



Foreign and Commonwealth Office

London SW1A 2AH

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11 July 1989

See Charles.

Paris Economic Summit: Foreign Policy Issues

This is to bring you up to date on the discussion of foreign policy issues at the final meeting of Personal Representatives and Political Directors in Rambouillet on 7/8 July.

On organisation, it has been agreed that Foreign Ministers will discuss the main foreign policy issues to be covered in the Political Declarations (human rights, East/West, China/Hong Kong and terrorism) at their meeting on the afternoon on 14 July (1700-1830). They will then brief their respective Heads of Government, prior to the Heads' discussion of the same issues over dinner (2030). At their separate dinner Foreign Ministers will discuss regional issues. Sherpas and Political Directors will meet during the night of 14 July to finalise the political texts in the light of discussion by Foreign Ministers and the Heads. The declarations will be read to the press by Mr Dumas at 10.30 on 15 July.

The French are insisting that the declarations issued by the Heads of Government should be the only agreed texts of the Summit. All other foreign policy issues, instead of being dealt with in an agreed Chairman's Summary as at Toronto, will be the subject of an oral report by M Dumas to the press. The French intend to inform us of the contents of this report on the morning of Saturday 15 July and to give us a chance to comment on it, but are not prepared to enter into a drafting exercise.

The only subject not already covered by the existing texts on which we would have liked to see an agreed statement is the Arab/Israel peace process. Following the set back of the Likud Central Committee meeting we believe that it would be worth trying to tie the

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Americans down to a statement expressing disappointment at this latest move and urging the Israeli Government to flesh out their original election proposal on the lines advocated in the EC declaration in Madrid. But it is not likely to be easy to persuade the Americans to accept such a text. We doubt whether it is worth having a row in Paris about this, not least since we have the Madrid text. It will be primarily for the French and the Americans to work out what is possible on both procedure and substance at the Summit. If we are unable to reach agreement we will have to rely on Dumas covering the issues adequately in his press briefing (of course supplemented by our own national press briefing).

/ I enclose copies of texts of the draft declarations on

- a) Human rights,
- b) East/West
- c) China/Hong Kong
- d) Terrorism

as they came out of the Rambouillet meeting together with UK commentaries on them.

On China, Japan is alone in its desire for a weaker text. Prime Minister Uno is apparently unwilling to agree to list measures taken against China and the relevant section of the text therefore remains in square brackets. The Americans, who continue to face Congressional pressure on China, are particularly insistent that national measures should be listed. We fear that the disagreement will have to be aired and settled at the level of Heads of Government. We managed to secure a useful reference to Hong Kong at the end of the declaration, but our partners were unwilling in Rambouillet to accept an additional sentence committing all seven to playing a role in maintaining confidence in Hong Kong. They saw such a sentence as a blank cheque relating to immigration. There is now a public expectation that we will raise Hong Kong at the Summit and seek partners' support for action in case of the "Armageddon scenario". We will prepare draft language to take with us to Paris. The Foreign Secretary will put this forward during the Foreign Ministers' meeting on the afternoon of 14 July.

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The French regard the declaration on human rights, celebrating the 200th anniversary of the Declaration the Rights of Man, as the political centrepiece of the Summit. They are determined to show new and creative thinking on human rights, and therefore insist on trying to move into areas beyond the traditional human rights' texts. We have succeeded in taking much of the substance out of the original very unsatisfactory French draft, in order to reduce the risk that it could be used against us to justify extending human rights commitments, particularly in the UN. Despite the previous positions of our other partners on these new rights at the UN, none of them pressed to have the relevant sections of the French text dropped. We and the US entered a reservation on the final text saying that we might want to revert to it. The Foreign Secretary believes that the text is now fairly innocuous and acceptance of it could give us useful leverage over the French elsewhere. If we can find some support, however, we should try at the Sherpa/Political Directors meeting on the evening of 14 July to amend the declaration's penultimate paragraph which refers to the right of future generations to inherit a healthy environment. Conceding the existence of such a "right" could be a hostage to fortune.

We have secured a robust text on East/West relations. The original French draft contained a sentence on nuclear deterrence. The Germans and Italians, however, refused to accept any reference to nuclear deterrence unless couched in the exact (and very lengthy) language of the NATO Summit Declaration. We, the US, Japan and France pressed for the maintenance of the short sentence in the original French draft. In the face of continued German resistance the French Chairman agreed to omit the sentence and the FRG Sherpa undertook to consult Chancellor Kohl (although we doubt he will volunteer a sentence on this subject). We shall need to consult with the US on this. Precedent is on our side in seeking a reference to deterrence. If the US or another partner presses for the reinstatement of the sentence on deterrence we would certainly want to support.

The US intend that the centrepiece of the East/West text should be President Bush's initiative on Hungary and Poland on which he wrote to the Prime Minister on 6 July. The French may well oppose this both on grounds of substance (the proposed consortium would involve the

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institutionalisation of the Summit Seven) and of pique (because President Bush would be stealing the headlines from President Mitterrand). Everyone else appears willing to go along with President Bush's idea. The most cogent argument employed by the French, and no doubt one that President Mitterrand will use at the Summit himself in reporting his meetings with Gorbachev, is the fear that too overt an attempt to win over Poland and Hungary to the camp of capitalism at this sensitive stage in the process of reform may play into the hands of the hardliners in Moscow. The Prime Minister has already replied to President Bush. There will presumably also be some discussion of Jaruzelski's letter of 13 June to the Seven Heads of Government.

Subject to any specific comments the Prime Minister might wish to make at this stage, briefing for the Summit will be submitted on the lines of this letter.

I am copying this letter to Nigel Wicks in the Treasury for his return and to Trevor Woolley (Cabinet Office).

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