

Société Nationale
Télévision Française 1

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Script Prime Minister's interview for TF1 (French TV channel one, NB please quote) this morning for our weekly current affairs programme "L'Evènement" (Thursdays 21H30).

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Interviewers : Jean-Louis Burgat (London correspondent)
Gerard Saint Paul (Head of Foreign News)

Q: Prime Minister, thank you for accepting this interview for TF1. You are certainly one of the best known heads of government in France and I am sure that French viewers will be numerous in front of their screens this evening to get to know you and better understand the direction of Great Britain today. You are about to pay your second official visit to France on the 18th, may we therefore begin by asking you what your vision of France is today ?

A: Well, France is a very great nation, so I think is Britain. We've been through a great deal together, we have an entente. We must continue to get on together and we must cooperate. It's quite true that there have been one or two problems, but they're small compared with our common interest. I think we're also fortunate too in that we both have close relationships with Germany. These are the three larger nations of Europe and as Europe becomes enlarged, and I believe it will, it's very important that all of the free democracies hold together in a free, democratic Europe .

So, I think more and more there will be a tendency for closer relationships between Germany, France and Great Britain. But as far as France and Britain is concerned we've been through a lot together and we must continue to get on together.

Q : After a difficult winter during which relations between our two countries deteriorated considerably and after a press campaign here in which France was for example called "the cunning jackal of Europe", following reports also that even dealings between yourself and President Giscard d'Esating were very tense at the European summit tables, after this serious discord, what is your evaluation of relations between France and Britain today and what do you expect of your visit to Paris ?

A : I think what you're really referring to is the difficulties we've had over the budget which certainly did cause some pretty frank and candid words to be said. I stood up for Britain's interests. I would expect President Giscard to stand up for France's interests. But I would expect both of us to say we are in Europe and there must be fairness between partners. And if we ever are going to get a position of strain in Europe because of the budget - because one nation feels she's paying far too much and others feel that, or we feel that others are getting far too much even though they're wealthier than we are. Then we shall not be totally happy until that strain goes. Between partners there must be fairness. That I believe is what we have got for the next 2 years. But you know, we will still have to sort out that budget. Germany is very much the largest contributor, we are the second largest contributor, France is also a contributor. So we all have a common interest to try, after the present 2 years, to get a rather different budget system perhaps, but one which would be fair to everyone. That's what partnership means.

Q: You said close entente between London, Paris and Bonn, but the Franco-German dialogue between Valery Giscard d'Estaing and Helmut Schmidt is considered exemplary. Do you think this dialogue is too exclusive ?

A: No, if my friends have close friends that is to my great advantage . You must not expect that friendship is an exclusivematter. Just because France is very close to Germany, as I may say she has to be, and I think it's to the advantage of Europe that there is this tremendous reconciliation between France and Germany. It does not mean Britain cannot be close to Bonn. We are, we as a matter of fact have 2 bilateral meetings with Bonn every year. We also get on very well with Germany and Helmut Schmidt. Indeed, I might say that Helmut Schmidt's economic policies and Raymond Barre's and mine are very, very close. We're trying to do the same thing and pretty well in the same way and that's another link between us.

Q: Beyond the technical and financial difficulties, what economic and politique future do you see for the EEC ? In other words, what is your Europe ?

A: Well, each of the EEC nations of course wishes to have a prosperous economy and the whole of Europe's better when each of us runs our own affairs very well so that we have greater growth, greater employment than we've got now and inflation well down. We all have to concentrate on that. And then together we have to do the things which it's better for Europe to do together. There is a Common Agricultural Policy that certainly we shall have to look at because it's ridiculous to spend 75% of the income of the Community on the Agricultural Policy and a lot of it on surpluses. We shall have to get the budget arrangement right. But more and more we must pull and keep together as democracies.

This has always been the thing that has motivated Britain's entrance into Europe. You have beyond the Iron curtain a grouping of nations not necessarily voluntarily, but because they have to group together. If we free Europeans can't group together and work together voluntarily, then it augurs ill for the future of democracy. The future of democracy and freedom is what matters in the world. And France, Germany, Britain and all of free Europe must steadily work to achieve that. The system we operate gives us 2 things: it gives us individual freedom, it also gives us far greater prosperity than anything communist system can ever give. And of course, it gives in addition political freedom as well.

Q: And we have a great role to play in the world between Moscow and Washington ?

A: Oh yes, but of course. But there really are 2 political systems in the world. There is one based on personal freedom which means that governments are there to serve the people. And there is one based on communism which is total central control, which denies freedom and which, because it denies freedom does not bring prosperity to its people. Now it's always been the Russian ideology that they try to expand and to extend their system, either by military force, either by proxy, or by subversion, or by propagating their creed the world over. We must do the same because ours is infinitely superior to anything which they can offer their people. And they are seeing that. We're no longer talking about 2 political theories: the communist theory and the theory of the free world. We're seeing how they work in practise. And everyone who could choose freely seems to choose the way of freedom, the way of democracy and we must never hesitate to say that our system, the system which France operates, West Germany, Britain, Holland, Belgium, Luxembourg, is by far the best and we must always try to get freer movement of ideas, freedom of worship. That of course is what the Helsinki accords were about.

Q: You represent the only member of the EEC to produce as much petrol as you consume. Do you think this gives Britain a special status on the international scene ?

A: It certainly does as far as our currency is concerned. I think it does perhaps in another way because people feel that if there were to be a very great upset then Britain has extra supplies of petrol and gas. So that we're not quite so vulnerable as other countries to that. As you know, belonging to the Community and we belong also to the International Energy Agency, we agree that under certain circumstances we will share our available resources of oil with Europe or with the IEA if there are certain shortages. So it does give us a certain status. It also does help tremendously you just think, through the difficult oil crises we've been through, if Britain also were a total consumer, that would increase the pressure on the available supplies. Britain is not, she's a supplier. This year we're going to be self-sufficient. Indeed, I must say it says a great deal for British free enterprise that we've gone from exploration to self-sufficiency within a decade. YOU know, we can do things very well in Britain. ~~But~~ Half our exports go to Europe. France, I think, has taken a different path and many times I've commented on her foresight in doing so. She's going to get a very large proportion of her energy from nuclear power. She is I think, foremost in the nations in the foresight and way in which she's tackled that and that too of course will relieve pressure on oil. So we have taken a different path, but we've both tried to relieve the pressure on the world supplies of oil and both therefore in different ways, have contributed to relieving the problem.

Q: May we go back to the East/West situation. How do you judge recent events in Poland ?

A: We believe, France believes, that each nation has the right to decide her own destiny in her own way by choice and expression of the people without external interference. I believe that's

what is happening in Poland. It is an absolute right that we believe in. And we shall be very interested to see what happens. We have of course been interested and fairly close to Poland for quite a time.

Q: Over the last few months, Prime Minister, and particularly during the Iranian and Afghan crises, Britain has always been in line with US foreign policy (you were one of the first governments to call for an olympic boycott). One always has the impression that as far as the international crisis is concerned, you are more inclined to share President Carter's outlook than that of your European partners.

A: I wonder why you try so hard to find differences between us. Why? The US interest, Europe's interest is the same. We're part of the free world, we're part of the Western alliance. We're all trying to defend the free world. We're all trying to say to the non-aligned countries - look don't you see, you're only right to choose your own destiny it is a right which is in tune with what we in the western world believe. You see what happens - the communist world does not give nations the right to choose their own destiny. Look at Afghanistan. Afghanistan was non-aligned, she wanted to carry on with her own future. She is occupied. The non-aligned nations will have the right to choose their destiny by being in tune with Western ideas which are the only ones that give that freedom. ☒ It's not a question of trying to separate Europe from the US, it's a question of all of us working together, we're the stronger because we work together. I beg of you, don't try to find differences. Try to do what I do and say the common interest of each and every people is so great that we must put that first. Of course there'll be differences ~~in~~. Don't you have differences in families in France? Sometimes you have differences because you're a family but it doesn't alter the fact that it's the common interest of the family that matters most. We must ~~work~~ work with the US. Europe's security in the last resort depends also on the US. Don't try to argue with it, that is a fact. And therefore we have to get on together, this is what matters.

Q: About Iran, Prime Minister, a few days ago you expelled from this country 3 Iranian students and the day before yesterday closed your Embassy in Tehran. Do you expect the situation in Iran to deteriorate again ?

A: The relations between Iran and Great Britain have been under strain for some time, about which I personally am profoundly sorry. As you know, we did have big demonstrations in London and some students were arrested. X They were tried before our courts, it was very difficult they wouldn't give their names or their addresses, some of them went on hunger strike. And we left our own legal system to deal with it. Because everyone has a right to be heard and everyone is not guilty in Britain until they're found guilty. The magistrates recommended deportation of a number of students. We gave a time for appeal, and now those deportation orders will be carried out by due process of law which applies to anyone who is in this country. Because relations have been under strain, we thought it a wise precaution to recall people who are in our Embassy in Iran for the time being. There is no break in relations, may I make that perfectly clear. The Iranian Embassy in London still continues and of course we keep in close touch with them and you yourself know what strenuous efforts Great Britain made to look after Iranian diplomats when they were taken hostage in London and we sent in our Special Air Service to rescue Iranian hostages in London. So we of course continue to look after the interests of Iranian diplomats in London and we still have relations with Iran through those. We just withdrew as a precautionary measure and we hope that that withdrawal will not last very long.

Q Did you know Prime Minister before, ^{head of} the attempt of the American Army to rescue the hostages in spring ?

A We knew only of a general possibility that is all. But then you know you would not expect either a Head of Government or a Head of State if he were ^{going} to do a rescue operation which would put his own troupes in difficulty, to announce ^N to the world what he was going to do. I would not. If I were ever going to do a rescue operation, I would not announce to the world, or you know, to say think in confidence, we are going to do this, because I would have regard for the safety of my home troupes. So ~~would~~ I believe would other Heads of Government, and Heads of States, of course. So we did not expect to know any more.

Q Mrs. Thatcher in the general East-West crisis do you see a real threat of conflict ? and what chances, what changes of success do you give the Madrid conference about the security in Europe ?

A I think there is always a danger unless we, all of us, have regard to our own defence. The Soviet Union is expansionist, ^{has} and people have been expansionist for years, you add to that a communist system, you add to that failures in economy, in the economic system ^{within} which in the Soviet Union it does not produce the prosperity, the consumer goods they need, and they try to take away attention from their own failures by doing things like marching into Afghanistan. They have a tremendous military programme, they spend something like 13% of their Gross National Product on defence.

So they are increasing their expenditure on defence, and that you know is potentially a dangerous situation, unless we keep up our defences, and both France and Britain and NATO, including the United States, take that view, and it is absolutely right, for your own defence do not depend upon the rightness of your cause, depend upon the measures you take for your own security. So we are absolutely in agreement on that. France has an independent nuclear deterrent, absolutely right, it ^{is} the greater protection for the West. So have we. So we must keep up defence.

We try also to say to the Soviet Union, look you have your system, we have ours, and we have to live together in the world, ^{and} therefore we do try detente, but you know detente is a two way business. It not just a theory, it has to work in practice, and we only ask from the Soviet Government what we ourselves grant. We ourselves grant free movement of people, free access to ideas, free speech, free discussion, they do not. We are only asking them to grant what we ourselves give.

What will happen at Madrid, it is going to be difficult, very difficult, and so it should be. Because the Soviet Union has occupied an independant country. That is totally unsatisfactory, and must never, never, never be accepted by the world. If you accept occupation by one power of an independant country, who is next ? The Russians must withdraw from Afghanistan, and we must continue to tell them so, and I hope the non allied countries will continue to tell them so. So they cannot expect business as usual. Business as usual will only go on when they have withdrawn. And also we must say they them, but look you have not in fact honoured some of Helsinki accords on greater freedom of movement of people and ideas. They said they would in return for certain other recognitions, and they are not doing it, and we must be extremely tough in making that perfectly clear, and very tough in saying : when one

Nation occupies another by force, force is totally unacceptable in ^{the} modern world, and they must withdraw.

Q Prime Minister, let us say a few words about your economic policy. The people who criticize your policies give three figures, rapidly: Unemployment more than 2 million out of work. Inflation at nearly 17% for the year ending this July. Industrial output running at minus 6.7%, the worst figure of all the Western countries.

There seems to be only one cheerful figure in this outlook, the strength of sterling, but even that is a handicap for British exports.

Are you sure Prime Minister you are on the right road ?

A Absolutely sure. It will take a time to achieve what we want to achieve. The world is facing recession. France also I believe has an unemployment problem, United States unemployment is greater than we are, Canada greater, Belgium greater, Ireland greater, Italy greater, France's unemployment figures are increasing, in July they were slightly worst than ours . We all are suffering from world recession. I am afraid there is no way out of that world recession in the immediate future, because we are all having to pay more for oil, therefore we have less to spend on other goods and products; and that is what is hitting the Western world and the under-developed world simultaneously. In addition to that we have other things to tackle in this country. So on top of world recession, I do have extra problems to tackle, because ^{you have} ~~no one~~ tackled them before, let me be perfectly open about that. In Britain, for several years our people have been taking out more ⁱⁿ wages than they been putting in in increased productivity. And therefore we have to tackle that. They have been accustomed to taking out more in incomes than is warranted by their industrial performance. We have got gradually to get rid of that and bring them to ^{much} more sensible policies, and say if you do that, we shall continue to have inflation. So we are gradually tackling that. Also there has been a tendency to resist change in Britain and to use subsidies as substitute

for change. You know, dying industries we have subsidised, or course you have always to give some subsidies, but to help a transition to change. You have been quicker than we were to bring your steel industries into tune with modern needs and to slim them down, so was Germany. We have to do that. So I have all of those things to tackle at once, and I have to tackle them. And I am tackling them; and that is why in a way we are hit worse than others, but in the longer run, we shall emerge with a very much fitter industry. And we shall be worthy competitors to many of our european friends.

Now, you said that there were only one or two things going in the right direction : inflation is coming down, that is beginning to work. Secondly, perhaps you have not looked at our export figures. Do you know Britain exports 30% of our national income in goods and services. That is more than Japan, more than United States, more than most countries in Europe. That is done because we give satisfactory service. Let me tell you some of the success stories : there is a very big rapid transit system in Hong Kong. We supply most of the goods. It was open early because we produced the goods and material and delivered them $3\frac{1}{2}$ months early. Our exports figures are keeping up well, our balance of payment for the last two months has been good;

, and I remember you know discussing this with Helmut Schmidt, and saying, goodness me the exchange rate ~~is~~ really is very high, very high, and I feared it might cause some difficulty with exports. How did you cope with it, and he said, you know we used it to make our industries really efficient, and you must do the same, and we are doing the same. Last week we got a NATO contract against European competition, we won it. Exports are holding up very well, that is a success story, inflation is coming down, and there is a totally different attitude in Britain. It will take time for other things to work. But they are working, I have no doubt, and we shall keep on the path of sound policies and they will produce results.

Q Your diplomacy also is very strong. Do you believe that one day Britain will play in the world a role as great as at the beginning of this century ?

A I think that when we get our economic house in order we shall play an even stronger role on the world stage. There are a number of countries of whom France is one, that have been accustomed in past years to being world powers. This does give us a different view of world events. We know the effect of what we do, not only ⁱⁿ Europe, but we know the effect it will have on Africa, we know the effect it will have on the Far East, we also have garrison ^{still} in Hong Kong. And I do think this is very important when you come to consider world affairs and the future of the under-developed countries. We also ^{of course} did ~~it~~, I think, play a very important role in Central Africa, when we carried out our responsibilities towards Rhodesia, and brought her to independence. I think not only did we do a good thing for Britain, a good thing for Rhodesia, we proved to the world that ^{with} we skilled diplomacy, total resolution and dedication, it was possible to persuade people to discard the bullet and force, for the ballot box. That was important for us all. And it enured to the benefit

of Europe, to the United State and all African countries .
So I think we showed that we still have that diplomatic
skill, we still have that resolution, we still have that total
dedication and singleness of purpose, ~~which~~ which I think
will help, because it ~~is~~ is our job always to try to expand
the frontiers of freedom, because that is what we believe
is best for ordinary men and women, that is the best way
to live their lives and that is really what matters.

Q Prime Minister, I think we come the end of this interview,
~~before~~ I would like to ask you a last question.

I know that you find questions concerning the fact that you
are a woman irrelevant. However, most of your nicknames in
the press refer to this : the iron lady, Margaret de Gaulle,
Joan of Arc. Does this amuse you or irritate you ?

A Wether you are a man or woman you need a touch of steel
to succeed in politics. You do need singleness of purpose,
you do ^{need} dedication. Yes I hope that I have these things.
I do not know wether being ~~relevant~~ a women is relevant or
irrelevant. I am what I am. I say what I think . I go
in the direction which I believe to be right , and I am
totally dedicated. May I say one final thing. Through out
this interview you have stressed differences, please do not.
Britain and France have been through too much together for
that, I know it, I will not allow you to quarel with me.
So we can go ahead together, and it is my purpose ~~show~~ that
we shall, to our mutual benefit, to Europe's benefit, and
to the benefit of the greater cause that we all serve.
It has been such a pleasure to be with you to day.

Thank you

Merci Madame pour TF1