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UNCLASSIFIED

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TO IMMEDIATE FCO

TELEGRAM NUMBER 274 OF 1 APRIL

AND TO PRIORITY UKREP BRUSSELS

INFO SAVING ATHENS, BONN, BRUSSELS, COPENHAGEN, DUBLIN, THE HAGUE,
LUXEMBOURG, ROME, MADRID, LISBON.

EUROPEAN COUNCIL, ENLARGEMENT AND INPS: FRENCH PRESS AND OTHER
REACTIONS.

SUMMARY.

1. FRENCH PRESS GIVES POSITIVE WELCOME TO COMMUNITY ENLARGEMENT.
MUTED CRITICISM FROM SOME PARTS OF OPPOSITION. SOBER CONSIDERATION
OF EFFECTS ON FRENCH AGRICULTURE AND FISHERIES BEGINS.

DETAIL.

2. THE FRENCH PRESS HAVE GIVEN EXTENSIVE AND GENERALLY POSITIVE
COVERAGE TO THE SUCCESSFUL CONCLUSION OF NEGOTIATIONS FOR SPANISH
AND PORTUGUESE ACCESSION. DETAILED REPORTS ARE GIVEN OF THE
CONCESSIONS MADE ON ALL SIDES TO ACHIEVE AGREEMENT, BUT THE PRESS
CONCLUDE THAT FRENCH INTERESTS APPEAR TO HAVE BEEN SAFEGUARDED AND
THAT ENLARGEMENT OPENS THE WAY TO THE POLITICAL RELAUNCHING OF THE
COMMUNITY.

3. THIS WEEKEND'S LE MONDE (INDEPENDENT) CONTRASTS THE SUCCESS OF
THE ENLARGEMENT NEGOTIATION WITH THE WIDESPREAD VIEW THAT EUROPE IS
SICK, PARALYSED BY ITS OWN INTERNAL CONFLICTS. THE ACCESSION OF
SPAIN AND PORTUGAL IS IMPORTANT NOT ONLY FOR THE FUTURE POLITICAL
AND ECONOMIC HEALTH OF THE CANDIDATE COUNTRIES, BUT ALSO FOR THE
COHESION AND STRENGTH OF EUROPE VIS A VIS THE USA. BUT THERE IS NO
CAUSE FOR UNCRITICAL OPTIMISM. DETAILED QUESTIONS RELATING TO THE
EFFECT OF ENLARGEMENT ON CERTAIN CATEGORIES OF WORKERS AND ON
CERTAIN REGIONS OF FRANCE STILL HAVE TO BE ANSWERED. TODAY'S LE
MONDE COMMENTS THAT DESPITE THE SUCCESSFUL OUTCOME ON ENLARGEMENT,
THE EUROPEAN COUNCIL FOUND ITSELF CAUGHT UP IN DETAILED HAGGLING ON
GREEK INPS. THIS SHOULD SERVE AS A WARNING THAT DECISION MAKING FOR
12 WOULD BE EVEN MORE DIFFICULT THAN FOR 10, AND THAT A TWO-SPEED
EUROPE MIGHT PROVE INDISPENSIBLE IF PROGRESS WERE TO BE MADE.

4. THE LEFT-WING DAILIES (LIBERATION AND LE MATIN) ALSO WELCOME
ENLARGEMENT. LIBERATION CONCENTRATES IN ITS WEEKEND COMMENT ON THE
COST OF ENLARGEMENT AND THE FACT THAT THE TWO ACCEDING COUNTRIES
WILL NOT BECOME NET BUDGET CONTRIBUTORS FOR AT LEAST 7 YEARS.
THOUGH A NECESSARY EXPRESSION OF POLITICAL WILL TO HELP THE YOUNG
DEMOCRACIES OF THE SOUTH, LIBERATION POINTS OUT THAT THE COMMUNITY'S
OWN BUDGET IS UNDER SEVERE PRESSURE, WITH A HIGH RISK OF NEW OWN
RESOURCES BEING RAPIDLY EXHAUSTED ESPECIALLY IF THE GERMANS SUCCEED
IN RAISING CAP PRICES. COMMENTING ON THE EFFECT OF ENLARGEMENT ON
FRENCH WINE GROWERS, LIBERATION ARGUES THAT ALTHOUGH PRODUCERS IN
THE MIDI FEAR COMPETITION FROM CHEAP SPANISH TABLE WINE, THE TRUE

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THREAT

THREAT TO FRENCH INTERESTS LIES IN COMPETITION FROM SPANISH QUALITY WINES. IN FURTHER COMMENT TODAY ON THE EUROPEAN COUNCIL, LIBERATION DESCRIBES THE IMPS DEBATE AS SPECTACULAR BLACKMAIL BY PAPANDREOU, AND THE OUTCOME AS NOT NECESSARILY A GREAT SUCCESS FOR HIM. THE COUNCIL IS UNLIKELY TO ENTERTAIN ANY FURTHER CLAIM FOR SPECIAL AIDS FOR GREECE.

5. LE QUOTIDIEN (INDEPENDENT RIGHT OF CENTRE) POINTS TO THE SIGNIFICANT ECONOMIC IMPACT OF ACCESSION ON THE COMMUNITY, INCLUDING AN EXTRA 3 MILLION UNEMPLOYED. BUT THE ADVANTAGES, ESPECIALLY FOR FRANCE, ARE ALSO EMPHASIZED. THE COMMUNITY, ITS CENTRE OF GRAVITY FOR A LONG TIME BASED IN NORTHERN EUROPE, WILL NOW ACHIEVE A BETTER BALANCE WITH THE SOUTH. QUOTIDIEN ADDS THAT FRANCE, OCCUPYING A PIVOTAL POINT BETWEEN TWO CULTURAL AND ECONOMIC ZONES, SHOULD PLAY A DECISIVE ROLE IN THE COMMUNITY OF THE FUTURE.

6. A 7 PAGE REPORT IN TODAY'S LES ECHOS (BUSINESS DAILY) ANALYSES THE IMPACT OF ENLARGEMENT ON SPAIN AND PORTUGAL AND THE EFFECT OF THEIR MEMBERSHIP ON THE SOUTH AND SOUTH-WEST REGIONS OF FRANCE, PARTICULARLY AGRICULTURE AND FISHERIES. DESCRIBING BOTH THE RISKS AND THE OPPORTUNITIES WHICH ENLARGEMENT WILL INVOLVE FOR FRENCH AGRICULTURE, LES ECHOS POINTS TO THE SCOPE FOR EXPORTS OF MILK PRODUCTS, CEREALS AND MEAT AND ARGUES THAT THE ACCEDING COUNTRIES WILL BE JUDGED BY THE EXTENT TO WHICH THEY TURN TO THE COMMUNITY FOR THEIR SUPPLIES AND RENOUNCE THIRD COUNTRY LINKS. THE FRENCH STILL RECALLED THEIR EXPERIENCE WITH THE BRITISH. A LEADING ARTICLE IN LES ECHOS SAYS THAT THE PROCESS OF INTEGRATING SPAIN AND PORTUGAL WILL BE LONG AND EXPENSIVE, AND DETERMINATION OF A HIGH ORDER WILL BE NEEDED TO MANAGE EUROPE OF THE 12 AND TO BRING ABOUT POLITICAL AND ECONOMIC HARMONISATION.

7. LE FIGARO (RIGHT-WING DAILY) SAYS THAT EUROPE HAS TAKEN A DECISIVE STEP FORWARD. SINCE THE STUTTGART COUNCIL OF JUNE 1983, THE CAP HAS BEEN REFORMED, THE BRITISH CONTRIBUTION SETTLED, NEW OWN RESOURCES AGREED, THE WINE REGIME REFORMED AND A BUDGET FOR 1985 MADE POSSIBLE. DECISIONS ON ENLARGEMENT SET THE SEAL ON THIS PROGRESS. NOW THE COMMUNITY CAN START TO CONSIDER ITS OWN FUTURE. (COMMENT - SPARSE SO FAR - ON THE NON-ENLARGEMENT ASPECTS OF THE SUMMIT WILL BE REPORTED SEPARATELY).

OTHER REACTIONS.

8. POSITIVE COMMENT HAS COME FROM FRENCH MINISTERS. ROCARD (AGRICULTURE) HAS DESCRIBED ENLARGEMENT AS MARKING A VERY IMPORTANT STAGE FOR THE COMMUNITY. WITH BOTH SPAIN AND PORTUGAL NOW DEMOCRACIES, THE POLITICAL CASE AGAINST THEIR MEMBERSHIP HAS FALLEN AWAY: THEY ARE HENCEFORWARD IN EUROPE. LENGAGNE (STATE SECRETARY FOR THE SEA) HAS CLAIMED THAT THE AGREEMENT IS SATISFACTORY FOR FRENCH FISHERMEN, BEING CONCLUDED VERY MUCH ON A BASIS OF THE FRENCH POSITION. HOWEVER, CHIRAC HAS RESTATED OVER THE WEEKEND HIS OPPOSITION TO ENLARGEMENT ON THE PRESENT TERMS (SENTIMENTS ENDORSED BYT PASQUA, RPR SENATE CHAIRMAN), AND HIS INTENTION TO DEMAND THEIR RE-NEGOTIATION IF POLITICAL POWER CHANGES IN FRANCE NEXT YEAR.

9. AMONGST PROFESSIONAL ORGANISATIONS, THE CNPF (EMPLOYERS) HAVE WELCOMED AN END TO UNCERTAINTY BUT CRITICISED THE LENGTH OF TRANSITION FOR INDUSTRIAL PRODUCTS. THE LEADER OF THE FNSEA (FARMERS) HAS ONCE AGAIN CALLED FOR A REFERENDUM ON SPAIN AND PORTUGAL'S ENTRY ON ANALOGY WITH THAT AT THE TIME OF BRITAIN'S ACCESSION.

FCO PLEASE PASS SAVING ADDRESSEES.

PETRIE

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