

GRS 240
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TO IMMEDIATE FCO
TELEGRAM NUMBER 634 OF 27 JUNE
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FONTAINEBLEAU SUMMIT: GERMAN MEDIA COVERAGE

SUMMARY

1. OUTCOME OF BUDGET DEBATE GENERALLY SEEN TO BE FAIR: A SUCCESSFUL SUMMIT SHOULD OPEN WAY TO FURTHER PROGRESS.

DETAIL

2. OTHER DEVELOPMENTS, INCLUDING A SUGGESTED COMPROMISE IN THE METAL WORKERS' STRIKE, THE RESIGNATION OF ECONOMICS MINISTER LAMBSDORFF AND THE DEPARTURE OF THE GERMAN FOOTBALL TEAM'S TRAINER, ALL COMPETE WITH THE SUMMIT FOR MEDIA COVERAGE. BOTH BROADCAST AND WRITTEN MEDIA CONCENTRATE ON THE BRITISH REBATE ASPECTS OF THE SUMMIT. THE GENERAL VIEW IS ONE OF RELIEF RATHER THAN REJOICING: KOHL'S REPORTED OBSERVATION 'A VERY RESPECTABLE SETTLEMENT' IS WIDELY ECHOED. THE RESULT IS REPORTED AS A COMPROMISE IN WHICH BOTH SIDES MOVED TO MEET EACH OTHER. SOME PAPERS SUGGEST THAT THE GERMAN NEED TO GAIN APPROVAL FOR THEIR FARM AID SUBSIDIES PUT ADDITIONAL PRESSURE ON THEM TO BE FLEXIBLE. OTHER SUMMIT DECISIONS, INCLUDING THAT TO ESTABLISH AN AD HOC GROUP ON 'CITIZENS' EUROPE' ARE NOTED FACTUALLY.

3. COMMENT IS SPARSE (AND FURTHER LIMITED BY THE NON-APPEARANCE OF 3 MAJOR PAPERS BECAUSE OF THE PRINTER'S STRIKE). SUCH AS THERE IS SEES THE RESULT AS FAIR AND INCLINES TO THE VIEW THAT THE COMMUNITY COULD NOT HAVE STOOD A THIRD 'FAILURE SUMMIT'. SOME HOPE IS EXPRESSED THAT THE DECISION WILL LIFT BARRIERS

TO PROGRESS IN OTHER FIELDS.

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