

Ronnie Pinner -

(1)

30 May Mandate. 1/5, Print, 3/41

1 attach: -

- (a) the Chancellor's minute
- (b) a minute from Mr Walker
- (c) a comment from the Cabinet Office on Mr Walker's minute
- (d) the Foreign Secretary's letter & minute (which you have already seen).

2. The decision which has to be taken now (i.e. tonight or tomorrow) is whether, on the basis of an analysis such as that provided by the Chancellor, you are prepared to let the Foreign Secretary negotiate with his colleagues later this month or not. The objective of such a negotiation would not be to reach substantive agreements. It would only be to narrow the scope of the negotiation so that in the weeks ahead discussions took place ~~in~~ within clearly defined limits.

This is a process which is going to have to
take place sooner or later: it would be impossible
to proceed from the present position to a final
agreement at one meeting regardless of the level at
which it was held. The question is whether
you want the process of narrowing down, started
by you last week, to continue before Xmas or
not. As I told you a moment ago, it is my
instruction that if you do not give the Foreign Secretary
authority to pursue a negotiation on the lines sketched
out by the Chancellor, he will not wish to chair
the meeting. (He is, I imagine, as well aware as
anyone that the chances of success are slight but
would not want the meeting held unless a real
effort to make progress was to be made.)

If you agree that the Chancellor's minute
does provide a basis, the details of our negotiating
position would be worked out & refined next week:

the decision needed before the weekend is whether the meeting is to be held or not. The Foreign Secretary would, of course, be accompanied at any meeting by a senior NAFF official, probably Sir B. Hayes.

Agree: -

- ① that the Chancellor's brief can be further refined to provide a negotiating brief & that it contains the basic elements of such a brief;
- ② that you would be prepared for the Foreign Secretary, working to such a brief, to continue the effort which you began last week to ^{agree} ~~agreed~~ guidelines for the work between now & the next Council in March;
- ③ that the Foreign Secretary should be accompanied at any such meeting by a senior NAFF official as one of the two officials accompanying him?

If you are not content to agree something along these lines, you should, I think, see Lord Carnigton before the weekend & agree with him how to present the postponement of the meeting on Monday.

Paul
3/11