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TO IMMEDIATE FCO

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FRAME ECONOMIC

FRENCH REACTIONS TO THE DELORS REPORT

SUMMARY

1. ROCARD CRITICAL ON FRENCH TELEVISION OF THE BRITISH REACTIONS TO THE DELORS REPORT AND OF THE BRITISH VISION OF EUROPE. HE WARNS THAT NEGOTIATIONS IN THE MONTHS AHEAD OF FISCAL, MONETARY AND SOCIAL ISSUES ARE LIKELY TO BE HARD.

DETIAL

- 2. IN THE COURSE OF A LONG (ONE AND A HALF HOURS) TELEVISION
 INTERVIEW FROM THE MATIGNON, BROADCAST NATIONALLY ON THE EVENING OF
 20 APRIL, ROCARD WAS ASKED FOR A VIEW ON THE DELORS REPORT. HE
 BEGAN BY COMPLIMENTING THE DELORS COMMITTEE ON THEIR WORK. THEIR
 CONCLUSIONS WERE WISE BECAUSE THEY DID NOT IMPOSE ANY PARTICULAR
 TIMETABLE AND LEFT THE KEY DECISIONS TO THE COUNCIL OF MINISTERS.
 THE REPORT OPENED UP THE PROSPECT OF MONETARY UNION, A PROSPECT
 CONTAINED IN THE SINGLE EUROPEAN ACT WHICH THE TWELVE, INCLUDING MRS
 THATCHER, HAD SIGNED. MRS THATCHER'S VIOLENT REACTION TO THE REPORT
 WAS IN FACT STRANGE BECAUSE IT RAN COUNTER TO THE BRITISH
 PARLIAMENT'S APPROVAL OF THE SEA.
- 3. TURNING MORE GENERALLY TO EUROPE'S POSITION IN THE WORLD HE REGRETTED THAT IT DID NOT HAVE MORE INFLUENCE IN DISARMAMENT NEGOTIATIONS, PROMOTING THIRD WORLD DEVELOPMENT AND IN THE MIDDLE EAST. EUROPEAN CONSTRUCTION WAS THE GUARANTEE OF FRANCE'S FUTURE. FOR ALL THE TALENTS OF ITS PEOPLE EUROPEAN COUNTRIES LIKE FRANCE WERE NOT ON THEIR OWN THE EQUAL OF THE GIANTS OF TOMORROW, THE USA, USSR, CHINA, BRAZIL AND JAPAN. POOLING RESOURCES WAS THE WAY FORWARD. SOME PEOPLE WERE AFRAID OF THE EUROPEAN IDEAL. IN HIS VIEW THAT WAS FOOLISH. THERE WOULD OF COURSE BE A PRICE TO PAY BUT IT WAS THE ONLY CHANCE.
- 4. HE CONTINUED THAT IN THE MONTHS AHEAD, ESPECIALLY UNDER THE FRENCH PRESIDENCY THERE WOULD BE VERY SERIOUS DIFFICULTIES. IN AT

PAGE 1 UNCLASSIFIED LEAST 3 AREAS, FISCAL, MONETARY AND SOCIAL THERE WAS A CONFRONTATION BETWEEN TWO VISIONS OF EUROPE: ONE OF A EUROPE THAT RESEMBLED A JUNGLE, AN AIRCRAFT WITHOUT A PILOT, WHERE THERE WAS NO POSSIBILITY OF CONTROLLING THINGS (HE FEARED, RESPONDING TO A QUESTION, THAT THIS WAS MRS THATCHER'S VISION): THE OTHER OF A EUROPE THAT WAS PILOTED, WHERE THERE WERE FREE-TRADE AND ECONOMIC COMPETITION, BUT ALSO RULES OF THE GAME. THIS WAS WHAT IT WAS ALL ABOUT. FRANCE DID NOT WANT A EUROPE WITHOUT RULES OF THE GAME, IE A EUROPE IN WHICH PEOPLE EVADED PAYING TAX ON SAVINGS, THERE WAS NO PILOTING OF EXHCANGE RATES, AND THE BENEFITS WERE RESERVED FOR THE PRODUCERS WITH NOTHING FOR THE ORDINARY CITIZEN, FOR CONSUMERS AND WORKERS. THE EQUILIBRIUM HAD TO BE MAINTAINED. BUT THE MONTHS AHEAD WHEN THE MONETARY ISSUE WAS GOING TO HAVE TO BE CONSIDERED WERE GOING TO BE HARD.

COMMENT

5. ROCARD'S INTERVIEW HAS BEEN WIDELY REPORTED AND COMMENTED ON, BUT MAINLY FROM THE POINT OF VIEW OF HIS STANDING IN INTERNAL POLITICS. THE MORNING PRESS VIRTUALLY IGNORED WHAT HE SAID ABOUT THE DELORS REPORT AND ABOUT THE TWO VISIONS OF EUROPE. LE MONDE HOWEVER INCLUDES QUITE SUBSTANTIAL CHUNKS IN ITS REPORT.

FERGUSSON

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