



PM/84/117

PRIME MINISTER

Presidency of the European Commission

1. Dr FitzGerald will be in touch with you on Wednesday about the Presidency of the Commission. We had a word about this yesterday. We are both familiar with the facts and arguments. This note shows how my own thinking has moved on a little since we spoke.

2. We face a difficult situation as a result of Kohl's indecision. We have been in touch with his staff, who claim that Kohl has still not yet finally decided whether or not to put forward a German candidate and will only do so on his return from Latin America next week. But the reports about Biedenkopf are now much less firm. We do not want Kohl to propose Genscher. If Genscher were nominated, I do not see how we could oppose him but I do not think he would be a good President of the Commission.

3. Dumas claimed to the Irish that the Germans would definitely not nominate a candidate. It is up to FitzGerald to check with Kohl what his intentions are; and we shall do so again ourselves as soon as Kohl returns to Bonn.

4. If there is no German candidate, then we should be free to support Davignon, the candidate whom we should both prefer. But we should avoid committing ourselves too heavily as that

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might work against his candidature (it is far from certain that his candidature can succeed). He is far better qualified than most others for the post, and has a keener political sense. But Kohl is strongly opposed to him. At the least we should be able to use his candidature to try to block off others who would be thoroughly undesirable from our point of view - above all Cheysson. We are trying to find out how much support there is for Davignon among the smaller Member States; but the Danes and Dutch of course have nominated their own candidates. We are also trying to find out the Italian attitude.

5. Dumas told the Irish that there would be two French candidates - Cheysson and Delors. It is not the French turn to hold the Presidency: Ortoli was President before Roy Jenkins. But this is an unwritten rule, and if the Germans do not come forward with a candidate, the earlier rotation will probably not apply. After Cheysson's unhelpful role in the budget negotiations, there is no reason why we should accept his candidature. I think he would be a very bad President of the Commission, with little interest in controlling future expenditure.

6. Delors is a candidate of no less competence than Davignon. As Finance Minister in Paris, he has argued strongly for sensible economic policies and I am rather surprised that Mitterrand thinks he can spare him from his Government. A recent speech he made in Paris suggested that he would like to move from his present post. Delors would be likely to take a far more serious interest in the management of the Community's finances. If we do not get Davignon, I think we could live with Delors as President of the Commission. We should consider whether, if we were to accept him, we could exact French support for a British candidate to replace Noel in

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the key post of Secretary General in the Commission
(a possibility Dumas has mentioned to me).

7. I suggest that when Dr FitzGerald telephones, you might take the line that:

(a) we still do not know whether the Germans are going to put forward a good German candidate. What is the Irish impression of German intentions? Are they in touch direct with Kohl?

(b) if there is no strong German candidate, we consider that on the grounds of competence Davignon would be well qualified for the post. How much support does Dr FitzGerald think there is for his candidature?

8. If Dr FitzGerald mentions Cheysson's candidature, I suggest you make clear that our position is entirely reserved. Ortoli held the post from 1973-76. We do not see in what respect Cheysson's qualifications could be regarded as superior to those of Davignon. If Dr FitzGerald mentions Delors, you might say that we do not see why the French should hold the Presidency again so soon after Ortoli, but avoid giving the impression that we are as negative about Delors as we are about Cheysson. He has financial qualifications which would be important. We should need to think more carefully about this.

9. I am minuting separately about the composition of the two ad hoc groups of personal representatives of heads of government which will be established as a follow up to the Fontainebleau European Council.

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10. I am sending copies of this minute to the
Chancellor of the Exchequer and to Sir Robert Armstrong.

A handwritten signature in blue ink, appearing to be 'G. Howe', written in a cursive style.

(GEOFFREY HOWE)

Foreign and Commonwealth Office
10 July 1984

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