CONFIDENMAL

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CONFIDENTIAL

FM MOSCOW 051840Z JUL 81 TO IMMEDIATE F C O TELEGRAM NUMBER 418 OF 5 JULY INFO IMMEDIATE OTTAWA (FOR PUS), PRIORITY PARIS, BONN, WASHINGTON, UKREP BRUSSELS, UKDEL NATO, ROVE, TOKYO

FOLLOWING FROM PRIVATE SECREWARY

SECRETARY OF STATE'S PEETING WITH FRENCH AND GERMAN FOREIGN MINISTERS ON 5 JULY : OTTAWA SUMMIT

- 1. THERE WAS A BRIEF DISCUSSION OVER LUNCH. ALL AGREED THAT PARTICIPANTS SHOULD SEEK TO AVOID SET SPEECHES AND DISCUSSION . OF THE COMMUNIQUE, AND CONCENTRATE ON INFORMAL DEBATE.
- 2. CHEYSSON THOUGH THE COMMUNIQUE BEING DRAFTED BY OFFICIALS MUCH TOO LONG. GENSCHER WAS ALSO CRITICAL AND ARGUED THAT THE AIM OF THE SUMMIT SHOULD BE TO IMPRESS ON THE RUSSIANS AND OTHERS THE ABILITY OF WESTERN LEADERS TO AGREE ON FUNDAMENTAL OBJECTIVES. IT WAS NOT REALISTIC TO EXPECT THAT THE SUMMIT WOULD RECONCILE FRENCH AND US DOMESTIC ECONOMIC POLICIES OR FRENCH AND GERMAN, AND THERE WAS NO POINT IN DRAFTING TEXTS BASED ON THE LOWEST COMMON DENOMINATOR. THE SUMMIT WOULD BE A DISASTER IF INTEREST RATES BECAME THE CENTRAL ISSUE. BUT IT SHOULD BE POSSIBLE TO AGREE ON THE MAIN OBJECTIVES, AND TO ALLOW PARTICIPANTS TO EXCHANGE YIEWS ON THE DIFFERENT POLICIES WHICH THEY INTENDED TO ADOPT TO THAT END. THE IMPORTANT POINTS TO GET ACROSS WERE THAT WE SHOULD AVOID NEW FORMS OF PROTECTIONISM, THAT WE SHOULD CONDUCT A RESPONSIBLE POLICY TOWARDS THE THIRD WORLD AND THAT WE WERE PREPARED TO NEGOTIATE WITH THE EAST. KERBLE

LIMITED

ERD

PLANNING STAFF ECD (E)

MARD

MR HANNAY

PS

MR FER GUSSON

FESD

PSILAS

CABINET OFFICE

FSSD ESID

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