

10 DOWNING STREET

From the Private Secretary

7 December 1981

GLOBAL NEGOTIATIONS

The Foreign and Commonwealth Secretary asked over the weekend that UKMIS New York telegrams Nos. 1463 and 1466 should be brought to the Prime Minister's attention. Lord Carrington recommended that, in view of the developments in the attitude of the Federal Republic of Germany, we should be ready to go along with the Kitani text, making our views about IMF/World Bank competence clear in an interpretative statement.

The Prime Minister agrees with this recommendation but has stated that we must make it clear beyond all doubt that the competence of the IMF and the World Bank must not be prejudiced by the global negotiations.

A. J. COLES

R.M.J. Lyne, Esq., Foreign and Commonwealth Office.

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MESSAGE FROM THE FOREIGN AND COMMONWEALTH OFFICE

GLOBAL NEGOTIATIONS

The Foreign Secretary has asked UKMIS New York telegram nos. 1463 and 1466 to be brought to the Prime Minister's attention tonight.

The situation at the UN has changed suddenly because the Germans, hearing that the G77 have accepted the draft Resolution prepared by the President of the General Assembly (Kitani), wish the European Community to announce its early acceptance also. Sir A. Parsons believes that he needs discretion to move to this position tomorrow, so as to maintain a united EC position.

The Treasury learned from a conversation between Sir K. Couzens and Schulmann today that there has been a deal between Genscher and Matthoefer. By this it is made clear in an interpretive statement. The Treasury recommend that we should do the same and are so into the Chancellor of the Evolution text, provided that the FRG view about the IMF/World Bank is made clear in an interpreting the Chancellor of the Exchequer.

The Foreign Secretary hopes that the Prime Minister will agree with this. (He is leaving for Brussels tomorrow morning.) If she does, instructions will be sent to Sir A. Parsons early tomorrow, to give him the discretion he seeks: by adding that in announcing this to the EC partners in New York, he should set out our national position, following as closely as possible the words used at Cancun about the IMF/World Bank which were approved by the Prime Minister.

> LORD BRIDGES 6 December 1981

CONFIDENTIAL **

DESKBY UKREP BRUSSELS \$76980Z

FROM UKMIS NEW YORK \$50155Z DEC 81

TO IMMEDIATE F C O

TELEGRAM NUMBER 1463 DATED 4 DECEMBER 81

INFO IMMEDIATE UKREP BRUSSELS, WASHINGTON, ROUTINE UKMIS GENEVA, UKDEL OECD, PARIS, BONN.

MYTELNO 1437 AND WASHINGTON TELNO 3644 TO FCO: GLOBAL NEGOTIATIONS

1. AS FORESHADOWED IN PARA 6 OF REF TEL 1437, THE PRESIDENCY (BAYNE) AND COMMISSION (MALVE) MET SORZANO AND CLARK OF THE US MISSION TO DISCUSS POSSIBLE AMENDMENTS TO THE TEXT IN MY TELNO 1406. OUR REMIT FROM THE TEN DID NOT PERMIT US TO SUGGEST THAT THE AMERICANS SHOULD PROMOTE PARTICULAR CHANGES. WE WERE ABLE, HOWEVER, TO LEARN MORE OF THEIR MAJOR PREOCCUPATIONS AND TO DISSUADE THEM FROM SOME IDEAS WHICH WOULD NOT HAVE BEEN USEFUL.

2. THEIR MAIN CONCERNS WERE NATURALLY WITH PARA 4 OF THE TEXT AND WE ENCOURAGED THEM IN THINKING THAT THE MOST IMPORTANT OBJECTIVE WAS TO SECURE LANGUAGE 'RESPECTING' THE COMPETENCE AND FUNCTIONS OF SPECIALISED FORA. WE ALSO ARGUED WITH SOME FORCE THAT THEY SHOULD AGREE TO 'REAFFIRM' RESOLUTION 34/138, SINCE THIS WOULD HELP THEM TO SECURE CHANGES ELSEWHERE. THE AMERICANS TOOK OUR ARGUMENTS BUT SAID THAT THERE WAS RESISTANCE IN WASHINGTON AT THE HIGHEST LEVEL.

3. MRS KIRKPATRICK WILL LEAVE FOR WASHINGTON OVER THE WEEKEND. WE DO NOT KNOW EXACTLY WHAT HER PLANS ARE BUT AT LEAST NO MORE HAS BEEN SAID ABOUT A US ABSTENTION. RASHISH AND HORMATS HAVE BOTH BEEN IN NEW YORK TODAY.

4. MEANWHILE, I TALKED TO BEDJACUI. HE SAID THAT HE WAS HAVING THE GREATEST DIFFICULTIES WITH THE G77. THERE WERE PROPOSALS FOR A GREAT MANY CHANGES IN THE TEXT IN MY TELNO 1406, FOR EXAMPLE TO WEAKEN THE USE OF CONSESUS. BEDJACUI SAID THAT HE WAS RESISTING PRESSURE TO ADVANCE THESE PROPOSALS: HE HAD SECURED A MANDATE SIMPLY TO CONTINUE TO NEGOTIATE ON THIS TEXT. HE HAD BEEN DISCONCERTED BY MRS KIRKPATRICK'S RELUCTANCE TO NEGOTIATE ON THIS BASIS HITHERTO AND HOPED THAT SHE WOULD BE BETTER PLACED NEXT WEEK. I ASKED WHAT WOULD HAPPEN IF MRS KIRKPATRICK RETURNED WITH PROPOSALS FOR AMENDMENT TO THE TEXT. BEDJACUI THOUGHT THIS WOULD OBVIOUSLY INCREASE HIS DIFFICULTIES IN THE G77 BUT DID NOT EXCLUDE MAKING PROGRESS ON THIS BASIS.

5. WE HAVE NOT YET GIVEN OUR PARTNERS IN THE TEN ANY ACCOUNT OF THESE EVENTS. WE SHALL MEET THEM AT COUNSELLOR LEVEL AT 1330Z ON 7 DECEMBER, AND I PLAN TO CALL TOGETHER THE AMBASSADORS LATER.

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6. THE MOST RECENT DEVELOPMENT IS THAT MY GERMAN COLLEAGUE TELLS ME THAT HE NOW HAS INSTRUCTIONS FROM BONN TO AGREE TO THE TEXT IN MY TELNO 1406, WITH A VERY BRIEF INTERPRETATIVE STATEMENT. HE HOPES THAT THE AMERICANS WILL LIKEWISE AGREE TO ACCEPT THE TEXT UNCHANGED, WITH AN INTERPRETATIVE STATEMENT. FROM WHAT WE KNOW OF VIEWS IN WASHINGTON, HOWEVER, THIS SEEMS MOST UNLIKELY. I HAVE ASKED VAN WELL NOT TO REVEAL HIS INSTRUCTIONS TO OTHERS UNTIL WE MEET ON MONDAY, IN THE HOPE THAT BY THEN WE SHALL KNOW MORE OF THE AMERICAN POSITION. BUT ONCE THIS NEW GERMAN POSITION BECOMES KNOWN, THE REST OF THE COMMUNITY WILL RALLY TO IT AND IT WILL NOT BE POSSIBLE FOR US TO STAND OUT ALONE AGAINST IT.

7. UKREP BRUSSELS MAY DRAW ON THE ACCOUNTS OF MY DISCUSSIONS WITH MRS KIRKPATRICK YESTERDAY AND BEDJACUI TODAY IF IT IS NECESSARY TO GIVE THE COUNCIL OF MINISTERS SOME ACCOUNT OF THE 'ACTIVE AND DISTINCT' ROLE THE PRESIDENCY IS PLAYING.
BUT NOTHING SHOULD BE SAID TO OUR PARTNERS ABOUT THE CONTENT OF TODAY'S DISCUSSION WITH THE AMERICANS.

8. BAYNE WILL TELEPHONE EVANS (AUSS) - OR FAILING HIM, GREEN (ERD) - ABOUT 1400Z TOMORROW. GRATEFUL IF RESIDENT CLERK COULD PASS THE GIST OF THIS TELEGRAM TO WHICHEVER WILL BE AVAILABLE.

PARSONS

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FROM UKMIS NEW YORK Ø517Ø1Z DEC 81

TO IMMEDIATE F C O

TELEGRAM NUMBER 1466 DATED 5 DECEMBER 81

INFO IMMEDIATE UKREP BRUSSELS, WASHINGTON, PARIS, BONN

ROUTINE UKMIS GENEVA, UKDEL OECD

RESIDENT CLERK (FOR ACTION PARAS) -

MY TELNO 1463 AND YOUR TELNO 847: GLOBAL NEGOTIATIONS

- 1. YOUR REFTEL INDICATES THAT VAN WELL, IN REPORTING TO BONN, MADE MUCH OF AN AFTER LUNCH SPEECH BY KITTANI ON 4 DECEMBER IN PRESSING FOR FINAL INSTRUCTIONS FROM BONN. BEDJACUI (THE G77 CHAIRMAN) AND I WERE ALSO PRESENT AT THE LUNCH WITH MANY OTHER PERM REPS. IT WAS A SOCIAL OCCASION AND KITTANI'S REMARKS WERE MORE OR LESS LIGHT-HEARTED AND ACCEPTED AS SUCH. HE SAID THAT NOT ONLY THE G77 BUT ALSO THE COMMUNITY AND EVERYONE ELSE EXCEPT THE AMERICANS HAD ACCEPTED THE TEXT IN MY TELNO 1456.
- 2. BEDJAOU! AND I AGREED AFTERWARDS THAT KITTAN! HAD GONE TOO FAR BUT THAT IT WOULD HAVE BEEN BAD MANNERS TO HAVE ARGUED WITH HIM PUB! ICLY ON THE SPOT. VAN WELL UNDERSTOOD THIS AND HIS SUBSEQUENT ACTION WAS DISINGENUOUS. BUT HE GOT THE RESULT HE WANTED.
- 3. I AM CONVINCED THAT WE MUST NOW JOIN A UNITED COMMUNITY POSITION, IE THAT ALL TEN OF US SHOULD BE PREPARED TO ACCEPT THE DRAFT AS

HIS SUBSEQUENT ACTION WAS DISINGENUOUS. BUT HE GOT THE RESULT HE WANTED.

A I AM CONVINCED THAT WE MUST NOW JOIN A UNITED COMMUNITY POSITION. TE THAT ALL TEN OF US SHOULD BE PRÉPARED TO ACCEPT THE DRAFT AS IT STANDS, WITH AN INTERPRETATIVE STATEMENT TO BE DELIVERED BY THE PRESIDENCY (UNLESS IT IS AGREED THAT THERE ARE NO INTERPRETATIVE STATEMENTS BY ANYBODY.) IF I CAN PREPARE THIS POSITION AT MY MEETING WITH THE PERM REPS OF THE TEN AT 1430Z ON 7 DECEMBER. I CAN HOPE TO REIN THEM BACK FROM GOING PUBLIC INDIVIDUALLY ON THEIR OWN POSITION, SO LONG AS THERE IS THE REMOTEST CHANCE OF NEGOTIATING SOMETHING ACCEPTABLE TO THE AMERICANS AND THE 677. IF I CANNOT PROCLAIM A UNITED TEN POSITION, I HAVE NO DOUBT THAT THE OTHERS WILL GO THEIR OWN WAY ON MONDAY, MAKING SURE IN THE PROCESS THAT EVERYONE ELSE KNOWS THAT WE ARE THE ODD MAN OUT. 4. I CANNOT OF COURSE ANSWER FOR THE REACTIONS OF THE WASHINGTON BUREAUCRACY BUT THESE TACTICS WILL NOT UPSET MRS KIRKPATRICK. SHE IS APPRECIATIVE OF THE FACT THAT WE HAVE ROPED DOWN OUR PARTNERS SO FAR IN ORDER NOT TO ISOLATE HER PUBLICLY. SO LONG AS I CAN CONVINCE HER THAT WE WILL STILL TRY TO AVOID ISOLATING HER IN PUBLIC UNTIL ALL HOPE HAS COLLAPSED, SHE WILL NOT IN MY VIEW BE RESENTFUL. SHE HERSELF BELIEVES THAT HER PEOPLE IN WASHINGTON ARE BEING OVER-METICULOUS AND SLOW TO UNDERSTAND THE REQUIREMENTS OF THE UN GAME IN NEW YORK. 5. RESIDENT CLERK PLEASE INFORM LORD BRIDGES (OR IF UNAVAILABLE EVANS AUSS) OF THE ARRIVAL OF THIS TELEGRAM.

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