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FM PARIS 151203Z NOV 82

TO IMMEDIATE FCO

TELEGRAM NUMBER 1084 OF 15 NOVEMBER 1982

INFO IMMEDIATE MOSCOW WASHINGTON AND BONN

INFO ROUTINE ROME COPENHAGEN UKREP BRUSSELS UKDEL NATO TOKYO AND OTTAWA

read in full

MY TELNO 1082: GAS PIPELINE

SUMMARY

3 1. GUTMANN, SECRETARY GENERAL AT THE QUAI, CALLED IN EC AMBASSADORS THIS MORNING TO GIVE AN ACCOUNT OF THE WEEKEND'S EVENTS. HE SOUGHT TO JUSTIFY FRENCH ACTIONS BUT ALSO TO CONVEY A REASSURING IMPRESSION THAT THERE WAS NO NEED FOR DRAMA OR CRISIS AND THAT FRANCE WAS READY TO GO AHEAD WITH DISCUSSIONS ON THE CONCERTATION OF POLICIES ON EAST/WEST TRADE. HE REJECTED CATEGORICALLY ANY IDEA THAT THE NON-PAPER MIGHT NOW BE PUBLISHED.

DETAIL

2. GUTMANN SAID THE FRENCH GOVERNMENT WAS AS READY AS ANY OTHER TO IMPROVE CONCERTATION IN MANY SPHERES OF EAST/WEST RELATIONS. THEY WERE CONCERNED AT THE DAMAGE DONE BY UNILATERAL ACTIONS OVER THE LAST TWO YEARS AND HAD AGREED THAT CERTAIN SUBJECTS SHOULD BE STUDIED IN APPROPRIATE FORA SUCH AS OECD. THEY APPROVED THE IDEA OF A PROGRAMME OF WORK IN WHICH DIFFERENT SUBJECTS WOULD BE TACKLED TO ACHIEVE VARYING DEGREES OF CONCERTATION. IN THIS SPIRIT THEY HAD PARTICIPATED IN DISCUSSIONS OVER THE LAST FEW WEEKS. BUT THEY HAD HELD TO THE PRINCIPLES THAT SOVEREIGNTY AND THE DEFENCE OF NATIONAL INTERESTS SHOULD BE SAFEGUARDED, THAT THERE WAS EQUALITY BETWEEN THE PARTICIPANTS - PARTNERSHIP NOT LEADERSHIP- AND THAT WHILE IT WAS RIGHT TO AVOID REINFORCING SOVIET MILITARY CAPACITY THERE SHOULD BE NO ECONOMIC WAR AGAINST THE SOVIET UNION.

3. GUTMANN SAID THAT ON MODALITIES THE FRENCH GOVERNMENT HAD INSISTED THAT DISCUSSIONS WERE DIRECTED TOWARDS "JOINT REFLEXION" NOT A FORMAL ACCORD, THAT THE DOCUMENT UNDER DISCUSSION SHOULD NOT BE PUBLISHED SINCE THIS WOULD MAKE IT FORMAL AND WOULD LEAD TO CONFLICTING COMMENTARIES ON IT, AND THAT THERE SHOULD BE NO SORT OF CONDITIONALITY IN THE FORM OF A LINK WITH SANCTIONS. NO CONCERTATION WOULD BE POSSIBLE UNDER THREAT. THIS WOULD MERELY INVITE THE US TO TAKE FURTHER EMBARGO MEASURES IN THE FUTURE TO EXERCISE PRESSURE ON RECALCITRANT PARTNERS.

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4. THE GOVERNMENTS CONCERNED HAD BEEN VERY CLOSE TO AN UNDERSTANDING, BUT ALL ELEMENTS OF THE PUZZLE HAD TO BE IN PLACE. AT THE LAST MOMENT THE US HAD INSISTED ON PUBLICATION OF THE DOCUMENT. REAGAN'S MESSAGE ON SATURDAY MORNING ALSO SHOWED THAT HE STILL WANTED A LINK WITH SANCTIONS AND WITH THE SITUATION IN POLAND. THIS WAS CONTRARY TO FRENCH VIEWS. ON SATURDAY AFTERNOON THE AMERICANS HAD TELEPHONED THE ELYSEE TO PRESS FOR PUBLICATION. THE ELYSEE REPLIED AT 1700 HOURS THAT THEY NEEDED TIME FOR MORE STUDY INCLUDING FURTHER CONSIDERATION OF THE ACTUAL CONTENT OF THE DOCUMENT. AT 1800 HOURS THEY HEARD OF REAGAN'S BROADCAST.

5. REAGAN'S BROADCAST WAS UNACCEPTABLE FOR SEVERAL REASONS: IT IMPLIED A FORMAL AGREEMENT: IT INDICATED OPERATIONAL DECISIONS HAD BEEN TAKEN: IT MADE A LINK WITH THE LIFTING OF SANCTIONS: IT IMPLIED US LEADERSHIP: AND IT SET THE WRONG TONE, SOMEWHAT IN THE SPIRIT OF A HOLY ALLIANCE AGAINST THE SOVIET UNION. ALL THIS WAS EVIDENCE OF AT LEAST A SERIOUS MISUNDERSTANDING, PERHAPS SOMETHING WORSE. SO THE QUAI PROMPTLY PUT OUT ITS STATEMENT, WHICH HAD BEEN INSTIGATED PERSONALLY BY MITTERRAND. GUTMANN HAD RECEIVED THE US AMBASSADOR AT 2100 HOURS ON SATURDAY IN ORDER TO AVOID FURTHER MISUNDERSTANDING.

6. THE FRENCH GOVERNMENT NOW WISHED TO AVOID DRAMATISING THE AFFAIR, & BUT ALSO TO AVOID ANY AMBIGUITY. IF THE US WAS REALLY AIMING TO RALLY OTHER COUNTRIES AGAINST THE SOVIET UNION FRANCE WOULD HAVE NOTHING TO DO WITH IT. BUT IF SATURDAY'S EVENTS WERE DUE TO EXCESSIVE HASTE AND DID NOT REFLECT THE REAL WILL OF THE US GOVERNMENT AND IF THEY SOUGHT GENUINE CONCERTATION, NOT IN A SPIRIT OF LEADERSHIP OR ECONOMIC WARFARE, THIS COULD GO AHEAD. FRANCE HAD NO WISH FOR A CRISIS.

7. I ASKED IF THERE WAS ANYTHING IN THE NON-PAPER TO WHICH THE FRENCH GOVERNMENT OBJECTED. GUTMANN AVOIDED A DIRECT ANSWER AND REFERRED TO THE RESONANCE AND THE COLORATION WHICH HAD BEEN GIVEN TO THE NON-PAPER IN THE FINAL STAGES OF DISCUSSION. THIS WAS WHAT HAD NECESSITATED A PAUSE FOR REFLECTION. ANDREANI SAID THAT TWO POINTS WERE STILL OPEN, THE REFERENCES TO SUBSIDISATION AND TO A COMMON APPROACH. THAT WAS WHY THE SIDE-LETTER WAS IMPORTANT. SHULTZ'S ATTEMPT TO BLOCK SIMULTANEOUS PUBLICATION OF THE SIDE-LETTER WAS EVIDENCE THAT THERE WAS A DISAGREEMENT ON SUBSTANCE HERE.

8. I ALSO ASKED HOW THE FRENCH NOW VIEWED THE POSSIBILITY OF PUBLICATION OF THE NON-PAPER. GUTMANN REACTED STRONGLY. HE SAID THAT IF IT WERE PUBLISHED FRANCE WOULD TAKE ITS DISTANCE

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FROM THE WHOLE EXERCISE AND WOULD DISAVOW THE PAPER. THIS WAS NOT HOWEVER WHAT HE WANTED: HE LOOKED FOR A QUIET CONTINUATION OF DISCUSSION. WORK COULD GO AHEAD IN COMING WEEKS ON IMPROVING CONCERTATION. THERE WAS NO NEED FOR DRAMA.

FRETWELL

EAST/WEST ECONOMIC ISSUES - SIBERIAN PIPELINE

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