MEETING WITH PRESIDENT MITTERRAND

I wrote to the FCO recently suggesting that your meeting with President Mitterrand ought to be marked by some sort of initiative in Anglo-French relations, and identifying defence relations as the most promising area. I suggested that you might agree to instruct Ministers, military staffs and officials to make recommendations on how such co-operation could be improved, within the context of strengthening the collective defence of Europe.

The FCO response attached agrees that something might be done on defence, but there are no other areas for an initiative except possibly Sub-Saharan African debt.

Content for us to pursue with the French a possible joint statement, of a limited sort, on defence co-operation?

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C. D. POWELL

26 May 1988

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10 DOWNING STREET

LONDON SWIA 2AA

From the Private Secretary

27 April 1988

PRIME MINISTER'S MEETING WITH PRESIDENT MITTERRAND

Thank you for your letter of 25 May about the Prime Minister's meeting with President Mitterrand on 10 June and the possibility of using it to take an initiative in Anglo-French relations.

I think that the subjects mentioned in your letter all need to figure in the briefing for the meeting. But the Prime Minister's instinct is that it would be wrong to aim for any specific initiative in the closing stages of the legislative election campaign. She would not, therefore, on this occasion want us to propose in advance to the French a joint statement on defence or any other specific issue. But this need not of course inhibit discussion of the scope for a future initiative on defence; and the Prime Minister will certainly want to press for French support for the Chancellor's debt initiative.

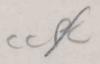
I am copying this letter to Brian Hawtin (Ministry of Defence), Alex Allan (H.M. Treasury) - with a copy of yours - and to Trevor Woolley (Cabinet Office).

CHARLES POWELL

Lyn Parker, Esq., Foreign and Commonwealth Office.

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Foreign and Commonwealth Office

London SW1A 2AH 25 May 1988

Joer Charles,

Prime Minister's meeting with President Mitterrand

Thank you for your letter of 18 May about the Prime Minister's meeting with President Mitterrand. We very much agree on the need to use this occasion to take a step forward in Anglo-French relations, although we shall have to be careful not to appear to pre-judge the outcome of the legislative elections two days later.

Your letter covers the main areas where some kind of joint initiative might be possible. We agree with your comments on Community issues: while some joint statement of our commitment to action on the single market may possibly be worth considering (with DTI) we would not - subject to DTI's views - see scope for any particular initiative in this field on 10 June. Nor do we think that this is the moment for initiatives on Arab/Israel. But we shall probably want to recommend that the Prime Minister use this meeting to seek French support for the Chancellor's debt initiative. We know that the new French Government is re-examining its position on African debt (though it may have a different initiative in mind). We shall cover this in our briefing, in conjunction with the Treasury, and are meanwhile taking soundings in Paris.

In the bilateral field, the Prince and Princess of Wales are to visit France in November, but firm dates and an outline programme can probably be agreed with the French government only after the elections, and hence too late for any announcements on 10 June. We agree with you that there is no scope to announce more regular consultation at the level of President and Prime Minister.

That leaves defence. We agree with your suggestion that the Prime Minister and President Mitterrand should agree a statement on the importance of taking further in practical ways defence cooperation between Britain and France in the context of strengthening the collective defence of Europe. Our Embassy in Paris have been told that the ideas in the Prime Minister's earlier letter were remitted for study to the President's military adviser, General Fleury. The Elysée have not offered a substantive reaction, and the new Government have not yet had time to study this in detail. Our conclusion is that a general statement on the lines above is probably the most that we can expect at this stage. Given the electoral background in France, it might be wise to avoid "instructing Ministers".





Further contacts with the French and Americans on possible collaboration for a TASM are planned, and there will be a national feasibility study over the next 6-9 months with a view to a final decision in mid-1989. It would be premature in our view to start steering public opinion away from the idea of collaboration with the French, not least because there could be technical and political uncertainties in the US programme. If the subject is discussed, we recommend that the Prime Minister maintain an open position.

The Prime Minister might also wish briefly to mention conventional defence equipment cooperation in her talks with President Mitterrand. The recent Anglo/French reciprocal procurement initiative is unique within the Alliance. It is not something we wish to draw public attention to (mainly for EC reasons). But we are working separately, eg in the IEPG, for a more open defence equipment market among the Allies.

Arms control probably does not offer scope for a separate joint initiative on 10 June, but we hope the Prime Minister might seek to maximise the common ground on nuclear issues. President Mitterrand's attitude to France's theatre nuclear modernisation was at best ambivalent during the Presidential election campaign. By extension, French resistance to SNF negotiations cannot perhaps be taken for granted in future. The political danger of appearing to sanction progress towards the denuclearisation of Europe is, however, something that President Mitterrand should be alive to.

On conventional arms control, it would be helpful if the Prime Minister could emphasise the importance of early agreement on a Western negotiating position within the Alliance, and specifically the merit of proposing equal ceilings on specified conventional force categories in the Atlantic/Urals zone. The French position hitherto has been to reject proposals that would imply that France is a full member of a military bloc. The political bonus of the full Atlantic/Urals area now offered by Gorbachev (which to some extent derives from a French proposal) should not be thrown away, and we need to ensure that militarily there is no scope for circumvention, as would be the case if zonal arrangements did not cover the whole of European Russia.

We shall, nearer the time, supply full briefing on all these topics, including a draft statement on defence.



I am copying this letter to Brian Hawtin (MOD) and to Trevor Woolley (Cabinet Office).

Towd ever, life

Private Secretary

C D Powell Esq PS/No 10 Downing Street FRANCE: Relation PT4

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10 DOWNING STREET LONDON SWIA 2AA

From the Private Secretary

18 May 1988

Den Tony.

PRIME MINISTER'S MEETING WITH PRESIDENT MITTERRAND

You are, I am sure, giving thought to how we can take advantage of the Prime Minister's meeting with President Mitterrand to take a step forward in Anglo-French relations. The speed and warmth of the Prime Minister's message of congratulations, the fact of her telephone call and the suggestion of an early meeting have been useful in themselves but have also created a certain expectation which we shall need to meet. A routine consultation will appear a let-down. On the other hand, the fact that the visit comes in the middle of the election campaign for the National Assembly will presumably be something of a damper on the French side.

The most promising area for an initiative might be an attempt to build on the Prime Minister's earlier message to President Mitterrand about Anglo-French Defence Cooperation. There are constraints. We cannot plausibly agree anything which suggests a step forward on cooperation over TASM: indeed we may - in the light of the experts' judgment of what the French have to offer - need to start steering public expectations away from that. It would presumably be too much to expect the French to endorse the specific proposals in the Prime Minister's letter at this juncture. But perhaps an agreed statement from the meeting that both sides had instructed their respective Ministers, military staffs and officials to consider how defence cooperation between Britain and France could be taken further in practical ways in the context of strengthening the collective defence of Europe and to report to them could have a useful impact.

Although European Community issues and the Economic Summit are both bound to feature largely in the talks, the scope for any particular initiative or practical step looks to me a good deal less. I assume that we are in fact likely to face some difficulties with the French in both areas, and in particular over the prospects for the GATT round and the discussion of agriculture in it. Unless there is something lurking in the bilateral field of which I am unaware, the only other possible area to announce some form of enhanced Anglo-French consultations, cooperation or initiative might be the Middle East. I confess that I do not see at all clearly what form this might take. But we both have a clear common

interest in avoiding Arab/Israel matters becoming a preserve of the US/Soviet bilateral contacts. We neither of us want to be excluded from an eventual international conference or framework meeting. I find it harder to see what joint action we could take: we should certainly encounter strong resistance from the United States, and French conduct over the hostages does not make them very credible partners just at present. But it might be worth looking at for the longer term.

A final possibility is some sort of commitment to more regular Anglo-French consultation at the highest level in future. But I think that we are already finding the obligation to hold regular and full-dress Summits a bit of an albatross. I doubt there is really scope for anything new here.

In short, defence seems the only candidate for an initiative. What do you think?

I am copying this letter to Brian Hawtin (Ministry of Defence) and to Trevor Woolley (Cabinet Office).

(C. D. POWELL)

A. C. Galsworthy, Esq., C.M.G., Foreign and Commonwealth Office.