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MIPT: 18 NOVEMBER MEETING OF THE TWELVE HEADS OF STATE AND
GOVERNMENT

SUMMARY

1. HOW MITTERRAND WILL APPROACH THE MEETING, AND SUGGESTIONS FOR THE PRIME MINISTER'S APPROACH.

DETAIL

2. THE MESSAGE BEING RECEIVED FROM THE ELYSEE POINTS TO AN ENTIRELY NATURAL WISH OF MITTERRAND TO TAKE A BROAD LOOK AT THE POLITICAL IMPLICATIONS OF CURRENT CHANGE IN EASTERN EUROPE WITH THE 11 OTHER HEADS OF STATE AND GOVERNMENT. THIS SUITS US WELL AND WILL OFFER THE PRIME MINISTER THE OPPORTUNITY TO DEVELOP THE THINKING WHICH LIES BEHIND HER MESSAGE TO GORBACHEV, AND WAS EXPRESSED IN HER GUILDHALL SPEECH, ON THE NEED FOR A MEASURED APPROACH TO CHANGE, AND SUPPORT FOR GORBACHEV'S EFFORTS AT PERESTROIKA.

3. IN ALL THIS I BELIEVE THE PRIME MINISTER WILL BE ON THE SAME WAVELENGTH AS MITTERRAND. HIS CONCERN WILL BE TO MAINTAIN A STABLE BALANCE IN EUROPE. HE WILL NOT WANT TO ENCOURAGE THE THOUGHT THAT THE THREAT FROM THE EAST IS IN THE PROCESS OF DISAPPEARING, EVEN IF ITS NATURE IS CHANGING, AND IS COMPLICATED BY THE UNCERTAIN POLITICAL PROSPECTS. HE WILL SEE NO INTEREST IN ANY WESTERN RESPONSE WHICH COULD UNDERMINE GORBACHEV'S POSITION. HE WILL BE PARTICULARLY CAUTIOUS OVER THE QUESTION OF GERMAN REUNIFICATION, EVEN THOUGH HE HAS PUBLICLY SAID THAT HE IS NOT AFRAID OF IT. I NEED HARDLY SPELL OUT ALL THE DOMESTIC POLITICAL SENSITIVITIES OF THIS ASPECT, AND THE FUNDAMENTAL AMBIGUITIES IN THE FRANCO-GERMAN RELATIONSHIP AS A WHOLE.

4. TWO ASPECTS OF THE 18 NOVEMBER MEETING ARE MORE PROBLEMATIC. FIRST, THE THOUGHT HAS BEEN CANVASSED, INCLUDING BY DUMAS IN THE NATIONAL ASSEMBLY (MY TELNO 1515), THAT A PART OF THE PURPOSE OF THE 18 NOVEMBER MEETING IS TO ENSURE THAT EASTERN

EUROPE DOES NOT WEIGH DOWN THE STRASBOURG EUROPEAN COUNCIL AND CUT INTO TIME FOR DISCUSSION AND DECISIONS ON EMU AND THE SOCIAL CHARTER. I AM SATISFIED THAT, THOUGH THIS MAY BE SEEN BY THE FRENCH AS ONE OF THE ADVANTAGES OF HOLDING A DISCUSSION OF EASTERN EUROPE NOW, MITTERRAND'S MAIN MOTIVE WAS A PROPER WISH THAT THE TWELVE SHOULD GET TO GRIPS WITH CHANGE IN EASTERN EUROPE AT THE TOP LEVEL WITHOUT DELAY. IT IS CLEAR FROM WHAT THE ELYSEE HAVE TOLD US THAT THEY ACCEPT THAT THE NECESSARY DECISIONS ON EC AID TO EASTERN EUROPE ARE FOR STRASBOURG NOT FOR THE 18 NOVEMBER PARIS MEETING.

5. HOWEVER (PARIS TELNO 1516), IT IS EQUALLY CLEAR THAT MITTERRAND'S IDEA OF A BANK FOR EASTERN EUROPE IS THE MAIN INITIATIVE WHICH HE WILL WANT TO DEVELOP ON 18 NOVEMBER, AND THE PRIME MINISTER WILL NEED FULL BRIEFING FOR THIS.

6. THE SECOND PROBLEM AREA IS THE CONNECTION BETWEEN EC/EASTERN EUROPE RELATIONS AND PROGRESS IN EUROPEAN INTEGRATION. MITTERRAND WILL WANT TO USE SATURDAY'S DISCUSSION TO GAIN SUPPORT FOR HIS CONVICTION THAT CURRENT DEVELOPMENTS IN EASTERN EUROPE POSE A CHALLENGE FOR THE COMMUNITY WHICH CAN BEST BE MET BY ACCELERATING AND FURTHER STRENGTHENING THE PROCESS OF EUROPEAN CONSTRUCTION, NOT LEAST THROUGH EMU. THE HIDDEN PREMISE HERE IS THAT CURRENT EVENTS MAKE IT ALL THE MORE IMPORTANT TO BIND GERMANY INTO THE COMMUNITY AND THAT ACCELERATING EUROPEAN INTEGRATION IS THE WAY TO DO THIS.

7. AS SEEN FROM HERE, THE PRIME MINISTER'S RESPONSE TO THIS COULD BE THAT BRITAIN IS AMONG THE FIRST TO RECOGNISE THE NEED FOR A COHESIVE, STRONG AND OUTWARD LOOKING EUROPEAN COMMUNITY, CAPABLE OF ASSISTING ECONOMIC DEVELOPMENT IN EASTERN EUROPE. WE HAVE BEEN AMONG THE LEADERS IN PUTTING FORWARD PRACTICAL PROPOSALS, AND THE PRIME MINISTER RECOGNISED IN HER GUILDHALL SPEECH THE NEED TO DEVELOP NEW FORMS OF ASSOCIATION WITH THE EMERGING DEMOCRACIES OF EASTERN EUROPE. SO IT IS NOT THE UK WHICH IS APPLYING THE BRAKE. BUT THAT DOES NOT MEAN THAT WE SHOULD ACCEPT THE NEED FOR ACCELERATION TOWARDS A PARTICULAR VISION OF EUROPEAN CONSTRUCTION (EMU DELORS VERSION) THE EFFECT OF WHICH WILL ACTUALLY PUT COMMUNITY COHESION UNDER STRAIN. THE ENTERPRISE THE COMMUNITY IS ALREADY ENGAGED IN (COMPLETION OF THE SINGLE MARKET - STAGE 1 OF DELORS ETC) IS ALREADY INCREASING THE ATTRACTION OF THE COMMUNITY FOR EASTERN EUROPE. COHESION YES, ACCELERATION TOWARDS STAGES 2 AND 3 NO, AT A TIME WHEN STEADINESS IS REQUIRED ALL ROUND.

FERGUSSON