

Page 1 of countless Pages.

Van Agt.

Welcomes Crayone.

1st economic & social

2nd. Japan & New South.

Stop this session at 6.30

dinner at 8 (round)

Schmidt.
~~Reich.~~

wants to talk about Poland

& not about passports. &

Poland should be included in

conclusions. + Spanish Corps

& splendid king. (after dinner)
agreed

Giscard.

wants to talk about Seat of

Government & wants it on Agenda

in ordinary meeting (agreed) P.P.O

~~P.L.~~

Ortoli

7% unemployed in country

$7\frac{1}{2}\%$ at end of year. Worse in some than others.

Evenly balance of payments agreed
to prospect of success.

inflation will slow - $10\frac{1}{2}\%$ this year
9% by end.

International monetary problems difficult
attack on U.S. interest rates too high.
quite a lot about interest rates &
effects on productivity & investment.

public deficit too high in many
countries to boost economies.

Ortoli (cont.)

(9)

Budgets must return to real function
investment vital. other things must
be eliminated (too much public expenditure)
strangling economy by red tape in
community.

E.M.S must convert to a real dollar
cost and Americans not to fight inflation.
U.S. monetary policy inevitable. Thus
interest rate will be too high.

Altogether an unpleasing prospect (I
thought a pretty confused contribution)

Van Agt.

Saw employers & Trade Unions Union
Employers say fight inflation

& relations with Japan etc

Unions asked that Council should
lay down guide lines to coordinate
Council of Econ, social etc ministers.

Now propose to go round table
so that all should pour out
their hearts (oh dear)

(3)

Went Went

Bazza trouble during this horrible
contribution. But from what I heard
a bit return. but

touches on fish. effort needs to
be made to solve before August.

Ag. prices must be fixed within
deadline. farm incomes decline alarmingly
prices proposed need increasing

steel much concerned. restructuring
necessary. market must be non discriminatory.
new measures to be extended. hopes so.
I then away with article 58. Europe
must try hard. lux has tried hard

Werner (cont.)

stagflation continues. But must
avoid protectionism between member states.

This Council should give guidelines
solidarity important

Forlani

wants to comment on his
measure

must be greater community solidarity
& convergence of
economy

his economy is in trouble (for
obvious reasons & won't spell out)

(4)

Tcashock. Taoiseach

unemployment principle problem. rising steadily & will continue. Can we not do something other than Pigganber.

We should all combine together.

& should express political concern.

Wants social fund activities extended particularly for young people. should be invitation to

Commission to do above.

Agrees with Danka about As

& wants Settlement quickly & much higher than that recommended. must be done quickly

Giscard remind ~~to~~ us all of reasons for
Council.

Fisheries should have been solved
by Jan. Heads of states cant. v
irritating. doesn't see why Canada cant
be solved in routine way.

Ag prices should be solved before
1st April. not our business but things
going slowly. agrees with Teashock &
they must solve problem at lux. settle
it they must however long it takes

international situation exchange rates at
dinner

Economic situation serious

Giscard (cont)

hoped it would be over by now
but continuing gloom.

examine with Americans moderate

of rates.

should have proper programme for
energy substitution.

funds to help unemployment.

so the Community has contained crisis

but the Community resources are
being exhausted

repeats that France is not
contributor

the Community to avoid mortal wounds

must take account of resources exhausted

must set up rules not allowing national
aids

Rallis accession to community in 187-
two months has

not caused significant increase in prices.
(had anticipated last year)

increase in private savings

" " revenue (normally best paid)

Balance of payments satisfactory

Accession mastered & investment good.

one disadvantage G.D.P. not up to
expectation

due to Ag's failure in bad weather.

Rainis (cont)

⑥

Earthquake bad. needs money

Dg agrees with him & Irish.
bad decline in income. can't do alone
hopas 'ja goodness'.

Schmidt:

in Germany 5% inflation
5% unemployment

Balance of payments bad
convergence happening all bad.

National measures cannot remove cause.
oil is the cause. Substitution necessary.
for Opec Mexico or elsewhere.

Agrees with Giscard consideration
on how U.S. interest rates could be
reduced

Schmidt (cont) Americans globally responsible.
reform; isn't going to use tough
language

Goal is clear.

Not paying positions impossible. gets
agreements not kept, agreements must be
honoured.

must point out World agree 1982
more than 1% of financial matters
renegotiated Germany also insists on ceiling.

Commissions mandate for June recalled
& must be respected.

Competitive devaluations must
be avoided

Schmidt Too much national ^⑦ selfishness.

Fish Cannot understand ^{why} great ground
made on May 25th & ~~why~~ ^{why} hasn't happened.
Farm & Canada used as lever. Not
to far smaller.

Steel not enthusiastic. quotas
all very well but steel subsidized
contrary to rules. Subsidy only to
those who reduce capacity. If not
watch out. Won't allow German disaster
& ruin German industry.

Financial 74-79 budget increases
on average by 23%. Can't go on

P.T.O

cant expect Gansay to go on helping
Jama prices cannot escape from
normal rules. must begin reform

Wants to go on about Poland
tonight & Japan more important
than just trade

P. 17.

Ortoli is right about importance of reducing inflation
it is a priority. has been successful
gives figures.

Unemployment steadily risen over last decade.
gives figures.
Cause much concern.

oil prices one cause
patterns of world trade another. textiles for example.
mass production in Korea, Taiwan.
shipbuilding. steel.

must have help for course & social fund. &
investment in new technology. electronics for example.
not enough done.

indexation a factor in consumption v important.

Jumbo
~~that~~ Council not very likely to find solution.
~~find one or more~~

Fish v anxious to reach ~~the~~ ^{agreement}. bigger preparation of our
economy has
has tried really hard to meet deadline
not time to get into detail
won within acc of agreement. we wait great.

sted. we have reduced capacity by 50,000 jobs, & will shed
20,000 more. you
other countries must do same. Or else will
be ahead to ~~8% excess~~.

Unemployment

J. J. Foyrusee (Dutch)
Economic forecasts gloomy.

inflation has been reduced but unemployment awful.
Wants to stimulate economy if not
catastrophe.

No light at end of tunnel — Capital.

No magical solution. Had June discuss new
initiative

- (1) work together. undatualism hopeless
- (2) infrastructure projects.
- (3) energy. improve balance. oil savings.
Denmark done well.
- (4) other measures to reduce unemployment.
arous reduction in working hours.
(but not wage compensation)

carefully & consciously, cast
light on employment &

Calls for coordinated action in June.
Fish must be solved. insiderly Faran &
Canada must be solved.
Ag prices not high enough. must be
settled.

B. B. Martens (Belgium)

Comments at some length on Ortet's contribution
expands on Belgian problems.

Wants that Joint Council for unemployment

Some unemphatic remarks on stabilising
fluctuations in dollar.

Suggests ecogin should progress E.M.U.
through cross credits with U.S.

Van Agh

That Council might raise unwanted expectations
but we have done it

General feeling fish must be solved. Not super council
but would then be any point in making political effort
to solve friction.
Can we make political effort.

Farm Prices. decisions must be taken quickly &
Consensus on the

But not agreement on level.

Ortoli

Commission hasn't means to do much about
unemployment

We should agree on action

not exaggerated what international policies can do.

I really can't be bothered. He is blindingly
dull

The trouble with people like Ortoli
is they never doing anything short of
his my certain belief
that if asked to be brief
he will rattle on even more hortoli.

Farlan's talk of responsibility will come up in June
but not now.

Teasbeck.

agrees as ministers should meet until they agree
but two different types of Ag.
Natural & factory.

P. M.

Hague agreement in 1976 } ~~over~~
30 May. } Canada

Schmidt.

Surprised. not that of Taror
Canada only 1500 tons.

everybody agrees but us.
disappointed

P. h. G.

0.85 - with U.K.

14

0.71 - without U.K.

ask about these figures

Paradox meeting for maximum effort for Ag
Fish. P. 7's words noticed. urgent aspects to
be solved first.

Forlani

Schmidt said about steel conclusions about
restructuring on 27th March. agrees. But stresses Italy
has reduced capacity & abandoned new works in Calabria

Farm prices negotiations will be difficult.

Can't agree on generalised comparability
no surplus in 17th products
Sugar must have quota related to
consumption

Giscard

matters must be treated on merits & timetables.

Jumbo Council a very bad idea. Towns & Mountain

Fish an agreement in 73. and 82.

begin and another negotiation
Commission's proposal to extend is all that can
be asked.

Seems to think it politically simple.

Farm Prices must be settled by 1st April. Normal
proceedings must be followed
meet until they agree. but budgetary
considerations must be thought of.

Ganscha lean gfa dinna.

Haslam (Bairi ladh) owner of Co.

Madrid conference to finish or not. (Bairi)

Gansh
me / not to start.

Kemhan
Ponect. agrees not for ever.

all agreed
to Bairi.

Middle East.

Draft. not accept. (Israel)

territories to be liberated
outward questions for 'Arafat'

asked what I would do

Lebanon.

Syrians & Americans

Sannin
Sam 6.

F.P. Things very bad.

Lebanese army takes over
No communication & no more ideas.

Turkey

Presidency out in open

Ethiopia. want good relations (heard it all in Rome)

general talk about difficulty of

having or hindering relationship with West.

Libya.

P.O.C.O.

Wally - nobody v keen

F.P. no bureaucracy.

Political directors see how Copen can be improved
discussion security & defence

(1) all agreed on improvement.

ask Political directors to continue

Jugoslavia - No baby beg catastrophe
Coward to talk

Japan. Garton wants to talk about P.O.C.

Restructuring last F.A. Council
& Pan Reps meeting before

Jumbo in June. — some don't want it.

Thorn How do we manage.

Parliament.

Relations with other industrialised countries.

Northam That's discussion with Japs about cars v important.

P.T. agrees. E.C.E must keep united front & with U.S.

cheap gas ~~is~~ damaging.
perhaps discuss at Summit.

Malt South

Van Agt must get on with global negotiations

J.J. must say we have discussed it & let it be known we encourage Mexico & Global Nge

P.L.G Commission has submitted papers must have

Community position.

Alexander intervened & this priceless contribution was lost for ever.

Guiscard Ottawa in July. No progress in Japan problem
Worse indeed. with Gengaz raise it. Commission
pursue its work. timetable for Ottawa & Mexico
means no decision now but should have report by
June.
P.T.O

Van A.

This will be reflected in conclusions

Draft declaration

P.7.

raised treasurers point on Page 1

Antons.

likes treasury substitute

Giscard

has always been coordination. But for
we should seek what original text.

perhaps action too strong, attitude better

Colombo

agrees with Giscard so does P.7

so

Do you really want a blow by blow
on this ghastly drafting session

It was agreed with Giscard & F. Pared
& Mordancy that we would bring
forward Fish Council to this week,
but not mention bilaterals with France
since it would put too much pressure
on us.

This was agreed. Giscard
says we must all try. It
will now be necessary to tie
up bilaterals with France before
they vote.

P. T. O

Schmidt . we have instructed his Minister
to link ~~between~~ the two issues! (doesn't
make sense)