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Part 2 Confidential Filing of President Mitterrand FRANCE Part 1 July 79 Port 2 March 81 Referred to Date Referred to Date Referred to Date Referred to Date 2958 15.81 20-7-81 PREM 19/470 24-7-87 7.8.81 178.87 4-7-87 7957 11.9.3. - It ends

PART Pt 2 ends:-

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PART 3 begins:-

NFR PM/Mittward tote-à-tête

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ANGLO-FRENCH SUMMIT : REPORT TO PLENARY BY THE LORD PRIVY SEAL AND M. CHANDERNAGOR

M. Chandernagor and I held a comprehensive exchange of views on a full range of Community issues, especially the 30 May Mandate, enlargement and the Common Fisheries Policy. M. Chandernagor told me of the President's intention to make wide-ranging proposals for the future development of the European Community. We shall welcome the opportunity for discussing these in due course. We agreed that it was important for the future of Europe as a whole that the discussions on the Mandate should be brought to a successful conclusion.

explained their general approach particularly on the Common Agricultural Policy and the effects of the Community budget. It was clear that there were differences to be resolved if decisions on the matters covered by the Commission's report were to be reached at the November European Council. We agreed on the necessity for work to proceed urgently in the Mandate group with suitable political guidance. We therefore agreed that it would be important to keep in close touch during these discussions and that there should be regular informal bilateral contacts at official and ministerial level for this purpose.

On enlargement, we reaffirmed the commitment of both governments to Spanish and Portuguese accession. We agreed that application by Spain of VAT on accession is essential. We thought the possibility of resolving differences on tactics over the Spanish Customs Union Declaration/VAT issue should be explored urgently.

On the Common Fisheries Policy, we welcomed the agreement on bilateral meetings at official and ministerial level before the Council, and agreed on the need to work constructively for progress at the Fisheries Council on 29 September.

M. Chandernagor raised the change in the UK veterinary regime on poultry. We explained the animal health reasons, and said we would be replying to the Commission's letter. · •

DRAFT OUTLINE OF LORD CARRINGTON'S REPORT TO THE PLENARY SESSION

Anglo-French Bilateral Relations

- 1. We agreed that, notwithstanding our many meetings on international and Community questions, it is valuable for the two Foreign Ministers to meet from time to time to take stock of our bilateral relations. M. Cheysson and I had a preliminary conversation about this in Paris on 28 May and the two Foreign Ministries have each done some work since then. We agreed, subject to the approval of our Heads of Government, to meet once a year in future, roughly half way between the annual summits, starting in the spring of 1982.
- 2. I informed M. Cheysson that I would shortly be making proposals for a step forward in exchanges of <u>Civil Servants</u>, moving on from the exchanges of trainees, of which we now have ten years' experience, to attachments of officials for periods of several months in both directions.
- 3. We discussed questions of <u>cultural cooperation</u>. Senior officials are due to meet at the end of the year. Meanwhile the two sides will investigate possible solutions to three problems raised by M. Cheysson:
- a. rates charged on premises of French cultural institutes in Britain
- b. imbalance in student numbers and student fees between French and British universities
- c. how to promote youth exchanges.

International Questions

- 4. We discussed <u>Southern Africa</u>, especially the future activity of the Contact Group of Five on Namibia and the prospects for progress this autumn towards the implementation of the UN plan. We settled certain urgent questions referred to us by missions in New York in connection with the current debate there.
- 5. We spoke about <u>arms control</u>. M. Cheysson emphasised the strong interest of President Mitterrand's government in this subject, but indicated that its position was not yet completely formed on all questions. We agreed that it would be useful for our specialist officials to meet at a suitable time, and this will be arranged.
- 6. We discussed the <u>Middle East</u>. M. Cheysson gave me an absorbing account of Prince Fahd's important visit to Paris on 8 September and of the matters discussed with him. We spoke about Lebanon and the prospects for building on the ideas recently put forward by the United Nations and the United States, as well as certain French ideas which M. Cheysson described.
- 7. Community questions were discussed separately between M. Chandernagor and the Lord Privy Seal, but M. Cheysson gave me a preliminary outline of the French ideas for what is termed the Relance of the Community.



10 DOWNING STREET

From the Private Secretary

11 September 1981

Visit of President Mitterrand

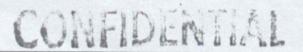
I enclose a copy of the record for yesterday evening's discussion between the Prime Minister and President Mitterrand.

I should be grateful if, as usual, you could ensure that the distribution of this record is limited to those who genuinely need to see it.

I am sending a copy of this letter and a copy of its enclosure to John Kerr (H.M. Treasury) and David Wright (Cabinet Office). I am also sending copies of this letter together with extracts from the record to David Omand (Ministry of Defence), Kate Timms (MAFF), John Rhodes (Department of Trade) and Ian Ellison (Department of Industry).

M. O'D. B. ALEXANDER

Brian Fall, Esq., Foreign and Commonwealth Office.



BR

PRIME MINISTER

for any

Bilateral Press Conference

Just to update my minute of last evening (attached).

Six newspapers - $\underline{Express}$, \underline{Mail} , $\underline{Telegraph}$, $\underline{Guardian}$, \underline{Times} and \underline{FT} - cover the Summit this morning.

The <u>Express</u>, <u>Mail</u> and <u>Guardian</u> major on the Chunnel and the <u>Mail</u> say you and Mitterrand agree not to put any political obstacle in the way of a Channel link.

The <u>Telegraph</u> speaks of Entente at No. 10 and extremely good discussions and the Times of your being in accord.

The $\underline{\text{FT}}$ says reform of the EC Budget was one of the main topics in your tete-a-tete.

I attach cuttings from $\underline{\text{Mail}}\,,\,\,\underline{\text{Guardian}}\,,\,\,\underline{\text{Times}}$ and $\underline{\text{FT}}$ which are the most useful.

On this basis the media are likely to be most interested in:

- EC Budget/CAP reform;
- Bilateral co-operation, with emphasis on Channel Tunnel;
- Atmospherics how you get on, bearing in mind your different philosophies.

It is possible that you will be asked questions on the gas gathering pipeline. You could reasonably say that Mr. Howell is making a statement today.

You may be interested to know that Bernardette McAliskey, having been booted out of Spain, turned up in Paris last night at a workers' meeting organised by the Trots. She called on French workers to boycott British goods until Maze prisoners' demands are met.

/By way of postscript

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- new French regime poses all sorts of practical as well as ideological problems for your Government, but these are nothing to agonies it will cause British Left.

- pure lines of British Left wing categories have been hideously disfigured by aberrations of French foreign policy.
- most contemporary tenets of British Left wing security policy rejected by man who bears strong resemblance to Bevin.
- whatever similarities there may be to Benn's economic policies, Mitterrand differs in attitude to outside world and in particular EC.

He adds:

It is also, however, a matter of imagination. The Mitterrand European policy is not yet fully articulated, but as far as one can tell from partial previews, the new "European initiative" which the French have in mind includes two key elements.

The commitment to more cooperative economic and industrial policies with the Community. The French will support greater European protectionism externally and give more direct support internally to "crisis sectors" of European industry such as textiles and cars and for new technologies. The convinced free trader will find this prescription as objectionable as those of the British Left, but the French, unlike their British counterparts, have at least come to the realistic conclusion that a single national economy is too small to support high-technology industry or embark entirely on its own on risky experiments in reflation.

An attempt to create a European "social zone". This will probably include proposals for coordinated moves on work sharing, higher education, youth exchanges and a

shorter working week. It is possible for normal mortals to be reasonably cyntal about this package, but for the British Left, who claim to believe in it, the fact that the French are in favour of Community-wide initiatives is, or ought to be, a problem.

B. INGHAM

11 September, 1981

CONFIDENTIAL CE FRANCE THE PLANT CONTROL OF THE FRENCH REPUBLIC, M. FRANCOIS MITTERRAND, AT 10 DOWNING STREET

ON 10 SEPTEMBER 1981 AT 1600 HOURS

PRESENT

The Prime Minister President Mitterrand
Mr. M. O'D. B. Alexander M. Vedrine

General

After an exchange of courtesies, President Mitterrand said that he hoped his visit marked the beginning of a period in which the two Governments could speak frankly and productively on the problems facing them. The bilateral relationship was making real progress. There was a growing feeling of confidence, although, of course, this improved atmosphere could not altogether displace the reality of events. He thought that perhaps the discussions might start with general international problems in which both countries were involved; go on to deal with the problems of the Community, where there were difficulties both between France and the United Kingdom, and with their other partners; and end with a discussion of the bilateral relationship where there was much that was positive. One could equally well take these problems in reverse order. What mattered was that they were all covered.

European Community

The <u>Prime Minister</u> proposed that it might be helpful to start with a discussion of the Community. After all both the Governments had surrendered many powers, e.g. in the field of agriculture, to it. There were major problems to be dealt with in the coming year, e.g. the CAP, the reform of the Budget, and the CFP. All these problems needed to be dealt with as soon as possible. They did not become any easier with the passage

/of time.

- 2 -

of time. It would be a great help to know President Mitterrand's mind on them. A date had been set in Luxembourg for further consideration of the 30 May Mandate and of the CAP, i.e. early September. The President had said then that by this time he would have had time to study the problems and/know the direction in which he wished to go.

President Mitterrand said that the problems of the European Community had to be examined as a whole. It was, of course, permissible to study the problems of the CAP. They could, if necessary, be discussed in isolation. But if one was to draw up a balance sheet of advantages and disadvantages for any member country, then the agricultural problems could not be taken in isolation. The French Government had no wish to evade the problems of the CAP. But the Mandate referred to the whole range of activities of the Community. France had advantages in some spheres and disadvantages in others. He could not accept that those areas where France enjoyed advantages should be picked out and the others ignored. That having been made clear by way of a preliminary statement, he was in favour of a discussion of the agricultural issue.

The positions of the French and British Governments were, of course, different in regard to the CAP and the 30 May Mandate. The British Government wished to establish the principle of the juste retour, i.e. that member countries should be entitled to draw advantages from the Community in exactly the same proportion as the effort they contributed. In relation to the CAP, Britain contributed more than it got back. France was hostile to the principle of the juste retour. To implement that principle would be to render the European Community a nullity. It implied that the Community should be regarded as a confederation within a free trade area. The British, of course, disliked indulging in broad political generalisations of the kind which he had just made. But it was important to remember the distance which separated Britain and France on this concept. Britain

/ wanted

- 3 -

wanted the juste retour to be a permanent feature of the Community. He could not accept this. The juste retour could be useful. For a year or two agreement on a budgetary mechanism was permissible. But it could not be a permanent policy.

The Prime Minister said that she would never describe her policy as being to seek a juste retour, i.e. a situation in which member countries were getting out precisely what they had put in. Her policy was to seek a situation where, when the balance sheet was drawn up, the total budgetary result should be seen to be a flow of resources from the richer members to the poorer members. Countries like Ireland, Greece and Italy must be seen to benefit from membership. But those countries which were in per capita terms, among the richest, should not, as at present, be the beneficiaries. One had to achieve a final budgetary outcome where the better off were paying and the less well off were receiving. We should be aiming to establish a principle of equity of this kind. This was not happening at present. Germany was the biggest contributor, the United Kingdom was the second largest and France was contributing very little. Unless an equitable system could be achieved, conflicts would undoubtedly ensue. She wished to stress the importance which she attached to the Community. It had locked together countries which in the past had fought each other. hostilities must never happen again. The Community was playing a vital role in bringing much of Europe closer together.

President Mitterrand said that there was much in the Prime Minister's presentation with which he could agree. The European Community was a political necessity. All its members had drawn profit from it. There had, of course, been problems and crises but the economies of the members had grown, thanks to the Community. The further development of the Community posed no problem for France. He had therefore been glad to hear the Prime Minister's words.

The Prime Minister's remarks about juste retour had been a very useful corrective. The application of juste retour

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to the poorer members would certainly make more difficulties for He agreed that there had to be a better balance as between the various member countries. The problem was how to establish this within the CFP and the Community's other areas. and policies. There would have to be much discussion on the basis of member countries' mutual requirements and individual problems. the Federal Republic felt it was doing too much and the United Kingdom felt it was being hard done by, this must be examined. He considered that the examination would show that things balanced out. France was, of course, a larger producer of agricultural products than either the Federal Republic or the On the other hand she did less well where United Kingdom. industrial products were concerned. France prospered in those areas where the character of the workforce and the quality of her natural resources favoured her. On the other hand, she did not have the United Kingdom's commercial genius. discussion of the Community's problems could not concentrate only on those areas were France was benefiting.

The Prime Minister said that if things went on as at present, the Community would run up against a budgetary crisis. The CAP would produce ever greater surpluses and would take up ever more of the budgetary resources of the Community. At the same time, the Federal Republic and the United Kingdom would stand firm on the 1 per cent VAT ceiling. It was neither sensible nor intellectually justifiable to spend such a large proportion of the Community Budget on agricultural surpluses which the Community could not eat, which it had to dispose of at considerable cost, and which dislocated the economies and agricultural industries of third world countries. President Mitterrand said that a brake had to be imposed on the production of surpluses. It posed too great a burden on France and her partners. The Prime Minister's reasoning was irrefutable. The question was, in practical terms, what to do.

/ The Prime

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The Prime Minister asked whether French dairy farmers were intent on increasing their yields and therefore producing ever larger surpluses. British dairy farmers were highly efficient but did not produce surpluses. They could, of course, produce a good deal more than at present. Britain had tackled the problem of small farmers many years earlier by encouraging them to combine. It was difficult to solve the problems of the Budget without tackling the CAP. Of course, farmers had to be provided with a decent living. But there had to be a reasonable budget and there had to be an agricultural policy which was reasonable in relation to the rest of the world. Of course, these problems could not be solved here and now. But each member had to feel that it was being fairly treated by its partners. She and the President were both politicians who knew what could and could not be done.

President Mitterrand said that his position was in many respects the same as that of the Prime Minister. He had no wish to encourage the production of surpluses. He had to point out, however, that the surpluses often occurred because producers outside the Community were able to get their products into the Community too easily and too cheaply. Soya was a case in point and a source of serious competition. Another example was provided by beef, the imports of which were unbalancing the Community's internal production. The problems could not be resolved in a year or two. Changes in the structure of production would be required but the Prime Minister's basic approach was right.

It was necessary to distinguish between the immediate problems, such as those relating to wine and milk, and the medium and long term problems of surplus production where fair and equitable solutions should be sought. In this latter context, President Mitterrand said he would be glad if a solution could be found which did not involve raising the 1 per cent VAT ceiling and imposing higher taxes on his electorate. As regards wine, France had been forced to take action because

/the problem

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the problem was "threatening to strangle us". The measures taken were certainly legally contestable and might well have contravened Community regulations. One could also reproach the Italians, e.g. on the origins, quality and quantity of the wine they were exporting. In any case, the French Government could not have contemplated a farmers' revolt which might well have resulted in bloodshed. As a result, he had had to adopt a position which was opposed to his political philosophy. accepted that the question of milk surpluses might be similarly urgent for the United Kingdom. There was a need to get round a table to discuss all these matters. Ways must be found to limit the production of surpluses and to avoid imbalances. France was ready for discussions. President Mitterrand said that he was a realist. He recognised that German acceptance of the present budgetary situation could not last. France would have to make proposals.

The Prime Minister said that everyone understood the need to deal with short-term problems. She and the President were both in politics. But what needed to be considered now was whether longer-term structural adaptation was not required. The CAP had shown itself to be insufficiently flexible. No-one welcomed the surpluses or the percentage of the budget being taken by the CAP. The time had come when both the structure of the CAP and the proportion of the Budget taken by the CAP had to be discussed. In the period of two years since she had been in office she had seen these problems repeatedly postponed because they were not urgent. They had to be tackled while there was still time and that meant a start in September. President Mitterrand said that although on some questions his point of view and that of the Prime Minister differed, her overall approach was just what he would have hoped for. His safeguard measures on wine had resulted from the non-observation of Community rules by Italy. The discussion of the CAP must take account of the entry of agricultural products from outside the Community. That said, he was anxious to see the reform of the

/CAP

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CAP. It might not be the same reform as the Prime Minister had in mind. But it certainly was the same discussion and it was a discussion from which he wanted a result. The Prime Minister wanted to begin in September. So far as he was concerned, the sooner the better - although in practical terms September might prove to be a little early. He would be entirely happy to begin in the European Council meeting in November. If the discussions could be got under way before November, whether between Heads of Government or between others, he would be entirely content.

The Prime Minister said there were many other problems beyond those contained in the 30 May Mandate. Agreement on the Common Fisheries Policy had to be reached. So long as it remained unresolved, each Government was paying subsidies to its fishing community because they were being prevented from fishing normally. (President Mitterrand indicated that he agreed.) HMG wanted to see whether progress could not be made in developing a Community policy on insurance. Britain and France had a shared interest in the Multi Fibre Arrangement because of their textile industries. Britain wanted to see the Community developing a more effective policy for negotiating with the Japanese, whose technique of focussing on particular trading sectors caused such difficulties. President Mitterrand said he would be happy to see a start made in bringing the positions of France and Britain closely together on insurance and on the MFA. The CFP had been discussed many times in the past. France's defence was that what was happening now was consistent with the commitments entered into by France in the past. As regards Japan, he endorsed the Prime Minister's broad objective. However, Britain's own practice towards Japan had been too liberal. We had opened our market, more particularly for cars, excessively and allowed exports into the Community to a degree which was dangerous for all members. None the less, he would be happy to see this issue, like the others, discussed. The Prime Minister said that our trading policies were very liberal and as a result we had been taking in more imports than others. We had agreed that the negotiation with the Japanese should be conducted by the European Commission or at least that

/ they should

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they should keep a close watch on the level of Japanese imports. But the Commission did not seem to be moving sufficiently rapidly. Because of the Community, we were, of course, inhibited from negotiating with the Japanese on a country-to-country basis and therefore had been negotiating on an industry-to-industry basis. This had resulted in widely varying situations in the various member countries. It had strengthened the case for Community action.

President Mitterrand said that he and the Prime Minister were agreed on the need for joint discussions on the MFA, on a Community policy on insurance and on the need for a Community policy on trade with Japan. These were all positive initiatives. As regards the Common Fisheries Policy, France would never refuse discussion. He recognised that the United Kingdom, an important partner whom he respected, had every right to raise the question. But there were earlier agreements in force and France had to defend its interests. As regards the 30 May Mandate, he was happy to open discussions with France's other partners in the Community on the basis which he had already described. On the reform of the CAP, which likewise should be discussed in the larger frame of the development of the Community as a whole, he would be happy to see preparation begin immediately after the present meeting with conversations between Ministers and officials. He was, in short, ready for an all-embracing discussion as soon as possible. He would be looking for progress in the direction of greater justice between the members of the Community. He did not wish to delay matters in any way.

/ Bilateral Relations

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Bilateral Relations

President Mitterand said that he thought France and Britain could give more weight to the Community if they were able to work more closely together, perhaps also with the Federal Republic. For instance, Britain was very advanced in many areas of technological research. We had achieved many major successes. It sometimes seemed a pity that they were not better used. Britain's internal market was too small to allow full exploitation of her innovations. The Community, of course, offered a much larger market. France and Britain together could create more openings. Britain would be in the lead but France hoped to be able to profit from what Britain had done. One example was provided by Rolls Royce. engines were the best available but France was working with other countries. She had usually collaborated with the American company General Electric. She might be prepared to give up that collaboration. The Airbus was an admirable machine but its present market was not large enough. There was a risk of one or other Government entering into parallel developments with Governments outside the Community before they had fully exploited the internal possibilities. plans of the two Governments in the field of telecommunications could be brought closer together. The British computer company, ICL, had the best range of large computers in Europe. This was of great interest to France, whose industry produced smaller computers. But the two industries and the two markets should be complementary. This was the sort of area where dynamic support from Governments might make a great difference. Discussions so far had been inadequate. Likewise, the work of the two countries in tooling in the car industry ought to be complementary but both sides had been excessively timid in the past. Neither Government wished, in the present economic crisis, to have to lay out more money than was absolutely necessary. Therefore each had to be prepared to exploit what had been already done by the other. The markets were waiting to be opened up. This was an extra dimension which needed to be added to the discussion of reform of the CAP. The areas he had mentioned were of course only examples.

The Prime Minister said that she would want to examine President Mitterrand's ideas urgently. The two countries were of course already accustomed to cooperation, eg in the production

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of defence equipment. In some of the areas mentioned by the President, eg the Airbus, cooperation was of course well established. There were also other aspects of cooperation to be borne in mind. For instance in relation to Arabsat, for which a contract had recently been awarded, the Anglo/French tender had been rejected in favour of a tender submitted by a Franco/US competitor. Clearly there was a possibility of closer collaboration where satellite technology was concerned. The same went for the work of the European Space Agency where we had the impression that France had on occasion chosen to work with the Federal Republic rather than through the Agency. Where computers were concerned, Britain had, at considerable expense, kept an independent European capability in existence. The Government was taking a considerable interest, as was the French Government, in the introduction of computer training into school curricula. She would be asking the responsible Ministers to go into all these matters. She would like to see more cooperation between the two countries and more concrete proposals for such cooperation. President Mitterrand said that he wished to make it clear that he was not reproaching the United Kingdom for the present level of cooperation. France also should have shown more initiative in the past. Each country on its own was too small. There was a vast field which should be exploited. The Prime Minister said that she agreed that the present market was too restricted. It was the market which had to be planned.

Arms Control

The Prime Minister said that she regarded it as vital that the deterrent capabilities of Britain and France should remain entirely outside the TNF negotiations. President Mitterrand said he absolutely agreed. The wish of the Russians to drag the British and French deterrents into the negotiations was clear. Earlier in the summer, on the day that Pravda had attacked the French Government brutally for its defence statements and defence policy, the Soviet Ambassador had called on President Mitterrand to deliver President Brezhnev's greetings. The Ambassador had gone on to say that President Brezhnev regarded President Mitterrand's statement on security in Europe as very sensible and that he agreed about the need to examine the military balance in Europe. This

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last phrase had been repeated by the Ambassador no fewer than four times despite the fact that on each occasion he had been corrected by President Mitterrand who had pointed out that what was at issue was the global military balance. After the interview, the Ambassador had told the press on the steps of the Elysee that he had been very happy to see that President Mitterrand agreed about the need to examine the military balance in Europe! The Prime Minister said that it was essential that neither Government should fall for the Soviet line. President Mitterrand said that the fact was that neither country was a super-power and had no margin for negotiation. They could not give up part of their deterrent forces in any negotiation because to do so would bring them below the "threshold of security". Neither country wished to become a football between Moscow and Washington. This was another reason for the two countries to have a close and useful relationship. The Prime Minister said it was clear that both countries intended to pursue a very robust line.

Poland

The Prime Minister said that the situation in Poland had become more difficult since she had last met the President.

Solidarity's appeal to workers in other East European countries could only heighten the concern of the Soviet Union about the future of communism in Poland and might thus trigger off undesirable developments in Poland itself. President Mitterrand said that as seen from the Soviet Union, the biggest threat was undoubtedly the possibility that workers in East Germany, Romania, Czechoslovakia and elswhere would be infected by what was happening in Poland. Some of the/European Heads of State were now more savagely critical than the Russians themselves. The evolution in the attitude of President Ceausescu - whom President Mitterrand knew well - was striking and serious. Clearly President Ceausescu, who had his own economic problems, felt threatened.

President Mitterrand said that the view he had expressed in Luxembourg had not changed. The decisive factor was the state of the Communist Party in Poland, not of Solidarity. The Soviet Union would not intervene militarily so long as the Party was loyal and

/ solid.

solid. Latterly its attitude had seemed, if anything, to become harder. It had given new commitments to the Soviet Government. So long as it continued to resist Solidarity, military intervention was not a real possibility. This was a harsh paradox. Prime Minister commented that the Party still seemed to be in charge but Solidarity had been suggesting that the Party was not representative of the Polish people. President Mitterrand agreed but added that the Party still held the levers of power. It might, of course, have already been more undermined than he knew. If it were to collapse, that would be the moment when an adventure might take place. It would/the alarm signal. If Solidarity's bold appeal to workers in other East European countries had not triggered Soviet intervention, it was because the Russians still thought the Communist Party had a stranglehold on the situation. He did not want the Party to grow stronger. That was the dilemma.

The Prime Minister said that it was a very ironic situation. Meanwhile, the economy declined and the West kept pouring in money and food. Perhaps before more was done, there should be an examination of Poland's long-term prospects and of the consequences of giving more aid. President Mitterrand agreed that the right moment had come to do this. We could not refuse Poland the means of survival. But we might end by giving the Soviet system nourishment. One should not exaggerate but there were obvious contradictions in the situation.

The Soviet hesitations about intervening in Poland also owed something, President Mitterrand considered, to Moscow's doubts about the international situation. They were still concerned about the situation in Afghanistan. They were holding forces in reserve because of the confused position in Iran. They were anxious to open arms control negotiations with the West. All these preoccupations would be greatly complicated by an invasion of Poland. Moreover, the Soviet economy was in a worse position than those of Western countries.

The West should engage in a more precise examination of the reality of the East/West military balance. We needed to know how far to push our re-armament. President Mitterrand said that

CONFIDENTIAL / he approved

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he approved the American intention to modernise their defences and to re-establish the military balance. But to what degree? In both Luxembourg and Ottawa there had been a lack of precision in our analyses. He had been conscious of the same lack of precision in a long discussion he had recently had with Herr Brandt. He (President Mitterrand) was not simply the partisan of war and Herr Brandt that of peace. Nor was he the partisan of re-armament and Herr Brandt of negotiation. It had emerged like this because the analysis was inexact. He was due to discuss all these matters with the Bureau of the International Socialist Movement on 25 September. Chancellor Schmidt would be doing the same on 8 October. He was anxious that the Prime Minister should be kept in the picture about this evolving discussion.

The Prime Minister said she would be very grateful if President Mitterrand could do this. She was much preoccupied with the attitude of certain members of the SPD. President Mitterrand said that the evolution of West German opinion was one of the principal uncertainties in Europe today. One leading member of the SPD had said to him recently that the Russians were more in favour of rearmament than was the United States. Another had said it was better to be red than dead. It was important to bear in mind the Germans' particular position. They had no nuclear weapons. Their country was full of arms and explosives. They did not wish to be a battlefield. This was a subject which would have to be dealt with. The Prime Minister commented that the Russian propagandists had been very active. The arguments of the West had not been advanced with sufficient vigour. President Mitterrand said that the West's willingness to negotiate once our defence capability had been updated was an important element in our propaganda. We must of course be certain that the military situation was in balance or even that we were stronger than the other side. But, that said, we should never refuse negotiations. To refuse negotiations was to play into Soviet hands. The Prime Minister said that she fully agreed.

President Mitterrand said that he had been very happy with his talk with the Prime Minister. A good start had been made.

/ The two partners

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The two partners were advancing. The process must continue but with more precision. The members of the two Governments should now continue to explore the various fields with a view to taking rapid decisions in the Community. The Prime Minister agreed.

The meeting ended at 1800 hours.

PhnA

11 September 1981

Mitterrand Press Conference

As with Giscard, we have arranged for your open press conference with President Mitterrand to be held in the cinema of the Millbank Tower. There will be simultaneous translation through earpieces. I have arranged for yourself and the President solely to occupy the table, with officials behind.

Before inviting questions, you will no doubt wish to open the proceedings, giving a flavour of the bilateral and to invite the President to say his piece.

The purpose of this minute is, in so far as it is possible at this stage, to identify

- our objectives in the press conference;
- the media's objectives at the press conference;
- topics which are likely to be raised.

Our Objectives

We wish this first bilateral with Mitterrand (on our soil) to be seen as a success for Anglo/French relations, cementing the good personal relations and understanding established at three previous meetings on a basis of an open and frank relationship. This is notwithstanding differences of approach inherent in Conservative and Socialist administrations.

At the same time, it is important, if only for domestic UK reasons, also to be seen to be effectively representing the national interest - e.g. on EC Budget restructuring, CAP reform, fish, turkeys, etc.

But our aim should be to present the bilateral as a meeting between statesmen with similar highly constructive views of

Having said that, there are risks in appearing to be over friendly, since the media is very much on the alert for evidence of a re-shaping of the triangle formed by France, Germany and ourselves. There has been some interest in all the pre-briefings I have given in the new balance of this triangular relationship.

Likely Areas of Questioning

The French, according to the media, have been putting it about that the emphasis was likely to be on bilateral issues (no doubt to try to avoid Community crunch issues on which the FT today said sharp differences are likely to emerge). Thus, you can expect questions on:

- fish;
- poultry imports;
- Concorde (Airbus);
- Chunnel;
- Insurance and air fares; and possibly
- space.

Sum

B. INGHAM

10 September, 1981

NOTE TO PRESS OFFICERS

MIDDLE EAST

'CARRINGTON INVITES ARAFAT TO LONDON' - DAILY MAIL - 10 SEPTEMBER

Line to Take

- 1. No such invitation has been issued and no arrangements for a meeting have been made.
- 2. Lord Carrington explained his views on the Middle East to the Foreign Press Association at lunch on 9 September (attached). We have nothing to add. You will note in particular:
 - 'We in Europe are discussing at the present time the options and opportunities open to us to further to two principles which were enunciated in Venice. It is too soon for me to say what they will be'.
 - 'We should not do anything ... which will be totally unacceptable to one side or another ... we should concentrate on trying to find some way of getting the log-jam moving'.
 - One suggestion worth exploring is that we should 'get one side or the other, or preferably both, conditionally to recognise the existence of the other'.
- 3. These ideas are not new and no decisions on them have been taken. They are simply examples of current thinking.
- 4. Lord Carrington's position on any possible meeting with Mr Arafat has not changed. He does not exclude the possibility on any ground of principle but there would be no point in such a meeting unless it could be seen to move the peace process forward.

He has no plans to meet him.

5. Contacts with the PLO? Official level contacts take place from time to time, as they have done for many years.

NF 10 September 1981 EXTRACTS FROM QUESTIONS PUT TO THE SECRETARY OF STATE AT THE FOREIGN PRESS ASSOCIATION LUNCHEON: 9 SEPTEMBER 1981

Middle East

Lord Carrington you mentioned the Middle East and the problems you are facing there. How do you imagine your efforts continuing. How do you envisage a solution?

I think it would be true to say that the events in the Middle East over the last few months have become a good deal more complicated. You have had the Israeli attack on the Iraqi nuclear reactor and on Beirut and the problems of the Lebanon. You have had a change of American Administration, You have I think a deepening sense of crisis in the Middle East. We don't yet know exactly what the United States policy will be — I dare say it will be rather clearer after Mr Begin's visit to Washington. I suspect that the present situation will continue in that the Egyptians will wish to get Sinai back by the end of April 1982 and that the autonomy talks will go on.

I hope very much that the situation in the Lebanon will improve because it seems to me that there has been a real step forward there in the sense that for the first time there is a ceasefire as between the PLO and the Israelis. And if we can build on that, and if we can extend the influence of UNIFIL, and if the follow-up committee which is doing a very good job of work in the Lebanon can continue that work, helped very much by the Saudis, and if the Arab Defence Force can be expanded as the Syrians have said that they are prepared to see it expanded, I do believe that there is a prospect for a move forward in the Lebanon, the restoration of the Lebanese Government's responsibility, and I believe that would be very helpful.

But that of course doesn't get us any further forward with regard to the solution of the Arab/Israel problem, at least not much. And we, in Europe, are discussing, at the present time, the options and opportunities open to us to further the two principles which were enunciated in Venice. It

Q:

LC:

is too soon for me to say what they will be. But one thing that's quite certain, we shouldn't do anything which is counter-productive, which will be totally unacceptable to one side or another, because if you are going to get a negotiated settlement in the Middle East, you have to bring both sides along with you. And therefore that what we should concentrate on is trying to find some way of getting the log-jam moving. And I believe that there are ways and means of doing that which have been suggested and I think you have seen the suggestions made about this which are really worth exploring. And I believe that if we could get one side or the other, or preferably both, conditionally to recognise the existence of the other, I believe that one might find it possible to get a negotiation going with the goodwill of the people in the area and of course with the help of the Americans and their influence over the Israelis.

By JOHN DICKIE MRS THATCHER and President Mitterrand of France gave the green light yesterday for a fresh attempt to close the 21-mile gap of water between the two countries.

They agreed not to put any political obstacles in the way of getting a cross-Channel link!

Following the Tunnel, the

Following the Tunnel, the latest brainwave is the Brunnel—a bridge for the shallow parts near the coast, linked to a tunnel for the deeper portion in the middle.

It is one of eight new ideas which may get a fair wind before the end of the year provided. Mrs Thatcher insists, it does not cost the British taxpayer anything. The cost of the Brunnel is estimated at around £3.800 million.

The Brunnel is one of the leading contenders being studied by Mr Norman Fowler, the Transport Minister, and his French counterpart.

his French counterpart, Its main driving force is Mr Ian MacGregor, British Steel's chairman.

New jobs

Mr

Mr MacGregor, who has put the case to Foreign Secretary Lord Carrington and to the TUC delegates in Blackpool, believes it would create about 100,000 new jobs.

Designs are being canvassed showing two-lane highways built on viaducts from the coast to a junction on two man-made islands in mid-Channel. From the junction, there would be a 10-mile stretch underwater.

Parallel to the highways would be totally submerged railtracks

In their two-hour tete-a-tete

In their two-hour tete-a-tete — only interpreters were present — Mrs Thatcher and President Mitterrand were said

Their time was divided be-tween purely Franco-British matters, Common Market problems and East-West relations.

For the first time, President
Mitterrand showed his hand
on how far his Government
was prepared to go in restructing the Common Market
hudget in agreeing to reform
the agricultural policy.

in Brattanitanity in I want

Continued from page I

openness, fiexibility, and obvious warmth towards Britain.

Popular interest will focus on the new life being injected into the Channel tunnel project. It was noted with surprise in Whitehall, where lists of delegations were being prepared, that the French President proposed to bring his Transport

Minister, Mr Charles Fiterman. Then came indications from Paris that he planned to take now seems to be confirmed in the initial round of discussions on the new life being injected with his British opposite number, Mr Norman Fowler.

There is also speculation that the Thatcher Mitterrand talks will come to grips with the problems of Concorde, which is expected to cost the

Minister, Mr Charles Fiterman.

French Government more than £25 million in mandatory subpayments

sidy There were mysteriously coincidental leaks from offi-cials of Mr Fiterman's own ministry in Paris last night about the continuing operating losses of Concorde, although the ame officials declared that Mr Mitterrand would, not be raising the subject.

There has been some anxiety

in Whitehall about the decision by Mr Mitterrand not to bring his Minister of agriculture, mrs Cresson, with him in his minis-terial team, because this might suggest unwillingness on the part of the French to get to grips with awkward problems of the EEC and the CAP. It may be that the French simply wish to avoid getting bogged down in the kind of detailed discussions.

rand backs t

By Patrick Keatley, Diplomatic Correspondent

President Mitterrand surprised Mrs Thatcher in London yesterday with the announce yesterday with the announcement that the French actively wish to pursue plans for a Channel tunnel and are showing no reluctance to discuss the vexed question of the EEC budget and reform of the Common Agricultural Policy.

The tunnel could include bridge approaches above the water and be initiated in the lifetime of the present Governments in London and Paris, It would provide jobs for as many as 100,000 people.

This is not to suggest that all will be sweetness and light Mr Claude Cheysson, are unre-

in the two days of discussions pentently militant on the side in London at the annual sum of the Third World, mit, despite President Mitter. But the two ministerial rand's proclaimed objectives of a new entente cordiale.

Both sides are aware that they differ on the approach to

Leader comment, page 12

such issues as the North-South dialogue, guerrilla movements in Latin America and the in Latin America and the handling of South Africa in relation to the Namibia prob-lem. On these Mrs Thatcher is a hawk on the Reagan side of the fence whereas Mr Mitter-rand and his Foreign Minister,

the two ministerial teams hit it off on most issues in the initial rounds of talks between the various ministers and there is the prospect for a real development of a continu-ing entente between London and Paris when the present brief summit is over.

on key issues, such as the attitude to Soviet expansionsim and the handling of East-West relations in Europe, there has been a real meeting of minds, and Mrs Thatcher has come away from her first two-hour session with the French President mith impressed by his dent much impressed by his

Turn to back page, col. 2

Mrs Margaret Thatcher with President Mitterrand, after his arrival at Northolt to start his two-day visit (Photograph by Peter Trievnor).

hatcher and Mitterrand in accord at talks mode.

T and to By David Spanier in the sit guitouber

Mrs Thatcher, and President Mitterrand made a very businesslike start to their talks yesterday. After their first tare a tête at 10 Downing Street both Prime Minister and President expressed their pleasure at having had an extremely good discussion.

At the same time a series of bilateral meetings were taking place between British ministers, including the Chancellor of the Exchequer, the Foreign Secretary, and Minister of Transport, with their French opposite numbers.

But the most limmediate question was Poland, which for anxiety in all, West European capitals. The Prime Minister and the President discussed this at length.

One of the qualities of Mitterrand which has most impressed British observers has been the very quick way he appears to have aligned himself with Western opinion on these main issues. Mrs Thatcher and President But the most Timmediate

bers.

According to British sources, Mrs Thatcher and M Mitterrand have progressed sufficiently far, thanks to their previous meet-ings, that they can now enter into the substantive issues.

The inroads being made into Europe by Japanese car, imports was a central feature of

ports was a central resture of the discussions.

Three main issues were covered yesterday bilateral relations between Britain and France, the European Com-

munity, and East-West issues.

M Mitterrand, who arrived punctually in his Mystere jet at 3.15 was met at RAP Northolt by Lord Skelmersdale, the Queen's representative, and by the Prime Minister.

Although no detail was given last night about the discussions it seems clear that the two

last night about the discussions it seems clear that the two leaders broadly see eye to eye on the principal question of relations with the Soviet Union. On Afghanistan, it is likely that the EEC countries will press for renewed condemnation of the Soviet presence at the coming United Nations

coming United Nations session.

ation of the EEC would be beneficial to both their coun-tries and to the Community as a whole. Their discussion was described by a French spokes man as a step forward (Jonathan Fenby writes).

While particular French and British concerns over such British concerns over such matters as agriculture and fish were raised in the talks President Mitterrand insisted on the need to look at the future of the Communications. the Community, not simply as a trading zone but in a manner that rose above national inter-

As part of this, France agreed with the British wish to examine the state of the Community so long as the examination was a complete one.

The French leader is known to be keen on giving a new impetus to the EEC, and for making the fight against under the control of the control o employment, his main domestic priority, on a Community-wide

Cooperation hope, page 6 Entente that never was, and diary, page 10

Thatcher, Mitterrand discuss EEC reform

BY RICHARD EYANS AND ROBERT MAUTHNER

REFORM OF the European Economic Community budget Economic was one of the key issues discussed in two hours of talks at Downing Street yesterday be-tween Mrs Margaret Thatcher and President François Mitterrand of France.

The talks will be continued today. They are regarded by British Ministers as important for the development of the relationship between Mrs Thatcher and the French Socialist leader.

Differences in attitude over the Community budget, particularly on possible French con-cessions to meet Britain's grievance over what the UK Government sees as its un-acceptable level of contribu-

tions. closed at a joint Press conference today. The personal relationship between the two leaders was said to be excellent.

Concorde was discussed in talks between M Charles Fiterman, the French Transport Minister, and Mr. Norman Tebbit, Minister of State for Industry, According to British officials, M Fiterman did not press for suspension of commerpress for suspension of commercial services.

In those talks the Airbus 320 project was discussed in general terms. Further negotiations are likely today.

In separate talks lasting more

than two hours Lord Carrington, the Foreign Secretary, and M

tions, were immediately Claude Cheysson, his French apparent. These could be discounterpart, discussed internacounterpart, discussed international problems and Anglo-French bilateral relations. They concentrated on the tense situation in Southern Africa and the current debate in the UN General Assembly on Namibia. The two Ministers discussed ways and means of patching up the disagreements within the so-called five-nation contact group on Namibia, following the U.S. veto of a UN Security Council resolution condemning the South African incursion into Angola.

EEC matters were discussed by Sir Ian Gilmour and M Andre Chandernagor, the British and French Ministers in charge of European Affairs.

M Chandernagor gave a general outline of how France sees the development of the Community.

John Elliott adds: Industrial problems, and prospects for collaboration between the two connotration between the two countries were discussed last night by Sir Keith Joseph, Industry Secretary, and M Pierre Dreyfus, the former head of Renault who is now the French Minister for Industry.

The work of a Franco-British committee for industrial cooperation set up in 1976 was reviewed. M Dreyfus also explained the French Government's nationalisation plans to Sir Keith. Today Sir Keith meets M Jean-Pierre Chevene-ment, Minister for Research and Technology Technology.



PREM 19 PIECE/ITEM 470 (one piece/item number)	Date and sign
Extract/Item details:	
Telex from Paris to FCO (undated, but assumed to be to September 1981)	
CLOSED FORYEARS UNDER FOI EXEMPTION	
RETAINED UNDER SECTION 3(4) OF THE PUBLIC RECORDS ACT 1958	8 September 2011 ONDayland
TEMPORARILY RETAINED	
MISSING ON TRANSFER	
MISSING	
NUMBER NOT USED	

RESTRICTED Mr Howell's Meeting with M. Chevenement I have just been telephoned by Mr Howell's office about his meeting with M. Chevenement. M. Chevenement was most enthusiastic about collaboration in the energy field, and the Ministers agreed to hold a series of official contacts between now and the end of the year to explore the possibility of collaboration on a variety of kinds of energy technology, including nuclear, with a view to their Ministerial meeting around the end of the year. The French indicated that they were likely to refer to this subject at tomorrow's press conference.

> (F N Nichards) Private Secretary

10 September 1981

Mr Braithwaite

PS cc: PS/LPS PS/Mr Hurd PS/PUS Lord Bridges Mr Bullard Mr Fergusson ESSD JNU WED News Dept

Mr Alexander, 10 Downing St

This is a copy. The original has been exhacted and etained under \$3(4). had been formed to say that I be supposed to the charge at duming. The family are clearly hipping but you will be hipping to say the family for the charted thank in both : "Warmed to wonderful of the ends..." I had told Monsieur Beregovoy, the Secretary General at the Elysee, came to see me at his request this evening.

2. I should report two outstanding points from the conversation, in case the Prime Minister needs to take them into account before she sees the President again tomorrow:

- (a) Monsieur Beregovoy was very pressing for some demonstration of practical bilateral co-operation to emerge from the meeting between the President and the Prime Minister. He fastened particularly on the Channel Tunnel. He suggested that the President and the Prime Minister should "relaunch" the idea of the Tunnel. It was a matter of getting beyond the stage of waiting for something to happen. They should make a definite statement of intention, which would be a demonstration of intention on practical co-operation and would have an impact on public opinion.
- (b) Monsieur Beregovoy reverted to the subject of Northern Ireland, which we had discussed briefly during my visit to Paris on 20th August. I seized the opportunity to give him a long account of our position on the matter, which he was good enough to say had enlarged his understanding of the problems which we faced.

Paragraph 3 deleted and retained under Section 3(4).

Ollayland 8 September 2011

4. I am sending a copy of this minute to Mr. Fall (FCO).

RA



PIECE/ITEM 470 (one piece/item number)	Date and sign
Report attached to minute from Armstrong to Alexander dated 16 September 1981	
CLOSED FORYEARS UNDER FOI EXEMPTION	
RETAINED UNDER SECTION 3(4) OF THE PUBLIC RECORDS ACT 1958	8 September 2011 Mayland
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NUMBER NOT USED	

PRESS OFFICE
PRIME MINISTER'S OFFICE

pe BI IK HC

ANGLO/FRENCH SUMMIT: MEETING OF TRANSPORT MINISTERS

I enclose the agreed briefing line following the meeting this afternoon between M. Fiterman and Mr Fowler. This is for use at the Press Conference tomorrow; we are not drawing on it beforehand.

The flavour:

An extremely amicable first meeting.

On the Chunnel (para 2 of the briefing line), both Ministers wish it to be played low-key. The emphasis is on studying the issues not on instant decisions. They are very conscious of the problems and of the need to take account of other affected interests.

Grateful if you can feed in as appropriate.

HR

Heather Rowe Deputy Head of Information, Dept. of Transport 10/9/81

cc Mr Fairclough - DTp (for info.)

MEETING: J A FITERMAN AND MR FOWLER

Agreed form of words for use at Press Conference, Friday, 11 September

The UK Secretary of State for Transport and the French Minister of Transport today discussed matters of common interest.

On the question of proposals for a fixed link between the two countries they have agreed to joint study by experts of the type and scope of possible fixed links, taking account of the interests of maritime transport, with a view to advising both Governments on whether a scheme for a fixed cross-Channel link can be developed which would be acceptable to and in the interests of both countries.

They also exchanged views on their national transport policies and on current transport business in the European Community.

Rehaft Bud under ANGLO-FRENCH SUMMIT : REPORT TO PLENARY BY THE LORD PRIVY SEAL AND M. CHANDERNAGOR M. Chandernagor and I held a comprehensive exchange of views on a full range of Community issues, especially the 30 May Mandate, enlargement and the Common Fisheries Policy. We agreed that it was important for the future of Europe as a whole that the discussions on the Mandate should be brought to a successful conclusion. M. Chandernagor told us of the President's intention to make wide-ranging proposals for the future development of the Community. We shall welcome the opportunity for discussing these in due course. The importance of the 30 May Mandate was stressed. Each explained their general approach particularly on the Common Agricultural Policy and the effects of the Community budget. It was clear that there were differences to be resolved if decisions on the matters covered by the Commission's report were to be reached at the November European Council. We agreed on the necessity for work to proceed urgently in the Mandate group with suitable political guidance. We therefore agreed that it would be important to keep in close touch during these discussions and that there should be regular informal bilateral contacts at official and ministerial level for this purpose, On enlargement, we reaffirmed the commitment of both governments to Spanish and Portuguese accession. We agreed that application by Spain of VAT on accession is essential. We thought the possibility of resolving differences on tactics over the Spanish Customs Union Declaration/VAT issue should be explored urgently. On the Common Fisheries Policy, we welcomed the agreement on bilateral meetings at official and ministerial level before the Council, and agreed on the need to work constructively for progress at the Fisheries Council on 29 September. M. Chandernagor raised the change in the UK veterinary regime on poultry. We explained the animal health reasons, and said we would be replying to the Commission's letter.

STEERING BRIEF 1.

EUROPEAN COMMUNITY QUESTIONS 2.

- Community Steering Brief
- 30th May Mandate b.
- CAP Reform C.
- Social Policy d.
- e. Common Fisheries Policy
- f. Enlargement
- g. External Trade Issues
- h. Insurance
- Research and Innovation i.
- j. Air Fares
- k. Declining Industries
- 3. INTEREST RATES, EXCHANGE RATES AND WORLD ECONOMY
- RELATIONS WITH DEVELOPING COUNTRIES, INCLUDING CANCUN SUMMIT 4.
- EXPORT CREDITS CONSENSUS RATES 5.
- DEFENCE, INCLUDING COLLABORATION AND PROCUREMENT MATTERS 6.
- 7. ARMS CONTROL
- EAST/WEST RELATIONS, INCLUDING POLAND 8.
- 9. AFGHANISTAN
- 10. SOUTHERN AFRICA
- 11. ARAB/ISRAEL
- CENTRAL AMERICA AND CARIBBEAN 12.
- BILATERAL RELATIONS 13.
 - Possibilities for Industrial Co-operation including Civil Nuclear Collaboration and Future of Anglo-French Industrial Co-operation Committee
 - Franco-British Council b.
 - Civil Service Exchanges
 - Cross-Channel Fixed Link d.
 - Cultural Matters
 - Concorde AIRBUS. SPACE.
- (i) hinks between H.E. Institutions + Industrial Research
- NORTHERN IRELAND 14.
- FRANCE. INTERNAL POLITICAL SCENE 15.
- a. THE FRENCH ECONOMY
 - b. THE UNITED KINGDOM ECONOMY

UMY (81) 1-16 bries present in CAB 133



Foreign and Commonwealth Office

London SW1A 2AH

10 September 1981

Dear Caroline,

Anglo/French Summit: Officials

As Francis Richards has already told Michael Alexander on the telephone, President Mitterrand should be accompanied at the tete à tete meetings by his interpreter and by M. Hubert Vedrine as note taker.

You may wish to note which French officials are expected to accompany each Minister during the individual calls on Thursday afternoon and Friday morning. They are listed below against each French Minister.

M. FITERMAN: M. Guy Braibant, Chargé de Mission

M. CHEVENEMENT: M. Jean-Daniel Tordjman, Counsellor

M. Denis Breton, Scientific Counsellor

French Embassy

M. CHEYSSON:

M. Emmanuel de Margerie, French
Ambassador

M. Jean-Claude Paye, Economic

Director

M. Jacques Dupont, Acting Political Director

M. Bertrand Dufourcq, Director for Europe

M. Daniel Bernard, Private Secretary

M. Siefer-Gaillardin, Head of Western

European Department

M. CHANDERNAGOR: M. Pierre Achard, Director, SGCI

M. Philippe Peltier, Private Secretary

M. Patrick Villemur, Counsellor,

French Embassy

M. Daniel Bernard, PS to M. Cheysson

(Friday only)

/M. DELORS:



M. DELORS:

M: DREYFUS

M. Jean-Yves Haberer, Director du Trésor (for calls on Sir G Howe)

M. Michel Freyche, Director of External Economic Relations (for calls on Mr Biffen)

M. Benoit Jolivet, Private Secretary

M. Dominique Sauvel, Minister and Financial Counsellor, French Embassy

M. Philippe Lorino, Private Secretary

M. Jean Bosson, Minister and Commercial Counsellor, French Embassy

Separate programmes are being arranged for MM Bérégovoy, Attali and Pontillon.

I am sending copies of this letter to the Private Secretaries to the Chancellor of the Exchequer, to the Lord Privy Seal, to the Secretaries of State for Industry, Trade, Education and Science, Energy and Transport, to the Minister of State (Mr Tebbit) and the Parliamentary Under Secretary of State (Mr Marshall) at the Department of Industry, to the Parliamentary Under Secretary of State (Mr MacFarlane) at the Department of Education and Science and to the Secretary of the Cabinet.

Co Jebb)

Assistant Private Secretary

Miss Caroline Stephens 10 Downing St

a Sue Goodchild Foreign and Commonwealth Office London SW1A 2AH 9 September 1981 Dear Michael, We discussed this earlier today. You told me that the seating arrangements would preclude inviting more than 40 people to the working lunch, and that numbers at the Plenary Session would have to be

M. Beregovoy, Secretary-General, Elysee

very much the same. Seven French Ministers and eleven British are due to attend the Plenary Session and

M. de Margerie, French Ambassador

M. Attali, Special Counsellor, Economic Affairs, Elysee M. Pontillon, Senator, Prime Minister's Representative

M. Vauzelle, Spokesman, Elysee

M. Vedrine, Counsellor, Foreign Affairs, Elysee M. Sautter, Counsellor, Economic Affairs, Elysee

working lunch, which leaves a total of 22 places for officials. The French Embassy have given us the following list of 12 officials whomethey would like to see included in this total:

M. Paye, Economic Director, Quai d'Orsay

M. Haberer, Director of the Treasury

M. Freyche, Director of External Economic Relations M. Achard, Secretary-General of the SGCI (European

Cooperation)

M. Dupont, Acting Political Director, Quai d'Orsay

This leaves 10 places for British officials. We would suggest that these might be:

Sir R Hibbert, HMA Paris

Sir R Armstrong, Cabinet Office

Sir M Palliser, FCO
Sir K Couzens, HM Treasury
Sir K Clucas, DOT
Mr Franklin, Cabinet Office
Mr Bullard, FCO
Mr Ingham, No 10

No 10 Mr Whitmore or yourself,

Senior official from the Department of Transport

We have not included a senior official from the Department



of Industry, since Sir Keith Joseph will in any case be accompanied by two Ministers from his Department, and the inclusion of an official might make it difficult to provide relevant opposite numbers on the French side. I appreciate that it may at first sight appear that Foreign Office representation is on the generous side; but it seemed desirable to include Julian Bullard not merely in view of his responsibility for Anglo/French relations and his Presidency of the Political Committee of the Ten, but also of the presence of his opposite number (M. Dupont) in the French team. If you wished for any reason to change the size of the British team, we should have to negotiate any changes on the French side with the French Embassy; they are very anxious that all those at present on the list should be included, and would want to consider any further deletions carefully.

This gives a total of 41 for the Plenary Session. I understand, however, that Michael Franklin will not be able to attend the subsequent working lunch, which would reduce the total for that to 40. A full list of the French delegation is attached.

I am sending copies of this letter to the Private Secretaries to the Chancellor of the Exchequer, to the Lord Privy Seal, to the Secretaries of State for Industry, Trade, Transport, Energy, Education and Science, to the Minister of State (Mr Tebbit), and Parliamentary under-Secretary (Mr Marshall) at the DOI, to the Parliamentary Under-Secretary (Mr MacFarlane) at the Department of Education and Science, and to the Secretary to the Cabinet.

(F N Richards Private Secre

M O'D B Alexander Esq 10 Downing Street

RENCONTRE FRANCO-BRITANNIQUE

JEUDI 10 - VENDREDI 11 SEPTEMBRE 1981

LONDRES =-=-===========

DELEGATION OFFICIELLE -

Monsieur le Président de la République

GOUVERNEMENT :

M. Claude CHEYSSON, Ministre des Relations Extérieures .

M. Charles FITERMAN, Ministre d'Etat, Ministre des Transports

M. Jean-Pierre CHEVENEMENT, Ministre d'Etat, Ministre de la Recherche et de la Technologie

M. André CHANDERNAGOR, Ministre délégué auprès. du Ministre des Relations Extérieures, chargé des Affaires Européennes

M. Jacques DELORS, Ministre de l'Economie et des Finances

M. Pierre DREYFUS, Ministre de l'Industrie.

PRESIDENCE DE LA REPUBLIQUE :

M. Pierre BEREGOVOY, Secrétaire Général de la Présidence de la République

M. Jacques Attali, Conseiller spécial auprès du Président de la République

M. Michel VAUZELLE, Porte parole

M. Hubert VEDRINE, Conseiller technique

M. Christian SAUTTER, Conseiller technique

ETAT-MAJOR PARTICULIER: M. le Lieutenant-Colonel MERCIER, Aide de camp

.../...

M. Robert PONTILLON, Parlementaire en mission

M. Pierre ACHARD, Secrétaire Général du Comité Interministériel pour les questions de Coopération Economique Européenne

MINISTERE DES RELATIONS EXTERIEURES :

M. Emmanuel de MARGERIE, Ambassadeur de France en Grande-Bretange

M. Jean-Claude PAYE, Directeur des Affaires Economiques et Financières

M. Jacques DUPONT,
Directeur adjoint des Affaires Politiques

M. Bertrand DUFOURCO, Directeur d'Europe

M. Philippe PELTIER, Directeur du Cabinet du Ministre délégué auprès du Ministre des Relations Extérieures

M. Daniel BERNARD, Conseiller Technique

M. Alfred SIEFER-GAILLARDIN,
Sous-Directeur d'Europe Occidentale
M. Henri VIGNAL
Son, - Directour des Services d'Information et de Presse
M. Jean-Yves HAREPER Direct

M. Jean-Yves HABERER, Directeur du Trésor

M. Michel FREYCHE, Directeur des Relations Economiques Extérieures

Un collaborateur personnel pour chacun des ministres suivants :

- . Pour M. Fiterman : M. Guy BRAIBANT, chargé de mission auprès du Ministre
- pour M. Chevènement : M. Jean-Daniel TORDJMAN, Conseiller de la division des affaires internationales à la Délégation Générale de la Recherche Scientifique et Technique
- pour M. Delors : M. Benoit JOLIVET, Conseiller technique
- . Pour M. Dreyfus : M. Philippe LORINO, Conseiller technique

AUTRES MINISTERES :



10 DOWNING STREET

Pome Mintin.

Hereist some notes for after some to momen evening. World you like I to have them liped up - or will you speak extempre?

Me nus trante ofsometimes better - I don't white was will quite do.

mo



Foreign and Commonwealth Office

London SW1A 2AH

9 September 1981

Dean Michael,

Anglo/French Summit: Prime Minister's Dinner

As requested, I attach notes for the Prime Minister's speech at her dinner on 10 September.

The Prime Minister will also wish to propose a toast to "The President of the French Republic". According to strict protocol, the toast to the French President, as a visiting Head of State, should exceptionally precede the toast to The Queen. But it is of course open to President Mitterrand to propose a toast to Her Majesty first. We are suggesting to the French Embassy that he be briefed to do so.

1

(F N Richards) Private Secretary

M O'D B Alexander Esq 10 Downing Street LONDON SW1 DRAFT SPEAKING NOTE FOR PRIME MINISTER'S DINNER ON O 10 SEPTEMBER

- The swing of the political pendulum in France is a slow one. 23 years since a Socialist Government. Obvious therefore that we shall now be working with President Mitterrand and colleagues for a long time to come! \Believe that his first visit to London was in 1943 as active member of Resistance. But he has not paid many visits since then. (Grateful for his kind remarks during the Olivier Todd interview on TV, the night before last. \Glad that he has been able to bring such a wide ranging team with him. Look forward to continuation of discussions tomorrow. Already had opportunity to be with President at European Council, in Ottawa and during visit to London for Royal wedding. Particularly glad now to be host myself. These meetings, at present every year, are an indispensable element in our relations. They ensure that all the issues which bring our two great countries together can be considered simultaneously and in a coordinated way. I believe that we have much to offer each other, much more perhaps than we have been able to achieve so far and I hope that you and I, and our Ministers, will be able to make a major effort in the years ahead to cement the friendship and to build on the practical opportunities for collaboration that undoubtedly exist between France and Britain.
 - 2. Britain and France have a common heritage of democratic values and a belief in individual liberty; our two countries have many shared experiences even though you and I cannot say, as is said of England and the United States, that we are two countries divided by a common language. We need to have a shared approach to many important questions, deriving from our international experience, our historical relationships with many developped and developing countries, our permanent membership of the Security Council and our membership of the European Community and of the North Atlantic Alliance. Our economies too are becoming increasingly interdependent.

- 3. The closeness of our relationship does not, of course, mean that there have not been differences between us or that differences will not occur in the future. It is inevitable that there will be. The challenge before us both is to ensure that all aspects of our relationship are openly discussed between us in a positive spirit the more positive the more difficult the problems so that the underlying warmth of our relationship is not damaged by the negative factors but is enhanced by the positive ones. This is of course one of the principal gains from the kind of exchanges which you and I and our Ministers can have during these annual Summit meetings.
- 4. I believe that together you and I can give an important impetus to the wider relationship between our two countries. But Governments can only make a partial contribution, granted the multiplicity of exchanges which take place between all levels of our society. That is why I so greatly value the work of the Franco/British Council enjoying many of the threads of our contact together. I welcome the leaders of the British section here tonight. We place great importance on the conference in Edinburgh next May which I hope will equal the successful Bordeaux conference which I attended in September 1980.
- 5. Hope that at Edinburgh consensus will emerge not just on what ought to be done but on things that will be done to improve mutual understanding through regular personal contact and knowledge of each other's country. Two great nations can no longer afford luxury of each feigning indifference to each other's point of view.. Nor can we allow inherited and outwork assumptions to govern our approach to the tasks confronting us today. As Burke said: 'You can never plan the future by the past.'

SIR REG HIBBERT'S SUGGESTIONS TO PERSONALISE THE PRIME MINISTER'S AFTER DINNER SPEECH

'It is 23 years since the Socialists had a <u>share</u> of power. Now they have been able to achieve a very complete power.'

'In welcoming M. Mitterrand I am welcoming someone who has achieved an extraordinary political victory assembling a majority behind him which would be the envy of all his predecessors as President of France. However it is difficult for him that he has achieved this at a moment when France like all our countries is facing an extremely serious economic situation so that, to a large extent, he will need to be preventing things from happening rather than creating new opportunities. We all wish him well in bringing that stable and firm Government to France which is in all our interests.'

'The President prides himself on being a reflective man and he has been described as la force tranquille. During our talks together I have much appreciated both his force and his tranquillity.'

'M. Mitterrand comes from the South West - in particular from the Charente [home of Cognac]. He clearly embodies the spirit of France. We in England have known since the 12th century that many of the best things in France come from the South West, and have often come from the South West to this country.'

ADMINISTRATIVE PLAN FOR THE VISIT OF MONSIEUR FRANÇOIS MITTERRAND, PRESIDENT OF THE FRENCH REPUBLIC.

10 - 11 SEPTEMBER 1981

(to be read in conjunction with GHF programme).

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1. PROGRAMMES

President Mitterrand's programme

The following appointments are additional to those in the printed programme attached:-

Friday 11 September

0900

Breakfast with the Rt Hon Denis W Healey, MP, at the Residence of HE the Ambassador of the French Republic, 11 Kensington Palace Gardens, W8.

0945-1045

Tête-à-Tête talks with the Prime Minister (second session) at 10 Downing Street,

Separate programmes for Ministers

Details are shown at Annex 1.

2. COMPOSITION OF DELEGATIONS

Details are shown at Annex 2.

3. ARRIVAL

Details are shown at Annex 3.

4. GUARD OF HONOUR PROCEDURE

Details are shown at Annex 4 and attached diagram.

5. INTERPRETATION

Details are shown at Annex 5.

/6. TRANSPORT

6. TRANSPORT

Cars are provided for members of the official suite and detials are shown at Annex 6.

7. PRESS

Detailed arrangements are shown at Annex 7.

8. ESCORT OFFICERS

The following escort officers will be in attendance for separate appointments:-

W Cdr M Higson

Col P Worrall

Gp Capt P Heal

Maj D Hall

Mrs E Paterson

Air Cdre F Rainsford

M Fiterman

M Chevènement

M Cheysson

M Chandernager

M Delors

M Dreyfus

9. MEAL ARRANGEMENTS

Details are shown at Annex 8, (to follow).

10. Visit to Royal Albert Hall. Details are shown at Annex 9.

Visits Section

Protocol and Conference Department

FOREIGN AND COMMONWEALTH OFFICE, SW1.

8 September 1981

IR FRIDAY 11 SEPTEMBER	it in Ar Norman Tebbit (in Mr Biffen and Mr Norman Tebbit (in Mr Biffen's office):- Department of Trade, 1 Victoria Street, SW1.	am	(in Mr MacFarlane's office):- cation and Science, Cork Road, SE1	11 in his 9.45-10.15 with Mr Michael Marshall and Mr Cooper (in Mr Marshall's office):- Department of Industry, Ashdown House, 123 Victoria Street, SW1	on in his k Door, ffice,	ur (in his office):- k Door, ffice, SW1 with Sir Ian Gilmour (in his office):- Ambassadors' Entrance, Park Door, Foreign and Commonwealth Office, SW1
THURSDAY 10 SEPTEMBER	4.00-4.40 with Mr Norman Tebbit in his office:- Department of Industry, Ashdown House, 123 Victoria Street, SWI. 5.00-6.30 with Mr Norman Fowler in	his office:- Department of Transport, 2 Street, SW1	4.00-5.00 with Mr Neil MacFarlane and Mr Michael Marshall (in Mr MacFarlane office):- Department of Education and Science Elizabeth House, York Road, SEl	5.30-6.45 with Mr David Howell office:- Department of Energy, Thames House South, Millbank, SW1	4.00-6.00 with Lord Carrington in hoffice:- Ambassadors' Entrance, Park Door, Foreign and Commonwealth Office, SW1	4.00-6.00 with Sir Ian Gilmour (in his office):- Ambassadors' Entrance, Park Door, Foreign and Commonwealth Office, SW1
FRENCH MINISTERS	M. Fiterman		M. Chevènement		HE M. Cheysson	M. Chandernagor

FRENCH MINISTERS	THURSDAY 10 SEPTEMBER	FRIDAY 11 SEPTEMBER
M. Delors	4.00-6.00 with Sir Geoffrey Howe in his office:- Treasury, Parliament Street, SW1	9.30-9.45 with Sir Geoffrey Howe and Mr John Biffen (in Sir Geoffrey Howe's office):- Treasury, Parliament Street, SW1 9.45-10.30 with Sir Geoffrey Howe (in his office).
M. Dreyfus	4.00-5.15 with Mr John Biffen in his office:- Department of Trade, 1 Victoria Street, SW1 5.45-6.45 with Sir Keith Joseph and Mr Norman Tebbit in Sir Keith Joseph's office:- Department of Industry, Ashdown House, 123 Victoria Street, SW1	9.45-10.30 with Mr David Howell in his office:- Department of Energy, Thames House South, Millbank, SW1

FRENCH DELEGATION

Monsieur Francois MITTERRAND, President of the French Republic.

M. Charles FITERMAN, Minister of State, Minister of Transport.

M. Jean-Pierre CHEVENEMENT, Minister of State, Minister for Research and Technology.

M. Claude CHEYSSON, Minister for External Relations.

M. André CHANDERNAGOR, Minister Delegate, attached to the Minister for External Relations in charge of European Affairs.

 $\underline{\text{M. Jacques DELORS}}$, Minister for the Economy and Finance.

M. Pierre DREYFUS, Minister for Industry.

Presidency:

 $\underline{\text{M. Pierre BEREGOVOY}}$, Secretary-General of the Presidency.

HE M. Emmanuel de MARGERIE, French Ambassador to UK.

M. Jacques ATTALI, Special Adviser to the President.

M. Michel VAUZELLE, Spokesman.

M. Hubert VEDRINE, Technical Adviser.

M. Christian SAUTTER, Technical Adviser.

ADC to the President:

M. le Lieutenant-Colonel MERCIER.

M. Robert PONTILLON, Member of Parliament.

M. Pierre ACHARD, Secretary-General of the Interministerial Committee on European Economic Co-operation questions.

FRENCH DELEGATION (cont'd)

Ministry of Foreign Affairs:

- M. Jean-Claude PAYE, Director of Economic and Financial Affairs.
- M. Jacques DUPONT, Joint Director of Political Affairs.
- M. Bertrand DUFOURCO, Director, Europe.
- M. Philippe PELTIER, Director of Minister's Cabinet to the Ministry of Foreign Affairs.
- M. Daniel BERNARD, Technical Adviser.
- M. Alfred SIEFER-GAILLARDIN, Deputy Director, Western Europe.

Other Ministries:

- M. Jean-Yves HABERER, Director of the Treasury.
- M. Michel FREYCHE, Director, External Economic Relations.
- M. Guy BRAIBANT, member of M. Fiterman's delegation.
- M. Jean-Daniel TORDJMAN, Adviser of the International Affairs Division of the Delegation of Research and Technology; member of M. Chevènement's delegation.
- M. Benoit JOLIVET, Technical Adviser; member of M. Delors' delegation.
- M. Philippe LORINO, Technical Adviser; member of M. Dreyfus' delegation.

UK DELEGATION

Prime Minister

The Rt Hon Margaret Thatcher MP

Mr Clive Whitmore

Mr Michael Alexander

Mr Bernard Ingham

Sir Robert Armstrong

Mr Michael Franklin

Foreign and Commonwealth Office

The Rt Hon The Lord Carrington

Mr B J P Fall

The Rt Hon Sir Ian Gilmour

Sir Michael Palliser

Sir Reginald Hibbert

The Lord Bridges

Mr Julian Bullard

Mr D H A Hannay

Treasury

The Rt Hon Sir Geoffrey Howe QC MP

Mr David Hancock

Prime Minister

Principal Private Secretary

Private Secretary

Chief Press Secretary

Secretary of the Cabinet

Cabinet Office

Secretary of State for Foreign and Commonwealth Affairs.

Private Secretary

Lord Privy Seal

Permanent Under Secretary of State

HBM Ambassador to France

Deputy Under Secretary

Deputy Under Secretary.

Assistant Under Secretary

Chancellor of the Exchequer

Ministry of Agriculture, Fisheries and Food

The Rt Hon Peter Walker MP

Sir Brian Hayes CB

Minister of Agriculture, Fisheries and Food

Permanent Secretary

Deputy Secretary

Department of Industry

The Rt Hon Sir Keith Joseph MP

Mr N Tebbit MP

Secretary of State for Industry

Minister of State.

/Department of Trade

Department of Trade

The Rt Hon John Biffen MP Secretary of State for Trade

Department of Education and Science

Mr N MacFarland MP

Parliamentary Under Secretary of State

Mr M Marshall MP

Parliamentary Secretary of State for Industry.

Department of Energy

The Rt Hon Sir David Howell MP Secretary of State for Energy

Impartment of Transport

The Rt Hon Norman Fowler MP

Secretary of State for Transport

ARRIVAL ARRANGEMENTS, RAF NORTHOLT (South Side Entrance via A 40)

1400	Arrival of Mr R D Gordon, Protocol and Conference Department, Foreign and Commonwealth Office, and Representatives of Government Hospitality Fund.
1415	Arrival of President's official suite from Paris. After they have been received by an Agent de Protocole they will depart for Central London.
1430	Arrival of Embassy staff, coach parties and Press representatives.
	Arrival of The Queen's Colour Squadron of the RAF.

The Station Commander Group Captain R T Dixon, RAF will receive the following at the Royal Lounge:

1450	Sir Reginald Hibbert KCMG, HM Ambassador to France arrives.
1500	H E M.Emmanuel de Margerie, the French Ambassador arrives.
1505	The Prime Minister, The Rt Hon Margaret Thatcher, MP arrives.
1510	The Lord Skelmersdale, Lord in Waiting to Her Majesty The Queen arrives.

1515	President	Mitterrand's	aircraft	arrives	from
	Paris.				

1520 Aircraft doors open.

Group Captain R T Dixon will escort the greeting party to the aircraft. Members of the greeting party are:

The Lord Skelmersdale
The Prime Minister (accompanied by Mr R Young who will act
as interpreter)
H E M Emmanuel de Margerie
Sir Reginald Hibbert
Group Captain R T Dixon
Brigadier J A C Cowan Government Hospitality Fund
Squadron Leader E G N Acons

The French Ambassador will board the aircraft and escort President Mitterrand to the tarmac. With the exception of the President's ADC who should follow him to the tarmac, members of the President's entourage should remain on board the aircraft until the French National Anthem has been played.

The Lord Skelmersdale will greet the President on behalf of the Queen and will take the President down the receiving line.

The President, accompanied by the Lord Skelmersdale, and the other members of the greeting party will then take up their positions in front of the Guard of Honour (see diagram attached). The President will mount the dais; the Lord Skelmersdale will stand behind the dais with the Prime Minister on his right and the French Ambassador on his left; the President's ADtwill stand on his right and the Station Commander on his left, both slightly behind him. Other members of the greeting party will stand behind them.

Annex 4

Guard of Honour - Procedure

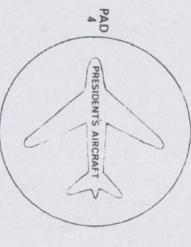
- 1. A Guard of Honour from The Queen's Colour Squadron of the Royal Air Force under the command of Squadron Leader E G N Acons, RAF and the Central Band will be formed on the apron.
- 2. When President Mitterrand and other dignataries are in position the French National anthem will be played and the Squadron will give a Royal Salute. Squadron Leader Acons will then invite President Mitterrand to inspect the Guard of Honour. President Mitterrand's ADC accompanied by the Station Commander will follow them.
- 3. When the inspection is completed and the Commanding Officer has accompanied President Mitterrand to the dais the Lord in Waiting will accompany the President to his car. The Prime Minister, members of the greeting party and the President's entourage will proceed to their cars which will be waiting in front of the Royal Lounge.
- 4. Meanwhile the Station Commander and the Officer Commanding the Guard of Honour will have taken their leave of the President and will authorise the dispersal of the Guard of Honour once the President has departed.

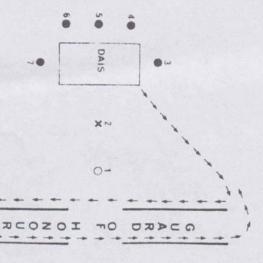
Wet Weather Programme

In the event of wet weather the Parade will not be cancelled. The programme will continue as scheduled up to the point where the inspection of the Guard of Honour should begin. If there is heavy rain at that point in the programme the President will not inspect the Guard of Honour; the Lord in Waiting will accompany President Mitterrand to his car.

GUARD OF HONOUR CEREMONY R.A.F. NORTHOLT

- Colour Bearer
 Sq.Ldr. Acons.Officer Commanding
 The Queen's Colour Squadron
 Station Commander
 French Ambassador
- Queen's Representative
- Prime Minister Aide de Camp





BAND

PRESS 1st POSITION

OTHER
DISTINGUISHED
VISITORS
LOUNGE

EMBASSY STAFF

LOUNGE ROYAL

CARS

PRESS 2nd POSITION

ANNEX 5

INTERPRETATION

President Mitterrand will be accompanied by his interpreter Mr Christopher Thiéry who will interpret throughout the visit, including the meeting with the press.

Mr R Young will interpret for the $\underline{\text{Prime Minister}}$ at the talks, dinner on 10 September and lunch on 11 September. Mrs V Anderson will interpret at the meeting with the press.

Ministers' Programme S

HE Monsieur Claude Cheysson and Monsieur Pierre Dreyfus speak English. Other Ministers will be accompanied by the following interpreters:-

Monsieur Charles Fiterman : Mrs M Penney

Monsieur Jean-Pierre Chevènement : Mrs V Langdon

Monsieur André Chandernagor : Miss Chave

Monsieur Jacques Delors : Miss Caliste

TRANSPORT ARRANGEMENTS

President Mitterrand will travel with the Prime Minister in her car on the following journeys only:

from the Albert Hall to 10 Downing Street, to and from Millbank Tower.

Throughout the remainder of the programme President Mitterrand will travel in his own car.

Cars for members of the official suite, interpreters and the President's personal staff are allocated as follows throughout the visit:

the visit:	arrocated as forlows through
President's car	ADC Security Officer (British)
Security car (British)	Chief Inspector J Sillence Security Officer (British) M. Geoffroy
Security car (French)	
Car A	Mr Coppel M. Laumonier
Protocol car	M. Gravaud Dr Feltin
Car 1	M. Cheysson M. Bernard Security Officer (British)

Security car	M. Loupias
(French)	M. Lason
	Security Officer (British)

Car	2			Fiterman
			М.	Braibant
Car	3		М.	Chevènement
			М.	Tordjman

Car 4		Chandernagor Peltier
Car 5		Delors Jolivet
Car 6		Dreyfus Lorino

				1301 1110
Car	7		М.	Beregovoy

Car 8	3	M. Attali Mme Decraene
Car 9		M. Emmanuel de Margerie Sir Reginald Hibbert
Car 1		M. Pontillon M. Achard
Car 1	11	M. Vauzelle
Car 1	L2	M. Vedrine M. Sautter
Car 1	13	M. Paye M. Dupont
Car 1	4	M. Haberer
Car 1	.5	M. Dufourcq M. Siefer- Gaillardin
Car 1	.6	M. Thiery
Car 1	.7	Miss Chave Miss Caliste

NOTE: - Minor last minute changes may be necessary and will be arranged by the Escort Officers.

The French Ambassador are also providing transport for members of the unofficial suite and will advise the distribution of cars separately.

Press Centre Facilities

The French Embassy, with Foreign and Commonwealth Office participation, have established a press centre for the French press in the Royal Garden Hotel, Kensington, which is equipped with the usual communications and office facilities and is linked by direct telephone line to the foyer of the Vickers Cinema. The facility includes a radio room equipped and manned by the Central Office of Information (Mr Gair) who are also providing staff (Mrs Hair) to assist in the centre. Mr Hannaby of the FCO will also assist in the centre and has provided transport for the use of the French press.

Because the visit takes place entirely in London, it has been decided not to establish a second press centre for the British and other press interested in covering this visit as they will have their own facilities within easy access and would be unlikely to need official transport.

Photocalls

There will be a photocall of the Prime Minister greeting President Mitterrand on his arrival at RAF Northolt for which entry will be by accreditation card. French press wishing to cover this event will be transported by coach from the Royal Garden Hotel. Other press will arrange their own transport. There will be no press facility on the President's departure.

There will be a photocall of the arrival of the Prime Minister and President Mitterrand at 10 Downing Street for their first session of talks. A rota will be arranged by the Press Office of no 10 for press to take pictures in the entrance lobby.

Press Conference

A joint press conference will take place at 12 noon on Friday, 11 September at the Vickers Cinema, Millbank Tower, Millbank.

Admission is by accreditation card. The French press will arrive by coach from the Royal Garden Hotel escorted by Mr Hannaby, FCO. Other press will arrive by independent means.

A black of 20 seats has been set aside for visiting delegation adm officials. Five public telephones have been installed in the foyer by the FCO for the use of the press; and there is a private

VISIT TO ROYAL ALBERT HALL

The President and Prime Minister will be accompanied by the following:-

France

Lt Col Mercier

H E Monsieur Emmanuel de Margerie

M. F Laumonier

Dr Feltin

M. C Théiry

United Kingdom

Mr M Alexander Sir Reginald Hibbert Mr R W H du Boulay

Mr N Coppel

Security Officer

H E M. de Margerie, Sir Reginald Hibbert and Mr du Boulay will arrive at the Royal Albert Hall (main entrance) and will be escorted to their box by 19.20.

The Prime Minister and her Private Secretary will arrive at the Royal Entrance at 19.20 and will be met by Mr A J Charlton, General Manager Albert Hall, Mr G Howard, Chairman of the Board of Governors of the British Broadcasting Corporation and Mr R Ponsonby, Controller of Music, British Broadcasting Corporation. When the President arrives at 1925 the Prime Minister will receive him and present the representatives of the Albert Hall and British Broadcasting Corporation to him. The party will proceed to the box immediately.

After the performance of 'La Mer' the President, and the Prime Minister will leave in the Prime Minister's car for 10 Downing Street. The remainder of the party (except Mr du Boulay) will also proceed to No 10 Downing Street.

DISTRIBUTION

French Embassy (10)

No 10 Downing Street

Private Secretary (2) Press Office (2)

Cabinet Office

PS/Secretary of the Cabinet (2)
Mr M Franklin (1)
Mr J L Wright (1)

Foreign and Commonwealth Office

Private Secretary (2)
PS/Lord Privy Seal (1)
PS/PUS (1)
Mr Bullard (1)
Mr Fergusson (1)
Sir Reginald Hibbert (1)
WED (2)
ECD(E))1)
News Department (Mr Hannaby) (4)
Resident Clerk (1)
PCD (8)
Interpreters (4)

Department of Transport

PS/Secretary of State (2)

Department of Industry

PS/Secretary of State (2)

Department of Trade

PS/Secretary of State (2)

H M Treasury

PS/Chancellor of the Exchequer (2)

Government Hospitality Fund (20)

RAF Northolt (3)

Metropolitan Police

Chief Inspector K Pryde (2) Cannon Row Police Station (Inspector Menear) (2)



Foreign and Commonwealth Office London SW1A 2AH

8 September 1981

Dean Michael,

Anglo-French Summit

The French Ambassador called on the Permanent Under Secretary this morning at his own request. M. de Margerie had returned today from Paris where he had been attending President Mitterrand's briefing meetings before the Summit. He said that he wished on a wholly personal basis to give Sir Michael Palliser his impressions of the spirit in which the President and his Ministerial team were approaching the Summit. They were twofold:

First Community affairs, President Mitterrand realised the importance which the British Government attached to a full discussion of certain Community questions and he would, of course, be ready to discuss them. The Ambassador gave no indication of the President's likely attitude, nor did he refer to any new policies which the President himself might be advocating.

However, secondly, the President also wished to have a very full discussion with the Prime Minister on the bilateral relationship between Britain and France. President Mitterrand meant what he had said to the Prime Minister in July about wishing to get a better balance in France's relations with Germany on the one hand and Britain on the other. But it took two to achieve this. The new French Administration had been struck on taking office by the evident keenness of the German Government to sustain the closest possible bilateral relationship with France at all levels and in as many fields as possible. The French welcomed this. But President Mitterrand hoped that it might be possible to achieve a similarly close relationship with Britain. One of his main purposes at the Summit would be to establish whether this was also the British Government's wish and if so what could be done to give practical effect to it. In general the French detected a certain reticence on the British part over bilateral cooperation.

M. de Margerie said that he had countered this in the talks in Paris with the arguments that the British Government were naturally waiting to assess the policies and attitudes of a new French Government, that in any case the period since President Mitterrand's accession had been in large measure the holiday period, that one of the first tasks now confronting the British Government was to resolve its public expenditure problems, and that it would be particularly difficult for

/Britain



Britain to make practical commitments where those involved money. He claimed that these arguments were understood but there was still a feeling in Paris that the British were not really interested in bilateral cooperation to the same extent as the Germans.

Sir Michael Palliser asked whether the Ambassador could give examples of this. M. de Margerie at first said that this was simply a general impression. But when pressed he said that there were indeed two particular areas where the French were uncertain about British interest in cooperation: civil nuclear cooperation and space. President Mitterrand had deduced from his conversation with the Prime Minister that she had been interested in the possibility of cooperation on space. But there had been no follow-up of any kind since then and French officials were sceptical. He added that there was, of course, always the Channel Tunnel, but here, in the light of past experience, France was also 'very cautious'.

As he was leaving the French Ambassador emphasised that he was not speaking under instructions and repeated that these were his wholly personal impressions and asked that they should be treated as such and in confidence. The Foreign and Commonwealth Secretary thought, however, that the Prime Minister might wish to know of this conversation before her briefing meeting this afternoon.

I am copying this letter to David Wright (Cabinet Office)

(F N Richard Private Secretary

M O'D B Alexander Esq 10 Downing St

CONFIDENTIAL



Foreign and Commonwealth Office London SW1A 2AH

8 September 1981

Dear Michael,

Anglo-French Summit, 10-11 September 1981:

Ottawa Summit Declaration on Terrorism

In your letter of 7 September you asked for briefing for the Prime Minister on this subject for her meeting with President Mitterrand. I now accordingly enclose a brief; since time is short, the Cabinet Office have agreed that it need not be printed in the standard format.

I am copying this letter to David Wright in the Cabinet Office.

(F N Richards

M O'D B Alexander Esq 10 Downing St



ANGLO/FRENCH SUMMIT, 10-11 SEPTEMBER 1981: OTTAWA SUMMIT DECLARATION ON TERRORISM

Points to Make

At the Ottawa Summit you agreed to the text of the Declaration on Terrorism. This said: ''The Heads of State and Government propose to suspend all flights to and from Afghanistan in implementation of the Bonn Declaration unless Afghanistan immediately takes steps to comply with its obligations''.

- 2. Understand that France is not now prepared to take immediate action.
- 3. If the Seven cannot act together against terrorism, no-one else will. Will President Mitterrand reconsider the French decision?
- 4. Failure of the Seven to implement the Ottawa Declaration satisfactorily, promptly and by joint action will give considerable encouragement to Babrak Karmal.
- 5. The Pakistanis have decided to suspend air links with Afghanistan immediately; the Seven should support them by doing the same.

Background

1. In the Ottawa Summit Declaration on Terrorism issued on 20 July, the Seven agreed to suspend air services with Afghanistan for harbouring the hijackers of a PIA aircraft earlier this year. The French had expressed reservations about the Declaration, but in the event President Mitterand lifted the French reserve. A

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copy of the Declaration was passed to the Afghans on 24 July.

- 2. Officials of the Seven apart from the French subsequently provisionally agreed to suspend air services from 1 September. This deadline slipped because the French, after first being reluctant to take any action, are now only prepared to give the Afghans one year's notice of suspension. They claim that they are legally bound to do so; however, the Germans have a similar Air Services Agreement with the Afghans, and they see no Legal difficulty in immediate suspension.
- 3. France, the FRG and the UK are the only members of the Seven served by Ariana Afghan Airlines. No Western airline flies to Afghanistan, although the Germans overfly Afghanistan. If the French persist in refusing to suspend Ariana flights immediately, the Germans are likely to go along with them. The Prime Minister agreed with the Secretary of State and Mr Biffen that, if the French and Germans both pull out, we should need to consider further what action we should take.
- 4. The Pakistanis gave notice to the Afghans on 19 August that they would be suspending air links from 1 September. Because the Seven failed to agree on a similar deadline for suspension, the Pakistanis have delayed; they are likely to pull back altogether if the Seven do not act together soon.

FOREIGN AND COMMONWEALTH OFFICE

8 September 1981



Foreign and Commonwealth Office London SW1A 2AH

8 September 1981

Dear Midael.

Anglo/French Summit: Participation of M. Fiterman

As you know, we gave thought, after the formation of M. Mitterrand's government, to the question of how to handle the four Communist Ministers included in it. The presence of M. Fiterman, a member of the French Communist Party and tipped as a possible successor to M. Marchais as its leader, in M. Mitterrand's team for the Summit, raises the question in a practical form.

The broad conclusion of our earlier study was that we had no option but to treat the PCF Ministers as full and equal members of the French Government. In the meantime it has become clear that M. Fiterman and his fellow Communist Ministers are keen to prove themselves efficient and trustworthy partners in government. We see no reason why British Ministers should have any inhibitions about discussing with M. Fiterman the problems that fall within his field of competence.

The plenary session is another matter because politically sensitive issues falling outside his purview could be raised there. Fortunately, perhaps, Ministers of Defence are not now participating in the Summit and the majority of topics on the agenda can be presented at the Plenary Session in the usual way. However, the Prime Minister may consider it desirable at that session to steer clear of East/West relations and related topics - especially Poland, Afghanistan, arms control and disarmament - and defence and security matters. Other Ministers will wish to be aware that Lord Carrington may not give as full a report of his talks with M. Cheysson as he would normally do. The use of small tables at the subsequent working lunch should enable the Prime Minister and M. Mitterrand at least to continue their discussion with less inhibitions.

I am sending copies of this letter to the Private Secretaries to the Chancellor of the Exchequer, to the Lord Privy Seal, to the Secretaries of State for Industry,

/Trade,



Trade, Energy and Science, to the Minister of State (Mr Tebbit) and Parliamentary Under-Secretary (Mr Marshall) at the Department of Industry, to the Parliamentary Under-Secretary at the Department of Education and Science, and to the Secretary to the Cabinet.

four ever.

(F N Richards) Private Secretary

M O'D B Alexander Esq 10 Downing Street



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CABINET OFFICE 70 WHITEHALL LONDON SW1A 2AS

8 September 1981

ANGLO-FRENCH SUMMIT: PRIME MINISTER'S BRIEFING MEETING

I am writing to confirm my telephone calls of yesterday evening (to you and the Private Offices of the Chancellor of the Exchequer, the Secretaries of State for Industry, Trade, Energy and Transport and the Parliamentary-Under Secretary of State, Department of Education and Science, Mr McFarlane) to the effect that the Prime Minister's briefing meeting for the Anglo-French Summit will be held in 10 Downing Street on Wednesday 9 September at 4.30 pm; and that each of your Ministers together with the other Ministers and officials listed below is invited to attend.

I am sending copies of this letter to the Private Secretaries to the Ministers already listed, to the Lord Privy Seal, to the Minister of State, Department of Industry (Mr Tebbit), to the Parliamentary Under Secretary of State, Department of Industry (Mr Marshall), to Sir Michael Palliser, to Sir Kenneth Couzens; and for information to Caroline Stephens in Number 10.

C H O'D ALEXANDER

C Jebb Esq Foreign and Commonwealth Office MR WRIGHT CABINET OFFICE Anglo/French Summit Prime Ministerial Participation The Prime Minister has seen Barry Hilton's minute to me of 3 September on this subject. She is content with the proposals in it.

MICHAEL ALEXANDER



Foreign and Commonwealth Office

London SW1A 2AH

7 September 1981

La Pans

Dean Mochael,

It occurred to us that it might be useful, in advance of the Prime Minister's meeting on Wednesday afternoon, for her to see the attached suggested list of points which Lord Carrington recommends should be raised when the Prime Minister sees President Mitterrand during her tete-a-tete discussions this week.

four over.

(F N Richards) Private Secretary

M O'D B Alexander Esq 10 Downing Street LONDON SW1

Air Janes.

[Rleane litpe on land - as small as possible!]

CHECK LIST OF POINTS FOR THE PRIME MINISTER TO RAISE DURING TETE A TETE WITH PRESIDENT MITTERRAND

1. COMMUNITY ISSUES

- a) 30 May British approach Not just an accounting exercise. Interested in broad future development of Community But Equitable budgetary arrangements an essential part of a broad approach. Not seeking juste retour.
- b) In everybody's interest to complete restructuring as quickly as possible. Otherwise Community continually distracted by internal squabbles, from more important prooccupations.

c) Need constant bilateral contacts with France on restructuring and the relance giving new impeters to the Community.

- d) Constant contact needed on fish too, otherwise this question will sour relations throughout the Community.
- e) A.A (over)
- 2. NORTHERN IRELAND
- a) Make M. Mitterrand aware of The true nature of the '5 Demands'. 1475
- cannot and will not concede the 5 Demands Itm.
- 3. ANGLO/FRENCH RELATIONS
- a) Heads of Government to make statement at plenary and instruct foreign ministers to co-ordinate follow-up action.
- b) French to appoint New Chairman of the Franco-British Council?

- c) M. Mitterrand to endorse extension of working and training exchanges between Civil Services.
- 4. CANCUN SUMMIT

 a) How is Mitterrand's thinking on North/South issues developing? In harthy of the Canum muchic.
- 5. ARMS CONTROL
- a) Possible need for consultation on exclusion of UK and French strategic nuclear systems from TNF and SALT.
- b) Valuable if France were to accede to the Non-Proliferation Treaty.
- 6. EAST/WEST RELATIONS
- a) How table is the Situation in Poland. Further Western economic assistance to be determined on the basis of an overall assessment of Poland's long-term needs.
- 7. SOUTHERN AFRICA
- a) Continued existence of Contact Group essential.

Propers on Land necessary for the impletion of the Community's internal mancel.

GRS 860 CONFIDENTIAL FM PARIS 676913Z SEP 81 TO IMMEDIATE FCO TELEGRAM NUMBER 763 OF 7 SEPTEMBER 1981 INFO PRIORITY UKREP BRUSSELS INFO SAVING TO BONN, BRUSSELS, COPENHAGEN, DUBLIN, THE HAGUE, LUXEMBOURG, ROME, ATHENS.

THE FRENCH APPROACH TO THE FRANCO - BRITISH SUMMIT

- 1. PRESIDENT MITTERPAND WILL BE GOING TO LONDON AT THE END OF THIS WEEK AT A TIME WHEN FRENCH GOVERNMENT POLICY IS TAKING SHAPE IN THREE MAIN AREAS.
- 2. THE GOVERNMENT'S PRINCIPAL PREDCCUPATIONS ARE WITHIN FRANCE WHERE IT APPEARS TO BE AIMING AT A FAR - REACHING REFORM AND RECON -STRUCTION OF FRENCH SOCIETY. THE HEAVY COMMITMENTS WHICH THIS ENTAILS WILL KEEP IT BUSY FOR A LONG TIME TO COME. BY PROMISING LAST WEEK THAT EVERYTHING WOULD BE DONE TO ENSURE THAT UN -EMPLOYMENT DOES NOT EXCEED 2 MILLION, THE GOVERNMENT HAD GIVEN A BIG HOSTAGE TO FORTUNE (MY TELNO 749). THE NATIONALISATION PROGRAMME IS RUNNING INTO COMPLICATIONS. OUTSIDE THE ECONOMY, THOUGH LINKED WITH IT, THE DECENTRALISATION PROGRAMME WILL BE TIME CONSUMING. THERE ARE THE FIRST SIGNS OF IMPATIENCE IN THE SOCIALIST PARTY (WHICH IS PREPARING FOR ITS BIENNIAL CONGRESS AT THE END OF OCTOBER) AT WHAT IS SEEN AS A FAILURE TO COME TO GRIPS WITH FRANCE'S ECONOMIC PROBLEMS AND TO CARRY OUT MORE QUICKLY THE PARTY'S ELECTION COMMITMENTS . THE NEED TO KEEP AN EYE ON THE SOCIALIST PARTY LIMITS M. MITTERRAND'S ROOM FOR MANEOUVRE IN CHE DIRECTION JUST AS ECONOMIC REALITY LIMITS IT IN ANOTHER.
- 3. THE SECOND MAIN AREA OF GOVERNMENT ACTIVITY IS FOREIGN AFFAIRS. PRESIDENT MITTERRAND SEEMS TO WANT TO PROJECT BEYOND FRANCE'S FRONTIERS A REFLECTION OF THE STRUGGLE FOR GREATER JUSTI CE AND DIGNITY WHICH HE SEES HIMSELF WAGING WITHIN THEM. AGAIN THE DIFFICULTY IS TO RECONCILE SOCIALIST POLICIES WITH EXTERNAL REALITY. THESE DIFFICULTIES HAVE PERHAPS BEEN MOST APPARENT IN RELATION WITH THE US AND IN THE MIDDLE EAST. M. CHEYSSON HAS HARPED ON THE CONTINUITY OF FRENCH FOREIGN POLICY AS MUCH AS ON CHANGE. NEVERTHELESS DISTINCTIVE FRENCH ATTITUDES HAVE BEGUN TO EMERGE, EG IN SOUTHERN AFRICA AND CENTRAL AMERICA. AND THESE SEEM TO BE ASSOCIATED WITH THE ADVISERS ROUND M. MITTERRAND AT THE ELYSEE MORE THAN WITH THE QUAL D'ORSAY. YOU WILL NO DOUBT HAVE HEARD DIRECTLY FROM M. CHEYSSON AT BROCKETT HALL ABOUT FRENCH VIEWS ON THESE TWO REGIONS AND THE OUTSIDE WORLD IN GENERAL.

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4 YOU WILL SIMILARLY HAVE RECEIVED UP-TO-DATE IMPRESSIONS OF FRENCH INTENTIONS IN THE THIRD MAIN AREA WHERE THEIR POLICIES ARE TAKING SHAPE, IE IN THE EUROPEAN COMMUNITY. IT LOOKS AS THOUGH PRESIDENT MITTERAND WILL UNVEIL THE FRENCH MODEL FOR ''RE-LAUNCHING '' EUROPE AT HIS FIRST PRESIDENTIAL PRESS CONFERENCE ON 24 SEPTEMBER (MY TELNO 757). HE WILL PROBABLY TRY TO KEEP DISCUSSION AT THE LEVEL OF GENERALITIES. THE FRENCH STRATEGY ON THE MAY 3¢ MANDATE NOW APPEARS TO BE TO ARGUE THAT ONLY WHEN AGREEMENT HAS BEEN REACHED ON THE FIRST TWO ASPECTS , CAP REFORM AND THE DEVELOPMENT OF NEW POLICIES, WILL IT BE POSSIBLE TO TACKLE THE BUDGETARY IMPLICATIONS (MY TELS NOS 753 AND 751). THE AIM APPEARS TO BE TO CLEAR THE WAY FOR THE PROPAGATION OF A FRENCH PLAN TO REVITALISE EUROPE WHICH WOULD PARTLY ABSORB, PARTLY MODIFY AND PARTLY ECLIPSE THE 36 MAY MANDATE, THE EFFECT WOULD BE TO LEAVE BRITAIN TAGGING ALONG AS THE CONTRIBUTOR OF AWKWARD AND ALWAYS SPECIFICALLY BRITISH PROBLEMS TO AN OTHERWISE BRAVELY EVOLVING EUROPE.

5. THE ANGLO - FRENCH SUMMIT IS NOT LIKELY TO CONTRIBUTE MUCH TO WHAT PRESIDENT MITTERRAND 'S ADMINISTRATION IS TRYING TO ACHIEVE IN ANY OF THESE FIELDS. ON THE OTHER HAND, I AM SURE THAT, WHILE BEING CONSCIOUS THAT WHAT IS NEEDED TO IMPROVE RELATIONS WITH BRITAIN DOWS NOT FIT IN WELL WITH HIS OTHER PREOCCUPATIONS, PRESIDENT MITTERRAND MEANS IT WHEN HE SAYS THAT WH WANTS FRANCE TO HAVE BETTER RELATIONS WITH BRITAIN. HE WANTS A GOOD MEETING AND IS BRINGING SIX MINISTERS, SO THAT NORMAL BILATERAL CONSUL -TATION WILL TAKE PLACE OVER A WIDE FIELD. BUT HE HAS CHOSEN NOT TO BRING MME CRESSON OR MM LE PENSEC OR HERNU. IN OTHER WORDS THERE ARE LIMITATIONS ON HIS READINESS TO CULTIVATE BRITAIN AT THIS STAGE. HE DOES NOT ENVISAGE TACKLING VIGOROUSLY THE DIFFERENCES OF APPROACH IN THE COMMUNITY AND IN DEFENCE WHICH ARE AT THE ROOT OF FRANCO - BRITISH DISAGREEMENTS. I HAVE NO DOUBT THAT A PERSONAL ELEMENT ALSO PLAYS ITS PART IN THAT M. MITTERRAND DOES NOT LIKE HAVING TOO MANY MINISTERS AROUND. THERE IS ONE SPECIAL CASE IN M. FITERMAN. IT PROBABLY SUITS THE PRESIDENT WELL ENOUGH TO USE THE FRANCO - BTITISH SUMMIT. TO GIVE HIS LEADING COMMUNIST MINISTER AN AIRING IN A WAY WHICH IS HARMLESS IN FRENCH INTERNAL TERMS.

6. AT THE END OF MY DESPATCH OF 2 SEPTEMBER 1 SUGGESTED THAT THE BRITISH AIM AT THE SUMMIT SHOULD BE TO CONVINCE M. MITTERRAND AND HIS COLLEAGUES THAT PROGRESS IN EUROPE, INCLUDING THE SORT OF PROGRESS WHICH FRANCE WANTS, WILL NOT BE POSSIBLE UNLESS THE CRUCIAL ISSUES IN THE COMMUNITY ON WHICH THE UK AND FRANCE ARE DIVIDED ARE VIGOROUSLY TACKLED AND SCLVED. NO RE - LAUNCHING OR NEW DEAL WILL BE POSSIBLE IN THE COMMUNITY UNLESS IT STARTS BY GETTING THE RESOURCE OR CONTRIBUTION SIDE

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RIGHT

RIGHT AND GETS AWKWARD, UNRESOLVED DOSSIERS SUCH AS THE FISHERIES ON OUT OF THE WAY. WHAT THE FRENCH ARE THINKING UP LOOKS MORE LIKE A RE - SHUFFLE THAN A RE - LAUNCHING. IT MAY BE WISE TO TRY TO WARN M. MITTERRAND AT THIS EARLY STAGE THAT HE WOUGHT TO AVOID THAT SORT OF APPEARANCE IN HIS OWN LONGER TERM INTEREST.

7. THE PRIME MINISTER HAS MET PRESIDENT MITTERRAND TWICE. YOU KNOW M. CHEYSSON AND M. CHANDERNAGOR. SEE MIFT FOR A FEW WORDS ON THE OTHER LESS WELL KNOWN MINISTERS.

FCO PLEASE PASS SAVING TO ABOVE ADDRESSEES.

HI BBERT.

FCO WHIT DISTN WED

PASSED AS REQUESTED]

FM PARIS \$7\$95\$ Z SEP 81

TO IMMEDIATE FCO

TELEGRAM NUMBER 764 OF 7 SEPTEMBER 1981

INFO SAVING BONN, BRUSSELS, COPENHAGEN, DUBLIN, THE HAGUE,
LUXEMBOURG, ROME, UKREP BRUSSELS, ATHENS.

m

MIPT & FRANCO/BRITISH SUMMIT

- 1. FOLLOWING IS A BRIEF ASSESMENT OF SOME OF THE OTHER MINISTERS ACCOMPANYING PRESIDENT MITTERRAND.
- 2. M.CHEVENEMENT IS A MINISTER OF STATE (ONE OF FIVE -THE RANK IS MORE SENIOR THAN THAT OF MINISTER) AND IS RESPONSIBLE FOR RESEARCH AND TECHNOLOGY. HE IS THE LEADER OF THE LEFT-WING CERES FACTION IN THE SOCIALIST PARTY. HE IS PUSHING THE GOVERNMENT HARD TO EMBARK ON A FULL BLOODED ANTI-CAPITALIST PROGRAMME AND IS ON THE ALERT FOR SIGNS OF SLIPPAGE FROM ELECTORAL PROMISES. SINCE HE TOOK OVER THE NEWLY CREATED MINISTRY OF RESEARCH AND TECHNOLOGY IN JUNE, M. CHEVENEMENT HAS PURSUED WITH VIGOUR HIS PROGRAMME FOR THE EXPANSION OF BASIC AND APPLIED RESEARCH, AND PROMPTLY ANNOUNCED AT THE BEGINNING OF SEPTEMBER HIS BID FOR A THIRTY PER CENT INCREASE IN THE RESEARCH BUDGET. HE HAS FOUGHT HARD FOR, AND WON, BUDGETARY CONTROL OF RESEARCH ORGANISATIONS, INCLUDING THE ATOMIC ENERGY COMMISION, ALTHOUGH HE HAS HAD TO ACCEPT SHARED ADMINISTRATIVE CONTROL BY OTHER MINISTRIES.
- 3. THE CHANCELLOR OF THE EXCHEQUER HAS MET M. DELORS, THE MINISTER OF ECONOMY AND FINANCES, AND WILL HAVE FORMED A VIEW OF HIS APPROACH AND TEMPERAMENT . M. DELORS SYMBOLISES MODERATION AND RESPECT FOR MARKET FORCES IN THE IMPLEMENTATION OF THE GOVERNMENT'S ECONOMIC POLICIES. HE IS UNDER CONSTANT PRESSURE FROM THE MORE RADICAL ELEMENTS IN THE SOCIALIST PARTY AND THE MINISTERS IN CHARGE OF SPENDING DEPARTMENTS, AND HE IS HAVING AN UPHILL STRUGGLE IN ENLISTING THE SUPPORT AND COFIDENCE OF THE BUSINESS COMMUNITY IN PURSUIT OF THE GOVERNMENT'S ECONOMIC OBJECTIVES. HIS CREDIBILITY HAS BEEN UNDERMINED BY THE GOVERNMENT'S DECISION TO PRESS AHEAD WITH THE FULL PROGRAMME OF NATIONALISATION, ALTHOUGH HE IS SAID STILL TO ENJOY THE CONFIDENCE OF PRESIDENT MITTERRAND. IN RECENT STRICTURES IN THE BANKS HE HAS SOUNDED MORE LIKE A HATCHETMAN THAN A MODERATE. IN HIS MEETING WITH THE CHANCALLOR HE IS LIKELY TO WANT TO TALK MAINLY ABOUT EMS, DOMESTIC AND INTERNATIONAL INTEREST RATES, EC BUDGET RESTRUCTURING, EXPORT CREDIT, EC INSURANCE DIRECTIVES, IMF QUESTIONS, AND DOMESTIC ECONOMIC POLICIES IN BOTH COUNTRIES. THE MEETING OF THE ANGLO-FRENCH ECONOMIC COMMITTEE ON 8 SEPTEMBER SHOULD PROVIDE A USEFUL PREVEIW OF THE DISCUSSIONS.

- 4. M. DREYFUS, THE MINISTER OF INDUSTRY, HAS A SUCCESSFUL RECORD OF INDUSTRIAL MANAGEMENT BEHIND HIM AS A FORMER HEAD OF RENAULT. HE IS THE OLDEST MEMBER OF THE GOVERNMENT (NEARLY 74) AND HAS BEEN IDENTIFIED AS ANOTHER VOICE FOR MODERATION. HE HAS SO FAR MADE FEW PUBLIC SPEECHES AND, IN CONTRAST TO HIS PREDECESSOR M. GIRAUD, HAS NOT ATTEMPTED TO SEEK PUBLICITY FOR HIMSELF OR HIS MINISTRY. THE MOST LIKELY AREAS OF FRENCH CONCERN ARE PROBABLY STEEL AND OTHER INDUSTRIAL CRISIS SECTORS (ESPECIALLY THE SOCIAL ASPECTS). TEXTILES AND THE MULTIFIBRES AGREEMENT, JAPAN, THE AUTOMOBILE INDUSTRY AND BILATERAL INDUSTIAL COOPERATION.
- 3. M. FITERMAN, THE MINISTER OF STATE FOR TRANSPORT VISITED LONDON IN JULY FOR TALKS WITH MR TEBBIT AND THEIR GERMAN COLLEAGUE ABOUT AIRBUS, M. FITERMAN IS OBVIOUSLY KEEN TO MAKE AN IMPRESSION AS A PROMOTER OF THE INTERESTS OF FRANCE AND TO DEMOSTRATE THE RELIABILITY IN ACTION OF COMMUNIST MINISTERS. IN AN INTERVIEW IN THE COMMUNIST 'L'HUMANITE' YESTERDAY HE IS RECORDED AS SAYING '' WHAT WE (THE COMMUNIST PARTY) WISH IS TO RESPOND TO WHAT THE COUNTRY EXPECTS OF US AND TO PROVIDE SOLUTIONS TO ITS PROBLEMS, TO LEAD IT OUT OF ITS CRISIS' ... THE COMMUNISTS' TACTIC IS TO DO NOTHING WHICH MIGHT WEAKEN THE GOVERNMENT FOR WHICH THEY COULD BE BLAMED BUT TO BE READY TO DISTANCE THEMSELVES FROM IT IF IT RUNS INTO TROUBLE. FCO PLEASE PASS ALL SAVING ADDRESSEES.

HI BBERT.

FCO/WHITEHALL [REPEATED AS REQUESTED]

Brune Minister. Foreign and Commonwealth Office

Bu you content with anangements London SWIA 2AH

On these lines: the Only seal point at

where is Wester Ministers at the plenary 7 September 1981

Should each to allowed to bring an Opinal. It will be a squeeze but

Dean Mitchell, sound to the managemble. here to be limited to 32 - at

Anglo-French Summit: Attendance at the Plenary Session and Pand

the Working Lunch: 11 September

You asked for our views on who should attend the Plenary Session and the following working lunch.

Our general aim is to involve as many Ministers as possible in the regular Anglo/French consultations and I therefore suggest that all those involved in talks with French Ministers during the Summit should be invited to attend the Plenary Session. This would mean that, in addition to the six main British participants (see my

Tebbit and Mr Marshall should also be invited to participate.

This makes a total of 18 Ministers, 7 French and 11 British.

As far as officials are concerned we assume on the basis of earlier discussion that Sir R Armstrong, Sir K Couzens, Sir M Palliser and Michael Franklin will attend the Plenary Session. There are also the two Ambassadors, W. was Sir R Hibbert and M. de Margerie. I suggest that, on the normal pattern, each British Minister should be accompanied by one official. From the FCO we would wish the Secretary of State and the Lord Privy Seal to be accompanied by Julian Bullard in addition to Sir M Palliser. As well as those named above, there would also be a further seven, i.e. 15 UK officials in all, including the Ambassador. There will also be the Private Secretaries from No 10.

It is not yet clear what officials will be attending from the French side, but I shall let you have names as soon as possible. President Mitterrand will undoubtedly wish to be accompanied by the Secretary General of the Elysée, M. Pierre Bérégovoy. There may well be six or even more.

Working Lunch

As for the lunch, the decision very much rests with you how many can be included while permitting the occasion to retain its working character. I understand that you are thinking of round tables seating eight each. If all Ministers (18) were invited as well as Sir R Armstrong, Sir K Couzens,

9 2

/Sir M Palliser

21

18:16/39



1

Sir M Palliser and Mr Franklin, together with
the two Ambassadors, and officials on the French side,
it would be necessary to have four tables, i.e.
32 guests. Assuming that No 10 will occupy a minimum
of two places, this leaves six for the French, but these
allocations can only be decided when we know the French
names, and in the light of any comments which you may
have on this letter.

We are planning that Julian Bullard should offer lunch to the remaining British and French officials at Lancaster House.

I am sending copies of this letter to the Private Secretaries to the Chancellor of the Exchequer, to the Lord Privy Seal, to the Secretaries of State for Industry, Trade, Energy and Transport, to the Minister of State (Mr Tebitt) and the Parliamentary Under Secretary of State (Mr Marshall) at the Department of Industry, to the Parliamentary Under Secretary of State (Mr MacFarlane) at the Department of Education and Science and to the Secretary of the Cabinet.

Jours vos

(F N Richards) Private Secretary

M O'D B Alexander Esq 10 Downing Street LONDON SW1



Foreign and Commonwealth Office

CES with briefs

+ fr. And 7 September 1981

Dear Carbline

Anglo-French Summit: Ministerial Participation

Please refer to my letter of 4 September. I attach a chart which shows the times and subjects which will be presented to the French for the separate calls on British Ministers.

I am sending copies of this letter to the Private Secretaries to the Chancellor of the Exchequer, to the Secretaries of State for Industry, Defence, Northern Ireland, Trade, Energy, Education and Science, Transport, to the Lord President of the Council, to the Lord Privy Seal, to the Minister for Agriculture, Fisheries and Food, to the Minister of State at the Department of Industry (Mr Tebbit) and to the Secretary to the Cabinet .

for siverely

(C Jebb) Assistant Private Secretary

Miss Caroline Stephens 10 Downing Street LONDON SW1

FRENCH MINISTERS	THURSDAY 10 SEPTEMBER	FRIDAY 11 SEPTEMBER
Fiterman	4.00-4.40 with Mr Tebbit (Concorde) in his office 5.00-6.30 with Mr Fowler in his office	9.45-10.30 with Mr Biffen and Mr Tebk t (in Mr Biffen's office) (1J, 1K, 3F and round up of Concorde)
Chevenement	4.00-5.00 with Mr MacFarlane (3H) and Mr Marshall (in Mr MacFarlane's office) 5.30-6.45 with Mr Howell in his office (3C)	9.15 with Sir K Joseph, Mr Tebbit, Mr Marshall (1H) (in Sir K Joseph's office) 9.45-10.15 with Mr Marshall and Mr Cooper (in Mr Marshall's office) (3G)
Cheysson	4.00-6.00 with Lord Carrington in his office	
Chandernagor	4.00-6.00 with Sir Ian Gilmour (in his office)	9.45-10.30 with Sir Ian Gilmour (in his office)
Delors	4.00-6.00 with Sir G Howe	9.30-9.45 with Sir G Howe and Mr Biffen (in Sir G Howe's office) 9.45-10.30 With Sir G Howe (in his office)
Dreyfus	4.00-5.15 with Mr Biffen in his office (1F) 5.45-6.45 with Sir K Joseph and Mr Tebbit in Sir K Joseph's office	

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FM PARIS Ø511ØØZ SEP 81
TO IMMEDIATE FCO
TELEGRAM NUMBER 76Ø OF 5 SEPTEMBER 1981



ANGLO-FRENCH SUMMIT.
FRENCH ATTITUDES ON DEVELOPMENT QUESTIONS

- 1. I UNDERSTAND THAT IN CONNECTION WITH THE BRIEFING BEING PREPARED FOR THE ANGLO/FRENCH SUMMIT THE DEPARTMENT HAS ASKED FOR A FURTHER INDICATION OF FRENCH POLICY IN THIS FIELD, ESPECIALLY IN THE LIGHT OF DEVELOPMENTS AT THE UN CONFERENCE ON LLDCS CURRENTLY TAKING PLACE IN PARIS.
- 2. IT WAS CLEAR FROM STATEMENTS MADE BY M. MITTERRAND AND VARIOUS PS SPOKESMAN BEFORE THE ELECTIONS THAT DEVELOPMENT QUESTIONS WOULD FIGURE PROMINENTLY IN THE LIST OF THE NEW GOVERNMENT'S PRIORITIES. SINCE THE ELECTION M. CHEYSSON IN PARTICULAR HAS DEVOTED MUCH TIME AND EFFORT TO CONTACTS WITH THE DEVELOPING WORLD AND HIS SCHEDULE HAS INCLUDED WELL-PUBLICISED VISITS TO MEXICO, ALGERIA AND INDIA, COUNTRIES WHICH ARE TAKEING A PROMINENT PART IN PREPARATION FOR CANCUN AND IN PROMOTING THE RESUMPTION OF THE GLOBAL NEGOTIATIONS.
- 3. THE UN CONFERENCE ON THE LEAST DEVELOPED IN PARIS HAS GIVEN THE FRENCH GOVERNMENT AN OPPORTUNITY TO DEMONSTRATE THEIR CONCERN FOR THE THIRD WORLD. IN SPEECHES AT THE CONFERENCE, PRESIDENT MITTERRAND AND M. DELORS HAVE REITERATED THE MAIN ELEMENTS OF FRANCE'S POSITION ON NORTH-SOUTH ISSUES, AND ANNOUNCED NEW AID TARGETS SEE MIFT. (THERE IS NO REASON TO DOUBT FRANCE'S INTENTION TO KEEP TO THESE TARGETS, BUT AID WILL HAVE TO COMPETE FOR LIMITED FUNDS WITH AN INCREASINGLY AMBITIOUS PROGRAMME OF DOMESTIC EXPENDITURE.)
- 4. DELEGATES OF DEVELOPING COUNTRIES HAVE RESPONDED WELL TO THESE SPEECHES AND TO THE ATTENTION PAID TO THEM BY THE FRENCH GOVERNMENT. FRANCE SEEMS TO BE ACHIEVING ITS OBJECTIVE OF APPEARING AS THE MAJOR WESTERN CHAMPION OF THE INTERESTS OF THE DEVELOPING WORLD. THE CONFERENCE IN PARIS IS WELL TIMED IN RELATION TO THE CANCUN SUMMIT, AT WHICH PRESIDENT MITTERRAND ASPIRES TO PLAY A LEADING ROLE.
- 5. AT THE ANGLO-FRENCH SUMMIT, PRESIDENT MITTERRAND IS LIKELY TO EXPLAIN HIS OBJECTIVES, AND TO SEEK BRITISH SUPPORT(SEE MY TELNO 66¢) PARA 2). THE OPPORTUNITY MIGHT BE TAKEN TO REMIND PRESIDENT MITTERRAND AND M. CHEYSSON BOTH OF THE UK AID CONTRIBUTION AND OF THE CONSTRUCTIVE ROLE THAT BRITAIN CONTUNUES TO PLAY IN DEVELOPMENT QUESTIONS DESPITE THE CONSTRAINTS IMPOSED BY WIDER ECONOMIC CONSIDERATIONS. IT WOULD ALSO BE APPROPRIATE TO CONFIRM THE UK'S INTENTION TO PLAY AN ACTIVE ROLE AT THE CANCUN SUMMIT.

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16

ATTITUDES ON DEVELOPMENT ISSUES. WHILE THE US WAS NOT MENTIONED EXPLICITLY, AMERICAN POLICIES WERE CRITICISED BY IMPLICATION BY M. DELORS AT THE CONFERENCE ON THE LLDCS, AND OTHER FRENCH MINISTERS HAVE INVEIGHED AGAINST ATTEMPTS BY GOVERNMENTS TO SOLVE ECONOMIC PROBLEMS ON A PURELY NATIONAL BASIS AND EXPORT DIFFICULTIES. WHILE THE FRENCH PROBABLY FIND IT CONVENIENT TO ADOPT AN UNSYMPATHETIC TONE TOWARDS THE US IN FRONT OF THE THIRD WORLD, IT MIGHT BE WORTH SUGGESTING TO THE FRENCH SOME JOINT ENCOURAGEMENT TO THE US GOVERNMENT TO ADOPT A MORE LIBERAL APPROACH.

HIBBERT

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Foreign and Commonwealth Office

London SW1A 2AH

4 September 1981

Plans

Dear Caroline,

Anglo-French Summit: Ministerial Participation

Please refer to Francis Richards' letter of September to Michael Alexander.

I have provisionally arranged for British Ministers to see French Ministers as shown on the attached list. Unless I hear to the contrary by 6.00 pm on Monday 7 September, these times will be presented to the French.

I am sending copies of this letter to the Private Secretaries to the Chancellor of the Exchequer, to the Secretaries of State for Industry, Defence, Northern Ireland, Trade, Energy, Education and Science, Transport, to the Lord President of the Council, to the Lord Privy Seal, to the Minister for Agriculture, Fisheries and Food, to the Minister of State at the Department of Industry (Mr Tebbit) and to the Secretary to the Cabinet.

Your wer Tell.

Assistant Private Secretary

Miss Caroline Stephens 10 Downing St

	Anglo/French Bilaterals	
French Ministers	Thursday 10 September	Friday 11 September
Fiterman	5.30-7.00 with Mr Fowler	9.45-10.15 w. Mr Tebbit and Mr Biffen (1J, 1K, 3F)
Chevenement	4.00-5.00 with Mr MacFarlane (3H) + Mr Marshall .	9.15 with Sir K Joseph, Mr Tebbit and Mr Marshall (1H)
	5.30-6.45 with Mr Howell (3C)	9.45-10.15 with Mr Marshall and Mr Cooper (3G)
Cheysson	4.00-6.00 with Lord Carrington	?12.00-12.45 with Lord Carrington
Chandernagor	4.00-6.00 with Sir Ian Gilmour	9.45-10.30 with Sir Ian Gilmour
Delors	4.00-6.00 with Sir G Howe	9.30-10.30 with Sir G Howe ?12.15 with Sir G Howe + Mr Biffen?
Dreyfus	4.00-5.15 with Mr Biffen (1F) 5.45-6.45 with Sir K Joseph + Mr Tebbit (1F, 11, 3A)	



M. MITTERRAND'S DEBUT AS PRESIDENT

SUMMARY

- 1. After President Mitterrand's first 100 days in office it is time to examine his performance (para 1).
- 2. The Left's landslide victory in this year's elections has given President Mitterrand a free hand. He has skilfully avoided clearly defined policy commitments and, without himself pretending to be a centrist, has managed to create the impression that he leads a moderate administration (paras 2 and 3). The Socialist Parliamentary Group is being kept out of mischief by a heavy legislative workload. M. Mitterrand is likely to serve his full 7-year term but the long term character of his Presidency remains to be defined (paras 4 and 5).
- 3. There is considerable uncertainty about the way in which policy is shaped within the new government. The sweeping personnel changes in broadcasting, the police, the prefectoral corps and the higher reaches of the civil service together with the government's plans for decentralisation will prolong the period of administrative uncertainty (paras 6 9).
- 4. M. Mitterrand's foreign and defence policies are a blend of continuity and change designed to balance Socialist ideology and French national interests. Decisions difficult for France are not being faced. The true character of M.



Mitterrand's foreign policy will take time to emerge (para 10).

- 5. The economy, and in particular the fight against unemployment, is the key area of activity. M. Mitterrand himself has little feel for economics. The government's first short term package of economic measures has not checked the deterioration in the economic situation (paras 11 13). There is a strong ideological motivation behind some of the government's economic policies (paras 14 and 15). The test for the government's economic strategy is likely to come in the course of 1982. The prospects are not encouraging (paras 16 and 17). The farming lobby will continue to exercise disproportionate influence (para 18).
- 6. President Mitterrand has a very strong political position but has given highest priority to solving a very intractable problem, unemployment. It is difficult to believe he will succeed. Failure or part-failure would probably make it more difficult to extract positive decisions from France on awkward issues (paras 19 and 20).
- 7. The Anglo/French summit provides an important opportunity to try to persuade President Mitterrand that the achievement of his long term objectives requires the resolution of the outstanding community issues of interest to the UK (para 20).





BRITISH EMBASSY, PARIS.

2 September 1981

The Rt Hon The Lord Carrington KCMG MC Secretary of State for Foreign and Commonwealth Affairs Foreign and Commonwealth Office London SW1

My Lord,

- M. MITTERRAND'S DEBUT AS PRESIDENT
- 1. With the end of the holidays, M. Mitterrand's honeymoon period ("period of grace" in French parlance) is over. It is time to examine what he is doing.
- 2. It has been an odd experience to live in France for the past three to four months. The change from President Giscard to President Mitterrand, from right or centre right to left, was as decisive and total as it was unexpected, and yet the ordinary French citizen felt no material change. Disaster had been promised if the left won, but all that happened was a great increase in talk. The subject matter was mostly new; but the style, ex cathedra, based on a plethora of Ministerial pronouncements and press interviews, was recognisably Fifth Republican. The first point to make is that President Mitterrand's victory was so overwhelming that it left France stunned for a while, the left wing stunned with its own success and unreadiness for it, and the centre and right stunned by the size of their rout. M. Mitterrand was able to take his time in installing himself,

/setting



setting up his government and beginning to make policy, because his victory was quickly doubled. His immediate tactic of dissolving the National Assembly and calling fresh parliamentary elections succeeded even more totally than his own election to the Presidency. By 21 June the Socialist Party had an absolute majority in the National Assembly, an unbelievable luxury for a Socialist President. President Mitterrand became free to do what he liked, and he is still in that happy situation.

3. While spending his first weeks gathering the power needed for the first 5 years of his 7-year Presidency, M. Mitterrand deployed his considerable skills of ambiguity and impenetrability to elude clearly defined commitments. He says that he will carry out the commitments which he made in his election campaign, no less and no more. This is a vaguer undertaking than it looks. It distances him from the Socialist Party's manifesto; but the absence of any collection of his campaign speeches and broadcasts makes it difficult to say with certainty what he would regard himself as bound to implement. He seems to be in a position to pick and choose from the 110 propositions which the Socialist Party put forward in opposition. He makes no pretence of being a moderate or centrist, but in fact he makes it easy for those who wish to do so to conclude that that is what he is. His choice of M. Pierre Mauroy as Prime Minister and his willingness to devolve responsibility to him for the details of government have played an important part in creating an atmosphere of moderation in a climate of Socialist ascendancy. This is where the secret of M. Mitterrand's initial success lies. He has at his disposal a powerful and enthusiastic Socialist Party



with a strong left wing element and he takes care to cultivate it; but he has managed to give the impression that he is determined to be the arbiter of France's fate in the tradition of 5th Republic Presidents and that he will not be narrowly partisan. The opinion polls show that he has so far succeeded in keeping a solid majority of French opinion behind him.

- 4. As soon as the new National Assembly met, the government heaped work on to it. This keeps the many newcomers to the Socialist benches happily occupied. There was a first package of socio-economic measures (increase in social welfare benefits, measures to reduce unemployment and the revenue measures necessary to pay for these). There were the Amnesty Bill and the Bill to abolish the State Security Court. Then there was the radical (but not specifically socialist) proposal to decentralise France's administration, which will pre-occupy the National Assembly for many months as the full range of its implications unfolds. Promised for the autumn are measures to nationalise banking and certain key industries, a full debate on France's energy policy, various projects of legal reform, the customary processing of next year's budget and adoption of an interim 2-year plan. This is a busy legislative programme, but it does not of itself indicate with any certainty what sort of Presidency M. Mitterrand's is going to be. It is full of promise (or menace, depending on the point of view) but leaves many question marks over France's future shape.
- 5. It is the generally accepted view in Paris that M. Mitterrand's

/economic



economic policies will determine his future reputation and perhaps his fate (although it is difficult to see how, with so strong a parliamentary majority for the next five years, his fate could be other than to serve out his 7-year period). But before coming to economic questions I think it may be best to review briefly what is being done in two or three other fields.

6. The government as a whole does not have even yet any clear character. This is largely because no-one is sure how decisions are taken. Everyone knew under M. Giscard that decisions were taken only in the Elysée by M. Giscard himself, and the broad lines of the policy advice given by M. Barre and his ministerial team were very well known, as was the character of M. Giscard the decision taker. Everyone assumes that M. Mitterrand too intends to take all the essential decisions, but it is not known how he takes advice and from whom. M. Mauroy as Prime Minister seems to play a leading rôle, but he is not a Mitterrandist and it is not easy to see him balancing for M. Mitterrand the various forces and factions at work within the Socialist Party. The Elysée staff are not forthcoming about their relative functions and try as often as not to pretend that only the different Ministries and not the Elysée can answer for the government's actions. This is simply not credible in France. Until the degrees of influence enjoyed by President Mitterrand's senior collaborators become more defined, the government's character will remain uncertain. In theory M. Delors is master of the economy, M. Cheysson of foreign affairs, M. Hernu of defence and M. Dreyfus of industrial policy. These are all moderate men. But M. Jacques

/Attali



Attali sits in the room next to the President at the Elysée; M. Bérégovoy is very busy as Secretary General at the Elysée although it is uncertain what he is busy doing; M. Jospin has the key rôle of First Secretary of the Party; M. Joxe runs, and speaks for, the Socialist group in the National Assembly. These men are much more concerned with keeping a Socialist government in step with the Socialist Party; but the means by which they influence policy, first in the individual Ministries, then at the Matignon and finally at the Elysée, or more likely in the reverse order, remain to be identified. And there are other influential figures in the government, for example Mme Questiaux the welfare state conscience, M. Fabius who brings socialism to the budget and M. Chevenement the leader of the left-wing Ceres faction who now, as Mr Benn once did in the UK, promises to shape advanced technology and science in the service of socialism. M. Rocard, the moderate who challenged M. Mitterrand as presidential candidate, should not be forgotten as he sits, eclipsed for the time being, in charge of the State Plan. The significance of all these personalities in the formation of government policy has yet to emerge. For the present the government remains fairly shapeless and something of a conundrum.

7. Image-making is one of the first concerns of modern governments. The uncertainty about the government's character extends into this field too. M. Giscard filled the radio and television and much of the press with his own partisans. The Socialists used to complain bitterly about this and it was expected that there would be far-reaching changes if they came



to power. Now that the changes are occurring the question arises whether the Socialist Party is simply doing the same as Giscard or, having changed the leading men, is going to institute a degree of autonomy for the media. M. Mauroy insists that his intentions are honourable, but M. Mitterrand does not comment and the question persists whether a Socialist president and government can risk allowing the media to go free. It is promised that the reform of the Broadcasting Statute will be put before the National Assembly next spring. Judgement will have to be suspended until then on the degree of liberalism of which the Mitterrand régime will be capable.

8. The personnel changes which have been effected at the top of the broadcasting and TV companies have been paralleled in the Police and Prefectoral corps. Men who were known to enjoy M. Giscard's confidence have moved out, down or sideways: men who have enjoyed close relations with M. Defferre, the Minister of the Interior who has for long been Mayor of Marseilles, or who have worked well with other socialist magnates who are mayors of important towns, move up. These changes are the equivalent of the changes which occur in most countries when there is a change of ruling party. In the case of France, énarque tends to replace énarque. The chief significance of the changes at present is that there are a lot of learners in important jobs throughout France and this leads to a slow-down in administrative activity. The slow-down is made worse by the fact that outgoing Ministers and other office holders tend to remove or destroy all the papers held by their Cabinets, that is to say all the papers which they regard as "political". The new Cabinets find the cupboards bare



and have to start building their own dossiers with the help of the official archives of their Ministries and departments.

This helps to explain the slowness of the Mitterrand administration in getting going.

- It seems possible that the first three or so years of M. Mitterrand's presidency will be years of continuing administrative uncertainty and even confusion. The government committed itself in the opening session of the new National Assembly to carry through the complicated process of decentralising France's administration. The undertaking is immense as it is not simply a question of changing the name of the Prefects to Commissaires de la République and removing the powers which they enjoyed hitherto by virtue of being the executants of decision by local bodies as well as the executants of central government policies. Delicate questions of financial devolution and demarcation between the different levels of local assemblies remain to be resolved. No-one is sure how departmental and regional assemblies will behave when they sense that some genuine power has been given to them. M. Mitterrand appears to have set out to change the nature of France. Some doubt whether he really means it. Others doubt whether he will succeed. It is possible to say with certainty only that he has given himself an enduring internal pre-occupation which will demand a great deal of his political attention and energy as time goes on.
- 10. The continuing uncertainty about the true character of M. Mitterrand's administration extends also to foreign affairs



and defence. M. Cheysson is undoubtedly a very active minister of "external relations" (the term itself has an ideological value as it was first used in the First Republic). He has carried out a very full series of visits abroad, has received innumerable visitors to Paris and has issued a stream of somewhat garrulous statements on a wide range of foreign affairs questions. His message seems to be that French policy is going to be the same only different, that is to say it is going to be based as before on the "independence" of France but with new accents in East/West relations, in relations with the Third World and in human rights. It is not yet possible to be sure whether the elements of sameness will be more noticeable in action (as distinct from words) than the elements of difference. As far as action is concerned, the new French government has so far been anxious to avoid it, particularly in the European Community. The Community has been urged to become an auxiliary of President Mitterrand's anti-unemployment campaign by agreeing to set up a European social area, but this seems to be a case of setting up an alibi for the President rather than proposing a practical course of action; and the decision taking process remains in suspense on Europe's contentious dossiers. A close relationship with the Federal Republic of Germany (still "privileged" in all but name) remains a cardinal point of French policy because it gives France the capacity to manoeuvre with and against others. A good relationship with the United States is much prized at present because M. Mitterrand cannot afford to appear to be sympathetic to the Soviet Union while he is playing his complicated game with the French Communist Party. In other matters M.

/Mitterrand



Mitterrand appears to be feeling his way and M. Cheysson talking his way towards policies which will enable France to balance successfully between ideological attitudes dear to the Socialist Party and national interests which continue to impose themselves regardless of the government's political colour. The exigencies of this balancing act in the Middle Eastern, Southern African, Central American, Iraqi, Iranian and Asian questions have already filled many telegrams and letters to and from this post. Some aspects of the balancing act have been particularly meant to please the US government in order to compensate for the ideologically motivated policy innovations which rouse misgiving in Washington. These aspects have been extraordinarily well received abroad, for example the French government's support for NATO's Theatre Nuclear Force modernisation programme and France's more critical line against the Soviet Union on Afghanistan and Poland. I hope I shall not be thought churlish if I cast a shadow of doubt on the motivation behind these things. In Paris it seems obvious that principle plays less part and tactical considerations a greater part in them than the President and his government claim. The true character of the new France's foreign policy has yet to reveal itself. The process is likely to be slow, because M. Mitterrand's principal aim seems to be to keep the external world in play by declarations, promises and exhortations so that it does not obtrude too much on the work of reform being undertaken in France and perhaps even assists by easing some of the economic problems which reform seems bound to precipitate.



- 11. The key area of activity for M. Mitterrand is indeed the economy. During his election campaign he made a main issue of the "failures" of M. Giscard's and M. Barre's economic policy, with particular emphasis on growing unemployment, and he promised to create new employment if he was elected. He has continued ever since his election to make the fight against unemployment his main theme, while taking care to say that it would take time to correct the grave mistakes of the previous régime. There can be no doubt about M. Mitterrand's commitment to reduce unemployment. The doubt is about whether he can do it.
- 12. Even M. Mitterrand's closest associates do not pretend that he has a feeling for figures or economic management. He prides himself on being a creative man, a sort of political poet or artist, a man of ideas, a writer. There is a danger that he may not understand in any detail the complexity of the economic problems facing France. His attitude appears to be that he imagines and sets the political objective and others must then contrive the economic means. This is a dangerous starting point in an age of economic crisis.
- 13. The economy is the area in which the new government is likely to face its most severe and decisive test. It was clear that 1981 would be a difficult year for the French economy whichever way the elections went. The recession in most Western countries, the contraction in world trade, the increase in the foreign exchange cost of imported energy, the decline in EMS currencies against the dollar and the pre-electoral manoeuvres



of the previous government guaranteed that there would be some heavy bills to be paid later in the year. Since the election the foreign exchange markets and the Bourse have reacted adversely to the advent of an inexperienced government identified with ill-defined but far-reaching, radical innovations. A sharp fall in the franc immediately necessitated domestic support measures which, through record interest rate levels, have exerted a severe squeeze on company cash flow and profitability. The government's first, short-term, package of measures has so far not improved the situation. The increase in minimum wages has added to wage costs generally: ironically the most adversely affected are the smaller companies which the Socialist Party pledged itself to look after most carefully. The number of bankruptcies has risen sharply, in spite of the government's more accommodating policy on credit controls. Inflation is now creeping up and further fuel price rises which seem inevitable before the end of the year will make it worse.

14. The government's medium-term strategy (1982-83) includes nationalisations, decentralisation, reduction of working time, the creation of 210,000 jobs in the public sector and the introduction of a wealth tax. This strategy looks as if it too will run into contradictions between aims and results or between political ideology and reality. In accordance with the Socialist Party's longstanding election pledge, the government will introduce a draft bill in the autumn session of Parliament to nationalise nearly all the private sector banking and credit institutions, a number of major industrial



groups and the bulk of the steel industry. A series of options as to ways of achieving nationalisation was debated within the government, ranging from minority participation through increased capital funding to outright state ownership. Although the draft bill has not yet been finalised, it seems that the government will opt for the more extreme solution of one hundred per cent state ownership, largely it is said at the insistence of President Mitterrand himself. The moderates, notably the Ministers of the Economy (M. Delors) and the Plan (M. Rocard) appear to have been overruled. The trade unions have argued that nationalisation will bring important social advantages, but most people in France outside the Elysée and the radical wing of the Socialist Party doubt whether it will serve any useful economic purpose. The most that people are prepared to say in its favour is that it might not make much operational difference. The general conclusion is that the move will add to France's existing burdens and that the motivation for it is exclusively ideological: it is simply part of the Socialist (and Communist) legacy.

15. The government's plans for the introduction of a wealth tax also seem to be inspired by ideology. The tax is unlikely to be a major source of new revenue. Wealthy Frenchmen will continue to do all they can to conceal worldly wealth from the tax collector, although this now becomes a more hazardous activity as the Socialist Party has a long period of power in prospect. While promising to squeeze the rich the government is committed to introduce shorter working time, including a



35-hour week by 1985. This is being handled cautiously through negotiations between both sides of industry, and early retirement is being encouraged. The main pressure will fall on company managements.

- 16. The emphasis which President Mitterrand's administration is placing on short-term employment considerations and the maintenance of activity is in stark contrast to the policies of most other Western governments who consider that the longterm prerequisite for sustained growth and secure job creation is to master inflation. The French government's strategy reposes on the calculation, some would say gamble, that a modest degree of domestic reflation can be administered without an upsurge in inflation and imports. Past experience has shown that the French economy has various built-in factors which tend to produce relatively high and constant levels of inflation and a high propensity to import. It is hard to believe that these tendencies have been other than reinforced recently.
- 17. Although the French economy has been in recession during most of 1981, modest recovery in production is likely towards the end of the year due to the increase in domestic demand created by the government's measures to stimulate personal consumption and public works and the growth in external demand derived from deliveries on earlier contracts for major projects, aided by improved food exports. Next year this moderate recovery in output may be preserved provided the much-heralded upsurge in Western economies takes place and there are no

/sudden





sudden major oil price rises. On the other hand wage costs, the rate of inflation, the budget deficit and unemployment seem destined to rise next year, and there is so far little sign of a recovery in productive investment, a significant fall in interest rates or a return of business confidence. The exchange rate can be expected to come under further pressure as the competitiveness of French industry declines. This may lead to a franc devaluation, possibly within a general EMS realignment. If, as expected, the employment effects of the government's measures prove disappointing, the present wary cooperation of the trade unions could begin to wear thin. Senior French officials do not conceal the fact that the success or failure of the present strategy could turn upon wage moderation. Sooner or later, and probably in the course of 1982, the government is likely to have to make some hard choices between maintaining the rhythm of activity or controlling inflation, between social welfare and other spending, between the exchange rate and sustaining high domestic interest rates, between limiting wage rises and appeasing union demands, and between funding the public sector borrowing requirement and private industry. Perhaps President Mitterrand will succeed in steering French policy through this minefield. But experience since the War in other countries is not encouraging about the course he has chosen so far. If the experience of others is borne out in France, there may in time be a considerable weakening of the relatively robust French economy.

/18. In



- In the agricultural field, the government faces a special dilemma. M. Mitterrand and his ministers cannot fail to be conscious of the acute structural problems of French agriculture and the need to promote greater efficiency in certain sectors; but they also have to take account of the expectations of small farmers, whose incomes and living conditions they undertook during the election campaign to improve. The disturbances in the fruit and wine producing areas of the Midi, more severe than usual this summer, have reflected these greater expectations of government sympathy, as well as the usual frustration at low prices and increased imports. The Minister of Agriculture's performance so far has not inspired much confidence and she has almost certainly laid up difficulties for herself by widening the scope of consultation with farmers' organisations to include extreme left-wing bodies which hitherto enjoyed no official recognition. The Prime Minister showed himself no more robust .than his predecessors over the troubles in the Midi during the summer. The fact is that the new Socialist government cannot stand up to France's farmers any more than the previous government could. This is particularly true in the South-West from which so much of the Socialist Party's support comes.
- 19. Having written this despatch by putting the key economic problem last, it becomes possible to sum up by putting it first. President Mitterrand has acquired a political position of virtually irresistible strength, but he has set as his primary objective the reduction of something which may unfortunately prove to be relatively immovable, i.e., France's large total



of nearly 2,000,000 unemployed. It must be assumed that the Mauroy government will subordinate all other considerations to this domestic preoccupation. It is already possible to see the alibis being prepared in case of failure or partial failure the insistence on the unhelpfulness of the United States in maintaining high interest rates, the demand that the European Community should turn as a matter of priority to creating a European Social Area, the repetitive condemnation of the monetarist policies of others as having already failed. Nationalisation and decentralisation within France will provide diversions for demanding Socialist Party members. But eventually it will be the employment figure by which M. Mitterrand will have to justify himself. He may be lucky if the world economy takes a turn for the better. It seems more likely that he will find himself in increasing difficulties from next year onwards. It is not possible to predict how policy will evolve when the difficulties begin; but that is when the real character of the Mitterrand administration will begin to emerge.

20. For the moment France is in a stage of indecision as far as the issues which concern the UK are concerned. There will be a danger that, as France's economic difficulties grow more severe, France's indecisiveness will turn to negativeness. It seems important to try to engage the French government as soon as possible on the difficult outstanding Community issues so that they face the hard choices which need to be made before their domestic reforms run into trouble. For this reason, I

/think



think it is important that the Anglo-French summit is taking place next week at the earliest possible date, and I hope that it will be possible to use it to move M. Mitterrand and his colleagues towards the crucial Community decisions which they have so far avoided tackling. M. Mitterrand's France is, I fear, not going to be noticeably easier to deal with than M. Giscard's, although it will be less assertively abrasive. The root of the difficulty lies in the narrow franco-centrism of their outlook. France needs the outside world and is probably going to need it even more as her internal complications grow, but the new government believes like its predecessor that it can choose its path fairly freely and sees no need to hurry to concede anything to Britain. The problem facing the British Government is to find some way of convincing the French government that it will hardly be able to achieve its own long-term objectives unless it goes through the painful process of addressing itself also to the problems which interest Britain and finding an equitable solution for them.

21. I am sending copies of this despatch to Her Majesty's
Representatives at Community posts, Her Majesty's Ambassadors
at Moscow and Washington, the United Kingdom Permanent
Representative on the North Atlantic Council and Her Majesty's
Consuls General in France.

I have the honour to be Your Lordship's obedient servant

Reginald Hibbert

PRIME MINISTER

ANGLO/FRENCH SUMMIT: ARRANGEMENTS

Mag A.

I attach an outline of the programme for President Mitterrand's visit as it now stands. The changes from the programme which you saw earlier have been made in the light of M. Fiterman's participation. In particular, the plenary session on Friday has been shortened and an additional tete-a-tete between you and President Mitterrand inserted. I have assumed, in the light of our conversation on Wednesday, that you are prepared (if not overjoyed) to spend more time with the President.

In this connection, I am not sure whether you realised when you agreed to meet M. Mitterrand at Northolt that you would have to spend forty minutes in a car with him on the journey from Northolt to Downing Street and that we have no suitable, i.e. admoured, car with room for an interpreter. I fear there seems to be no way out of this. However, I have said that you would not go out to Northolt to say goodbye to M. Mitterrand but would bid farewell here at No. 10 after lunch on Friday.

Agree?

We discussed briefly the difficulty created by M. Fiterman's presence for the working lunch. The Foreign and Commonwealth Secretary thinks that it would be awkward to arrange the working lunch in such a way as to exclude M. Fiterman, who is the most senior of the Ministers accompanying the President. Perhaps the simplest solution would be to confirm your earlier agreement that everyone at the plenary would be welcome at lunch but to arrange the lunch at, say, three round tables of six or seven. We could then seat M. Fiterman at a different table from M. Mitterrand and yourself. Agree?

Flag B.

I also attach an annotated agenda for the discussions which will take place during the visit. Given the imperfect matching of Ministerial responsibilities, it was necessary to draft the agenda in more detail than usual. I have said that briefing should be completed on the basis of this agenda. Content?

Your briefing meeting for the visit will be held at 1630 on Wednesday 9 September. I suggest that all the Ministers participating in the talks should attend, i.e. the Foreign and Commonwealth Secretary, the Chancellor of the Exchequer, the Lord Privy Seal, the Secretaries of State for Trade, Industry, Energy, and Education and Science, the Minister of State (Mr. Tebbit) and the Parliamentary Under-Secretary of State (Mr. Marshall) at the Department of Industry. A few senior officials should, perhaps, also attend, i.e. Sir Robert Armstrong, Sir Michael Palliser, Sir Kenneth Couzens, HM Ambassador to Paris and Mr. Franklin. Agree?

Yes met

PROGRAMME

Thursday 10 September

1515	President Mitterrand arrives at Northolt. Met by the Prime Minister				
1600	Tete-a-tete talks				
1800	President Mitterrand leaves No. 10 for the French Ambassador's Residence				
1920	Arrival at the Albert Hall for Promenade Concert				
1955	Depart Albert Hall				
2015 for 2030	Dinner at No. 10				

Friday 11 September

0945	Tete-a-tete talks
1045	Plenary Session
1155	Depart No. 10 for Millbank Tower
1200	Joint Press Conference
1230	Return to Downing Street
1245 for 1300	Working Lunch
1445	End of official programme

ANGLO-FRENCH SUMMIT; ANNOTATED AGENDA

1. EUROP	EAN COMM	UNITY	TOPICS
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(a) 30 May Mandate		. M.	Cheysson : Chandernagor Delors	Lord Carrington Sir I Gilmour Sir G Howe
(b) Enlargement		М.	Cheysson Chandernagor	Lord Carrington Sir I Gilmour
(c) Improvement of Politoperation (if requi Brocket Hall)	red after	М,	Cheysson	Lord Carrington
(d) Future development Common Agricultural	of the Policy	M. M.	Chandernagor Cheysson	Sir I Gilmour Lord Carrington
(e) Future development Common Fisheries Po	of the		Chandernagor Cheysson	Sir I Gilmour Lord Carrington
(f) Trade Policy Issue	3_			
	- in general		М.	Delors .or	Mr Biffen Sir G Howe
	- Japan		М.	Dreyfus or	Sir K Joseph
	- MFA Negotiations		М.	Dreyfus of	Sir K Joseph
	- GATT Ministerial in Autumn 1982		М.	Delors or	Sir G Howe
(8	g) Common market in In	surance	M	Delors	Sir G Howe
(1	n) Scope for Community	Cooperati			
	in Research and Inn	ovation	М.	Chevènement	Sir K Joseph
(i	i) Problems of declini	ng industries	M.	Dreyfus	Sir K Joseph
()	j) <u>Air-fares</u>		М.	Fiterman	Mr Biffen
(k	European air-space		М.	Fiterman	Mr Biffen

2. INTERNATIONAL AFFAIRS

(a)	Relations with developing			
	countries (including Cancun Summit)	M.	Cheysson	Lord Carrington
(b)	Prospects for world economy	М.	Delors	Sir G Howe
(c)	Export Credits Consensus Rates	М.	Delors	Sir G Howe
(d)	Arms Control and Disarmament	Μ.	Cheysson	Lord Carrington
(e)	East/West Relations (including .	. 11		
	Poland)	М.	Cheysson	Lord Carrington
(1)	Afghanistan	Μ.	Cheysson	Lord Carrington
(g)	Southern Africa	M.	Cheysson	Lord Carrington
				''
(h)	Arab/Israel -	М.	Cheysson	Lord Carrington
(i)	Central American and Caribbean	М.	Cheysson	Lord Carrington

3. BILATERAL RELATIONS

(n)	Cooperation (including future of Angl French Industrial Cooperation	0-		
	Committee)	М.	Dreyfus	Sir K Joseph
			A STATE OF THE STA	
(b)	Defence and Security	M.	Cheysson	Lord Carrington
(c)	Civil Nuclear Collaboration	М.	Chevènement	Mr Howell -
				All Maries
(d)	Cross-channel link	M.	Fiterman	Mr Fowler
(e)	Defence procurement	М.	Dreyfus	Sir K Joseph

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- (f) Concorde and Airbus
- (g) Space
- (h) Research
- (i) Cultural Matters
- (j) Civil Service Exchanges
- (k) Franco-British Council

- M. Fiterman Mr Tebbit (and Mr Biffen)
- M. Chevènement (Mr Marshall or Mr Cooper, DOI)
- M. Chevènement Mr Carlisle (or (Mr MacFarlane)
- M. Cheysson Lord Carrington
- M. Cheysson Lord Carrington
 - M. Cheysson Lord Carrington

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Anglo-French Summit: Programme Changes

As you know, M. Fiterman will now be attending the Summit. This will involve curtailing the Plenary Session as suggested in Mr Cloke's minute of 21 August and endorsed in your reply of 26 August.

I accordingly suggest that the Plenary Session start at 1045 instead of 1030 and end at 1155 instead of 1210 when the Prime Minister and President Mitterrand would drive to Millbank Tower from the joint press conference at noon instead of 1215. They could then return to Downing Street about 1230 and the working lunch might be at 1245 for 1300.

Lord Carrington believes that otherwise the programme and arrangements for the Summit should stand as previously planned since any change from the normal pattern could give rise to questions and might be seen as a direct response to M. Fiterman's inclusion. For this reason he believes that the working lunch for all Ministers should remain. The problem of sensitive discussion is not an insurmountable one, one could for example place M. Fiterman at table as far as possible from the Prime Minister and President Mitterrand, though he is the most senior of the accompanying ministers. If, however, the Prime Minister particularly did not wish M. Fiterman to attend a working lunch at No 10 it would be possible for individual Ministers to entertain their opposite numbers, perhaps with Lord Carrington and M. Cheysson. joining Mrs Thatcher and M. Mitterrand, or - a simpler but perhaps less attractive alternative - there could be a small lunch for the four mentioned at No 10 with, for instance, the Chancellor of the Exchequer acting as host for the remaining Ministerial guests at Lancaster House.

The French Embassy are aware that we are putting these proposals to you and have made no comment. I should be grateful for the Prime Minister's approval.



I am sending copies of this letter to the Private Secretaries to the Chancellor of the Exchequer, the Secretary of State for Transport and the Secretary to the Cabinet.

Your ever

(F N Richards)
Private Secretary

Mike Pattison Esq 10 Downing Street LONDON SW1

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MR. ALEXANDER

Anglo-French Summit: Ministerial Participation

Mr. Richards' letter to you of 2nd September sets out the Foreign and Commonwealth Office's proposals for the participation of British Ministers in the Anglo-French Summit, now that the French have confirmed which of their Ministers will be attending. We have no comments on the FCO's proposals.

- 2. As regards attendance at the Prime Minister's briefing meeting on 9th September at 4.30 pm, we recommend that those Ministers listed in Mr. Richards' second paragraph should be invited (subject, of course, to any alterations which the Prime Minister may decide to make to the list) i.e. the Foreign and Commonwealth Secretary, the Chancellor of the Exchequer, the Lord Privy Seal and the Secretaries of State for Trade, Industry and Transport.
- 3. It would also be logical to invite those other Ministers who, subject to it proving possible to fit in the meetings, will be having bilateral discussions with French Ministers. The Ministers concerned (see Section 3 of the annotated agenda attached to Mr. Richards' letter) are:-

Secretary of State for Energy

Secretary of State for Education and Science (or the Parliamentary Under-Secretary of State, Mr. MacFarlane)

Minister of State, Department of Industry, Mr. Tebbit

Parliamentary Under-Secretary of State, Department of Industry,

Mr. Marshall

While it does not seem strictly necessary for a total of three Department of Industry Ministers to be present at the briefing, there are good reasons for their involvement in the discussions proper, and the Secretary of State for Industry hopes that it will be possible for Mr. Tebbit at least to be invited.

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- 4. As David Wright indicated in his minute A05425 of 7th August, we further recommend that Sir Robert Armstrong, Sir Michael Palliser, Sir Kenneth Couzens and Mr. Franklin should be invited to attend.
- 5. Once the Prime Minister has decided whom she wishes to attend the briefing meeting, we shall alert those concerned. You may wish to note that, after further discussion, the FCO have agreed to take on themselves the tasks mentioned at the end of the third and in the sixth paragraphs of Mr. Richards' letter.
- 6. Finally, the Departments concerned are now content that Item 3(e) of the annotated agenda (Defence Procurement) can be deleted. It had been included originally when the French Minister of Defence was expected to attend. The deletion is acceptable to the French.

Borry Hillon

B. G. Hilton

3rd September 1981



10 DOWNING STREET

See page 2, 3rd para.

Chris Tabb Frays Cabrinet

Office do not want to make

arrangements. Will N° 10?

Flore 3.9. 8

FCO will do - this'
perhaps me tell next week

Mul



Foreign and Commonwealth Office London SW1A 2AH

2 September 1981

Dear Michael,

Anglo-French Summit: Ministerial Participation

We have now a confirmed list of the French Ministers who will be attending the Summit. They are (in order of rank):-

M. Fiterman, Minister of Transport

M. Chevenement, Minister for Research and Technology

M. Cheysson, Minister for External Relations

M. Chandernagor, Minister in charge of European Affairs

M. Delors, Minister for the Economy and Finance

M. Dreyfus, Minister of Industry

This list has implications for the attendance of British Ministers. We think that it will no longer be necessary for Mr Nott or Mr Walker to take a formal part in the Summit talks, but that Mr Fowler should now be included. M. Chevenement does not have an exact British counterpart, but for Summit purposes we suggest that he be matched by Mr Biffen. The British side would then be (in order of French precedence):-

Mr Fowler
Mr Biffen
Lord Carrington
Sir Ian Gilmour
Sir Geoffrey Howe
Sir Keith Joseph

One complication is that M. Chevenement has suggested a number of specific subjects which he would wish to discuss with British Ministers and officials, some of them not dealt with by any of the British Ministers listed in the preceding paragraph. M. Jobert's absence is a further problem in that a number of agenda items would have fallen naturally to Mr Biffen to discuss with him. It may now prove impossible for Mr Biffen to take part in discussions of all these items with different French Ministers. The respective Private Offices will need to decide in consultation with the Cabinet Office, how best to arrange matters.

/President



President Mitterrand has said that he would be glad to have a second tete-a-tete with the Prime Minister on the morning of 11 September. It would be helpful to know if the Prime Minister would like one, say at 0945, so that we can finalise the programme.

I attach an annotated agenda setting out, following consultation with the French, which of their Ministers can be expected to discuss which items. We have further suggested which British Ministers - including those not formally participating - might be the best interlocutors on each subject and should be grateful for the Prime Minister's early approval of these proposals. Given the imminent deadline for the preparation of briefing, we have already been in touch with the Cabinet Office about further briefing to cover the additional agenda items proposed by the French.

If our proposals are accepted it will be a major undertaking to coordinate the separate calls to be paid by the various French Ministers. I suggest that the Cabinet Office are best placed to make the necessary arrangements. The times available are 1600-1900 hours on 10 September, and up to 1030 and between 1200 and 1245 on 11 September.

I am writing to you separately about the presence of the Communist Minister M. Fiterman, not least at the working lunch on 11 September.

For the dinner on 10 September, I suggest that, given the varying interests of the French participants, Mr Walker might still attend though there is no obvious reason for Mr Nott to do so. In his stead both Mr Howell and Sir Ian Gilmour might be invited. Of the four French Ministers who will not now be coming, one place will be taken by Mr Fiterman. I suggest that other places be taken by Mr Fowler and Mr Carlisle while the remaining place could be filled by one of the guests on the reserve list.

I am sending copies of this letter to the Private Secretaries to the Chancellor of the Exchequer, to the Secretaries of State for Industry, Defence, Northern Ireland, Trade, Energy, Education and Science, to the Lord President of the Council, to the Lord Privy Seal, to the Minister for Agriculture, Fisheries and Food, to the Minister of State at the Department of Industry (Mr Tebbit) and to the Secretary to the Cabinet.

(F N Richards Schards

M O'D B Alexander Esq 10 Downing Street

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Anglo-French Summit: Ministerial Participation

Attached please find annotated agenda inadvertently omitted from Francis Richards letter to Michael Alexander at 10 Downing Street of 2 September.

Private Office

3 September 1981

ANGLO-FRENCH SUMMIT: ANNOTATED AGENDA

	2 144 11			
-		EUROPEAN	COMMUNITY	TOPICS

	COLDINA COMMONITI TOPICS			
(a)	30 May Mandate	. M.	Cheysson : Chandernagor Delors	Lord Carrington Sir I Gilmour Sir G Howe
(b)	Enlargement	M . M .	Cheysson Chandernagor	Lord Carrington Sir I Gilmour
(c)	Improvement of Political Co- operation (if required after Brocket Hall)	М,	Cheysson	Lord Carrington
(d)	Future development of the Common Agricultural Policy	M. M.	Chandernagor Cheysson	Sir I Gilmour Lord Carrington
(e)	Future development of the Common Fisheries Policy	M. M.	Chandernagor Cheysson	Sir I Gilmour Lord Carrington
- (f)	Trade Policy Issues			
	- in general	М.	Delors .or	Mr Biffen Sir G Howe
	- Japan	M.	Dreyfus or	Sir K Joseph
an dear	- MFA Negotiations	M.	Dreyfus of	Sir K Joseph
	- GATT Ministerial meeting in Autumn 1982	М.		Sir G Howe
(g)	Common market in Insurance	M_	-Delors	Sir G Howe
(h)	Scope for Community Cooperation in Research and Innovation	М.	Chevènement	Sir K Joseph
				a doseph
(i)	Problems of declining industries	M.	Dreyfus	Sir K Joseph
	Air-fares			
A Land		М.	Fiterman	Mr Biffen
(k)	European air-space	M.	Fiterman ,	Mr Biffen

INTERNATIONAL AFFAIRS

(b) Defence and Security

(d) Cross-channel link

(e) Defence procurement

(c) Civil Nuclear Collaboration

(a)	Relations with developing			
E HELL	countries (including Cancun Summit)	M.	Cheysson	Lord Carrington
(b)	Prospects for world economy	Μ.	Delors	Sir G Howe
(c)	Export Credits Consensus Rates	M.	Delors	Sir G Howe
(d)	Arms Control and Disarmament	M.	Cheysson	Lord Carrington
		* 1		
(e)	East/West Relations (including			
	7 7 1	M.	Cheysson	Lord Carrington
(f)	Afghanistan	M.	Cheysson	Lord Carrington
(g)	Southern Africa	M.	Cheysson	Lord Carrington
				\\
(h)	Arab/Israel -	M	Cheysson	Lord Carrington
			one y pison	bord carrington
(i)	Central American and Caribbean	M	Cheysson	Lond Country
		. 111 .	Cheysson	Lord Carrington
BIL	ATERAL RELATIONS			
(n)	Possibilities for Industrial			
	Cooperation (including future of Anglo-			
	French Industrial Cooperation Committee)	11	Duguetus	01- 77 7- 1
	COMMITTEE,	M.		Sir K Joseph
		4	The state of the s	

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M. Cheysson

M. Fiterman

M. Dreyfus

M. Chevènement

Lord Carrington

Mr Howell -

Mr Fowler

Sir K Joseph

- (f) Concorde and Airbus
- (g) Space
- (h) Research
- (i) Cultural Matters
- (j) Civil Service Exchanges
- (k) Franco-British Council

- M. Fiterman Mr Tebbit (and Mr Biffen)
- M. Chevènement (Mr Marshall or Mr Cooper, DOI)
- M. Chevènement Mr Carlisle (or (Mr MacFarlane)
- M. Cheysson Lord Carrington
- M. Cheysson Lord Carrington
- M. Cheysson Lord Carrington

1 September 1981

Anglo/French Summit: Programme

Further to your letter to Willie Rickett of 25 August I am writing to record, as I have already mentioned on the telephone, that the Prime Minister would be content to accompany President Mitterrand to the Promenade Concert at the Albert Hall on the evening of Thursday 10 September. She would also be content for the dinner here which would follow immediately after the visit to the Albert Hall to be informal.

You undertook to reconsider urgently the working elements in the programme in the light of the confirmation that M. Fiterman will be participating. In particular you undertook to consider the implications for the working lunch.

MODBA

F.N. Richards, Esq., Foreign and Commonwealth Office.

RESTRICTED

Q.



Foreign and Commonwealth Office

London SW1A 2AH

28 August 1981

W S Ryrie Esq CB HM TREASURY

for Min.

ANGLO/FRENCH SUMMIT: 10-11 SEPTEMBER

Thank you for your letter of 25 August to Antony Acland. We entirely agree that we should now proceed on the basis you outline. It is not usual to have formal communiqués at Anglo/French Summits and we do not expect there to be one on this occasion. There will, however, be the usual joint press conference; we do not intend to brief the Prime Minister to raise the cross channel fixed link at this.

Michael Palliser

cc: Sir Robert Armstrong KCB CVO Sir Kenneth Clucas KCB CABINET OFFICE

Sir Douglas Wass GCB HM TREASURY

Sir Frank Cooper GCB CMG MINISTRY OF DEFENCE

Sir Donald Maitland GCMG OBE C A Whitmore Esq DEPARTMENT OF ENERGY

Sir Brian Hayes KCB

Sir Peter Carey KCB DEPARTMENT OF INDUSTRY DEPARTMENT OF TRADE

Sir Peter Baldwin KCB DEPARTMENT OF TRANSPORT

P J Woodfield Esq CB CBE NORTHERN IRELAND OFFICE

10 DOWNING STREET

PRIME MINISTER

Anglo/French Summit: Programme

I attach a letter from the Foreign Office with a suggested programme for this summit. There are three particular points you should consider.

- (a) President Mitterrand is thinking of going to the Promenade
 Concert at the Albert Hall on the evening of the first day.
 The Orchestre de Paris are playing Debussy's "La Mer" which
 lasts about 20 minutes. I understand from the FCO that
 the President will only decide to go if you wish to accompany
 him. Would you like to do this?
- (b) Would you like the dinner with President Mitterand to be formal or informal? The French Embassy say they would prefer dark suits, which we take to mean informal.
- (c) You will see that there is a plenary session planned for the morning of the second day. You and the President will leave this session for a Press Conference at Millbank Tower before returning for a working lunch. Are you content for the plenary session to continue in your absence, and for all those present at the plenary to attend the lunch? Yes Are you happy for officials to attend the working lunch? Yes

Are you content with the rest of the programme?

Yes

argn

ms.

28 August 1981



10 DOWNING STREET

From the Private Secretary

MODBA to see o/R

MR CLOKE CABINET OFFICE

Mr. Rickett minuted you on 26 August in reply to Sir Robert Armstrong's minute of 21 August about the Anglo/ French Summit.

Sir Robert rang from Switzerland this evening to report that he had now been in touch with his French opposite number. M. Beregovoy had confirmed that the President will be accompanied by six Ministers as follows:-

- M. Cheysson
- M. Delors
- M. Dreyfus
- M. Fiterman
- M. Chandernagor
- M. Chevenement

I understand that M. Beregovoy confirmed that the President entirely understood that these arrangements would lead to a rather more limited plenary discussion and greater emphasis on bilateral discussions between Ministers.

I am sending a copy of this minute to Francis Richards (Foreign and Commonwealth Office).

W.F.S. HICKEL

M. M. PATTISON

cc FCO

MR. CLOKE CABINET OFFICE

The Prime Minister has seen your minute of 21 August to Clive Whitmore, reference A05448, reporting Sir Robert Armstrong's discussions with Monsieur Beregovoy.

On the question of the attendance of Monsieur Fiterman at the Anglo-French Summit, she is content for Sir Robert to take the line set out in paragraph 3 of your minute. She has however commented that if Monsieur Fiterman does attend the Summit, it will alter the character of the plenary, and increase the time devoted to bilateral discussions between Ministers.

I am copying this to Francis Gichards (FCO).

W F S RICKETT

SP.

26 August 1981

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2- 6.5.

nn Alexander (0. v) The Pm win be in summed by the time these briefs arrive; but she will de back in Landon on monday 7 September. Cabinet Office, you may wish to consider whener clive sens take he briefs to Balmoral to he PM can Fer hem at he weekend, margh she is, PS(81) 18 unlikely to have much time to do so.

70, Whitehall, London SW1

25th August, 1981

while

Dear Private Secretary,

Anglo-French Summit: 10th-11th September 1981

This letter sets out the briefing arrangements for the Anglo-French Summit from 10th to 11th September.

Objectives for the Summit are at Annex A. A list of briefs to be prepared, with an indication of Departmental responsibility, is at Annex B. Instructions on format are at Annexes C and D. Those preparing briefs should note carefully the details on the format of briefs set out in Annex C, particularly (b) on the structure of briefs.

85 copies of each brief should be sent to the Cabinet Office as soon as they are ready, and should in any event arrive no later than 12.00 noon on Friday, 4th September. They should be addressed to Mr. W. Ewing in Committee Section, who should be consulted (tel. no. 233 7628) about any technical points arising.

I am sending copies of this letter to the Private Secretaries to Sir Michael Palliser, Sir Douglas Wass, Sir Frank Cooper, Sir Kenneth Clucas, Sir Brian Hayes, Sir Peter Carey, Sir Donald Maitland, Sir Peter Preston, Mr. P.J. Woodfield, Sir Kenneth Couzens, Sir Ian Bancroft, Sir Kenneth Barnes, Sir Peter Baldwin and Mr. Robin Ibbs, and to Willy Rickett, No. 10.

Yours sincerely,

(Signed) C.G. CLOKE Assistant Private Secretary

ANNEX A

ANGLO-FRENCH SUMMIT 10th-11th SEPTEMBER 1981

A. PRIMARY UNITED KINGDOM OBJECTIVES

- 1. To consolidate the Prime Minister's relationship with the new President; to establish a working relationship with the new French Prime Minister (if he attends); to establish or consolidate relationships between other participating Ministers.
- 2. To establish areas of common interest and thus of potential co-operation to our mutual benefit over a wide range of bilateral, Community and international issues, while the policies of the new French Government are still being formulated.
- 3. To explore French thinking on the future direction of Community development and explain our own overall view.
- 4. To explain our general approach to the 30th May Mandate and to seek agreement on the desirability of further informal bilateral contacts on this subject.
- To promote a constructive attempt to reach agreement on a revised
 CFP through contacts on fisheries.
- 6. To exchange views on East/West relations, with particular regard to arms control and to the situation in Poland and Afghanistan.
- 7. To discuss the international economic and monetary situation, including North/South issues, in advance of the Cancun Summit in October.
- B. SUBSIDIARY UNITED KINGDOM OBJECTIVES
- To discuss prospects for a European contribution to Middle East peace efforts and encourage French adherence to current European policy.
- 2. To seek a common approach to African problems and in particular to minimise the risk of divergence over policy on South Africa and Namibia.
- 3. To discuss the prospects for reaching agreement on new terms for international consensus rates of export credit and to urge upon the French that any future Government-supported credits for the Soviet Union should attract interest not below those rates.

- 4. To encourage the French to agree to a modest strengthening of the system of political co-operation.
- 5. To co-ordinate positions on forthcoming international trade negotiations.
- 6. To remind the French that our interests on nuclear and non-nuclear defence and arms control questions overlap and to impress on them the desirability of closer co-operation in these areas.
- 7. To consider the possibilities for industrial collaboration between Britain and France (e.g. fast breeder reactor) and to try and encourage the French to have an open policy towards inward industrial investment at the present time.
- 8. To have a preliminary high-level discussion of the prospects for a cross-Channel fixed link.
- 9. (Possibly) to try to influence the attitude of the French Government to the Northern Ireland issue.

A. PROBABLE PRIMARY FRENCH OBJECTIVES

- 1. While presenting French intentions over the development of United Kingdom/France relations in a positive light, to keep all France's options open until prospects for the negotiations on key Community issues are clearer.
- 2. While seeking to improve the atmosphere of Anglo-French relations, to maintain a clear distinction between them and the importance which France continues to give to her relations with the FRG, both for their own sake and in order to avert the emergence of common United Kingdom/FRG positions at France's expense.
- 3. On Community issues to probe the British position while revealing as little as possible of the French hand and avoiding any commitments over restructuring, CAP reform or the CFP.
- 4. To demonstrate a widespread measure of agreement on broad international issues (East/West, Afghanistan, TNF, Arms Control) partly to stress the continuity and respectability of the new Socialist Government and partly to counterbalance less helpful attitudes in fields where French interests are directly at stake.

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B. PROBABLE SUBSIDIARY FRENCH OBJECTIVES

- 1. To canvass support for President Mitterrand's own ideas on the future direction of the Community, including the concept of the "espace sociale Europeenne" (and ensuring the implementation of the social volet for steel).
- 2. To press French views on the importance of developing a more co-operative relationship with the Third World.
- 3. To enlist United Kingdom support for restrictive attitudes towards Japanese trade and investment, MFA renewal, the 1982 GATT Ministerial meeting and (possibly) United States trade policies.
- 4. To air concern about international exchange rate fluctuation and United States interest rates and to co-ordinate views on the forthcoming IMF/IBRD annual meeting.
- 5. To clarify the work and timetable of the Anglo-French Industrial Co-operation Committee; to press for the United Kingdom to participate in the early launching of the Airbus A320 project.

ANNEX B

LIST OF BRIEFS FOR ANGLO-FRENCH SUMMIT 10th-11th SEPTEMBER 1981

UMV(81)	Subject	Lead Department	In consultation with
1.	Steering Brief	FCO	as appropriate
2.	European Community Questions		
	(a) Community Steering Brief	FCO	as appropriate
	(b) 30th May Mandate	FCO	Treasury
	(c) CAP Reform	MAFF	FCO
	(d) Social Policy	Employment	FCO
	(e) Common Fisheries Policy	MAFF	FCO
	(f) Enlargement	FCO	
	(g) External Trade Issues	Trade	FCO
	(h) Political Co-operation	FCO	
	(i) Insurance	Trade	FCO
	(j) Research and Innovation	Industry	FCO
	(k) Air Fares	Trade	FCO
	(1) Declining Industries	Industry	FCO
3,	Interest Rates, Exchange Rates and the World Economy	Treasury	as appropriate
4.	Relations with Developing Countries, including Cancun Summit	FCO	
5.	Export Credits Consensus Rates	Treasury	FCO
6.	Defence, including Collaboration and Procurement Matters	n MOD	as appropriate and Industry
7.	Arms Control	FCO	MOD

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UMV(81)	Subject	Lead Department	In consultation with
8.	East/West Relations, including Poland	FCO	
9.	Afghanistan	FCO	
10.	Southern Africa	FCO	
11.	Arab/Israel	FCO	
12.	Central America and Caribbean*	FCO	
13.	Bilateral Relations		
	(a) Possibilities for Industrial Co-operation including Civil Nuclear Collaboration and Futur of Anglo-French Industrial Co-operation Committee	e	Energy
	(b) Franco-British Council*	FCO	
	(c) Civil Service Exchanges*	CSD	FCO
	(d) Cross-Channel Fixed Link	Transport	FCO Treasury
14.	Northern Ireland	NIO	FCO
15.	France: Internal Political Scen	ne FCO	
16.	United Kingdom and French Economies*	Treasury	as appropriate

^{*}Proposed as background briefs

ANNEX C

INSTRUCTIONS ABOUT FORMAT

All briefs should be laid out in the same way with a top page in accordance with the specimen layout at Annex D. Those preparing briefs should pay particular attention to ensuring that the following instructions are fully observed:

Content

- (a) Briefs should be concise. Each brief should if possible be no more than four sides long.
- (b) The main body of each brief should comprise two sections, a concise list of Points to Make, followed by a factual Background section which distinguishes clearly between information which can be freely used and information which should not be disclosed.
- (c) Briefs should be complete and self-contained with all the information required on that particular subject. Briefs should not be divided into separate self-contained sub-sections.

Layout

- (d) Briefs should be typed in double spacing, using both sides of the paper.

 Pages should be numbered at the foot of each page.
- (e) As shown in the specimen at Annex D, the top page only of each brief should contain the following details: the symbol and number of the brief in the top left-hand corner (e.g. UMV(81) 10) with the date of production below: a copy number in red at the top right-hand corner; the visit heading; the title of the brief (in capitals) and the name of the Department responsible.
- (f) At the foot of the last page and on the left-hand side, briefs should bear the name of the originating Government Department and the date of origin.

Reproduction

(g) Briefs should be reproduced throughout on white paper, with each page bearing a security classification at top and bottom (as in Annex D). Care should be taken that the reproduction method employed results in clear readable copies. (h) It is important that on arrival at the Cabinet Office, briefs should be complete in all detail - collated, stapled and copy numbered and ready for immediate circulation.

Updating

- (1) If late developments require a brief to be amended or updated, an addendum should be prepared. It should be set out in the form described at (e) above, with the brief number (e.g. UMV(81) 10 Addendum) and title to which it relates at the top of the front page. The Private Secretary to the Secretary of the Cabinet should be informed when an addendum is in preparation. Revised briefs and corrigenda should be similarly treated.
- (j) Additions to the list of briefs in Annex Brequire the authorisation of the Private Secretary to the Secretary of the Cabinet.

/CLASSIFICATION/

ANNEX D

THIS DOCUMENT IS THE PROPERTY OF MER BRITANNIC MAJESTY'S GOVERNMENT

UMV(81) /Serial Number as specified in Annex _/ COPY NO. /in red///Date/

ANGLO-FRENCH SUMMIT 10-11 SEPTEMBER 1981

Leave 12" margin/

[SUBJECT! /Insert subject in capitals/

Brief by /name of originating Department, eg Foreign and Commonwealth Office/

/At the foot of the last page: -/

Originating Government Department, eg Foreign and Commonwealth Office or Department of Industry, not a subordinate section or division/

/Date of origin/

/CLASSIFICATION/



France

SIR ANTONY DUFF

Anglo/French Summit: 10/11 September

Thank you for your minute of 19 August, reference AO5444.

In general, the Prime Minister is content with the arrangements for the Summit set out in your minute, and with the proposed agenda, objectives, and list of briefs.

She has, however, commented that some of the briefs need not be exhaustive, since she has covered much of the ground with President Mitterrand already. In particular, you will wish to be aware that the Prime Minister doubts whether there is anything new to say under the heading, "Improvement of Political Cooperation" in the EE topics, and that she has already, on two occasions, "exchanged views on East/West relations, with particular regard to arms control and to the situation in Poland and Afghanistan".

WFSR

25 August 1981

CONFIDENTIAL

VILLE



H M Treasury

Parliament Street London SWIP 3AG

Switchboard 01-233 3000 Direct Dialling 01-233

W S Ryrie CB Second Permanent Secretary Domestic Economy

25th August 1981

Sir Anthony Acland KCVO CMB Foreign & Commonwealth Office LONDON SW1A 2AH

Dea Acland,

ANGLO-FRENCH SUMMIT: 10-11 SEPTEMBER

I have just seen Peter Baldwin's letter of 21st August. We remain of the opinion that for us to put this question on the agenda would run the risk of giving the French a false impression and would put the Prime Minister in a somewhat awkward position because most of what she will have to say will sound either negative (following our proposal to put it on the agenda) or inconsequential (merely a suggestion that Mr Fowler and M. Fiterman should have technical talks). As you said in your note of 17th August to Robert Armstrong, there will obviously have to be a brief on the subject and we would have preferred it to be left to the Prime Minister to decide whether the raise the question without formally placing it on the agenda.

At the same time, I recognise the point of view that putting it on the agenda will make it more likely that the matter will come up in a controlled way, giving the Prime Minister the opportunity to make sure that our position on financing is clearly understood by the French Government.

Another reason for wanting it off the agenda, however, is that we should not want the subject mentioned in the communique. I have spoken to Peter Baldwin who agrees with this. Mention in the communique would tend to give the matter a momentum which we are anxious to avoid and risk misunderstanding. But if we can avoid it appearing in the communique even though the item is on the formal agenda, I should not wish to press our objection to it being on the agenda. Perhaps we can proceed on this basis. I assume we shall all have an opportunity to comment both on drafts of the briefs for the Prime Minister and on the draft of a communique which I assume will be prepared in advance.

cc Sir Robert Armstrong KCB CVO

Sir Douglas Wass, GCB

Sir Frank Cooper GCB CMG Sir Donald Maitland CGMG OBE

Sir Brian Hayes KCB

Sir Peter Carey KCB

Sir Kenneth Clucas KCB

Sir Peter Baldwin KCB P J Woodfield, Esq CB CBE

C A Whitmore, Esq



Foreign and Commonwealth Office

London SW1A 2AH

25 August 1981

Dear Willie,

Anglo/French Summit: Programme

You wrote to me on 13 July about the programme for the Anglo/French Summit meeting on 10-11 September. I now attach an outline programme for the Prime Minister's approval. In particular, I should welcome your advice on the suggestion that the Prime Minister accompany President Mitterrand to the Promenade Concert, if the President goes (he has not yet committed himself to doing so). You will appreciate that the timings are only provisional at this stage. Our protocol and Conference Department are in touch with you separately about some of the details. We have also sent you a proposed guest list for the Prime Minister's dinner.

We have discussed the outline programme with the French, stressing that the details are still subject to the Prime Minister's approval. We do not expect any substantial French reactions until towards the end of next week.

(F N Richards) Private Secret

W Rickett Esq 10 Downing Street



Thursday 10 September

1515	President Mitterrand arrives at Northolt.
	Met by the Prime Minister, either at Northolt or at Kensington Palace.
1600	Tete-a-tete talks.
	Other Ministers will hold individual talks but could be invited to join the two leaders at No 10.
1800	President Mitterrand leaves for the French Ambassador's Residence.
1920	Arrives at Albert Hall for Promenade Concert. [The Orchestre de Paris are playing a French programme: the first item is Debussy's 'La Mer' lasting about 20 minutes.]
1955	Leave the Albert Hall.
2015 for 2030	Dinner given by the Prime Minister at No 10 Downing Street.

Friday 11 September

The early morning will be free for further individual talks between the Ministers. Unless the Prime Minister wishes for a further tete-a-tete, President Mitterrand could receive calls from leaders of the Opposition Parties at this time.

1030 Plenary Session at No 10 Downing Street.

1210 President Mitterrand and the Prime Minister leave for Millbank Tower.



1215

Joint Press Conference (simultaneous interpretation).

1245 approx

Return to Downing Street

1300 for 1315

Working lunch given by the Prime Minister. Official programme ends after lunch.

NOTE FOR RECORD

I visited M. Beregovoy, the Secretary General to the Presidency of the Republic, in Paris on Thursday 20th August, 1981. The main points which arose out of the discussion were as follows.

- 2. Arrangements for the bilateral Summit on 10th and 11th September.
- 3. I said that the Prime Minister was much looking forward to welcoming the French President to London on 10th and 11th September, and to continuing and broadening the discussions which they had already had bilaterally at Luxembourg in the margins of the European Council and after the Royal Wedding in London. M. Beregovoy said that the President was much looking forward to his visit.
- I said that the Prime Minister would be supported by the Foreign and Commonwealth Secretary, the Chancellor of the Exchequer, the Secretary of State for Industry, the Secretary of State for Trade, the Secretary of State for Defence and the Minister of Agriculture. M. Beregovov said that the President had not finally decided who should come with him. He would attach primary importance to his own conversation with the Prime Minister. I said that the Prime Minister would welcome that, but would nonetheless hope that he would be accompanied by a number of his Ministerial colleagues: these bilateral meetings provided opportunities for thickening and broadening the intergovernmental relationships between the United Kingdom and France, and that objective was best served if Heads of State or Government were accompanied by a number of their colleagues who could pursue separately detailed bilateral questions. M. Beregovoy thought that the President was likely to be accompanied by the Foreign Minister, the Minister for the Economy and Finance, the Minister of Agriculture, the Minister of Defence and the Minister for External Trade. When, later in the discussion, we agreed that questions of bilateral co-operation in the field of research and technology might well be pursued, M. Beregovoy said that in that case the President might well be accompanied by M. Chevenement. The Minister for Industry might also come.

- 5. As to subjects of discussion, we agreed that the Summit would provide a chance for the President and the Prime Minister to exchange views about European Community questions of common interest, and particularly about the mandate of 30th May, the problem of budgetary balances and CAP reform. I said that the Prime Minister attached great importance to making progress rapidly in the discussion of these matters, with a view to reaching solutions, or getting within sight of them, by the end of the year. M. Beregovoy indicated that the President understood and sympathised with the wish to resolve these questions quickly, and to find lasting solutions.
- I said that the Summit would provide an opportunity to discuss possibilities of specific bilateral co-operation. M. Beregovoy said that the President would welcome that. He commented that, although President Giscard had enjoyed a reputation for success in his international activities, the fact was that in his Presidency relations had not been good either with the United Kingdom or with the United States, or indeed with other principal allies except for the Federal Republic of Germany. President Mitterrand was looking forward to improving those relations. It should be possible to achieve a significant improvement in bilateral relationships between such old allies as the United Kingdom and France. He seemed to expect that the best opportunities for bilateral co-operation were likely to be in the field of technology and research, though he also saw possibilities in the field of cultural relations. I asked whether the fast reactor was an area in which he thought that co-operation might be possible. He did not exclude it, but he said that this area was not likely to be immediately available: the next "window" for introducing some co-operation in that area might not open until 1982 or 1983. He nevertheless thought that the field of energy should offer possibilities for bilateral co-operation. It was a matter to which France, lacking North Sea oil, attached a great deal of importance. On the development of civil nuclear energy the new administration was continuing projects already in train, though they had put a freeze on the development of six new PWR's for the time being. Apart from this he was not specific about areas in the field of energy in which he saw possibility for bilateral co-operation.

- 7. I said that the Prime Minister might well wish to exchange views with the President about the prospects for agreement on a common fisheries policy. We thought it unlikely that they would wish to go into detail on the subject; that would no doubt be left to the Minister of Agriculture and his French counterpart.
- 8. M. Beregovoy and I agreed that the President and the Prime Minister would wish to continue their discussions of East/West relations, including Poland. On that M. Beregovoy, speaking personally, was pessimistic about the prospect, thinking it likely that the Soviets would eventually be obliged to intervene and fearing the destabilising effects which that would have.
- 9. We also agreed that the President and the Prime Minister should talk about Middle Eastern questions.
- 10. M. Beregovoy thought that the President would want to talk to the Prime Minister about economic problems, including the effects of the high level of United States interest rates. He remained very concerned about the effects of the United States interest rates on the European economies and exchange rates. He had noted a recent speech by President Reagan which suggested that President Reagan was also concerned about the effects that high interest rates were having, in the United States as well as elsewhere, and might be thinking in terms of some easing. I said that, if that was so, it would be welcome; but a decision by the American administration deliberately to engineer a reduction of interest rates, rather than allowing such a reduction to follow from the implementation of its general policies would represent a change from the position which President Reagan had expressed in Ottawa.
- about the high and rising level of unemployment in France, though he recognised that it was even worse in the United Kingdom. He might well wish to exchange views with the Prime Minister on this subject. M. Beregovoy also asked about our problems of the inner cities. I said that the rioting of July had not continued into August; but the underlying problems of dereliction and deprivation of the inner cities remained grave, and the Government would be having to consider, once the summer holiday was over, whether measures could be taken to relieve the problems of the inner cities and to encourage industrial and other investment in them, and if so what form those measures should take.

ECONOMIC SUMMIT

- 12. M. Beregovoy and I were joined for a few minutes by his colleague M. Attali. M. Beregovoy and M. Attali had made it clear that they were conscious of the responsibilities which went with President Mitterrand's invitation to his colleagues to attend the next Economic Summit in France; M. Attali would hope to discuss with me during September, perhaps in the margins of the bilateral Summit, how best to make preparations for the next Economic Summit, having regard to the general desire expressed at Ottawa to maximise their informality and minimise their bureaucratisation. IRAN
- 13. It was evident that the problems which the French Government had encountered with Iran were much in M. Beregovoy's mind. He said that the arrival in France of Mr. Bani-Sadr had not been unexpected, though they had not known exactly when he was likely to come. The President had decided at once that he should not be extradited to Iran. It was at a difficult time: Mr. Bani-Sadr had arrived on a Wednesday; the French Government had realised that the decision not to extradite him would aggravate their relations with Iran, and had considered what action was open to them to protect their people in Iran and were worried about a repetition of the problem of the American hostages. They had quickly concluded that there was no course open to them but to withdraw as many people as possible and reduce the size of their Embassy to a minimum. The Islamic party had tried to obstruct their departure, but the Iranian Government had then expelled them, which in a sense had played into the hands of the French Government. At the moment when they were discussing what to do about their people in Iran, it was reported that the three "vedette's" were ready for delivery and they had to take a decision on what to do about that. Then had followed the hijacking of one of the "vedette's"; but that incident too was now over, the vessel had been handed back to the Iranian Government, and those of its hijackers who wanted to stay in France would be allowed to do so.

- 14. I asked whether the presence of Mr. Bani-Sadr was an embarrassment to the French Government. M. Beregovoy said that it was not really much of an embarrassment. They did not mind too much if he talked to the Press. His expulsion from Iran had in a way been even more symbolic than that of the Shah, because he had been at the heart of the Iranian revolution.
- 15. M. Beregovoy said that the President did not think that Mr. Bani-Sadr had much future in Iran. He did not know who had. The revolution there seemed to devour and destroy its leaders in succession. It had to take its course, but no one could see how it would end: it might end in some kind of autocracy, or in the disintegration of Iran.

NORTHERN IRELAND

16. I said that the British Government were as anxious as anyone that the hunger strikes in the Maze Prison should be brought to an early end, and were doing what they could in that regard. We could not concede the "five demands" because that would be in effect to concede political status, and it would encourage further violence. The British Government was grateful for the position taken by the French Government in relation to the situation, as represented by what the Foreign Minister had said in the Assembly on 15th July. M. Beregovoy said that the French Government were anxious not to make things difficult for the British Government, and realised that it was an issue for us alone. Nevertheless he wanted me to be aware of the great difficulties which it presented for the French Government. The deaths of the hunger strikers were a highly emotional issue, to which French public opinion was very sensitive. Both the President and Madame Mitterrand were receiving many letters on this subject. Speaking personally, he hoped that the British Government would do all that they could to bring the hunger strikes to an early end; and he made it clear that in his view that did not exclude conceding the five demands. I reiterated that it was not possible to concede political status. or anything equivalent to that. Conditions in the Maze already brought favourable comparison with conditions in other prisons, not only in the United Kingdom but elsewhere. It was necessary to maintain the authorities!

control of the prison regime. The British Government also had to have regard to the reactions of the Protestant community in Northern Ireland. community had shown before that, if pushed too far, they could react in a way which in effect made Northern Ireland ungovernable. M. Beregovoy then changed tack, and said that the problem of the hunger strikers was less important than the fundamental problem of Northern Ireland. He thought that this required a new political initiative by the British Government, though he had no idea what that could be. I took M. Beregovoy as briefly as possible through some of the history and the background on this subject, explaining the problems of any political initiative. I reminded him that we had only recently revived the proposal for a consultative assembly, but the various parties in Northern Ireland were not showing much enthusiasm for it. I said that the Prime Minister would hope to continue with Dr. FitzGerald the improvement in Anglo-Irish relations begun under Mr. Haughey. I surmised that there was likely to be an Anglo-Irish bilateral Summit before the end of the year, which might perhaps take the Anglo-Irish joint studies launched in Dublin last December a stage forward. It was in that direction that the prospects of progress appeared to be most likely, although progress would have to be made by very slow and gradual stages. The news of the death of Michael Devine had in fact come out just about the time I arrived in Paris. I was told just before I left the Embassy for my conversations with M. Beregovoy that they were expecting demonstrations outside the Embassy: but these had not materialised by the time I left Paris at 3.30 pm.

(Robert Armstrong)

21st August, 1981

CONFIDENTIAL Contint for Robert Armstrang

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As I told you, Monsieur Beregovoy, the Secretary-General of the Elysee, expressed a wish when we met in Ottawa to have a longer talk than was possible there, and subsequently invited me to go over for a conversation. I did this on 20th August; I attach a note recording what transpired.

- When we were discussing attendance at next month's bilateral Summit in London, Monsieur Beregovoy asked what would be our views on the inclusion among the Ministers accompanying the President of Monsieur Fiteman, the Minister of Transport. Monsieur Fiteman is of course one of the Communist members of the Government. He has already been over to London for talks with Mr. Fowler, but Monsieur Beregovoy obviously felt that his inclusion in the party for the Summit could create embarrassment for us, and the President would not press for his inclusion if that would create problems for the Prime Minister. If he came, Monsieur Fiteman would not be included in the discussions of any sensitive matters. I said that I would take instructions, and let him have an answer by telephone.
- I should be grateful if you would let me know how the Prime Minister would feel about this. It seems to me consistent with our general line that we should say that it is entirely up to the President whom he brings; but Monsieur Fiteman and Mr. Fowler have already had bilateral discussions; and that, if there are matters in the transport field which the French Government would like to pursue in the context of the Summit, we should be content to see Monsieur Fiteman included and to include Mr. Fowler; but that the President will no doubt understand that his inclusion in a plenary session would preclude any reference to sensitive matters at such a session.
- If you will let my office know the Prime Minister's wishes in this matter, they will arrange to convey them to me, and I will then ring Monsieur Beregovoy.
- I am sending a copy of this minute and the note for record to the Foreign and Commonwealth Secretary's Private Secretary.

Christopher Cloke

C.G. Cloke (Approved by and signed on behalf of Sir Robert Armstrong)

CONFIDENTIAL 2 S

THE PERMANENT SECRETARY SIR PETER BALDWIN, KCB

Sir Antony Acland KCVO CMG Foreign & Commonwealth Office London SW1A 2AH DEPARTMENT OF TRANSPORT
2 MARSHAM STREET LONDON SW1P 3EB
01-212 4581

21 August 1981

Dow Alland

ANGLO-FRENCH SUMMIT: 10-11 SEPTEMBER

I see that my letter of 19 August went on its way to you simultaneously with another from Ken Couzens of the Treasury, and I understand that his letter has been followed up by a telephone message to the Cabinet Office from Bill Ryrie reiterating the Treasury's opposition to the inclusion of the Fixed Channel Link in the agenda for the Anglo-French Summit on 10-11 September.

I have consulted my Secretary of State again about this clash of advice. His view is that omission of the subject from the agenda would give the French ground to suppose that the declared policy of the UK Government, as set out in the enclosed statement by my Secretary of State, is being quietly allowed to lapse. This is simply not so, and there is no collective Ministerial authority behind any policy except the declared one. My Secretary of State's view is, therefore, that the right course is for the policy which he declared in his statement to be mentioned at the Summit as the policy to which the Government is working; and my Secretary of State sees no advantage for the Government, only disadvantage, in omitting from the agenda the opportunity to state this point.

I am sending copies of this letter to those who have received the rest of this correspondence.

Tais sucos, . Bli Balders

PETER BALDWIN

House of Commons

Wednesday 25 March 1981

The House met at half-past Two o'clock

PRAYERS

[MR. SPEAKER in the Chair]

PRIVATE BUSINESS

BARNSLEY BOROUGH COUNCIL BILL Read the Third time and passed.

Oral Answers to Questions

TRANSPORT

Channel Tunnel

 Mr. Whitehead asked the Secretary of State for Transport when he expects to respond to the Transport Committee's report on the Channel link.

17. Mr. Ron Lewis asked the Secretary of State for Transport when he expects to respond to the Transport Committee's report on the Channel link.

The Secretary of State for Transport (Mr. Norman Fowler): I welcome the committee's report, but before responding to it I shall wish to study fully the various proposals that are being put to me by potential promoters. That will clearly take a little time. I hope to be able to reach decisions of principle before the end of this year.

Mr. Whitehead: Has the Secretary of State noticed that the Committee broadly endorsed the principle of a single track rail tunnel along the lines of that proposed by the two railway organisations? Does he feel that he ought to publish a White Paper, as the Select Committee recommended, so that the House may draw its conclusions on the thinking that will lead him to that decision in principle?

Mr. Fowler: We shall consider that proposal. I shall deal with that question in my response to the report. Like the hon. Gentleman, I welcome the general endorsement not only of the principle of the Channel tunnel, but of the Government's policy towards it.

Mr. Lewis: Does the right hon. Gentleman accept that British Rail's proposals are broadly in line with those of the Select Committee, but on a much smaller scale than that accepted in 1975? Does the right hon. Gentleman recall his statement in the House on that occasion, that the the BR proposal was viable and was the right scheme to speed up the cross-Channel link? Will he act quickly and approve the scheme?

Mr. Fowler: We have eight schemes to consider, including the British Rail scheme. The hon. Gentleman

mentioned the Select Committee's endorsement of the BR approach, but the Select Committee has gone nearer the 7 metre scheme than the 6 metre scheme. There is clearly nothing between us in principle on the Channel tunnel or on its importance for the railway industry.

Sir Albert Costain: Does my right hon. Friend appreciate that those of my constituents who were against the first Channel tunnel scheme are mainly in favour of the British Rail proposal, but all of them want an early decision?

Mr. Fowler: I shall take that on board. If we can find a commercially viable scheme ther is no reason why that scheme should not go ahead, but with private capital.

Mr. Prescott: Will the Secretary of State confirm that it is still his policy to finance the project by genuine risk capital, and not with Government guarantees? Do future Government guarantees extend to minimum earnings on the tunnel, because the bankers to whom he is talking wanted that on the last Channel tunnel project?

Mr. Fowler: As I have just said, I confirm that we believe that there is a commercially viable scheme here. There is no reason why that should not be supported by private risk capital. I remind the hon. Gentleman that on the last occasion the Labour Government cancelled the project because of a lack of public finance. We were not prepared to leave it there. We are currently considering the eight schemes, and will shortly consider a ninth. I shall then be in a much better position to answer him more fully.

Mr. Moate: Will my right hon. Friend confirm that the private risk capital for such a venture will not be guaranteed by the Government? Can he confirm also that the investment will not involve any diversion of British Rail funds that would otherwise be used for other more important British Rail investment projects?

Mr. Fowler: Yes. We are talking about private risk capital, as I have made clear from the beginning. The second part of my hon. Friend's question relates to one of the matters that we shall bear in mind when considering these schemes.

Hastings and St. Leonards (Bypass)

2 Mr. Warren asked the Secretary of State for Transport if he will make a statement on discussions between his Department and the East Sussex county council about possible bypass routes to enable A259 traffic to avoid the towns of Hastings and St. Leonards.

The Under-Secretary of State for Transport (Mr. Kenneth Clarke): There have been no recent discussions with the county council. Work on this scheme has been suspended, but it will be resumed when we can name a realistic date for its construction.

Mr. Warren: I know that my hon, and learned Friend is aware of the lamentable state of funding for trunk route projects in the part of the country that I represent, but may I draw his attention to some simple solutions to his problems? Will he consult the county council and utilise the spine road funded by the Hastings borough council, because that would supply at least half the route of a bypass round this busy town area?

Mr. Clarke: The spine road suggestion by the county council is interesting. We are always happy to consult the

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Sir Peter Carey KCB
Permanent Secretary

20 August 1981

Sir Robert Armstrong KCB Cabinet Office 70 Whitehall London SWl

Dear 12 dest,

I am generally content with the proposed arrangements for the forthcoming Anglo-French Summit, the statement of primary objectives, and the proposed briefs. We will, of course, be happy to collaborate with others in contributing to those topics for which we have specific responsibility.

It might be prudent to inject into our own subsidiary objectives for the meeting the thought that we should encourage the French to have an open policy towards inward industrial investment at the present time. This could perhaps be included in point B7 of Annex B of the enclosure to Anthony Acland's letter.

We have, of course, interests in a number of topics covered under items 1 and 3 of the proposed agenda and will contribute where appropriate. Although we know that M. Chevenement has very strong ideas about the role of R & D and innovation in the development of present day society, we may find it a little difficult to produce a great deal from our side on this topic, but we will do what we can.

Perhaps I might also mention that we would very much welcome sight of the brief on Defence Procurement in case we can offer useful inputs on the Acrospace side.

I am copying this letter to the other recipients of Anthony Acland's letter of 17 August.

Peter Carey

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20 August 1981

Anglo-French Summit - 10/11 September

Thank you for your letter to Michael Alexander of 18 August. The Prime Minister has decided to greet President Mitterrand at Northolt.

W F S RICKETT

Miss E.B. Chaplin, Protocol & Conference Department, Foreign and Commonwealth Office. CONFIDENTIAL

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19 August 1981

We have one or two points of detail on the arrangements for the Anglo-French Summit set out in your letter of 17 August to Robert Armstrong.

Our first relates to the inclusion or otherwise of the fixed Channel link in the agenda. It is still our view that it would be better for the Prime Minister not to raise this subject with the President at this stage. I see that Roderick Braithwaite fully recognises that it would be most important that the Prime Minister should give no hint of a commitment from which we might subsequently have to withdraw; and that the Prime Minister would need to say that it would be desirable for neither Government to make any public reference to the subject for fear of arousing expectations unduly. But it seems to us that this lands the Prime Minister with some rather elaborate explanations merely in order to tell M. Mitterrand that the Secretary of State for Transport will want to have some technical discussions with M. Fiterman. If the Prime Minister raises this subject, it would be natural for the French to assume that she wants a favourable outcome. For good economic and financial reasons we cannot recommend that the risk of giving that impression now be run.

On the list of subsidiary French objectives in Annex C to your letter, we would be inclined to reverse No.4 to read:-

4. To air concern about international exchange rate fluctuations and US interest rates; and to coordinate views on the forthcoming IMF/IBRD annual meeting.

On the list of briefs we would propose that Brief 3 be split:-

- 3A. Interest rates, exchange rates and the world economy
- 3B. Background brief on the British and French economies

and that Brief 14 be amended:-

14. French internal political scene

We think this would provide clearer briefing and would take account of the importance the French may attach to the impact of US interest rates on European exchange rates and economies. Your Sneedy K E COUZENS cc Sir R Armstrong, KCB, CVO Cabinet Office Sir Frank Cooper, GCB, CMG Ministry of Defence Sir Donald Maitland, CCMG, OBE Department of Energy Sir Brian Hayes, KCB MAFF Sir Peter Carey, KCB Dept. of Industry Sir Kenneth Clucas, KCB, Dept. of Trade Sir Peter Baldwin, KCB Dept. of Transport P.J. Woodfield, Esq. CB, CBE, Northern Ireland Office C A Whitmore Esq. 10 Downing St. - 2 -



SIR DONALD MAITLAND GCMG OBE PERMANENT UNDER-SECRETARY OF STATE WW 2018

DEPARTMENT OF ENERGY THAMES HOUSE SOUTH MILLBANK LONDON SWIP 40J

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cc Sir Antony Acland, FCO C A Whitmore, PM Office

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Dear Roser,

ANGLO-FRENCH SUMMIT: 10-11 SEPTEMBER

Your office have asked me to comment by lunchtime today on Antony Acland's letter of 17 August which reached me this morning.

Last month Michael Palliser asked me whether I thought the Prime Minister should raise the question of collaboration on fast reactors during her talk with President Mitterrand on 29 July on the organisation and contents of the bi-lateral Ministerial summit to be held next month. In reply I expressed doubts. First, because I thought we should avoid giving the French an impression of too great an interest and, secondly, because we felt discussion could more usefully begin at official level. I expressed the preference then that Reg Hibbert, through his own contacts, should make sure that the French administration fully understood our position and that we should leave substantive contacts for the day when French Ministerial responsibilities and their nuclear policies were clearer.

I see from Antony Acland's letter that the French have already been given a proposed Agenda for the September summit which includes a reference (Item 3(A)) to civil nuclear collaboration. The French will have assumed that this covers the fast reactor. We will therefore cover this subject in an appropriate way in our briefing for the summit.

Yours Ever,

Sir Robert Armstrong KCB CVO Cabinet Office 70 Whitehall LONDON SW1A 2AS



With the Compliments

J.C

The Permanent Secretary

Department of Transport

2 Marsham Street London SWIP 3EB

Telephone 01-212 4581



THE PERMANENT BECRETARY SIR PETER BALDWIN, KCB

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DEPARTMENT OF TRANSPORT
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19 August 1981

Dear Arland

ANGLO-FRENCH SUMMIT: 10-11 SEPTEMBER

Thank you for sending me a copy of your letter of 17 August to Robert Armstrong. I note what you say about avoiding giving any opening, by raising the question of air fares, for M. Fiterman to be drawn into this particular bilateral meeting between the Prime Minister and M. Mitterrand. To some extent the inclusion of the cross-channel fixed link as an item on the agenda, under the general heading of bilateral relations, would go against the intention to spare M. Mitterrand the need to involve M. Fiterman. But our feeling here is that the UK could be running much greater risks by not including the subject of a fixed cross-channel link on this particular agenda than by trying to reduce any risks of embarrassment to M. Mitterrand by avoiding all transport subjects altogether.

In essence, the British position on the fixed cross-channel link is very simple. We want one if it really is such a good economic prospect that the finance for the British share in it can be attracted from private sources. Since this is a positive line which is fully consistent with the Government's economic and monetary policy, it seems to us that there would be every advantage in the Prime Minister making this central point to M. Mitterrand at this first opportunity. The unresolved question is whether private interests will judge the commercial (as opposed to the political) risks to be such as they can accept without seeking refuge in such forms of guarantee, based on the security of public funds, as would effectively convert the project back into one of public expenditure, which we are in no position to contemplate. Discussions are in progress

with private interests to try to resolve this point but it is one which, in our opinion, it would be helpful rather than the reverse to explain frankly to the new French Administration at the Summit.

I am sending copies of this letter to those who received copies of yours.

Yours suicerly Ros Barsevii

PETER BALDWIN



With the Compliments

to

The Permanent Secretary

Department of Transport

2 Marsham Street London SWIP 3EB 15

Telephone 01-212 4581

Some of the help need Prime minister

noth cutement - we have Content with there arrangements?

Ref. A05444 covered much of the proposed agends at A?

MR. RICKETT before

MR. RICKETT before

Anglo-French Summit: 10th-11th September

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The President of the French Republic, Monsieur Mitterrand, is to visit London for talks with the Prime Minister on 10th-11th September. Although the Prime Minister has had two bilateral meetings with the President since he took office, at Luxembourg and during the Royal Wedding visit, the September Summit will provide the first opportunity for a wide-ranging and in-depth exchange of views both at Head of Government level and between the several Ministers. expected to accompany the President, and their opposite numbers in London. Whether Monsieur Mauroy, the French Prime Minister, comes is as yet undecided, but Monsieur Mitterrand will almost certainly be accompanied by Monsieur Cheysson (Foreign Minister), Monsieur Delors (Minister for the Economy and Finance), Monsieur Hernu (Minister of Defence), Madame Cresson (Minister for Agriculture), Monsieur le Pensec (Minister for the Sea), Monsieur Jobert (Minister for External Trade) and Monsieur Dreyfus (Minister for Industry). In addition, Monsieur Chevenement (Minister for Research and Technology) and Monsieur Chandernagor (Minister in charge of European Affairs) may attend. On our side, the Prime Minister will I understand be supported by the Foreign and Commonwealth Secretary, the Chancellor of the Exchequer, the Secretary of State for Industry, the Secretary of State for Trade, the Secretary of State for Defence and the Minister of Agriculture, Fisheries and Food.

2. The President and his party are expected to arrive during the afternoon of 10th September in time for an initial round of talks, followed by a possible brief visit to the Promenade Concert where the Orchestre de Paris is performing. Then on 11th September there will be a further round of talks, including a plenary session in the morning followed by a Press conference and finally a working lunch. We assume that the Prime Minister and the President will start with a tete-a-tete on the first afternoon while other Ministers have bilateral meetings. Since some of the latters' responsibilities do not clearly match on

both sides, some rearrangement of timetables may be required. There is a possibility of talks between the Minister of Agriculture, Fisheries and Food and Monsieur le Pensec in addition to his talks with Madame Cresson. Similarly we should leave open the option of a last-minute change in Ministerial attendance to take into account any change in circumstances nearer the Summit.

- 3. I attach at Annex A a proposed agenda which has been put to the French. Suggestions on who might best discuss each item have also been put to them in an attempt to ensure that there is a minimum of duplication where responsibilities of British Ministers and their French counterparts vary. The agenda is subject to amendment in the light of any French comments, which we do not expect until next week. We have avoided mention of the question of air fares so as to give no opening for participation by the Communist Minister for Transport,

 Monsieur Fiterman. But we think that the subject ought to be raised, and the Prime Minister might like to do so. A brief is suggested. There is continuing interdepartmental discussion on how we should tackle the need for briefing on Northern Ireland. I should also mention that the Ministry of Defence will be providing a Top Secret annex to the defence brief. This annex will have an extremely limited circulation and there will be no mention of it in the list of briefs attached to the Private Secretary letter which will commission the briefs.
- 4. I attach at Annex B an assessment of British and probable French objectives, and at Annex C a list of suggested briefs. The preparation of briefs will be co-ordinated as usual by the Cabinet Office.

Jans micerely,

19th August, 1981

ANGLO-FRENCH SUMMIT: 10th-11th SEPTEMBER 1981

AGENDA

1. European Community Topics

- 30th May Mandate
- Future Development of the Common Agricultural Policy
- Future Development of the Common Fisheries Policy
- Enlargement
 - Trade Policy Issues, including Japan, MFA Negotiations, Preparation for Proposed GATT Ministerial Meeting in Autumn
- ? Improvement of Political Co-operation is there any thing rew
- Common Market in Insurance
- ? Scope for Community Co-operation in Research and Innovation
- Problems for Declining Industries

2. International Affairs

- Prospects for World Economy, in particular the British and French Economies
- Relations with Developing Countries (including Cancun Summit)
- Export Credits Consensus Rates
- Defence, including Collaboration and Procurement Matters
- Arms Control
- East-West Relations, including Poland
- Afghanistan
- Southern Africa
- Arab/Israel

Central America and Caribbean

3. Bilateral Relations

- V Possibilities for Industrial Co-operation (including Civil Nuclear Collaboration and Future of Anglo-French Industrial Co-operation Committee)
- Franco-British Council
- 7 Civil Service Exchanges
- /Cross-Channel Fixed Link

Reve is continuing departmental discussion on whether mis should be experient included.

CONFIDENTIAL

ANGLO-FRENCH SUMMIT 10th-11th SEPTEMBER 1981

A. PRIMARY UNITED KINGDOM OBJECTIVES

- 1. To consolidate the Prime Minister's relationship with the new President; to establish a working relationship with the new French Prime Minister (if he attends); to establish or consolidate relationships between other participating Ministers.
- 2. To establish areas of common interest and thus of potential co-operation to our mutual benefit over a wide range of bilateral, Community and international issues, while the policies of the new French Government are still being formulated.
- 3. To explore French thinking on the future direction of Community development and explain our own overall view.
 - 4. To explain our general approach to the 30th May Mandate and to seek agreement on the desirability of further informal bilateral contacts on this subject.
 - 5. To promote a constructive attempt to reach agreement on a revised CFP through contacts on fisheries.

Have done this 6. To exchange views on East/West relations, with particular regard to the cheed, arms control and to the situation in Poland and Afghanistan.

- 7. To discuss the international economic and monetary situation, including North/South issues, in advance of the Cancun Summit in October.
- B. SUBSIDIARY UNITED KINGDOM OBJECTIVES
- To discuss prospects for a European contribution to Middle East peace
 efforts and encourage French adherence to current European policy.
- To seek a common approach to African problems and in particular to minimise the risk of divergence over policy on South Africa and Namibia.
- 3. To discuss the prospects for reaching agreement on new terms for international consensus rates of export credit and to urge upon the French that any future Government-supported credits for the Soviet Union should attract interest not below those rates.

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- To encourage the French to agree to a modest strengthening of the system of political co-operation.
- 5. To co-ordinate positions on forthcoming international trade negotiations.
- 6. To remind the French that our interests on nuclear and non-nuclear defence and arms control questions overlap and to impress on them the desirability of closer co-operation in these areas.
- 7. To consider the possibilities for industrial collaboration between Britain and France (e.g. fast breeder reactor) and to try and encourage the French to have an open policy towards inward industrial investment at the present time.
- To have a preliminary high-level discussion of the prospects for a cross-Channel fixed link.
- 9. (Possibly) to try to influence the attitude of the French Government to the Northern Ireland issue.
- A. PROBABLE PRIMARY FRENCH OBJECTIVES
- While presenting French intentions over the development of United Kingdom/France relations in a positive light, to keep all France's options open until prospects for the negotiations on key Community issues are clearer.
- 2. While seeking to improve the atmosphere of Anglo-French relations, to maintain a clear distinction between them and the importance which France continues to give to her relations with the FRG, both for their own sake and in order to avert the emergence of common United Kingdom/FRG positions at France's expense.
- 3. On Community issues to probe the British position while revealing as little as possible of the French hand and avoiding any commitments over restructuring, CAP reform or the CFP.
- 4. To demonstrate a widespread measure of agreement on broad international issues (East/West, Afghanistan, TNF, Arms Control) partly to stress the continuity and respectability of the new Socialist Government and partly to counterbalance less helpful attitudes in fields where French interests are directly at stake.

B. PROBABLE SUBSIDIARY FRENCH OBJECTIVES

- 1. To canvass support for President Mitterrand's own ideas on the future direction of the Community, including the concept of the "espace sociale Europeenne" (and ensuring the implementation of the social volet for steel).
- To press French views on the importance of developing a more co-operative relationship with the Third World.
- 3. To enlist United Kingdom support for restrictive attitudes towards Japanese trade and investment, MFA renewal, the 1982 GATT Ministerial meeting and (possibly) United States trade policies.
- 4. To air concern about international exchange rate fluctuation and United States interest rates and to co-ordinate views on the forthcoming IMF/IBRD annual meeting.
- 5. To clarify the work and timetable of the Anglo-French Industrial Co-operation Committee; to press for the United Kingdom to participate in the early launching of the Airbus A320 project.

ANNEX C

LIST OF BRIEFS FOR ANGLO-FRENCH SUMMIT 10th-11th SEPTEMBER 1981

UMV(81)		Subject	Lead Department	In consultation with		
1.	Steen	ring Brief	FCO	as appropriate		
2.	Euro	European Community Questions				
	(a)	Community Steering Brief	FCO	as appropriate		
	(b)	30th May Mandate	FCO	Treasury		
	(c)	CAP Reform	MAFF	FCO		
	(d)	Social Policy	Employment	FCO		
	(e)	Common Fisheries Policy	MAFF			
	(f)	Enlargement	FCO			
	(g)	External Trade Issues	Trade	FCO		
	(h)	Political Co-operation	FCO			
	(i)	Insurance	Trade			
	(j)	Research and Innovation	Industry			
	(k)	Air Fares	Trade			
н	(1)	Declining Industries	Industry			
3.	Interest Rates, Exchange Rates and the World Economy		Treasury	as appropriate		
4.	Relations with Developing Countries, including Cancun Summit		FCO			
5.	Export Credits Consensus Rates		Treasury	FCO		
6.	Defence, including Collaboration and Procurement Matters		MOD	as appropriate		
7.	Arm	s Control	FCO	MOD		

UMV(B1)	Subject	Lead	In consultation
	The Parties of the San	Department	with
8.	East/West Relations, including Peland	FCO	
9.	Afghanistan	FCO	
10.	Southern Africa	FCO	
11.	Arab/Israel	FCO	
12.	Central America and Caribbean*	FCO	
13.	Bilateral Relations		
	(a) Possibilities for Industrial Co-operation, including Civil Nuclear Collaboration and Futur of Anglo-French Industrial Co-operation Committee		Energy
	(b) France-British Council*	FCO	
	(c) Civil Service Exchanges*	CSD	
	(d) Cross-Channel Fixed Link	Transport	
14.	Northern Ireland	NIO	FCO
15.	France: Internal Political Scen	ne FCO	
16.	United Kingdem and French Economies*	Treasury	es appropriate

^{*}Proposed as background briefs



No-Trous

Michael O'D B Alexander Esq 10 Downing Street LONDON SW1

Dear Michael

Foreign and Commonwealth Office

London SW1A 2AH

18 August 1981

Prime minister

From a diary point of view your conto make he journey to Northout to meet President misterand. But this would mean your spending 1's hours going to Northout and back. Loud you prefer he President to come to kensigen UBER and he despite the water and mister the president to come to kensigen.

ANGLO-FRENCH SUMMIT - 10/11 SEPTEMBER place despite he cust amonik of m "inelegant" amival? un In your letter of 13 July to Francis Richards you asked us to plan on a mid-afternoon arrival for President Mitterrand on Thursday 10 September, and for a Guard of Honour.

We are now waiting for confirmation from the French that the President will arrive at RAF Northolt at about 3.30 pm on 10 September.

You will remember that when President Giscard d'Estaing came here in November 1979 his arrival at Heathrow was treated as an escale technique: he was then brought by helicopter to Kensington Palace grounds where he was met by the Prime Minister and/Lord-in-Waiting. The Prime Minister subsequently travelled with him by car to Horse Guards Parade where the President inspected a Guard of Honour.

As you know, at Kensington Palace grounds it is not easy to arrange an elegant arrival, particularly if it is raining, and the use of two helicopters from London Airport to Kensington now costs £2,000. On this occasion we are therefore wondering whether the Prime Minister would prefer the Guard of Honour to be provided at Northolt where it is possible to make excellent arrangements, with a Guard of Honour provided by the Royal Air Force. For the President the difference in time is minimal as the journey time from Northolt to No 10 via Kensington Palace and the Horse Guards would be about 40 minutes, compared to the driving time from Northolt to No 10 of 45 minutes. Although I am afraid the double journey to Northolt would be more time-consuming for the Prime Minister.

If the Prime Minister does not wish to greet President Mitterrand at Northolt the alternative would be an arrival by helicopter at Kensington Palace grounds and then a Guard of Honour (from the Welsh Guards) in the FCO Quadrangle. I should be grateful if you would let me know which arrangement the Prime Minister would prefer.

Yours ever Porcuda

Miss E B Chaplin Protocol and Conference Department

cc: PS PS/PUS WED

for my Alexander or unless homer pps arrive. un 1868



G CORFIGENCE

Foreign and Commonwealth Office

London SWIA 2AH

Sir Robert Armstrong, KCB, CVO, Cabinet Office. 17 August, 1981.

ANGLO-FRENCH SUMMIT: 10-11 SEPTEMBER

- l. As you know, M. Mitterrand is to visit London for talks with the Prime Minister on 10-11 September. Although the Prime Minister has had two bilateral meetings with President Mitterrand since he took office, at Ottawa and during the Royal Wedding visit, the September Summit will provide the first opportunity for a wideranging and in-depth exchange of views both at Head of Government level and between the several Ministers expected to accompany the President and their opposite numbers in London. Whether M. Mauroy, the French Prime Minister comes is as yet undecided, but M. Mitterrand will almost certainly be accompanied by M. Cheysson (Foreign Minister), M. Delors (Minister for the Economy and Finance), Mme Cresson (Minister for Agriculture), M.le Pensec (Minister for the Sea), M. Jobert (Minister for External Trade) and M. Dreyfus (Minister for Industry). In addition, M. Chevenement (Minister for Research and Technology) and M. Chandernagor (Minister in charge of European Affairs) may attend. On our side, the Prime Minister will be supported by the Secretary of State for Foreign and Commonwealth Affairs, the Chancellor of the Exchequer, the Secretary of State for Industry, the Secretary of State for Trade, the Secretary of State for Industry, the Secretary of State for Trade, the Secretary of State for Defence and the Minister for Agriculture, Fisheries and Food.
- 2. The President and his party are expected to arrive during the afternoon of 10 September in time for an initial round of talks, followed by a possible brief visit to the Promenade Concert where the Orchestre de Paris is performing. Then on 11 September there will be a further round of talks, including a plenary session in the morning followed by a press conference and finally a working lunch. We assume that the Prime Minister and M. Mitterrand will start with a tête à tête on the first afternoon while other Ministers have bilateral meetings. Since some of the latters' responsibilities do not clearly match on both sides, some juggling of timetables may be required. There is a possibility of talks between the Minister of Agriculture, Fisheries and Food and M.le Pensec in addition to his talks with Mme. Cresson. Similarly we should leave open the option of a last minute change in Ministerial attendance to take into account any change in circumstances nearer the Summit.
- 3. I attach at Annex A a proposed agenda which has been put to the French. Suggestions on who might best discuss each item have also been put to them to ensure that there is a minimum of duplication

/where



where responsibilities of British Ministers and their French counterparts vary. The agenda is subject to amendment in the light of any French comments which we do not expect until next week. We have avoided mention of the question of Air Fares so as to give no opening for participation by the Communist Minister for Transport, M. Fiterman. But we think that the subject ought to be raised, and the Prime Minister might like to do so. A brief is suggested. Discussion between Departments is continuing on whether the Cross-Channel Fixed Link should be included in the agenda. It remains there for the time being and a brief will be necessary in any case. There is also continuing inter-Departmental discussion on how we should tackle our approach to certain energy issues, and on the need for briefing on Northern Ireland.

4. I attach at Annex B draft British objectives, at Annex C an assessment of probable French objectives, and at Annex D a list of suggested briefs. Further briefing will be provided nearer the time on those subjects where last minute revision becomes necessary. The preparation of briefs, if you agree, might best be coordinated as usual by the Cabinet Office.

(Antony Acland)

cc Sir Douglas Wass, GCB, Treasury.

> Sir Frank Cooper, GCB, CMG, Ministry of Defence,

Sir Donald Maitland, GCMG, OBE, Department of Energy.

Sir Brian Hayes, KCB, MAFF.

Sir Peter Carey, KCB. Dept. of Industry.

Sir Kenneth Clucas, KCB, Dept. of Trade.

Sir Peter Beldwin, KCB, Dept. of Transport.

P.J. Woodfield, Esq., CB, CBE, Northern Ireland Office.

C.A. Whitmore, Esq., 10 Downing St.

AGENDA

- 1. European Community Topics
 - (A) 30 May Mandate
 - (B) Enlargement
 - (C) Improvement of Political Cooperation
 - (D) Future Development of the Common Agricultural Policy
 - (E) Future Development of the Common Fisheries Policy
 - (F) Trade Policy Issues, including Japan, MFA Negotiations, Preparation for proposed GATT Ministerial Meeting in Autumn 1982
 - (G) Common Market in Insurance
 - (H) Scope for Community Cooperation in Research and Innovation
 - (I) Problems of Declining Industries

2. International Affairs

- (A) Relations with developing countries (including Cancun Summit)
- (B) Prospects for world economy, in particular the British and French Economies
- (C) Export credits consensus rates
- (D) Defence and arms control
- (E) East/West relations including Poland
- (F) Afghanistan
- (G) Southern Africa
- (H) Arab/Israel
- (I) Central America and Caribbean

3. Bilateral Relations

- (A) Possibilities for Industrial Cooperation (including Civil Nuclear Collaboration and Future of Anglo-French Industrial Cooperation Committee)
- (B) Defence Collaboration, including procurement
- (C) Franco-British Council
- (D) Civil Service Exchanges
- (E) Cross Channel Fixed Link

ANGLO-FRENCH SUMMIT: UK OBJECTIVES

A. PRIMARY

- 1. To consolidate the Prime Minister's relationship with the new President; to establish a working relationship with the new French Prime Minister (if he attends); to establish or consolidate relationships between other participating Ministers.
- 2. To establish areas of common interest and thus of potential cooperation to our mutual benefit over a wide range of bilateral, Community and international issues, while the policies of the new French Government are still being formulated.
- 3. To explore French thinking on the future direction of Community development and explain our own overall view.
- 4. To explain our general approach to the 30 May Mandate and to seek agreement on the desirability of further informal bilateral contacts on this subject.
- 5. To promote a constructive attempt to reach agreement on a revised CFP through contacts on fisheries.
- 6. To exchange views on East/West relations, with particular regard to arms control and to the situation in Poland and Afghanistan.
- 7. To discuss the international economic and monetary situation, including North/South issues, in advance of the Cancun Summit in October.

- B. SUBSIDIARY
- 1. To discuss prospects for a European contribution to Middle East peace efforts and encourage French adherence to current European policy.
- 2. To seek a common approach to African problems and in particular to minimise the risk of divergence over policy on South Africa and Namibia.
- 3. To discuss the prospects for reaching agreement on new terms for international consensus rates of export credit and to urge upon the French that any future Government-supported credits for the Soviet Union should attract interest not below those rates.
- 4. To encourage the French to agree to a modest strengthening of the system of political cooperation.
- 5. To coordinate positions on forthcoming international trade negotiations.
- 6. To remind the French that our interests on nuclear and non-nuclear defence and arms control questions overlap and to impress on them the desirability of closer cooperation in these areas.
- 7. To consider the possibilities for industrial collaboration between Britain and France (e.g. fast breeder reactor).
- 8. To have a preliminary high level discussion of the prospects for a Cross-Channel fixed link.
- 9. (Possibly) To try to influence the attitude of the French Government to the Northern Ireland issue.

ANGLO-FRENCH SUMMIT: LIKELY FRENCH OBJECTIVES

A. PRIMARY

- 1. While presenting French intentions over the development of UK/France relations in a positive light, to keep all France's options open until prospects for the negotiations on key Community issues are clearer.
- 2. While seeking to improve the atmosphere of Anglo/French relations, to maintain a clear distinction between them and the importance which France continues to give to her relations with the FRG, both for their own sake and in order to avert the emergence of common UK/FRG positions at France's expense.
- 3. On Community issues to probe the British position while revealing as little as possible of the French hand and avoiding any commitments over restructuring, CAP reform or the CFP.
- 4. To demonstrate a widespread measure of agreement on broad international issues (East/West, Afghanistan, TNF, Arms Control) partly to stress the continuity and respectability of the new Socialist Government and partly to counter-balance less helpful attitudes in fields where French interests are directly at stake.

- B. SUBSIDIARY
- 1. To canvass support for President Mitterrand's own ideas on the future direction of the Community, including the concept of the 'espace sociale Europeenne' (and ensuring the implementation of the social volet for steel).
- 2. To press French views on the importance of developing a more cooperative relationship with the Third World.
- 3. To enlist UK support for restrictive attitudes towards Japanese trade and investment, MFA renewal, the 1982 GATT ministerial meeting and (possibly) US trade policies.
- 4. To coordinate views on the forthcoming IMF/IBRD annual meeting, and to air concern about international exchange rate fluctuations and US interest rates.
- 5. To clarify the work and timetable of the Anglo/French Industrial Cooperation Committee; to press for the UK to participate in the early launching of the Airbus A320 project.

LIST OF BRIEFS

- 1. Steering Brief
- 2. European Community Questions
 - (i) Community Steering Brief
 - (ii) 30 May Mandate
 - (iii) CAP Reform
 - (iv) Social Policy
 - (v) Common Fisheries Policy
 - (vi) Enlargement
 - (vii)External Trade Issues
 - (viii)Political Cooperation
 - (ix) Insurance
 - (x) Research and Innovation
 - (xi) Air Fares
 - (xii)Declining industries
- 3. Prospects for world economy, in particular British and French economies
- 4. Relations with developing countries, including Cancun Summit
- 5. Export Credits Consensus Rates
- 6. Defence and arms control
- 7. East/West, including Poland
- 8. Afghanistan
- 9. Southern Africa
- 10. Arab/Israel
- 11. Central America and Caribbean+
- 12. Bilateral relations:-
 - (i) Possibilities for industrial cooperation including civil nuclear collaboration and future of Anglo-French Industrial Cooperation Committee
 - (ii) Defence collaboration, including procurement
 - (iii)Franco-British Council+
 - (iv) Civil Service Exchanges +
 - (v) Cross-channel fixed link+
- 13. Northern Ireland
- 14. France internal political and economic scene
 - + proposed as background briefs

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Mr Wassberry

Anglo-French Summit and Prime Minister's Visit to the Gulf,
Pakistan and Melbourne: Briefing Meetings

Anglo-French Summit

1. I understand that a slot has been included in the Prime Minister's diary for a briefing meeting at 4.30 pm on 9 September. The Cabinet Office recommend that all those Ministers who seem likely, on present form, to be directly involved in the Summit should be invited - ie the Foreign and Commonwealth Secretary, the Chancellor of the Exchequer, the Secretaries of State for Trade, Industry and Defence, and the Minister of Agriculture, Fisheries and Food. Sir Robert Armstrong, Sir Michael Palliser, Sir Kenneth Couzens and Mr Franklin should also be invited to attend.

The Gulf, Pakistan and CHOGM

2. On present plans, the Prime Minister is to hold a single briefing meeting covering all three visits, at 2.30 pm on 24 September. I suggest that it might be most convenient for the visits to the Gulf and Pakistan to be taken first and that if a briefing meeting is required for CHOGM (and I understand that Mr Alexander has suggested to the Foreign and Commonwealth Office that this might not be the case) this should be the third item at that meeting despite Lord Carrington's absence in New York. On this basis, the Cabinet Office recommend that the following should attend for both the Gulf and Pakistan items —

Mr Hurd, Minister of State, Foreign and Commonwealth Office Sir Robert Armstrong and Sir Michael Palliser (who will be accompanying the Prime Minister on her visit to the Gulf - but not Pakistan in the case of Sir Michael Palliser).

Sir Kenneth Clucas and
Sir David Cardwell, Chief of Defence Procurement,
(Sir Frank Cooper will be away and the new Head of Defence Sales,
Mr Blythe, will not yet be fully in the saddle).

CHOGM

3. Mr Hurd, Sir Robert Armstrong and Sir Michael Palliser would stay on; and I suggest that the following should also be invited -

The Chancellor of the Exchequer and

Sir Kenneth Couzens, Treasury,

Mr Neil Marten (Minister for Overseas Development)

and the following Foreign and Commonwealth officials -

Mr Barltrop (the Head of Commonwealth Coordination Department, Foreign and Commonwealth Office)

The Under-Secretaries for political and economic affairs who will be attending the conference (Sir Michael Palliser has not yet decided whether these should be Lord Bridges and Mr Day or Sir L Allinson and Mr Evans).

The Foreign and Commonwealth participation, though large, would be the same as that agreed for the briefing prior to the last CHOGM.

D

D J WRIGHT

7th August 1981

COVERING SECRET

Frace III

10 DOWNING STREET

7 August 1981

I attach for your information an extract from the record of the meeting the Prime Minister had with President Mitterrand at 10 Downing Street on 29 July 1981.

D. Collings
(Duty Clerk)

John Wiggins, Esq., H.M. Treasury.

SECRET

00 PARIS

GRS 222

CONFIDENTIAL

EM FCO 071530Z AUGUST 1981

TO IMMEDIATE PARIS

TELEGRAM NUMBER 335 OF 7 AUGUST

MY 2 IPT'S :

ANGLO-FRENCH SUMMIT

1. FOLLOWING AGENDA WAS ANNEXED TO

PROPOSED DISTRIBUTION OF TOPICS FOR DISCUSSION (SEE MIFT).

1. EUROPEAN COMMUNITY TOPICS

30 MAY MANDATE

ENLARGEMENT

IMPROVEMENT OF POLITICAL COOPERATION

FUTURE DEVELOPMENT OF THE COMMON AGRICULTURAL POLICY

(INCLUDING 30 MAY MANDATE)

FUTURE DEVELOPMENT OF THE COMMON FISHERIES POLICY

TRADE POLICY ISSUES

JAPAN, MFA NEGOTIATIONS, PREPARATION FOR PROPOSED GATT

MINISTERIAL MEETING IN AUTUMN 1982

COMMON MARKET IN INSURANCE

SCOPE FOR COMMUNITY COOPERATION IN RESEARCH AND INNOVATION

PROBLEMS OF DECLINING INDUSTRIES

- 2. INTERNATIONAL AFFAIRS
- (A) RELATIONS WITH DEVELOPING COUNTRIES (INCLUDING CANCUN SUMMIT)
- (B) PROSPECTS FOR WORLD ECONOMY
- (C) EXPORT CREDITS CONSENSUS RATES
- (D) ARMS CONTROL AND DISARMAMENT
- (E) EAST/WEST RELATIONS INCLUDING POLAND
- (F) AFGHANISTAN
- (G) SOUTHERN AFRICA
- (H) ARAB/ISRAEL
- (I) CENTRAL AMERICA AND CARIBBEAN
- 3. BILATERAL RELATIONS
- (A) CROSS-CHANNEL LINK
- (B) POSSIBILITIES FOR INDUSTRIAL COOPERATION (INCLUDING CIVIL NUCLEAR COLLABORATION AND FUTURE OF ANGLO-FRENCH INDUSTRIAL COOPERATION COMMITTEE)
- (C) DEFENCE COLLABORATION, INCLUDING PROCUREMENT
- (D) FRANCO-BRITISH COUNCIL
- (E) CIVIL SERVICE EXCHANGES

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FM FCO 071730Z AUG 81 TO IMMEDIATE PARIS TELEGRAM NUMBER 333 OF 7 AUGUST

YOUR TELNO 666: ANGLO-FRENCH SUMMIT: AGENDA AND PARTICIPATION

1. GLADSTONE ASKED THE FRENCH CHARGE D'AFFAIRES TO CALL TODAY
AND HANDED HIM THE ANNOTATED AGENDA AS SET OUT IN MY TWO IFTS,
STRESSING THAT THIS HAD BEEN AGREED ONLY WITHIN THE FCO ON THE
BRITISH SIDE AND WAS THUS AD REFERENDUM TO THE PRIME MINISTER.
GRENIER SAID THAT HE HAD HEARD THAT THERE WAS TO BE AN
INTER-DEPARTMENTAL MEETING IN PARIS ON 20 AUGUST TO DISCUSS THE SUMMIT, CHAIRED BY THE PRIME MINISTER, BUT HE WOULD SEEK REACTIONS FROM
THE QUAL D'ORSAY BY 14 AUGUST AT THE LATEST.

- 2. IN DISCUSSION OF THE AGENDA, GLADSTONE EXPLAINED THAT:
- (A) HMG HAD TAKEN NO DECISION AS REGARDS THE CROSS-CHANNEL LINK AND HAD NO SPECIFIC PROPOSALS TO MAKE BUT THOUGHT THE TIME MIGHT BE RIPE FOR A GENERAL DISCUSSION OF THE PRINCIPLE AS A POSSIBLE PRELUDE TO FURTHER DISCUSSION BY THE MINISTERS CONCERNED.
- (B) UNDER THE HEADING 'POSSIBILITIES FOR INDUSTRIAL COOPERATION', WE THOUGHT THAT THE FAST BREEDER REACTOR WAS A POSSIBLE SUBJECT FOR DISCUSSION. HOWEVER, WE ALSO THOUGHT THAT OFFICIAL LEVEL DISCUSSIONS SHOULD PRECEDE TALKS AT MINISTERIAL LEVEL. WE WOULD BE GRATEFUL TO KNOW HOW THE FRENCH VIEWED THE MATTER AND WHO WOULD BE THE MINISTER RESPONSIBLE ON THE FRENCH SIDE.
- 3. GRENIER COMMENTED ON THE EMPHASIS PLACED ON COMMUNITY PROBLEMS. HE SAID THAT A BRIEF WAS BEING PREPARED ON SOME CULTURAL PROBLEMS WHICH MIGHT REQUIRE AN ADDITION TO THE AGENDA. AS TO THE FBR, HE SAID THAT M CHEVENEMENT MIGHT BE INCLUDED IN M MITTERRAND'S TEAM WITH A VIEW TO PARTICIPATING IN A BROAD DISCUSSION OF RESEARCH AND TECHNOLOGY. IF SO, THE FBR MIGHT FALL TO HIM.

/PARTICIPATION



- 4. GLADSTONE ASKED IF M MAUROY WAS LIKELY TO BE INCLUDED IN THE FRENCH TEAM AND, IF SO, WHETHER HE MIGHT COVER CIVIL AND NUCLEAR PROBLEMS. GRENIER SAID HE PERSONALLY THOUGHT IT UNLIKELY THAT M MAUROY WOULD COME BUT WOULD ENQUIRE. HE THOUGHT THAT M CHANDERNAGOR MIGHT STILL WISH TO COME FOR DISCUSSIONS WITH THE LORD PRIVY SEAL IN THE MARGINS OF THE SUMMIT.
- 5. NOTING THAT THERE WOULD BE A PROBLEM IN ACCOMMODATING MR WALKER'S TWO DISCUSSION PARTNERS, GLADSTONE SUGGESTED THAT MAE CRESSON AND M LE PENSEC MIGHT STAGGER THEIR ARRIVALS SO THAT AGRICULTURE COULD BE DISCUSSED ON ONE DAY AND FISHERIES ON THE OTHER.

PROGRAMME

6. GLADSIONE OUTLINED THE PRIME MINISTER'S WISHES AS SET OUT IN ALEXANDER'S LETTER OF 13 JULY TO RICHARDS (COPIED TO ARBUTHNOTT), IE

10 SEPTEMBER

MID-AFTERNOON ARRIVAL FOLLOWED BY FIRST ROUND OF TALKS

FORMAL DINNER

11 SEPTEMBER

FURTHER ROUND OF TALKS

PRESS CONFERENCE

WORKING LUNCH

DEPARTURE

- 7. GRENIER SAID THEY HAD JUST HEARD THAT THE ORCHESTRE DE PARIS WERE TAKING PART IN THE PROMS AT THE ALBERT HALL ON 10 SEPTEMBER. HE WONDERED WHETHER IT MIGHT BE POSSIBLE FOR THE PRIME MINISTER AND PRESIDENT MITTERRAND TO ATTEND THE OPENING OF THE CONCERT BEFORE GOING ON TO DINNER.
- 8. IN PARTING, GRENIER SAID HE SUPPOSED THAT THE QUEEN WOULD BE IN SCOTLAND AT THE TIME OF THE SUMMIT. GLADSTONE CONFIRMED THIS, ADDING THAT HE UNDERSTOOD THAT THE QUEEN NEVER RECEIVED FOREIGN VISITORS AT BALMORAL. IN THE NORMAL COURSE OF THINGS HE WAS SURE THAT HER MAJESTY WOULD HAVE WISHED TO RECEIVE THE FRENCH PRESIDENT AT BUCKINGHAM PALACE, BUT SHE HAD OF COURSE GIVEN SPECIAL ATTENTION TO PRESIDENT MITTERRAND AT THE DINNER BEFORE THE ROYAL WEDDING. GRENIER DID NOT PRESS THE POINT.

GILMOUR

NNNN FCO/WHITEHALL WED

CONFIDENTIAL

WED for advise | draft 99

10 DOWNING STREET

6 August 1981

PS/PUS Mr Bulland Mr Fergusson Miss Lothian

Dear Chris,

Anglo/French Summit: 10/11 September

With reference to Michael Alexander's letter to Francis Richards of 13 July, the Prime Minister has indicated that she would like the dinner on Thursday, 10 September to be for a maximum of 48 at 6 circular tables.

The guest list should not include spouses but some ladies should be invited in their own right.

Would it be possible for the draft guest list to reach here by Friday, 14 August?

Yours 2 .- 1.1,

Chris Jebb, Esq., Foreign and Commonwealth Office

Submitted 13/8

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WRF 026/2

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10 DOWNING STREET

From the Principal Private Secretary

29 July 1981

Der Brani

Bilateral with President Mitterrand

I attach a copy of the record of the meeting which the Prime Minister had with President Mitterrand this afternoon.

I am sending a copy of this letter and of the record to David Wright (Cabinet Office).

Your wr. Muriam.

Brian Fall, Esq., Foreign and Commonwealth Office.

SECRET

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SUBJECT SECRET

AT 10 DOWNING STREET AT 1610 HRS ON WEDNESDAY, 29 JULY, 1981

Present:-

Prime Minister
Foreign & Commonwealth
Secretary
Mr C A Whitmore

President Mitterrand
The French Ambassador
M. Hubert Vedrine

Anglo/French Relations

The <u>Prime Minister</u> said that she was very glad that President Mitterrand had been able to come to London for the Royal Wedding and she was delighted to welcome him to Downing Street. Relations between Britain and France were not all that they should be. There had been a number of problems between our two countries such as the Community Budget and although some of these had been disposed of, we had not got bilateral relations quite back to where they should be. She hoped that they could now be restored to their proper level.

President Mitterrand said that Anglo/French relations fell into two areas. First, there were our relations within the Community. Sometimes we ran up against problems in that field and they could be discussed in that context. Second, there were the direct relationships between the two countries. He had never participated in these until now, but he had a certain idea about them from history. He agreed that they were not at the level they should be.

East/West Relations

The <u>Prime Minister</u> said that she thought that the previous week's discussions in Ottawa had been valuable. She had been particularly encouraged by President Mitterrand's approach to the defence of France and of the West as a whole and all it stood for. He appeared to share her view that we had to defend Western values and to be seen to do so. She believed that his position would be helpful with those of our European allies who had certain doubts and hesitations and it was certainly useful to her in dealing with the Labour Party in this country to be able to say that he was convinced of the need to be seen to be ready to defend the values of France. Like her, he did not like nuclear weapons but he saw the need for them if potential aggressors were to be deterred. She believed that his position represented a big step forward and she was grateful to him for it.



/President Mitterrand

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President Mitterrand said that the French position was similar to that of Britain and the position of both countries was simpler than those of West Germany, Holland and the Scandinavian countries. Britain and France both had nuclear forces, and although these did not play a decisive role, they could make the Russians hold back. Why had he reacted in the way he had on East/West relations? France had traditionally had good relations with the Russians, whatever government was in power. Those relations remained good but he had been surprised at the introduction of the SS20 for although it had replaced similar weapons, it presented a deadly danger to Europe. Although France was not in the integrated military structure of NATO, he was concerned about the balance of forces, and he shared the Prime Minister's anxiety. We could only negotiate with the Soviet Union if we were not in a position of weakness and the Russians believed we were genuinely negotiating for disarmament measures. Once the United States had decided on its nuclear weapons programme for the next 5 - 10 years, the Soviet Union would negotiate in earnest, since if they did not reach arms control agreements with the United States, they would be weaker than the Americans in 10 years time. But the United States must accept the need to negotiate. He foresaw a risk that once they had modernised their nuclear weapons, they might not want to negotiate with the Soviet Union. That would let loose a wave of neutralism in Western Europe.

The <u>Prime Minister</u> said that she believed the United States genuinely wished to negotiate arms control agreements with the Russians because of the costs of their defence programme. But she was firmly of the view that they should not enter into talks until they had worked out their negotiating position in the smallest detail. Every step had to be thought out in advance. Otherwise there was a very real risk that they would be manoeuvred into a position by the Soviet Union where public opinion in the West demanded that the Americans should give something away which they should resist.

President Mitterrand said that he was not at all sure that the Soviet Union really wanted to make concessions. This made it necessary for the West to start any negotiations with serious disarmament proposals so that they could push the Soviet Union into making concessions. He shared the Prime Minister's general analysis of this issue. More particularly, he remained concerned about the position of the Federal Republic. Chancellor Schmidt was Worried about East/West relations, though he said less about his concerns in international gatherings than he did at

SEÇRET

at home in Germany.

The <u>Prime Minister</u> said that the Alliance would be in a difficult position with Germany if Helmut Schmidt was not the Chancellor. He was faced with considerable domestic problems, including difficulties inside his own party. France and Britain were different from the Federal Republic, not least because we did not have a border with the iron curtain. This meant that France and Britain had to keep closely together. <u>President Mitterrand</u> agreed.

The <u>Foreign and Commonwealth Secretary</u> said that the objective of the Soviet Union was not to secure arms control agreements but to divide the United States from Western Europe. They were using the present neutralist and anti-nuclear sentiment which was showing itself in Western European countries like West Germany, Holland and, even to some extent, Britain, for that purpose. It was important to take advantage of the American will to negotiate, if we were to hold public opinion in Western Europe.

President Mitterrand said that he believed, like Chancellor Schmidt, that we had to negotiate with the Soviet Union but we must certainly resist any attempt by them to split the West. We had to negotiate from a position of strength. We should take decisions on all our planned re-armament programmes and the Soviet Union should understand that we would carry them out in full unless there were negotiations.

Quadripartite Arrangements

The <u>Prime Minister</u> said that the long-standing quadripartite arrangements were the most important forum within the Alliance for deciding policy. They provided the best opportunity to influence the Americans, and she thought that we should have to use them to prepare the ground in detail for arms control negotiations. There was a problem with the Italians who objected to their exclusion from the quadripartite arrangements, but she regarded it as essential that we should continue with them. If there was a major crisis over Poland, the quadripartite forum would have to be used to take quick decisions.

/President Mitterrand



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President Mitterrand said that he agreed that the quadripartite arrangements should continue. He thought that they were excellent and he had already told M. Cheysson to pursue his contacts in this area. He was aware of the problem with the Italians and he thought that we might take certain steps to meet their concerns: it would, for example, be a gesture towards them if we told them about quadripartite meetings. But he was clear that we should not enlarge the forum for otherwise other countries would want to join. As Britain and France were the only two European nuclear powers, we should keep in touch on this subject.

Poland

In response to a question by the Prime Minister, President Mitterrand said that a year ago he had taken the view that we need not fear direct Soviet intervention in Poland, so long as the Polish Communist Party could contain the demands of Solidarity as they emerged. Above all the Russians wanted to see the Communist parties of Eastern Europe remain faithful to the Soviet Union and to the orthodoxy of Marxist-Leninist doctrine. It was when the Communist parties of Hungary and Czechoslovakia had strayed from this path that they had intervened in those countries. And this was why the Soviet Union did not want West European Communist parties participating in the Governments of their countries. What interested Moscow was not what Lech Walesa was doing but Mr. Kania's position. If they thought that he and the Polish Communist Party were going the same way as Czechoslovakia under Mr. Dubcek, they would intervene. A year ago he had thought the Polish Communist Party would maintain its allegiance to the Soviet Union, but he now asked himself everyday where its loyalty lay and he was much more uncertain about the answer.

The Foreign and Commonwealth Secretary said that the recent Congress of the Polish Communist Party had elected a large number of members of Solidarity to the Central Committee.

The Prime Minister said that recent developments in Poland had been the most fundamental change to occur in a Communist state in her lifetime. A separate centre of power had emerged. The Soviet Union had to decide whether to stand back and let the Polish Communist Party try to absorb this second centre of power or whether to intervene in order to prevent the same thing happening in other East European countries.

SEGRET. /President Mitterrand

- 5 -

President Mitterrand said that the Soviet Union was hesitating at the moment. President Brezhnev was well aware of the immense risks of a military intervention in Poland. For example, Russia's relations with the Third World and his hopes for disarmament would all be affected. He did not want to intervene directly, but he would have to do so if a second centre of power established itself permanently in Poland. Otherwise the problem would spread to the rest of Eastern Europe, and it was fear of that which made the other East European Communist leaders demand firmness of the Polish Government in dealing with their domestic situation. It was possible that Poland's economic situation would precipitate the political circumstances that would finally cause the Russians to intervene. Famine could be the detonator. France was giving economic help to Poland, though perhaps not enough, and she would continue to do so. The fact was, however, that the economic situation was not improving: the French and British could not be substitutes for the Poles themselves. Perhaps we were facing an inevitable progression of events. If the system cracked, it cracked. But we must try, nonetheless, to prevent that happening.

The <u>Prime Minister</u> said that Britain too had been giving economic help to Poland for some time and would go on doing so. But the situation did not get any better. Solidarity did not appear to be telling the workers to go back to work. If intelligence showed that Soviet intervention was coming, the Allies would have to move quickly to take decisions. This would not be easy, because the different interests of the Allies would quickly become apparent.

President Mitterrand said that there was of course no question of Western military intervention. But there were certain ripostes we could make, for example in the field of technological trade with the Soviet Union and in arms control negotiations. He agreed that in the event of Soviet intervention the Allies would need to get together very quickly. But we should remember that the Soviet Union was itself in a very difficult economic situation. They had an interest in being patient with the Poles, though they would watch them like a cat, and in negotiating with the West. Arms programmes were costly for the United States, but they were even more so for the Soviet Union.

/ September Summit



September Summit

The <u>Prime Minister</u> said that if President Mitterrand agreed, she would like to see large Ministerial teams attend the bilateral meeting planned for 10/11 September. There were many matters to discuss - for example, East/West relations; the world economy, where all countries were facing difficulties; and the Middle East - and she thought it would be useful if several Ministers talked to their opposite numbers while she and the President were meeting.

President Mitterrand said that he had not yet had time to think about his team for the September meeting, though he was ready to bring several Ministers with him. Which Ministers attended depended on the agenda. He wanted to strengthen Anglo/French relations and to put substance into detailed co-operation between our two countries. It would be a mistake to have a large meeting which got nowhere, for it would be described publicly as a failure and this would be bad. He therefore proposed that before September there should be contacts at the appropriate level to prepare thoroughly the ground for the Summit meeting. He repeated that he wanted to improve Anglo/French relations which had become a bit 'lethargic'. The United Kingdom was somewhat reticent over the European Community. The Prime Minister and Foreign Secretary were perhaps among the strongest pro-Europeans in Britain. This was something our two countries should talk about. There were also some individual disputes between us about Community matters, but not many.

The <u>Prime Minister</u> said that she agreed entirely that there should be a specific agenda for the September meeting. This was something Foreign Ministers should pursue. Like President Mitterrand, she wanted the occasion to be useful and positive. As regards British attitudes to the Community, he should accept that the United Kingdom was part of Europe and would stay as such. We were full partners. There was talk in this country about withdrawal from the Community but she did not believe that it would ever come to anything. There were certainly problems like fish but we should deal with these in a Community context.

The Foreign and Commonwealth Secretary said that when he had met M. Cheysson immediately after the French elections, they had

/talked

talked about how to put substance into Anglo/French relations.

M. Cheysson had certain ideas which he was developing, and Sir Michael Palliser had recently had a talk with the French Ambassador on the same subject. There was therefore work going on. He agreed fully with the need for a concrete agenda for the September meeting.

Franco/British Council

The <u>Prime Minister</u> said that the Franco/British Council was due to meet in Edinburgh in May of next year. This was an important occasion for Anglo/French relations, and she hoped very much that it would go well. Senior British Ministers would speak at the meeting, and she hoped that the same would be true of the French. We had recently appointed a new Chairman of the British section of the Council, but she understood that the French had not yet done the same on their side.

President Mitterrand said that he believed the Council could do great service and he wanted the French side to be more active than it had in the past. He had already discussed the matter with M. Cheysson and with the French Ambassador, and a new French Chairman would be appointed before the September Summit meeting. He had taken note that the Prime Minister herself had spoken at the meeting in Bordeaux, and France would be represented in Edinburgh by M. Mauroy at least. He would like to attend himself but his commitments were such that he could not be certain of being able to make the journey.

The meeting ended at 1710.

tal.

29 July 1981

Bilateral with President Mitterrand

- 1. Preparing for Summit in September:
 Favour extensive Ministerial
 participation including ? M. Mauroy.
 A lot of ground to cover, including
 way ahead in Community.
- 2. Anglo-French relations: A new Declaration of Intent? Franco-British Council. Can you come to Edinburgh? We have just appointed new Chairman: hope you can do so soon.
- 3. Ottawa Summit: A success. Appreciated your role.
- 4. East-West relations: Gravity of economic crisis in Poland ever more obvious.
- 5. Arab-Israel: Hope that ceasefire in Lebanon will hold. Position of the 10 based on Venice, but apparently not much that can be done.
- 6. Namibia: Don't like direct linkage between Cuban withdrawal from Angola and Namibian settlement, but must recognise political realities in Washington.

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Foreign and Commonwealth Office

London SW1A 2AH

28 July 1981

Draw Michael,

Prime Minister's Meeting with President Mitterrand:

29 July 1981

Francis Richards sent you last Friday the briefing for President Mitterrand's call on the Prime Minister tomorrow, with a promise of further briefing on Arab/Israel. I now attach the latter which has a separate section on the Lebanon. It also includes a defensive brief on fast reactor collaboration provided by the Department of Energy.

In his letter of 20 July Francis said that a decision had still to be taken on whether or not it would be advantageous to include bilateral nuclear cooperation in the agenda for the September Summit. Our present view, and that of the Department of Energy, is that it would not be appropriate to raise this issue with the French in September. It follows, therefore, that the Secretary of State for Energy need not be asked to take part in the Summit.

I am copying this letter to Julian West in Mr Howell's Office.

yours over Lyna

(R M J Lyne)
Private Secretary

M O'D B Alexander Esq 10 Downing St PRIME MINISTER'S MEETING WITH PRESIDENT MITTERRAND: 29 JULY ADDITIONAL POINTS TO MAKE

ARAB-ISRAEL

- 1. No doubt of urgency of need for progress towards a solution. Ten must continue to try to play a role based on Venice, particularly in influencing US policy, which is inadequate. For the moment little practically the Ten can do. What is needed after April 1982 is a common Western policy balanced between Israel and the Arabs.
- 2. Begin seems impervious to international views and the effect of his policies on Israel's international standing. PLO unwilling to make unilateral concessions, particularly in present circumstances. But we must nevertheless try to establish some kind of relationship with Israel and persuade the PLO to show their willingness to live in peace with Israel.

LEBANON

- 3. Do not believe Israeli attacks, particularly their scale, were justified. Hope the ceasefire will be effective. The US must build on it to make progress towards a better basis for stability. To sit back now would be disastrous.
- 4. Believe we and French should continue to cooperate to help restore stability to Lebanon, particularly in the South.

 Consolidating UNIFIL would be a helpful step. Do the French see a useful role for the Ten as a whole?

FAST REACTOR COLLABORATION

- 5. Our objective is to ensure we have the ability to build fast reactors when we need them.
- 6. We are assessing options for achieving this; and remain seriously interested in possibility of collaboration with our European partners. Hope we can keep in touch.

ESSENTIAL FACTS

ARAB-ISRAEL

7. Following the European Summit the French, particularly
Mr Cheysson and the Quai d'Orsay, have been anxious to explain
that they remain fully committed to the Venice Declaration and a
distinctive role for Europe, and do not believe that the
autonomy talks can possibly lead to further progress towards a
settlement. It is not clear how far this really reflects
M. Mitterrand's own views. His own hopes for a closer French
relationship with Israel have been affected by Mr Begin's election
victory since he had committed himself openly to Mr Peres.

LEBANON

8. The French have a traditional interest in Lebanon because of their past links, particularly with the Christian community there. They have made their concern at recent events very clear but have refrained in public statements from criticizing Israel directly. Following a discussion between the Foreign Secretary and Mr Cheysson at Montebello, we and the French have been

working together in New York with the idea of promoting
a Security Council resolution giving more authority to UNIFIL
and strengthening the position of the Central Lebanese
Government. Such a resolution could also be helpful in averting
more extreme Arab-sponsored resolutions condemning Israel
(which the US would veto) or even calling for sanctions.

- 9. The ceasefire negotiated by Mr Habib is so far holding reasonably well (27 July) but there is uncertainty over whether the Israeli-maintained Christian enclave under Major Haddad is covered. A Palestinian splinter group, the PFLP General Comand, supported by Libya, which is not formally under the PLO umbrella, has also refused to accept a ceasefire and has fired several salvoes of rockets, mainly at the Haddad enclave. The PLO leadership has severely criticized the PFLP-GC action and, realizing that its own credibility is at stake, has been working to restrain them.
- 10. The ceasefire gives the Arab Quadripartite Committee a further chance to pursue its efforts aimed at internal political reconciliation in Lebanon. They appeared to be making progress before the latest outbreak of fighting (the Lebanese claim that the Israeli attacks were aimed specifically at preventing this progress), but it remains doubtful whether sufficient common ground can be found between the Syrians and the main Christian group, the Phalange, to allow the formation of a new and more effective central government.

FAST REACTOR COLLABORATION

- 11. As the Prime Minister is aware, the Government is reviewing the next steps in developing our fast reactor programme. There are strong arguments for international collaboration in this area, either with the Europeans or with the US.
- 12. A protracted dialogue with the Europeans culminated last year in discussions between the Secretary of State for Energy and the then French Minister for Industry, M. Giraud, on a possible collaborative deal. However, Ministers decided against pursuing these discussions until more was known about the fast reactor policy of the new US administration. Preliminary discussions on collaboration have since been held with the Americans and it is hoped to continue these in the autumn.
- 13. At this stage it seems rather unlikely that the French will press us for an early resumption of discussions, since the available evidence suggests that their own attitude to nuclear power is not fully formulated; and individual Ministerial responsibilities in this area also await clarification.

GRS 100 CONFI DENTI AL FM PARIS 280810Z JUL 81 TO IMMEDIATE FCO TELEGRAM NUMBER 648 OF 28 JULY 1981

PRIME MINISTER'S MEETING WITH M. MITTERRAND.

- 1. I UNDERSTAND THAT THE PRIME MINISTER HAS BEEN BRIEFED TO MENTION THE EDINBURGH CONFERENCE PLANNED BY THE FRANCO BRITISH COUNCIL. IF I MAY SAY SO, I THINK THE MOST USEFUL POINT TO MAKE TO M. MITTERRAND WOULD BE TO MENTION SIR PHILIP DE ZULUETA'S APPOINTMENT AS CHAIRMAN OF THE BRITISH SECTION AND URGE HIM TO TAKE AN EARLY PERSONAL INTEREST IN THE APPOINTMENT OF A NEW CHAIRMAN OF THE FRENCH SECTION.
- 2. THE APPOINTMENT OF A NEW FRENCH CHAIRMAN WILL BE THE KEY TO ALL OTHER PROGRESS ON THE FRANCO BRITISH COUNCIL FRONT.

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CABINET OFFICE

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PRESIDENT MITTERRAND'S CALL ON THE PRIME MINISTER, 29 JULY: FRANCE AND THE SOCIALIST GOVERNMENT

- 1. BEFORE THE PRIME MINISTER'S MEETING WITH PRESIDENT MITTERRAND ON 29 JULY, IT MAY BE USEFUL TO OFFER SOME BRIEF IMPRESSIONS OF THE FIRST TWO MONTHS OF THE NEW FRENCH GOVERNMENT.
- 2. PRESIDENT MITTERRAND AND HIS MINISTERS ARE NOW MOVING STEADILY OUT OF THE TALKING PHASE INTO THE DOING PHASE, ALTHOUGH THERE IS STILL A GOOD DEAL OF UNCO-ORDINATED TALKING. THE PRIME MINISTER, M CHEYSSON AND M HERNU HAVE ALL TAKEN A GOOD MANY SIGHTING SHOTS BEFORE STRADDLING THEIR TARGETS ACCURATELY. SOME THINGS HAVE ALREADY EMERGED VERY CLEARLY. THE FIRST IS THE POLITICAL STRENGTH OF THE COVERNMENT AND OF ITS SUPPORT IN THE NATIONAL ASSEMBLY. THERE IS NO EFFECTIVE OPPOSITION. THE SENATE, WHERE THE GAULLISTS AND GISCARDIANS STILL HAVE A MAJORITY, HAS SO FAR AVOIDED A CLASH. THE GOVERNMENT HAS HAD NO DIFFICULTY IN PUSHING THROUGH THE SHORT-TERM ECONOMIC MEASURES WHICH IT WANTED AND TABLING MEASURES WHICH OPEN THE WAY TO THE MAJOR REFORMS WHICH IT IS PLANNING. IT IS CLEAR THAT PRESIDENT MITTERRAND AND HIS GOVERNMENT HAVE EVERY INTENTION OF IMPLEMENTING THE BROAD PROMISES MADE DURING THE ELECTION CAMPAIGN AND OF DOING THIS OVER A FULL FIVE-YEAR PARLIAMENTARY PERIOD. THE MAIN CONSTRAINT ON GOVERNMENT ACTION AT THE MOMENT IS THE TIME REQUIRED TO PREPARE AND ENACT LEGISLATION .
- 3. THE GOVERNMENT HAS TAKEN ON A LARGE AND LONG-TERM COMMITMENT IN TACKLING FROM THE START THE DECENTRALISATION ISSUE. THE FIRST BILLS ON THIS SUBJECT ARE ALREADY BEFORE THE ASSEMBLY. THERE IS LIKELY TO BE A PROTRACTED PERIOD OF DEBATE, PIECEMEAL LEGISLATION AND EVEN CONFUSION BEFORE THE NEW SYSTEM BECOMES FULLY OPERATIONAL IN 1983. THE GOVERNMENT IS GIVING ITSELF A SECOND BIG TASK, THIS TIME IN THE ECONOMIC FIELD, BY LAUNCHING ITS MEDIUM-TERM PROGRAMME OF NATIONALISATIONS, INTRODUCING A WEALTH TAX AND PLANNING FURTHER MOVES TO AUGMENT EMPLOYMENT AND INVESTMENT IN THE PUBLIC SECTOR. THE BILL ON THE NATIONALISATION PROGRAMME WILL BE PRESENTED IN THE AUTUMN. MEANWHILE ECONOMIC ACTIVITY AND INVESTMENT REMAIN DEPRESSED, AND INFLATION AND THE BUDGET AND BALANCE OF PAYMENTS DEFICITS ARE CREEPING UP. THERE IS SOME PROSPECT OF A MODEST RECOVERY IN PRODUCTION TOWARDS THE END OF THE YEAR, BUT THE OMENS FOR 1982 ARE NOT ENCOURAGING. 14.

4. PUBLIC LIFE IS BEING SOMEWHAT UNSETTLED BY WIDESPREAD CHANGES
IN THE POLICE, THE MEDIA AND (IT SEEMS LIKELY) EDUCATION. THESE
ARE AROUSING SOME CRITICISM, NOT ONLY FROM THE RIGHT. M MITTERRAND
IS BEING ACCUSED OF DOING WHAT M GISCARD DID AND PUTTING IN HIS
PLACE—MEN. THESE THINGS ADD TO THE UNCERTAINTY AND PESSIMISM
IN BUSINESS CIRCLES, BUT THE PACE OF CHANGE ALLOWS NO TIME FOR
THESE FEELINGS TO CRYSTALLISE INTO TROUBLE-MAKING.

5. IN FOREIGN AFFAIRS, M. MITTERRAND IS TAKING HIS TIME. AS SEEN FROM FRANCE, HE SUCCESSFULLY LAUNCHED HIMSELF AT HIS FIRST INTER-NATIONAL CONFERENCE AT OTTAWA. THE ALMOST EXCLUSIVELY BILATERAL US/FRANCE SLANT GIVEN TO THE MEETING BY THE FRENCH MEDIA MAY SEEM ODD OUTSI DE FRANCE, BUT THE IMAGE OF PRESI DENT MITTERRAND AS OTHER THAN A PUSHOVER FOR THE AMERICANS HAS GONE DOWN WELL HERE. DIFFERENCES OF VIEW WITH THE AMERICANS OVER THE PRESENCE OF COMMUNISTS IN THE FRENCH GOVERNMENT, US INTEREST RATES, AND NORTH/ SOUTH RELATIONS ARE SEEN AS BEING OFFSET BY THE PRESIDENT'S CONTINUING ROBUST ATTITUDE ON EAST/WEST RELATIONS AND HIS REPEAT-EDLY EXPRESSED COMMITMENT TO THE ALLI ANCE. THE FRENCH ATTITUDE ON THE MIDDLE EAST MAY CAUSE DIFFICULTIES FOR FRANCE'S EUROPEAN PARTNERS, BUT M. MITTERRAND'S SUPPORT FOR CAMP DAVID IS THOUGHT TO HAVE EARNED BONUS MARKS WITH THE UNITED STATES. BOTH THE FRENCH AND THE GERMANS PERSIST IN VIGOROUSLY CULTIVATING THE IMPRESSION THAT THEIR BILATERAL RELATIONSHIP IS STILL PRIVILEGED, BUT EACH DES SO FOR DIFFERENT NATIONAL REASONS OF ITS OWN. FOR THE FRENCH IT IS VITAL IN ORDER TO AVOID ANY RISK OF ISOLATION IN THE COMMUNITY AND TO PROVIDE AN ALIBI FOR GETTING ON BETTER WITH THE US AGAINST THE SOVIET UNION.

6. THE IMPRESSION CREATED IN THE PRESS BY THE NEW GOVERNMENT IS OF SELF-CONFIDENCE AND (ALTHOUGH ILL-DEFINED IN SOME AREAS) A SENSE OF PURPOSE. OPINION POLLS SHOW THE NEW TEAM TO BE POPULAR AT HOME AND A STREAM OF VISITS AND VISITORS SHOWS THEM TO BE SOUGHT AFTER ABROAD. PRESIDENT MITTERRAND HAS PROVIDED HIMSELF WITH A CARTE BLANCHE INTERNALLY AND SECHS TO REGARD HIMSELF AS HAVING OBTAINED A LICENCE FROM FRANCE'S FRIENDS AND PARTNERS TO PURSUE HIS DOMESTIC POLICIES AS HE WISHES.

7. FRANCO-BRITISH RELATIONS HAVE GOT OFF TO A SATISFACTORY START. THE REAL TEST WILL COME AFTER SEPTEMBER WHEN THE COMMUNITY MOVES INTO SERIOUS DISCUSSION OF THE BIG OUTSTANDING PROBLEMS, BUDGET RESTRUCTURING, CAP REFORM AND FISHERIES. THE FRENCH GOVERNMENT IS STILL ASSESSING HOW HARD IT NEEDS OR CAN AFFORD TO BE. THE FRANCO-BRITISH SUMMIT ON 10/11 SEPTEMBER WILL BE TIMELY, AS IT SHOULD ALLOW FOR A WIDE-RANGING DISCUSSION OF ISSUES CURRENTLY OF IMPORTANCE TO THE UK BEFORE THE FRANCO-BRITISH RELATIONSHIP HAS TO TAKE THE STRAIN OF COMMUNITY IN-FIGHTING IN THE AUTUMN.

8. ON A MORE PERSONAL NOTE, I DO NOT KNOW HOW THE PRIME MINISTER FOUND PRESIDENT MITTERRAND AT THE OTTAWA SUMMIT. HE SEEMS TO BE A MAN WHO KEEPS HIS PURPOSES WELL HOODED AND PRESENTS HIS IDEAS AND REVEALS HIS OUTLOOK ONLY SLOWLY AND OBLIQUELY. BUT THERE IS CONSIDERABLE ENERGY AND DETERMINATION BEHIND THE NOT VERY ENGAGING EXTERIOR.

FCO PLEASE PASS TO ALL SAVING ADDRESSEES.

HI BBERT

(REPEATED AS REQUESTED)

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TO PRIORITY FCO

TELEGRAM NUMBER 646 OF 27 JULY 1981

DOWNING &

YOUR TELEGRAM NO. 308: PRESIDENT MITTERRAND'S CALL ON THE PRIME MINISTER, 29 JULY.

- 1. THERE SEEM TO BE DIFFERENT STRANDS OF THINKING WITHIN
 THE FRENCH ADMINISTRATION OVER THE NUMBER OF MINISTERS WHO
 MIGHT ATTEND THE UK/FRANCE SUMMIT IN SEPTEMBER. SENATOR
 PONTILLON (WHO IS WORKING TEMPORARILY ON THE DIPLOMATIC SIDE
 OF THE PRIME MINISTER'S OFFICE) TOLD ME ON 23 JULY THAT
 M. MAURDY WAS THINKING OF ATTENDING THE SUMMIT AND FAVOURED THE
 PRESENCE OF 5 OR 6 MINISTERS. ON THE OTHER HAND, M. VEDRINE
 (DIPLOMATIC ADVISOR AT THE ELYSEE) TOLD ACTING HEAD OF CHANCERY
 YESTERDAY THAT HE DOUBTED WHETHER M. MITTERRAND WOULD WISH TO
 FIELD SUCH A LARGE TEAM. HE ADDED THAT NO FIRM VIEW WOULD BE
 TAKEN BY THE FRENCH SIDE BEORE THE PRESIDENT'S MEETING WITH MRS
 THATCHER NEXT WEDNESDAY.
- 2. AS SEEN FROM HERE, THERE WOULD BE ADVANTAGE IN THE PRIME MINISTER'S ENCOURAGING M. MITTERRAND ON 29 JULY TO FAVOUR THE BROADER LINE, ON THE GROUNDS THAT THE SUMMIT IN SEPTEMBER PROVIDES THE FIRST OPPORTUNITY FOR A DETAILED DISCUSSION OF A WIDE RANGE OF ISSUES OF CURRENT CONCERN TO FRANCE AND BRITAIN.

HI BBERT.

[THIS TELEGRAM WAS NOT ADVANCED]

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Ref. A05330

MR ALEXANDER

Prime Amister

Anglo-French Relations: Meeting with President Mitterrand

On 5 June last the Foreign and Commonwealth Secretary sent the Prime Minister a minute about the possibilities presented by the election of President Mitterrand for trying to achieve an improvement in Anglo-French relations. He reported that, as a first move, he was asking Sir Michael Palliser to call in the French Ambassador for a preliminary discussion, with a view to identifying common interests and exploring areas of policy where collaboration might be possible.

- 2. At the meeting between Sir Michael Palliser and the French Ambassador, Monsieur de Margerie said that he had been asked by Monsieur Cheysson to approach the problem of bilateral relations in a concrete way, and to identify possibilities for closer bilateral collaboration and "thickening" of bilateral relations. There seems to have been no further discussion, though Monsieur de Margerie has mentioned to me that he has a number of ideas for progress in this field.
- 3. When the Prime Minister sees Monsieur Mitterrand later this week, she could perhaps say that she welcomes the fact that discussions have started about the possibilities for improving bilateral relations and cooperation, and hopes that they will be followed up. She could perhaps suggest that their meeting in September should provide an occasion for giving an impetus to this kind of thinking and perhaps for making more formal the way in which it is carried forward.

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i September.
27 July 1981 Park

ROBERT ARMSTRONG

PRIME MINISTER'S MEETING WITH PRESIDENT MITTERRAND : 29 JULY

Objective

- 1. To consolidate the Prime Minister's friendly relationship with the new French President and to lay the ground-work for the September Anglo/French Summit. Agenda and Briefing
- 2. The proposed agenda for this meeting is as follows:
- (a) Preparation for the September Summit
- (b) The Anglo/French relationship (including the Franco-British Council)
- (c) (If necessary). Questions arising from the Economic Summit in Ottawa
- (d) Other international issues:
 - (i) East/West relations, including Poland
 - (ii) Arab/Israel
 - (iii) Namibia.

No briefing is provided on questions arising from Ottawa. The brief on Arab/Israel will be provided late to take account of the latest developments. A Personality Note on the President is attached at Annex A.

Points to Make

September Summit

3. Glad 10-11 September now possible. Regret inroads into your summer holiday. Anxious that this first full-scale meeting between governments should cover as much ground as possible. Hope that M. Mauroy can come. Would

like to field, apart from Lord Carrington, Chancellor of the Exchequer and Ministers for Industry, Trade, Defence and Agriculture, Fisheries and Food, providing you can match them. Would like to see Mme Cresson and M. le Pensec for talks with Mr Walker.

4. Detailed agenda will be put to your officials shortly. Aim to cover wide range of bilateral, Community and international issues. Any areas you particularly want included?

Anglo/French Relationship

- 5. Media treatment of our relationship too often plays up short-term clashes of particular interests at expense of more important shared ones. Summit will provide opportunity to demonstrate publicly our determination to deepen and broaden cooperation and understanding between our two countries. Possible value in fresh Declaration of Intent to supplement 1976 Joint Declaration. If you agree, our officials can get together to draft.
- 6. Attach importance to Franco-British Council Conference to be held in Edinburgh in May 1982. Shall attend part of Conference myself. Hope that you can come too.
- 7. Council a valuable vehicle for widening contacts and exchanging ideas. Hope you can agree to give it maximum encouragement in France.

Community Issues

8. European Community issues have all too often in the past provoked friction between us and obscured fact that

there too we have much in common - similar determination to make success of Community and develop it, similar wish to see Europe playing an effective role in the world, similar attitude to institutional development, with dislike of excessive supra-nationalism. Important we have full understanding of each other's positions on matters coming up in Community in autumn (mandates, fisheries, political cooperation). Hope our meeting in September and its follow-up will achieve this.

East/West Relations, including Poland

- 9. Russians on the defensive. Result of a combination of Western firmness (US determination to redress military balance, NATO's continued commitment to TNF double decision), and Soviet problems (Afghanistan, Poland, faltering economy).
- 10. Worth probing to see if Russians will make concessions in negotiations. US commitment to TNF negotiations later this year will test Soviet intentions: will also have a positive effect on West European public opinion.
- 11. Kania's middle of the road reformism strengthened by his re-election and by Congress'endorsement. But economic situation extremely grave; plenty of scope for further confrontation with Solidarity; Soviet pressure and threat of intervention will persist.
- 12. (If raised). Polish request for short-term funds (\$500 million) still under consideration. Have the French reached any conclusions?

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Namibian Settlement and problem of Cubans in Angola

13. We share French misgivings about South African (and American) insistence on linkage between Cuban withdrawal from Angola and a Namibia settlement, but must recognise political realities in Washington. We need to tackle the two issues in parallel.

ESSENTIAL FACTS

September Summit

1. President Mitterrand's own preference was for a summit later in the month but he accepted the UK preference.

The French are understood to be themselves considering proposing attendance of Defence Ministers, whom they specifically excluded last year.

Detailed Agenda

- 2. The proposed agenda includes a wide range of bilateral and European Community issues, international economic questions, defence and arms control, East/West relations, Afghanistan, Southern Africa, Arab/Israel, Central America/Caribbean.

 NOT FOR USE. We are also considering nuclear energy cooperation and, therefore, the participation of Mr Howell.
- Anglo/French Relationship
- 3. Since Lord Carrington's first meeting with M. Cheysson, there have been signs that the French are making an effort to improve Anglo/French relations. However, there is little French domestic political mileage to be gained from friend-liness towards Britain. We need to try to ensure that their new attitude lasts for as long as possible and to make the most of it while it does. In Community terms, we should take advantage of the friendly French approach to convey to our own public opinion that the French are not automatically our rivals in every sphere. The Joint Declaration was issued by the French President and the then British Prime Minister, (Mr Callaghan) during M. Giscard's State Visit to Britain in 1976. A copy is attached at Annex B.

Franco-British Council

- 4. The Council was conceived during HM The Queen's State Visit to France in 1972. At its first Conference in Bordeaux in September 1980, the British and French Prime Ministers made major keynote speeches. The Prime Minister cannot make such a speech in May 1982 but expects to attend part of the second day of the Conference (15 May). If the Conference is to achieve its political objective, there must be strong French (and British) Ministerial representation.
- 5. The French section of the Council are in difficulties at present: they have no indication from the new government of how it sees their role; their budget has yet to be approved; a new Chairman has yet to be appointed. The French Embassy are aware of the importance we attach to the Council.

Community Issues

6. By September the French should be ready to talk about the mandate and the forthcoming summit will be a good opportunity to sound them out and to try to establish common ground. We will also want to explore the possibility of establishing a continuing dialogue, such as they already have with the Germans, on this useful subject. On Fisheries, we have now had bilateral talks with the French, both at Ministerial and official levels and look for real progress in the autumn.

East/West Relations

7. President Mitterrand has taken a robust line on East/West relations. He has acknowledged the need for strong Western

defences and spoke out in favour of NATO's TNF double decision while on a visit to Bonn in late May.

- 8. The Extraordinary Polish Party Congress was the most open and democratic Congress ever held in Eastern Europe. The 2,000 delegates, themselves elected by secret ballot, chose the 200 Central Committee members and 15 Politburo members in a secret vote. Kania's comfortable re-election provides endorsement for his moderate reformist line and enhances his authority.
- 9. The Russians will be relieved that the Congress rejected extreme liberalism in favour of moderate reform. But they will be disturbed by the democratic procedures used to conduct the Congress and by the fact that 40 members of the new Central Committee and one of the members of the new Politburo are Solidarity members. They will expect the party to reassert its authority and make no further concessions to Solidarity. Military intervention will remain an option of last resort.
- 10. Party Congress took place against background of continuing economic deterioration. Despite prospects for a reasonable harvest, food shortages will continue and are becoming acute in some industrial areas. Congress approved proposals for economic stabilisation including sharp price increases (123%). These measures are unlikely to be implemented soon and will require full consultation with the Unions.

11. The Polish Government renewed on 14 July its appeal for urgent short-term financial assistance. Request for \$500 million was considered by Central Bank Governors of 15 Creditor Countries on 13 July who agreed that Central Banks could only extend further credit if given appropriate cover from Governments. The French Finance Minister, M Delors, has now asked Creditor Governments to supply these assurances. The French Government has itself given no commitment on this so far.

Namibia Settlement and Problem of Cubans in Angola

12. In the meeting of Foreign Ministers of the Five in Ottawa on 21 July (communiqué attached at Annex C), Mr Haig made it clear that the South Africans had stipulated that Cuban withdrawal must be linked with a Namibia settlement: and that this was a major political requirement (though not formally a precondition) for the US. The rest of the Five resisted any direct linkage. It was agreed that the Five's political directors would discuss this further in London in the week beginning 3 August.

13. [NOT FOR USE]

So far, the French have uneasily supported the American line with the South Africans, but have resisted any proposals involving tampering with the UN plan or making Cuban withdrawal from Angola a condition of a Namibian settlement.

MITTERRAND, FRANÇOIS
PRESIDENT OF THE REPUBLIC

Born 1916. Son of a railway official who later ran the family vinegar concern. Journalist and lawyer. A prisoner of war 1940-2. Obtained the Vichy decoration, the Francisque, for his work for prisoners and deportees. Took an active part in the Resistance, which included missions to London and Algiers 1943. Appointed Secretary-General for Prisoners and Deportees by General de Gaulle 1944. Croix de Guerre 1939-45 and Rosette de la Résistance. Under the 4th Republic M. Mitterrand was a member of several administrations, some of them far from left wing. When he first took office, he was the youngest Minister to be appointed since the 19th century. Among his Ministerial posts his principal ones were Minister for Ex-Servicemen and War Victims (1947-8), Minister for Overseas France (1950-51), and Minister of the Interior (1954-55). M. Mitterrand was one of the few French politicians to oppose General de Gaulle's return to power in 1958, not so much because he did not favour strengthening the executive at the expense of Parliament but because he considered that General de Gaulle had been imposed on France by the Armed Forces.

M. Mitterrand was an important though not a major figure of the IVth Republic. As M. Mendès France's Minister of the Interior, he was tough and dynamic, unencumbered by scruple and never afraid to make enemies. He shook up the official establishment of the police from top to bottom, and many of those involved have still not forgiven him. When serving M. Mollet he differed with him over Algerian policy and was critical of the Suez operation. Thereafter he joined M. Mendès France in heading the small non-Communist opposition group in the Assembly until May 1958. At that point he was the principal advocate of the Government's standing firm against the Army and General de Gaulle, and he was even talked of as the possible head of a 'popular front' government against the Army.

With General de Gaulle's success and the loss of his own parliamentary seat M. Mitterrand briefly withdrew from public life. In 1959, after his election to the Senate, he was involved in a notorious case (L'Affaire de l'Observatoire), which involved the machine-gunning of his car in mysterious circumstances. The subsequent enquiry did him no credit and the official investigation rumbled on for some time thereafter, leaving a certain amount of mud sticking to him.

The 1962 referendum providing for the election of the President by universal suffrage meant that from then on Mitterrand's eyes were fixed on the Presidency. His first attempt came in 1965, when he polled 7.7 million votes (32 per cent) on the first round and 10.5 million votes (45 per cent) on the second. He never expected to beat General de Gaulle: but his powerful performance won him the role of unofficial Leader of the Opposition. He became the President of the Fédération de la Gauche which performed so effectively in the 1967 legislative elections that the Government emerged with a majority of one seat only. the Fédération was already coming apart at the seams when the events of May and June 1968 precipitated its final collapse, and seemingly, M. Mitterrand's prospects. Mitterrand did not run in the subsequent Presidential election of 1969. But he began a political comeback by winning the leadership of the Socialist Party at the Epinay Congress of 1971. Having displaced M. Mollet he renovated the Party without alienating the old guard and was Presidential candidate again in 1974, in whose second round he scored 49.2% behind Giscard's 50.8%.

M. Mitterrand has always maintained that the only way the socialists could hope to come to power was with the support of those voters who had traditionally supported the PCF. From 1972-7 he took the PS into alliance with the PCF, but the alliance collapsed before the 1978 legislative elections when M. Mitterrand rejected the PCF's attempts to dictate the terms of the revision of the common programme of government which had been drawn up in 1972. Since then.

/relations

relations between M. Mitterrand and the PCF at leadership level have been strained. But M. Mitterrand has never abandoned his belief that the PS could not afford to turn its back on PCF voters.

M. Mitterrand is not a doctrinaire socialist. Keen on books and painting, addicted to writing and reputedly pleasure loving, he seems to be mostly a humanist with egalitarian instincts and a sense of public responsibility. He is on the side of the under-dog and is concerned about the welfare of people in general, but he is by nature aloof. He has few personal friends and is not much inclined to share confidences. His unrivalled stature within the PS has created a court like atmosphere where those in favour rise fast, but those who cross him are excluded from his counsels. There is no doubt about his understanding of the elements of power and his ability and willingness to use them.

During the 1981 election campaign M. Mitterrand managed to appear very calm and self-possessed. There was a good deal of art in this, but also a fair amount of nature. He has remained a tough and ruthless politician capable of biting criticism of his opponents. But this side of his character has been little in evidence recently. On the whole he succeeded in presenting a reassuring image to the electorate.

There is no sign that he has thought very much about relations with the UK. M. Mitterrand speaks little English and Britain does not seem to have attracted a gread deal of attention from him, but when he visited the UK in October 1977 as a guest of the Labour Party he made a good and amiable impression on the Labour Ministers in power at the time.

Keen interest in local affairs. Mayor of Château-Chinon, President of the Conseil Général of the Nièvre, Conseiller Général of Montsauche and member of the Regional Council of Burgundy. One brother, General Mitterrand, is President of Aérospatiale, the nationalised aircraft company, one is President of Hayas and one a professor at the Sorbonne. He is married to a retiring wife, who had a good resistance record and who loves country life at their homes in the Morvan and in the Landes near Bordeaux. They have two sons.

PRIME MINISTER AND THE PRESIDENT OF THE FRENCH REPUBLIC AT 10 DOWNING STREET ON WEDNESDAY, 23 JUNE, 1976

The President of the French Republic and the Prime Minister of the United Kingdom of Great Britain and Northern Ireland.

Considering that their two countries share the same basic outlook and pursue common objectives;

Recalling that their two countries' membership of the same European Community creates new links between them;

Resolved to develop consultation and thereby to reinforce co-operation between their two Governments;

Have decided to meet alternately in France and in the United Kingdom, once a year, accompanied by the members of their Governments principally concerned, in order to discuss relations between their two countries and problems of common interest, notably those derived from their membership of the European Economic Community;

Have also decided that the Ministers of Foreign Affairs of France and the United Kingdom will have a separate meeting at least once a year;

Have decided to organise periodic meetings between the other principal Ministers, notably those responsible for Home Affairs, the Economy and Finance, Energy, Industry, Defence and Trade, with a view to bringing the policies of their two countries closer together and facilitating their convergence.

CONFIDENTIAL

OTTAWA COMMUNIQUE - ISSUED BY THE FIVE FOREIGN MINISTERS 22 JULY

The Foreign Ministers of Canada, France, the Federal Republic of Germany, the United Kingdom and the United States took advantage of their presence in Ottawa on July 20 and 21 to discuss the question of Namibia. They agreed upon the urgent need to continue the effort to bring about the independence of Namibia in accordance with Security Council Resolution 435 in a manner that will command international approval. The United States' Secretary of State Alexander Haig discussed with his colleagues the results of Deputy Secretary Clark's mission to South Africa, Namibia and Zimbabwe June 10-13. The Ministers considered measures which would complement and strengthen the existing UN plan and provide the confidence necessary for all parties to proceed. The Ministers decided to convene a follow-up meeting of senior officials next week in Paris to formulate proposals to carry forward the settlement process in consultation with all parties concerned. They decided to meet again in New York during the UN General Assembly session in September to review further how the process can best be pursued.



From the Minister's Private Office

Michael Alexander Esq Private Secretary 10 Downing Street London SW1 2 pps France

Ministry of Agriculture, Fisheries and Food Whitehall Place London SW1A 2HH

La Ams

24 July 1981

Dear Michael.

ANGLO-FRENCH SUMMITS: 29 JULY AND 10-11 SEPTEMBER

Francis Richards copied to me his letter to you of 20 July about the shape of the forthcoming Anglo-French Summits on 29 July and 10-11 September. In sub-paragraph (iii) he suggests that there would be advantage in including Agriculture and Fisheries Ministers in the Summit in September.

My Minister endorses the view that, in order to make progress on fisheries policy, it would be desirable to have the Fisheries Minister included in the Summit. We were in any case planning a bilateral meeting with M. Le Pensec at about that time in preparation for the Fisheries Council on 29 and possibly 30 September. My Minister feels there would be merit in his meeting with M. Le Pensec therefore taking place under the umbrella of the 10-11 September Summit.

Francis Richards' letter also mentions the inclusion of Agriculture Ministers in the Summit. My Minister would be content with this.

I am sending copies of this letter to the Private Secretaries to the Chancellor of the Exchequer, Foreign and Commonwealth Secretary, Secretary of State for Trade, Secretary of State for Industry, Minister of Defence, Minister for Energy and David Wright in the Cabinet Office.

MISS V K TIMMS Principal Private Secretary 010 AMBASSADE DE FRANCE LONDRES L'AMBASSADEUR 23rd July, 1981 Phis Slephene 2417 Dear his Lothian Thank you for your letter of July 21st. I am being informed from Paris that the arrangements made for the President's meeting with the Prime Minister on Wednesday, 29th July at 1600 hours meet his entire approval. Monsieur Mitterrand has himself discussed the matter in Ottawa with Mrs Thatcher and is looking forward to meeting her again in London. Your sharing Copy to Mr. Armour. Miss D.F. Lothian, Assistant P.C.C.U., Foreign and Commonwealth Office, Cop 1 1 Nº 10 King Charles Street, London SW1A 2AH



Treasury Chambers, Parliament Street, SWIP 3AG 01-233 3000

23July 1981

M O'D B Alexander Esq. 10 Downing Street LONDON SW1

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ANGLO-FRENCH SUMMIT 10-11 SEPTEMBER

The Chancellor has seen Francis Richards' letter of 20 July suggesting topics for the Prime Minister's meeting with President Mitterand on 10-11 September.

The new French Administration may still not have finalised its views on European Community questions, by early September, but the Chancellor feels it would be useful to have a preliminary indication of French thinking in advance of the important meetings scheduled for the autumn.

It would also be useful to discuss the French approach to the forthcoming North/South Summit in Mexico as well as French views on the important issues on the future development of the international financial institutions likely to be raised at the IMF/IBRD annual meeting. The Summit will also provide an opportunity to discuss any post-Ottawa world economic problems.

The Chancellor himself will be available on 10-11 September. If these economic questions are to be discussed it would clearly be very desirable for M. Delors to accompany the President.

Your con ,

P.S. JENKINS Private Secretary

PRIME MINISTER

Your Meeting with President Mitterrand

One of the subjects which you will probably wish to discuss with President Mitterrand next week will be the arrangements for his visit to London on 10/11 September. In this connection it would be helpful if I could confirm your earlier agreement that there should then be a substantial Ministerial participation. I would have thought that this should include:-

Chancellor of the Exchequer
Foreign and Commonwealth Secretary
Secretary of State for Trade
Secretary of State for Industry
Secretary of State for Defence
Secretary of State for Energy
Minister of Agriculture

Agree?

MA

Wedding briefs not Ago gency Foreign and Commonwealth Office London S.W.1 17 July 1981 Plu briefs for meeting with Pour Mitter and. Phone Dear Michael, Franco-British Council Thank you for your letter of 10 July seeking our advice on whether or not the Prime Minister should raise the Franco-British Council with President Mitterrand on 29 July. I am writing separately to you suggesting an agenda for the Prime Minister's talks on 29 July which includes the Franco-British Council. We attach great importance to the Council's work for Franco-British relations and, in particular, to the success of the Conference they are organising in Edinburgh next spring. We are anxious that the French Section should be given a strong lead from the top, and hope it will be possible to reassure Sir Philip that the Prime Minister will indeed raise the Council with President Mitterrand on 29 July. We had noted that the Prime Minister would not wish to make a major speech at the Conference. However, I assume that, if President Mitterrand or M. Mauroy could be persuaded to attend a lunch or dinner, the Prime Minister would be willing to say a few words stressing the value we attach to the work of the Council. The Lord Privy Seal has not seen this letter, as he is not in London today. Should he have comments I shall ensure that they reach you before the Prime Minister's return from Ottawa. Private Secretary M O'D B Alexander Esq 10 Downing St



Secretary of State for Industry

mr Attrander (or)

DEPARTMENT OF INDUSTRY ASHDOWN HOUSE 123 VICTORIA STREET

LONDON SWIE 6RB

TELEPHONE DIRECT LINE 01-212 SWITCHBOARD 01-212 7676 3301

20 July 1981

Francis Richards Esq Private Secretary to the Secretary of State for Foreign and Commonwealth Affairs Foreign & Commonwealth Office Downing Street London SW1

Dear Francis,

ANGLO/FRENCH SUMMIT: 10/11 SEPTEMBER

Michael Alexander wrote to you on 13 July concerning Ministerial participation in the above Summit.

2 We are assuming that in this, his first meeting with the Prime Minister, President Mitterand will probably include M. Dreyfus, the new Minister of Industry, in his team. M. Dreyfus' presence would be most welcome. My Secretary of State thinks that it would be valuable to make early contact with his French counterpart. He therefore hopes that there will be time available during the Summit for him to have bilateral discussions with M. Dreyfus.

3 I am copying this letter to Michael Alexander.

Yours suicerely, Ceily Yongen. CECILY MORGAN

Private Secretary





Foreign and Commonwealth Office

London SW1A 2AH

20 July 1981

Dear Michael,

Anglo-French Summits: 29 July and 10-11 September

The Prime Minister will be seeing President Mitterrand for an hour on 29 July after the Royal Wedding. This could provide a convenient opportunity to discuss bilateral relations and the shape of the forthcoming Anglo-French Summit on 10-11 September, as well as current international developments.

You will have seen Paris Telno 611 (copy attached) setting out HM Ambassador's views on who might attend the September Summit and on some of the topics for the agenda. We agree with Sir R Hibbert's views except in three respects:

- (i) the main steel issues have been satisfactorily resolved and there would be no advantage in a detailed discussion again in September; however, it remains important that Sir K Joseph should attend the Summit;
- (ii) a decision on whether or not it would be to our advantage to suggest the inclusion of bilateral nuclear cooperation on the agenda has yet to be taken. I shall write to you again as soon as I know the outcome. We do not, at this stage, think there are other energy issues which we could usefully raise with the French;
- (iii) we consider, despite Sir R Hibbert's view, that therewould be some advantage in including Agriculture and Fisheries Ministers in the Summit. There are some signs of progress on Fish and it might be desirable to have all concerned round the same table.

In practice this means that we recommend that all those Private Secretaries alerted by your letter of 29 May should be asked to consider the Anglo-French Summit as a firm

/engagement



engagement for their Ministers, with the possible addition of Mr Howell, who I understand will be free at that time.

We recommend that the Prime Minister's meeting on 29 July with President Mitterrand be treated as a prelude to the September summit and accordingly suggest that the agenda should be on the following lines:-

- (a) preparation for the September summit;
- (b) the Anglo-French relationship (including the Franco-British Council);
- (c) (if necessary) questions arising from the economic summit in Ottawa;
- (d) other international issues.

We do not envisage briefing the Prime Minister to discuss the agenda for the summit and I give below a suggested agenda, by no means exhaustive, compiled within the FCO. The items listed are not necessarily in order of priority and would be subject to consideration and co-ordination by the Cabinet Office in the usual way nearer the time:-

- (a) Bilateral issues
 - state of Anglo-French relations (possibility of a joint declaration to update that emanating from President Giscard's State Visit in 1976 - copy attached)
 - Franco-British Council
 - Bilateral cooperation
- (b) European Community Questions
 - detailed items to be agreed with the French nearer the time but to include the 30 May mandate, fisheries and industrial policy
- (c) International/Economic Questions
 - North/South
 - International trade questions
 - World economic and monetary problems
- [(d) Nuclear energy cooperation] see para 2(ii)
 - (e) Defence and Arms Control



- (f) East/West Relations including Poland
- (g) Afghanistan
- (h) Southern Africa
- (i) Arab/Israel
- (j) Central America/Caribbean

There will of course be an opportunity to add further items later, including any which may arise from the Prime Minister's meeting with President Mitterrand.

I have no seen your letter of 13 July and note the arrangements you have proposed including the deadline for briefs.

I am copying this letter to the Private Secretaries to the Chancellor of the Exchequer, Secretary of State for Trade, Secretary of State for Industry, Minister for Defence, Minister for Agriculture, Fisheries and Food, Minister for Energy and to David Wright in the Cabinet Office.

> (F N Richards) Private Secretary

M O'D B Alexander Esq 10 Downing Street JOINT DECLARATION ISSUED AFTER A MEETING BETWEEN THE PRIME MINISTER AND THE PRESIDENT OF THE FRENCH REPUBLIC AT 10 DOWNING STREET ON WEDNESDAY, 23 JUNE, 1976

The President of the French Republic and the Prime Minister of the United Kingdom of Great Britain and Northern Ireland.

Considering that their two countries share the same basic outlook and pursue common objectives;

Recalling that their two countries' membership of the same European Community creates new links between them;

Resolved to develop consultation and thereby to reinforce co-operation between their two Governments;

Have decided to meet alternately in France and in the United Kingdom, once a year, accompanied by the members of their Governments principally concerned, in order to discuss relations between their two countries and problems of common interest, notably those derived from their membership of the European Economic Community;

Have also decided that the Ministers of Foreign Affairs of France and the United Kingdom will have a separate meeting at least once a year;

Have decided to organise periodic meetings between the other principal Ministers, notably those responsible for Home Affairs, the Economy and Finance, Energy, Industry, Defence and Trade, with a view to bringing the policies of their two countries closer together and facilitating their convergence.

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FM PARIS 091126Z JUL 81
TO PRIORITY FCO

AMENDED DISTRIBUTION 10 JULY

TELEGRAM NUMBER 611 OF 9 JULY 1981

FOR WED

YOUR TELNO 284: PRESIDENT MITTERRAND'S TALK WITH THE PRIME MINISTER, 29 JULY

- 1. GIVEN THAT THE PRIME MINISTER'S MEETING WILL PRESUMABLY NOT BE LENGTHY, I AGREE THAT IT WOULD BE RIGHT TO AIM TO CONCENTRATE ON A LIMITED NUMBER OF TOPICS. SO FAR AS BILATERAL RELATIONS ARE CONCERNED I THINK THAT THE MOST IMPORTANT OBJECTIVE SHOULD BE TO FOCUS PRESIDENT MITTERRAND'S ATTENTION ON THE ORGANISATION AND CONTENTS OF THE BILATERAL SUMMIT TO BE HELD, WE STILL HOPE, IN SEPTEMBER. I TAKE IT THAT THE PRIME MINISTER'S WISH TO HAVE THE SUMMIT ON DATES ON WHICH A STRONG TEAM OF BRITISH MINISTERS COULD BE PRESENT IS TO ACHIEVE AS WIDE-RANGING A MEETING AS POSSIBLE. HER MEETING WITH M MITTERRAND ON 29 JULY WILL BE WELL TIMED TO GET THIS MESSAGE ACROSS AND TO PERSUADE M MITTERRAND OF THE IMPORTANCE OF REVIEWING FRANCO-BRITISH RELATIONS ON A WIDE FRONT AT AN EARLY DATE.
- 2. I SUGGEST THAT THE PRIME MINISTER MIGHT USE THIS OCCASION TO TRY
 TO AGREE WITH M MITTERRAND THE SUBJECTS WHICH OUGHT TO BE DISCUSSED
 AND THE MINISTERS WHO OUGHT TO MAKE CONTACT. I MAKE SOME PROPOSALS
 BELOW PARTLY IN TERMS OF MINISTERS AND PARTLY IN TERMS OF SUBJECTS.
 IT SEEMS NECESSARY TO APPROACH FROM THESE TWO DIFFERENT ANGLES.
 THERE IS STILL A GOOD DEAL OF CONFUSION WITHIN THE FRENCH
 ADMINISTRATION AS TO WHO HAS RESPONSIBILITY FOR WHAT, PARTICULARLY
 IN THE INDUSTRIAL, ENERGY AND RESEARCH FIELDS. TO ENABLE THE
 SUMMIT TO BE USED FRUITFULLY TO COVER A BROAD RANGE OF ISSUES OF
 DIRECT INTEREST TO THE UK, I SUGGEST THAT IT WOULD BE DESIRABLE:
- (A) FOR THE MINISTERS OF FOREIGN AFFAIRS, ECONOMY (IE THE CHANCELLOR OF THE EXCHEQUER AND M DELORS) AND DEFENCE TO BE PRESENT. I

 I THINK IT WOULD BE VALUABLE IF MR NOTT AND M HERNU COULD HAVE AN EARLY DISCUSSION ABOUT BILATERAL DEFENCE ISSUES,
 INCLUDING ARMS COOPERATION, IN HIGH-LEVEL SURROUNDINGS.
- (B) FOR THE FOLLOWING SUBJECTS TO BE COVERED
 - (1) STEEL, THE FUTURE OF THE BILATERAL COMMITTEE ON INDUSTRIAL COOPERATION (THIS WOULD IMPLY THE PRESENCE OF SIR K JOSEPH AND M DREYFUS):
 - (11) COMMERCIAL RELATIONS WITH JAPAN, MULTIFIBRE ARRNAGEMENT (THIS WOULD IMPLY THE PRESENCE OF MR BIFFEN AND M JOBERT):
 - (111) BILATERAL NUCLEAR COOPERATION, EG ON FAST BREEDER REACTORS
 THE AIM WOULD BE TO RESTATE TO THE NEW FRENCH
 GOVERNMENT THE UK POSITION AS SPELLED OUT BY MR HOWELL
 BEFORE THE ELECTION.

CONFIDENTIAL 3. PRESENTATION BY SUBJECT WHERE THERE IS UNCERTAINTY OVER THE MOST APPROPRIATE FRENCH OPPOSITE NUMBER, EG FOR MR HOWELL, WOULD PUT THE ONUS ON PRESIDENT MITTERRAND TO CLARIFY GOVERNMENTAL RESPONSIBILITIES IN A WAY WHICH SHOULD ASSIST THE SUBSEQUENT CONDUCT OF BILATERAL BUSINESS. 4. NO DOUBT AGRICULTURAL AND FISHERIES QUESTIONS WILL BE DISCUSSED BY THE PRESIDENT AND PRIME MINISTER AT THE SEPTEMBER SUMMIT. NEVERTHELESS, I SEE NO NEED TO SUGGEST THAT AGRICULTURAL MINISTERS OR FRANCE'S FISHERIES MINISTER SHOULD BE INVOLVED. I IMAGINE THAT THE POSITIONS OF BOTH SIDES WILL BE WELL ENOUGH KNOWN FROM OTHER BILATERAL AND COMMUNITY MEETINGS. SIMILARLY, I AM NOT AWARE OF ANY PARTICULAR DIFFICULTIES INVOLVING OIL QUESTIONS WHICH WOULD REQUIRE DISCUSSION BETWEEN MINISTERS. IF THEY WERE TO MEET, THE FRENCH MINISTER WOULD ALMOST CERTAINLY RAISE THE QUESTION OF NORTH ALWYN GAS AND THE SEVENTH ROUND LICENSING. 5. AGAINST THIS GENERAL BACKGROUND, I WONDER WHETHER "THE COMMUNITY WOULD REALLY BE A SUITABLE MAJOR TOPIC FOR MRS THATCHER'S TALK ON 29 JULY. IN ANY CASE, DISCUSSION IS UNLIKELY TO BE PARTICULARLY FRUITFUL AS TALKS IN BRUSSELS ON EG BUDGET RESTRUCTURING AND CAP REFORM WILL BE AT AN EARLY STAGE WHILE PRESIDENT MITTERRAND IS UNLIKELY TO BE READY TO PRESENT THE FRENCH IDEAS ON THE DEVELOPMENT OF THE COMMUNITY. 6. OTHER TOPICS WHICH YOU WILL WISH TO CONSIDER FOR THE AGENDA FOR 29 JULY ARE:

(A) THE OTTAWA ECONOMIC SUMMIT. THIS WILL RECENTLY HAVE TAKEN

(B) THE NOMINATURE OF A NEW CHAIRMAN FOR THE FRENCH SECTION OF THE FRANCO - BRITISH COUNCIL. THE PRIME MINISTER'S TALK WOULD BE A USEFUL OCCASION TO PRESS UPON PRESIDENT MITTERRAND THE IMPORTANCE THE UK ATTACHES TO THIS BODY AND THE NEED FOR AN EARLY DECISION ON THE FRENCH SIDE IF PREPARTATIONS FOR THE

(C) PROBLEMS INVOLVING ANY OF THE WORLD'S TROUBLE SPOTS WHICH

CONFIDENTIAL

1982 COLLOQUY ARE TO BE MADE QUICKLY AND EFFECTIVELY.

ARE PARTICULARLY ACTIVE AT THE TIME.

AT THE END OF THE MONTH.

HIBBERT.

WED

FCO/WHITEHALL

PLACE. THERE MAY BE SOME USEFUL FOLLOW - UP WHICH COULD BE UNDERTAKE

CONFIDENTIAL



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10 DOWNING STREET

From the Private Secretary

13 July 1981

Dear Francis,

Anglo/French Summit : 10/11 September

The Prime Minister has indicated that she would wish President Mitterrand's visit, now confirmed for 10/11 September, to take place in London rather than at Chequers. Since 10 September is a Thursday and there is therefore a possibility of a Cabinet meeting that morning, we should plan for a mid-afternoon arrival with a guard of honour and a first round of talks later on. There would then be a formal dinner for 60-plus guests. The following morning there might be a further round of talks, a press conference, and, finally, a working lunch. In view of the rather inconclusive correspondence earlier in the year, you will no doubt let me have before too long a list of proposed Ministerial participants in the talks.

I should be grateful if the briefs could be available by Friday 4 September.

I am sending copies of this letter to John Wiggins (HM Treasury), Brian Norbury (Ministry of Defence), John Rhodes (Department of Trade), Ian Ellison (Department of Industry), Kate Timms (MAFF) and David Wright (Cabinet Office).

Your ever Miliail Alexander

Francis Richards, Esq., Foreign and Commonwealth Office.

CONFIDENTIAL

DA



10 DOWNING STREET

PRIME MINISTER 2 F. 13/2.

President Mitterrand's
visit has been confirmed for
11/12 September. Would you
like the meeting to take place
in London or at Chequers?

1 While is 10 July 1981 Led With the Lordon - with a friend of honor

AMENDED DISTRIBUTION 10 JULY

CONFIDENTIAL

GRS 8¢

CONFI DENTI AL

FM PARIS ¢91731Z JUL 81

TO IMMEDIATE FCO

TELEGRAM NUMBER 616 OF 9 JULY 1981

MY TELNO 610: ANGLO / FRENCH SUMMIT

1. IN A REVERSAL OF THE LINE TAKEN BY M. VEDRINE YESTERDAY, I WAS TELEPHONED THIS EVENING BY THE SECRETARY - GENERAL AT THE ELYSEE, WHO SAID, REFERRING TO A LETTER I HAD SENT HIM, THAT PRESIDENT MITTERRAND COULD AFTER ALL MANAGE THE DATES OF 1\$\phi/11\$ SEPTEMBER. THIS HAD INVOLVED AN UNCOMFORTABLE CHANGE OF PLAN FOR THE PRESIDENT, WHO HAD INTENDED TO TAKE A FEW DAYS REST OVER THAT PERIOD. HOWEVER, M. BEREGOVOY SAID THAT THE PRESIDENT WAS PLEASED TO MAKE THIS GESTURE FOR THE UK.

HI BBERT.

FCO/WHITEHALL WED

OO PARIS GRS 243

GRS 248 CONFIDENTIAL

FM FCO 071530Z AUGUST 1981 TO IMMEDIATE PARIS TELEGRAM NUMBER 334 OF 7 AUGUST

MIPT: ANGLO-FRENCH SUMMIT

PROPOSED DISTRIBUTION OF TOPICS IS AS FOLLOWS:

PRIME MINISTER - PRESIDENT MITTERRAND
COMMUNITY ISSUES

INTERNATIONAL AFFAIRS

BILATERAL RELATIONS (INCLUDING CROSS CHANNEL LINK)

FOREIGN SECRETARY - M CHEYSSON
30 MAY MANDATE

ENLARGEMENT

IMPROVEMENT OF POLITICAL CO-OPERATION

RELATIONS WITH DEVELOPING COUNTRIES (INCLUDING CANCUN SUMMIT)

ARMS CONTROL AND DISARMAMENT

EASI/WEST RELATIONS INCLUDING POLAND

AFGHANISTAN

SOUTHERN AFRICA

ARAB/ISRAEL

CENTRAL AMERICA AND CARIBBEAN

FRANCO-BRITISH COUNCIL

CIVIL SERVICE EXCHANGES

CHANCELLOR OF THE EXCHEQUER - M DELORS
PROSPECTS FOR WORLD ECONOMY
EXPORT CREDITS CONSENSUS RATES

COMMON MARKET IN INSURANCE

30 MAY MANDATE

MINISTER OF AGRICULTURE, FISHERIES AND FOOD - MME CRESSON FUTURE DEVELOPMENT OF COMMON AGRICULTURAL POLICY (INCLUDING

30 MAY MANDATE)

MINISTER OF AGRICULTURE, FISHERIES AND FOOD - M LE PENSEC

FUTURE DEVELOPMENT OF COMMON FISHERIES POLICY

SECRETARY OF STATE FOR TRADE - M JOBERT

TRADE POLICY ISSUES

JAPAN, MFA NEGOTIATIONS,

PREPARATION FOR PROPOSED GATT MINISTERIAL MEETING IN AUTUMN

1982

SECRETARY OF STATE FOR INDUSTRY - M DREYFUS

SCOPE FOR COMMUNITY COOPERATION IN RESEARCH AND INNOVATION

PROBLEMS OF DECLINING INDUSTRIES

POSSIBILITIES FOR INDUSTRIAL COOPERATION (INCLUDING CIVIL NUCLEAR COLLABORATION AND FUTURE OF ANGLO-FRENCH INDUSTRIAL COOPERATION

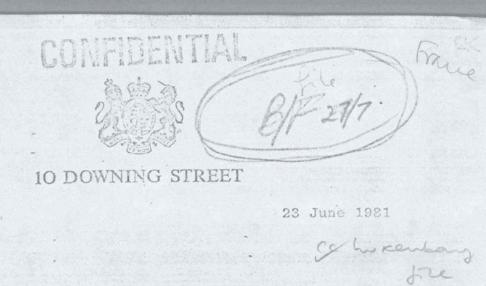
COMMITTEE)

SECRETARY OF STATE FOR DEFENCE - M HERNU
DEFENCE COLLABORATION, INCLUDING PROCUREMENT

GILMOUR

FCO/WHITEHALL WED

CONFIDENTIAL



From the Private Secretary

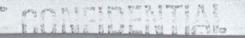
European Council: Prime Minister's Meeting with President Mitterrand

As you know the Prime Minister considers that there would be value in her having a bilateral meeting with President Mitterrand in Luxembourg next week. I should be grateful therefore if you could arrange for the Embassy in Paris to approach the Elysee and suggest a meeting either at 1415 on Monday in the Kirchberg (as you are no doubt aware all Heads of Government have been asked to be in the Kirchberg by 1400 at the latest: Mr. Barrett's letter to me of 22 June refers) or the following morning at, say, 0900. The Prime Minister would prefer not to have to breakfast with President Mitterrand.

Given that she will be seeing President Mitterrand in both Ottawa and London next month, the Prime Minister does not wish us to press the French too hard for a bilateral in Luxembourg should they show signs of reluctance.

As regards President Mitterrand's visit to London, it would be helpful if the Embassy could put down a marker with the Elysee that the Prime Minister would hope to have talks with President Mitterrand here, probably late in the afternoon of Wednesday, 29 July.

F.N. Richards, Esq., Foreign and Commonwealth Office



Frace

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OO PARIS
GRS 102
CONFIDENTIAL
FM FCO 021437Z JUN 81
TO IMMEDIATE PARIS
TELEGRAM NUMBER 208 OF 2ND JUNE 1981
MY TELNO 92: ANGLO-FRENCH SUMMIT

ha Mins

- 1. AS FORESHADOWED IN MY TUR, THE DATES OF 17-18 SEPTEMBER WHICH THE PRIME MINISTER HAD EARLIER AGREED HAVE PROVED VERY AWKWARD FOR A NUMBER OF POSSIBLE MINISTERIAL PARTICIPANTS HERE. WE SHOULD MUCH PREFER 10-11 SEPTEMBER. PLEASE NOW SEEK FROM THE ELYSEE AGREEMENT TO THESE DATES FOR THE NEXT ANGLO-FRENCH CONSULTATIONS IN THIS COUNTRY.
- 2. WE SHALL CONTINUE TO KEEP 17-18 SEPTEMBER FREE AS A FALL-BACK, BUT YOU SHOULD NOT OFFER THESE DATES (ON WHICH WE COULD NOT FIELD A FULL MINISTERIAL TEAM) WITHOUT FURTHER INSTRUCTIONS.

CARRINGTON

FEO / WHITEHALL D



Frace

10 DOWNING STREET

From the Private Secretary

29 May 1981

Dear Esamis,

Anglo-French Summit: September 1981

In my letter to you of 26 March I recorded the Prime Minister's agreement that the dates 17-18 September should be proposed to the French for the next round of Anglo-French consultations. These dates have proved inconvenient for a number of potential participants on our own side and we have accordingly reconsidered the question. 10-11 September seems to be more convenient to all and you are instructing our Embassy in Paris to put these new dates to the French. I should be grateful if you and other recipients of this letter could make an appropriate note in your Ministers' diaries. Until the French have accepted these dates however, it would be as well to keep 17-18 September free as a fallback.

I am sending copies of this letter to John Wiggins (HM Treasury), Brian Norbury (Ministry of Defence), Stuart Hampson (Department of Trade), Ian Ellison (Department of Industry), Kate Timms (Ministry of Agriculture, Fisheries and Food) and to David Wright (Cabinet Office).

Jones ever Nichael Alexander

F.N. Richards, Esq., Foreign and Commonwealth Office. Afre hat we should fint London SWIA 2AH

new dates to the French? (they are the interpretation)
as howeverient for your drainy as the earlier 27 May 1981

Draw Michael, Purch 27/5

Anglo-French Summit: September 1981

As you know, the dates of 17-18 September agreed by the Prime Minister for the next Anglo-French Summit have proved very awkward for a number of potential ministerial participants. We have checked with the Private Secretaries of the Ministers concerned and established that 10-11 September should prove possible for all of them. I should be grateful if you would seek the Prime Minister's agreement to our proposing these new dates to the Elysee.

11

I enclose a draft letter which you may care to send to Private Secretaries concerned. I also attach a draft telegram to Paris.

yours ever

(R M J Lyne) Private Secretary

M O D'B Alexander Esq 10 Downing Street LONDON SW1



SECURITY CLASSIFICATION

Top Secret. Secret. Confidential. Restricted. Unclassified.

PRIVACY MARKING

.....In Confidence

DRAFT

To:-

Type 1+

From

Telephone No. Ext.

Department

Private Secretary FCO

F N Richards Esq

From: Private Secretary

No 10

Anglo-French Summit: September 1981

In my letter to you of 26 March I recorded the Prime Minister's agreement that the dates 17-18 September should be proposed to the French for the next round of Anglo-French consultations. These dates have proved inconvenient for a number of potential participants on our own side and we have accordingly reconsidered the question. 10-1/1 September seems to be more convenient to all and you are instructing our Embassy in Paris to put these new dates to the French. should be grateful if you and other recipients of this letter could make an appropriate note in your Ministers' diaries. Until the French have accepted these dates however, it would be as well to keep 17-18 September free as a fallback.

I am sending copies of this letter to John Wiggins (HM Treasury), Brian Norbury (Ministry of Defence), Stuart Hampson (Department of Trade), Ian Ellison (Department of Industry), Kate Timms (Ministry of Agriculture, Fisheries and Food) and to David Wright (Cabinet Office).

ago.

OUT TELEGRAM

Precedence/Deskby IMMEDIATE Classification and Caveats CONFIDENTIAL **DESKBY 271545Z** 1 ZCZC 2 GRS 3 CONFIDENTIAL 5 DESKBY 271545Z 6 7 TO IMMEDIATE PARIS 8 TELEGRAM NUMBER 9 MY TELNO 92: ANGLO-FRENCH SUMMIT 10 1. As foreshadowed in my TUR, the dates of 17-18 September 11 which the Prime Minister had earlier agreed have proved 12 very awkward for a number of possible ministerial participants 13 here. We should much prefer 10-11 September. Please now 14 seek from the Elysee agreement to these dates for the next 15 Anglo-French consultations in this country. 16 17 2. We shall continue to keep 17-18 September free as a fall-18 back, but you should not offer these dates (on which we could not 19 field a full Ministerial team) without further instructions. 20 21 CARRINGTON 22 23 NNNN 24 25 Catchword NNNN ends BLANK telegram File number Dept Distribution WED FCO/Whitehall Drafted by (Block capitals) WED

Telephone number

Authorised for despatch

Comcen reference | Time of despatch

N H S Armour



CABINET OFFICE

With the compliments of
The Private Secretary to the
Secretary of the Cabinet

C. A. Whitmore, Esq

70 Whitehall, London SW1A 2AS
Telephone 01-233 8319

CONFIDENTIAL



CABINET OFFICE

70 Whitehall. London swia 2as Telephone 01-233 8319

From the Secretary of the Cabinet: Sir Robert Armstrong KCB, CVO

Ref: A04958

21st May 1981

Anglo-French Summit

Thank you for your letter of 14th May about the Chancellor's difficulties about attending the Anglo-French Summit if it should take place on 17th-18th September. These difficulties have been noted both in No. 10 and in the Foreign and Commonwealth Office and will be taken into account in discussing dates for the Summit.

Copies of this letter go to Clive Whitmore (No.10) and Francis Richards (FCO).

D. J. WRIGHT

(D. J. Wright)

A.J. Wiggins, Esq

CONFIDENTIAL



10 DOWNING STREET

From the Principal Private Secretary

MR. WRIGHT

Anglo/French Summit

You minuted Mr. Alexander on 19 May 1981 about Mr. Wiggins's letter to you of 14 May about the dates of the Anglo/French Summit.

I agree that it will be some time before we can begin to be clear about the dates for the next Anglo/French Summit and that in the meantime you should reply to Mr. Wiggins in the way you propose.

We here are at the moment trying to keep clear both 10/11 and 17/18 September for the meeting with President Mitterrand.

Cw

09

20 May 1981

CONFIDENTIAL

Ref. A04937 MR ALEXANDER CONFIDENTIAL

Confidence Mangary

Anglo-French Summit of 2015

Confidence Mangary

Anglo-French Summit of 2015

You will have seen a copy of John Wiggins's letter to me of 14 May about the dates of the Anglo-French Summit. It will be difficult to give much thought to the precise dates for the Anglo-French Summit until at least after President Mitterrand has settled in and possibly not until after Legislative Elections have taken place in France in June. The Chancellor of the Exchequer's attendance at the Summit will be desirable whenever it takes place. But at the same time, it will be important not to forego an early opportunity for the Prime Minister to get to know Monsieur Mitterrand even if that meant the Chancellor being absent.

2. I understand from the Foreign and Commonwealth Office that thought is now being given to the possibility of the Summit taking place on 10-11 September. This would not seem likely to impinge on the Chancellor's autumn travelling programme. But it will no doubt be some time before such dates are finalised. Unless you disagree, I, therefore, propose merely to reply to John Wiggins to the effect that the difficulties of the Chancellor's programme have been registered and will be taken into account in discussing dates for this visit.

D J WRIGHT

19 May 1981



D.J. Wright, Esq., Private Secretary, Cabinet Office

· Dear David,

ANGLO FRENCH SUMMIT

Present arrangements contemplate the next Anglo-French summit taking place on Friday, 18 September. I should like to register the Chancellor's strong interest in the date of this meeting being changed, if any question of this should arise following the French Presidential election.

The Chancellor has an exceptionally heavy travelling schedule around that date: a meeting of ECOFIN on 17 September (needed to co-ordinate the EC position before the IMF/IBRD annual meetings), followed in short order by the Commonwealth Finance Ministers' Meeting in New Zealand on 22 and 23 September and the IMF etc. meetings beginning in Washington on 25 September. The Chancellor would have wished to spend a day or so in Australia on his way to the CFM; but if the Anglo-French meeting takes place as scheduled, he could not have more than a few hours.

I am copying this letter to Michael Alexander and Francis Richards.

Your ever John Wiggins

A.J. WIGGINS



From the Minister's Private Office Ministry of Agriculture, Fisheries and Food Whitehall Place London SW1A 2HH

A lattion

17 March 1981

Michael Alexander Esq Prime Minister's Office 10 Downing Street London SW1A

Deas Mr. Hexander

You copied to Kate Timms in this office your letter of 26 March to Francis Richards about Ministerial participation at the Anglo-French Summit on 17/18 September.

The Minister has asked me to let you know that he expects to be on an official visit to South America during that period.

A copy of this letter goes to Francis Richards (FCO) and David Wright (Cabinet Office).

Yours sincerely

Valenie Leathorn

Miss V A Heathorn Assistant Private Secretary CONFIDENTIAL



From the Secretary of State

France
2 Pathon
1 /4.
And
27/3

Michael Alexander Esq Private Secretary 10 Downing Street

26 March 1981

Dear Michael

ANGLO-FRENCH SUMMIT: 17/18 SEPTEMBER 1981

Thank you for sending me a copy of your letter of today's date to Francis Richards. I should like to put down a marker that my Secretary of State has been considering a visit to the United States in the latter part of September so that on present plans he would not be available for this summit meeting. We will, of course, be putting the normal request to you for the Prime Minister's permission for this visit when plans are clearer.

I am copying this letter to Francis Richards (FCO).

ours sincerely,

STUART HAMPSON Private Secretary

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10 DOWNING STREET

From the Private Secretary

26 March 1981

ANGLO/FRENCH SUMMIT: 17-18 SEPTEMBER 1981

The Prime Minister has agreed these dates for the next visit to this country of the French President. As with last year's Summit, the Prime Minister may well wish to involve other Ministers in the Summit programme. She will not wish to decide who these should be until nearer the time but I should be grateful if you, and the other recipients of this letter, could make an appropriate note in your Minister's diary.

I am sending copies of this letter to John Wiggins (H.M. Treasury), Brian Norbury (Ministry of Defence), Stuart hampson (Department of Trade), Ian Ellison (Department of Industry), Kate Timms (Ministry of Agriculture, Fisheries and Food) and to David Wright (Cabinet Office).

M. O'D. B. ALEXANDER

F. N. Richards, Esq., Foreign and Commonwealth Office.

CONFIDENTIAL

MEM

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Foreign and Commonwealth Office

London SW1A 2AH

B/F 26/3
Lellir to unie

20 March 1981

Dear Michael,

Anglo/French Summit: 17/18 September 1981

Thank you for your letter of 10 March. We have now proposed to the French 17-18 September for the French President's next visit to this country. The Elysee have noted these dates and there seem to be no events in France which might make them difficult. However, they have said that we can expect no firm agreement until after the French Presidential Elections on 10 May.

Last year the Foreign and Commonwealth Secretary proposed (in his undated minute PM/80/50 of July) and the Prime Minister accepted (your letter of 8 July) that other departmental Ministers participate from both sides in these summits. While it is far too early to decide who might be involved this time round, it might be as well to ensure that these dates are kept free in the diaries of those other Ministers who might be involved. Ministers who have been considered for involvement in past summits include, in addition to Lord Carrington, the Chancellor of the Exchequer, the Secretaries of State for Trade, for Industry, and for Defence and the Minister for Agriculture, Fisheries and Food.

I attach a draft letter which you may care to send.

(F N Richards) Private Secretary

M O'D B Alexander Esq 10 Downing Street LONDON SW1

CONFIDENTIAL DSR₄11 (Revised) TYPE: Draft/Final 1+ DRAFT: Reference FROM: PS/No 10 DEPARTMENT: TEL. NO: Your Reference TO: SECURITY CLASSIFICATION Foreign of wealth See PS/Charcellor of the Exchequery Top Secret HM Treasury Secret Copies to: Confidential Sother PSs as Restricted appropriate] Unclassified ANGLO FRENCH SUMMIT: 17-18 SEPTEMBER 1981 PRIVACY MARKING SUBJECT:In Confidence 1. The Prime Minister has agreed these dates for the next visit to this country of the French President. As CAVEAT..... with last year's summit, the Prime Minister may well wish to involve other ministers in the summit programme. She will not wish to decide who these should be until nearer the time but I should be grateful if you and the other recipients of this letter could make an appropriate note in your Minister's diary. 2. Cam survey copies of this letter a John Wyins (Bearing), Bran Norbing (Melece) Shart Hanform (Frade), lan Ellison (hickory) Kate Tunine (NAFF) + 6 barrs What (Cabinet

(prie)

Enclosures—flag(s).....

PART____ends:-

MOORA to Fro 10/8/19

PART begins:-

Fro to MURDRA 20 3/87