CONFIDENTIAL

FM PARIS

TO DESKBY 290900Z FC0

TELNO 1244

OF 281957Z NOVEMBER 91

INFO IMMEDIATE UKREP BRUSSELS, UKMIS GENEVA, WASHINGTON, BONN
INFO IMMEDIATE TOKYO, OTTAWA, ROME, ACTOR

FRAME GENERAL

CALL ON ELYSEE SECRETARY-GENERAL: GATT

SUMMARY

1. VEDRINE INDICATED THAT THE FRENCH POSITION REMAINS RIGID.

DETAIL

2. WHEN I CALLED ON VEDRINE (ELYSEE SECRETARY-GENERAL) THIS EVENING HE IMMEDIATELY PICKED ON THE GATT AMONG THE PROPOSED AGENDA ITEMS FOR THE PRESIDENT'S TALK WITH THE PRIME MINISTER AT NUMBER 10 ON MONDAY 2 DECEMBER AS A TOPIC WHICH THE PRESIDENT WOULD BE READY TO DISCUSS. VEDRINE EXPLAINED ON PREDICTABLE LINES THE SOCIAL AND POLITICAL PROBLEMS FACING FRENCH AGRICULTURE AND RESTATED THE FAMILIAR FRENCH POSITION THAT THE AMERICANS HAVE IN PRACTICE SHOWN NO DISPOSITION TO MOVE ON THE AGRICULTURE VOLET. HE COMMENTED CAUSTICALLY THAT IT WAS ALL VERY WELL MR LUBBERS SAYING THAT THE MOST IMPORTANT TASK OF THE DUTCH PRESIDENCY WAS THE COMPLETION OF THE GATT NEGOTIATIONS. THAT WAS CLEARLY THE IGCS. THE FRENCH WERE IN NO MOOD TO MAKE CONCESSIONS ON AGRICULTURE GIVEN THE PRESENT LACK OF MOVEMENT ON THE AMERICAN SIDE. INDEED HE SUGGESTED THAT FUTURE ELECTORAL PRESSURES IN THE UNITED STATES MIGHT BE A FACTOR PUSHING PRESIDENT BUSH TO MAKE FURTHER CONCESSIONS NOW. IF THE AMERICANS WANTED AN AGREEMENT IT WAS UP TO THEM TO SHIFT SUFFICIENTLY ON THE OTHER VOLETS TO JUSTIFY FURTHER MOVEMENT BY THE COMMUNITY.

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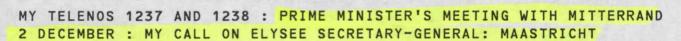
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ADDITIONAL 1

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### SUMMARY

1. VEDRINE (ELYSEE SECRETARY GENERAL) DESCRIBES PRESIDENT'S
APPROACH TO MAASTRICHT. FRANCE'S KEY OBJECTIVE WAS AGREEMENT ON
EMU: EVERYTHING ELSE, EVEN CFSP AND SOCIAL, WAS SECONDARY.
POSSIBLY SIGNIFICANT HINT OF GIVE IN FRENCH POSITION ON SOCIAL AND
INDUSTRY DOSSIERS. BUT HE INDICATES THAT THE FRENCH HAND ON MAJOR
DIFFERENCES WOULD NOT BE SHOWN UNTIL MAASTRICHT, WHEN THE SHAPE OF
ANY OVERALL AGREEMENT ON OFFER BECAME CLEARER. I EMPHASISE THAT
THERE ARE A NUMBER OF MAJOR STICKING POINTS FOR UK ON WHICH WE NEED
MOVEMENT FROM OTHERS IF AGREEMENT IS TO BE REACHED.

### DETAIL

- 2. I HAD OVER HALF AN HOUR WITH VEDRINE THIS EVENING. (HE HAD NOT BEEN PRESENT AT THE PRESIDENT'S MEETING WITH LUBBERS WHICH WAS ENDING AS I ARRIVED). I GAVE HIM THE VERBATIM TEXT OF THE PRIME MINISTER'S SPEECH IN THE HOUSE OF COMMONS ON 20 NOVEMBER. I TOLD HIM THAT, SPEAKING PERSONALLY, I THOUGHT THAT THE PRIME MINISTER HAD TWO OPTIONS FOR MAASTRICHT: TO RETURN WITH A SATISFACTORY AGREEMENT OR TO RETURN WITHOUT AN AGREEMENT AT ALL BUT BEING SEEN IN THE UK TO HAVE FOUGHT HIS CORNER STRENUOUSLY. WHAT WOULD BE POLITICALLY IMPOSSIBLE WAS AN AGREEMENT WHICH FAILED TO MEET THE BASIC DESIDERATA PRESENTED TO THE HOUSE OF COMMONS (AS SET OUT IN THE SPEECH).
- 3. VEDRINE AGREED THAT THE DISCUSSION AT NUMBER 10 ON 2 DECEMBER WOULD BE MOST IMPORTANT. THE ATMOSPHERE WOULD NO DOUBT BE WARM WHICH WAS UNLIKELY TO BE THE CASE FOR ANY DISCUSSION AT MAASTRICHT ITSELF. HE DID NOT THINK THAT THE PRESIDENT WOULD SHOW HIS HAND ON THOSE AREAS WHERE THERE MIGHT BE A CHANCE OF ULTIMATE MOVEMENT. THAT COULD ONLY BE DONE AT MAASTRICHT WHEN THE PACKAGE AS A WHOLE COULD BE IDENTIFIED.

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4. IN ANSWER TO MY OPENING QUESTION ABOUT FRENCH PRIORITIES VEDRINE

PAGE 1 CONFIDENTIAL MADE IT CLEAR THAT FOR FRANCE THE OVERRIDING CONCERN WAS TO ACHIEVE AGREEMENT ON EMU. ALL ELSE WAS CLEARLY SUBSIDIARY TO THAT. I MENTIONED OUR NEED TO HAVE A GENERAL OPT-OUT CLAUSES INSIDE THE TREATY. HE THOUGHT THAT THIS WOULD BE VERY DIFFICULT GIVEN THE ATTITUDE OF A NUMBER OF EC COUNTRIES. I MENTIONED THE POSSIBILITY OF A DECLARATION BY ELEVEN COUNTRIES. HE SAID THAT IT SEEMED HARDLY APPROPRIATE TO DEAL WITH A PROBLEM SPECIFIC TO ONLY ONE COUNTRY IN THAT WAY. I REPEATED THAT IT WAS IMPORTANT FOR US THAT OUR PROBLEM SHOULD BE MET BY A GENERAL CLAUSE.

THE SOCIAL VOLET

5. VEDRINE ONLY CAME TO THIS TOPIC BELATEDLY WHEN I JOGGED HIS ELBOW AT THE END OF OUR DISCUSSION. HE TALKED, ON FAMILIAR LINES, OF THE NEED TO GIVE THE INTERNAL POLICIES OF THE COMMUNITY A HUMAN FACE. THAT WAS WHERE THE SUPPORT FROM PUBLIC OPINION WAS BEING ERODED IN CONTRAST TO THE EXTERNAL DIMENSION OF THE COMMUNITY WHICH SEEMED TO HAVE INCREASING SUPPORT. HE REFERRED TO THE CONSEQUENCES FOR INDUSTRIAL RELATIONS OF A SOCIAL POLICY. I ASKED WHETHER INDUSTRIAL AND SOCIAL POLICIES WERE LINKED IN THE FRENCH BOOK. HE SAID NOT AND INDICATED THAT THERE WAS SOME GIVEN LEFT IN THE FRENCH POSITION ON BOTH. I STRESSED THAT FOR US, FOR REASONS WITH WHICH HE WOULD BE FAMILIAR, SOCIAL POLICY WAS A MAJOR STICKING POINT.

DEFENCE AND CFSP

MADE OVER CFSP ON THE BASIS OF CONSENSUS. THAT WOULD LAND THE
COMMUNITY WITH THE STATUS QUO. FRANCE AND BRITAIN SHARED FAR MORE
COMMON ASSUMPTIONS OVER FOREIGN POLICY ISSUES THAN FRANCE DID WITH
GERMANY, THE FRENCH HAD SOME SYMPATHY WITH OUR PRACTICAL ARGUMENTS
OVER DEFINITION. HOWEVER WITH THE PROSPECT OF AN ENLARGING AND LESS
COHERENT COMMUNITY IT WAS INDISPENSABLE NOW TO SEIZE ON THE
OPPORTUNITY TO MAKE SIGNIFICANT PROGRESS. VEDRINE IMPLIED THAT
THIS WAS LINKED WITH THE OVERRIDING ISSUE OF ACHIEVING AGREEMENT
WITH THE GERMANS OVER EMU. AS FOR DEFENCE, HE HAD NOT HEARD OF THE
TEXT AGREED BY OFFICIALS IN WEU AND SEEMED SURPRISED TO LEARN THAT
A SINGLE TEXT WITH BRACKETS WAS BEING SUBMITTED TO FOREIGN
MINISTERS ON 2 DECEMBER.

INDUSTRY

7. THIS CAME UP ONLY UNDER THE SOCIAL HEADING.

IMMIGRATION

8. I SAID, FOLLOWING A COMMENT ON THE IMPORTANCE OF THE PILLAR STRUCTURE, THAT WE REGARDED IT AS ESSENTIAL TO PRESERVE INTERIOR

PAGE 2 CONFIDENTIAL AND JUSTICE QUESTIONS FOR INTERGOVERNMENTAL COOPERATION. VEDRINE SAID THAT THE FRENCH SHARED MUCH OF OUR APPROACH BUT WERE NOT AS RIGID AS US. COULD WE NOT IMAGINE CERTAIN ASPECTS BEING BROUGHT WITHIN THE COMMUNITY COMPETENCE?

## POWERS FOR THE EUROPEAN PARLIAMENT

9. VEDRINE SAID THAT THERE WAS NO ENTHUSIASM FOR ADDING SIGNIFICANTLY TO EUROPEAN PARLIAMENTARY POWERS THOUGH OTHER MEMBERS OF THE COMMUNITY WERE VERY INSISTENT. HIS IMPLICATION WAS CLEARLY THAT THIS WAS AN AREA WHERE THE FRENCH WOULD BE READY TO PAY A PRICE TO SECURE OTHER OBJECTIVES. HE WENT ON TO SAY THAT FRANCE WAS SENSITIVE TO THE ISSUE OF NATIONAL PARLIAMENTARY CONTROL. THAT WAS WHY THEY HAD PROPOSED THE IDEA OF A CONGRESS. GIVEN OUR SIMILAR INTERESTS AS REGARDS BOTH NATIONAL AND EUROPEAN PARLIAMENTS THE FRENCH HAD BEEN SURPRISED THAT WE HAD GIVEN THIS IDEA SO LITTLE SUPPORT.

## FEDERALISM

10. I SAID THAT FOR US THE USE OF THE WORD FEDERAL WAS A RED RAG TO THE PARLIAMENTARY BULL. VEDRINE COMMENTED THAT FOR SOME MEMBERS OF THE COMMUNITY ITS LOSS WOULD BE AS KEENLY FELT AS ITS PRESENCE WOULD BE FOR US. THIS WAS ANOTHER OF THE ISSUES WHERE A SETTLEMENT COULD ONLY BE ACHIEVED IN THE FINAL ROUND OF NEGOTIATIONS AT MAASTRICHT. THE FRENCH POSITION WAS NOT DETERMINED BY PRO-FEDERAL IDEOLOGY BUT BY GEOPOLITICAL CHOICE.

# CONCLUSION

11. VEDRINE IS THE PRESIDENT'S CLOSEST ADVISER AND HIS ACCOUNT IS AUTHORITATIVE CONFIRMATION OF OUR OTHER REPORTING. IN PARTICULAR, IT IS CLEARER THAN EVER THAT ALTHOUGH MITTERRAND WILL PLAY HIS CARDS LATE, HE MAY WELL BE PREPARED TO PAY A PRICE (TO US AS WELL AS TO THE GERMANS) ON EPU TO SECURE AGREEMENT ON EMU.

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