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President Mitterrand said that the French position was similar to that of Britain and the position of both countries was simpler than those of West Germany, Holland and the Scandinavian countries. Britain and France both had nuclear forces, and although these did not play a decisive role, they could make the Russians hold back. Why had he reacted in the way he had on East/West relations? France had traditionally had good relations with the Russians, whatever government was in power. Those relations remained good but he had been surprised at the introduction of the SS20 for although it had replaced similar weapons, it presented a deadly danger to Europe. Although France was not in the integrated military structure of NATO, he was concerned about the balance of forces, and he shared the Prime Minister's anxiety. We could only negotiate with the Soviet Union if we were not in a position of weakness and the Russians believed we were genuinely negotiating for disarmament measures. Once the United States had decided on its nuclear weapons programme for the next 5 - 10 years, the Soviet Union would negotiate in earnest, since if they did not reach arms control agreements with the United States, they would be weaker than the Americans in 10 years time. But the United States must accept the need to negotiate. He foresaw a risk that once they had modernised their nuclear weapons, they might not want to negotiate with the Soviet Union. That would let loose a wave of neutralism in Western Europe.

The Prime Minister said that she believed the United States genuinely wished to negotiate arms control agreements with the Russians because of the costs of their defence programme. But she was firmly of the view that they should not enter into talks until they had worked out their negotiating position in the smallest detail. Every step had to be thought out in advance. Otherwise there was a very real risk that they would be manoeuvred into a position by the Soviet Union where public opinion in the West demanded that the Americans should give something away which they should resist.

President Mitterrand said that he was not at all sure that the Soviet Union really wanted to make concessions. This made it necessary for the West to start any negotiations with serious disarmament proposals so that they could push the Soviet Union into making concessions. He shared the Prime Minister's general analysis of this issue. More particularly, he remained concerned about the position of the Federal Republic. Chancellor Schmidt was worried about East/West relations, though he said less about his concerns in international gatherings than he did at

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at home in Germany.

The Prime Minister said that the Alliance would be in a difficult position with Germany if Helmut Schmidt was not the Chancellor. He was faced with considerable domestic problems, including difficulties inside his own party. France and Britain were different from the Federal Republic, not least because we did not have a border with the iron curtain. This meant that France and Britain had to keep closely together. President Mitterrand agreed.

The Foreign and Commonwealth Secretary said that the objective of the Soviet Union was not to secure arms control agreements but to divide the United States from Western Europe. They were using the present neutralist and anti-nuclear sentiment which was showing itself in Western European countries like West Germany, Holland and, even to some extent, Britain, for that purpose. It was important to take advantage of the American will to negotiate, if we were to hold public opinion in Western Europe.

President Mitterrand said that he believed, like Chancellor Schmidt, that we had to negotiate with the Soviet Union but we must certainly resist any attempt by them to split the West. We had to negotiate from a position of strength. We should take decisions on all our planned re-armament programmes and the Soviet Union should understand that we would carry them out in full unless there were negotiations.

Quadripartite Arrangements

The Prime Minister said that the long-standing quadripartite arrangements were the most important forum within the Alliance for deciding policy. They provided the best opportunity to influence the Americans, and she thought that we should have to use them to prepare the ground in detail for arms control negotiations. There was a problem with the Italians who objected to their exclusion from the quadripartite arrangements, but she regarded it as essential that we should continue with them. If there was a major crisis over Poland, the quadripartite forum would have to be used to take quick decisions.

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President Mitterrand said that he agreed that the quadripartite arrangements should continue. He thought that they were excellent and he had already told M. Cheysson to pursue his contacts in this area. He was aware of the problem with the Italians and he thought that we might take certain steps to meet their concerns: it would, for example, be a gesture towards them if we told them about quadripartite meetings. But he was clear that we should not enlarge the forum for otherwise other countries would want to join. As Britain and France were the only two European nuclear powers, we should keep in touch on this subject.

Poland

In response to a question by the Prime Minister, President Mitterrand said that a year ago he had taken the view that we need not fear direct Soviet intervention in Poland, so long as the Polish Communist Party could contain the demands of Solidarity as they emerged. Above all the Russians wanted to see the Communist parties of Eastern Europe remain faithful to the Soviet Union and to the orthodoxy of Marxist-Leninist doctrine. It was when the Communist parties of Hungary and Czechoslovakia had strayed from this path that they had intervened in those countries. And this was why the Soviet Union did not want West European Communist parties participating in the Governments of their countries. What interested Moscow was not what Lech Walesa was doing but Mr. Kania's position. If they thought that he and the Polish Communist Party were going the same way as Czechoslovakia under Mr. Dubcek, they would intervene. A year ago he had thought the Polish Communist Party would maintain its allegiance to the Soviet Union, but he now asked himself everyday where its loyalty lay and he was much more uncertain about the answer.

The Foreign and Commonwealth Secretary said that the recent Congress of the Polish Communist Party had elected a large number of members of Solidarity to the Central Committee.

The Prime Minister said that recent developments in Poland had been the most fundamental change to occur in a Communist state in her lifetime. A separate centre of power had emerged. The Soviet Union had to decide whether to stand back and let the Polish Communist Party try to absorb this second centre of power or whether to intervene in order to prevent the same thing happening in other East European countries.

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President Mitterrand said that the Soviet Union was hesitating at the moment. President Brezhnev was well aware of the immense risks of a military intervention in Poland. For example, Russia's relations with the Third World and his hopes for disarmament would all be affected. He did not want to intervene directly, but he would have to do so if a second centre of power established itself permanently in Poland. Otherwise the problem would spread to the rest of Eastern Europe, and it was fear of that which made the other East European Communist leaders demand firmness of the Polish Government in dealing with their domestic situation. It was possible that Poland's economic situation would precipitate the political circumstances that would finally cause the Russians to intervene. Famine could be the detonator. France was giving economic help to Poland, though perhaps not enough, and she would continue to do so. The fact was, however, that the economic situation was not improving: the French and British could not be substitutes for the Poles themselves. Perhaps we were facing an inevitable progression of events. If the system cracked, it cracked. But we must try, nonetheless, to prevent that happening.

The Prime Minister said that Britain too had been giving economic help to Poland for some time and would go on doing so. But the situation did not get any better. Solidarity did not appear to be telling the workers to go back to work. If intelligence showed that Soviet intervention was coming, the Allies would have to move quickly to take decisions. This would not be easy, because the different interests of the Allies would quickly become apparent.

President Mitterrand said that there was of course no question of Western military intervention. But there were certain ripostes we could make, for example in the field of technological trade with the Soviet Union and in arms control negotiations. He agreed that in the event of Soviet intervention the Allies would need to get together very quickly. But we should remember that the Soviet Union was itself in a very difficult economic situation. They had an interest in being patient with the Poles, though they would watch them like a cat, and in negotiating with the West. Arms programmes were costly for the United States, but they were even more so for the Soviet Union.

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September Summit

The Prime Minister said that if President Mitterrand agreed, she would like to see large Ministerial teams attend the bilateral meeting planned for 10/11 September. There were many matters to discuss - for example, East/West relations; the world economy, where all countries were facing difficulties; and the Middle East - and she thought it would be useful if several Ministers talked to their opposite numbers while she and the President were meeting.

President Mitterrand said that he had not yet had time to think about his team for the September meeting, though he was ready to bring several Ministers with him. Which Ministers attended depended on the agenda. He wanted to strengthen Anglo/French relations and to put substance into detailed co-operation between our two countries. It would be a mistake to have a large meeting which got nowhere, for it would be described publicly as a failure and this would be bad. He therefore proposed that before September there should be contacts at the appropriate level to prepare thoroughly the ground for the Summit meeting. He repeated that he wanted to improve Anglo/French relations which had become a bit 'lethargic'. The United Kingdom was somewhat reticent over the European Community. The Prime Minister and Foreign Secretary were perhaps among the strongest pro-Europeans in Britain. This was something our two countries should talk about. There were also some individual disputes between us about Community matters, but not many.

The Prime Minister said that she agreed entirely that there should be a specific agenda for the September meeting. This was something Foreign Ministers should pursue. Like President Mitterrand, she wanted the occasion to be useful and positive. As regards British attitudes to the Community, he should accept that the United Kingdom was part of Europe and would stay as such. We were full partners. There was talk in this country about withdrawal from the Community but she did not believe that it would ever come to anything. There were certainly problems like fish but we should deal with these in a Community context.

The Foreign and Commonwealth Secretary said that when he had met M. Cheysson immediately after the French elections, they had

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talked about how to put substance into Anglo/French relations. M. Cheysson had certain ideas which he was developing, and Sir Michael Palliser had recently had a talk with the French Ambassador on the same subject. There was therefore work going on. He agreed fully with the need for a concrete agenda for the September meeting.

Franco/British Council

The Prime Minister said that the Franco/British Council was due to meet in Edinburgh in May of next year. This was an important occasion for Anglo/French relations, and she hoped very much that it would go well. Senior British Ministers would speak at the meeting, and she hoped that the same would be true of the French. We had recently appointed a new Chairman of the British section of the Council, but she understood that the French had not yet done the same on their side.

President Mitterrand said that he believed the Council could do great service and he wanted the French side to be more active than it had in the past. He had already discussed the matter with M. Cheysson and with the French Ambassador, and a new French Chairman would be appointed before the September Summit meeting. He had taken note that the Prime Minister herself had spoken at the meeting in Bordeaux, and France would be represented in Edinburgh by M. Mauroy at least. He would like to attend himself but his commitments were such that he could not be certain of being able to make the journey.

The meeting ended at 1710.

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29 July 1981