

PRIME MINISTER

*Mr. Hurd to change*  
12.30 1/5

EC MANDATE

In your Box there is a minute from Mr. Hancock recommending that you should send a message to the German Chancellor and that Mr. Hurd should pay a special visit to Brussels on Monday to see Messrs Thorn and Tindemanns. A decision is needed as soon as possible this weekend.

The Chancellor of the Exchequer has said this morning that he does not entirely agree with this recommendation. He does not believe that the concession proposed is necessarily the right one; and he considers that now is the wrong time to offer a concession and that Tindemanns and Thorn are the wrong people to offer it to.

He also finds implausible the last sentence of paragraph 4 of Mr. Hancock's minute. He thinks it unlikely that after the United States decision to come down on our side over the Falklands our partners would refuse to renew sanctions.

The Chancellor is content that you should send the proposed message to Chancellor Schmidt without any changes. As regards Mr. Hurd's mission, he thinks this should still go ahead but that paragraph 7 of the speaking note should be deleted.

On the other hand, the Foreign and Commonwealth Secretary and Mr. Hurd have said this morning that they see no point in Mr. Hurd visiting Brussels unless he can offer the concession in paragraph 7. As they see it, the choice is between a visit on the lines proposed by Mr. Hancock or no visit at all.

Do you agree:

- a) the message should be sent to Chancellor Schmidt?
- b) Mr. Hurd should visit Brussels with discretion to make the concession?

JOHN COLES

1 May 1982

PRIME MINISTER

*More message should be sent to Chancellor.*

*As there is a disagreement between the F.O. and the Treasury, I think*

*Mr. Hurd should not go on*

EC MANDATE

*Tuesday I do not think we should make any concessions until the final resolution. We should only be driven to offer more.*

In your Box there is a minute from Mr. Hancock recommending that you should send a message to the German Chancellor and that Mr. Hurd should pay a special visit to Brussels on Monday to see Messrs Thora and Tindemanns. A decision is needed as soon as possible this weekend.

The Chancellor of the Exchequer has said this morning that he does not entirely agree with this recommendation. He does not believe that the concession proposed is necessarily the right one; and he considers that now is the wrong time to offer a concession and that Tindemanns and Thora are the wrong people to offer it to.

He also finds implausible the last sentence of paragraph 4 of Mr. Hancock's minute. He thinks it unlikely that after the United States decision to come down on our side over the Falklands our partners would refuse to renew sanctions.

The Chancellor is content that you should send the proposed message to Chancellor Schmidt without any changes. As regards Mr. Hurd's mission, he thinks this should still go ahead but that paragraph 7 of the speaking note should be deleted.

On the other hand, the Foreign and Commonwealth Secretary and Mr. Hurd have said this morning that they see no point in Mr. Hurd visiting Brussels unless he can offer the concession in paragraph 7. As they see it, the choice is between a visit on the lines proposed by Mr. Hancock or no visit at all.

Do you agree:

- a) the message should be sent to Chancellor Schmidt?
- b) Mr. Hurd should visit Brussels with discretion to make the concession?

JOHN COLES

1 May 1982