

GRS 47φ

UNCLASSIFIED **FM PARIS.**

DESKBY FCO 3φφ7φφZ

TO IMMEDIATE FCO

TELEGRAM NUMBER 4φ9 OF 29 APRIL 198φ.

INFO PRIORITY UKREP BRUSSELS, BONN, ROME.

INFO SAVING BRUSSELS, COPENHAGEN, THE HAGUE, DUBLIN, LUXEMBOURG.

Read 2 full *ms*

EUROPEAN COUNCIL: FRENCH PRESS

1. TODAY'S PRESS IS UNANIMOUS IN PRESENTING THE OUTCOME IN 8-1 TERMS WITH RESPONSIBILITY FOR FAILURE PLACED ON BRITAIN. THE OTHER EIGHT ARE HELD TO HAVE GONE TO THE LIMITS OF GENEROSITY IN THEIR SUCCESSIVE OFFERS. ON THE PRECISE DETAILS OF WHAT HAPPENED REPORTS ARE CONFUSED. SEVERAL PAPERS, NOTABLY LE FIGARO (RIGHT WING), EXPECT THE NEXT STEP TO BE IMPLEMENTATION ON A NATIONAL BASIS OF THE AGRICULTURAL PRICES BY EIGHT DELEGATIONS. PRESIDENT GISCARD IS QUOTED AS SAYING (PRESUMABLY IN LUXEMBOURG) THAT THE PRICE RISE WILL BE APPLIED AS SOON AS POSSIBLE AND THAT FRANCE WILL TAKE ALL THE NECESSARY DECISIONS IN ITS COMPETENCE.

2. THE HEADLINES ARE DRAMATIC: "CYCLONE MAGGIE RAVANGES EUROPE" TRUMPETS THE POPULAR AFTERNOON PAPER FRANCE SOIR. "MRS NO" SAYS THE INDEPENDENT QUOTIDIEN DE PARIS. "MARGARET THATCHER MAKES THE EUROPEAN SUMMIT FAIL" SAYS LE MATIN (SOCIALIST), OVER AN ARTICLE WHICH SAYS THAT THE EIGHT WILL BE OBLIGED TO DRAW THE CONSEQUENCES FROM BRITAIN'S BLOCKING TACTICS TO DECIDE HOW THEY CAN GO ON WITHOUT HER.

3. FIGARO'S LEADER SAYS THAT THE FAILURE GOES FAR BEYOND A SIMPLE TECHNICAL EPISODE AND SETS THE QUESTION WHETHER BRITAIN WANTS TO MAINTAIN ITS LINKS WITH THE COMMUNITY. IT SUGGESTS THAT THE ONLY COHERENT EXPLANATION FOR MRS THATCHER'S DESPERATE TENACITY WAS BRITAIN'S WISH AT ALL COSTS TO DESTROY THE MECHANICS AND PRINCIPLES OF THE COMMON AGRICULTURAL POLICY.

4. THE LEADER IN THIS AFTERNOON'S MONDE (LEFT OF CENTRE) IS HEADED "POST TREATY OF ROME". AFTER SPECULATING WHETHER THE COMMUNITY CAN FUNCTION WITHOUT BRITAIN, AND COMMENTING THAT A TWO-SPEED EUROPE ALREADY EXISTS IN THE EMS, THE LEADER SUGGESTS THAT PRESIDENT GISCARD'S IDEA OF A NEW FINANCIAL RULE BASED ON THE HERETICAL CONCEPT OF "JUSTE RETOUR" HERALDS A NEW POST TREATY OF ROME ERA. IT AFFIRMS THAT FRENCH AND GERMAN LEADERS ARE THINKING SERIOUSLY OF SUCH A REFORM THOUGH NOBODY REALLY

/KNOWS

KNOWS TO WHAT EXTENT THE AIM IS TO SCARE THE SMALLER COUNTRIES
DISPOSED TO BE GENEROUS TOWARDS BRITAIN. AN ARTICLE BY
PHILIPPE LEMAITRE FROM BRUSSELS DESCRIBES THE NEGOTIATIONS AS A
SUCCESSION OF MORE AND MORE GENEROUS PROPOSALS WHICH SEEMED TO BE
ORGANISING MRS THATCHER'S TRIUMPH . DRAWING ATTENTION TO
HINTS BY M MEHAIGNERIE THAT THERE SHOULD NOW BE AN INFORMAL
ARRANGEMENT BY THE EIGHT ON AGRICULTURAL PRICES
LEMAITRE WARNS THAT IT IS NOT CERTAIN THAT THE OTHERS WILL BE
PREPARED TO GO ALONG WITH THIS, THE GERMANS BECAUSE THE
COMPROMISE ON PRICES HAD BEEN REACHED IN SPECIAL CIRCUMSTANCES
AND AS PART OF A PACKAGE. THE COMMISSION MIGHT WITHDRAW THEIR
PROPOSALS AS WORKING AGAINST THE ECONOMIES THEY CONSIDER
NECESSARY.

5. MEANWHILE FARMERS' LEADERS HAVE REACTED STRONGLY, CALLING
ON THE GOVERNMENT TO TAKE NATIONAL MEASURES TO FIX NEW PRICES
IF THE 8 DO NOT AGREE TO DO SO AT THE AGRICULTURAL COUNCIL
ON 6 MAY. GUILLAUME (FNSEA) CLAIMS THAT HE RAISED THIS
QUESTION WITH PRESIDENT GISCARD ON 24 APRIL.

HIBBERT

FCO PLEASE PASS SAVING TO COPENHAGEN, BRUSSELS, DUBLIN,
THE HAGUE AND LUXEMBOURG.

(REPEATED AS REQUESTED)

FCO WHITEHALL DIST:
ECD (1)