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PRIME MINISTER

Anglo/French Summit

You have two discussions with President Mitterrand, both one hour long: the first as soon as we arrive in Paris (beginning at 6 p.m.), the second at 9.30 on Friday.

It has been agreed with the French that bilateral issues will be largely dealt with by the Ministers directly concerned. I suggest that you decide at the end of Thursday, after consulting the other Ministers (who will be assembling in the Residence for a late night drink), whether there are any bilateral issues which you should particularly raise with Mitterrand the next day.

You will almost certainly want to deal with the Falklands on Thursday rather than Friday. There is then a tactical decision to be made on whether you raise the more contentious issues on Thursday or leave them until the second discussion. In the brief checklist below I have therefore grouped the contentious and uncontentious questions.

Contentious Issues

Falklands

You will need to decide in the light of the latest situation how to handle the question of the UN vote. Our aim is a French abstention.

You might also thank Mitterrand for his help during the campaign and explore his intentions about arms sales to Argentina now.

EC Budget

Try to convince him that the UK, France and Germany should get together to work out a solution. Leave him in no doubt that he cannot have good Anglo/French relations while allowing the budget problem to drift on.

/Fish ...

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Fish

If he suggests further concessions to the Danes, make it clear that we cannot contemplate any.

Bilateral Trade

We need an assurance that the restrictive measures announced by France on 20 October will not affect our trade.

We had a deficit of £537 million with France in the first nine months of this year.

Uncontentious Issues

East/West Relations

We ought to see broadly eye to eye on:

- Poland;
- Pipeline;
- CSCE.

What are his impressions of the Soviet leadership and Soviet Chinese relations?

World Economic Situation

International debt.  
International trade problems.

Defence Issues

INF.

Franco/German Summit.

Defence collaboration - we are ready to develop a closer dialogue on defence and include Germany if he wishes. We hope he will consider the combination of Transall aircraft and Nimrod electronics to meet France's airborne early warning requirement. This alternative to the American equipment would be a good piece of European cooperation.

Closer collaboration at official level.

Please see Mr. Hancock's minute attached.

/I also

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I also attach a letter from the Treasury about Sir Geoffrey Howe's speech at Brighton - which has riled the French.

A. J. COLES

3 November, 1982

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