

CONFIDENTIAL

PRIME MINISTER

**MEETING WITH PRESIDENT MITTERRAND**

You travel to France tomorrow to meet President Mitterrand. You leave No.10 at 1000 and should be back by 1700.

You read the brief at the weekend but may like to look again at the papers in the folder. I have added some recent press cuttings.

C.D.P.

(C.D. POWELL)

29 November 1988

CONFIDENTIAL





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# VOICES FROM FRANCE

Mrs Thatcher and President Mitterrand will meet in Mont-Saint-Michel on Wednesday as elder statesmen of Europe and the world. But if the French President is to share the British Prime Minister's influence as well as her longevity, he must look closely to affairs at home. Divided authority in Paris is beginning to bring a decline in authority overseas.

The summit promises to be a meeting in the best possible tone. There will be some discord over French reluctance to accept that British-made Nissan cars should qualify as "European". As we discussed on Saturday, Mrs Thatcher must also attempt to bring France back into co-operation over the coming conventional arms talks with the Warsaw Pact.

But for the most part, the two leaders will stick to the highest common ground, discussing recent trips — Mrs Thatcher's to Washington and Poland, M Mitterrand's to Moscow and, soon, to Czechoslovakia and Bulgaria. M Mitterrand will disguise his chagrin that Mrs Thatcher is to be the first Western European leader to welcome Mr Gorbachov on an official visit.

Mrs Thatcher will courteously draw her host on his plans for the latter half of next year, when France celebrates the bicentenary of its revolution by simultaneously hosting the next Western economic summit and assuming the presidency of the European Community. They will record their satisfaction at the useful contribution to mutual understanding made by the visit of the Prince and Princess of Wales.

Their meeting will not, however, be quite the discussion between influential equals which M Mitterrand will wish. The reasons have to do with the constitutional and personal tensions developing in France between the President and the French Prime Minister, M Michel Rocard. These have increasingly blurred France's political profile abroad, and made it harder to discern where policy is made.

The constitutional tensions first emerged in 1986, with the election of the conservative government of M Jacques Chirac and the necessity this created of what came to be known as "cohabitation" between the Elysée and the Matignon. With the return to power of the socialists, the strains created by that enforced yoking of opposites ought to have disappeared. But six months later, "cohabitation" is beginning to look like a permanent feature of French politics.

M Mitterrand would appear to have developed a taste, acquired during M Chirac's tenure of office, for leaving the Prime Minister to run the country while he cultivated the world. In this scheme (for which the Gaullist constitution of the Fifth Republic, once derided by M Mitterrand, conveniently pro-

vides), the President looks after foreign policy and defence, the Prime Minister the business of government.

But this division of labour, however convenient as a means of scoring points off M Chirac while appearing to remain above the fray, is anachronistic for a modern state manipulating its way towards the Nineties. It looks particularly threadbare when both incumbents are from the same party.

The anachronism is reflected most clearly in France's policy towards what M Mitterrand likes to call "the construction of Europe", the issue most stressed by both candidates in last May's presidential elections. The business of making France competitive in the single market of 1992 demands detailed decisions — in deregulation of industry and services, in investments in education and training, in tax reforms and harmonization — which cannot be divorced from foreign policy objectives.

A deep mutation may be needed in the characteristics of the Gaullist legacy, characteristics which have been common to both socialists and conservatives. France is changing from a somewhat authoritarian, centralized state to a more flexible form of government in which, in M Rocard's plan for the next five years, the state will decide "less, better and faster".

The Prime Minister's battles with the public sector workers this autumn are important precisely because they illustrate the difficulties of effecting this change. M Mitterrand's aloofness from this, and from the battle over the 1989 budget, has begun to look like calculated avoidance. It also raises questions about the extent to which he can now be said to represent the French Government.

This will matter increasingly as long-term questions about the shape of Europe have to be addressed. M Rocard is an unabashed federalist who considers Mrs Thatcher's vision of a Europe of sovereign states not only archaic, but a recipe for Europe's economic subjugation to Japan and North America. Arguments are inevitable.

It is hard to be certain whether in the long run we will see a presidential retreat into an eminence roughly resembling that of a constitutional monarchy. But if that is the trend, its ambiguous present phase, with M Mitterrand open to the suspicion of merely tactical aloofness, creates problems for the management of European affairs.

France's partners need an authoritative interlocutor. They must hope that M Mitterrand, in the words of a French newspaper cartoon's prayer, decides to "come down from heaven" and join his Prime Minister in the country's necessary transformation.



*Bicentennial Diplomacy*

# World Politics Take Center Stage

By Brigid Phillips

**P**ARIS — In 1989, the bicentennial year of the French Revolution, France will frequently step away from national celebrations and move to the center stage of world politics as the host of a series of summit meetings and international conferences.

The leaders of the seven biggest industrialized countries will hold their annual talks in Paris in July. European leaders will meet in Paris in the fall when France takes over the rotating presidency of the European Community. There will be conferences on arms and human rights. And France may manage one or two more world events in the year that will mark the anniversary of the revolution.

There was "no preconceived plan that France should be the diplomatic capital of the world during its bicentennial," said Hubert Védrine, an adviser to President François Mitterrand and the presidential spokesman. "It is a happy coincidence."

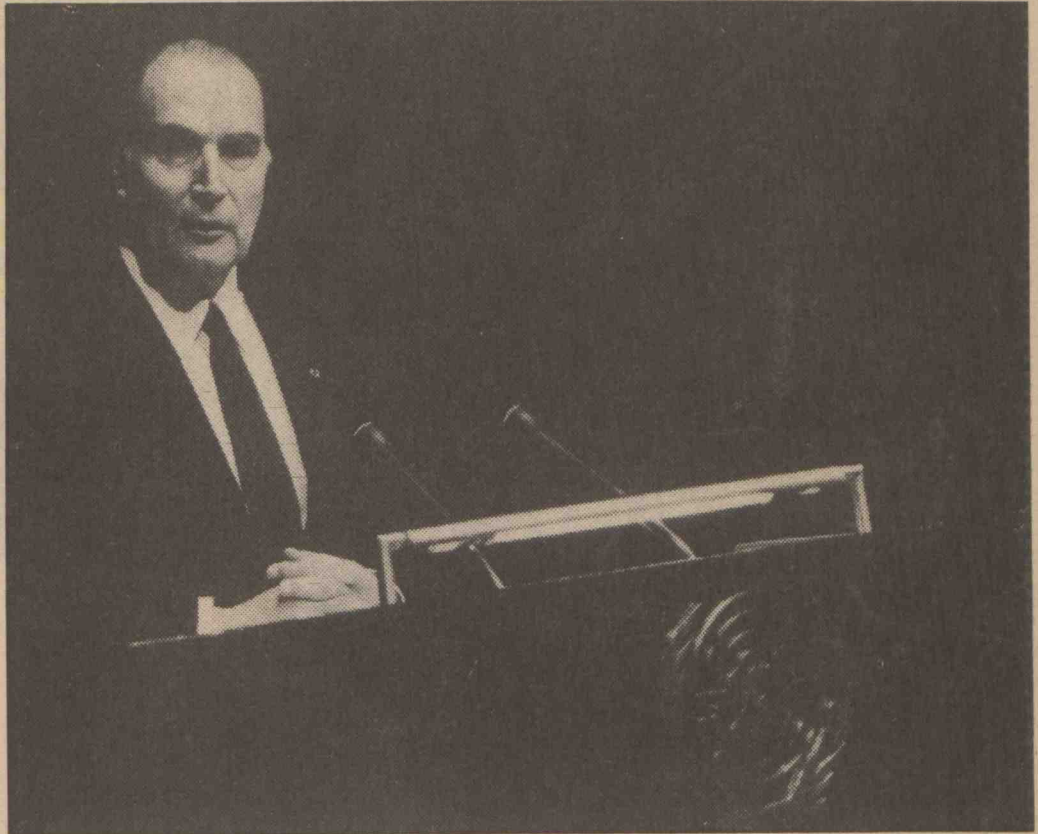
Mr. Mitterrand is likely to use each occasion to draw parallels with the themes of the French Revolution of 1789. But the timing and the discussions at the world meetings are determined outside France.

The biggest event is likely to be the meeting of Group of Seven leaders — from the United States, Canada, Japan, West Germany, Britain, Italy and France. The main purpose of the talks is to review the world economic situation — the single topic that France believes should be on the agenda. In addition, France and West Germany called last week for G-7 finance ministers should meet soon after George Bush's inauguration in January to calm the financial markets.

Other issues — from terrorism to drug control — have become part of the G-7 talks. Although French officials claim no knowledge of what might be the noneconomic issue this year, Mr. Mitterrand is certain to reiterate the appeal he has made repeatedly in this forum to step up assistance to developing countries.

Since the talks coincide with the July 14 French national day, leaders will juggle work sessions with ceremonies celebrating the revolution. There will, however, be much less of the glittering luxury that the French laid on the last time the G-7 met in France.

In 1982, the leaders, officials and media got treatment worthy of Louis XIV in the sumptuous setting of Versailles. A Foreign Ministry official said the extravagance was dimly viewed by French voters who had elected a Socialist government a year earlier. The pomp will not be repeated this time, he said.



D. Goldberg/Sygma

*President François Mitterrand addresses the United Nations General Assembly.*

Of the string of international events next year, France considers it can have the most impact at the EC summit in the fall. It will organize those talks as president of the European Community for the second half of 1988. The presidency comes as the EC prepares for 1992 when Europe has to complete the

countries who signed the 1925 accord banning the use of chemical weapons will be invited, along with 50 nonsignatories.

The purpose of the four-day conference, according to French officials, is to give impetus to talks in Geneva on ending the manufacture and stocking of chemical

ongoing Conference on Security and Cooperation in Europe.

France has invited the parties in the nine-year civil war in Cambodia to hold a peace conference in France.

An international conference on North-South issues is an equally vague possibility. There are persistent rumors that as a centerpiece to a bicentennial year of international events, Mr. Mitterrand may convene an informal meeting to consider the problems of disparity between the rich northern nations and the developing countries of the southern hemisphere.

According to some reports, a meeting — dubbed Cancun-2, after the conference of 22 countries held in Cancun, Mexico in 1981 — would be held in July to bring together leaders as they visit France for the bicentennial celebrations and the G-7 meeting.

Some senior officials have termed the reports "premature" and say such a meeting is unlikely.

But others view it as a strong possibility because of Mr. Mitterrand's strong personal commitment to improving conditions for developing countries and, noted one Foreign Ministry official, in this bicentennial year what stronger way to underline the motto of the revolution — "Liberty, Equality, Fraternity"?

**Mr. Mitterrand is likely to use each occasion to draw parallels with the themes of the French Revolution.**

mechanisms for a free trade zone within the community.

France will use the summit to engineer the adoption of standards to ensure uniform treatment of workers throughout the community.

"The European summit will be the most important meeting in a year of many international meetings in France," said Mr. Védrine. "The fundamental issues are critical for the advancement of Europe."

The year of international gatherings begins in January when France will be host to a conference on chemical weapons. The 11

arms. "We want to capitalize on the legitimate emotion that has developed over use of chemical weapons in the Iran-Iraq conflict to create a strong reaffirmation of the accord and to advance the very difficult process in Geneva," Mr. Védrine said.

To set an example, Mr. Mitterrand told the United Nations in September that France was reversing its previous position and would renounce all right to make chemical weapons as soon as an accord is signed in Geneva.

Later in the spring, France will hold an international conference on human rights as part of the

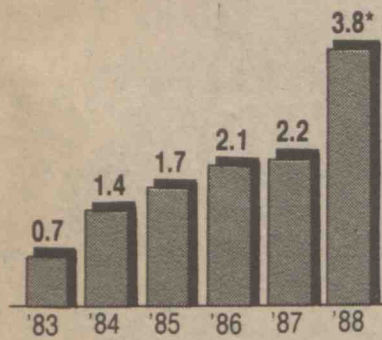
**BRIGID PHILLIPS** is a Paris-based journalist.



## THE FRENCH ECONOMY

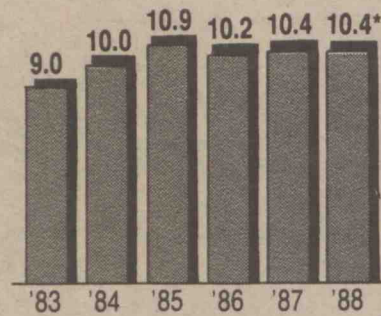
### GDP

Percentage change from previous year



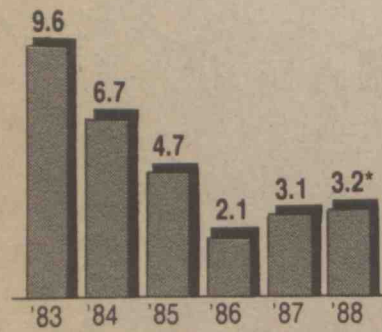
### Unemployment

Percentage change from previous year



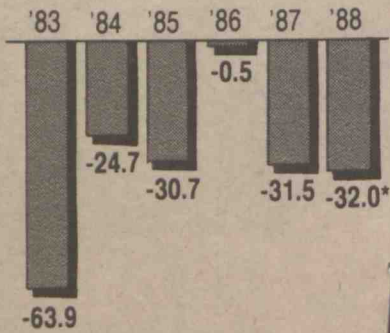
### Inflation

Percentage change from previous year



### Trade Balance

In billions of French francs



\*estimate

Source: *Ministere de l'Economie, des Finances et du Budget*

Andy Sabbatini/International Herald Tribune

... government's improved over the last three years, make a strong for



# 200 Years After Revolution, Vision

By Theodore Zeldin

ASK ORDINARY FRENCH PEOPLE how different they expect their future to be, and you will get a very interesting answer. They do not know. The French have been searching desperately for what they call a *Grand Dessein*, a vision of their future, but it remains vague.

They are for Europe, but have no idea what Europe will be like.

Raymond Barre recently summed up the dismay in his characteristic prose: What France lacks, he said, is a discourse on its national ambition. In other words, it does not know where it is going.

In the past, France's problem used to be that it did know where it was going, but never got there: It is still a long way from having achieved the objectives of the Revolution of 1789. The French are supposed to like everything clear and distinct, so this new uncertainty is regarded as intolerable by many commentators. But I think it is a sign of rejuvenation, for living in the modern world is all about coping with the unpredictable.

The opinion polls have never been very interested in people who say they don't know, regarding them almost as nonpersons, shadows. But the Don't Knows are beginning to assume new shapes. One-third of the

## COMMENTARY

French population now refuses to be identified as being either Right or Left, and that proportion is growing. Two-thirds could not be bothered to vote in the latest referendum on the future of New Caledonia.

It may soon be the Don't Knows who will decide the country's fate. The reluctance to make quick or firm decisions extends even into what was once the most delicate sphere of all: Living together before getting married is now disapproved of by only 7 percent.

Don't Knows are an increasingly important international phenomenon. They used to be the ignorant, the indifferent, the hopeless and the dropouts; but they are now a much more complex, not necessarily irresponsible category.

The United States has long had problems with Don't Knows of the old style, and still does, as George Bush's election with about half the country abstaining shows. The Don't Knows of the new style choose that status on the basis of a combination of optimism and caution. In Britain, they are the floating voters who have established themselves as the dominant force in politics, responsible for the rise and fall of the Social Democrats; only 30 percent of the electorate has voted consistently for the same party over the last six elections; as in France, one-third refuse to think in ideological terms.

NOW the French are also making a contribution to the politics of doubt: They are becoming more similar to their neighbors, less the irritating exceptions, so that what they think is increasingly instructive to the rest of the world.

*Ouverture*, the open mind, is the new French ideal, the new politeness, dissolving old hypocrisies. It goes further than *glasnost*, which says: Let us tell the truth about the past, let us admit we sometimes get it wrong (but we'll get it right eventually). *Ouverture* adds: Let us bury the past, and look afresh at every disagreement that has divided us, one by one; it is impossible to predict where we will end up.

In political party terms, *ouverture* is on the rocks, because it conflicts with what parties traditionally seek, but it has been more than a political

Intellectually, the French have been orphans since the loss of their Great Thinkers, who used to soothe them with explanations of what the world's confusions were all about. *Ouverture* is in some ways a substitute for the catchword of the '60s, *structure*, which implied that everything is interconnected and meaningful, and which fed the belief that social science was about to make it possible to run societies as smoothly and predictably as machines.

However, very few people have completely open minds, and so the question arises, how are closed minds to be opened? Edgar Morin, writing recently in *Le Monde* about the collapse of the old certainties, rightly saw that a new way of thinking is called for, once the habit of simplifying complexity is abandoned.

And yet, to achieve this, he could only suggest a sort of evangelization by teachers and intellectuals, comparable in style and dimensions to the Protestant Reformation. His suggestion recalls Jules Ferry — a Protestant, like Prime Minister Michel Rocard — trying, a century ago, to reform France through mass education.

The difficulty is that the teachers are themselves victims of not knowing: They do not know how to cope, given budget constraints, with the fact that 22 percent of French adults are illiterate, in the sense of

Victor Juhász

having difficulty in understanding written text; about half of those aged over 65 have trouble reading and writing. Illiteracy is increasing among the young, even though more children are being educated to a higher standard than ever before.

Universities have twice as many students as they can accommodate and have been canceling lectures because there is nowhere to hold them. Teachers have never been so demoralized.

And the intellectuals do not know how to escape from the ghetto into which they have withdrawn. France is supposed to be a country where the intellectual is respected. But Bernard Pivot's television literary chat show is watched by on average only 10 percent of viewers. That is roughly the size of the minority that values and enjoys the traditional forms of culture. In the United States, as a recent report to Congress has revealed, exactly the same proportion are enrolled in state-sponsored arts courses. In Britain, Channel Four aims to reach the same magic figure of 10 percent. Education has not converted the masses to its ideal of the good life.

Finally, the government does not know how, in the foreseeable future, it can give practical expression to the principle of *ouverture*, when faced by low-paid employees who do vital work, nurses and civil servants, demanding more equality and respect. It would involve challenging all

wage differentials, completely changing the criteria of what deserves to be rewarded.

Personally, I do not see change being led by the established elite. Individuals are becoming more resistant to influence, more different from each other, strangers or foreigners to one another. The foreigner, the person one does not know, is now the world's main fiddle.

He confronts one on three levels: personal (loneliness has replaced hunger as the major problem in Western countries), national (the immigrant is the great disturber of traditional identities), and international (can Europeans, or Americans, also be citizens of the world?). In this perspective, politics becomes the art of finding a way of overcoming fear of the foreigner.

It is for this reason that my researches on France have culminated in a book on Happiness. Happiness used to mean being in control, feeling comfortable in one's own family, attaining serenity, keeping the foreigner, the enemy, at bay. But in a world that is in constant change, this kind of static ideal is increasingly unattainable, particularly since one can no longer feel happy if other people are unhappy. The new ideal is not happiness, but creativity. The new challenge is how to democratize creativity.

THIS is what about a half of the young people in France, and elsewhere too, are vaguely craving for. It is customary to say that the young have become docile, unrebelling, and it is assumed they will remain so forever. That is to forget that one year before the riots of May 1968 the French government did a survey of the young and found them to be totally attached to traditional values.

Today, if one looks at what they aspire to, rather than at what economics forces them to do, one sees that 27 percent are interested in working in conventional commerce and industry, 28 percent want to do some form of public service, while no less than 45 percent have their sights on a creative or artistic profession, allowing them the highest degree of personal expression. Only 12 percent regard making money as their first objective; 50 percent put the interest of the job first. The young have not become morons. But often they do not know how to get what they dream of.

In this Age of Communication, what people are most conscious of is the difficulty of communicating; they do not just want to be loved, but above all to be understood.

Listen to me: that is perhaps the most common phrase in France today, spoken or unspoken. But most people don't know, are never sure, that their message has been interpreted as they would like it to be.



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M. Attali is

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29/xi

BANGLADESH FLOODS AND FLOOD PREVENTION

Points to Make

1. Appalled by scale of Bangladesh floods.

2. Impressive response from international donor community.

3. We have committed £25 million in emergency relief and rehabilitation aid, including 50,000 tonnes of food aid. EC has committed 250,000 tonnes of food aid and over £4m for post flood rehabilitation.

4. Long term flood prevention clearly critical. But problem an intractable one, complicated by political considerations involving the riparian countries, notably India.

5. Given scale and complexity of problem and political sensitivities, we think it essential that it is approached on a properly co-ordinated basis and that individual donors operate within whatever international or regional framework emerges.

6. Resources needed for flood prevention will be massive. We have already stressed our readiness to play whatever part we can in supporting international or regional solutions.



## BACKGROUND

Heavy rainfall in August produced the worst flooding in Bangladesh in living memory, with 53 out of 66 districts under water at one stage.

2. The British Government was one of the first to respond as the severity of the floods became known. Altogether we provided some £7.5 million for emergency relief aid, including 50,000 tonnes of food aid (at a cost of about £5 million) and £2.5 million channelled through British and local voluntary agencies. In addition we have committed £17.5 million to help meet rehabilitation needs, including a further £2.5 million for voluntary agencies and a £15 million commodity aid grant (eg for bailey bridging). We are in close touch with the Bangladesh authorities about how we can best contribute further to the rehabilitation programme.

3. The EC has committed 250,000 tonnes of food aid and over £4 million for rehabilitation.

4. Consideration is being given by the Bangladesh government and by the international donor community to the fundamental causes of the floods, which threaten to become an annual disaster, and to long-term flood prevention measures. We have made clear HMG's willingness to play a part in trying to identify and implement sound and workable proposals. Any flood prevention programme will be extremely complex and expensive; there are also political sensitivities, particularly involving India whose policy is to resist external interventions in the problems of the region. For these reasons we regard it as essential that individual donors operate within whatever international or regional framework emerges.



5. A special UN meeting on this question was held in New York on 16 November and chaired by the French State Secretary for Humanitarian Affairs, Monsieur Kouchner. At this meeting most donors, including Britain, promised additional help after further examination of Bangladesh's reconstruction requirements. We stressed the need for an international or regional approach to the problem.

6. Madame Mitterrand visited Bangladesh in September and following this, in his speech to the UN General Assembly on 26 September, President Mitterrand announced (among other proposals) a programme to stabilise rivers in Bangladesh. His Special Adviser, Monsieur Attali, is in Bangladesh this week with a team of experts to discuss flood prevention. France's interest in this matter is welcome but it is important that any assistance provided is effectively co-ordinated with the contributions of others within an agreed framework.

EASTERN ASIA DEPARTMENT  
Overseas Development Administration  
29 November 1988



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