



From the Minister

MINISTRY OF AGRICULTURE, FISHERIES AND FOOD  
WHITEHALL PLACE, LONDON SW1A 2HH

Prime Minister.

(1)

The Rt Hon Margaret Thatcher MP  
10 Downing Street  
London SW1

The briefing attached to this letter is with the main briefing for the interviews. Would you like to speak to Sir R. Hibberd

7 March 1980

before the interviews (see final para). It would have to be on an open line: it might be easier if I were to ring the Ambassador & ask if there are any last minute points. After?

*As Prime Minister*

*Yes per [unclear]*

Your television interview to France on Monday is a wonderful opportunity and I thought I would write to you to tell you the latest scene, having come back from Paris last night.

According to our Ambassador, the last few days have seen the first occasion in which the British position has come through to the French people.

They have been mis-led by Government controlled media that our intention was to flood their market with cheap English lamb and New Zealand lamb and so ruin their sheep producers.

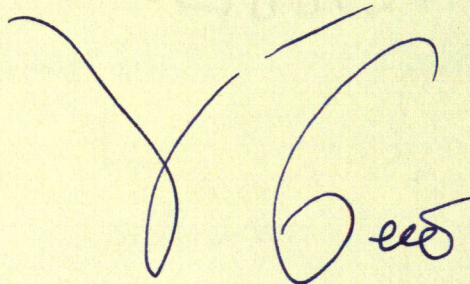
They are therefore shocked to find that eight countries in Europe, including their friends Germany, have lined up against them and even more shocked when at the French agricultural Show, to a battery of television cameras, radio stations and newspapers, one was able to explain that we have never been against the French Government supporting the French sheep producer, we have been willing to consider a Community financed system which would enable them to pay premiums to their sheep producers and that taking illegal action against one Member State was a very dangerous precedent, particularly when, in the area of CAP commodities, France exports to Britain twice as much as we export to them.

During this week, on Tuesday night the news broke that the Council of Ministers had gone eight to one against France, on Wednesday there was the impact of the Commission taking an interim injunction against France, and on Thursday the impact of the statements I was able to make publicly in Paris.

You are, as you have probably been advised, a popular and admired figure in France and for them to be able to hear you explain the reality of our case, our commitment to Europe and our sadness that on this issue the basic concept of free trade between Member countries of the Community has been broken, could have a very considerable impact.

If they are interviewing you they will undoubtedly throw the New Zealand lamb question at you and there is the very simple explanation that France agreed with all other Member States that New Zealand lamb could only come into the Community if a 20% tariff was imposed upon it. That remains the policy of the whole of the Community and it is untrue to say that there is no position of Community preference when in fact the whole of the Community, including Britain, discriminates against New Zealand lamb with a 20% tariff.

I am sure the interview will go well. I am not sure how your briefing is being organised, but it might not be a bad thing if you had the time immediately prior to the recording having a word on the 'phone to our Ambassador who will be able to up-date you to the very last minute as to the state of the debate that has really got going for the first time in France during this past week.

A handwritten signature in blue ink, appearing to read 'Peter Walker', with a stylized flourish at the end.

PETER WALKER

00 FCO (DESKBY 071600Z)

(Rec'd 071636Z)

00 UKREP BRUSSELS

(9)

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~~Ave 10 Downing St.~~  
Mr Franklin, Cabinet Office  
Mr JHV Davies, MAFF  
(Deputy/Sec)

WHRM

MY TEL NO 257 (NOT TO UKREP BRUSSELS); PRIME MINISTER'S INTERVIEW WITH ANTENNE 2: MUTTON

1. THE INTRINSIC IMPORTANCE OF MUTTON IS OF COURSE BY NO MEANS AS GREAT AS THAT OF THE COMMUNITY BUDGET ITSELF. BUT MUTTON IS NEVERTHELESS IMPORTANT IN THE TACTICAL GAME BEING PLAYED AROUND THE COMMUNITY BUDGET. IN THE LIGHT THEREFORE OF FRENCH REACTIONS TO THE LAST AGRICULTURAL COUNCIL (MY TELS NOS 261, 266 AND 268), I HAVE BEEN CONSIDERING HOW MRS THATCHER MIGHT IN HER TV INTERVIEW ON 10 MARCH KEEP THE FRENCH ON THE WRONG FOOT IN THE RUN-UP TO THE EUROPEAN COUNCIL. I SUGGEST SHE SHOULD TRY TO TAKE THE OPPORTUNITY DURING THE INTERVIEW TO MAKE POINTS ON THE FOLLOWING LINES.

A. THE AGRICULTURAL COUNCIL OF 3/4 MARCH MADE IT COMPLETELY CLEAR AT LAST THAT THE REAL QUESTION AT ISSUE IN THE MUTTON DEBATE WAS NOT DOUBTS OVER THE INTERPRETATION OF THE TREATY OF ROME, NOR BRITISH LOYALTY TO THE COMMUNITY, NOR COMMUNITY PREFERENCE, NOR UNITY OF THE MARKET, BUT WHAT THE FRENCH CALL QUOTE FINANCIAL SOLIDARITY UNQUOTE OR, AS THE FIGARO PUT IT IN PLAINER LANGUAGE RECENTLY, COMMON FINANCIAL RESPONSIBILITY, OR TO USE EVEN PLAINER TERMS, HOW IN A COMPETITIVE MARKET THE INCOME LEVELS OF FRENCH SHEEP FARMERS ARE MAINTAINED AND BY WHOM.

B. NEITHER THE BRITISH GOVERNMENT NOR THE COURT, NOR ANYONE ELSE IN THE COMMUNITY HAS SAID THAT THE PRICE TO FRENCH PRODUCERS SHOULD FALL. THE FRENCH GOVERNMENT HAS ALWAYS BEEN FREE TO MAINTAIN PRODUCERS' INCOMES FROM GOVERNMENT FUNDS UNTIL AND IF A NEW COMMUNITY REGIME PROVIDED FOR A DIFFERENT SYSTEM.

C. BUT FRANCE HAS INSISTED THAT IT WOULD NOT OPEN ITS FRONTIERS TO BRITISH MUTTON UNLESS ITS PRODUCERS WERE AIDED BY COMMUNITY FUNDS. SINCE THE MAIN CONTRIBUTOR TO THE COMMUNITY BUDGET AFTER GERMANY

SINCE THE MAIN CONTRIBUTOR TO THE COMMUNITY BUDGET AFTER GERMANY IS THE UK, THAT COULD MEAN THAT BRITAIN COULD PAY EVEN MORE THAN IT DOES NOW. IN OTHER WORDS THAT BRITAIN SHOULD PAY FOR FRANCE TO LIVE UP TO ITS OBLIGATIONS UNDER THE TREATY OF ROME AS EXPRESSLY DEFINED BY THE EUROPEAN COURT AND TO OPEN ITS FRONTIERS TO MUTTON PRODUCED IN BRITAIN.

D. THE COMMUNITY AND THE UK HAVE RECOGNISED THE PROBLEMS THERE COULD BE FOR FRENCH FARMERS IF FRANCE OPENED ITS FRONTIERS COMPLETELY BEFORE A NEW COMMUNITY REGIME WERE IN PLACE. SINCE IT IS TAKING TIME TO NEGOTIATE A PERMANENT REGIME, THE COMMISSION, AT THE LAST AGRICULTURAL COUNCIL, SUGGESTED A COMPROMISE FOR A TEMPORARY REGIME WHICH WOULD INVOLVE PAYMENTS TO FRENCH PRODUCERS FROM THE COMMUNITY'S FUNDS AND WHICH ALSO RECOGNISED BRITAIN'S OWN PROBLEMS. THIS SEEMED FAIR TO THE UK AND TO FRANCE'S OTHER PARTNERS. BUT SINCE FRANCE INSISTED THAT THIS COMMUNITY HELP SHOULD INCLUDE PROVISION FOR INTERVENTION, (IE, SHOULD PROVIDE FOR OTHERS TO BE RESPONSIBLE IN THE LAST RESORT FOR MAINTAINING THE INCOME LEVELS OF FRANCE'S SHEEP FARMERS) IT TURNED THE OFFER DOWN AND PREFERRED TO REMAIN IN A POSITION OF ILLEGALITY.

E. IT IS NOT COMMUNITY POLICY THAT EVERY INDIVIDUAL SECTOR IN ANY COUNTRY SHOULD BE PROTECTED FROM COMPETITION FROM ANOTHER MEMBER STATE. BRITISH FARMERS HAVE PROBLEMS WITH IMPORTS OF FRENCH APPLES. THE FRENCH ARE VERY EFFICIENT PRODUCERS OF APPLES AS THE BRITISH ARE OF SHEEPMATE. THE BRITISH CAR INDUSTRY HAS PROBLEMS TOO AND FRENCH CARS ARE VERY COMPETITIVE ON THE BRITISH MARKET. DOES THIS MEAN THAT THE UK SHOULD FLOUT THE PRINCIPLES OF THE TREATY AND BAN IMPORTS OF FRENCH APPLES? OR OF FRENCH CARS? IS FRANCE PREPARED TO BEAR THE SOCIAL COST OF HELPING BRITAIN'S APPLE GROWERS OR CAR WORKERS? THERE SHOULD BE NO DIFFICULTY IN FINDING A WAY BY WHICH THE COMMUNITY GIVES SOME HELP FOR FRENCH SHEEP FARMERS WHILE THE RESPONSIBILITY FOR THE ESSENTIALLY SOCIAL ASPECTS OF THE PROBLEM IS ASSUMED BY THE FRENCH GOVERNMENT.

2. IF MRS THATCHER WERE QUESTIONED ON NEW ZEALAND, SHE WOULD OF COURSE REFER TO THE 20% TARIFF AND POINT OUT THAT NEGOTIATIONS WERE UNDER WAY FOR VOLUNTARY RESTRAINT TO FORM PART OF A PERMANENT REGIME.

3. THERE IS ONE LAST POINT ABOUT KEEPING THE FRENCH IN THE WRONG ON ILLEGALITY. WE SEEM TO BE AT THIRTY-LOVE IN THE GAME. MRS THATCHER IS TO SERVE WITH EVERY CHANCE OF TAKING THE GAME TO FORTY-LOVE. IT MIGHT BE A FOOT-FAULT AND SPOIL THE SCORE TO ADMIT THE POSSIBILITY THAT THE UK MIGHT DELIBERATELY

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CABINET OFFICE  
MAFF

FRANKLIN  
J H V DAVIES (DEPUTY SECRETARY)

HIBBERT

NNNN

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