



10 DOWNING STREET

From the Private Secretary

26 November 1980

File JS
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Greece.

Dear Paul,

CALL BY MR. PAPANDREOU

The Leader of the Greek Opposition, Mr. Andreas Papandreou, called on the Prime Minister this morning. He was accompanied by Mr. Haralambopoulos and Mr. Ziogas.

The larger part of the conversation was devoted to a discussion of the economic situation in Greece. However, the Prime Minister took the opportunity to tell Mr. Papandreou that she hoped Greece's entry into the European Community would work well. She said that she was a great believer in cooperation among the democracies of Europe. If the European democracies were unable to work together, what chance was there for spreading the cause of democracy elsewhere? She attached particular importance to sustaining democracy in Spain and Portugal and therefore, in due course, to making a success of their entry into the Community. She thought that this broad political consideration was even more important than the economic and trading aspects.

Mr. Papandreou said that, sadly, Greece was entering the Community during a period of stress. He hoped that the Community would be prepared in future to pay more attention to regional problems. He added that his Party had grave doubts about Greece's entry because they did not think the country was ready for it. Greek bureaucracy was both antiquated and rigid and might not be able to exploit the opportunities offered by Community membership. The Prime Minister commented that the fact that this was a difficult period made it the more important that Europe should remain an area of stability. Greece would be a member of the Community during the restructuring negotiations and therefore able to argue the case on behalf of a more effective regional policy. As regards the Greek bureaucracy, the shake-up which would certainly accompany entry might be just what they needed.

In the course of a brief discussion of East/West relations, the Prime Minister commented on the need for the West to be able to negotiate with the Soviet Union from a position of strength.

/Deterrence

JEF

Deterrence worked because there was a broad balance between East and West. If that balance was destroyed, it might be difficult to keep the peace. The Prime Minister said that she did not believe anyone wanted war. It should be possible to negotiate downwards, provided a position of balance was maintained. Mr. Papandreou appeared to indicate sympathy with this point of view.

Yours ever

Richard Alexander

Paul Lever, Esq.,
Foreign and Commonwealth Office.