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MIPT: PRIME MINISTER'S VISIT: MAIN POINTS FOR DISCUSSION

SUMMARY

1. MITTERRAND AND ROCARD BOTH LIKELY TO BE INTERESTED IN EAST/WEST RELATIONS FOLLOWING THE REAGAN/GORBACHEV MEETING, THE TORONTO AND HANOVER MEETINGS, AND BILATERAL QUESTIONS. COUNTER-TERRORISM WORTH MENTIONING.

DETAIL

2. I CALLED TODAY ON HUCHON (ROCARD'S DIRECTEUR DE CABINET), ROCARD HAVING CANCELLED AT THE LAST MINUTE BECAUSE OF ELECTORAL PRE-OCCUPATIONS, TO DISCUSS THE PRIME MINISTER'S VISIT. THIS CALL, TOGETHER WITH THE MINISTER'S CALL ON THE ELYSEE ON JUNE 3 (PARIS TELNO 558), SUGGESTS THAT MITTERRAND AND ROCARD WILL EACH WANT TO CONCENTRATE ON 4 MAIN SUBJECTS: EAST/WEST RELATIONS FOLLOWING THE REAGAN GORBACHEV SUMMIT, THE TORONTO AND HANOVER MEETING AND BILATERAL QUESTIONS.

2. THE BALANCE OF RESPONSIBILITY BETWEEN MITTERRAND AND ROCARD FOR FOREIGN POLICY REMAINS UNCLEAR. HUCHON TOLD ME TODAY THAT THE PRESIDENT WOULD TAKE A STRATEGIC OVERVIEW OF ALL GOVERNMENT POLICIES, WITH PARTICULAR CONCERN FOR FOREIGN AFFAIRS AND DEFENCE, IN LINE WITH HIS CONSTITUTIONAL RESPONSIBILITIES. UNDER THAT UMBRELLA HE WOULD CONCERN HIMSELF WITH EUROPEAN AFFAIRS SO FAR AS MAJOR POLICIES AND FUNDAMENTIAL DECISIONS ON EUROPEAN CONSTRUCTION WERE CONCERNED. FOR THE REST HE APPEARED FIRMLY TO WISH TO DELEGATE THE RESPONSIBILITY FOR RUNNING THE GOVERNMENT TO THE PRIME MINISTER SINCE EVEN WITHIN THE SPECIAL AREAS OF FOREIGN AFFAIRS AND DEFENCE THERE WERE MANY ISSUES REQUIRING DETAILED GOVERNMENTAL DECISION. THE PRIME MINISTER'S MEETINGS WITH MITTERRAND AND ROCARD ARE THEREFORE LIKELY TO COVER BROADLY THE SAME AGENDA.

EAST/WEST

3. MITTERRAND AND ROCARD WILL BOTH BE KEEN TO GET A FIRST-HAND IMPRESSION FROM MRS THATCHER OF THE REAGAN/GORBACHEV MEETINGS IN THE

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LIGHT OF PRESIDENT REAGAN'S VISIT TO LONDON AND TO ALLOW THAT TO LEAD INTO AN ANALYSIS OF THE PRESENT STATE OF EAST/WEST RELATIONS.

TORONTO ECONOMIC SUMMIT

4. MITTERRAND WILL BE ACCOMPANIED TO TORONTO BY DUMAS (FOREIGN MINISTER) AND BEREGOVY (FINANCE MINISTER). HUCHON CONFIRMED THIS MORNING THAT ROCARD WILL NOT (NOT) ATTEND. MITTERRAND'S PRIORITIES AT THE SUMMIT WILL BE AGRICULTURE AND DEBT. HE WILL BE DETERMINED TO ENSURE THAT AGRICULTURE IS NOT GIVEN ANY PRIORITY TREATMENT AT THE GATT MID-TERM MEETING IN DECEMBER, AND EQUALLY DETERMINED THAT FULL CREDIT BE GIVEN TO THE EC FOR THE EFFORTS MADE TO CONTAIN AGRICULTURAL SPENDING. ROCARD WILL SHARE THESE VIEWS. HUCHON UNDERLINED TO ME THIS MORNING THE SENSITIVITY OF AGRICULTURE BOTH IN THE GATT AND IN THE EC CONTEXT: ROCARD WAS INCREASINGLY CONCERNED AT THE POTENTIALLY NEGATIVE IMPACT ON FRENCH PUBLIC OPINION OF THE DIFFICULTIES OF ABSORBING RECENT REFORMS OF AGRICULTURAL POLICY IN THE COMMUNITY. IT WAS ALSO CLEAR THAT THE IMPACT OF CAP REFORM COULD MAKE IT MORE DIFFICULT TO PERSUADE PUBLIC OPINION TO ACCEPT THE COMPLEX OF DECISIONS NEEDED IN THE RUN UP TO 1992. ROCARD WOULD BE SUGGESTING THAT THE COMMUNITY SHOULD PROCEED MORE SLOWLY ON AGRICULTURAL REFORM.

*They are beginning to back off*

5. ON DEBT, THE SIGNS ARE THAT MITTERRAND WILL COME FORWARD WITH IDEAS FOR EASING THE BURDEN ON THE POOREST COUNTRIES, BUT THAT THE DETAILS HAVE NOT YET BEEN WORKED OUT. WE HAVE STRESSED THE IMPORTANCE OF CONSISTENCY BETWEEN FRENCH IDEAS AND THE CHANCELLOR'S INITIATIVE, AND THE NEED FOR CONSULTATION.

6. THE PRIME MINISTER'S MEETINGS WILL PROVIDE AN OPPORTUNITY TO EMPHASISE TO BOTH MITTERRAND AND ROCARD THE IMPORTANCE WE ATTACHE TO REAL PROGRESS (ON AGRICULTURE AND OTHER SUBJECTS) IN THE GATT URUGUAY ROUND, AND TO THE NEED FOR CONSISTENCY BETWEEN FRENCH AND BRITISH IDEAS ON DEBT.

HANOVER EUROPEAN COUNCIL

7. HUCHON TOLD ME TODAY THAT A FINAL DECISION ON ATTENDANCE AT HANOVER HAD NOT YET BEEN TAKEN, BUT THAT ROCARD WOULD PROBABLY NOT (NOT) GO. AT HANOVER, MITTERRAND WILL WANT A REAL IMPULSE TO BE GIVEN TO THE COMPLETION OF THE SINGLE MARKET. BUT HE WILL SEE THIS IN A BROADER SENSE THAN WE DO, TO INCLUDE PROGRESS ON MONETARY COOPERATION. LIKE KOHL, HE WILL WANT TO AVOID DETAILED DISCUSSION OF DIRECTIVES. THE PRIME MINISTER'S MEETING WILL PROVIDE AN OPPORTUNITY TO UNDERLINE OUR COMMON INTEREST IN MAPPING OUT AT HANOVER THE PRACTICAL STEPS NEEDED TO MOVE FORWARD TOWARDS 1992 OVER THE NEXT

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YEAR, SO THAT THE MOMENTUM IS MAINTAINED BETWEEN HANOVER AND THE FRENCH PRESIDENCY IN THE SENCOND HALF OF 1989. RECENT CONVERSATIONS HERE AND IN BONN SUGGEST THAT THE FRENCH AND GERMANS - WHO WILL NO DOUBT TRY TO MAKE THE RUNNING AT HANOVER - ARE NOT YET AGREED ON HOW WORK ON MONETARY COOPERATION MIGHT BE TAKEN FORWARD. THERE WILL THUS BE A CHANCE TO FEED IN OUR OWN IDEAS.

#### BILATERAL DEFENCE RELATIONSHIP

8. MITTERRAND AND ROCARD WILL BE KEEN THAT DEFENCE SHOULD BE ONE AREA FOR CONTINUING IMPROVEMENT IN UK-FRENCH RELATIONS. IT REAMINS A MATTER OF DOGMA ACROSS THE POLITICAL SPECTRUM THAT A RETURN TO THE INTERGRATED COMMAND STRUCTURE OF NATO IS NOT A POLITICAL POSSIBILITY, THOUGH MITTERRAND'S ATTENDENCE AT THE NATO SUMMIT WAS A SIGNIFICANT PUBLIC ACT AND THERE ARE NUMEROUS EXAMPLES OF FRENCH WILLINGNESS TO CREEP UNOBTRUSIVELY CLOSER TO NATO. THEY WILL BE LOOKING TO SEE WHAT CAN BE DONE TO BUILD ON THE PRIME MINISTER'S EXCHANGE WITH MITTERRAND. THEY WILL BE HOPEFUL BUT NOT CONFIDENT OF THE POSSIBILITY OF PROGRESS IN THE SENSITIVE AREA OF NUCLEAR EXHCNAGES, AND WELL AWARE OF THE ADVANTAGE OF OUR CONTINUING TO WORK TOGETHER ON RATIONALISING EQUIPMENT COLLOBORATION. THEY WILL BE AWARE OF MR YOUNGER'S POSITIVE PRELIMINARY MEETING WITH M. CHEVENEMENT AT CAEN ON 6 JUNE - WITH A SUBSTANTIVE MEETING IN LINE FOR 7 JULY.

#### COUNTER-TERRORISM

9. IT MIGHT BE WORTH CONSIDERING A REFERENCE TO THE EXCELLENT PRACTICAL COOPERATION WE HAVE HAD FROM THE FRENCH (EG EKSUND) OVER THE PAST TWO YEARS, EXPRESSING THE HOPE THAT THIS WILL CONTINUE. THE SOCIALIST GOVERNMENT PRE-1986 (WITH JOXE AS INTERIOR MINISTER) WAS NOT (NOT) AS SOLID, ESPECIALLY ON COUNTERING IRA ACTIVITY, AS CHIRAC/PASQUA, ALTHOUGH MR HURD HAD A USEFUL INFORMAL MEETING WITH M. JOXE ON 21 MAY. A FORTHCOMING RESPONSE FROM ROCARD TO THE PRIME MINISTER WOULD BE USEFUL TOOL IN THE FUTURE.

FERGUSSON

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