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OF 101628Z JANUARY 91  
INFO ROUTINE EC POSTS, WASHINGTON, MOSCOW, UKDEL NATO  
INFO SAVING CONSULATES GENERAL IN FRANCE.

(COLLAR)

PRIME MINISTER'S VISIT TO PARIS ON 14 JANUARY : SCENE SETTER

SUMMARY

1. THE GULF IS OBVIOUSLY ON TOP OF THE PRESIDENT'S MIND. MITTERRAND IS FIRM ON THE BASIC PRINCIPLES: EXPECTS WAR: BUT SEES HANDLING OF FRENCH PARLIAMENTARY AND PUBLIC OPINION AS REQUIRING FRANCE TO MAKE VISIBLE EFFORTS FOR A PEACEFUL SOLUTION UP TO THE LAST MOMENT. OTHER MAJOR CONCERNS INCLUDE EVENTS IN THE SOVIET UNION, EC QUESTIONS AND THE FUTURE OF EUROPEAN SECURITY.

DETAIL

DOMESTIC BACKGROUND (SEE MY ANNUAL REVIEW)

2. NEITHER GOOD NOR BAD. THE APPARENT PRECARIOUSNESS OF ROCARD'S MINORITY SOCIALIST GOVERNMENT IS BALANCED BY THE GOVERNMENT'S AND PRESIDENT'S POWER TO OVERRIDE THE ASSEMBLY. ALTHOUGH THE UPSETS OF THE AUTUMN (DEMONSTRATIONS AND VIOLENCE IN CITIES AND BY FARMERS) HAVE BEEN WEATHERED, THE SITUATION IS LESS STABLE THAN A YEAR AGO. THERE IS DEEPER THAN USUAL DISILLUSIONMENT WITH POLITICS IN GENERAL, AND SOME CALLS THAT THE PRESIDENT SHOULD HEED HIS OWN ADVICE TO DE GAULLE IN THE 60'S 'THAT TEN YEARS IS ENOUGH'. WORRIES ABOUT LAW AND ORDER HAVE BEEN UNDERLINED BY THE UPSURGE OF VIOLENCE IN CORSICA. FOR ALL THE TALK OF POLITICAL MALAISE, MITTERRAND HIMSELF, WHO THRIVES ON CHALLENGE, IS LOOKING NOTABLY AUTHORITATIVE.

3. APART FROM UNPREDICTABLE EFFECTS OF THE GULF, THE POLITICAL FORTUNES OF MITTERRAND AND ROCARD LIE IN THE ECONOMY, WHICH SO FAR HAS PERFORMED REASONABLY WELL IN WORSENING CIRCUMSTANCES. BUT POLICIES FOR A TIME OF STEADY GROWTH AND LOW INFLATION WILL BE DIFFICULT TO SUSTAIN IN A HARSHER CLIMATE. IN PARTICULAR THE GOVERNMENT WILL BE WORRIED ABOUT A RISE IN THE ALREADY HIGH UNEMPLOYMENT RATE.

THE GULF



4. THE PRESIDENT'S MAJOR PREOCCUPATION. HE ANNOUNCED YESTERDAY THAT HE WOULD CALL AN EMERGENCY SESSION OF THE ASSEMBLY ON 17 JANUARY IF NO PEACEFUL SOLUTION WERE ACHIEVED BY THE UN DEADLINE. CLEARLY HE REGARDS IT AS IMPORTANT, IN HANDLING PUBLIC OPINION, TO SHOW THAT HE HAS GOVERNMENT AND PARLIAMENTARY SUPPORT. ROCARD HAS IN ANY CASE THROWN HIS FULL WEIGHT BEHIND MITTERRAND ON THE GULF. THE EXPECTATION IS THAT A RESPECTABLE PARLIAMENTARY MAJORITY SHOULD BE ACHIEVABLE. IT WILL NOT BE EASY FOR MAINSTREAM OPPOSITION FIGURES TO OPPOSE THE PRESIDENT'S VIEW, WHICH RESTS SO FIRMLY ON THE AUTHORITY OF THE UN.

5. HANDLING RELUCTANT PUBLIC OPINION HAS REQUIRED, AS MITTERRAND SEES IT, A SHOW OF 'INDEPENDENCE' THAT HAS AROUSED UNDERSTANDABLE CONCERN AND DISCOMFORT IN LONDON AND WASHINGTON. I DOUBT HOWEVER WHETHER THERE WAS ANY OTHER WAY IN WHICH HE WOULD HAVE ACHIEVED A SIGNIFICANT FRENCH PRESENCE IN THE GULF. FOR ALL THE TENSIONS IN US-FRENCH EXCHANGES, MITTERRAND'S UNDERLYING SENSE IS OF SOLIDARITY WITH THE US. AND HE DOES NOT SHRINK FROM WAR BOTH TO UPHOLD INTERNATIONAL ORDER, RESIST AGGRESSION, AND MAINTAIN FRANCE'S PLACE AS A KEY PLAYER ON THE INTERNATIONAL STAGE. MITTERRAND MADE CLEAR LAST NIGHT, WHILE REMAINING COMMENDABLY FIRM ON THE NEED FOR IRAQ TO WITHDRAW FROM KUWAIT AND FOR THE UN DEADLINE TO BE MAINTAINED, THAT LAST MINUTE FRENCH INITIATIVES CAN BE EXPECTED, (NOT-EXCLUDING VISITS TO BAGHDAD BY DUMAS OR EVEN HIMSELF, PROVIDED IT WAS CONSISTENT WITH UNSC RESOLUTIONS AND WOULD ACHIEVE SOMETHING USEFUL) AN INITIATIVE IN TANDEM WITH THE ALGERIANS IS A POSSIBILITY.

#### SOVIET UNION

6. PUBLICLY MITTERRAND'S MONEY IS STILL ON GORBACHEV, BUT FRENCH OFFICIALS SEE NO OBVIOUS MIDDLE WAY BETWEEN A DESCENT INTO CHAOS AND AN AUTHORITARIAN CLAMP DOWN. THE FATE OF THE BALTIC REPUBLICS IS NOT AS SENSITIVE AN ISSUE HERE AS IN AMERICA. ASIDE FROM THE SECURITY ASPECTS, PRINCIPLE FRENCH WORRIES ARE PROBABLY ECONOMIC COLLAPSE (PARTICULARLY THE ILL EFFECTS ON CENTRAL EUROPE WHERE FRANCE SEES LONG-TERM OPPORTUNITIES) AND POSSIBLE LARGE-SCALE EMIGRATION. IMMIGRATION GENERALLY IS AN INCREASINGLY SENSITIVE ISSUE, FROM WHATEVER SOURCE.

#### SECURITY

7. IF THEY CAN GET OVER SOME IMPORTANT HISTORICAL HANG-UPS, THE FRENCH HAVE MUCH IN COMMON WITH US. THEY ARE WORRIED ABOUT INDICATIONS OF SOVIET CFE CHEATING, AND PRIVATELY REGARD RUSSIA AS A CONTINUING IF TEMPORARILY REDUCED, THREAT. AT THE SAME TIME THEY



ARE UNDER POLITICAL AND BUDGETARY PRESSURE TO REDUCE DEFENCE EXPENDITURE. CLOSER PRACTICAL COLLABORATION WITH THE UK, AND WITH OTHER MAJOR ALLIES, THEREFORE MAKES SENSE. ASLP REMAINS IN THE FOREFRONT OF FRENCH THINKING. (MITTERRAND IS LIKELY TO GIVE THE GO AHEAD FOR THE FRENCH ASLP PROGRAMME - (IRRESPECTIVE OF THE UK'S DECISION - AT A MINISTERIAL MEETING ON 14 OR 16 JANUARY).

8. MITTERRAND HAS NOT YET DECIDED ON FRANCE'S FUTURE RELATIONSHIP WITH WESTERN DEFENCE STRUCTURES. HE DOES NOT QUESTION THE CONTINUED NEED FOR NATO AND A US PRESENCE IN EUROPE, BUT IS ATTRACTED BY AN INCREASED DEFENCE ROLE FOR THE COMMUNITY (NOT LEAST TO TIE IN THE GERMANS) AND BELIEVES THAT AN EVENTUAL ''POLITICAL UNION'' MUST INCLUDE DEFENCE. BUT HE WILL NOT GIVE UP FRANCE'S CHERISHED ''INDEPENDENCE'', WITHOUT THE GUARANTEE OF SUBSTANTIVE BENEFITS IN RETURN. I THEREFORE BELIEVE THAT HE WILL BE CAUTIOUS BUT OPEN MINDED WITH THE PRIME MINISTER.

#### EUROPE

9. MITTERRAND'S INTERVENTIONS AT ROME II CONFIRM THAT HE IS IN A HURRY TO CONSTRUCT EUROPE: HE MAY, LIKE KOHL, BE HAUNTED BY A SENSE OF ''APRES MOI LE DELUGE'' HE IS CERTAINLY HAUNTED BY A SENSE THAT AFTER KOHL THINGS WILL NOT BE THE SAME. THE AGENDA STRETCHES FROM WHAT HE REGARDS AS THE TECHNICALITIES OF EMU THROUGH EPU AND THE COMMON FOREIGN AND SECURITY POLICY TO THE VISIONARY, IF BLURRED, EUROPEAN CONFEDERATION. MUCH IS FRAME IN THE NEGATIVE CONTEXT OF DISTRUST OF THE US AND FEAR OF A RENASCENT GERMANY, JAPANESE ECONOMIC DOMINATION AND MASS IMMIGRATION FROM AFRICA AND EASTERN EUROPE.

10 MITTERRAND HARBOURS THE OLD SUSPICION THAT THE UK REMAINS MORE WEDDED TO ITS AMERICAN RELATIONSHIP THAN ITS EUROPEAN ONES. BUT HE REALISES THAT WE OFFER A POTENTIALLY VALUABLE COMPLEMENT (NOT A SUBSTITUTE) TO FRANCE'S CENTRAL RELATIONSHIP WITH GERMANY, AND THAT ON A SIGNIFICANT NUMBER OF POINTS OUR INTERESTS IN EUROPEAN CONSTRUCTION CLOSELY COINCIDE.

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