be opposing it if my colleagues wanted to go along with it. So I don't know whether you have any view about that or not but we'll have to discuss it when we get to Rome.

PRESIDENT: Yes. Well, it's not the moment to discuss this but I don't see any motive to change. You are the Chairman of the Community and not Mr. Jenkins and if it was a technical economic discussion like GATT or OECD we would have not a single objection to the presence of Mr. Jenkins. But since this is a general conversation between the Heads of Governments obviously it is for the President of the EEC. For its normal part it has not reference that is the conclusion of the identification of the EEC. When there is a general view to express it is for the President of the Council of Ministers, which you are:

PRIME MINISTER'S 14/3
PERSONAL MESSAGE
SERIAL No. 759177.

PM: This is a very bad line, can you hear ^{an awful} / whistling noise.

PRESIDENT: Yes, it's whistling, I'm not sure which side it's on.

PM: No, I don't either know. Well, at any rate we'll have to discuss this no doubt when we get to Rome as you say. The second point was ^{with you and agree} this, that I wished to discuss the/arrangements for the weekend.

I had assumed that it would be like our two previous occasions, namely that it would be a working weekend and that we wouldn't have many social engagements, that we would lunch and dine with each other as far as possible. But there is one point that's come up and that is that The Queen would be very happy to offer a dinner for the Heads of Government and the Foreign Ministers and Finance Ministers on the Saturday night if you thought that that was an agreeable thing to do. We would have all Saturday to work in. I spoke to the President about this and he seemed to be very happy at the thought.

PRESIDENT: Yes, because what is exactly, we will start when working?

PM: Well, I would have thought we'd start working at 10 o'clock on Saturday morning.

PRESIDENT: On Saturday morning?

PM: Yes, if that's agreeable to you.

PRESIDENT: Yes.

PM: I thought that I could offer a dinner on Friday night for those who had arrived. Some who come from close by may not decide to arrive until early on Saturday morning. But then I thought we would work throughout Saturday and Sunday and then on Monday morning I gathered that you were ready for the quadripartite meeting if it ended at about lunchtime.

PRESIDENT: Yes, all right. All this seems agreeable to me.

PM: Good, thank you very much. And then as far as the NATO meeting is concerned I think the President has still to make up his mind about that. But my guess is that Mr. President ^{is} that he will be there. That's my guess but he doesn't obviously want ..

PRESIDENT: He hasn't decided yet. It will start on the 10th?

PM: On the Tuesday morning, the 10th. I think that as far as his general attitude is concerned he seems to be very European-orientated in the sense that he understands a lot about the situation. He was certainly well-briefed and well-informed. I don't think that any of the initiatives he has taken has not been properly thought out and he does know what he's doing certainly, if that's not an unfair thing to say. He really has worked it out. He's got an excellent team there. And like all new Administrations he is going to take some new attitudes. So that I think we must assume that he is coming well prepared for his discussions and with his point of view. All of which is very good.

PRESIDENT: There will be a complicated point. He wants to mention some purely political problems which are difficult to handle and even to comment in such a forum. For instance, the rights of man, it is a ^{moot} rudé question but this group of seven is not specially qualified to have a discussion on this and also the question of armament sales which is not the proper group either to discuss this.

PM: No, I would have thought that as far as arms sales is concerned this is something that the four of us might talk about perhaps.

PRESIDENT: Yes, I think so too.

PM: Human rights is a little difficult in any forum. I don't know how qualified the United Nations is to talk about that, when I look at some of the members.

PRESIDENT: Yes, but a group which is ^a collection of, you must remember what the origin is, which are the seven most industrialised countries, aren't either qualified to speak about this. I'll search, I mean they may have an opinion and so we most certainl do, but I don't see how a statement, even by this Group will be accepted everywhere.

PM: No, I should think that's probably true but no doubt our

collaborators will work this out in the preliminary meetings.

PRESIDENT: For the question of proliferation it might be different because it has some relations with the question of energy so we can perhaps have some exchange of view about this. Only on the relations between proliferation and electrical radio plant.

PM: Good. Well, on the Concorde you are satisfied with the legal progress or not.

Next recorded on Concorde file letter of 16/3/77
PRESIDENT: Well, it seems there was a difficult question which our experts has agreed about the trial but finally we agreed to postpone the claim. I have no objection for that. The information we have concerning the New York Port Authority seems that there are some new understandings. And what about President Carter's private attitude on this?

PM: Well, I think that he is standing on the original statement. That he would like to see the trial for 18 months as has been agreed. But I think he feels that it is too politically, its political dynamite for him and I don't think he wants to get into it very deeply. That's my feeling about it.

PRESIDENT: But he will try to support the trial

PM: Well he has publicly said that. And I think, he complained to me as I'm not sure he probably did to you, that we hadn't done enough to get public opinion on our side but I think that isn't true. I think we've done a great deal on that matter. It's basically, I think, the environmentalists who are making the running there, but the decision will be taken in New York and not in Washington.

PRESIDENT: Well, the coordination between our teams seems to be satisfactory at the moment.

PM: Yes, it does.

PRESIDENT: Well, thank you for all the news and we'll see each other next week in Rome. Anyway, I will send you a communication about

the question of
/the participation of the Commission before, to avoid any endless
dispute on this. I send all my best wishes for you.

PM: Yes, and to you. Thank you very much. Goodbye.

PRESIDENT: Goodbye.

I have talked to both their offices
and both have indicated meetings tomorrow.
President Glendon would be happy to talk to
you on the telephone at 2850 your time (2000
Paris time) if this is not too early for you.
But this is clearly the most convenient time
from his point of view.

Chancellor Schmidt is likely to be tied
up most of the day, but I have tentatively
arranged that you will call him at 1230
tomorrow afternoon (subject to confirmation
tomorrow).

Would you please let us know what you
would like to do and in particular whether
you want to place a call to President Glendon
early tomorrow?

15 March 1971

Thank you for sending me
the copy of your...
I will let you know what you have not heard that...
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