



Foreign and Commonwealth Office
London SW1

25 September 1979

Mr Geoffrey

You wrote to Peter Carrington on 18 September about the possibility of bringing out an official publication setting out our case on the Community Budget.

We have seen the draft paper prepared by your officials in July which you suggest might be used as a model. This was a useful statement of the problem as it was seen at that time. But I have strong reservations about the wisdom of publishing any sort of official position paper on our budget problem in the run-up to the Dublin European Council.

I believe that informed British public opinion is already aware of the facts and figures. There was good coverage in this week's Economist, for instance. I doubt whether an official paper would add to the general understanding of our case. There is indeed a risk that any points on which our paper differed from the Commission's reference paper would be picked up by our opponents and used to cast doubt on the reliability of both papers. I think we should stick to the Commission's figures which support our case and have the merit of being seen to be neutral.

Moreover an official statement of the British case would constitute a yard-stick against which what we achieve at Dublin would be judged. A published paper could turn out to be a valuable quarry for the Government's critics as well as for the anti-Europeans. There is also a danger that a move of the kind you contemplate would be seen by our partners as an attempt to inflame British public opinion in

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advance of discussion at Dublin. That is not the kind of tactic they would respond to.

It is becoming clear in bilateral meetings that the strength of our case is acknowledged, but that the decision to do something about it will be taken only at Head of Government level. The Anglo-French and Anglo-German summits will be crucial. These must be backed up by a series of bilateral contacts at Ministerial and official level. This is the pressure point; and I believe our energies should be devoted primarily into putting our case over to the other Governments rather than at home.

I recognise that there may be Parliamentary pressure for the publication of some kind of statement of our position. But I hope this can be resisted.

I am copying this letter to the Prime Minister, Members of OD(E) and Sir John Hunt.

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