

## ANGLO-FRENCH SUMMIT

### East/West and Arms Control

- recall very useful discussion with Mitterrand in London immediately after Reykjavik;
- commend firm and realistic speech by French Foreign Minister;
- account of Washington talks and conclusions;
- can't move back from agreed positions on INF and 50% reductions. Mitterrand appeared to accept these in London;
- need to keep up pressure on Americans and ensure that Camp David conclusions are reflected in NATO communique;
- press Russians to break linkage of INF with SDI;
- welcome bilateral discussions between European governments but need to be cautious about giving appearance of Europe ganging up on US;
- [with Chirac] understand likely to visit Moscow;
- leave them to raise nuclear cooperation.

## European Council

- opening session to concentrate on Business and Jobs  
Not create unrealistic expectations. No additional expenditure;
- concentrate on job-start, retraining, role of small businesses;
- have written about need to unblock proposals on Internal Market. Everyone to agree to give up their reservations;
- also plan discussion of frontier controls, immigration, drugs and terrorism;
- must resist pressure for bigger Community R&D programme, in view of constantly rising agricultural expenditure. Our limit is 4.2 bn ecu;
- avoid substantive discussion at this Council of ex novo review of Community finances. Delors to make brief statement;
- discussion of East/West relations over dinner.

## European Community

---

- concerned by French opposition to modest steps on access to cheaper air fares. Hope French will agree to widen the conditions for cheaper fares, which will be reflected in bigger traffic. If no agreement, legal steps likely;
- also need a Community effort to confront protectionism on shipping and support European shipping. Measures due to come to Transport Council in December.

of us and to James.

15) How to achieve proper  
a carpool and drive  
long stick spending all  
on alcohol and strange

14. Get through next year  
a planning on annual  
basis and get senior disc. in  
late 1988.

13. Problem will come up here  
monthly. This is over next  
year.

12. GAIT doesn't take  
account of debtors, Did  
my best to show p. L You  
stopped it?

11. 1:5 in sum

10. Face too

## Agriculture

---

- very concerned at lack of progress in discussions of reform of dairy and beef regimes;
- situation critical with risk of 3 bn ecu overspend in 1987;
- French not right to say Commission over-dramatising the problem. Need major cut in milk production and end of permanent intervention for beef, with intervention taking place at substantially lower level;
- European Council will need to encourage Agriculture Ministers to settle the issues in December. But do not envisage substantive discussion;
- on lamb, glad we and French took same position in Brussels on proposals to change green pound and green franc. Free trade essential part of EC and vital that any further interference with our lamb exports will be avoided.

Expenses at part 2  
original ~~the~~ ~~car~~

11. Don't forget ~~the~~ ~~fund~~  
an agriculture. ~~Need~~  
production ~~power~~ ~~share~~ ~~power~~.  
Don't do what we are doing.

12. Pollution. 1 yr. ~~only~~ 2  
batter

13. ~~need~~ of ~~we~~ ~~stopped~~ ~~input~~,  
what ~~be~~ ~~explan~~.

14. Don't ~~equ~~ ~~our~~ ~~needs~~.

15. ~~over~~ ~~exp~~ ~~the~~ ~~power~~.

Since ~~AD~~, US ~~ag~~ ~~exp~~ ~~around~~

energy: ~~center~~ ~~of~~ ~~the~~ ~~world~~

by ~~the~~ ~~US~~ ~~and~~ ~~the~~ ~~EU~~ ~~and~~ ~~the~~ ~~USSR~~.

not)

16. US ~~clay~~ ~~down~~ ~~an~~ ~~energy~~  
the ~~input~~ ~~the~~ ~~congress~~.

Europe ~~not~~ ~~a~~ ~~part~~ ~~club~~.

17. ~~Need~~ ~~for~~ ~~red~~ ~~dialogue~~ ~~with~~  
to US. ~~It~~ ~~is~~ ~~an~~ ~~adaptation~~  
not ~~in~~ ~~of~~ ~~being~~ ~~to~~ ~~of~~ ~~degree~~



## Terrorism

- congratulate on release of hostages;
- sympathy on murder of Chairman of Renault;
- repeat offer of closer cooperation between security and intelligence services;
- grateful for support over Syria;
- but curious about French dealings with Syria. The Community must present a united front both in dealing with terrorism and in supporting progress towards Middle East peace settlement.

## Middle East

- describe ideas put to President Reagan;
- international conference with permanent members of Security Council present (but no Soviet veto);
- self-determination on strict condition of confederation with Jordan.

## Southern Africa

- exchange on situation in wake of Machel's death.

M to love free market in  
Europe, we need capital in  
external markets.

waiting period of elects. That's  
elects free people. It's not

agreed on any short. By  
people in confusion. Right now  
doesn't discuss it. End-1988

& Mutual Recognition of Elects  
Profess. Bollecker - but way to

what happens in Europe is  
to study along. Only see me  
in power d. by 1990.

Fundamental policies all told  
begin with EC - especially  
agriculture. All. etc. to  
service

with the period over.  
E.g. road PR work out & now

M. Ag. dossier on + with.  
Start the debate with EC.  
Mr. looks at it probably



## BILATERAL

### Falklands

- explain background on fisheries;
- hope for French abstention at UN;
- we shall decide our vote on New Caledonia in the light of this.

### Airbus

- not yet received application for launch aid.

### Channel Fixed Link

- confident that Bill will get Royal Assent next summer

### Royal Visit

- [to use with Chirac first] The Prince & Princess of Wales have accepted the invitation to visit France in 1988.

### Presentation

- hope that at press conference we can lay stress on the extent to which there is now a closer working relationship between Britain & France.

# lunch

P.M. Need to catch more enterprises  
abroad. Unemployment just  
levelling off. Diff to get small  
business started in areas of high  
unemployment. Constat note in  
spending in welfare. Get more done -  
needs mutual support. Better  
than usual ec. model of  
such govt.

P.M. Also immigration. Deser. problem.  
Internal market. Terrorism.  
EST. plan - Common we

Industrial - ~~work~~. Day.

Agri. Not decide on nature  
of screening.

Hope for very practical

Summit.

(19) Debate nature of  
recruiting markets joint  
European & other recent in  
Europe. Problems also of  
intersector committees