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CM(76) 36th
Conclusions

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CABINET

CONCLUSIONS of a Meeting of the Cabinet
held at 10 Downing Street on

THURSDAY 2 DECEMBER 1976

at 10.00 am

PRESENT

The Rt Hon James Callaghan MP
Prime Minister

The Rt Hon Michael Foot MP
Lord President of the Council

The Rt Hon Lord Elwyn-Jones
Lord Chancellor

The Rt Hon Denis Healey MP
Chancellor of the Exchequer

The Rt Hon Anthony Crosland MP
Secretary of State for Foreign and
Commonwealth Affairs

The Rt Hon Merlyn Rees MP
Secretary of State for the Home
Department

The Rt Hon Shirley Williams MP
Secretary of State for Education and
Science and Paymaster General

The Rt Hon Anthony Wedgwood Benn MP
Secretary of State for Energy

The Rt Hon Eric Varley MP
Secretary of State for Industry

The Rt Hon Peter Shore MP
Secretary of State for the Environment

The Rt Hon Roy Mason MP
Secretary of State for Northern Ireland

The Rt Hon Bruce Millan MP
Secretary of State for Scotland

The Rt Hon John Morris QC MP
Secretary of State for Wales

The Rt Hon Fred Mulley MP
Secretary of State for Defence

The Rt Hon Albert Booth MP
Secretary of State for Employment

The Rt Hon David Ennals MP
Secretary of State for Social Services

The Rt Hon Edmund Dell MP
Secretary of State for Trade

The Rt Hon Lord Peart
Lord Privy Seal

The Rt Hon John Silkin MP
Minister of Agriculture, Fisheries and Food

The Rt Hon Roy Hattersley MP
Secretary of State for Prices and
Consumer Protection

The Rt Hon William Rodgers MP
Secretary of State for Transport

The Rt Hon Stanley Orme MP
Minister for Social Security
(Items 2-4)

The Rt Hon Harold Lever MP
Chancellor of the Duchy of Lancaster

The Rt Hon Reginald Prentice MP
Minister for Overseas Development

THE FOLLOWING WERE ALSO PRESENT

The Rt Hon Michael Cocks MP
Parliamentary Secretary, Treasury

The Rt Hon Joel Barnett MP
Chief Secretary, Treasury
(Item 4)

SECRETARIAT

Sir John Hunt	
Sir John Garlick	(Item 3)
Mr G R Denman	(Item 2)
Mr W I McIndoe	(Item 1)
Mr D le B Jones	(Item 4)
Sir Clive Rose	(Item 2)
Mr J A Marshall	(Item 4)
Mr J S Scott-Whyte	(Item 3)
Mr A D Gordon-Brown	(Item 1)

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Meeting
of the
European
Council
29-30 November

THE PRIME MINISTER said that he had little to add to the statement which he had made in the House of Commons the previous day on the meeting of the European Council in The Hague on 29-30 November. He had been able successfully to deflect criticism of the Green Pound to criticism of structural agricultural surpluses. On the North/South Dialogue there had been divergent views with the French in particular sympathising with the developing countries but Herr Schmidt had insisted on a hard line. Agreement had been reached on a declaration by the Council on trade between the European Economic Community and Japan and it was to be hoped that constructive discussions could start soon with the Japanese. The Tindemans Report had been given a decent burial. And the review of the Commission had been set in hand. But beyond these particular points what had struck him most about the operation of the Council in this and in previous meetings was the fact that at its present stage of development, and with the strong anti-interventionist views in particular of Herr Schmidt, who probably seemed more confident about the development of the German economy than he in fact was, the Community was not in a position to deal with the economic and monetary problems which faced it. This was a problem to which the Cabinet might at some future stage return.

The Cabinet -

2. Took note.