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- 1. Mr Alexander *Am*
- 2. Comm. Minister.

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NOTE FOR RECORD

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When I was in Paris for the meeting of Personal Representatives from 22 to 24 April, I took the opportunity of calling on Monsieur Jacques Wahl, the Secretary General of the Presidency of the French Republic, on Thursday, 23 April at 5.30 pm.

2. Monsieur Wahl was obviously preoccupied with the forthcoming election. He seemed confident that Monsieur Giscard d'Estaing would be re-elected. The latest poll suggested that on the first round the President would get about 28 per cent of the vote, Monsieur Mitterrand about 22 per cent; Monsieur Chirac and Monsieur Marchais about 18 per cent each. Monsieur Marchais might in the event do slightly better than that because people did not like to tell pollsters that they were going to vote communist and the Communist Party were very good at getting the votes out. If (as Monsieur Wahl expected) Monsieur Chirac came fourth, he would have to decide whether to support the President in the second round. It was likely that he would decide to do so, in order to be able to claim some of the credit for the President's eventual success. In the second round Monsieur Wahl expected Monsieur Giscard d'Estaing to win with a vote of about 52 per cent, which would give him a better margin than in 1974. He said that Monsieur Giscard d'Estaing had announced that, if he was elected for a second 7-year term, he would not stand for a third.

3. On Community business, Monsieur Wahl recalled the message from the President to the Prime Minister in which the President had expressed his gratification and pleasure at the outcome of the agricultural price negotiations. Unfortunately the outcome had stood the President in less good stead in the elections than had been hoped, because, though the agricultural lobby was privately satisfied with the result, the other Presidential candidates were saying that the price increase ought to have been larger and the agricultural lobby were therefore precluded from expressing their satisfaction in public. This would make it the more important, for the second round of the election, that there should be agreement to the proposed export of 60,000 tons of grain to the Soviet

Union. Monsieur Wahl said that they had been informed that the United States embargo was about to be lifted, and at that point they would re-apply to the European Commission. Monsieur Wahl recognised that we were not very eager to see the proposed sale, but hoped that we would not object to it, given its political importance to the President in the election.

4. I said that we had noted and understood the clear view of the French Fisheries Minister that there could be no settlement of the Common Fisheries Policy this side of the French election, but we had welcomed the indications that meaningful negotiations could be resumed after the election. We should go into these negotiations with a wish and determination to reach a settlement. Monsieur Wahl said that it would not be possible to reach a settlement before the election. The President was already in enough trouble in the fishing areas: he had just returned from a difficult visit to Brittany. He was having to say in public that the French position was strong because, if no agreement was reached, there would be freedom of access from the beginning of 1983; but the French fishing industry were treating statements of that kind with some scepticism since they believed that the British Government would never allow freedom of access. I said that that was a realistic view. If the French fishing industry was in a difficult position and presented a difficult political problem, so did the British fishing industry. Several constituencies where the fishing industry was strongly represented were marginal. By the end of 1982 we should be within 15 or 16 months of another General Election. Whatever the strict legal position, it would be politically inconceivable for the British Government to accept an unrestricted right on the part of French and other European fishermen to "fish up to the beaches" of Britain. The French fishing industry might well be right if they thought that their interests would be better served by reaching agreement than by failing to do so. With these considerations in mind I hoped very much that negotiations could be resumed once the French elections were over, with a view to getting the Common Fisheries Policy out of the way before the major issues of budget and CAP reform were tackled. Monsieur Wahl reiterated that it should be possible to resume negotiations after the election (though I learned separately from the Embassy that the Fisheries Ministry were indicating it would be unlikely that a settlement could be reached before June).

5. As to the major issues in the Community Monsieur Wahl thought that we were in for a time of considerable difficulty. The Germans had now had considerable financial deficits at Federal as well as at Land levels, and they would not be prepared to think in terms of higher contributions. I agreed that we were likely to be in for a long and probably difficult period of negotiation on these issues. I thought that it could well be of value that there should be bilateral conversations between us and the French, with a view not so much to reaching compromises or agreements as to clearing minds and discussing possible solutions. Clearly such talks could not start before the election. If, after the election Monsieur Wahl thought that it would be useful to pursue this idea I hoped that he would get in touch with me.

6. Monsieur Wahl at first said that he did not know where he would be after the election. The President was talking in terms of "profound changes" in his entourage (assuming that he was re-elected) for his second term. Eventually, however, Monsieur Wahl indicated that he probably would still continue in his present position after the election, and we parted with expressions of mutual esteem and desire to maintain continuing contact to the benefit of Anglo-French relations and of relations between the Prime Minister and the President.

ROBERT ARMSTRONG

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27 April 1981

cc Private Secretary to the Prime Minister
Private Secretary to the Foreign and Commonwealth Secretary
Sir Michael Palliser GCMG
Sir Kenneth Couzens KCB
HM Ambassador, Paris