Top copy on France Pt. 3

## CONFIDENTIAL

- 3 -

## Extract mly. Pm / Pres. France on 22/6/76 at 17:30.

Puerto Ric. Summit Meeting

President Giscard referred to the forthcoming Summit meeting at Puerto Rico, for which he held the Prime Minister and Chancellor Schmidt responsible. He recalled that President Ford had sent Mr. George Shultz to Europe and that although he had himself decided not to see Mr. Shultz immediately, the latter had reported his impression, following his meetings with Herr Schmidt and Mr. Callaghan, that the Prime Minister was agreeable to the idea of a Summit meeting. By the time he had himself gone to the United States on his State Visit, he decided that it would be difficult to oppose the idea of a Summit meeting.

The <u>Prime Minister</u> said that perhaps President Giscard had been more strong minded than himself. He had expressed a disinclination to go to the United States, but Mr. Shultz had reported to him that Chancellor Schmidt was enthusiastic about the idea. There was also the problem of Community representation, which he had himself raised with Mr. Shultz. <u>President Giscard</u> said that this was a very complicated matter. He had himself suggested to President Ford that the meeting should take place not in the United States but in Scotland. The <u>Prime Minister</u> said that he had made it clear to Mr. Shultz that he would be agreeable to holding the meeting in the United Kingdom.

President Giscard said that, in a case of serious crisis or real emergency, it might be useful to have a meeting of the United States, the United Kingdom, France and Germany. But the kind of meeting which included Japan, Canada and even Australia was of less obvious advantage, and the inclusion of the E.E.C. Commission would make it a very strange kind of meeting. The French Government had agreed to the presence of

/the Commission,

CONFIDENTIAL

## CONFIDENTIAL

- 4 -

the Commission, but had objected to any formal structure for the meeting. He believed that other members of the E.E.C. were objecting to the idea of the Presidency or the President of the Commission attending the meeting in Puerto Rico.

The Prime Minister said that he thought that there had been general agreement on this among the other members, and said that he thought it would be more sensible to let both Presidents attend. One should nevertheless acknowledge that the only valuable meetings were the type of meetings which could never take place, namely those between the four of us. He referred to the meetings which had taken place in Helsinki between the four Foreign Ministers on Yugoslavia and Portugal, but added that, although private meetings of this sort were possible for Foreign Ministers, they were not feasible for Heads of Government. The only possibility was to fix up crisis meetings at very short notice, before the rats could get at them.

President Giscard said that he had talked yesterday to Dr. Kissinger, and that they had agreed that this whole question should be discussed on the next occasion that representatives of the four countries met. What must be avoided at all costs was a situation in which each of the four played off the others against each other. The Prime Minister said that if we could agree on a formula which could be maintained, so much the better. It would be very valuable if the four Heads of Government could meet alone, but if meetings had to be expanded beyond that he doubted whether they would be of much value. President Giscard agreed, and said that it would be important at Puerto Rico to avoid any mention in the Communique of regular Summit meetings of this type in future. The Prime Minister said that he expected trouble, in any case, at the next European Council Meeting.

/Direct Elections