

Mr Wells - please
on to Mr Wells

M. be on 10 June

CONFIDENTIAL

FROM: R Q Braithwaite

DATE: 2 June

Mr Derek Thomas

MUG on 10	
RECEIVED	
5 JUN 1985	
INBOX	
FAILURE AT MILAN?	

cc: Private Secretary
PS/Mr Rifkind
Mr Williamson, Cabinet
Office
Mr Renwick
Mr Fairweather
Mr Meyer

PRESS HANDLING

1. We have given far more real thought to the possibilities for developing the Community in sensible, practical, and attainable ways than any of our partners. We have made proposals of substance on decision-making, on the internal market, and on political cooperation. We have made a practicable proposal on procedure (decisions at the European Council, to be remitted for further work to working groups of officials reporting back to the European Council). We have responded positively to the only proposal by another member state (Eureka) with a reasonable procedural proposal of our own, intended to help clarify French ideas and move them forward within a realistic timetable. Yet there is a danger that Milan will end in confusion, and that other member states will find it convenient to make us the scapegoat. I believe that you share this fear. Much is being done to prevent this outcome. We need perhaps to start thinking how to minimise the damage if it occurs.

2. The Heads of Mission conference on 3 June should cast more light on the attitudes of individual governments. But the attitudes of the key governments - France, Germany, and Italy - do not look promising. Vidal told me on Friday that French ideas were close to our own - but confessed that he had no idea what was being hatched in the Elysee. Dumas was careful to point out at his meeting with the Secretary of State that the British proposals did not fully meet French ambitions to develop the Community. And on 31 May Arnaud indicated at his meeting with R Nicholson that he preferred the idea of launching one or two definite "Eureka" projects at Milan to the British idea for a High Level Group.

3. In Bonn, officials in the Chancellor's office and the Economics Ministry told me on Thursday that they thought our ideas sensible. But they were gloomy about the possibility of them being

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The meeting took place this evening (8)
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them being adopted at Milan. Ungerer said that Genscher had laid down that Milan was to take decisions building on the Dooge Report, and that treaty amendment and intergovernmental conference remained important objectives. He clearly thought that working groups on political cooperation and the internal market were no substitute.

4. Though the attitudes of the Presidency and indeed of other member states (where the split between oldfashioned Euroidealism in the Foreign Ministry and a more practical approach elsewhere also exists) will obviously be important at Milan, it is the Franco-German relationship which is likely to be determining. Some of the current irritants in that relationship - agriculture, SDI, the hangover from the Bonn Summit - will not be easy to overcome. The French are continuing with their campaign of beastliness (the French press reporting of the Constance meeting was more negative than the facts justified), no doubt following their tradition of blackmailing the Germans into concessions. The Germans will doubtless try hard to find some joint "Eureka" projects which they could announce with the French at Milan. They will be unable to give on the other matters.

5. There is in any case certain to be no progress on the more grandiose aspects of Dooge. It will be a great temptation for the others to explain to their public opinion that this "failure" was the fault of the British, because they

- refused to agree to an intergovernmental conference;
- did not accept the idea of treaty amendment;
- had put forward diversionary procedural proposals (political cooperation and the internal market);
- were in any case not interested in "building Europe", but only in such mundane and peripheral things as free trade and political cooperation.

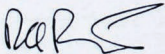
6. The Stresa meeting and our continuing bilateral exchanges with our partners must of course be the main means for convincing the others that our ideas are the best practical way of moving the Community forward. We need to carry forward our ideas for Eureka, and if possible meet the French desire for something concrete at Milan (perhaps the announcement of some collaborative project which is already in the pipeline, but can be put into the Eureka context: Sir R Nicholson will be looking into this).

7. But we shall also have to think about briefing the press, both domestic and Continental, to ensure that our ideas get the best possible public presentation. This will be necessary both before and after Stresa and indeed this week's meetings of the Research and Industry Councils, since the fallout from those meetings will significantly help to determine the press approach to the Milan meeting itself.

8. I suggest that we should hold a meeting with Mr Meyer and other

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interested parties as soon as possible after the Heads of
Mission conference to pursue this aspect. News Department
suggested at the end of last week that I should brief the
press on Eureka. But I think we need a more considered
tactical plan to make the most of the advantages we have.

A handwritten signature in black ink, appearing to read 'R Q Braithwaite', with a stylized flourish at the end.

R Q Braithwaite