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RECORD OF A TELEPHONE CONVERSATION BETWEEN THE PRIME MINISTER AND  
PRESIDENT GISCARD D'ESTAING AT 1800 HOURS ON THURSDAY 24 APRIL

PM: Hello.

PRIME MINISTER'S

GD: Hello, how are you?

PERSONAL MESSAGE

PM: I'm well, and you?

SERIAL No. T92A/80

GD: Oh well, as well as one can be under these difficult circumstances. I'm calling you just to tell you a few things about the Luxembourg meeting. We received Mr. Maitland who came last week and I wanted for you personally just to be very clear and to have no misunderstanding ..... I mentioned to ..... that it is absolutely out of the question for us to reach an agreement that will not cover all the issues and this is really fundamental for us for a very simple reason. The question of the British contribution is a question of wage demands adverse to us. If we agree, we will meet to an adequate proportion, your demand but it will be a burden for us and an expense for the French contributors. It is absolutely impossible at the same time to explain that something that should be decided and would normally have been decided ..... level of farming prices ..... because if there is a general solution of the problem, you can explain that, we will bring a contribution to bear to the British ..... the problem but if-even the normal question it is absolutely impossible to justify such support. So this is very very clear and there must be no doubt in your mind if for reasons I don't know you think it's not possible to reach an agreement on the other issues you must know that it will be a question for me to give an agreement. I mentioned this to Helmut also and he more or less shares my view on this so I wanted this to be very clear for you. We will receive Mr. Cossiga tomorrow morning and I suppose he will go and see you also and we will say this to him tomorrow morning.

PM: Yes, Signor Cossiga is coming here tomorrow afternoon and I shall be seeing him. I hope he will arrive about half past three and I will be seeing him then. Now, Mr. President, it's just not going to be possible for us to do the negotiation on the agricultural prices at the Summit. It's much much too complicated and my theory

is we're going to get into a position where you say that we can't reach agreement on the British budgetary problem until we reach agreement on the agriculture prices and also I would expect on Sheepmeat and also where we say we can't reach agreement on those other things until the British budgetary problem is sorted out. And in the end we're going to have to do the three, finally agree the three together. But I can't, I'm not qualified to negotiate and I doubt very much whether other Heads of Government are, round the table at the European Council, the complexities of agricultural prices.

GD: Well, but there was a meeting in Bonn, two days anyhow with Agriculture Ministers and they should have been able to prepare the solution because I don't see why they will be more equipped to do it in a fortnight than they were this week or the week before. Postponement is creating irritation and has no possible justification.

PM: I think, Mr. President that you have certain irritations and I have certain irritations and somehow we have to get them resolved together. But I am afraid that we are going to get into the position where I say because we are, you say that we are demanding something back and we are paying so much that it is an accutely difficult problem for us and I recognise that Sheepmeat is a difficult problem for you and I do indeed recognise that you want a solution on that and I think the difficulty is Mr. President that in the end we've got to get them altogether but I don't think we can trade one off against another. They each have to be done on their own merits and when they're done on their own merits, we haveto agree them altogether.

GD: Yes, but we are now April 23rd. We met in Dublin in November. We expected proposals and works done by the Ministers all the time and there is nothing. So my irritation is not at all against you as a person but the normal work of the Community cannot be stopped forever. Every year we have discussions for the prices, the prices should be fixed on April 1st, they always were and I don't feel

..... your Agriculture Ministers are not able at least to suggest what should be done. There was a debate in the Parliament last month and there was two meetings of the Agriculture Ministers and nothing comes out.

PM: Yes, but we have been discussing too the Budget as you know since Strasbourg and I seem to remember Mr. President that the agricultural prices last year were not fixed until the Strasbourg time because I well remember being telephoned from the Agricultural Ministers' Conference while we were in session in Strasbourg so it's not unusual for the agricultural prices to take a little bit longer to fix.

GD: Well, the proposal by the Commission was submitted in the month of January and we are now in April and we haven't even had a serious discussion on this.

PM: Mr. President, you are going to see Signor Cossiga tomorrow and so am I. You want your problems solved. Of course I understand that because I know that I need mine solving too and so if I'm restless to get mine solved then you are to get your's solved and I'm perfectly prepared to solve them within the same time-scale, within the same period but I doubt very much whether we're going to get any one of those things solved now without the other and I think therefore I'd better pursue this with Signor Cossiga tomorrow because I don't want it to be another impossibly difficult meeting. I really don't. I found the last one extremely difficult and I would really like the meeting to go smoothly. So if I will put our viewpoint to Signor Cossiga tomorrow and he will have seen you, in more detail than we can talk over the telephone. But I do repeat, I don't think we're going to get anything solved until we solve it together. Anything at all.

GD: But I accept this. But what I cannot understand is the perpetual postponement because nothing and nobody will gain by it and there is never a serious discussion on issues and I remember well that in the last Dublin meeting it was suggested that the European Council could be advanced to February 8th for a final solution. I express some scepticism.

PM: I remember well.

GD: Now we are in April and we will meet without due proper preparation.

PM: My problem isn't a difficult one technically in any way. They've got all the technical methods within Community rules. It's just a question of the will. But we are going to be in acute Community difficulty because I will say that my problem has been on the table even longer than the agricultural problem and we haven't got a solution to that one.

GD: There was not I must say frankly not even a serious discussion on this matter either. There was just generality. We instructed our Ministers to engage in a clear discussion in the Brussels meetings but there was never discussion.

PM: There's no technical difficulty in solving the British budget problem. On the formula you and I agreed in Dublin. No technical difficulty at all. It's is only a question of how much in the receipts. It is really only comparatively simple. I doubt whether we're going to get very much further on that until Heads of Government discuss it together. But I do know that none of us are going to get anywhere until we can satisfy us all together and I am very worried for the future if we can't get somewhere at this Community meeting. You will understand Mr. President because you have problems. I understand your problem and I just hope you understand mine.

GD: But I understand yours and instead of engaging in absurd Anglo/French ..... which was suggested by the press. We never went in that direction. I think that we should have our people working seriously to find a sensible compromise. With the others, like for instance the Germans, we have the work done and we are practically agreeing on the solutions.

PM: On the agricultural prices Mr. President it is not only Britain who was different from France there are very very wide differences of view, as I understand it yesterday, according to the statement we have just had in the House of Commons today, very wide differences. It didn't seem to me that there were anywhere near

a solution.

GD: Oh yes yes.

PM: But I know that I can't negotiate all the details on agricultural prices.

GD: Yes, but I just wanted to mention to you is that I am sorry that when we meet again in two days' time without the normal and careful preparation for a proper compromise.

PM: Yes. Would you like me to send Sir Donald Maitland to Paris again before Sunday?

GD: Well if .. I think, we will meet Mr Cossiga tomorrow morning,

PM: Meet Mr Cossiga, yes.

GD: He will report to you tomorrow afternoon.  
I will not mention this call because I will avoid anything which looks like an Anglo/French dispute.

PM: I wouldn't call it Anglo/French dispute. I just hate the idea.

GD: It's an absurd idea.

PM: It is.

GD: When you see Mr. Cossiga if you think there is a chance to make progress or to prepare better the meeting it is very easy to send Mr. Maitland Saturday morning or afternoon.

PM: I will keep the possibility open Mr President.

GD: And you let me know tomorrow afternoon after Mr. Cossiga

PM: Of course. If we can get any further by detailed negotiations then of course I will let you know. I am afraid we're giving Mr. Cossiga a very difficult time.

/GD:

GD: The poor one he has the flu.

PM: Yes I'm so sorry.

GD: I hope he will recover in time.

PM: Well I hope so.

GD: Well anyway it will be pleasant to see you.

PM: Thank you very much. We can at least look forward to the dinner in the evening if not the meetings earlier in the day.

GD: Yes

PM: All right. It's very kind of you to telephone. I much appreciate it. Goodbye Mr President.