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PREM 19/2691

PART 6

CONFIDENTIAL FILING

Visits of President Mitterand

FRANCE

PT 1: July 1979

PT 6: December 1986

427

Referred to	Date	Referred to	Date	Referred to	Date	Referred to	Date
1.12.86							
5-1-87							
16.1.87							
5-2-87							
17.2.87							
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19.3.87							
30-4-87							
16-11-87							
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27-1-88							
29-1-88							
4-2-88							
18/2/88							
18-8-89							
24-8-89							
31-8-89							
part ends							

PREM 19/2691

PART 6 ends:-

SG to CDP 31. 8. 89

PART 7 begins:-

CDP to FCO 1. 9. 89

MR. POWELL

CP
Chequers: 1 September

I attach fax of those arriving
at Northolt and those in the two
helicopters to and from Chequers.

Sue

31 August 1989

DUTY CLERK

I attach lists for tomorrow
at Chequers and also the fax from the
French Embassy of the French party.

If you need to speak to David Marsh
of FCO Protocol this evening his number is
699 4874.

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Sue

31 August 1989

31.08.89

VISITE DE M. FRANCOIS MITTERRAND A CHEQUERS
1ER SEPTEMBRE 1989

REPARTITION DES MEMBRES DE LA DELEGATION DANS LES
DEUX AVIONS VENANT DE VILLACOUBLAY A NORTHOLT

10 H 20 - MYSTERE 20

M. THIERRY
M. BOSC
Maj. TROUILLOT
M. SARDENNE
Cpt. ROUX
M. LESPAUX
M. MATHIEU
M. LASJAUNIAS

11 H 05 - MYSTERE 50

M. F. MITTERRAND
M. R. DUMAS
M. A GADAUD
Mme GUIGOU
Dr. GUBLER
Cdt. MECHAIN
M. TIBERT

31.08.89

VISITE DE M. FRANCOIS MITTERRAND A CHEQUERS
1ER SEPTEMBRE 1989

DEPLACEMENT DE LA DELEGATION HANN DEUX HELICOPTERES
DE NANTEUIL A CHEQUERS ET RETOUR

11 H 10 - DEPART DE NORTHOLT

16 H 00 RETOUR DE CHEQUERS :

HELICOPTERE N° 1 :

M. F. MITTERRAND
M. J. MAJOR
M. R. DUMAS
M. POWELL
M. THIERRY
Cdt. MECHAIN
M. TIBERT
2 officiers de
sécurité britanniques

M. MITTERRAND
M. J. MAJOR
M. R. DUMAS
M. A. GADAUD
M. THIERRY
Cdt. MECHAIN
M. TIBERT
2 officiers de sécurité
britanniques

HELICOPTERE N° 2

M. LUC de La BARRE de NANTEUIL
MME GUIGOU
M. GADAUD
Dr. GUBLER
M. MATHIEU
M. TROUILLOT
M. SARDENNE
M. LESPAUX
M. LASJAUNIAS
M. BOSC
Cpt. ROUX
Un officier de sécurité
britannique

M. LUC de La BARRE de NANTEUIL
MME GUIGOU
M. FERGUSON
Dr. GUBLER
M. MATHIEU
M. TROUILLOT
M. SARDENNE
M. LESPAUX
M. LASJAUNIAS
M. BOSC
Cpt. ROUX
Un officier de sécurité
britannique

ALPHABETICAL LIST OF GUESTS AT CHEQUERS ON FRIDAY, 1 SEPTEMBER

French Communications in Cottage 3

M. RIOT Car No. Citroen Estate G115 XDP
M. BERTIN Driver: Mr. Tiffin

OR Citroen Estate F262 PJH
Driver: Mr. Mahoney

British arriving at 10.30 a.m.

Mr. Mike Bates (No. 10 Car
Mr. Clive Almond (PCO Protocol) Car No. F831 KTV Ford Grenada
(2nd lunch) Driver Mr. Reynolds

Sir Ewen Fergusson (2nd lunch Montego E 927 KYL
Mr. Stephen Wall " Driver: Mr. Hawney
Mrs. Mary Penney (Interpreter) 2nd Lunch

10.45 a.m.

Rt. Hon. John Major F 812PHM plus driver and
detective

Arriving from RAF Northolt by road after helicopters

Miss Catherine Walisky (Administration Attaché French Embassy)
Lunch at Bernard Arms Car No. Renault 21
Reg. No. 152D 653 Driver M. Marce

Helicopter 1

Monsieur Francois Mitterrand

Prime Minister

M. Roland Dumas (Foreign Minister) Main Lunch

Mr. Charles Powell

M. Christopher Thierry (interpreter) Main Lunch

Commandant Mechain (ADC) 2nd lunch

M. Tibert (Security) - ?Front of House

2 Special Branch

Helicopter 2

French Ambassador (2nd Lunch)

Mme Elisabeth Guigou (Main lunch)

M. Gadaud (Head of Protocol) (2nd lunch)

Dr. Gubler (Doctor) (2nd lunch)

M. Mathieu (?Security)

/M. Trouillot

M. Trouillot (Communications) ?Bedroom 4
M. Sardenne (Personal Photographer) Lunch at Bernard
M. Lespaux (Security) " "
M. Lasjaunias (Security) " "
M. Bosc (President's press adviser) Lunch at Bernard
Captain Roux (Security) ?Lunch at Bernard
1 Special Branch

LIST OF GUESTS ATTENDING THE LUNCHEON TO BE GIVEN BY THE
PRIME MINISTER IN HONOUR OF MONSIEUR FRANCOIS MITTERRAND,
PRESIDENT OF THE FRENCH REPUBLIC ON FRIDAY, 1 SEPTEMBER 1989
AT CHEQUERS

The Prime Minister

Monsieur Francois Mitterrand

President of the French Republic

Monsieur Roland Dumas

Foreign Minister

Madame Elisabeth Guigou

Rt. Hon. John Major, MP

Mr. Charles Powell

Monsieur Christopher Thiery

Interpreter

DRAFT SEATING PLAN FOR LUNCH AT CHEQUERS ON FRIDAY, 1 SEPTEMBER

M. Christopher Thiery

Mme Elisabeth Guigou

Rt. Hon. John Major

MONSIEUR FRANCOIS MITTERRAND

PRIME MINISTER

Monsieur Roland Dumas

Mr. Charles Powell

ENTRANCE

Alternative Seating Plan if Ambassadors are included

Monsieur Christopher Thiery

HE The Ambassador of the
French Republic

Rt. Hon. John Major

MONSIEUR FRANCOIS MITTERRAND

PRIME MINISTER

Monsieur Roland Dumas

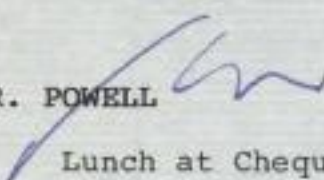
Sir Ewen Fergusson

Mme Elisabeth Guigou

Mr. Charles Powell



LIST OF GUESTS ATTENDING THE BUFFET LUNCHEON THE WHITE PARLOUR
ON FRIDAY, 1 SEPTEMBER 1989

His Excellency the Ambassador of the French Republic	
Monsieur Gadaud	Head of Protocol
Commandant Mechain	ADC to the President
Dr. Gubler	Doctor
Sir Ewen Fergusson	
Mr. Stephen Wall	
Mr. Clive Almond	FCO Protocol
Ms Mary Penney	Interpreter

MR. POWELL 

Lunch at Chequers on 1 September

I attach list of guests for the
two lunches together with two seating
plans for the main lunch in case the
Ambassadors are included.


Sue


31 August 1989

LIST OF GUESTS ATTENDING THE LUNCHEON TO BE GIVEN BY THE
PRIME MINISTER IN HONOUR OF MONSIEUR FRANCOIS MITTERRAND,
PRESIDENT OF THE FRENCH REPUBLIC ON FRIDAY, 1 SEPTEMBER 1989
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Monsieur Roland Dumas

Foreign Minister

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Rt. Hon. John Major, MP

Mr. Charles Powell

Monsieur Christopher Thiery

Interpreter

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M. Christopher Thiery

Mme Elisabeth Guigou

Rt. Hon. John Major

MONSIEUR FRANCOIS MITTERRAND

PRIME MINISTER

Monsieur Roland Dumas

Mr. Charles Powell

ENTRANCE

Alternative Seating Plan if Ambassadors are included

Monsieur Christopher Thiery

HE The Ambassador of the
French Republic

Rt. Hon. John Major

MONSIEUR FRANCOIS MITTERRAND

PRIME MINISTER

Monsieur Roland Dumas

Sir Ewen Fergusson

Mme Elisabeth Guigou

Mr. Charles Powell

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ON FRIDAY, 1 SEPTEMBER 1989

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Monsieur Gadaud

Head of Protocol

Commandant Mechain

ADC to the President

Dr. Gubler

Doctor

Sir Ewen Fergusson

Mr. Stephen Wall

Mr. Clive Almond

FCO Protocol

Ms Mary Penney

Interpreter

Mr. Powell for
information

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Reg. No. 152D 653 Driver M. Marce

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2 Special Branch

Helicopter 2

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M. Mathieu (?Security)

/M. Trouillot

M. Trouillot (Communications) ?Bedroom 4
M. Sardenne (Personal Photographer) Lunch at Bernard
M. Lespaux (Security) " "
M. Lasjaunias (Security) " "
M. Bosc (President's press adviser) Lunch at Bernard
Captain Roux (Security) ?Lunch at Bernard
1 Special Branch

ms

PRIME MINISTERMEETING WITH PRESIDENT MITTERRAND, 1 SEPTEMBER: ARRANGEMENTS

The arrangements for your meeting with President Mitterrand tomorrow are proving somewhat complex since he keeps on changing the time of his arrival, has still not produced a final list of those coming, but seems to envisage a delegation numbering twenty-two (now finally reduced to seventeen). But, subject to any last minute amendments, the following is an outline of the programme:

1025 Depart No 10

1105 President Mitterrand arrives at RAF Northolt. You meet him at the steps of the aircraft, pass through a carpet guard and board a helicopter for Chequers. There will be a second helicopter for support staff. We have made repeated attempts to obtain a Royal Flight helicopter but have been rebuffed.

1125 Land at Chequers. Walk to the house (cars available if weather bad: not expected).

1130 Photograph in garden.

1140 Talks begin: you and President Mitterrand in the Long Gallery; the two Foreign Ministers in the Hawtrey Room.

1300 Break for drinks and lunch.

1430 Continue talks as necessary.

1530 approx Return to helicopters. President Mitterrand departs escorted by the Foreign Secretary.

Would it not be better to land by car? ~~to~~ Arnold Weir would have his helicopter

At President Mitterrand's request, there are two separate lunches: you and President Mitterrand, the two Foreign Ministers, Madame Guigou (Mitterrand's adviser) and me in one lunch; the two Ambassadors and other officials in another. It might be thought slightly curious not to have the Ambassadors in with you. I think the reason is that the French do not wholly trust their Ambassador who was appointed by Chirac. I have explained the situation to Ewen Fergusson who is cheerfully unconcerned. But if you feel it is really inappropriate to exclude them, we could simply go ahead and add them to the list.

C.D.P.

C. D. POWELL
31 August 1989

DS2ATT



Foreign and Commonwealth Office

CONFIDENTIAL

London SW1A 2AH

31 August 1989

See Charles,

con

Anglo-French "Mini-Summit" at Chequers: 1 September

In my letter of 29 August, I promised to update the briefing for the Prime Minister's talks with M. Mitterrand. The following sections have been amended (in the order in which they appear in the brief): Poland; EC Internal (economic and monetary); Lebanon; Iran and Cambodia.

Poland (Page 4)

Mazowiecki's nomination as Prime Minister has now been approved by the Sejm. He has not yet formed a Government.

EC Internal (Page 7)

EMU: French Proposal for a High-Level Group

The French proposed formally this week the establishment of a high-level group of officials from Foreign and Finance Ministries to coordinate work on economic and monetary cooperation, with the first meeting on 5 September. This seems to be an attempt by the French to press ahead with preparations for an Inter-Governmental Conference (IGC) in advance of proper discussions by Finance Ministers. Our response has been that the proposed meeting would be premature; and that the proposal should first be discussed in ECOPIN. If M. Mitterrand raises the subject the Prime Minister might:

- point out that discussion at the July Foreign Affairs Conference was inconclusive, with the UK, Netherlands and Luxembourg expressing reservations;
- propose the issue be discussed further by Finance Ministers;
- suggest a meeting on 5 September would therefore be premature.

Lebanon (Page 9)

The Mission to evaluate aid needs has now returned from Lebanon and issued its report. We shall need to study the report carefully to consider how best we can help.

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The French have continued their diplomatic moves. Scheer, Secretary-General at the Quai, is at present visiting capitals in the region to discuss what the press are calling a new plan for Luxembourg. This was announced by Dumas on 27 August. Scheer's brief is essentially a restatement of familiar positions. The Prime Minister might like to express appreciation for French diplomatic initiatives, and underline our common aim of persuading the Arabs to relaunch the Committee of Three. The meeting of Arab League Foreign Ministers in the margins of the Non-Aligned Summit in Belgrade will be an early opportunity for this.

Iran (Page 10)

Rafsanjani's new Government was approved by the Iranian Parliament on 29 August. It is remarkable for the absence of two hard-line opponents, the former Ministers of the Interior and Intelligence. Their successors, themselves hard-liners, are expected to be more pliant to Rafsanjani's wishes, although his opponents will still have ample scope to make trouble.

Cambodia (Pages 10-11)

Despite intensified efforts by the French to persuade the principal players to compromise, the Paris conference has failed to produce a comprehensive settlement. The co-Chairmen (France and Indonesia) concluded during the resumed Ministerial session on 28 August - at which we were represented by Lord Brabazon - that there was little option but to suspend the conference, leaving open the possibility of reconvening it at a later date. The failure is largely due to the apparent unwillingness of the Soviet Union and China and their respective clients (Vietnam/PRK and the Khmer Rouge) to make the necessary concessions.

The Prime Minister may wish to:

- congratulate M. Mitterrand on his bold efforts to find a settlement;
- || - express regret that the conference has foundered; ||
the French did their best and so did we;
- note that notwithstanding the inflexibility of certain delegations on some key issues, progress was made in other areas;
- reconfirm our belief that a comprehensive settlement is the only solution.

Participation in the talks

M. Mitterrand is bringing two advisers: Mme Elisabeth Guigou

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(EC affairs) and M. Hubert Védrine (strategic affairs). They will alternate during the talks. Mme Guigou will participate in the official lunch. Separate arrangements have been made for the two Ambassadors, M. Védrine, the French Head of Protocol (M. Gadaud) and the Foreign Ministers' Private Secretaries. M. Thierry will interpret for the Prime Minister's talks and will also be present for the lunch.

/ I enclose a revised programme. The French have confirmed that M. Mitterrand will give a press conference at Northolt before departure.

Jans,
Stephe Wall

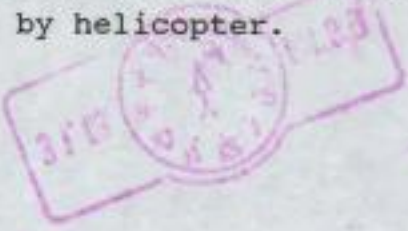
(J S Wall)
Private Secretary

C D Powell Esq
10 Downing Street

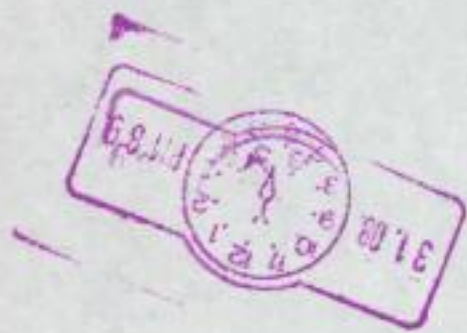
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ANGLO-FRENCH "MINI-SUMMIT" AT CHEQUERS: 1 SEPTEMBER

PROGRAMME

- 1015 Support staff arrive RAF Northolt by special flight. (Some transfer to Chequers by car)
- 1105 Official party arrive RAF Northolt by special flight. Met by the Prime Minister. Immediate transfer to Chequers by helicopter.
- 1120 Arrive Chequers.
- 1125 Photo call
- 1130 Separate talks between Prime Minister/M Mitterrand and Foreign Secretary/M Dumas
- 1300 Combined lunch
- Later Separate talks resume
- 1600 Depart Chequers for RAF Northolt by helicopter, accompanied by Mr Major.
- 1615 Arrive RAF Northolt
- 1620 Press Conference
- 1645 Depart RAF Northolt by special flight.
- 

FRANCE visits of Mr. Hend
P.G.



PRIME MINISTER

MEETING WITH PRESIDENT MITTERRAND

You may like to have a first look tonight at the FCO's brief for your meeting with President Mitterrand on Friday. You will see that their proposed strategy for the meeting is to focus discussion on defence and arms control and make increased Franco-British co-operation in this area the 'news' from the meeting, with Community and other issues taking a back seat. Specifically, they propose that officials should be charged with bringing our thinking as close as possible on defence and arms control with Foreign and Defence Ministers reviewing proposals at the regular Summits.

It is essentially a procedural suggestion: we are in practice already discussing most of these issues with the French regularly. The real test is activity - exercises, joint planning, practical co-operation - not talk. I am not therefore convinced that the proposal will have the impact that the FCO expect. Moreover, I think it needs to be preceded by a discussion about Germany and our respective attitudes to the German problem, because the extent to which we can co-operate on defence and arms control will depend in large part on that. However, defence clearly is an important subject for discussion: and to give it more point, you might suggest to President Mitterrand that officials be charged to come up with specific proposals for practical co-operation, to be examined at the next formal Anglo-French Summit.

That apart, the brief covers:

- East/West, including Eastern Europe, where you will want to focus in particular on Poland and on your forthcoming meeting with Gorbachev;
- EC issues. I doubt President Mitterrand will be much interested in ranging as widely over EC issues as the FCO

suggest, but will want to focus on economic and monetary union, social affairs and enlargement (which presents no particular problem between us). You are not offered anything very new to say on economic and monetary co-operation, presumably because our alternative proposals for the next stage have not yet materialised. But it is important that President Mitterrand should sense your continuing strong determination not to be bounced into commitments on the future stages. On social affairs, you will want to make clear that you hold firm to three principles: diversity, subsidiarity and voluntarism. You will judge any declaration by the extent to which it preserves these principles. On both issues, you will want to find out what he believes is a realistic outcome at the European Council in December;

- environment and drugs. There is not a lot to add to what was discussed at the Summit. But you will want to head off any attempt to revive ideas for a North/South Summit;
- other international issues. This covers Lebanon, Cambodia, Arab-Israel, Southern Africa, Argentina.

I should add that, when the French Ambassador came to see me this evening, he thought that President Mitterrand would want to give priority to EC issues. I said that I did not think you would much mind in what order the subjects were taken. He also said the FCO had told him you would be unveiling new proposals on defence and military co-operation. I said this was a bit premature: there would be nothing dramatic.

I have also put in the folder the two documents you wanted on social affairs (Council of Europe and Jack Peel) and my earlier note on the Mitterrand meeting.

C.D.P.
CHARLES POWELL
30 August 1989

CONFIDENTIAL
FM PARIS
TO DESKBY 310800Z FCO
TELNO 1132
OF 301449Z AUGUST 89
INFO ROUTINE EC POSTS

PRESIDENT MITTERRAND'S VISIT TO CHEQUERS, 1 SEPTEMBER

SUMMARY

1. MITTERRAND WELL PLACED POLITICALLY AND FRENCH ECONOMY IN GOOD SHAPE AS THE FRENCH RETURN FROM HOLIDAYS. MITTERRAND WILL NOW INCREASINGLY CONCENTRATE ON MAKING A SUCCESS OF THE EC PRESIDENCY. EMU AND SOCIAL DIMENSION LIKELY TO BE AT THE FRONT OF HIS MIND. LEBANON, POLAND AND THE SOVIET UNION FEATURE ALSO.

DETAIL

2. AS THE FRENCH RETURN FROM HOLIDAYS, MITTERRAND'S DOMESTIC POSITION IS HEALTHY. HE DOMINATES THE POLITICAL SCENE. DESPITE THE GOVERNMENT'S LACK OF OVERALL MAJORITY IN PARLIAMENT, IT HAS HAD A RELATIVELY TROUBLE FREE YEAR. ROCARD HAS PROVED A CLEVER AND POPULAR PRIME MINISTER. THE OPPOSITION REMAINS FRAGMENTED AND DEMORALISED AND IS IN NO POSITION YET TO TAKE ADVANTAGE OF THE SOCIALISTS' LACK OF A PARLIAMENTARY MAJORITY. THE COMMUNISTS WILL NOT WANT TO RISK LOSING MORE SEATS BY BRINGING THE GOVERNMENT DOWN AND PROVOKING EARLY ELECTIONS.

3. MITTERRAND HAS BY AND LARGE BEEN ABLE TO STAND BACK FROM DAY TO DAY GOVERNMENT BUSINESS AND CONCENTRATE ON SETTING THE BROAD LINES OF POLICY, INCLUDING FOREIGN POLICY. IN THIS YEAR OF THE BICENTENARY AND THE ECONOMIC SUMMIT THAT HAS MEANT PROJECTING FRANCE'S POSITION ON THE WORLD STAGE. FOR ALL THE DOUBTS EXPRESSED IN ADVANCE ABOUT THE WISDOM OF COMBINING THE BICENTENARY CELEBRATIONS WITH THE ECONOMIC SUMMIT, IN MOST PEOPLE'S EYES MITTERRAND ACHIEVED A SUCCESS.

4. HIS OBJECTIVE NOW IS A VISIBLE ACHIEVEMENT IN THE REMAINING MONTHS OF THE FRENCH PRESIDENCY OF THE EC. HE WANTS TO GO DOWN IN HISTORY AS HAVING INFLUENCED THE DEVELOPMENT OF EUROPE.

5. IF HE IS TO SUCCEED, HE NEEDS FIRST TO CONVINCE HIS OWN POLITICAL BASE. SOCIALIST PARTY SUPPORTERS ARE CONCERNED THAT FRANCE'S EFFORTS TO LIBERALISE ITS FINANCIAL MARKETS AND REMOVE LABOUR RIGIDITIES IN THE RUN UP TO 1992 APPEAR TO BE FAVOURING PRIVATE ENTERPRISE AT THE

EXPENSE OF THE STATE. THE GOVERNMENT CAN EXPECT A ROUGH RIDE DURING THIS AUTUMN'S PUBLIC SECTOR PAY BARGAINING ROUND. MOREOVER, THE SOCIALIST PARTY CONGRESS IN MARCH 1990 IS ALREADY CASTING ITS SHADOW FORWARD. THIS AUTUMN'S BUDGET IS LIKELY TO CONTAIN A NUMBER OF FINANCIAL SWEETENERS FOR THE SALARIED WORKERS. THESE ARE TO OFFSET NECESSARY MEASURES TO REDUCE TAXES ON SAVINGS BEFORE EC CAPITAL MOVEMENTS LIBERALISATION IN 1990, WHICH WILL FAVOUR THE BETTER-OFF AND BE UNPOPULAR WITH SOCIALIST MILITANTS. THE 1990 PS CONGRESS WILL BE THE FIRST SINCE IT BECAME CLEAR THAT MITTERRAND WILL NOT STAND FOR PRESIDENT AGAIN. MITTERRAND WILL BE ANXIOUS TO MAINTAIN HIS GRIP OVER THE PARTY AS THE NEXT GENERATION OF LEADERS ALREADY BEGIN TO JOSTLE OVER THIS SUCCESSION. HE WILL WANT TO DEMONSTRATE THAT THE GOVERNMENT'S APPROACH CAN COMBINE 'SOCIAL JUSTICE' WITH THE EFFORT TO MAKE FRANCE'S ECONOMY MORE COMPETITIVE.

6. THE ECONOMY IS GOING THROUGH A GOOD PERIOD. THE POLICY OF COMPETITIVE DISINFLATION PURSUED BY EARLIER ADMINISTRATIONS HAS NOT BEEN SUBSTANTIALLY MODIFIED. ALTHOUGH ROCARD RECENTLY DESCRIBED THE ECONOMY AS 'CONVALESCENT', THE MOOD HAS BECOME STEADILY MORE BULLISH AS THE SURGE IN GROWTH SEEN IN 1988 (TOTAL GDP UP BY 3.5 PERCENT) HAS CONTINUED THIS YEAR. (BANQUE PARIBAS TALKS OF FRENCH GROWTH, BUOYED UP BY INVESTMENT, NOW RESEMBLING A 'FINELY-TUNED MECHANISM ROLLING FORWARD UNDER ITS OWN MOMENTUM'.) INFLATION HAS REMAINED MODERATE: AT PRESENT 3.6 PERCENT P.A. A KEY PRT OF THE GOVERNMENT STRATEGY HAS BEEN THE GRADUAL CONVERGENCE OF FRENCH AND GERMAN INFLATION RATES (NOW ABOUT 0.5 PERCENT APART) AND MEMBERSHIP OF THE ERM. THE FRANC HAS BEEN HOLDING STEADY AGAINST THE DM, WITH TALK OF AN ERM REALIGNMENT SHELVED.

7. UNEMPLOYMENT REMAINS IN A BLACK SPOT, STUCK AT AROUND 10 PERCENT DESPITE MANY MONTHS OF STRONG ECONOMIC ACTIVITY. THERE IS ALSO CONCERN ABOUT THE CURRENT ACCOUNT DEFICIT: BEREGOVY DESCRIBED THE JULY TRADE FIGURES, JUST ANNOUNCED (DEFICIT OF FRANCS 7.48 BILLION), AS WORRYING AND CALLING FOR CONTINUED PRUDENCE.

8. MITTERRAND'S VISIT IS THE SECOND IN A SERIES OF MEETINGS WITH EC LEADERS BEFORE THE DECISIVE LEG OF THE FRENCH PRESIDENCY. HE SAW GONZALEZ IN MADRID ON 20 AUGUST AND WILL SEE KOHL IN PARIS ON 7 SEPTEMBER. IN SUGGESTING THE MEETING HE TOLD THE PRIME MINISTER THAT HE WAS KEEN TO SEPARATE FRANCE'S GENUINE DIFFERENCES WITH THE UK FROM THOSE ARTIFICIALLY WHIPPED UP BY THE PRESS. IN WORKING OUT TACTICS FOR THE PRESIDENCY, HE WILL WANT TO GAUGE WHAT ROOM EXISTS FOR AGREEMENT ON WHAT FOR HIM ARE THE KEY ISSUES, ESPECIALLY EMU AND THE SOCIAL DIMENSION.

9. FOR THE FRENCH GOVERNMENT, THE MOST URGENT FOREIGN POLICY ISSUE OF RECENT WEEKS HAS BEEN THE LEBANON. MITTERRAND AS WELL AS DUMAS HAS FELT OBLIGED BY FRANCE'S SENSE OF HISTORICAL RESPONSIBILITY FOR THE LEBANON TO PLAY A HIGHLY VISIBLE ROLE. HE WILL PROBABLY WANT TO TALK ABOUT IT, AS ABOUT DEVELOPMENTS IN THE SOVIET UNION (PROGRESS OF PERESTROIKA, NATIONALITIES PROBLEMS, ATTITUDE TO DEVELOPMENTS IN EASTERN EUROPE) AND POLAND. THE CAMBODIA CONFERENCE, BY CONTRAST, WHICH ADJOURNS TODAY HAVING REGISTERED NO REAL PROGRESS, HAS BEEN LEFT TO DUMAS.

10. MITTERRAND HAS HAD LITTLE REASON OVER THE HOLIDAY PERIOD TO CONCENTRATE ON STRATEGIC AND DEFENCE QUESTIONS (EXCEPT IN THE CONTEXT OF THE LEBANON, AND THE DOMESTIC CONTEXT OF THE WORKING CONDITIONS OF THE FRENCH GENDARMERIE, WHICH HAVE SUDDENLY BLOWN UP INTO AN ISSUE HERE). HE SHOULD BE READY, AGAINST THE BACKGROUND OF COMMON CONCERNS IN THE CFE TALKS AND FOR THE FUTURE OF NUCLEAR DETERRENCE IN EUROPE, TO LOOK AT WAYS OF STRENGTHENING BILATERAL DEFENCE COOPERATION. BUT THIS WILL PROBABLY FOR HIM COME SOME WAY AFTER THE NEED FOR A GOOD TALK ABOUT THE EC.

LLEWELLYN SMITH

YYYY

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PS/PUS
PS/SIR J FRETWELL
MR RATFORD
MR BAYNE
MR MERR
MISS SPENCER

PAGE 3

ADDITIONAL

11

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PS/NO

ASSESSMENTS STAFF, CAB OFFICE

NNNN

From: Roger Kershaw
 Western European Department
 Date: 30 August 1989
 cc: PS/Mr Maude
 PS/PUS
 Sir J Fretwell
 Mr Bayne
 ECD(I)
 ECD(E)
 Planners
 Protocol Dept
 Dr Caton, Paris (by fax)

Mr Synnott
 Private Secretary

ANGLO-FRENCH "MINI-SUMMIT" AT CHEQUERS: 1 SEPTEMBER

1. I submit a self-explanatory draft letter to PS/No 10 to update the briefing for the Prime Minister's use on Friday. The main changes affect the sections on Lebanon, Cambodia and EC Internal (economic and monetary). Amendments to the Secretary of State's briefing (in the form of complete replacements rather than piecemeal changes) are being submitted separately. A revised programme is attached. The original briefing letter is at Flag A.
2. I understand that the Secretary of State will drive to Chequers from his constituency, and will return there by car after seeing off M. Mitterrand and his party at Northolt at 1645. The Secretary of State might aim to arrive at Chequers around 1045. We have booked a car to take the Private Secretary, HMA and our interpreter (Mrs Mary Penney) to Chequers, departing from the FCO at 0915. Sir Ewen Fergusson proposes to accompany the Secretary of State to Northolt after the talks, subject to availability of seats in the helicopter

Participation in the talks and lunch

3. M. Mitterrand will be supported by two advisers: Mme Elisabeth Guigou (EC affairs) and M. Hubert Védrine (strategic, pol/mil affairs). They will alternate in the talks. Dumas will be flanked by one of his Private Secretaries, M. de Zorzi and by the French Ambassador here. The French Head of Protocol, M. Gadaud, and M Mitterrand's adc, Cdt Méchain, will also be in attendance. Of these officials, only Mme Guigou will attend the official lunch. Separate arrangements have been made for the other officials (including Sir E Fergusson and the Private Secretary).

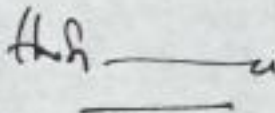
Interpretation

4. M. Thierry will interpret for the Prime Minister's talks with M. Mitterrand as in the past. He will also be present for the lunch. Our interpreter, Mary Penney, will interpret for the Secretary of State.



Roger Kershaw

I understand from Sir J. Fretwell that his meeting with the Secretary of State this afternoon did not give rise to any other points to be covered with No. 10.



ANGLO-FRENCH "MINI-SUMMIT" AT CHEQUERS: 1 SEPTEMBER

PROGRAMME

- 1015 Support staff arrive RAF Northolt by special flight. (Some transfer to Chequers by car)
- 1105 Official party arrive RAF Northolt by special flight. Met by the Prime Minister. Immediate transfer to Chequers by helicopter.
- 1120 Arrive Chequers.
- 1125 Photo call
- 1130 Separate talks between Prime Minister/M Mitterrand and Foreign Secretary/M Dumas
- 1300 Combined lunch
- Later Separate talks resume
- 1600 Depart Chequers for RAF Northolt by helicopter, accompanied by Mr Major.
- 1615 Arrive RAF Northolt
- 1620 Press Conference
- 1645 Depart RAF Northolt by special flight.

DRAFT: minute/letter/teleletter/despatch/note

TYPE: Draft/Final I +

FROM:

Reference

PS

RK2AAJ

DEPARTMENT:

TEL. NO:

BUILDING:

ROOM NO:

Your Reference

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- Top Secret
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TO:
PS/No 10

Copies to:

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CAVEAT

SUBJECT: ANGLO-FRENCH "MINI-SUMMIT" AT CHEQUERS:
1 SEPTEMBER

In my letter of 29 August, I promised to update the briefing for the Prime Minister's talks with M. Mitterrand. The following sections have been amended (in the order in which they appear in the brief): Poland; EC Internal (economic and monetary); Lebanon; Iran and Cambodia.

Poland (Page 4)

Mazowiecki's nomination as Prime Minister has now been approved by the Sejm. He has not yet formed a Government.

EC Internal (Page 7)

EMU: French Proposal for a High-Level Group

The French proposed formally this week the establishment of a high-level group of officials from Foreign and Finance Ministries to coordinate work on economic and monetary cooperation, with the first meeting on 5 September. This seems to be an attempt by the French to press ahead with preparations for an

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Inter-Governmental Conference (IGC) in advance of proper discussions by Finance Ministers. Our response has been that the proposed meeting would be premature; and that the proposal should first be discussed in ECOFIN. If M. Mitterrand raises the subject the Prime Minister might:

- point out that discussion at the July Foreign Affairs Conference was inconclusive, with the UK, Netherlands and Luxembourg expressing reservations;
- propose the issue be discussed further by Finance Ministers;
- suggest a meeting on 5 September would therefore be premature.

Lebanon (Page 9)

The Mission to evaluate aid needs has now returned from Lebanon and issued its report. We shall need to study the report carefully to consider how best we can help.

The French have continued their diplomatic moves. Scheer, Secretary-General at the Quai, is at present visiting capitals in the region to discuss what the press are calling a new plan for Luxembourg. This was announced by Dumas on 27 August. Scheer's brief is essentially a restatement of familiar positions. The Prime Minister might like to express appreciation for French diplomatic initiatives, and underline our common aim of persuading the Arabs to relaunch the Committee of Three. The meeting of Arab League

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Foreign Ministers in the margins of the Non-Aligned Summit in Belgrade will be an early opportunity for this.

Iran (Page 10)

Rafsanjani's new Government was approved by the Iranian Parliament on 29 August. It is remarkable for the absence of two hard-line opponents, the former Ministers of the Interior and Intelligence. Their successors, themselves hard-liners, are expected to be more pliant to Rafsanjani's wishes, although his opponents will still have ample scope to make trouble.

Cambodia (Pages 10-11)

Despite intensified efforts by the French to persuade the principal players to compromise, the Paris conference has failed to produce a comprehensive settlement. The co-Chairmen (France and Indonesia) concluded during the resumed Ministerial session on 28 August - at which we were represented by Lord Brabazon - that there was little option but to suspend the conference, leaving open the possibility of reconvening it at a later date. The failure is largely due to the apparent unwillingness of the Soviet Union and China and their respective clients (Vietnam/PRK and the Khmer Rouge) to make the necessary concessions.

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The Prime Minister may wish to:

- congratulate M. Mitterrand on his bold efforts to find a settlement;
- express regret that the conference has foundered; the French did their best and so did we;
- note that notwithstanding the inflexibility of certain delegations on some key issues, progress was made in other areas;
- reconfirm our belief that a comprehensive settlement is the only solution.

Participation in the talks

M. Mitterrand is bringing two advisers: Mme Elisabeth Guigou (EC affairs) and M. Hubert Védrine (strategic affairs). They will alternate during the talks. Mme Guigou will participate in the official lunch. Separate arrangements have been made for the two Ambassadors, M. Védrine, the French Head of Protocol (M. Gadaud) and the Foreign Ministers' Private Secretaries. M. Thierry will interpret for the Prime Minister's talks and will also be present for the lunch.

I attach a revised programme. The French have confirmed that M. Mitterrand will give a press conference at Northolt before departure.

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ANGLO-FRENCH "MINI-SUMMIT" AT CHEQUERS: 1 SEPTEMBER

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Foreign and Commonwealth Office

London SW1A 2AH

29 August 1989

67
 Dear Charles,

Anglo-French "Mini-Summit" at Chequers: 1 September

President Mitterrand, M Dumas, the French Ambassador, their Private Secretaries and interpreters will visit Chequers from 11.30am until 4.00pm. The Foreign Secretary and M Dumas will join the Prime Minister and M Mitterrand over lunch and will have separate talks before and after it. A programme and personality notes are attached.

This meeting originated during the Prime Minister's visit to Paris in mid-July when M Mitterrand commented that the press had been trying to create artificial Anglo-French differences: some differences, he said, were genuine and must be respected and tackled, but others could be cleared away. The last full Summit was in Paris on 29 January and a smaller mini-summit took place at Mont St Michel on 30 November 1988. The Prime Minister might confirm to M Mitterrand that we shall act as hosts for the next Summit early next year.

The objectives suggested by M Mitterrand are very appropriate. In addition, but consistent with them, the Foreign Secretary suggests that M Mitterrand should be invited publicly to endorse the aim of strengthening our cooperation on defence and arms control, with particular emphasis on nuclear issues, conventional arms control and procurement. This proposal has been cleared with the MOD.

The Prime Minister may like to recall at the outset the reason why M Mitterrand proposed this meeting and to establish with him which subjects should be covered in the time available. Since we shall have new ideas to propose for strengthening Anglo-French security cooperation, these issues could be taken early, together with the new developments in East/West relations. These would lead naturally into European Community issues. But it would be important to leave time for regional issues of special concern to M Mitterrand notably Lebanon and Cambodia.

We understand that there will be no Press Conference after the talks, although a statement may be issued. There will be a photo opportunity at the outset.



The Scene in France

M Mitterrand met Sr Gonzalez in Madrid on 20 August and should therefore be well briefed after his August holiday in Latché (south-west France). He is to meet Herr Kohl on 7 September as part of a round of EC-related contacts.

Despite the French Socialists' disappointment over their showing in the Euro-elections, in which M Giscard d'Estaing's UDF/RPR group were the main winners, they remain strong domestically: the Right is fragmented; Rocard is popular; and the economy is doing well (GDP growth forecast to be 3.9% this year; inflation 3.5%). The main worries are unemployment (10%) and the current account deficit (0.6% of GDP with the French worried about their hold on their export markets). The prospect of 1992 is concentrating minds on structural reform (tax system; capital movements; and the dismantling of national trade restraints), but no more privatisations (or renationalisations) are planned. No elections are due until 1992 (regional) and 1993 (legislative). The Post will be sending a scene setting telegram.

Defence and Arms Control

Since the constructive discussion at Mont St Michel, the French have been concerned by trends in the Federal Republic of Germany and uncertain about future United States' policies. They have shown many signs of wanting the closest possible cooperation with us over defence and arms control. This would also be to our benefit, not least in resisting pressure for a conventional arms control agreement at almost any price.

The time could now be right to propose to M Mitterrand to upgrade the bilateral security relationship. The Prime Minister might propose that:

- defence relations should be given a higher priority and reviewed by Foreign and Defence Ministers at Anglo-French Summits and possibly in between. We will of course need to ensure that the emphasis is on substance not presentation;
- officials should be charged to bring our thinking as close as possible across the range of defence and security issues. This should cover procurement, nuclear and missile proliferation, chemical weapons and out-of-area issues. But the focus should be on nuclear and conventional matters;



- in the nuclear field we should develop the dialogue on our independent deterrents; coordinate our attitude to Soviet pressures for the inclusion of French and British systems in strategic arms control (START), or any future negotiations on short-range forces (SNF); consult about SNF arms control; and consider how best to sustain credible deterrence as an essential component of European security in the 90s. (The more we can build up this dialogue, the better placed we will be to allay French disappointment if we decide against purchasing our Tactical Air to Surface Missile (TASM) from them);
- in the conventional area we should make sure that the details of an agreement on conventional forces in Europe (CFE) are analysed from a European angle; work out a way of dealing with non-circumvention, in particular the problem of Soviet aircraft outside the area to be covered by the agreement (the Atlantic to the Urals); compare notes on how to implement the cuts which will result from a CFE agreement; and share our analysis of possible longer-term conventional reductions;
- we should also build on the programme of military cooperation, including exercises, which has developed since the Prime Minister proposed it to M Mitterrand. (It will be easier to draw the French into this if it is presented as part of a broader pattern of defence cooperation.)

None of these ideas will be new to the French. They have already been raised in exchanges with M Dumas and M Chevenement or their officials. The novel element would be to endorse this activity at Head of Government level, to treat it as a coherent and deliberate programme of cooperation, and possibly to seek some publicity for it. A short statement or press briefing on the lines of the attached draft would help to demonstrate that, despite differences on some Community topics, we and the French are working more closely than ever on the other main issue of the day. This would be welcome to President Bush, whose Administration has explicitly encouraged European and Anglo-French cooperation. It may also have a steadying influence on other European allies. It would, of course, not prejudice our commitments to NATO in any way.

If the Prime Minister agrees that it would be worth putting the proposal to M Mitterrand, the Foreign Secretary suggests that it might be best to do so in the course of the morning's discussions, and then to amplify the proposal at lunch (when the Foreign Secretary and Dumas will be present). The chances of success would be increased if we were able to give Mitterrand's office an indication in advance that the Prime Minister will be speaking on these lines.



East/West; Soviet Internal

The Soviet leadership's attention is virtually monopolised by domestic developments. In the nationality crisis, there is anxiety about Baltic demands. Gorbachev's economic reforms are making little impact. The current import of consumer goods (about £1 billion) is a stop-gap measure, but reflects the concern about growing popular discontent. Similarly, the decision to concede demands of striking miners in late July and early August has only stored up problems for the future - with other workers likely to follow the miners' example. The West can have little immediate influence. Our best contribution will be through political encouragement, training, advice, expertise and joint ventures. These were amongst the areas covered by agreements signed during Gorbachev's visit to France (4-6 July).

Poland and Hungary

Soviet MFA spokesmen have recently indicated disquiet over events following the Polish elections and over Solidarity's truculence over the formation of a PZPR government. Nothing has been said, however, to counter Gorbachev's affirmations of the right of each people to choose its own social system. No obvious solution seems available to Gorbachev but he must be very aware of the consequences of overt interference for East-West relations and the continuation of reform.

In Poland, the nomination of a non-Communist Prime Minister (Tadeusz Mazowiecki) is a momentous step, with potentially far-reaching implications for the rest of Eastern Europe. The Party is expected to retain the Defence, Interior and (perhaps) Foreign Ministries once a Government has been formed. The prospects are uncertain. Any Solidarity-led coalition will have to tackle Poland's crippling economic problems without alienating their own supporters or the population as a whole, or being undermined by the Communists in the bureaucracy. It will also have to allay the misgivings of Moscow and Poland's more staunchly Communist neighbours. The Prime Minister might like to note that plans to coordinate Western help will be all the more important if Mazowiecki produces a new stable government. In Hungary too, the processes of reform are continuing apace. Round Table talks are under way, involving the Party, official organisations and opposition representatives, but major differences remain, for example on the proposed electoral law. Within the Party, the reformists hold the upper hand, but the Party Congress in October is likely to see heated debate on the pace and complexion of reform. Opposition candidates scored successes in recent by-elections. The outcome of free national elections, which may be held in Spring, is difficult to predict.



EC Issues

The Prime Minister may wish to lead into discussion of EC external subjects by congratulating M Mitterrand on the success of the Summit of the Arch. She could stress the importance of the Summit Declaration on support for reform in Poland and Hungary, making the following points:

- The Community has done well to agree substantial food aid for Poland, and finalise the EC/Poland trade and cooperation agreement; the Commission has made a good start with coordinating the wider Western efforts.
- There must be a coherent Western effort targetted at agricultural reform and building up the private sector (eg with management training). But we cannot remove from the Poles and the Hungarians the primary responsibility for ensuring political and economic reform is carried through.

On relations with the Soviet Union, the Prime Minister might make the following points:

- She has noted M Mitterrand's reply (copy attached) to President Gorbachev's letter to the Summit Seven.
- We want Perestroika to succeed, and see advantage in Western bodies, such as the OECD Secretariat, providing advice on how to run a free-market economy. But the Soviet Union has a very long way to go before there can be any question of closer association with, let alone membership of, bodies such as GATT and IMF/IBRD.
- It would be a mistake for the Community to set an artificial deadline for an EC/USSR trade and cooperation Agreement (the French have said they want one within their Presidency). The Russians will be tough negotiators.

Turning to relations with the US, the Prime Minister might take the following line:

- Judicious restraint on both sides of the Atlantic, has kept EC/US trade disputes under control; and the US are now more positive about 1992;
- The Community must continue to resist US unilateralism. Must also demonstrate that US fears about "Fortress Europe" were unfounded. (The French continue to toy with a protectionist approach to the Single Market.)



The GATT Uruguay Round will begin its critical last phase in the autumn. Agriculture remains a key issue; the French are reluctant to envisage the necessary reforms for fear of undermining the CAP. The Prime Minister might say:

- We all have much to gain from a successful Uruguay Round - and to lose from failure. It is essential that the Community should play a constructive role in the final phase.
- In particular, we must live up to our obligations to make agriculture more responsive to market forces.

That will require further substantial reform of the CAP.

The French strongly share our caution over any further enlargement of the Community. The Prime Minister might take the following line:

- Pressure for enlargement is likely to grow; it will be important to consider the implications in the round. Major enlargement could significantly effect the nature and functioning of the Community.
- We are grateful for the deft French handling of the recent Austrian application; there must be full discussion of the implications of Austrian neutrality.

The Prime Minister might open discussion of the Community's internal agenda with the Single Market, on which the French Presidency is proving pragmatic and energetic. But we need to encourage them to push ahead on investment services and transport, particularly cabotage. The Commission are responding to our emphasis on implementation and enforcement, and will issue a communication in September. The French record, like ours, is good. On frontiers too the French have adopted a pragmatic approach. The line might be:

- Share French commitment to maintaining Single Market momentum. Importance of pushing ahead on transport. Genuine financial services market needs Investment Services Directive in place simultaneously with Second Banking Directive (end 1992). Welcome Commission initiative on implementation/enforcement.
- Need to focus on areas of practical cooperation in frontiers discussions. Drugs a top priority.



The economic and monetary work programme post-Madrid is to complete preparations for Stage 1, and to start preparations for an inter-governmental conference (after 1 July 1990) on any subsequent stages. The French will try to force the pace on both elements, which will be discussed at the informal ECOFIN on 8-10 September. Our objective remains to focus attention on Stage 1 preparations, and reinforce the need for deliberation before an IGC. On subsequent stages, we shall want to encourage a dialogue in the Community on the fundamental questions involved. Work is proceeding in Whitehall on alternative approaches to the Delors prescription. But ECOFIN's work is just beginning, and it is too early to speculate where this work will lead and how best it should be deployed.

The Prime Minister's line might be:

- UK strongly supports Presidency effort to secure rapid progress on Stage 1. Good prospect of completing work by Strasbourg Council.
- Stage 1 will be a major undertaking. Removal of all remaining barriers to capital liberalisation necessary.
- UK will also contribute positively to work on subsequent stages. But this will be as agreed at Madrid, ie Delors Report a basis, not the only basis, for developments beyond Stage 1. Comprehensive and thorough preparatory work needed before any IGC. Fundamental questions still to be answered.
- There was no Madrid agreement on any developments after Stage 1. Timing and objectives of IGC must depend on outcome of ECOFIN debate.

Advice is being sent separately on the French proposal for a high-level group of officials to work on possible texts for an IGC.

Social issues are a French Presidency priority. They are fully aware of the unacceptability to us of existing Commission proposals for a Charter, but remain determined to issue a declaration of social rights at Strasbourg. This will be discussed by an ad hoc group of senior officials and subsequently by Ministers in the autumn following publication of revised Commission proposals in mid-September. These will probably comprise a draft declaration by Heads of Government accompanied by a separate programme of Community and other measures. The French will also push on the proposed European Company Statute. We have objected strongly to the worker participation provisions and to the (qualified majority)



voting) legal base. The Prime Minister could take the following line:

- agree that the Single Market must benefit all Community citizens, and advance social progress. We can do that without unnecessary regulation of labour market.
- Commission Charter proposals unacceptable. Any statement at Strasbourg Council must take full account of Madrid Conclusions, ie respect diversity and principle of subsidiarity.
- Will not give up UK voluntarist approach. Object to worker participation provisions in European Company Statute which in present form require legislation and would ostracise UK worker involvement practices.

M Mitterrand has raised audio-visual policy at three successive European Councils, and will see Strasbourg as a further showcase for French views. Attention is now focussed on the Paris Conference for industry and government representatives on 30 September - 2 October. Non-EC Western European and some Eastern European countries will participate. We hope there will be North American involvement too. The Prime Minister could:

- welcome the French initiative, and offer continued British support for their industry-led approach.
- welcome French undertaking (at FAC on 17 July) to consider how North American interests should be involved in September Conference. Initiative should not be seen as anti-American.

Other Economic Summit issues

M Mitterrand may raise environmental issues, which concern him deeply, though he does not seem to share M. Rocard's enthusiasm for a new international authority. The Prime Minister could respond:-

- by welcoming the wide agreement reached at the Paris Summit and our similar approaches to the EC environmental agenda.
- by urging that we work together to strengthen existing international bodies, such as UNEP and the Inter-Governmental Panel on Climate Change (IPCC), to encourage developing countries to play a full part there and to promote a climate convention and good environmental economics.



If M Mitterrand reverts to a North/South Summit, the Prime Minister could argue that this would detract from the work of existing institutions, such as the UN Special Session on economic recovery and development due in April 1990. For example environmental meetings, including UNEP, IPCC and the London Ozone Layer Conference, show that developing countries do not see these problems in North/South terms.

Drugs were also highlighted at the Summit. We hope the French will give full support to the international conference on demand reduction in the context of the cocaine threat, to be held in London in April 1990. We will participate fully in the Financial Action Task Force created by the Summit, for which the French will chair the first meeting. We also want to negotiate with the French a bilateral agreement for the tracing, freezing and confiscation of drug traffickers' assets.

Lebanon

The heavy Syrian shelling of East Beirut between 11 and 15 August and the Druze attack on Souk El Gharb, south of Beirut (under Syrian coordination) prompted a French diplomatic blitz in Arab capitals, Moscow and New York and additional naval deployments in the Eastern Mediterranean. Their tactics produced few positive results (eg Security Council Presidential statement on 15 August) but considerable resentment amongst the Arabs given France's traditional close association with the Maronites. An emergency meeting of the Political Committee called by the French on 21 August agreed that a further EC ministerial statement should be made underlining the Twelve's concern about Lebanon and reiterating support for the efforts of the Arab League Committee of Three Heads of State (Saudi Arabia, Algeria, Morocco). It was also agreed that a mission to evaluate aid needs would be sent to Lebanon shortly.

Our objective is to demonstrate support for French diplomatic activity while keeping the focus on the need for the Committee of Three to resume its mediation efforts.

We see three requirements for this:

- end to Iraqi support for Aoun (no more arms supplies);
- ceasefire and Syrian lifting of blockade;
- Aoun's agreement to re-creation of some Lebanese national political structure.

The Prime Minister might underline the need for the Twelve to support Arab League efforts to meet these requirements and the importance of maintaining an impartial approach to the contending factions in Lebanon.



Arab/Israel

Since the discussion with M Mitterrand last January, Arafat has visited Paris and Shamir has visited London. Although Arafat declared that the Palestine National Covenant had been superseded, the Israelis still refuse to concede any role for the PLO in the peace process, or to offer the undertakings on "land for peace" required if their plan for elections in the Occupied Territories is to be taken up. As President Bush recently told the Prime Minister, the Americans see the way forward as urging the PLO to allow Palestinians in the Occupied Territories to discuss the Israeli plan.

Against this unpromising background, the Prime Minister might recall our common interest with the French in using the Five Permanent Members of the Security Council as a forum for maintaining progress. Despite American reluctance to concede even the prospect of informal talks, we should keep the idea alive in case it can be developed during the forthcoming General Assembly. We should also encourage the Arabs/PLO to use the UNGA constructively, putting forward sensible, moderate resolutions rather than indulging in anti-Israeli rhetoric. This would bolster the PLO's moderate diplomacy and help to undermine Israeli intransigence.

Iran

Rafsanjani's election offers some opportunity for change. But he has as yet made no significant policy changes towards the West and has been careful to stress continuity with Khomeini. The hardliners have not been silenced. Iranian threats of violence against British citizens have not been withdrawn. A firm stance towards Iran should be maintained (the EC ban on high-level visits) in order to show that a price must be paid for failure to respect international norms of behaviour. Iran's attitude to the hostages is a decisive element. Pressure should be kept up, even if Rafsanjani may not yet be able to act.

Cambodia

The International Conference on Cambodia currently in Paris is due to end on 30 August. We shall update the briefing nearer the time.

Some useful work has been done on the mandate for an International Control Mechanism (ICM) and a UN reconnaissance team was sent to Cambodia to assess the situation on the ground. Its conclusions are not yet known.



The Chinese position is crucial. Publicly they have stuck to the principle that power should be shared equally between the four factions during the period following Vietnamese troop withdrawal (due to be completed on 26 September) and before general elections are held. But they have let it be known on the margins of the Conference that the Khmer Rouge presence need only be token provided Prince Sihanouk is given real power to prevent Hun Sen from monopolising it.

Vietnamese Boat People

More than 31,000 Boat People have arrived in Hong Kong since the beginning of the year. The International Conference on Indo-Chinese Refugees held in Geneva in June endorsed the principle that non-refugees (of which there are likely to be some 40,000 in Hong Kong) should be returned to their country of origin, but it was imprecise on the mechanism for repatriating those who do not volunteer to return.

Officials representing countries that participated in the Geneva Conference will be considering alternatives to voluntary repatriation when the Plan of Action adopted by the Conference is reviewed in October. The French (and Americans) are likely to maintain their opposition to mandatory repatriation as an acceptable alternative.

The Prime Minister might make the following points:

- grateful for France's pledge at Geneva Conference to resettle up to 4,400 Indo-Chinese refugees;
- the situation in Hong Kong remains desperate with arrivals continuing at up to 300 a day;
- urgent need to deal with all those who are screened out as non-refugees;
- clear that voluntary repatriation alone unlikely to meet the scale of the problem;
- hope French will support search for alternative and effective arrangements when the Conference Plan of Action is reviewed in October.

Hong Kong

Confidence in Hong Kong remains bruised and Hong Kong people continue to have deep anxieties about the future. We are trying to rebuild confidence (including reviewing the



programme for democratisation, introducing a Bill of Rights and working out a nationality package to encourage key personnel to encourage them to remain in Hong Kong). We are also making plain to the Chinese that it is above all for them to regain the trust of Hong Kong people. There is a general Western interest in sustaining confidence in maintaining Hong Kong's prosperity. The French can help by reiterating their confidence in Hong Kong (and by giving as clear and firm an assurance as possible that, if the worst happened, they would help to provide homes of last resort for those who needed them).

Argentina/Falkland Islands

Sir C Tickell's talks on 16-17 August were useful in setting the ground rules for a substantive meeting in October. We hope it will prove possible to move forward on practical matters - but there will be no question of compromising on our commitment to the Falkland Islanders.

Counter-Terrorism

Bilateral cooperation is excellent. Good recent examples were the arrest in Northern France on 14 July of three members of a PIRA armed service unit; and the arrest in Paris in April of three Loyalists for their part in the missile/arms deal.

South Africa

The Prime Minister may wish to refer to the elections to be held on 6 September. We believe the National Party will achieve a majority. With the elections behind him, we hope de Klerk will press on with reform. His recent meetings with Mobutu and Kaunda are indications of a better atmosphere for cooperation in the region. It is important we give him the chance to initiate reforms.

I am copying this letter to Brian Hawtin (MOD), Alex Allen (HMT) and Trevor Woolley (Cabinet Office).

Jaw.
Stephe Wall
 (J S Wall)
 Private Secretary

C D Powell Esq
 PS/10 Downing Street

CONFIDENTIAL

PRESS GUIDELINES ON COOPERATION ON DEFENCE AND ARMS CONTROL

The Prime Minister and President had a very good discussion on East-West relations and European security

- they agreed that there is a priority need for the two Governments to cooperate as closely as possibly on defence and arms control issues
- they directed that contacts across the range of these issues should be strengthened, with particular emphasis on nuclear issues, conventional arms control and procurement
- they also decided that defence and arms control cooperation should be reviewed systematically by Foreign and Defence Ministers at and between bilateral summits.

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ANGLO-FRENCH "MINI-SUMMIT" AT CHEQUERS: 1 SEPTEMBER

OUTLINE PROGRAMME

- 1040 Arrive RAF Northolt by special flight
Met by [REDACTED]
- 1050 Drive to Chequers
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and Foreign Secretary/M Dumas
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- Later Separate talks resume
- 1600 Depart Chequers for RAF Northolt
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(This may be preceded by a Press Conference)

MITTERRAND, FRANÇOIS GCB

President of the Republic.

Born 1916 in Charente. Son of a railway official. Trained as a lawyer in Paris. Wounded in action during the French campaign, he was a prisoner of war 1940-42. He escaped, characteristically at the third attempt, settled in the unoccupied part of France and played an active part in the Resistance, which included missions in London and Algiers, 1943. His opponents have questioned his Resistance record but General de Gaulle was sufficiently satisfied with him in 1944 to appoint him Secretary General for Prisoners and Deportees. At the end of the war M. Mitterrand became Deputy for the Nièvre, an area of North Central France that he represented in the National Assembly, and briefly in the Senate until his election as President in 1981. Under the Fourth Republic Mitterrand led his own centre-left party and 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 Overseas France (1950-51), and Minister of the Interior (1954-55). His career was marked by controversy, eg over the "Observatory affair" in which he escaped assassination in what some claimed was a staged attempt. Mitterrand was one of the few French politicians to oppose General de Gaulle's return to power in 1958, mainly because he considered that the latter had been imposed on France by the armed forces.

From 1958-81 Mitterrand was the *de facto* leader of the Opposition. His political fortunes ebbed and flowed but he never gave up his attempt to create a majority that would allow the Left to accede to power. He ran unsuccessfully for President in 1965 and 1974. From 1971 until the beginning of 1981, when he gave up the post to run for the Presidency, Mitterrand was First Secretary of the renovated Socialist Party (PS). Under his leadership the PS has grown to become the dominant force on the Left of French politics. Mitterrand, the supreme party tactician, has the distinction of having held the warring factions of the PS together during its long period of opposition and of difficult relations with the Communist Party (PCF).

Mitterrand calculated 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 1972-77 he took the PS into alliance with the PCF, but the alliance collapsed before the 1978 legislative elections when 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. When Mitterrand was elected President in 1981 he accepted a number of Communists into the Mauroy Government, primarily for tactical reasons. The episode was disastrous for the PCF whose support slumped. Since then relations between Mitterrand and the PCF at leadership level have been strained. In 1988 Mitterrand fought his second successful presidential campaign on moderate policies and the offer of places in the government for the Centrists.

Mitterrand is not a doctrinaire Socialist. He enjoys power for the sake of it. Keen on books and painting, addicted to writing and he seems to be 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 habit of keeping his own counsel has not changed since he took office.

Mitterrand has a strong sense of history, especially French history. He is an intellectual. He speaks, and writes, superbly well; but sometimes there is little substance below the elegant surface.

CONFIDENTIAL

During his 1981 and 1988 election campaigns 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. As President, Mitterrand has continued to adopt an outward air of serenity whatever the government's difficulties and his own often relatively low popularity rating. His critics have accused him of modelling himself on Louis XIV or even the Divine Presence, and of practicing nepotism.

Mitterrand has three brothers. One brother, General Mitterrand, is a former President of Aérospatiale, the nationalised air-craft company, one is President of Havas and one a professor at the Sorbonne. He is married to a renning wife, Danielle, who had a good Resistance record and whose strong interest in Human Rights causes throughout the world is occasionally demonstrated in public can sometimes be detected in her husband's actions. They have two sons, one of whom was elected a PS Deputy in 1981, while the other works on African affairs at the Elysee.

Neither the President nor his wife speak English.

SPEAKING POINTS FOR USE WITH PRESIDENT MITTERRAND/M DUMAS,
1 SEPTEMBER 1989

COLOMBIA

POINTS TO MAKE

- increasingly concerned about developments in Colombia
- at Paris Economic Summit we undertook to support drugs producing countries in their efforts against drugs-traffickers
- President Barco taking courageous action: he needs our support
- good that Twelve have made public statement of support
- but we must do more. Consider it urgent that the Twelve move quickly to explore the scope for further practical initiative to help Colombia. Can you as Presidency take this forward?
- British Government already in close cooperation with Colombians on drugs and we are urgently considering further support in the fields of training and technical assistance
- another area of particular concern to Barco is supply of precursor chemicals from Europe
- you as Presidency will wish to decide how best to proceed in this critical situation which affects us all.

BACKGROUND

Precursor Chemicals

In his letter to the Prime Minister of 21 July, welcoming her drugs initiative at the Paris Economic Summit, President Barco expressed his concern about the supply of chemicals from the industrialised nations which are used in the manufacture of cocaine. For our part the UK is well down the road in developing a system for monitoring the supply of these chemicals, and in preparing legislation to implement relevant provisions in the 1988 UN Convention against Illicit Drug Trafficking. Much remains to be done to develop this monitoring on a European basis, and we propose to raise the subject at a meeting which we hope the French Presidency will convene in the margins of the Second Interregional Meeting of Heads of National Drugs Law Enforcement Agencies which will take place in Vienna from 11-15 September. This meeting could also provide a forum for discussing other technical assistance to the Colombians.

SOUTH AMERICA DEPARTMENT
August 1989

JC1ABL/2

PRIME MINISTER

MEETING WITH PRESIDENT MITTERRAND

You have President Mitterrand to Chequers on Friday for a meeting and lunch. The idea was his: you will recall that he told you at the Economic Summit that the differences between Britain and France were being greatly exaggerated: it would be useful to sit down together, to identify the real ones and try to resolve them.

The wider backdrop to the meeting looks like this. For several years we have been catching up with the French economically and doing better than them in a number of areas: defence sales, relations with the Soviet Union, influence in the Middle East. They have been uncharacteristically on the defensive.

That situation - very satisfactory from our point of view - is now shifting. The French economy is doing considerably better than ours: the gap is opening again and that will affect our relative standing. The Americans have been making quite a set at the French and Mitterrand is basking in the sunshine of President Bush's goodwill. The bicentenary, while controversial, has done quite a bit for French morale. We have seen a number of French foreign policy initiatives - Cambodia, Lebanon, environment - not necessarily effective or successful but keeping France at the forefront of world affairs. They hold the Presidency of the Community, which gives them the initiative there. Within the Community they have created a Franco-German axis at our expense. And Mitterrand's personal position is assured for another seven years which puts him pretty much on a footing with you.

In short, the meeting comes at a time when the balance of strength and influence between Britain and France is shifting - or certainly is perceived as shifting - in their favour.

But while the French may love to play the European Community game against us, Mitterrand must realise that in reality he was isolated at Madrid not you: and that making a success of the French Presidency can only be achieved with your co-operation. He must be worried by Germany, where Kohl's support continues to slip and support for anti-nuclear policies to grow. His Franco-German axis is going to look a bit sick if Kohl loses the next election. He respects you as the strongest pillar of the West in dealing with the Soviet Union, on which his own record has also been good. More generally he must recognise that Europe cannot be effective politically or militarily without Britain's full participation, and it does not serve France's interests to be at cross-purposes with us. A two-tier Community, if it ever happened, would not be a victory for France but a defeat for Europe.

So Mitterrand will have an interest at Chequers in bridge-building, but from a position of relative strength. He will want to build the bridges to his own design. I see no advantage in moderating our views on the key issues for the sake of apparent harmony. It would be better to identify the differences clearly, even starkly. Thus:

- there should be no softening of our views on economic and monetary co-operation or the Social Charter. Mitterrand needs to test your views for himself and be convinced by the strength of your determination, so that he knows the bounds of possible agreement when it comes to the European Council in December.
- while we should be ready for closer defence co-operation with the French, it should not be on their terms. Their vision of such co-operation seems to be that we buy into French missile technology, share secrets on nuclear and go on being the stalwart member of NATO while they cozy up to the Germans bilaterally. There must be much more than that: practical co-operation between our military forces on the ground in Europe in support of NATO objectives (as you first proposed to him eighteen months

ago now): and a willingness to work together to correct the anti-nuclear bias in Germany, not just leave it to us, so that France's political relations with Germany remain intact while we take all the stick.

There are a large number of subjects on which I expect you will agree: the Middle East, Eastern Europe, arms control, South East Asia, the Channel Tunnel. That should be enough to create a general impression of amicability without our needing to concede any points of importance. It would be a great mistake to give the French any reason to think that, because of our current economic difficulties, they have us on the run. If anything it would be preferable to over-compensate by having quite a tough meeting now, to improve the prospects of getting the right result at the December European Council and subsequently.

[To follow] I attach full briefing from the Foreign and Commonwealth Office.

C.D.P.
C. D. POWELL
29 AUGUST 1989



10 DOWNING STREET

LONDON SW1A 2AA

25 August 1989

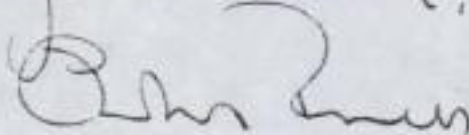
From the Private Secretary

Dear Bob,

PRESIDENT MITTERAND'S VISIT: 1 SEPTEMBER

Thank you for your letter of 24 August about President Mitterand's visit on 1 September. You will wish to note and act on the following points:

- the Prime Minister will meet President Mitterand at Northolt at 10.40. The Prime Minister and President and accompanying party will then helicopter to Chequers (the Prime Minister will go to Northolt from No. 10). I should be grateful if you could investigate the possibility of having a helicopter from the Queen's Flight. The Prime Minister sees no need for the Foreign Secretary to go to Northolt for the arrival, but would be grateful if he would see President Mitterand off on his departure.
- The Prime Minister would like there to be a carpet guard at Northolt.
- The Prime Minister agrees that the lunch should be restricted to herself, President Mitterand, the two Foreign Ministers and one Adviser each from No. 10 and the Elysée. Separate arrangements can be made for lunch for the Ambassadors (if they still decide to attend) and the PCO/Quai Private Secretaries.
- The Prime Minister would prefer to rely on M. Thierry alone for interpretation if he is willing to undertake this (he has in the past).

Yours sincerely,


CHARLES POWELL

R. N. Peirce, Esq.,
 Foreign and Commonwealth Office

PRIME MINISTER

PRESIDENT MITTERRAND'S VISIT TO CHEQUERS

The attached letter has a number of questions about President Mitterrand's visit to Chequers:

- will you meet him at Northolt (at 1040 on Saturday 1 September)? You will recall that he met you at Mont St. Michel. If so, we could arrange for you both to helicopter to Chequers in a Queen's flight helicopter. *Yes*
- would you like a carpet guard at Northolt? *Yes*
- Mitterrand is apparently keen to restrict lunch to six (you, Mitterrand, two Foreign Ministers, No. 10 and Elysee Private Secretaries). Ambassadors and any other officials would lunch elsewhere. Agree to this? *Yes*
- Are you content to share Mitterrand's interpreter - probably M. Thiery - for the talks rather than have one of your own? This has worked well in the past.

C.A.P.

C. D. POWELL
24 August 1989
KAYAZB

Yes
not



Foreign and Commonwealth Office

London SW1A 2AH

24 August 1989

John Chalker

Mitterrand/Dumas Visit: Chequers: 1 September

I should be grateful for a steer on certain practical aspects of the Mitterrand/Dumas visit, now that planning is moving into top gear.

The most important of these is the meeting and greeting arrangements. President Mitterrand and his party will arrive at approximately 10.40 at Northolt, for the drive to Chequers. It would be helpful to know whether the Prime Minister intends meeting the President at the airport (as he did when she visited Mont St Michel for the mini-Summit last year) or whether she would prefer the Foreign Secretary to greet Monsieur Mitterrand. It would also be helpful to know whether the Prime Minister would wish us to lay on a carpet guard.

Our Embassy had a meeting with Mr Hennekinne at the Elysee on 21 August. He said that he was sure Mitterrand would want the lunch to be as restricted as possible. Hennekinne interpreted this to mean the two Heads of Government, two Foreign Ministers plus one Adviser each from No 10 and the Elysee. Interpreters would also of course be present. This arrangement would cut out both Ambassadors and FCO/Quai Private Secretaries. It would be helpful to know whether this fits in with the Prime Minister's own preferences.

We have lined up two interpreters, Mrs Fairweather and Mrs Penny for the Prime Minister and Foreign Secretary. The French will probably bring M. Thierry to interpret for M. Mitterrand. We do not know yet whether he will bring a colleague to share the burden with Mrs Penny.

T. Mason
R N Peirce
 (R N Peirce)
Private Secretary


NOTE FOR THE FILE

CC.

Mrs. Goodchild

VISIT OF PRESIDENT MITTERRAND

The FCO (Richard Gozney) telephoned about the Foreign Minister's party and the Chequers lunch. We agreed that the lunch would consist of the Prime Minister, President Mitterrand, two Private Secretaries, two Foreign Ministers, Sir Ewen Fergusson and the French Ambassador or Chargé. The two FCO Private Secretaries who would have been at the Foreign Ministers' meeting would need to be catered for separately.



DM

18 August, 1989.

CONFIDENTIAL



FILE
DA

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

11 August 1989

**PRIME MINISTER'S MEETING WITH
PRESIDENT MITTERRAND: 1 SEPTEMBER**

I have seen telegram number 1058 from Paris dated 9 August. I see no difficulty with the suggestion from the French side that the talks should start at 1130 rather than 1100.

(PAUL GRAY)

Richard Gozney, Esq.,
Foreign and Commonwealth Office.

CONFIDENTIAL

A handwritten signature, possibly 'R. Gozney', written in dark ink.

CONFIDENTIAL

01443D
MDLIAN 2153

JP's to DG.

CONFIDENTIAL
FM PARIS
TO PRIORITY FCO
TELNO 1058
OF 091435Z AUGUST 89

YOUR TELNO 650: PRIME MINISTER'S MEETING WITH PRESIDENT
MITTERRAND, 1 SEPTEMBER

SUMMARY

1. MITTERRAND WILL BRING DUMAS WITH HIM.

DETAIL

2. THE ELYSEE HAVE NOW CONFIRMED THAT PRESIDENT MITTERRAND IS
CONTENT WITH THE ARRANGEMENTS OUTLINED IN YOUR TUR, VIZ TO BRING M.
DUMAS WITH HIM FOR SEPARATE TALKS WITH YOU, AFTER WHICH YOU AND HE
WOULD JOIN THE TWO HEADS OF GOVERNMENT FOR LUNCH. WE HAVE CONFIRMED
WITH DUMAS'S CABINET THAT HE ALSO IS CONTENT.

3. PRESIDENT MITTERRAND WOULD LIKE THE TALKS TO START AT 1130 RATHER
THAN 1100. MAY WE TELL THE ELYSEE THAT THIS IS ACCEPTABLE?

4. WE SHALL NEED INSTRUCTIONS ON WHAT TO SAY TO DUMAS'S CABINET
ABOUT AGENDA AND PARTICIPATION IN YOUR SEPARATE TALKS WITH HIM. I
KNOW THAT THE AMBASSADOR WOULD BE GLAD TO ATTEND THESE IF YOU WISH.

LLEWELLYN SMITH

YYYY

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PS/MRS CHALKER
PS/PUS
PS/SIR J FRETWELL
MR BAYNE
MR RATFORD
MR KERR

PAGE 1
CONFIDENTIAL

FRANCE - VISIT of M. ...
CONFIDENTIAL

P. 6
014430
MDLIAN 2153

PS

MR GOULDEN

ADDITIONAL 11

MR APPLEYARD, CAB OFFICE

PS/NO

NNNN

PAGE 2
CONFIDENTIAL



File 62

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

4 August, 1989.

MEETING WITH PRESIDENT MITTERRAND

The Prime Minister has considered the arrangements for the proposed meeting with President Mitterrand at Chequers on Friday, 1 September. She would be content for this to be a restricted meeting along the lines of that in Mont St. Michel, at which she and President Mitterrand would each be accompanied by one Private Secretary, together with an interpreter. President Mitterrand might arrive at 1100, with talks up to lunch. Lunch could then be from 1300 to 1430, with the talks continuing as long as necessary in the afternoon, possibly to around 1600.

The Prime Minister understands that the French have raised the possibility of a parallel meeting between Monsieur Dumas and Mr. Major. She would be fully content for such a meeting to take place at Chequers in the morning, and for everyone then to join together for lunch.

I should be grateful if you would now liaise as necessary with the French side.

Paul Gray

J.S. Wall, Esq.,
Foreign and Commonwealth Office.

CONFIDENTIAL

OUT TELEGRAM

	Classification CONFIDENTIAL	Caveat	Precedence IMMEDIATE
ZCZC	1 ZCZC		
TC	2 CONFIDENTIAL		
CAVEAT	3		
FM	4 FM FCO		
TO	5 TO IMMEDIATE PARIS		
TELNO	6 TELNO		
OF	7 OF 041600Z AUG 89		
AND TO	8		
	9		
	10		
	11 YOUR TELNO 1037: VISIT OF PRESIDENT MITTERRAND		
	12		
	13 1. The Prime Minister will be happy for the meeting with		
	14 President Mitterrand on 1 September to follow the same format as		
	15 that at Mont St Michel: she and President Mitterrand would each		
	16 be accompanied by a Private Secretary, together with an		
	17 interpreter.		
	18 2. Number 10 suggest that President Mitterrand might arrive at		
	19 chequers at 1100, for talks followed by lunch from 1300-1430.		
	20 Talks could continue for as long as necessary in the afternoon,		
	21 perhaps to around 1600.		
	22 3. If President Mitterrand wishes to bring M. Dumas with him,		
	23 I should be delighted to have talks, separately, with Dumas.		
	24 The Prime Minister has suggested that Dumas and I might also		
	25 hold our talks at Chequers, and join the two Heads of Government		
///	26 for lunch. While this arrangement would suit the Prime Minister		
//	27 and me well, we leave the decision up to President Mitterrand		
/	28 himself. We would be grateful to know his decision as soon as		
	29 possible. If, by any chance, he decides against bringing		
YYYY			Catchword:
MAIN	File number	Dept P.O.	Drafted by (Block capitals) R H T GOZNEY
ADDITIONAL			Telephone no 270 2069
NNNN	Authorised for despatch by:	Initials	Date/time
	For COD use only	Comcen reference	Telegram number
			Processed by

OUT TELEGRAM (CONT)

	Classification CONFIDENTIAL	Level	Precedence IMMEDIATE
--	---------------------------------------	-------	--------------------------------

1 <<<<
 2 M. Dumas, then we shall need to decide whether I ~~write~~ ^{SEE} M. Dumas
 3 ~~to London~~ quite separately on 1 September or whether we seek to
 4 reinstate my visit to Paris on 5 September.

5
 6 MAJORS

7
 8
 9 YYYYY

10 MAIN

11 LIMITED

12 WED

13 ECD(I)

14 ECD(E)

15 SEC POL DEPT

16 PROTOCOL DEPT

17 PS

18 PS/MRS CHALKER

19 PS/PUS

20 PS/SIR J FRETWELL

21 MR BAYNE

22 MR RATFORD

23 MR KERR

24 MR GOULDEN

25

26 ADDITIONAL

27 MR APPLEYARD, CAB OFFICE

28 PS/NO 10

29

30 NNNN

31

32

33

34



For distribution order see Page Catchword

SW2AZA

PRIME MINISTER

CHEQUERS MEETING WITH PRESIDENT MITTERRAND

President Mitterrand has agreed to the proposed meeting on Friday 1 September but would like some indications on the format.

on Arrals
I assume you wish this to be a restricted meeting along the lines of that in Mont St. Michel. You would be accompanied by Charles and President Mitterrand by one of his staff, probably Madame Guigou. There would also be an interpreter. President Mitterrand might arrive at around 1100, with talks up to lunch at 1300. Lunch could be 1300-1430 and the talks could continue as long as necessary in the afternoon, possibly to around 1600.

Content to proceed on this basis?

The French have also asked whether there should be a meeting between M. Dumas and Mr. Major. I assume you would not want this to be linked to your talks at Chequers but would you be content for parallel talks to take place in London?

Quite prepared to have the Dumas Major meeting at Chequers. We could then all join together for lunch
not

(ANDREW TURNBULL)

3 August 1989

RESTRICTED

174325
MDHIAN 5408

RESTRICTED
FM PARIS
TO IMMEDIATE FCO
TELNO 1032
OF 021105Z AUGUST 89

Cardon Dominique
drob
you. CBS
I wd. be good if
you could keep an
eye on that,

MY TELNO 986: VISIT OF PRESIDENT MITTERRAND

1. DURING A CALL ON HENNEKINNE (ELYSEE) THIS MORNING WE ASKED WHETHER THE PRESIDENT HAD FINALLY DECIDED ON THE DATE FOR HIS VISIT TO CHEQUERS. HENNEKINNE SAID THAT HE HAD RE-SUBMITTED THE QUESTION RECENTLY TO THE PRESIDENT, BUT MITTERRAND HAD NOT YET REPLIED. HENNEKINNE BELIEVED THAT 1 SEPTEMBER WOULD RUN, BUT DID NOT WISH TO BE DEFINITE WITHOUT THE PRESIDENT'S SIGNATURE. HE UNDERTOOK TO TRY TO GET THIS BEFORE THE END OF THE WEEK.

FERGUSON

in case the date
changes.

YYYY

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MR BAYNE
MR RATFORD
MR KERR
MR GOULDEN

We are expecting
only Mitterrand
plus one or
deputies, with
the Foreign
Minister meeting
separately or

ADDITIONAL 5

MR APPEYARD CAB OFFICE

PS/NO 10

NNNN

Evening.

002

MRS PONSONBY

told Dot
3/17

VISIT OF PRESIDENT MITTERRAND

President Mitterrand has accepted the Prime Minister's invitation to come to lunch at Chequers on 1 September. We do not yet have details. But you may like to warn Dot that it will probably be lunch for six, plus a separate lunch for an unknown member of French supporting cast (possibly six).

C.D.P.

CHARLES POWELL

28 July 1989

. J. H.

SUE GOODCHILD

Contrary to what the Foreign Office told me yesterday it now turns out that President Mitterend has agreed to come on Friday 1 September instead of Saturday 2 September. The talks and lunch will still be held at Chequers.

[This was not a date that I offered but since it is free I have pencilled it into the diary!]

Amanda

AMANDA PONSONBY

26 JULY 1989

MRM

251751Z

CONFIDENTIAL
OO FCOLN
FM PARIS TO FCOLN
251040Z JUL
BRS 218

CONFIDENTIAL AMENDED DISTRIBUTION 25/7
FM PARIS
TO IMMEDIATE FCO
TELNO 986
OF 251040Z JULY 89

YOUR TELNO 605: VISIT OF PRESIDENT MITTERRAND

1. ZORZI (DUMAS'S CABINET) HAS TOLD ME THAT THE ELYSEE HAVE PICKED 1 SEPTEMBER FOR PRESIDENT MITTERRAND'S VISIT TO CHEQUERS.
2. ZORZI ASKED WHETHER DUMAS, WHO WAS EXPECTING TO ACCOMPANY MITTERRAND, COULD HAVE A BILATERAL MEETING WITH YOU AT THE SAME TIME. DUMAS WAS NOW VERY DOUBTFUL THAT HE COULD STICK TO THE ARRANGEMENT MADE WITH SIR GEOFFREY HOWE FOR A BILATERAL IN PARIS ON 5 SEPTEMBER. HE HOPED THAT 1 SEPTEMBER IN THE UK COULD AFFORD AN EARLY OPPORTUNITY FOR A FIRST CONTACT WITH YOU.
3. I SAID THAT I HAD THOUGHT THAT THE PRIME MINISTER'S INTENTION WAS TO HAVE A RESTRICTED MEETING WITH THE PRESIDENT, ALONG THE LINES OF THE MONT ST MICHEL MEETING LAST NOVEMBER. EVEN SO, IF DUMAS WISHED TO COME OVER IN THE PRESIDENT'S AEROPLANE FOR A BILATERAL WITH YOU, I WAS SURE THAT YOU WOULD WISH TO SEE HIM IF YOUR DIARY WAS CLEAR. IF NOT, THEN YOU WOULD NO DOUBT ALSO BE AT CHEQUERS. I THEN MENTIONED THAT YOU MIGHT COME TO PARIS ON 30 JULY FOR THE OPENING OF THE CAMBODIA CONFERENCE AND WOULD WANT TO MAKE A FIRST CONTACT WITH DUMAS THEN OR ON THE DAY OR TWO FOLLOWING; AND I ASKED ZORZI TO LOOK OUT FOR A POSSIBLE TIME. HE SAID THAT THERE MIGHT THEN BE A CHANCE TO SETTLE ON THE DATE FOR THE BILATERAL.

FERGUSON

YYYY
ADVANCE 4
HD/WED 1
HD/ECD(I) 1
HD/ECD(E) 1
MR RATFORD 1
MAIN 53
LIMITED 6
WED 9
ECD(I) 6
ECD(E) 6
SEC POL DEPT 5
PROTOCOL DEPT 7
PS 7
PS/MRS CHALKER 1
PS/PLS 1
PS/SIR J FRETWELL 1
MR BAYNE 1



FILE KK

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

18 July 1989

VISIT OF PRESIDENT MITTERRAND

I promised to suggest dates when the Prime Minister could see President Mitterrand after the summer break. I should be grateful if you would ask our Embassy in Paris to propose lunch at Chequers on either Friday 1 or Saturday 2 September. It would be helpful to know as soon as possible if the President can manage one or other of these dates.

g b

(C. D. POWELL)

Richard Gozney, Esq.,
Foreign and Commonwealth Office.

(1)

PRIME MINISTER

VISIT OF PRESIDENT MITTERRAND

You agreed with President Mitterrand that he would come over to Chequers in the fairly near future for a talk. I doubt he will want to come before his summer holiday, but there is a lot to be said for having the visit as early as possible in the autumn. I have looked at the diary with Amanda, and we have identified Friday 1 or Saturday 2 September as possibilities. I attach the relevant page of the long-term diary.

Content to offer one of these dates?

CDP

1 us mb

Charles Powell

17 July 1989

Wednesday 30 August

c0915 DEPART NO.10
KEEP FREE FOR CDP

Thursday 31 August

? Keep free for speechwriting
TO CHEQUERS?

Friday 1 September

Keep free for AP

Sunday 3 September

? DEPART CHEQUERS
1430 PRESENT INTERNATIONAL YOUTH SKILL OLYMPICS AWARDS
+ CS BIRMINGHAM
? RETURN TO No. 10

Monday 4 September

0830 Hair
1055 DEPART No 10
1100-1230 ATTEND OPENING OF IPU CENTENARY CONFERENCE + CDP
PALACE OF WESTMINSTER
RETURN TO No 10
Keep free for speech + CDP

Tuesday 5 September

0930-1030 Diary Meeting
1430 Sir Fergus Montgomery +Eddie Shah +MLB
1500-1545 Sir David Goodall +CDP
1830-1900c LOOK IN AT SIR PHILIP HARRIS' RECEPTION +CS
PARK LANE HOTEL
Working Supper

Wednesday 6 September

Keep free for speech + CDP
1430-1515 ADDRESS IPU CENTENARY CONFERENCE ?
RETURN TO No 10
1600-1645 Conrad Black and Board of Hollinger + CDP

Thursday 7 September - Sunday 10 September

REGIONAL TOUR AND KEEP FREE

Monday 11 September

DEPART
LUNCH WITH CUMBRIAN NEWSPAPERS EXPORT AWARD SCHEME
+ TP
RETURN TO LONDON

Tuesday 12 September

Hair
Keep free for AP

CONFIDENTIAL



DSP

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

1 February 1988

The Prime Minister has asked me to thank you very much for arranging the Guard of Honour at Lancaster House for President Mitterrand last Friday, despite the very difficult conditions. This added greatly to the dignity of the occasion. She is most grateful.

It was kind of you also to arrange for us to have the help of the Royal Military Police in handling security at Lancaster House during the meeting.

Charles Powell

Major-General C. J. Airy, C.B.E.

205

Charles

Anne Morrison from the Protocol Department telephoned me asking if you thought it appropriate to send a thank you letter to General Christopher Airy of the London District for the Guard of Honour at Lancaster House on Friday. He also arranged for the assistance of the Military Police for the security at Lancaster House.

His address and full title are

General Officer Commanding
London District General
Christopher Airy,
c/o MOD

Do you wish to do this?

Jacqui
1 February 1988



CLH

With the compliments of

THE PRIVATE SECRETARY

**FOREIGN AND COMMONWEALTH OFFICE
SW1A 2AH**

11 Feb 1988

CONFIDENTIAL

cc/c

11	12	1
10	9	2
8	7	3
6	5	4

From: J S Wall, ECD (J)

Date: 1 February 1988

cc: Mr Kerr o/r

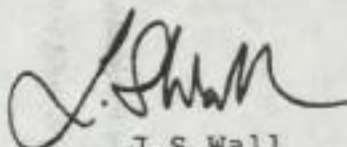
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 to Mr Powell p.p.
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RECORD OF PRIME MINISTER'S MEETING WITH PRESIDENT MITTERRAND

1. Page 2 of Charles Powell's record of 29 January of the Prime Minister's meeting with President Mitterrand quotes the Prime Minister as saying "that an increase contained within 1½ times the maximum rate would allow an overall increase of 50% in the Structural Funds and of 80% in the receipts of the four poorest countries from the regional fund, as well as the doubling of the overall receipts of Spain and Portugal". In fact, an increase contained within 1½ times the maximum rate would allow a doubling of the receipts of the four poorest member states from the regional fund. It is already agreed that 80% of the regional fund should be concentrated on the so-called objective 1 regions, ie backward regions of the Community, and it may be that figure which Mr Powell had in mind.

2. You might like to point this out to Mr Powell given that the same ground is likely to be covered with Chancellor Kohl tomorrow.



J S Wall

European Community Department
(Internal)

was a problem for every European country. She would be going to the Brussels European Council with the intention of working for a satisfactory outcome. The longer the Community went on without settling these problems, the worse they would get. But the prospects did not look very bright. She wanted to dispel any possible misunderstanding on one point. There was no question of the United Kingdom being ready to agree to ineffective agricultural stabilisers in return for continuation of the Fontainebleau abatement. We were absolutely determined to see the problem of the surpluses dealt with. If there was not agreement on this, there would not be agreement on anything else. A failure would be bad for Europe and it was not what we wanted. But agreement on ineffective and inadequate measures would be even worse.

President Mitterrand began by professing to be unfamiliar with any of the details and asking M. Attali to explain them to him. He then agreed with the Prime Minister that failure at Brussels would be bad for Europe. He recalled that it was Chancellor Kohl who had wanted the special European Council. He seemed determined to go ahead with it. But perhaps it would be better not to hold the meeting. The Prime Minister said there was no question of Britain trying to get out of it. We would much prefer to tackle the problems. But she doubted the commitment of the German Presidency to doing so. President Mitterrand continued that Agriculture Ministers never solved anything. It was a bad procedure to remit problems to specialised Councils. As a major cereals producer, France needed a Maximum Guaranteed Quantity of 160 million tonnes. France might prefer price reductions to co-responsibility levies, but had to take account of German views. His understanding was that 10 of the 12 Community members were now agreed on a package of agricultural measures. The Prime Minister retorted that the problem was that they were not effective measures. It did not matter to her how many people agreed on them: we would not accept them because they would not stop the surpluses from growing. Rather, they reflected the German preference for dragging up prices to German levels and for paying their farmers to go on producing surpluses.

The Prime Minister continued that there were a number of other problems to be dealt with at Brussels. One was the Structural Funds. Any increase must be contained within one and a half times the maximum rate for non-obligatory expenditure. It was vital to preserve that limit otherwise all semblance of financial discipline would be lost. President Mitterrand said that France could readily agree with the United Kingdom on this. The problem was that a majority of others would not. The Southern Member States had taken up a very firm position. The Prime Minister said that an increase contained within one and a half times the maximum rate would allow an overall increase of 50 per cent in the Structural Funds and of 80 per cent in the receipts of the four poorest countries from the Regional Fund, as well as a doubling of the overall receipts of Spain and Portugal. President Mitterrand said his understanding was

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10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

1 February 1988

Dear Lyn,

ANGLO-FRENCH SUMMIT

I enclose a record of the plenary session of the Anglo-French Summit on 29 January.

I am copying this letter and enclosure to Alex Allan (H.M. Treasury), Brian Hawtin (Ministry of Defence), Philip Mawer (Home Office), Shirley Stagg (Ministry of Agriculture, Fisheries and Food), Marjorie Davies (Minister of State for Trade's Office) and to Trevor Woolley (Cabinet Office).

Yours sincerely,
Charles Powell
CHARLES POWELL

Lyn Parker, Esq.,
Foreign and Commonwealth office.

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SUBJECT CC MASTER

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RECORD OF THE PLENARY SESSION OF THE ANGLO-FRENCH SUMMIT, HELD
AT LANCASTER HOUSE AT 1200 ON FRIDAY 29 JANUARY 1988

Present:

The Prime Minister	President Mitterrand M. Chirac
The Rt. Hon. Sir Geoffrey Howe, MP, Secretary of State for Foreign and Commonwealth Affairs	M. Raimond Minister of Foreign Affairs
The Rt. Hon. Douglas Hurd, MP, Secretary of State for the Home Department	M. Pandraud Minister Delegate for Security
The Rt. Hon. George Younger, MP Secretary of State for Defence	M. Giraud Minister of Defence
The Rt. Hon. John MacGregor, MP Minister of Agriculture, Fisheries and Food	M. Guillaume Minister of Agriculture
The Rt. Hon. Lynda Chalker, MP Minister of State for Foreign and Commonwealth Affairs	M. Bosson Minister Delegate for European Affairs
The Hon. Alan Clark, MP Minister of Trade	M. Noir Minister Delegate for Foreign Trade
Officials	Officials

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The Prime Minister said that her discussions with the President and Prime Minister had concentrated on two major issues: the forthcoming European Council and defence and arms control issues. Ministers had gone into more detail in separate discussion.

There was still no agreement in advance of the special European Council and much work remained especially on the important stabiliser mechanisms. Assuming the Council was held as planned, there would need to be a wide measure of agreement in advance, so that success was assured.

The second major theme had been the forthcoming NATO Summit and arms control. Such bilateral discussions were valuable: we did not talk enough about the detail of arms control. Arms control was a particularly vital matter for Western Europe, because it was there the threat of attack most applied. France and the UK, with independent nuclear deterrents, had shared interests and concerns about the next steps. We agreed on the need to retain nuclear weapons and to keep American nuclear weapons in Europe.

In discussion of the Gulf she and M. Chirac had agreed to press for a further Security Council Resolution, providing for an arms embargo on Iran. It was disappointing that, despite efforts over the last few years, there had been no major initiative to solve the Arab/Israel problem.

President Mitterrand said that the French side had stated their views on Community financing. They hoped that the Summit would be successful. France's position was "not aggressive". They had gone to the limit in seeking conciliation and could not go further. There were points of difficulty between the UK and France, also between the UK and almost all the other Member States. He and M. Chirac reserved further comment until Ministers of Agriculture had reported.

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FOREIGN AFFAIRS

The Foreign Secretary said that he and Raimond had discussed EC affairs with Mrs. Chalker and Bosson until the latter left for separate talks on the Internal Market (on which there was broad Anglo-French agreement). On agriculture he and Raimond had identified the biggest differences between us as being over stabilisers especially for cereals and oilseeds. Further work would be needed on these issues. They had also discussed the fourth resource. Britain and France had a very similar approach, but this caused difficulty for Italy. We were prepared to look at a wide range of options and adjust the Fontainebleau mechanism in the light of the effect of the fourth resource on our net contribution. We could not however accept any other change in Fontainebleau. We also had similar views on the Structural Funds. We wanted to limit the increase to one-and-a-half times the maximum rate. On budget discipline our views were close but not entirely the same.

Discussion of East/West issues had brought out a shared concern to avoid Soviet wedge-driving. We agreed on the importance of avoiding the denuclearisation of Europe and negotiations on non-strategic nuclear weapons. We had a tactical difference over including dual-capable weapons in conventional stability talks, and experts would be instructed to follow this up. On Chemical Weapons we shared the objective of a global ban and should keep in close touch. We also wanted to prevent the Russians from using their proposal of a Moscow Conference on Human Rights to divide the West. Britain was sceptical about holding any Moscow Conference. The French too did not want one but feared concessions by some of our Allies.

While agreeing on the value of WEU as a pillar for NATO, Raimond and he had not been able to agree on co-location. They had also welcomed the agreement on SSN visits. On Iran/Iraq they had also welcomed the work going on in New York on a draft arms embargo resolution. We should continue to press Iraq for restraint and reject the Soviet proposal for a

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UN naval force. He had thanked M. Raimond for French co-operation over the Eksund and reaffirmed the importance of making no deals with terrorists. We had identical views on Afghanistan and were sceptical about the Russians' real intentions.

M. Raimond confirmed that there was a difference of opinion on stabilisers. He had said that the present compromise proposal represented considerable progress on such aspects as price reductions and set-aside, and Sir Goeffrey Howe had agreed. We differed on MGQs for cereals and oilseeds and on the automaticity of price cuts for cereals. He had said that the French proposal to include a reference to third countries' trading practices in the clause on exceptional circumstances was not an attempt to weaken budget discipline. The British side had agreed on the need for the EC not to be disarmed against unfair competition. There was broad agreement on Structural Funds, but some gesture would be needed to Italy.

He confirmed that on conventional disarmament, experts should meet to discuss the inclusion of dual-capable vectors, to which France was opposed. There was a tactical difference over the Moscow Conference, and a difference on view over WEU co-location.

DEFENCE

Mr. Younger reported a useful exchange surveying deepening co-operation since the last Summit. On arms collaboration the first Anglo/French equipment conference had taken place in September 1987. This had covered co-operation in land systems. There would be further conferences in Paris in March and London in November on sea and air systems. They had concluded a reciprocal purchasing agreement under which each would offer the other opportunities for procurement of conventional equipment. This was consistent with other European initiatives. Other subjects covered were co-operation in research; possible joint components for EFA and Rafale; joint exercises; and nuclear matters. They had

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discussed possible co-operation on a future generation air-to-ground missile. There was agreement on attitudes to the INF treaty and the WEU "platform", welcome for the collaboration of Navies in the Gulf and for the role of WEU in that. The agreement on SSN visits was noted with approval. Agreement had been reached in December to prepare plans for the common defence of the Channel Fixed Link. Mr. Younger looked forward to carrying the consultations further. M. Giraud agreed.

AGRICULTURE

The Minister for Agriculture said that he and M. Guillaume had spent most of their time on stabilisers. They agreed on the need to introduce stabilisers, but M. Guillaume wished to do so only for three years so that the Community would have something in reserve for the GATT negotiations. He had replied that Britain could not agree to a permanent increase in own resources if stabilisers were to be introduced only on a temporary basis. On cereals, M. Guillaume had recommended the present formula as one agreed by ten Member States and one which had brought the Germans to accept price reductions. He had replied that it fell short of the effective measures which we required. It would not stabilise costs in the long term and put too much emphasis on co-responsibility. They had discussed this in some detail and had not reached agreement. On oilseeds M. Guillaume had said that the present formula was the most he could accept and its balance should not be changed. Mr. MacGregor had replied that in his view it would not limit costs in this sector and would cost 600 ecu more than the proposal at Copenhagen.

On set-aside, they were broadly in agreement on the place for this in the overall package and its main features. We regarded green fallow as difficult to apply, but M. Guillaume had agreed that it could be optional. M. Guillaume and he had agreed on the need to keep in close touch over the details of the negotiations with third countries over the import arrangements for sheepmeat. They had also agreed to pursue in

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Brussels more flexible arrangements for the transfer and allocation of milk quotas with the aim of implementation on 1 April 1989. M. Guillaume had raised the Oils and Fats Tax, but there had been no meeting of minds. Finally, M. Guillaume had stressed the importance of Dom Rum and Mr. MacGregor had explained the concerns of the UK spirits industry. The UK could lift its reserve on Dom Rum if the Spirits Directive could be agreed under the German Presidency. Officials would work with that aim.

M. Guillaume said that this was an accurate account of their discussions. Both delegations wanted the CAP to be more influenced by market realities, but France thought it necessary also to take account of the Community's diversity. The Presidency compromise agreed by ten Member States was the limit of the possible for them. They could accept it on two assumptions:

- (a) that the European Council would agree on adequate resources for the CAP; and
- (b) that stabilisers would be introduced for three years so as to press others to make an effort in the GATT context.

The Community should not put constraints on farmers without offering them some hope as well. It should be easy to get the experts to agree on Dom Rum and the Spirits Directive.

HOME AFFAIRS

Mr. Hurd said that he and M. Pandraud had reviewed recent terrorist developments. They welcomed the increasing collaboration between French and British agencies, of which Eksund was a good example. They had compared views on the future work of TREVI under the German Presidency and considered ideas for putting its work on a more formal basis. On drugs they agreed that a key instrument was powers to confiscate assets, but that this was not practicable without

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international agreement. Discussion could be carried forward bilaterally, and multilaterally through the Council of Europe. They had agreed on exchanges between officials concerned with the fight against drugs. They had also discussed harmonising visa regimes in Europe and the possibility of an agreement in TREVI on asylum. M. Pandraud agreed, adding that the struggle against drug trafficking needed high priority.

TRADE

Mr. Clark said that in discussion of the Geneva GATT round he had agreed with M. Noir that progress at the mid-term review should include that question of agricultural reform. They agreed in principle, but differed over tactics. The internal market would have important external consequences. Britain and France should keep in touch over ways of ensuring that the Community's interests were advanced. They were agreed that strong Community pressure was needed against unfair Japanese trading practices.

M. Noir said that the French agreed that any differences concerned only tactics. The French were afraid that in the GATT round we would be forced into premature concessions on agriculture, which would weaken our position on other subjects. Our views were close about trade relations with Japan and Asia and the external consequences of the internal market.

CONCLUSION

President Mitterrand, summing up, said that on defence and security views were close. We had a common status as nuclear weapon states and similar reflexes. We should not sacrifice any element of our nuclear deterrent without due return. This applied even after a major decrease in the capability of the Soviet Union.

In the Community, we were both ready to agree a fourth resource on the basis of Commission proposals. On the

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structural funds we were both cautious. We did not want to have to bow to the European Parliament. We wanted a procedure, which though difficult was both possible and desirable, of a global percentage less than the Commission's proposals, that would allow variations depending on the relative prosperity (or poverty) of Member States. On this point the difference between the UK and France was less than with other Members.

Both of us wanted a large element of responsibility ("serieux") on the budget, but it had to be adapted to the different situations of countries and farmers. There was no agreement on MGQs, on price reduction formulae and co-responsibility. Most countries, though not all, shared the French position. The Germans, as Presidency and proposers of the special European Council, were important. They were certainly not ready to move now in the UK's direction. As regards the UK abatement, it was agreed at Fontainebleau that this should not be permanent, but degressive. This remained a problem.

This added up to two points on which we could agree and two that were "more difficult". France wanted agreement at the European Council and still hoped for this.

M. Chirac said he wished only to reinforce what the President had said about France having gone as far as she could on agriculture. It was not justifiable to ask them to go further. The UK position continued to give serious difficulty. We needed, however, to look at the overall future of the EC and its resources, and then at agriculture in the light of that. This was a question for Brussels.

The Prime Minister concluded that on major matters there was wide agreement between us: defence, nuclear questions, co-operation against terrorism, trade (a subject in the forefront of our minds in the year of agreement on the CPL Treaty). The Channel Tunnel would change the history of Europe. All this was positive.

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On the future financing of the Community we had differences. The idea that stabilisers should be limited in time was very difficult to accept. She was in principle against granting permanent incomes for a temporary arrangement. Our differences over agriculture stemmed from attitudes towards tackling surpluses and handling their disposal and the proportion of EC income which should be spent on this. Time and much further effort were needed to solve these questions. Meanwhile, the emphasis should be on the measure of agreement between us on the big issues. She welcomed the Minister of Agriculture's description of his exchanges as "useful and constructive". They should be taken further before the European Council. If agreement were not possible, at least fundamental differences could be refined and clarified.

1 February 1988

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RECORD OF PLENARY DISCUSSIONS BETWEEN DEFENCE SECRETARY AND FRENCH
DEFENCE MINISTER AT ANGLO-FRENCH SUMMIT: 29TH JANUARY 1988

Present:

The Rt Hon George Younger MP
Secretary of State

M. Andre Giraud
Defence Minister

Mr P Levene
CDP

M. d'Amecourt

Mr D Nicholls
DUS(P)

C. Schelle

AVM E Macey
ACDS(Pol/Nuc)

Admiral Lucas

Mr J M Legge
AUS(Pol)

Mr B Hawtin
PS/Secretary of State

Summary

There was no tête-à-tête. Plenary discussions concentrated on equipment issues, with M. Giraud making a strong pitch for co-operation on engines and radar for Rafale and EPA. Ministers invited NADs to look into the possibilities; and to do likewise on a joint development programme for tank tracks. Ministers also exchanged views on the state of play and way ahead on nuclear co-operation, the Gulf, and European security co-operation with M. Giraud alluding to Spanish interest in contributing a battalion to the Joint Brigade. The meeting lasted two hours.

1. Nuclear Co-operation

2. Mr Younger said progress in discussions had been encouraging. The momentum might sensibly be maintained by broadening the agenda to cover other aspects of security policy, which would comprehend nuclear matters as viewed from our common perspective as nuclear



powers. Specific topics might include arms control implications, intelligence, SDI and ASMP. DUS(P) added that the French decision to establish a Defence Policy Staff made such a broadening of the agenda particularly timely.

3. M. Giraud agreed that this would be helpful. NATO was not entirely sure of what to do on concepts and weapons systems post the INF Treaty. The UK believed that the European pillar should be reinforced from within NATO. France was not entirely of the same opinion on the means. But both countries believed that they should seek to influence the way in which European defence and security evolved. There was a legitimate European interest in such evolution and in the nature of the weapons systems to be deployed. There would, therefore, be great advantage in both countries developing a common approach. M. Giraud added that a tripartite meeting with the Americans on ASMP was now sensible; perhaps at Bourges on 15th February. He saw three possible steps forward on ASMP. A small increase in range was already in hand. Secondly, a longer range ASMP could be built using the same basic technology and propulsion system. This would cost more but should involve no great technical risk. Thirdly, they could attempt to build a new long range system. If a feasibility study suggested that it might be worth pursuing this route problems over concepts of use would inevitably arise. Such a missile could be visible and could not include decoys. It would have to be compared with ballistic missiles which did have decoys. And if a long range missile were to be developed what was the role for aircraft?

4. Mr Younger commented that the first option did not meet our requirements. The other two steps might offer better prospects. He added that there was absolutely no truth in the claim in The Independent on 21st January that the RAF was biased against Anglo-French co-operation. (M. Giraud seemed to accept this assurance.) Mr Younger welcomed the fact that an agreement, which would permit reciprocal SSN visits, had been reached.

II. Equipment Collaboration

5. The discussion covered a wide range of equipment matters.

Informal IEPG Meeting

6. M. Giraud explained that his idea was to earmark a weekend for informal discussion in addition to the normal IEPG meetings. Each Minister could explain the problems he was facing and how he was tackling them. There would also be opportunities for informal discussions of common problems in smaller groups. It could be a useful way of facilitating co-operation. There would be no agenda and no record. In discussion, it became clear that a mutually convenient date for all could not be found in the near future. It was left that M. Giraud would suggest dates around the end of September.

NFR 90

7. M. Giraud agreed that the solution reached was a good one. In response to a question, Mr Younger explained that competition on price was of the essence, in awarding contracts in British shipyards. On Trident, it was not possible to have an alternative to Vickers as the main contractor. But the MOD monitored their tendering closely and there was competition for the subsidiary contracts, including some of the work carried out by Vickers. M. Giraud said that with state shipyards competition was not possible. The system worked reasonably well on submarines but he was not happy with the pricing on frigates. After discussion, it was agreed that a discussion on prices and respective practices at the Naval System purchasing Conference in March would be useful.

EFA

8. Mr Younger said that he has agreed with Dr Woerner that it could be useful to explore the possibility of commonality of some components between EFA and Rafale. CDP and M. Chevallier had also talked about the possibilities. M. Giraud agreed that such co-operation could be a way of reaching the best technical solution and of keeping costs down. When France found herself alone after EFA, he could not afford to allow the aerospace industry to wither. So a purely national programme had been designed. But co-operation could be considered at any stage, provided the end result was cheaper, and time was not lost on the critical path towards the ISD. The engine and radar were two possible areas for co-operation.

9. Continuing, M. Giraud said that the SNECMA objective was a thrust of 75 kNs for the Rafale engine, Rolls Royce were working to a thrust of 90 kNs for the EFA engine. A study had shown that for an extra 2bn francs, including tax, on top of the present development costs of 6.7bn francs at January 86 prices, SNECMA could develop a 90 kN engine as well. Rolls Royce could co-operate by doing similar development work on a 75 kN engine. In due course, a competition could be run to see which company had produced the better engines and to decide how to share out work on the joint programme fairly. An alternative way of proceeding would be to adapt Rafale to fit the 90 kN engine. That would mean making it bigger, with a greater payload and range. Such a step could be attractive if the costs were no greater because of the prospects for co-operation in manufacture.

10. M. Giraud said that co-operation on the radar might also be possible. The French programme would cost just under 3bn francs. Thomson and ESD would be competing for the contract. They were both looking at possible American partners; an entirely American radar might even be considered. It was not a question of national pride but of finding the cheapest radar to meet the requirements. Thomson already had links with British firms; ESD could also take a



British partner. There might also be similar prospects for co-operation on other parts of the plane, in addition to the engine and radar. At the end of the day, there might be two planes with common components or one joint plane. In conclusion, M. Giraud said that he was also considering a similar approach with the US.

11. Mr Younger said that two consortia were in competition for EPA development. Thomson were involved indirectly already in one of them, through their links with Ferranti. He could see the logic of M. Giraud's approach. The problem was that there were four EPA partners, each expecting a proportionate share of the work, and it was not a simple question of Anglo-French co-operation. That was not to say his ideas were impossible, just more difficult to sort out technically. CDP added that he could see the advantage of having two engines to choose from. The disadvantage was that both countries would spend money on development. Agreement to develop a common engine would be preferable. The suggestion that the Rafale could be made a little larger could be significant. Depending on the extent of the changes, we could be talking about two very similar aircraft. After further discussions, Ministers agreed that CDP and M. Chevallier should look further into the possibilities for co-operation on the engine and radar.

AEW/JTIDS

12. In view of their concern at the implications for their respective AEW programmes should the US cancel or postpone the JTIDS programme, Ministers agreed to keep in touch.

Exchange of Contracts Bulletin

13. Ministers were satisfied with progress.

British Army Equipment Exhibition

14. Mr Younger extended an invitation for a visit on 27th June.

Tank Tracks

15. After discussion, Mr Younger's suggestion that CDP and M. Chevallier should look into the possibility of a joint development programme was agreed.

TRIGAT

16. In response to M. Giraud's query on progress, Mr Younger said that it was crucial to tie down the prime contractor on a maximum price. CDP said that we expected to sign the MOU and complete the contractual negotiations by the end of February. M. Giraud was clearly concerned at the delay but seemed to accept the position.



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17. M. Giraud suggested the engine could also be used for the EH101. CDP replied that we wanted to ensure we got the best price. There would be a competition in two months time between Rolls Royce/Turbomeca and the possible American engine.

Aimed Controlled Effect Anti-Tank Mine and COBRA radar

18. Mr Younger said it should be clear in a month or so whether these projects could be fitted into the forward programme.

ALARM/PHOENIX/STAR

19. M. Giraud said he was awaiting the results of the technical study on ALARM and was considering whether PHOENIX would be of interest. Mr Younger said we would like to be kept in touch with the STAR programme.

III. European Co-operation

20. Mr Younger welcomed the formulation of the Joint Brigade but expressed concern that the role of the Joint Defence Council should not extend beyond instructions to the Brigade. M. Giraud said the intention was a pragmatic extension of present arrangements not the creation of a separate defence arrangement. They were currently looking at the practical problems of common communication and support for the Brigade. Spain would like to contribute a battalion; there were no objections, in principle, but there would be considerable practical problems.

21. Mr Younger expressed concern at such a step at a time when a possible Spanish military contribution to NATO was under consideration. M. Giraud retorted that France had no wish to drive the Americans out of Europe; that would be stupid and a big mistake. He had been very vocal on the need to maintain the American presence. But there was common agreement that the European pillar should be strengthened. There was also a feeling that greater effort might be achieved, in addition to rather than from within, the integrated military structure. It was all very well for the UK to criticise such efforts, but what suggestions did we have to offer? DUS(P) said the basic problem was organisational; forces declared to NATO formed part of a coherent force structure. M. Giraud could throw no light on President Mitterrand's suggestion, as reported in Die Welt, of a joint Franco-German naval unit.

22. Mr Younger welcomed the co-operation of European navies in the Gulf. He was discussing with his Dutch and Belgian colleagues how the respective minesweeping forces could work even more closely together while remaining under national command. M. Giraud took note.



23. Turning to the WEU, Mr Younger said that the outcome of the Hague Ministerial and consultation on the Gulf were encouraging. We should build on this, using the Special Working Group as a particularly valuable forum for substantive discussion. Outstanding institutional problems should not be allowed to get in the way of progress. M. Giraud said the agencies had been set up in 1954 when the security problems had been very different. They were not suited to modern purposes; they should be merged and given a single and coherent purpose. He objected to merging them as a pre-condition for moving to Brussels. The staffs were already in Paris; there was no reason to move them. In any event, we should disconnect the issue of creating a single agency from that of co-location. We should merge the agencies first, which was a technical matter, and consider the location, which was a political issue, subsequently.

Ministry of Defence
1st February 1988

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cdpc



Foreign and Commonwealth Office

London SW1A 2AH

29 January 1988

on

Dear Charles,

Anglo-French Summit

/ I attach a draft record of today's plenary discussion.

Yours ever,
L Parker

(L Parker)
Private Secretary

C D Powell Esq
PS/No 10 Downing Street

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SUBJECT
cc MASTER

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file
MJ

10 DOWNING STREET
LONDON SW1A 2AA

29 January 1988

From the Private Secretary

Dear Lynn,

ANGLO/FRENCH SUMMIT: PRIME MINISTER'S MEETING
WITH M. CHIRAC

The Prime Minister held a meeting with M. Chirac at Lancaster House in the course of the Anglo/French Summit today. M. Bujon was also present.

Their talk covered three main subjects: the forthcoming European Council, arms control and defence co-operation, and the Middle East. Some of their exchanges were vigorous, not to say combative, and I would be grateful if the record could be treated with particular discretion.

European Council

M. Chirac said that the forthcoming European Council presented him with a real political problem. The French Presidential elections were just three months away. His own political interest lay in failure of the Brussels meeting, because any agreement reached there would inevitably be very badly received by French farmers. But for wider international reasons and for the sake of the Community's reputation, he was prepared to work for a success. Even so he could not afford to put all the farmers against him. He could accept a result which was slightly negative for France but not one which was very negative. The blame would all fall on his shoulders not on President Mitterrand's. It was the Government not the President which took decisions on this matter. So he hoped that solutions could be found which would not be too difficult for him. There would have to be compromises.

The Prime Minister said she was worried by the turn which discussions in the Agriculture Council had taken. The German Presidency's proposals would increase agricultural surpluses. They also wanted to substitute co-responsibility levies for price reductions in the cereals sector, with 70 per cent of the levies falling to be paid by the United Kingdom and France. They also proposed weakening the stabilisers in the oil seed and rape sector. She saw no serious prospect of an agreement in Brussels on the basis of

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29

The proposals which had emerged from the recent meeting of Agriculture Ministers. She would be discussing these issues with Chancellor Kohl on 2 February. She was not convinced that he was really committed to reducing surpluses. She wanted to make quite clear that there was no question of Britain accepting an unsatisfactory compromise on agriculture in return for continuation of the Fontainebleau abatement.

The Prime Minister continued that she would go to Brussels with the intention of trying to achieve a solution. But judging from M. Chirac's introductory remarks, a solution which was satisfactory to us would be very difficult to him. She recalled that she had first asked him many months ago whether he wanted to bring these matters to a head before the French elections or after them. Perhaps it would be easier for the French Government to agree to effective measures to reduce surpluses at the June European Council.

M. Chirac said that postponement of decisions until June would be a high risk strategy. By then the Community would be running out of money and we would face the uncertain prospect of the Greek Presidency. The Brussels meeting had been fixed for better or worse. But he agreed that a failure would be grave for the Community's international reputation. He wondered whether the most satisfactory course would not be to say that the agreement (sic) reached between Agriculture Ministers should be adopted at Brussels, as a first step towards an overall solution which would be finalised at the June European Council. If the United Kingdom blocked any agreement on agricultural issues at the Brussels meeting, others would focus on the United Kingdom's abatement. France did not have any particular interest in creating difficulties over this - provided it could be agreed that everybody would contribute to the abatement - but other countries were more combative. He was confident that the Netherlands would soon rally to the agreement already reached by 10 Member States on agriculture, in which case the United Kingdom would be isolated with no chance of agreement to continue the Fontainebleau abatement. To sum up the choice seemed to him to lie between a partial solution at Brussels, to be completed at the Hanover meeting in June; or a breakdown in Brussels leading to the United Kingdom's isolation and a major row over the abatement.

The Prime Minister said that this was clearly no time for diplomacy. If M. Chirac thought that ganging up with the Germans to isolate Mrs. T. would lead her to give way they were sadly mistaken. She was ready to work for a solution in Brussels, but not one which would lead people to say that Europe was running away from tackling the agricultural surpluses. A solution must go to the heart of the problems. Anyway, she did not see how M. Chirac could really accept the latest Presidency proposals which would leave French farmers as well as British farmers paying such an unfair share of the co-responsibility levies on cereals. The Community had already demonstrated that stabilisers

ould work in the case of milk. We now had to apply the same solutions to other products. She was perfectly prepared to stand alone on this, because she knew that she had a very strong case. M. Chirac commented that, if the Prime Minister felt like that, it would be better to postpone the Brussels Council. The Prime Minister said she was not suggesting that. Anyway it was a matter for the Presidency.

M. Chirac continued that when the Prime Minister spoke of surpluses she seemed to forget the role of imports. The surpluses were created by imports. For instance France was proposing a Maximum Guaranteed Quantity for cereals of 160 million tonnes to allow exports of some 15 million tonnes. At the same time the Community was importing 56 million tonnes of animal feed. Yet the Community refused to negotiate with the United States to limit imports and refused to impose an oils and fats tax. The result was that the penalty had to be paid by European producers. This in turn bore most heavily on France. He could not accept that. The United States gave ten times more aid to its farmers than Europe did. Europe should insist that others reduced their surpluses too.

The Prime Minister said that M. Chirac seemed to be suggesting that the Community should not accept any imports but aim for self-sufficiency. That was a ludicrous position. Would it apply to textiles or steel or cars? The right way to deal with the problem of agricultural imports from the United States was to negotiate hard in the GATT. She did not for a moment think it was true that United States' subsidies for farmers were ten times those in Europe. Anyway the United States paid its farmers not to produce, while in Europe we paid them to produce surpluses. M. Chirac said that France could not accept any figure lower than 160 million tonnes for cereals. This would allow a fair level of exports. The Americans were engaged in systematic dumping in the Community's traditional markets. It seemed clear to him that there would be no agreement in Brussels. In that case it might be better to postpone the meeting, although France was not proposing this. If it went ahead, the United Kingdom would be isolated.

The Prime Minister said that she had no fear at all of being isolated in demanding that surpluses be brought under control. She recalled her earlier proposal for disposal of surpluses on national budgets, which would allow the Community to start with a clean slate. Allowing half of the Community budget to go to storage and disposal of surpluses was not leadership, it was abdication of leadership. M. Chirac said that if there was to be a bust up on agriculture there would be a bust up on the United Kingdom's abatement. The Prime Minister advised M. Chirac not to threaten her. The United Kingdom remained the second largest contributor to the Community's budget and our contribution had gone up faster than anyone else's since Fontainebleau. Without a satisfactory solution on agricultural spending and on our abatement, there would be no increase in the Community's own resources. This could

ly be agreed by unanimity. There was no getting round that.

M. Chirac continued in very much the same vein over lunch, emphasising repeatedly that the German Presidency's proposals on agriculture represented the absolute limit of how far France was prepared to go.

Arms Control and Defence Co-operation

The Prime Minister said that it was important that the NATO Summit in early March should be a success. The overriding aim had to be to keep United States' forces in Europe. The meeting would also be an opportunity to influence American policies before the United States/Soviet Summit in Moscow. But there might well be problems with the Germans on the question of negotiations on short-range nuclear weapons. Her own position on this was absolutely firm. There should be no more reductions in nuclear weapons in Europe until chemical weapons and the imbalance in conventional forces had been dealt with.

The Prime Minister continued that she had written to President Mitterrand with some proposals for greater military co-operation between France and the United Kingdom within the broad framework of NATO. She recognised that France would not rejoin NATO's integrated military structure. But she would like to see the deployment of French forces co-ordinated with NATO deployments. She would also like to see the contingency arrangements for reinforcing British forces in Germany through Channel ports and French airfields exercised.

M. Chirac said that there was no change in the French position on rejoining the integrated military structure of NATO. But there was considerable evolution in French defence policy. The United States' will to defend Europe would steadily weaken. It was necessary, therefore, for Europe to strengthen its own defence. The more Europe co-operated the stronger it would be and the better able to compensate for the inevitable weakening in the United States' commitment. France was trying to move forward in three areas. The first was by strengthening the WEU as an instrument for co-ordinating Europe's defence efforts. The second was to develop bilateral co-operation with Germany. This would continue to develop. Thirdly, they sought a better overall co-operation with other European countries, for instance with Italy and Spain in the Mediterranean, but above all with the United Kingdom. He had made proposals to us about this, for instance over the joint development of an air to ground missile, but there had not been much progress. In none of this was France seeking to erode NATO, of which she was a loyal member. The United States had spoken in support of what France was doing.

M. Chirac continued that, like the Prime Minister, he was opposed to a third zero option in Europe. But the Germans would press hard for it and his own assessment was that it would come, not so much because of the Germans but

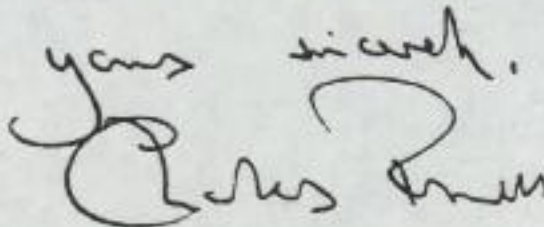
because of the Americans. A future Administration would not do it for political reasons. Indeed he would say that the third zero option was inevitable. The Russians would offer to get rid of all their short-range nuclear weapons but would insist that NATO surrendered its dual capable aircraft in order to make it a fair deal (given that they would be surrendering far more short-range nuclear weapons). The Prime Minister said that she did not take such a gloomy view. We had been able to exert considerable influence on American policy, for instance following the Reykjavik Summit. Britain and France must go on making clear that they would not agree to reductions in short-range nuclear weapons.

M. Chirac returned to the question of defence co-operation. He would prefer not to say that this should be within the framework of NATO but rather within a European-American framework. It might be necessary to rethink the structures of the Alliance. The key was to strengthen European co-operation. He was very ready to consider joint manoeuvres between British and French forces in Northern Germany, naval exercises in the Channel and reinforcement exercises through the Channel ports. He also continued to hope that we could co-operate on the air to ground missile, which was by far the most effective response to threats to denuclearise Europe. The point he wanted to stress most strongly was that the United States supported French views on the need for Europe to co-ordinate its defence policies. The Prime Minister said that she did too, provided it was all within the broad framework of NATO. What worried her was that Franco-German activities might in the long term undermine NATO.

Middle East

The Prime Minister said that, as President of the United Nations Security Council, we were doing our best to secure agreement to a resolution imposing an arms embargo on Iran. M. Chirac said that our efforts had France's full support. The Prime Minister referred briefly to President Mubarak's visit and the importance of keeping an international conference in the forefront of attention. M. Chirac said that France was exactly of the same view.

I am copying this letter to Alex Allan (HM Treasury), Brian Hawtin (Ministry of Defence) and Trevor Woolley (Cabinet Office).

yours sincerely,


Charles Powell

Lyn Parker, Esq.,
Foreign and Commonwealth Office.

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HR
abc

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

29 January 1988

ANGLO-FRENCH SUMMIT: PRIME MINISTER'S MEETING WITH
PRESIDENT MITTERRAND

The Prime Minister had a meeting with President Mitterrand at Lancaster House at the beginning of the Anglo-French Summit this morning. M. Attali was also present. The President was not in good form, suffering from a bad cold which made him indistinct and difficult to hear.

At the Prime Minister's suggestion, it was agreed to cover two main subjects: the prospects for the European Council in Brussels on 11/12 February, and co-operation between Britain and France on defence and arms control issues.

The European Council

The Prime Minister said that she was worried by the way in which the package which had emerged from the Copenhagen European Council was steadily being eroded. On every issue movement had been in the wrong direction. The proposals put forward by the German Presidency at the recent Agriculture Council were no basis for agreement at the Brussels European Council. Indeed, they cast considerable doubt on whether the German government were really committed to reducing agricultural surpluses. In Copenhagen, there had seemed to be a commitment to effective stabilisers, to be supplemented by set-aside. But since then there had been a steady retreat from the stabilisers and in particular an attempt to substitute co-responsibility levies for price reductions in the cereals sector. Seventy per cent of these levies would fall to be paid by the United Kingdom and France which was just not acceptable. Instead of tackling surpluses the German Presidency proposals would start by putting them up by setting a Maximum Guaranteed Quantity for cereals of 160 million tonnes.

The Prime Minister continued that at the Fontainebleau European Council, under President Mitterrand's leadership, the Community had started on a great reform process. It must see that process through and not run away from difficult decisions. Of course it would mean sacrifices by farmers. But that was not unique to France or Germany: it

a problem for every European country. She would be going to the Brussels European Council with the intention of working for a satisfactory outcome. The longer the Community went on without settling these problems, the worse they would get. But the prospects did not look very bright. She wanted to dispel any possible misunderstanding on one point. There was no question of the United Kingdom being ready to agree to ineffective agricultural stabilisers in return for continuation of the Fontainebleau abatement. We were absolutely determined to see the problem of the surpluses dealt with. If there was not agreement on this, there would not be agreement on anything else. A failure would be bad for Europe and it was not what we wanted. But agreement on ineffective and inadequate measures would be even worse.

President Mitterrand began by professing to be unfamiliar with any of the details and asking M. Attali to explain them to him. He then agreed with the Prime Minister that failure at Brussels would be bad for Europe. He recalled that it was Chancellor Kohl who had wanted the special European Council. He seemed determined to go ahead with it. But perhaps it would be better not to hold the meeting. The Prime Minister said there was no question of Britain trying to get out of it. We would much prefer to tackle the problems. But she doubted the commitment of the German Presidency to doing so. President Mitterrand continued that Agriculture Ministers never solved anything. It was a bad procedure to remit problems to specialised Councils. As a major cereals producer, France needed a Maximum Guaranteed Quantity of 160 million tonnes. France might prefer price reductions to co-responsibility levies, but had to take account of German views. His understanding was that 10 of the 12 Community members were now agreed on a package of agricultural measures. The Prime Minister retorted that the problem was that they were not effective measures. It did not matter to her how many people agreed on them: we would not accept them because they would not stop the surpluses from growing. Rather, they reflected the German preference for dragging up prices to German levels and for paying their farmers to go on producing surpluses.

The Prime Minister continued that there were a number of other problems to be dealt with at Brussels. One was the Structural Funds. Any increase must be contained within one and a half times the maximum rate for non-obligatory expenditure. It was vital to preserve that limit otherwise all semblance of financial discipline would be lost. President Mitterrand said that France could readily agree with the United Kingdom on this. The problem was that a majority of others would not. The Southern Member States had taken up a very firm position. The Prime Minister said that an increase contained within one and a half times the maximum rate would allow an overall increase of 50 per cent in the Structural Funds and of 80 per cent in the receipts of the four poorest countries from the Regional Fund, as well as a doubling of the overall receipts of Spain and Portugal. President Mitterrand said his understanding was

That the Germans could go up to a 75 per cent overall increase. The Prime Minister's figures were fine with him. But he was sceptical whether they would be sufficient to achieve a solution. He wanted to stress that France was in favour of budgetary discipline.

The Prime Minister concluded that she would discuss all these issues further with Chancellor Kohl on 2 February.

Arms Control and Defence Co-operation

To President Mitterrand's evident relief, the Prime Minister said that she would like to turn to the subject of the forthcoming NATO Summit and the next steps in arms control. There was broad agreement between Britain and France in this area. We were both determined to maintain our independent nuclear deterrents. So far as she was concerned, that would apply even if there was a 50 per cent reduction in United States and Soviet strategic nuclear weapons. Reductions would have to go much further than that before she would agree to putting the British nuclear deterrent into negotiations. President Mitterrand agreed, while commenting that he tended to phrase his response rather differently. He did not reject the idea that, after a certain degree of reductions in United States and Soviet strategic nuclear weapons, France would be ready to take part in negotiations. But he was careful not to specify how great those reductions would have to be. In his own mind, he was quite certain that the United States and the Soviet Union would not reduce far enough to justify involving the French deterrent.

The Prime Minister said that it was important to avoid any further reduction in nuclear weapons in Europe until we had dealt with the problem of chemical weapons and the conventional imbalance. The more she studied proposals for the complete elimination of chemical weapons, the more concerned she grew about the problems of verification. President Mitterrand said that French diplomacy had invented the idea of maintaining stocks of chemical weapons. He could live with that but did not think it very logical. As regards short-range nuclear weapons, the Prime Minister would know that he was something of an agnostic on the subject. He believed that deterrence depended on the threat to use strategic nuclear weapons. On military grounds he did not think it mattered if short-range nuclear weapons were withdrawn from Europe. But on political and psychological grounds he found himself in agreement with the Prime Minister. He saw no reason why a single American, British, or French nuclear weapon should be removed from Europe until there had been very substantial reductions in the Soviet nuclear armoury and progress on chemical weapons and conventional forces. So he arrived at the same conclusion, namely that there must be no premature negotiations on short-range systems.

The Prime Minister said that the forthcoming NATO Summit would be an opportunity to underline the continuing need for the United States to keep troops in Europe. This

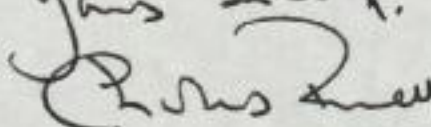
was important in a Presidential election year. President Mitterrand said that he agreed. But it was not so much American troops that mattered as what went on in the minds of an American Administration. France would be represented at the NATO Summit but he had not yet decided whether to go himself. In his view, the Alliance had been informed about the Summit in a rather cavalier way. He had simply read in the newspapers that the NATO Summit was going to happen and that was not good enough. The Americans should show more manners. The Prime Minister said that France surely welcomed American readiness to consult before the US/Soviet Summit in Moscow. President Mitterrand confirmed he was glad about that, although in practice the Americans tended to announce what they were going to do and then ask the opinion of others on it. The Prime Minister said she hoped that President Mitterrand would come all the same. It would not be the same without him. He carried tremendous influence in Europe, particularly on nuclear matters. The President said that he would reflect.

The Prime Minister said that Anglo-French defence co-operation would be discussed between Defence Ministers. She recognised that France could not, for the present anyway, re-join the integrated military structure of NATO. But even without this there was scope for greater military co-operation between France and NATO. NATO commanders should be able to take account of French forces in their planning. This was what lay behind the proposals which she had put to the President in her recent message. President Mitterrand said that French thinking on defence was undergoing change. A great deal could be done, for instance to improve co-ordination between French and other NATO forces, without France returning to the integrated military structure of NATO. He had told the French armed forces that they need not restrict themselves to the areas of operation in Germany which had been laid down in General de Gaulle's time.

Co-operation against Terrorism

The Prime Minister said that she wanted the President to know how very grateful we were for the excellent co-operation we enjoyed from the French authorities in combatting terrorism.

I am copying this letter to Alex Allan (H.M. Treasury), Shirley Stagg (Minsistry of Agriculture, Fisheries and Food), John Howe (Ministry of Defence) and Trevor Woolley (Cabinet Office).

Yours sincerely,


CHARLES POWELL

Lyn Parker, Esq.,
Foreign and Commonwealth Office.

LIST OF GUESTS ATTENDING THE LUNCHEON TO BE GIVEN BY THE
PRIME MINISTER IN HONOUR OF HIS EXCELLENCY MONSIEUR FRANCOIS MITTERRAND
PRESIDENT OF THE FRENCH REPUBLIC ON FRIDAY, 29 JANUARY 1988
AT 12.45 PM FOR 1.00 PM AT LANCASTER HOUSE

The Prime Minister

His Excellency Monsieur François Mitterrand

His Excellency Monsieur Jacques Chirac

His Excellency Jean-Bernard Raimond Minister for Foreign Affairs

His Excellency Monsieur André Giraud Minister for Defence

His Excellency Monsieur François Guillaume Minister of Agriculture

His Excellency Monsieur Robert Pandraud Minister Delegate
responsible to the Minister
of the Interior for Security

His Excellency Monsieur Bernard Bosson Minister of State for
European Affairs

His Excellency Monsieur Michel Noir Minister of State for
Foreign Trade

His Excellency the Ambassador of the French Republic

Monsieur Jean-Louis Bianco General Secretary,
Presidency of the French
Republic

Madame Michèle Gendreau-Massaloux Assistant General Secretary
and Spokesman

Monsieur François Bujon de l'Estang Adviser, Prime Minister's
Office

Rt. Hon. Sir Geoffrey Howe, MP

Rt. Hon. Douglas Hurd, MP

Rt. Hon. George Younger, MP

Rt. Hon. John MacGregor, MP

Rt. Hon. Lynda Chalker, MP

The Hon. Alan Clark, MP

Sir Ewen Fergusson

Sir John Fretwell

Mr. Charles Powell

Mr. Bernard Ingham

SEATING PLAN FOR LUNCH ON FRIDAY, 29 JANUARY 1988 AT LANCASTER HOUSE

Mr. Bernard Ingham

Madame Michele Gendreau-Massaloux

Monsieur Jean-Louis Bianco

Sir Ewen Fergusson

Sir John Fretwell

HE Monsieur Robert Pandraud

HE Monsieur Bernard Bosson

Rt. Hon. George Younger

Rt. Hon. John MacGregor

HE Monsieur Jacques Chirac

HE Monsieur Jean-Bernard
Raimond

THE PRIME MINISTER

Rt. Hon. Sir Geoffrey Howe

HE MONSIEUR FRANÇOIS MITTERRAND

HE Monsieur André Giraud

Rt. Hon. Douglas Hurd

Rt. Hon. Lynda Chalker

HE Monsieur François Guillaume

HE Monsieur Michel Noir

The Hon. Alan Clark

HE The Ambassador of the
French Republic

Monsieur François Bujon de la'Estaing Mr. Charles Powell

ENTRANCE

ADMINISTRATIVE PLAN FOR THE VISIT OF MONSIEUR FRANCOIS
MITTERRAND, PRESIDENT OF THE FRENCH REPUBLIC: 29 JANUARY 1988

(to be read in conjunction with the printed programme)

1. COMPOSITION OF THE FRENCH AND UK DELEGATIONS

Details are shown at Annex 1.

2. ARRIVAL ARRANGEMENTS AND GUARD OF HONOUR PROCEDURE

Details are shown at Annex 2.

3. PLAN OF WORKING ACCOMMODATION/INTERPRETATION ARRANGEMENTS

Details are shown at Annex 3.

4. PARTICIPATION IN MINISTERIAL BILATERALS AND PLENARY

Details are shown at Annex 4.

5. LUNCHEON ARRANGEMENTS

Prime Minister's lunch and Senior Officials' lunch
Details are shown at Annex 5.

6. TELEPHONE CONTACT NUMBERS, LANCASTER HOUSE

Details are shown at Annex 6.

7. TRANSPORT

Car plan, see Annex 7.

8. PRESS

Details are shown at Annex 8.

9. SECURITY ARRANGEMENTS

Plan and details are shown at Annex 9.

January 1988

Anne Morrison (Mrs)
Protocol Department
210 6365

MORANI

PARTICIPANTS

UNITED KINGDOM DELEGATION

Prime Minister's OfficeTHE RT HON MARGARET
THATCHER MP

PRIME MINISTER

Mr Charles Powell

Principal Private Secretary

Mr Bernard Ingham

Chief Press Secretary

Foreign and Commonwealth OfficeThe Rt Hon Sir Geoffrey
Howe MP
Mr Lyn ParkerSecretary of State for Foreign
and Commonwealth Affairs
Private Secretary

The Rt Hon Lynda Chalker MP

Minister of State for Foreign
and Commonwealth Affairs

Mr Mark Lyall-Grant

Private Secretary

Sir John Fretwell

Deputy to the Permanent Under
Secretary of State and
Political Director

Sir Ewen Fergusson

HM Ambassador at Paris

Mr Rodric Braithwaite

Deputy Under Secretary

Mr David Ratford

Assistant Under Secretary

Mr John Kerr

Assistant Under Secretary

Mr David Dain

Head of Western European
Department

Mr Stephen Wall

Head of ECD(I)

Home Office

The Rt Hon Douglas Hurd MP

Secretary of State for the
Home Department

Mr Robert Morris

Assistant Under Secretary

Mr Graham Angel

Assistant Under Secretary

MORANJ

Mr Philip Mawer Private Secretary

Ministry of Defence

The Rt Hon George Younger MP Secretary of State for
Defence

Air Vice Marshal Eric Macey Assistant Chief of the
Defence Staff

Mr David Nicholls Deputy Under Secretary

Mr Moray Stewart Deputy Under Secretary

Mr Brian Hawtin Private Secretary

Ministry of Agriculture, Fisheries and Food

The Rt Hon John MacGregor MP Minister for Agriculture,
Fisheries and Food

Mr Derek Andrews Permanent Secretary

Mrs Shirley Stagg Private Secretary

Department of Trade and Industry

The Hon Alan Clark Minister for Trade

Mr Anthony Hutton Under Secretary

Mr John Hall Assistant Under Secretary

Ms Marjorie Davies Private Secretary

FRENCH DELEGATION

MONSIEUR FRANCOIS MITTERRAND THE PRESIDENT OF THE FRENCH
REPUBLIC

Members of the Government

Monsieur Jacques Chirac Prime Minister of the French
Republic

Monsieur Jean-Bernard
Raimond Minister of Foreign Affairs

Monsieur André Giraud Minister of Defence

Monsieur Francois Guillaume Minister of Agriculture

Monsieur Michel Noir Minister Delegate attached to
the Ministry of Economy,
Finance and Privatisation with
responsibility for Foreign
Trade

Monsieur Bernard Bosson Minister Delegate attached to
the Ministry of External
Affairs, with responsibility
for European Affairs

Monsieur Robert Pandraud Minister Delegate attached to
the Ministry of the Interior
with responsibility for
Security

The Presidency of the French Republic

Monsieur Jean-Louis Bianco General Secretary

Monsieur Luc de la Barre de
Nanteuil French Ambassador at London

Monsieur Jacques Attali Special Adviser

Madame Michèle
Gendreau-Massaloux Assistant General Secretary
and Spokesman

Monsieur Gérard Cole Adviser

Madame Elisabeth Guigou Technical Adviser

Monsieur Jean Musitelli Technical Adviser

Monsieur Jean-Louis Chambon	Chargé de Mission to the General Secretary
Monsieur Hubert Vadrine	Adviser
Lieutenant Colonel Pons	Aide de Camp
<u>Prime Minister's Office</u>	
Monsieur Francois Bujon de l'Estang	Adviser
Monsieur Emmanuel Rodocanachi	Adviser
Monsieur Jean-Pierre Lafon	Adviser
Monsieur Yves de Silguy	Adviser
<u>Ministry of Foreign Affairs</u>	
Monsieur Jean-Francois Noiville	Political Director
Monsieur Jean-Bernard Ouvrieu	Director of Economic and Financial Affairs
Monsieur Henri de Coignac	Head of Protocol
Monsieur Jacques Blot	Director for European Affairs
Monsieur Pierre Menat	Technical Adviser
Monsieur Pierre de Boissieu	Director for Community Affairs
Monsieur Hadelin de la Tour du Pin	Deputy Director and Press Adviser
Monsieur Joel de Zorzi	Head of Western European Department
Monsieur Philippe Etienne	Technical Adviser
<u>Other Ministries</u>	
Monsieur Jean de Ponton d'Amecourt	Adviser on International Affairs, to the Minister of Defence
Monsieur Michel Scheller	Technical Adviser to the Minister of Defence
Captain Delaunay	Head of International Relations Unit, Office of the Minister of Defence

Captain Clochard

Aide de Camp, Minister of
Defence

Monsieur Jean Christophe
Paille

Adviser to the Minister of
Agriculture

Monsieur Jean Louis Baril

Adviser to Minister of
Agriculture

Monsieur Jean Nestor

Adviser to Minister of
Agriculture

Monsieur Bernard Yvetot

Counsellor to the Minister
Delegate attached to the
Ministry of Economy, Finance
and Privatisation with
responsibility for external
trade.

Monsieur Bernard Guillet

Adviser to the Minister
Delegate attached to the
Ministry of Interior with
responsibility for Security

ARRIVAL ARRANGEMENTS AT RAF NORTHOLT
(South side entrance via A40)

- 0800 Arrival of Assistant Marshal, Diplomatic Corps together with representatives of the Government Hospitality
- 0830 Arrival of the President's Official Suite from Paris
- When the party has been received by the Assistant Marshal, Diplomatic Corps, Monsieur Jean-Noel de Bouillane de Lacoste, Minister at the French Embassy, and Brigadier Alan Cowan, Secretary for the Government Hospitality, Ministers and their Advisory staff will depart for Lancaster House.
- 0910 Arrive Lancaster House. Met by Mr Hurd, (approx) Mrs Chalker, Mr Clark.
- (Ministers and those involved in the bilateral Meetings will be served coffee in the State Drawing Room. Coffee for other members of the French Delegation will be available in Room 212).
- 0915 Arrival of Monsieur Guillaume
Met by Air Commodore Moore

* * * * *

ARRANGEMENTS FOR THE ARRIVAL OF
PRESIDENT MITTERRAND'S AIRCRAFT

The following will arrive at the Royal Lounge, RAF Northolt, to be received by the Deputy Station Commander, Wing Commander Michael Perrett, OBE, RAF

Brigadier Alan Cowan, Secretary Government Hospitality

- 0915 Monsieur de Lacoste, Minister, French Embassy
- 0920 Sir John Stow, Special Representative of the Secretary of State
- 0930 Aircraft doors open

The Deputy Station Commander will escort the party to the aircraft. Monsieur de Lacoste will escort the President to the tarmac where he will be welcomed by the greeting party.

The Captain of The Queen's Flight, Air Vice Marshal John de M Severne, will accompany the President to his helicopter.

Passengers are as follows:

The President	Colonel Pons
Monsieur Raimond	French Security Officer
Monsieur Giraud	British Special Branch Officer
Monsieur Bianco	
Monsieur Attali	

The above named will return to Northolt on the helicopter with the exception of Monsieur Giraud whose seat will be taken by Dr Gubler.

0935 Depart RAF Northolt

0945 Arrive Perks Field, Kensington Palace

Met by the Lord-in-Waiting, the Earl of Dundee; the Prime Minister, the Rt Hon Margaret Thatcher; His Excellency Vicomte Luc de la Barre de Nanteuil French Ambassador; Sir Ewen Fergusson, HM Ambassador at Paris; and Colonel Philip Worrall, Government Hospitality Escort Officer

0950 Depart Kensington Palace

0955 approx Arrive Lancaster House

Guard of Honour Procedure

A Guard of Honour found by First Battalion, Irish Guards under the command of Major Roly Griashaw with the Regimental Colour and the Band of the Regiment and the Corps of Drums of the Battalion will be formed in the forecourt of Lancaster House on Friday 29 January to greet His Excellency Monsieur Francois Mitterrand, President of the French Republic.

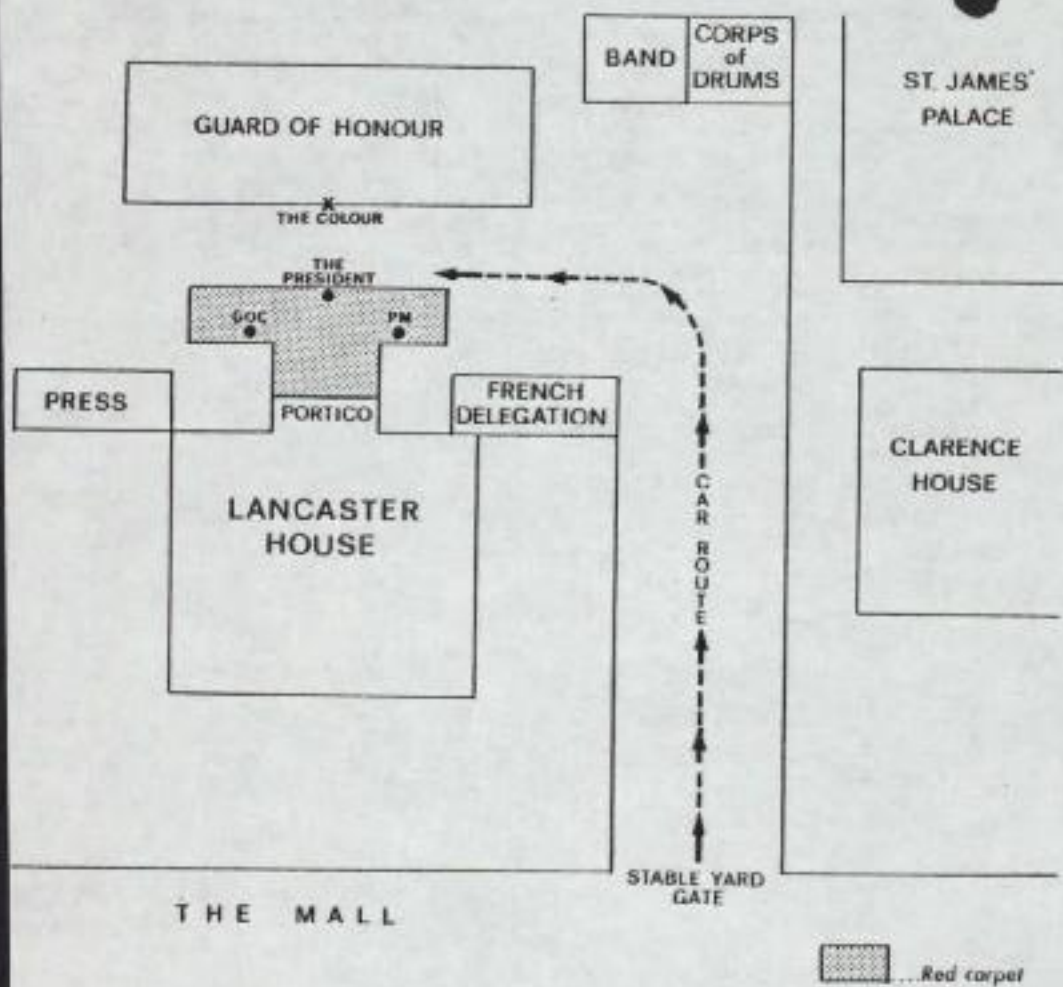
At 0945 hours, the Secretary of State for Foreign and Commonwealth Affairs will arrive in the forecourt of Lancaster House and will be met by Major General Airy, General Officer Commanding London District.

At 0945 hours, those members of the President's Delegation not travelling in the car procession will position themselves in the area marked 'French Delegation' (see attached diagram).

At 0954 hours, the Prime Minister will arrive at Lancaster House and will be met by Major General Christopher Airy.

At 0955 hours (approx) The President will arrive. The Prime Minister will welcome him and present Major General Airy, who will direct the President to his place on the red carpet. The Captain of the Guard of Honour will order 'Guard of Honour Royal Salute Present Arms' and the band will play the French National Anthem. The Captain of the Guard will present his Guard of Honour to the President. The Major General will then accompany The President and the Captain of the Guard of Honour on the inspection of the front rank only. On completion of the inspection The President will re-join the Prime Minister and proceed into Lancaster House.

GUARD OF HONOUR - LANCASTER HOUSE



ARRIVAL ARRANGEMENTS FOR THE PRIME MINISTER OF THE
FRENCH REPUBLIC

1035

Aircraft doors open

The Deputy Station Commander will escort the greeting party to the aircraft

Monsieur Chirac will be welcomed by Sir John Stow Special Representative of the Secretary of State, Monsieur de Lacoste, Minister, French Embassy and Brigadier Alan Cowan, Government Hospitality. The Prime Minister will be accompanied to his waiting helicopter.

Passengers are as follows:

Prime Minister Chirac	British Special
Monsieur Bujon de l'Estang	Branch Officer
Monsieur Rodocanachi	Brigadier Alan Cowan
Monsieur Lafon	GHP Escort Officer
Monsieur de Silguy	
Monsieur Flot	
Monsieur de Lacoste	
Monsieur Pellois	

(the above named will also return on the helicopter with M Chirac to Northolt with the addition of Monsieur Giraud

1040

Depart RAF Northolt

1050

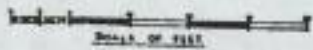
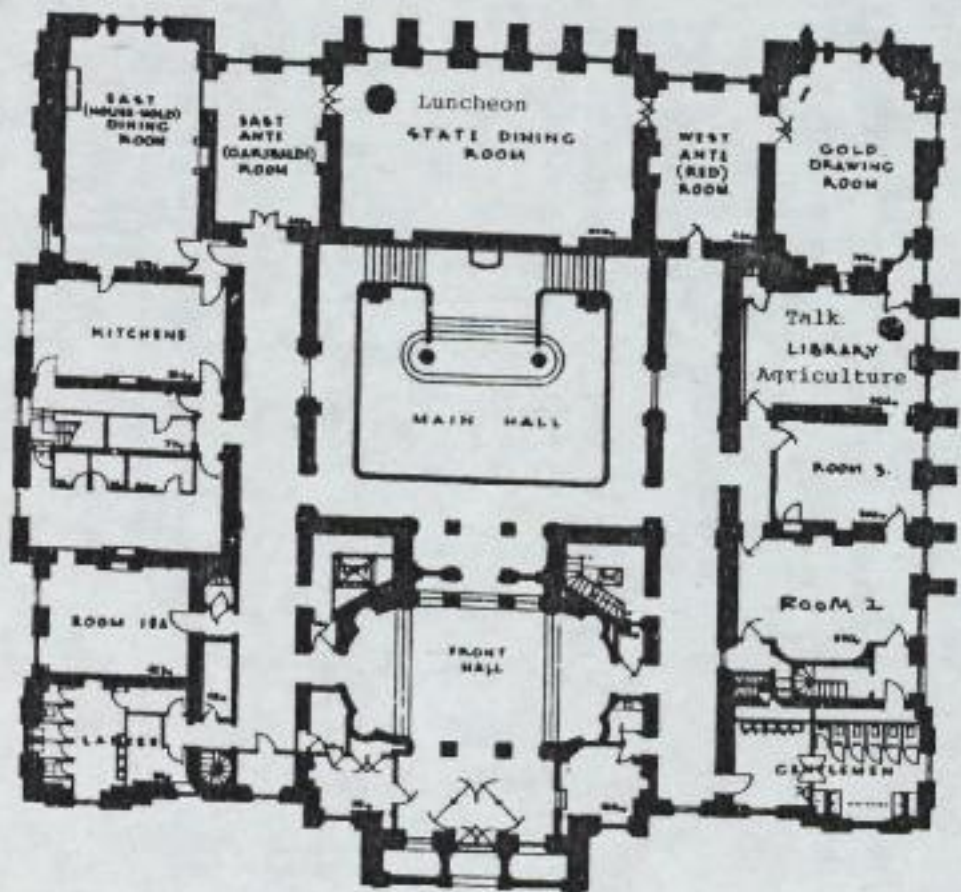
Arrive Chelsea Barracks
Met by French Ambassador, His Excellency
Viconte Luc de la Barre de Nanteuil and Deputy
Secretary of the Government Hospitality, Mr
Neil MacKenzie

1055

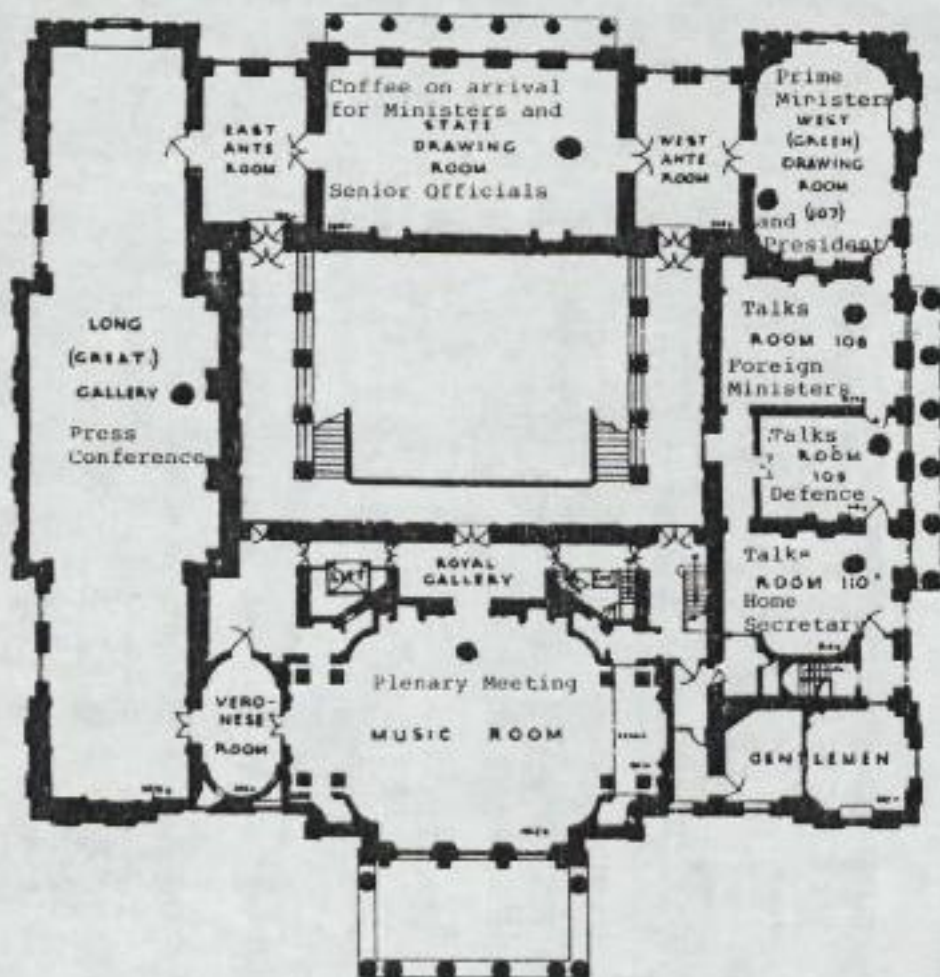
Depart Chelsea Barracks

1100 approx. Arrive Lancaster House

LANCASTER HOUSE - GROUND FLOOR

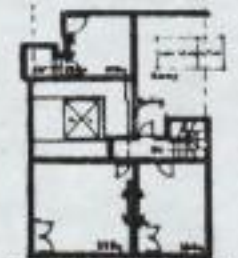
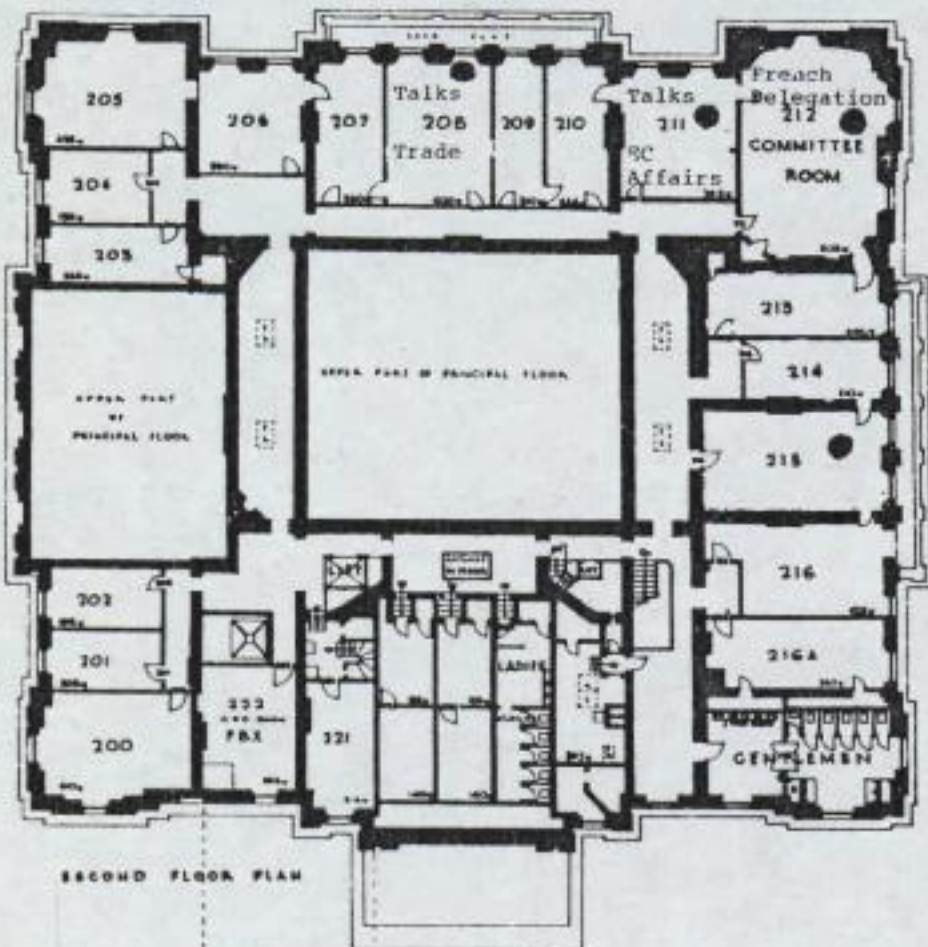


LANCASTER HOUSE - 1st Floor



Scale 1/4" = 10' 0"

FIRST FLOOR PLAN		DEPARTMENT OF WORKS AND REPAIRS
OSM No.	1113.	LANCASTER HOUSE ST. JAMES'S
473/2		
DRAWN		BY



1/4" = 10'

FLOOR PLANS		UNIVERSITY OF OXFORD
DWG No	2113	LANCASTER HOUSE ST. JAMES'S.
473/8		
Address		

INTERPRETATION

President Mitterrand will be accompanied by his interpreter Monsieur Christopher Thiéry.

Mrs Maria Fairweather will interpret for the Prime Minister throughout the programme.

Ministers' Programme

Monsieur Giraud/Mr Younger will not require interpretation. Interpretation for other Ministers will be as follows:

Monsieur Raimond/ Sir Geoffrey Howe	Mary Penney (if necessary)
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Monsieur Pandraud/ Mr Hurd	Jeannie de Clarens
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Monsieur Guillaume/ Mr MacGregor	Antoinette de Bourdelet
-------------------------------------	-------------------------

Monsieur Noir/ Mr Clark	Rosamund Durnford
----------------------------	-------------------

Monsieur Boason/ Mrs Chalker/Mr Maude	Belita Childs (whispered interpretation for Mr Maude)
--	---

Simultaneous Interpretation will be provided at the plenary meeting by Mrs Penney, Ms Durnford, Ms de Bourdelet and Ms de Clarens.

Simultaneous Interpretation will be provided at the press conference by M. Thiéry, Ms de Bourdelet, Mrs Fairweather and Mrs Penney.

MINISTERIAL BILATERALS AND PLENARY

Ministerial BilateralsHeads of State/Government

Prime Minister
Mr Powell
Mrs Fairweather, interpreter

West Green Drawing Room

President Mitterrand
French official(s)
M Thiery, interpreter

Prime Minister
Mr Powell
Mrs Fairweather, interpreter

M Chirac
French official(s)
M Thiery, interpreter

Foreign SecretaryFor discussion of EC Issues

Sir Geoffrey Howe
Mrs Chalker
Sir E Fergusson
Private Secretary
Sir J Fretwell
Mr Braithwaite
Mr Kerr

Room 108

M Raimond
M Bosson
H.E. The French Ambassador
Monsieur Noirville
Monsieur Ouvrieu
Monsieur Blot
Monsieur Menat
Monsieur Boissieu
Monsieur Masset
Monsieur Etienne
Monsieur Zorzi

ECD(1) notetaker

For discussion of non-EC issues

Sir Geoffrey Howe
Sir E Fergusson
Private Secretary
Sir J Fretwell
Mr Braithwaite
Mr Ratford
Mr Dain

M Raimond
Monsieur Noirville
Monsieur Ouvrieu
Monsieur Blot
Monsieur Menat
Monsieur Zorzi

WED notetaker (Mr Fry)

Defence Secretary

Mr Younger
PS/Secretary of State
for Defence
Air Vice Marshal Eric Macey
Mr Nicholls, DUS(P)
Mr Moray Stewart

Room 109

M Giraud
Monsieur d'Anecourt
Monsieur Schelle
Captain Delauney
Monsieur Lucas

[No interpreter]

MORANZ

Home Secretary

Mr Hurd
 Mr Philip Mawer,
 Private Secretary
 Mr R M Morris,
 Under Secretary
 Mr G Angel,
 Under Secretary

Room 110

M Pandraud
 Monsieur Guillet
 Monsieur Chassard

[French interpreter]

Minister for Agriculture,
Fisheries and Food

Mr MacGregor
 PS/Minister for Agriculture
 Mr Andrews, PUS MAPP

The Library

M Guillaume
 Monsieur Paille
 Monsieur Nestor
 Monsieur Baril
 Monsieur Balny

Minister of State, FCO

Mrs Chalker
 [Mr Maude, PUS, DTI (for
 discussion of internal market)
 [Mr Lyall-Grant, PS/Mrs Chalker]
 Mr Heyn, PS/Mr Maude
 Mr Kerr, AUSS, FCD
 Mr Wall
 [Mr Loughhead]
 ECD(1) notetaker

Room 211

M Bosson
 Monsieur Boisseau
 Monsieur Etienne
 Monsieur Masset

[Interpreter for Mr Maude]

Minister for Trade

Mr Alan Clark
 Marjorie Davies, PS/Mr Clark
 Mr A C Hutton,
 Deputy Secretary for External
 European Policy
 Mr J Hall, DTI

M Noir
 Monsieur Yvetot
 Monsieur Carron
 de la Carrière

[Interpreter]

PLENARY

Prime Minister	President Mitterrand
Foreign Secretary	M Chirac
Home Secretary	M Raimond
Defence Secretary	M Pandraud
Minister for Agriculture	M Girsud
Mrs Chalker	M Guillaume
Mr Alan Clark	M Rosson
Mr Powell, No 10	M Noir
Mr Ingham, No 10	H.E. the French Ambassador
Sir J Fretwell	(to be confirmed):-
Sir Ewen Ferguson	M. Bianco
Mr Braithwaite	M. Attali
	M. Bujon l'Estang
	M. Rodocanachi
Mr Angel	M. Noiville
Mr Nicholls	M. Ponton d'Amecourt
Mr Andrews	M. Paille
Mr Hutton	M. Guillet
	M. Yvetot
	M. Etienne

Note: Ministers only will be seated at the table

Separate Table

Notetakers:

Mr Dain, Head/WED, FCO
Mr Fry, Assistant/WED

M. de Zorzi

PRIME MINISTER'S LUNCHEON

Prime Minister	President Mitterrand
	Monsieur Chirac
Foreign Secretary	Monsieur Raimond
Home Secretary	Monsieur Pandraud
Defence Secretary	Monsieur Giraud
Minister for Agriculture, Fisheries and Food	Monsieur Guillaume
Mrs Chalker	Monsieur Bosson
Mr Alan Clark	Monsieur Noir
Sir John Fretwell	Monsieur Bianco
Sir Ewen Ferguson	HIS the French Ambassador
Mr Charles Powell	Monsieur Atali
Mr Bernard Ingham	Monsieur Bujon de L'Estang

LUNCHEON FOR SENIOR OFFICIALS

Host Mr Rodric Braithwaite

Pre-lunch drinks and buffet luncheon will be served in the lower ground dining room.

Mr Kerr	Madame Gendreau-Massaloux
Mr Fry	Madame Gaigou
Mr Dain	Monsieur Musitelli
Mr Lavelle	Monsieur Chasbon
Mr Ratford	Monsieur Vedrine
Mr Nicholls	Lt Col Pons
Mr Andrews	Monsieur Rodocanachi
Mr Button	Monsieur Lafon
Mr Angel	Monsieur de Silguy
	Monsieur Noiville
	Monsieur Ouvrieu
	Monsieur de Coignac
	Monsieur Blot
	Monsieur de Boissieu
	Monsieur Menat
	Monsieur Hadelin
	Monsieur de la Tour du Pin
	Monsieur de Zorzi
	Monsieur Etienne
	Monsieur de Ponton d'Asscourt
	Monsieur Scheller
	Captain Delauney
	Captain Clochard
	Monsieur Guillet
	Monsieur Paille
	Monsieur Yvetot
	Monsieur de Lacoste
	Monsieur Baril
	Monsieur Nestor

TELEPHONE CONTACT NUMBERS: LANCASTER HOUSE

Conference Officer and Message Centre, East Ante-room	210 6850
French Delegation Office	210 6863
The Custodian	210 6859

CAR PLAN

RAF NORTHOLT/LANCASTER HOUSE

CAR 1 H E M Noir
 H E Bosson
 W Cdr Cody

CAR 2 H E M Pandraud
 Mr Jasper

COACHES
 3 and 4 Passengers from Caravelle

PRESIDENTIAL CONVOY

KENSINGTON PALACE/LANCASTER HOUSE

 H E The President
 H E The French Ambassador
 Ch Insp Blackmore

POLICE CAR Capt Fortemps
 M Tessier

CAR P M de Coignac
 Lt Col Pons
 M Bringuier

CAR 5 H E The Minister of Foreign Affairs
 Sir Ewen Fergusson
 SB Officer

POLICE CAR M Gauthier
 M Martin

CAR 6 H E The Minister of Defence
 Col Worrall

CAR 7 M Bianco
 M Attali
 Gr Capt Gray

NB H E The French Ambassador will be taken to Chelsea
 Barracks by Gr Capt Gray

LANCASTER HOUSE/ROYAL ACADEMY

CAR H E The President
Ch Insp Blackmore

POLICE CAR

CAR P M de Coignac
Lt Col Pons
M Bringuier
Col Worrall

CAR 5 M Reille
M Gubler
M Caillens

CAR 6 M Bianco
M Attali
M Benich

CAR 7 M Gendreau Massaloux
M Chambon
M Gerard

CAR 8 M Guigou
M Musitelli
M Vedrine

H E The French Ambassador will be taken to Royal Academy to
join H E The President by Gr Capt Gray

ROYAL ACADEMY/LANCASTER HOUSE

CAR H E The President
H E The French Ambassador
Ch Insp Blackmore

POLICE CAR

CAR P M de Coignac
Lt Col Pons
M Bringuier
Col Worrall

CAR 5 M Reille
M Gubler
M Caillens

CAR 6 M Bianco
M Attali
M Benich

IVLAAP

CAR 7 M Gendreau Massaloux
 M Chambon
 M Gerard

 CAR 8 M Guigou
 M Musitelli
 M Vedrine

PRIME MINISTER'S CONVOY

CHELSEA BARRACKS/LANCASTER HOUSE/CHELSEA BARRACKS

H E The Prime Minister
 H E The French Ambassador
 SB Officer

POLICE CAR

CAR 9 M Bujon de L'Estang
 M Radocanichi
 W Cdr Higson

 CAR 10 M Lafon
 M de Silguy
 M de la Coate

 CAR 11 M Flot
 Brigadier Cowan
 Mr Mackenzie

NB M Giraud will leave Lancaster House with M Chirac's
 convoy

MINISTER OF AGRICULTURE'S CONVOY

RAF NORTHOLT/LANCASTER HOUSE/RAF NORTHOLT

CAR 12 H E The Minister of Agriculture
 M Lebrun
 Gr Capt Beal

 CAR 13 M Paille
 M Nestor
 M Baril

IVLAAP

LANCASTER HOUSE/RAF NORTHOLT

CAR 1 H E M Noir
 H E Hosson
 W Cdr Cody

CAR 2 H E M Pandraud

COACHES
 3 and 4

Passengers from Caravelle

LANCASTER HOUSE/KENSINGTON PALACE

 H E The President
 H E The French Ambassador
 Ch Inap Blackmore

POLICE CAR Capt Fortemps
 M Tessier

CAR P M de Coignac
 Lt Col Pons
 M Bringuier

CAR 5 H E The Minister of Foreign Affairs
 Sir Ewen Fergusson
 SB Officer

POLICE CAR M Gauthier
 M Martin

CAR 6 H E The Minister of Defence
 Col Worrall

CAR 7 M Bianco
 M Attali
 Gr Capt Gray

PRESS ARRANGEMENTS

PRESS CENTRE

The French Press Centre is in the Chambers Business Centre at the St James' Court Hotel, Buckingham Gate -
Tel no: 834 6655, Ext 2018. The usual communications and working facilities have been installed. Transport has been arranged to cover the programme.

PHOTOCALLS

There will be a photocall of President Mitterrand inspecting a Guard of Honour at Lancaster House. There will also be photocalls of the Prime Minister greeting the President on arrival at Lancaster House for talks; when Prime Minister Chirac meets the Prime Minister; during the President's visit to the Royal Academy of Arts; and at the start of the Plenary Session of talks. All these photocalls will be by rota.

PRESS CONFERENCE

A joint press conference will be held in the Long Gallery at Lancaster House. The French press will arrive by coach from the St James' Court Hotel. British press will arrive independently. Security checks will be carried out.

Those participating will include:-

Prime Minister	President Mitterrand
Foreign Secretary	M. Raimond
Home Secretary	M. Pandraud
Mrs Chalker	M. Bosson
Mr Clark	M. Noir
Sir Ewen Ferguson	HE The French Ambassador
Mr Powell	[French officials]
Mr Ingham	
[Officials]	

SECURITY ARRANGEMENTS

A pass system will be in force as from 0600 hours on 29 January. Requirement for passes and labels for official cars only should be passed to Security Section (Mrs Sewell: 210 6408)

Ministers should carry passes in their pocket and all others should display their pass.

Official cars will be parked as follows:

RED label	Stableyard
BLUE label	Horseride

Entry to Stableyard is via Cleveland Row and exit via Queen's Walk.

Cars proceeding to Kensington Palace Gardens (Perks Field) must enter and leave by Palace Gate (junction of Broad Walk and Kensington Gore) Broad Walk - Orangery. Royal Parks Police will control and guide. Registration numbers of essential vehicles requiring access to Kensington Palace Gardens should be passed to Security Section (Mrs Sewell: 210 6408).

Cars should approach Lancaster House via Cleveland Row



DISTRIBUTION LIST

No 10 Downing Street

Private Secretary (3)
Press Office (2)

Foreign and Commonwealth Office

Private Secretary (3)
PS/Mrs Chalker (2)
PS/PUS (2)
PS/Sir John Fretwell (2)
Mr Braithwaite
Mr Kerr
Mr Ratford
Mr Blunt WED (8)
Mr Wall ECD(I) (4)
Sir Ewen Fergusson, c/o Heads of Mission Section
Miss Pegler, News Dept (2)
Protocol Department (6)
Colonel Durrant (6)

French Embassy (30)

Home Office

PS/Secretary of State (2)
Mr R M Morris
Mr G Angel

Ministry of Defence

PS/Secretary of State (2)
Mr D Nicholls, DUS (P)
Mr S Moray, DUS
Air Vice Marshal Eric Macey, Assistant Chief of Defence Staff
Miss J Warren, Sec (NATO/UK)(P)

Ministry of Agriculture, Fisheries and Food

PS/Minister for Agriculture, Fisheries and Food (3)
Mr D Andrews, PUS

Department of Trade

PS/Minister for Trade (2)
Mr A Hutton
Mr J Hall
PS/Mr Maude (2)
Mrs A Morrison IEP (1)

Government Hospitality Fund (43)

Lord Chamberlain's Office

Colonel West
Lord-in-Waiting

Household Division

Colonel Erskine Crum

810.
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Foreign and Commonwealth Office

London, SW1A 2AH
28 January 1988

Dear Charles,

Visit of the French President and Prime Minister:
European Community

I enclose some speaking notes on which the Prime Minister may wish to draw in her meetings with President Mitterrand and M. Chirac.

The key issues are agricultural stabilisers (with both), the Structural Funds (with President Mitterrand), and the abatement (with M Chirac).

AGRICULTURAL STABILISERS

There is now not much daylight between the French and German position. In so far as the Germans have moved in the last few days it is towards the French. On cereals, the Germans currently favour a maximum guaranteed quantity of 160m tonnes, well above recent harvests; a sharp shift of emphasis from price cuts to coresponsibility levy with an exemption on the first 20 tonnes of each farm's product which would exclude altogether one in every two Community farmers who produce grain; no price cuts this year; and very low limits on overall penalties. The French claim credit for having persuaded the Germans to accept an element of price cuts, but it is clearly too small; the French have hinted that they might be prepared to accept more, but they presumably expect the Germans to block such a move. Like us the French oppose the 20 tonne coresponsibility levy exemption. For oilseeds, the position is less bad but the proposed MGQs are too high, and the co-efficient for price cuts too low.

The Commission have themselves criticised some aspects of these proposals. For cereals they want an MGQ of 158 million tonnes, an upper limit on cereals price cuts of 3% rather than 2½%, and other restrictive arrangements to compensate for the lack of a price cut during the first year. They want lower MGQs for oilseeds or, failing that, higher co-efficients for price cuts, ie a ½% price cut for every 1% over the threshold rather than the 0.4% proposed by the Germans.

The Dutch remain robust on these issues. M. Delors told David Hannay yesterday that he acknowledged that the Commission could either work to bridge the gap between

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the Germans and themselves (in which case they would lose us and the Dutch and there would be no agreement) or they could try to influence the French and Germans towards more effective stabilisers than those now proposed. Delors said he would not hesitate to choose the latter course.

The Prime Minister will no doubt wish to tell President Mitterrand and M. Chirac that the proposals now on the table move too far from the Copenhagen proposals to constitute an effective stabiliser, especially on cereals.

On set-aside, the French position is closer to ours. The Prime Minister may wish to stress that, while she is prepared to agree to a set-aside scheme, be a complement to effective stabilisers, not an addition to ineffective stabilisers. She may also wish to stress the dangers of opening up the rest of the Copenhagen stabilisers package as the Germans (but not the French) have proposed.

STRUCTURAL FUNDS (primarily with President Mitterrand)

M Chirac is inclined to be more robust than President Mitterrand on this issue. There have been some indications that President Mitterrand would, in the end, be ready to accept a doubling of the Structural Funds in the interests of an agreement. M Chirac would presumably be unable to prevent him. The French have not yet, however, sold the pass. Given their own concern to control non-agricultural Community expenditure, it would be worth reminding them that an increase of 50% in the Funds in real terms would be feasible without crossing the important frontier of 1½ times the maximum rate, and that this would allow a doubling of overall Structural Funds receipts to Spain and Portugal, and regional fund receipts for the four poorest, ie Spain and Portugal plus Greece and Ireland. If we go beyond 1½ times the maximum rate, and have to enter into annual negotiations with the European Parliament on the overall level of Community expenditure, it will be very difficult to prevent an upward spiral, with the only control then being the own resources ceiling itself.

THE ABATEMENT (Primarily with M. Chirac)

The French support the Commission proposal on the abatement, ie 50% compensation of the gap between our contributions to, and receipts from, agricultural expenditure. They know this is unacceptable to us. They equally know that there will not be an overall agreement which dilutes the Fontainebleau mechanism. M Chirac has made some domestic play of this issue in the past, claiming that President Mitterrand made too many concessions to us in 1984.

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It would be worth pointing out to both of them that our net burden, even after abatement, has risen from an average of some 0.6 billion ecu in 1983/84 to some 1.2 billion ecu in 1987, and that we shall continue to be the second largest net contributor. The Prime Minister has made clear that we would forgo any benefit accruing from the introduction of the fourth resource, but we cannot go beyond that. On options for the fourth resource itself, it would be worth reminding the French that we prefer the one that suits them best, ie a levy on the difference between VAT and GNP shares.

On this occasion it seems unlikely that M Chirac will repeat his earlier pitch for an oils and fats tax.

I am copying this letter to the Private Secretaries to the Chancellor of the Exchequer, the Minister of Agriculture and Sir Robin Butler.

Yours etc

A handwritten signature in cursive script, appearing to read 'L Parker', with a small arrow pointing downwards from the end of the signature.

(L Parker)
Private Secretary

C D Powell Esq
10 Downing Street

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PRIME MINISTER'S MEETING WITH M MITTERRAND AND
M CHIRAC : EUROPEAN COMMUNITY

Points to Make

- Need to build on progress at Copenhagen. Common interest with France in securing long-term agreement which gives certainty to farmer and reassurance to taxpayer and consumer.

- First steps towards effective budget discipline agreed at Fontainebleau. Agreement at European Council in Brussels last June to strengthen budget discipline and introduce stabilisers.

- Present system of budget discipline not worked effectively (if spending continued at present level would take up 85% of budget by 1992). Hence need for effective stabilisers.

- Stabilisation package on table at Copenhagen would still allow agricultural spending to grow by 1 billion ecu a year up to 1992. Agricultural spending would still be well over half total budget.




- Minimum compatible with our own undertakings, and with Community's viability and image. 50% of total budget now spent on storage and disposal of surpluses: problem must be tackled now.

STABILISERS (Detail)

Cereals

- Presidency proposal on cereals is quite inadequate.
- No justification for raising the MGQ for cereals to 160m tonnes (which implies extra annual budget cost of up to 900 mecu). The Commission's proposal of 155m tonnes already took account of Community consumption and trade.
- Cereals stabiliser should operate primarily through price cuts, not coresponsibility levies. Efficient French and British producers can adjust to lower support prices. Competitive position would be improved. Set-aside schemes would help those who find it difficult to adjust.
- German proposal offers no price cut in first year and a maximum of 2.5% in subsequent years. Some sense in linking cereals price cuts automatically to



increases in average yield but no justification for limit proposed or lack of first-year price cut.

- Oppose strongly the Commission proposal, taken up by the Presidency, to exempt each cereals producer from coresponsibility levy on the first 20 tonnes of his marketed production. Only 20% of all holdings in the Community would pay levy, and only 50% of production would be levied. The UK and France would pay 70% of the total.

- To make coresponsibility levy play a larger role and at the same time substantially to reduce the effect of the levy, would make a nonsense of the cereals stabiliser.

- We supported the oilseeds stabiliser proposed at Copenhagen. The German compromise raises the MGQs and reduces the size of the price penalties when the MGQs are exceeded. No justification for this dilution.

- Disturbed to hear that some delegations wish to reopen the Copenhagen package of stabilisers for other products. There are aspects which we do not like, For everyone, including the UK, it contains some bitter



pills, but reopening the package would make agreement at Brussels very difficult.

SET-ASIDE

- Accept in principle the introduction of a set-aside scheme as part of the future financing package.

- Set-aside should complement stabilisers, not substitute for them.

- Agriculture Ministers have made progress on this but a number of details remain to be resolved.

[As necessary]: Concerned green fallow would encourage surplus livestock production. Could only consider if rest of agricultural package satisfactory.

AGRICULTURAL GUIDELINE [If raised]

- Commission have confirmed that a 1988 stock-exclusive guideline, growing at 60% of GNP, should be adequate to finance CAP particularly given the Presidency's Copenhagen suggestion of an extra half-month delay in payment of FEOGA advances (would save 1.2 becu in 1988).



- Believe this is good basis for agreement. It makes provision for dealing with the costs of the past (ie existing stocks) without necessarily inflating the basis of the guideline for the future.

[If French argue for higher guideline base or 80% GNP growth]: Guideline has to take account of existing situation but also has to be a genuine ceiling and constraint, not a way of institutionalising overspending.

[If French argue for stock-inclusive guideline, and 100% GNP growth]: Cannot agree. To ensure that stock disposal happens, it makes sense to go for separate provision. And it must happen, to reduce costs, in the interests of farmers (for stocks overhanging the market depresses prices).

MONETARY RESERVE/EXCEPTIONAL CIRCUMSTANCES [If raised]

- Loophole provided by exceptional circumstances has been major weakness of current arrangements. The guideline limit should be a limit. It represents what the Community can afford. It should not be subject to alteration.



- But accept arguments for allowing some provision for actual - and measurable - effects on costs of agricultural support due to substantial changes in \$/ecu rate.

- Case can be made for dealing with such changes through tightly-defined and carefully-targeted monetary reserve which must operate symmetrically ie expenditure must be reduced if dollar appreciates.

- This could, as Commission propose, automatically provide funds to compensate for the costs of \$/ecu depreciation above a certain level, high enough so that not every fluctuation gives rise to change in planned expenditure. Reserve must of course work symmetrically, collecting savings arising from dollar appreciation.

- Could not accept any other provision for exemptions to the guideline.

[If French argue for their proposal that breaches by third countries of substantial obligations should give rise to 'exceptional circumstances']: If third countries - eg the US - failed to live up to



obligations Community would have to consider response. No question of Community being defenceless in face of international trade negotiations. But impossible to define objectively, especially in this early stage in GATT negotiations, or to build into legally binding texts.

STRUCTURAL FUNDS

- Willing to see significant increase in size of Funds by 1992 with greater concentration on least prosperous regions and member states.

- Crucially important to ensure that non-obligatory expenditure does not exceed one and a half times the maximum rate. Beyond that vital threshold we would have an annual negotiation with the Parliament on setting a new rate. This is likely to lead to disagreed budgets and/or an upward pressure on the budget.

- On the assumption that other non-obligatory expenditure grows at the equivalent of the statistical maximum rate, this would permit an increase in the Structural Funds of 50%. This would allow for:



- a doubling of the commitments allocated to the four least prosperous member states under the Regional fund;

- a doubling of the commitments allocated to the two new member states under all three Funds.

UK ABATEMENT [If raised]

- Purpose of the abatement, as agreed by all member states under French Chairmanship in 1984, is to ensure that the UK makes no more than an equitable contribution to the Community budget.

- The burden that was recognised at Fontainebleau has increased substantially. Our receipts from all elements of Community expenditure have declined sharply. Commission figures show that since Fontainebleau our imbalance grew before abatement from 1.4 billion ecu to 3.4 billion ecu in 1987. After abatement, from an average of 0.6 becu in 1983/84 to some 1.2 becu in 1987.

- Thus, even with the existing abatement mechanism, the UK burden is increasing rapidly. No other member state's burden has increased as steeply.



- The increase in our net burden, after abatement, will continue. Indeed it will rise, even with the continuation of Fontainebleau, if own resources rise. But we cannot accept that it should rise faster still because of a change to the Fontainebleau system.

- Despite its high and rising net burden, UK is prepared to forego whatever benefit it would derive from the introduction of the fourth resource.

- I made this clear at Copenhagen. Should be possible to reach agreement on this basis.

EUROPEAN MONETARY CONSTRUCTION [If raised]

- We are considering carefully M Balladur's recent proposals. Note that he is looking ahead to time after completion of internal market. Right to suggest we must not run before we can walk.

- We must press ahead with the internal market. In particular, we agree with the importance which M Balladur gives to capital liberalisation.

BACKGROUND

STABILISERS AND SET-ASIDE

1. At the Agriculture Council on 23/24 January, the German Presidency tabled proposals on stabilisers and set-aside. As modified by subsequent discussion, they are as follows:

(a) Cereals

- MGQ of 160 m tonnes for marketing years 1988/89 to 1990/91.

- additional coresponsibility levy of 3% at beginning of each marketing year. If no MGQ overrun, or overrun is less than 3%, then full or partial reimbursement of additional levy.

- if MGQ exceeded, then intervention price for following year reduced by 1% for each 1% overrun subject to a ceiling of 2.5% (equivalent, according to the Germans, to the trend in yield over a period of years).

- coresponsibility levy system to be moved to first sales basis with first 20 tonnes marketed

exempt from levy for all producers.

(b) Oilseeds and Proteins

- MGQs of 4.5 m, 2.0 m, 1.3 m and 3.5 m tonnes for rapeseed, sunflower seed, soyabeans and proteins respectively (as opposed to 4.0, 1.9, 1.1 and 3.3 in Copenhagen compromise).

- If MGQ exceeded, prices to be reduced by 0.4% for each 1% overrun (0.5% in Copenhagen compromise).

(c) Set-Aside

- To be a complement to market management. Compulsory for member states but optional for producers.

- Set-aside period to be at least five years, although producers may opt out after three years. At least 20% of arable land be set-aside. Additional 20 tonne coresponsibility levy exemption for producers setting aside 30% or more of arable land.

- Premia to compensate for income loss. Minimum and maximum levels to be set (100-600 ecu per hectare). FEOGA to contribute 70% for first 200 ecu per hectare, 25% for second 200 and 15% for third (weighted average nearly 50%). Guidance and Guarantee Funds to contribute 50% each.

- Grazing fallow to be available for three years on trial basis. Premia to be at half the rate for set-aside proper.

(d) Early Retirement and Income Aids

Council to take decision introducing early retirement together with cereals stabilisers and set-aside by 1 April 1988. Council to take decision on income aids by 1 July 1988.

2. At the end of the Agriculture Council, M Guillaume declared himself content with the German compromise apart from:

- the omission of the oils and fats tax;
- the failure to limit the general 20 tonne coresponsibility levy exemption to small producers;

- the failure to abandon the further levy exemption for those setting aside 30% of land;
- failure to fund set-aside exclusively from FEOGA guidance.

3. The Presidency tabled four draft European Council declarations at the Agriculture Council. Presidency claimed they were of general concern, but all were an matters for which the French had been pressing, namely cereals substitutes, trade policy non-food uses of food, and inter-professional agreements. These texts have no connection with the stabiliser package and it is not appropriate to place them before the European Council. The draft statement on agricultural trade is, in our view, contrary to the agreed opening position of the Community on the agricultural aspects of the GATT Round negotiations, which was agreed in October.

4. We and the French are closer on set-aside than on stabilisers. Like us they object to the idea of exempting the first 20 tonnes of produce from all levy; we too dislike the further levy exemption for those setting aside 30% (as opposed to the basic 20%) of their land. We too want set-aside to be funded from FEOGA guidance which is likely to prove less costly in

the long run than FEOGA guarantee. We too want lower rates of Community contribution than those proposed.

5. The French want to allow land made fallow to be used for green pasture. We fear the implications for increased beef and sheep production. The Presidency have proposed allowing green fallow for a two-year trial. If other aspects of the package are satisfactory this will not be a sticking point for the UK.

AGRICULTURAL GUIDELINE

6. The French have continued to argue vigorously (together with the Germans) that non-adoption of the oils and fats tax implies a need for a guideline of 28.3 becu and a growth rate of 100% GNP, with disposal of old stocks inside the guideline (compared with the Danish Presidency text of 27.5 becu/60% of GNP growth and old stock disposal outside the guideline). In recent bilateral contacts, however, they have suggested that they might be able to accept a stock-exclusive guideline of 27.5 becu, growing at 80% of GNP (the Germans have privately floated a possible compromise of 27.5 becu and 72% growth).

7. Our view throughout has been that it is realistic to argue for a 1988 stock-exclusive guideline of 27.0 becu (rather than 27.5 becu). Even without the oils and fats tax 1988 FEOGA costs could be kept within a 27 becu guideline, especially with the Danish proposal for a further 15 days delay in FEOGA repayments which would save 1.2 becu in 1988.

MONETARY RESERVE/EXCEPTIONAL CIRCUMSTANCES

8. All member states can accept the idea of a monetary reserve limited to dollar/ecu movements above a franchise and allowing for savings in the event of a dollar appreciation. The French are continuing to insist that there should be additional "exceptional circumstances" to allow a change in the guideline in the event of "breaches by third countries of their international obligations" - a phrase aimed at the US. This, they argue, is essential for presentational reasons in France. In practice, such breaches would be impossible to define, and would render the guideline largely ineffective. Rather than operating automatically, as we intend, operation of the monetary reserve would become subject to political decisions. The French might, in the end, be prepared to accept a separate entry in the European Council conclusions

making clear that the Council would need to consider its response if other countries took trade restrictive or distorting measures.

UK ABATEMENT

9. The French have not taken the lead in attacking the UK abatement. At Copenhagen, they accepted the principle that the abatement should continue, provided that it took account of the fourth resource: we then accepted that any benefits to the UK from the 4th resource should be fully taken into account in the abatement calculations. They have also argued, however, that the abatement should diminish with time; should be stopped in 1992; and should be limited to 50% of the gap between our contributions to and receipts from the agricultural part of the budget (which would leave us 1 becu worse off in 1992).

STRUCTURAL FUNDS

10. There are signs that other Northern member states positions on the Structural Funds are weakening. The Germans have privately indicated that they expect eventual agreement to be reached on a 70% increase; the Dutch Secretary of State spoke to Mrs Chalker in terms of an increase of about 64%, while the Danes have

informed our Embassy in Copenhagen that they could accept doubling. The Belgians will find it difficult to pull back from Marten's acceptance of doubling at Copenhagen.

11. The French position is more complicated. Officials at the Matignon are still in favour of keeping within one and a half times the maximum rate, but latest indications from Paris are that Mitterrand may be prepared to accept doubling and that domestic political pressures may make it difficult for Chirac to resist this. Matignon officials say they would only contemplate an increase of above 1½ maximum rate in exchange for a Council agreement not to negotiate with the Parliament on extra spending above that required to meet the Council's commitments.

EUROPEAN MONETARY CONSTRUCTION

12. On 8 January M Balladur, the French Finance Minister, sent the Chancellor and other EC Finance Ministers a memorandum on "European Monetary Construction". This covered a number of subjects including the asymmetry of the burden of adjustment in the ERM; the need for others including the UK to join the ERM narrow band; greater cohesion in policies

towards third countries; reforms aimed at completing capital liberalisation; and (a possibility once the internal market has been completed after 1992) a European Central Bank.

13. The UK has not yet responded formally to the French proposals, which are supported by both Chirac and Delors and which will be discussed informally at ECOFIN on 9 February. Our Embassy in Paris has picked up signals that the French are keen to involve us as fully as possible as a counterweight to the Germans. Much of what the French propose, eg the attempt to make the Germans bear more of the brunt of supporting weaker currencies and the idea of a European Central Bank, is opposed by the Bundesbank, but the emphasis on further liberalisation of capital movements is welcome to us.

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cc JK



Foreign and Commonwealth Office

28 January 1988
London SW1A 2AH

29/1

Dear Charles,

Anglo-French Summit

The Prime Minister may wish to draw on some of the following points (which have been approved by the Foreign Secretary) when opening the press conference with President Mitterand at the end of the Summit on 29 January.

Bilateral

At the end of the last Summit in Paris Anglo-French relations were described (by Chirac) as being the best for 20 years: it is now 21. There is an intense pattern of Ministerial and other exchanges. The Prime Minister saw Mitterand bilaterally twice last year and Chirac three times. France is our third largest trading partner. About 6 million British tourists are expected to visit France this year. We are looking at ways of strengthening the relationship still further. On youth exchanges there is to be a Colloquium on school exchanges, a joint study on vocational study exchanges (which hardly exist at present) and a doubling over the next two years of the volume of officially sponsored exchanges. There is considerable industrial collaboration: Airbus and the Channel Fixed Link are good examples. The Fixed Link project is going well. The Prince and Princess of Wales are to make a major visit to France in the autumn.

European Community

UK and French views are close on the essentials. The summit provides a useful opportunity to discuss a number of important Community issues in the run-up to the special European Council to be held in Brussels next month. Our major common goal is the achievement of a single market in Europe to widen our competitive base and to enable us to meet the challenge from the United States, Japan and the industrialising nations of South East Asia. This we can achieve only if we have policies for the 1990s, including a policy for agriculture which reflects that sector's role in a modern economy.

Defence

This is an increasingly close relationship. Defence Ministers see each other regularly. On equipment procurement, we are taking steps to achieve better value for money through closer co-operation, including a series of joint conferences. There is increasing co-operation on military exercises, and

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progress has been made on arrangements for defence of the Channel Fixed Link. Close consultation takes place on arms control issues. We both welcome the INF Agreement and hope it will be ratified. Both sides agree on the next arms control priorities. We plan to develop our exchanges on nuclear co-operation. We have also agreed on the importance of strengthening the European pillar of the Alliance without undermining existing NATO structures, and of continued co-operation between our two Navies and those of other friendly European nations in the Gulf. We are looking to consolidate and further develop these bilateral defence links.

Other International Issues

On East/West Relations, we have confirmed our closeness of view. Although the prospects for 1988 are promising, we should beware of exaggerated expectations.

On Afghanistan, we remain sceptical of Soviet intentions and continue to believe that what is needed is the early and complete withdrawal of Soviet forces. There is a great deal of diplomatic activity at present, and we value our close cooperation with the French on this issue.

I am copying this letter to John Howe (MOD), Philip Mawer (Home Office), Shirley Stagg (MAFF) and Marjorie Davies (Minister for Trade, DTI).

Yours ever,
L Parker

(L Parker)
Private Secretary

C D Powell Esq
10 Downing Street

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MIPT (NOT TO ALL): ANGLO-FRENCH SUMMIT 29 JANUARY: FRENCH FOREIGN POLICY.

SUMMARY

1. FRENCH OPTIMISM ON POSSIBILITY OF EUROPEAN COUNCIL AGREEMENT AT BRUSSELS. VISIBLE DIFFERENCES UNLIKELY BETWEEN MITTERRAND AND CHIRAC ON THE MAIN AGENDA THERE. ON DEFENCE, THEY ARE BOTH KEEN TO BUILD UP THE BILATERAL RELATIONSHIP WITH THE UK. ON OTHER INTERNATIONAL ISSUES, FRENCH ACTIVITY IS LESS THAN INTENSE. BILATERAL RELATIONS GENERALLY SOUND.

DETAIL

EC SUMMIT

2. THE FRENCH ARE PREPARING FOR THE FEBRUARY EUROPEAN COUNCIL WITH APPARENT CONFIDENCE THAT THE ISSUE OF CONTROLLING AGRICULTURAL SPENDING, THE ROOT CAUSE OF THE FAILURE AT COPENHAGEN, CAN BE SETTLED, AT LEAST TO THE SATISFACTION OF THE MAJORITY, ON LINES ACCEPTABLE TO, EVEN PROMOTED BY, FRANCE, AND THAT HEADS OF GOVERNMENT WILL THEREFORE BE ABLE TO CONCENTRATE ON THE BROADER FUTURE FINANCING ISSUES. THE FRENCH STILL PLACE ADEQUATE LONG TERM FINANCING OF THE CAP AS THEIR OVERRIDING PRIORITY FOR THE SUMMIT. THOUGH NEVER IN THE VANGUARD OF OPPOSITION TO THE UK'S BUDGET REBATE, THE FRENCH MAY SEE THIS AS THE LEVER WITH WHICH TO SECURE UK ACQUIESCENCE TO THE ATTENUATED AGRICULTURAL STABILISER PACKAGE PUT TOGETHER IN THE AGRICULTURE COUNCIL, AND ALSO OUR AGREEMENT ON FUTURE CAP FINANCING. THE OILS AND FATS TAX REMAINS A CHERISHED PRIZE, PARTICULARLY FOR CHIRAC. HE WILL NOT LET IT GO WITHOUT A FUSS.

3. ALTHOUGH CHIRAC DEPENDS ON THE AGRICULTURAL CONSTITUENCY FAR MORE THAN MITTERRAND AND THE SOCIALISTS, WITH THE ONSET OF THE PRESIDENTIAL ELECTION CAMPAIGN, NEITHER CAN AFFORD TO SHOW HIMSELF ANY LESS EUROPEAN, AND IN PARTICULAR ANY LESS SUPPORTIVE OF FRENCH FARMERS, THAN THE OTHER. ALTHOUGH THERE ARE DIFFERENCES OF EMPHASIS WE SHOULD NOT EXPECT ANY SIGNIFICANT DIVERGENCE OF VIEW BETWEEN THEM

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ON EC ISSUES. WHATEVER THE OUTCOME OF THE FEBRUARY SUMMIT, THE FRENCH SEE THEMSELVES IN A REASONABLY COMFORTABLE POSITION. A SUCCESS WHICH PROVIDES ASSURED FUTURE FINANCING FOR THE CAP IN RETURN FOR A NOT TOO ONEROUS STABILISER PACKAGE WOULD BE SALEABLE. FAILURE COULD BE LAID AT SOMEONE ELSE'S DOOR (WITH LUCK OURS): IN THAT EVENT THE FRENCH COULD TAKE CREDIT FOR NOT BEING BROWBEATEN INTO ACCEPTING SOMETHING DETRIMENTAL TO THEIR FARMERS' INTERESTS, AND THE WHOLE FUTURE FINANCING ISSUE PUT ON THE BACK BURNER UNTIL AFTER THE ELECTIONS.

DEFENCE

4. THE FRANCO-GERMAN CELEBRATIONS OF 22 JANUARY (MY TELNOS 93-95) HAVE LEFT THE FRENCH CLAIMING THAT THEIR MOST IMPORTANT EUROPEAN RELATIONSHIP IS IN GOOD HEART AND THAT ITS DEFENCE COMPONENT IS GROWING IN STRENGTH. BOTH MITTERRAND AND CHIRAC ARE NEVERTHELESS ANXIOUS THAT IT SHOULD NOT APPEAR EXCLUSIVE, AND REMAIN PARTICULARLY KEEN THAT FRANCO-BRITISH DEFENCE DISCUSSIONS SHOULD BEAR FRUIT. HENCE THE GENERALLY POSITIVE RECEPTION OF THE PRIME MINISTER'S MESSAGE TO MITTERRAND (MY TELNO 103 TO FCO ONLY).

5. CHIRAC YESTERDAY ANNOUNCED THE FRENCH GOVERNMENT'S DECISION TO PROCEED WITH A RAFALE ORDER FOR THE FRENCH AIR FORCE (DETAILS ARE BEING REPORTED SEPARATELY).

MIDDLE EAST

6. CONSULTATIONS IN NEW YORK SHOW THAT FRENCH POLICY ON FOLLOW-UP TO SCR 598 REMAINS CLOSE TO OUR OWN. MEANWHILE FRANCE'S NEGOTIATIONS OVER NORMALISATION OF ITS RELATIONS WITH IRAN HAVE MADE LITTLE PROGRESS RECENTLY. FRENCH PUBLIC STATEMENTS AND PRIVATE ASSURANCES, FOR WHAT THEY ARE WORTH, CONTINUE TO MAINTAIN THAT THEY WILL NOT PAY AN EXCESSIVE PRICE (IE NO FUNDAMENTAL CHANGE IN THEIR RELATIONS WITH IRAQ AND THE ARAB WORLD). IT IS NEVERTHELESS NOTICEABLE THAT FRENCH DIPLOMATIC ACTIVITY IN THE MIDDLE EAST GENERALLY HAS BEEN LESS INTENSE IN RECENT MONTHS THAN IS NORMAL FOR THEM.

AFRICA

7. HERE TOO THE FRENCH PROFILE HAS NOT BEEN HIGH SINCE THE BURST OF ACTIVITY IN EARLY OCTOBER (VISITS BY DOS SANTOS, CHISSANO AND BOTHA). FRENCH LINKS WITH MOZAMBIQUE ARE GROWING, ESPECIALLY IN THE AREA OF MILITARY TRAINING. CHAD REMAINS RELATIVELY QUIET, BUT THE FRENCH ARE WORRIED THAT THE DELAY IN PRODUCING THE OAU REPORT WILL ALLOW FIGHTING TO RESTART.

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8. THE FRENCH REMAIN SOUND AND COOPERATIVE ON AFGHANISTAN (FURTHER BILATERAL CONSULTATIONS AT AUS LEVEL ON 2 FEBRUARY). ON CAMBODIA THEY WOULD LIKE TO CONTRIBUTE TO A SOLUTION AND HOPE THAT SIHANOUK'S DIALOGUE WITH HUN SEN MAY BREAK THE DEADLOCK (BUT RAIMOND IS SAID TO BE SCEPTICAL PERSONALLY).

BILATERAL RELATIONS

9. APART FROM DEFENCE, A PROMISING AREA FOR MORE INTENSE BILATERAL ACTION IS YOUTH EXCHANGES, IF OFFICIAL FUNDS CAN BE ALLOCATED TO SUPPORT THEM.

10. THE FRENCH ARE LIKELY TO RAISE THEIR CONCERN ABOUT FINES IMPOSED UNDER THE CARRIERS' LIABILITY ACT, ALTHOUGH A MEETING IN LONDON ON 25 JANUARY PROVED USEFUL IN CLARIFYING THE DIFFICULTIES FACING FRENCH TRANSPORT COMPANIES FOLLOWING IMPLEMENTATION OF THE ACT.

11. MITTERRAND IS VISITING THE FRENCH END OF THE CHANNEL TUNNEL AT SANGATTE ON 28 JANUARY (I SHALL BE THERE). ALTHOUGH THE SUBJECT IS UNLIKELY TO COME UP IN FORMAL TALKS, HE MAY REFER TO IT AT SOME POINT. AS YOU KNOW, NOT ALL THE PROBLEMS ARE YET RESOLVED: THE FRENCH REMAIN CONCERNED IN PARTICULAR ABOUT THE CHANNEL-LONDON RAIL LINK AND FRONTIER CONTROLS.

CONCLUSIONS

12. BOTH MITTERRAND AND CHIRAC WILL COME TO LONDON IN THE EXPECTATION THAT EXCHANGES WILL BE HARD-HITTING BUT, AGAINST THE BACKGROUND OF GOOD PERSONAL AND POLITICAL/BILATERAL RELATIONSHIPS, CONSTRUCTIVE AND AMICABLE. BOTH CLEARLY RESPECT AND ADMIRE OUR PRESENT LEADERSHIP AND OTHER MINISTERS WILL TAKE THEIR TONE FROM PRIME MINISTER AND PRESIDENT.

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ANGLO-FRENCH SUMMIT 29 JANUARY: FRENCH INTERNAL SCENE.

SUMMARY

1. CHIRAC FIRST OFF THE MARK IN THE ELECTION CAMPAIGN. HE HAS CLOSED ON BARRE IN THE POLLS, BUT WOULD STILL BE MORE VULNERABLE TO MITTERRAND THAN BARRE IN THE SECOND ROUND. MITTERRAND'S DECISION TO RUN GENERALLY EXPECTED IN EARLY MARCH. ISSUES WILL BE SUBORDINATE TO PERSONALITIES IN THE CAMPAIGN. PROSPECTS FOR THE FRENCH ECONOMY IN 1988 ARE UNEXCITING.

DETAIL

2. MITTERRAND AND CHIRAC WILL BE COMING TO LONDON PREOCCUPIED BY THE PRESIDENTIAL ELECTIONS, NOW LESS THAN THREE MONTHS AWAY. THE TEMPO IS QUICKENING, PARTICULARLY ON THE RIGHT. CHIRAC, WORRIED BY POLLS AT THE BEGINNING OF THE YEAR WHICH SHOWED HIM TRAILING BOTH MITTERRAND AND BARRE, HAS ACCELERATED SHARPLY, DECLARING HIS CANDIDATURE FORMALLY ON 16 JANUARY, AND EMBARKING ON A SERIES OF MASS RALLIES IN PARIS AND THE PROVINCES. HE IS CAMPAIGNING AS THE RESPONSIBLE, ENERGETIC, DECISIVE, COHABITATIONIST PRIME MINISTER WHO CAN BE PROUD OF HIS GOVERNMENT'S RECORD AND WHO, AS PRESIDENT, WOULD STEER FRANCE TO A POSITION OF EUROPEAN PRE-EMINENCE BY THE YEAR 2000.

3. CHIRAC'S IMMEDIATE AIM IN UNLEASHING HIS CAMPAIGN EARLIER THAN PLANNED IS TO CATCH AND OVERTAKE BARRE, SO ESTABLISHING HIMSELF AS THE RIGHT'S PRINCIPAL CHALLENGER FOR THE ELYSEE. THE LATEST POLLS SUGGEST THAT HE MAY BE HAVING SOME SUCCESS AND THAT THE 5-6 POINT GAP OF A MONTH AGO MAY BE CLOSING. AT PRESENT BARRE'S OWN CAMPAIGN SEEMS SHORT OF MOMENTUM. ALTHOUGH HE IS DECLINING TO BE HURRIED, INSISTING THAT THE TORTOISE WILL CROSS THE LINE AHEAD OF THE HARE, HE IS VULNERABLE TO CRITICISM THAT HE IS SHOWING A LACK OF FIRE. ALL THE PARTIES WITHIN THE UDF, INCLUDING LEOTARD'S IMPORTANT PARTI REPUBLICAIN (PR), HAVE NOW ENDORSED HIM: BUT A QUESTION MARK REMAINS ABOUT THE DEGREE OF REAL ENTHUSIASM OF SOME OF THOSE ENDORSEMENTS.

4. MITTERRAND HAS STILL TO ANNOUNCE WHETHER HE WILL STAND AGAIN.

ROCARD TOLD THE PRESS ON 24 JANUARY THAT MITTERRAND HAD INFORMED HIM AT A BREAKFAST MEETING THE PREVIOUS DAY THAT HE WOULD MAKE HIS DECISION KNOWN IN EARLY MARCH. THE EXPECTATION IN THE SOCIALIST PARTY (PS) AND MORE WIDELY IS THAT HE WILL RUN FOR A SECOND TERM: IF HOWEVER HE CHOOSES NOT TO, HIS SURPRISING CHOICE OF ROCARD AS HIS MOUTHPIECE LAST WEEKEND STRENGTHENS THE LIKELIHOOD THAT THE LATTER WILL BE THE PS CANDIDATE INSTEAD.

5. MITTERRAND (AND INDEED ROCARD) WILL BE HOPING THAT CHIRAC'S EFFORTS TO OVERHAUL BARRE AND EMERGE AS THE RIGHT'S SECOND ROUND CHALLENGER ARE SUCCESSFUL. THE OPINION POLLS SHOW THAT CHIRAC WOULD FIND IT MUCH HARDER TO WIN THE DECISIVE SECOND ROUND THAN BARRE. (THE MOST RECENT ESTIMATE IS THAT MITTERRAND WOULD CRUSH CHIRAC 57:43, BUT THAT HIS MARGIN OF VICTORY OVER BARRE WOULD BE A MUCH NARROWER 52:48.) THE BARRISTES HAVE SEIZED ON THESE PROJECTIONS IN RECENT DAYS ARGUING THAT IF THE RIGHT IS TO HAVE ANY HOPE OF UNSEATING MITTERRAND IT MUST RALLY BEHIND THE CANDIDATE WITH THE BEST CHANCE IN THE SECOND ROUND: AND THAT CANDIDATE REMAINS BARRE.

6. A CHARACTERISTIC OF THE CAMPAIGN SO FAR IS THE DEARTH OF POLICY DEBATE. THE CHOICE IS BETWEEN PERSONALITIES, ALL SEEKING THE CENTRE GROUND, RATHER THAN BETWEEN IDEOLOGICALLY CONFLICTING PROGRAMMES. THIS WORKS IN FAVOUR OF MITTERRAND, WHO HAS CLEVERLY USED THE PERIOD OF COHABITATION TO PROJECT HIMSELF AS A MODERATE NEXT WORD UNDERLINED RASSEMBLEUR SAFEGUARDING FRENCH INTERESTS ABROAD AND NATIONAL UNITY AT HOME. THE RIGHT (PARTICULARLY BARRE) HAVE NOW BEGUN TO REMIND THE ELECTORATE OF THE PARTISAN, SOCIALIST MITTERRAND OF THE EARLY YEARS OF THE SEPTENNAT. THIS HAS YET TO DENT MITTERRAND'S POPULARITY, ALTHOUGH IT COULD DO SO IN THE WEEKS AHEAD. MITTERRAND THUS REMAINS THE FAVOURITE TO WIN THE ELECTIONS IF HE STANDS.

THE ECONOMY

7. THE ECONOMY PERFORMED BETTER THAN THE GOVERNMENT EXPECTED IN 1987 BUT IT WAS NOT A BRILLIANT YEAR: GDP GREW BY 2.0 PER CENT. INFLATION AND UNEMPLOYMENT BOTH FELL SLIGHTLY. FOREIGN TRADE PERFORMANCE, PARTICULARLY IN MANUFACTURED GOODS, CONTINUED TO DISAPPOINT AND THERE WAS A 1987 DEFICIT OF F31 BILLION. THE PRIVATISATION PROGRAMME, A POPULAR AND LUCRATIVE SUCCESS FOR THE FIRST NINE MONTHS OF THE YEAR, WAS ARRESTED BY THE STOCK MARKET SLUMP.

8. PROSPECTS FOR 1988 ARE UNINSPIRING. SMALLER GDP GROWTH IS LIKELY AS A RESULT OF THE STOCK MARKET SLUMP AND AMONG THE MAIN AGGREGATES ONLY INFLATION IS LIKELY TO SHOW IMPROVEMENT. THERE ARE NO NEW

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DEPARTURES IN THE 1988 BUDGET: CUTTING TAXES, SPENDING AND THE BUDGET DEFICIT REMAIN THE PRIORITIES. RECENT PROPOSALS FOR A COMMON EUROPEAN CURRENCY AND A EUROPEAN CENTRAL BANK REFLECT FAMILIAR FRENCH DISSATISFACTION WITH CURRENT MONETARY ARRANGEMENTS IN EUROPE, BUT SEEM PRINCIPALLY DESIGNED TO WIN VOTES. THE SMALL MATRA OPERATION, LAUNCHED LAST WEEK, SEEMS LIKELY TO BE THE ONLY SIGNIFICANT PRIVATISATION VENTURE BEFORE THE ELECTIONS.

9. SEE MIFT ON FRENCH FOREIGN POLICY.

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(AGRICULTURE FISHERIES AND)
(FORESTRY)

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Prime Minister

Foreign and Commonwealth Office

London SW1A 2AH

27 January 1988

You may wish
to refresh your
memory on the

Star Charles Guard of Honour procedure.

CB 207i

Franco/British Summit: Guard of Honour

You asked for the detailed arrangements for the arrival at Kensington Palace and the Guard of Honour at Lancaster House. I attach the relevant extracts from the current version of detailed administrative arrangements, including a plan of the Lancaster House Parade. Further up-dating of the overall administrative arrangements is not expected to affect these ceremonies.

Yours ever

(L Parker)
Private Secretary

C D Powell Esq
10 Downing Street

The Deputy Station Commander will escort the party to the aircraft. Monsieur de Lacoste will escort the President to the tarmac where he will be welcomed by the greeting party.

The Captain of The Queen's Flight, Air Vice Marshal John de M Severne, will accompany the President to his helicopter.

Passengers are as follows:

The President	Colonel Pons
Monsieur Raimond	French Security Officer
Monsieur Giraud	British Special Branch Officer
Monsieur Bianco	
Monsieur Attali	

0935 Depart RAF Northolt

0945 Arrive Perks Field, Kensington Palace

Met by the Lord-in-Waiting, the Earl of Dundee; the Prime Minister, the Rt Hon Margaret Thatcher; His Excellency Vicomte Luc de la Barre de Nanteuil French Ambassador; Sir Ewen Fergusson, HM Ambassador at Paris; and Colonel Philip Worrall, Government Hospitality Escort Officer

0950 Depart Kensington Palace

0955 approx Arrive Lancaster House

Guard of Honour Procedure

A Guard of Honour found by First Battalion, Irish Guards under the command of Major Roly Grimshaw with the Regimental Colour and the Band of the Regiment and the Corps of Drums of the Battalion will be formed in the forecourt of Lancaster House on Friday 29 January to greet His Excellency Monsieur Francois Mitterrand, President of the French Republic.

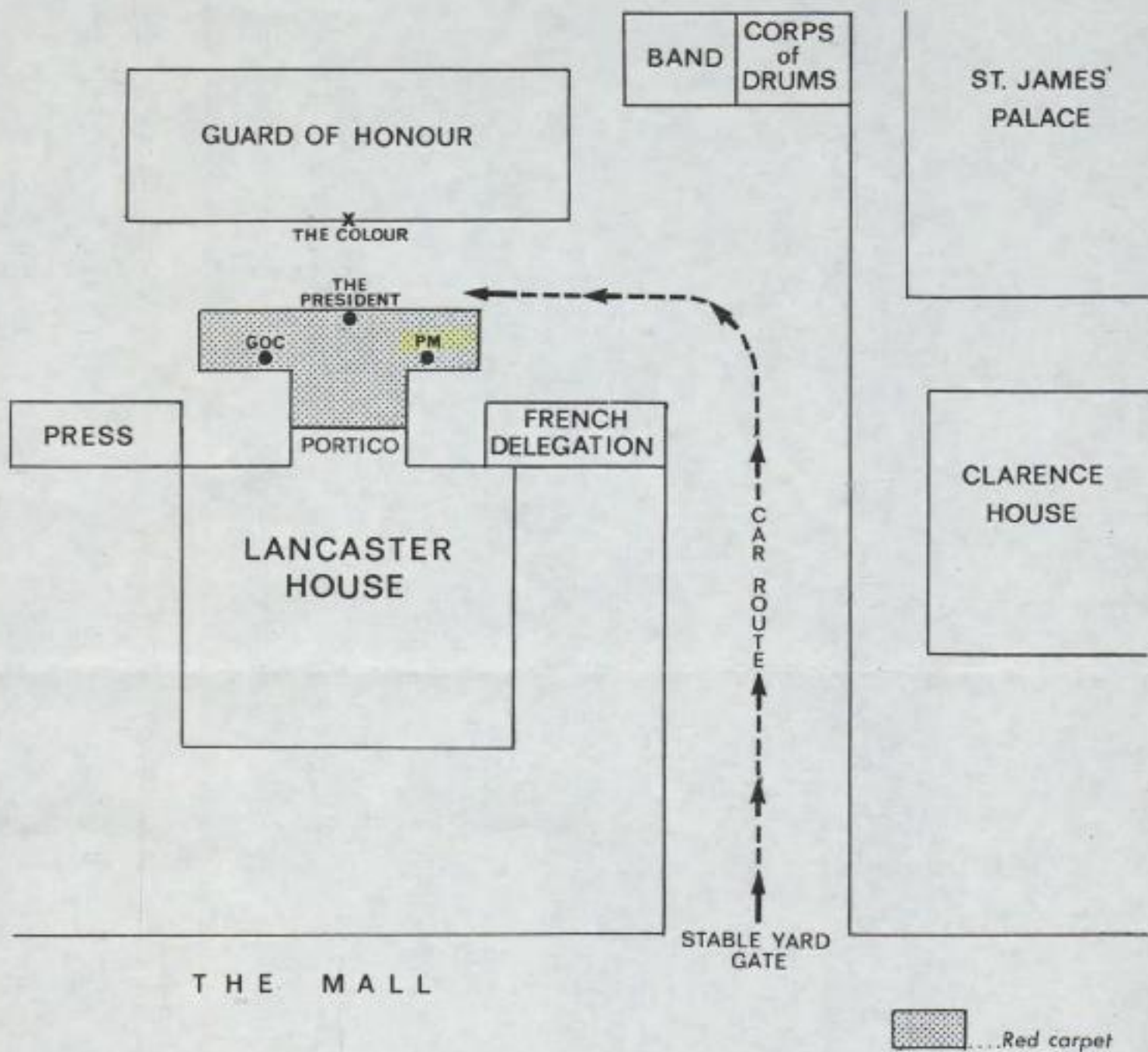
At 0945 hours, the Secretary of State for Foreign and Commonwealth Affairs will arrive in the forecourt of Lancaster House and will be met by Major General Airy, General Officer Commanding London District.

At 0945 hours, those members of the President's Delegation not travelling in the car procession will position themselves in the area marked 'French Delegation' (see attached diagram).

At 0954 hours, the Prime Minister will arrive at Lancaster House and will be met by Major General Christopher Airy.

At 0955 hours (approx) The President will arrive. The Prime Minister will welcome him and present Major General Airy, who will direct the President to his place on the red carpet. The Captain of the Guard of Honour will order 'Guard of Honour Royal Salute Present Arms' and the band will play the French National Anthem. The Captain of the Guard will present his Guard of Honour to the President. The Major General will then accompany The President and the Captain of the Guard of Honour on the inspection of the front rank only. On completion of the inspection The President will re-join the Prime Minister and proceed into Lancaster House.

GUARD OF HONOUR - LANCASTER HOUSE



ARRIVAL ARRANGEMENTS FOR THE PRIME MINISTER OF THE
FRENCH REPUBLIC

1035

Aircraft doors open

The Deputy Station Commander will escort the greeting party to the aircraft

Monsieur Chirac will be welcomed by Sir John Stow Special Representative of the Secretary of State, Monsieur de Lacoste, Minister, French Embassy and Brigadier Alan Cowan, Government Hospitality. The Prime Minister will be accompanied to his waiting helicopter.

Passengers are as follows:

Prime Minister Chirac	British Special
Monsieur Bujon de l'Estang	Branch Officer
Monsieur Rodocanachi	Brigadier Alan Cowen
Monsieur Lafon	GHF Escort Officer
Monsieur de Silguy	(the above named will
Monsieur Flot	also return on the
Monsieur de Lacoste	helicopter with M
Monsieur Pelois	Chirac to Northolt)
Monsieur Tabert	

1040

Depart RAF Northolt

1050

Arrive Chelsea Barracks
Met by French Ambassador, His Excellency
Vicomte Luc de la Barre de Nanteuil and Deputy
Secretary of the Government Hospitality, Mr
Neil MacKenzie

1055

Depart Chelsea Barracks

1100 approx. Arrive Lancaster House

FRANCE: visits of Pres Mitter

pt 6.



PRIME MINISTER

ANGLO-FRENCH SUMMIT

The Anglo-French Summit is on Friday. There is a separate note on the arrangements. We have no formal briefing session. But you will want to look through the attached papers.

You are likely to find Mitterrand and Chirac watching each other unusually closely for points which they can exploit in the election campaign. Mitterrand will want to wrap himself in the mantle of guardian of Europe and of Franco-German co-operation. He may therefore be looking to create some distance between France and the United Kingdom, particularly in his remarks at the press conference. Chirac is more likely to be willing to seek points of agreement on agriculture and on defence, but cannot afford to seem less European than Mitterrand. This is not a very promising background for a productive meeting. But on the eve of the European Council we have no interest in allowing the French to suggest that Britain is odd man out in Europe. In your remarks in the plenary and at the press conference you will want to stress the areas where, over the past year, we have drawn closer together (with the Channel Tunnel as the foremost example).

There is only quite limited time for discussion, an hour each with President Mitterrand and Monsieur Chirac. You will want to concentrate on two main issues: the prospects for the European Council and defence matters. If there is time, the next priorities are the Middle East and the Economic Summit. There are no bilateral matters which you need raise, although Chirac may revert to Youth Exchanges. All other matters can be dealt with in the plenary.

On the European Council the broad line of your presentation might be:

- at the last Brussels European Council everyone accepted a commitment to real financial discipline and control;

CONFIDENTIAL

- 2 -

- the proposals discussed in Copenhagen took us an important step forward in that direction;
- but what the German Presidency are now proposing is a serious and significant weakening of what was on the table in Copenhagen. It does not provide the basis for agreement at Brussels;
- to dispel any possible misconception: there is no trade-off to be made between our accepting weaker agricultural stabilisers and the others agreeing to leave the British abatement untouched. There have got to be effective stabilisers and a continuation of the Fontainebleau abatement;
- so between now and the Council in Brussels, the agriculture stabilisers have got to be put back into a form which ensures that spending can be contained within the budget, and surpluses eliminated;
- you recognise that the problem lies above all with the Germans, with their particular structure of farming and desire to drag prices up to German levels. You will therefore be making these points very forcefully to Chancellor Kohl next week;
- details are for the specialist Ministers to discuss. But the crucial points which need attention on cereals are the Maximum Guaranteed Quantity (which should be 155m tonnes), the need for price reductions not just a co-responsibility levy (which raises money rather than reducing expenditure) and the 20-tonne levy exemption (which discriminates against the United Kingdom and means that the levy would apply to only 20 per cent of producers and 50 per cent of output). France and the United Kingdom would end up paying 70 per cent of the levy;

CONFIDENTIAL

CONFIDENTIAL

- 3 -

- on oil-seeds and rape, where Community expenditure has tripled over the last three years, the MGQs should be at the level agreed in Copenhagen with a 0.5 per cent price reduction for every 1.0 per cent excess over the MGQ;
- all the other stabilisers must be endorsed by the European Council and not left to Agriculture Ministers alone to settle;
- the other crucial issue is the size of the increase in the Structural Funds. It is vital to keep the increase within one-and-a-half times the maximum rate for non-obligatory expenditure otherwise all semblance of budget discipline will be lost. We have circulated a paper which shows that within that limit there could be:
 - a 50 per cent overall increase in the funds;
 - a doubling of the receipts of the four least prosperous member states from the regional fund;
 - doubling of the overall receipts of the two new members;
 - a 60 per cent increase in aid to backward regions.
- there is no point in re-opening the question of the British abatement. Our share of receipts from the Community budget has fallen in all main areas since 1984, and our budgetary burden (even with the abatement) has increased more rapidly than anyone else's. We are not asking for anything more - although we would be entitled to do so - but certainly shall not accept less;
- it would be a pity if the Brussels Council were to be a scratchy and unproductive meeting. Yet it is clear that there is going to have to be a major evolution in the German Presidency's position for there to be any chance of success. It will be interesting to see whether, after the conclave of Foreign Ministers, the Presidency reach the conclusion that it would be better to continue discussions and postpone the European Council. But that

CONFIDENTIAL

CONFIDENTIAL

- 4 -

of course is entirely a matter for them: you are not suggesting it.

On defence matters, the basic texts are your exchange of letters with President Mitterrand. The points you could argue are:

- the single most important task is to maintain the US commitment to the defence of Europe. This is particularly important in a US election year;
- the NATO Summit will have an important part in this. We need a declaration from the Summit which restates the US commitment in the strongest possible terms and reaffirms the importance of nuclear deterrence;
- we also need to give evidence of greater European efforts to strengthen the Alliance;
- the ideas in your reply to President Mitterrand - involvement of French forces in the forward defence of Germany in the NORTHAG area, exercising reinforcement of British forces through Channel ports and French airfields, joint naval exercises in the Channel - were intended to demonstrate how our common security in Europe could be strengthened by greater practical, military co-operation between France and other European members of the Alliance;
- you would welcome Mitterrand/Chirac's reaction to these ideas;.
- you look forward to hearing the report in the plenary session on the discussions between Mr Younger and Monsieur Giraud;
- you are not trying to undermine France's co-operation with Germany which is very important. But you are anxious to see all such bilateral arrangements put firmly

CONFIDENTIAL

CONFIDENTIAL

- 5 -

in the context of contributing to the collective security of Europe.

On the Middle East, you will want to see whether the French have any ideas on how progress on an international conference could be unblocked. You might also see what response a question about the fate of their hostages evokes. On the Economic Summit, you will want to enlist support for your views that the Summit must concentrate this time on economic issues and that we should stick to the existing format (rather than embrace Mr Mulroney's ideas on an earlier start and a retreat).

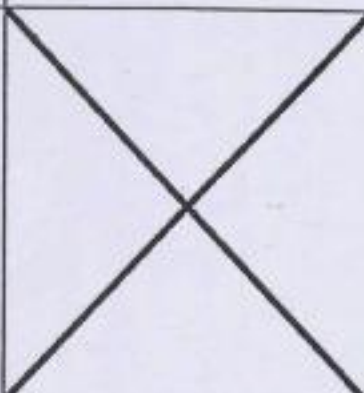
In the plenary you will want to give a brief account of your talks with President Mitterrand and Monsieur Chirac and then ask the individual Ministers to report. In summing up, you might say that the present Summit comes after a year in which there have been an almost unprecedented number of direct contacts between Britain and France at all levels. You yourself have met on numerous occasions with both the President and Monsieur Chirac. One reason of course was the agreement on the Channel Tunnel, which was the single most exciting development in Europe last year and itself a very important step towards drawing Britain and France closer together. But you are also impressed by the range of issues on which we worked and acted together last year - arms control, | the WEU declaration, | our common determination to preserve our independent nuclear deterrents, | our respective naval activities in the Gulf, | our support for an international conference in the Middle East, the steady advance of our co-operation in defence. They add up to a degree of thinking alike and acting alike which, against the background of history, would probably surprise both our peoples if they added it all up and realised just how much common ground there now is between us. You pay tribute to the role both of President Mitterrand and Monsieur Chirac in achieving this.

C.D.P.

C D POWELL

27 January 1988

A The National Archives

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Foreign and Commonwealth Office

London SW1A 2AH

27 January 1988

Dear Charles

CDP
27/1

Anglo-French Summit

Thank you for your letter of 26 January.

A note describing the Guard of Honour Ceremony at Lancaster House will follow as soon as possible. Meanwhile, we are making arrangements for the Prime Minister to greet President Mitterrand on arrival at Kensington Palace and to receive him again at Lancaster House for the Guard of Honour Ceremony. We have agreed that, as is usual in such circumstances, there would be no red carpet at Kensington Palace but weather-proof matting provided by The Queen's Flight. I confirm that the Foreign Secretary will see President Mitterrand off after the meeting.

Almost all members of the French delegation other than President Mitterrand, M. Chirac, M. Raimond, M. Giraud and M. Guillaume will arrive at Lancaster House shortly after 0900 hrs on 29 January. M. Guillaume will arrive at Lancaster House shortly before the President (at about 0950 hrs); M. Raimond and M. Giraud will arrive with the President (at about 0955 hrs). We plan that host Ministers and other supporting officials will be at Lancaster House in time to greet their French counterparts. Coffee will be served in the State Dining Room in the period between the French Ministers' arrival and the Guard of Honour Ceremony.

We intend to circulate the detailed administrative notes for the Summit during the morning of 28 January. Meanwhile I enclose a copy of the latest list of the French Official Delegation.

We await an indication from the French of which Ministers will depart with Chirac after lunch. We therefore cannot yet make firm recommendations about who should attend the press conference with the Prime Minister. However, we envisage that those French Ministers remaining to accompany President Mitterrand at the press conference would be matched by their British hosts plus about six senior officials on each side.

I am copying this letter and enclosure, together with a copy of your letter, to Shirley Stagg (MAFF), Brian Hawtin (MOD), Philip Mawer (Home Office), and Stephen Ratcliff, Peter Smith and Marjory Davies (DTI).

C D Powell Esq
10 Downing Street

Lowd
Wyn Parker
(L Parker)
Private Secretary

ANGLO FRENCH SUMMIT: FRENCH DELEGATION OFFICIALS

* = Will participate in the Prime Minister's Lunch.

The Presidency of the French Republic

M Jean-Louis Bianco*	General Secretary
M Jacques Attali	Special Adviser
Madame Michèle Gendreau- Massaloux*	Assistant General Secretary and Spokesman
M Gérard Cole	Adviser
Madame Elisabeth Guigou	Technical Adviser
M Jean Musitelli	Technical Adviser
M Jean-Louis Chamblon	Chargé de Mission to the General Secretary
M Hubert Vedrine	Adviser
Lieutenant Colonel Pons	Aide de Camp

Prime Minister's Office

M Francois Bujon de l'Estang*	Adviser
M Emmanuel Rodocanachi	Adviser
M Jean-Pierre Lafon	Counsellor
M Yves de Silguy	Counsellor

Ministry of External Affairs

M Luc de la Barre de Nanteuil*	French Ambassador at London
M Jean-Francois Noiville	Political Director

M Pierre de Boissieu

Director of EC affairs

M Jean-Bernard Ouvrieu

Director of Economic and Financial
Affairs

M Henri de Coignac

Head of Protocol

M Jacques Blot

Director for European Affairs

M Pierre Menat

Technical Adviser

M Hadelin de la Tour du Pin

Deputy Director and Press Adviser

M Philippe Etienne

Technical Adviser

M Joel de Zorza

Head/WED

Other Ministries

M Jean de Ponton
d'Amecourt

Adviser on International Affairs to
the Minister of Defence

M Michel Scheller

Technical Adviser to the
Minister of Defence

Captain Delaunay

Head of International Affairs,
Ministry of Defence

Captain Clochard

Aide de Camp to Minister of Defence

M Jean Paille

Adviser to the Minister of Agriculture

M Guillet

Adviser to the Minister Delegate for
Security

M Bernard Yvetaut

Adviser to the Minister Delegate for
Foreign Trade

[M Jean Noel Bouillane de Lacoste, Minister-Counsellor, French
Embassy]

PARABE

FRANCE. Visit of Mrs



Niteroid

pt6.



RESTRICTED



10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

26 January 1988

ANGLO-FRENCH SUMMIT

Thank you for your letter of 25 January about arrangements for the Anglo-French Summit.

The Prime Minister thinks that she should greet President Mitterrand on arrival at Kensington Palace. She would then drive ahead of him to Lancaster House, to receive him again there. She would be very grateful if the Foreign Secretary would see President Mitterrand off after the meeting.

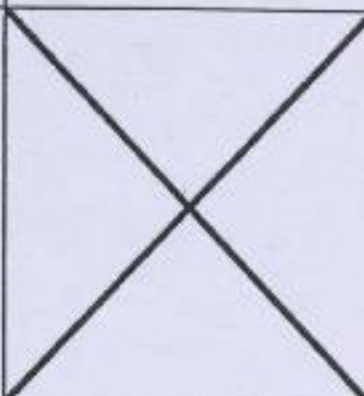
It would be helpful to have a note describing the Guard of Honour ceremony.

The Prime Minister is content with the arrangements proposed for M. Chirac, although they depend in part on her meeting with President Mitterrand ending exactly on time (which may not be easy).

(Charles Powell)

A. C. Galsworthy, Esq., CMG,
Foreign and Commonwealth Office.

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Foreign and Commonwealth Office

London SW1A 2AH

25 January 1988

Prime Minister

Dear Charles,

I would suggest that you go to Kensington Palace to meet Mitterrand. Agree?

Anglo-French Summit

Thank you for your letter of 19 January.

Content with arrangements for Chirac or X?

Plans for the guard of honour have, as you say, gone through different forms. We now wish firmly to recommend a guard of honour, formed by the First Battalion Irish Guards, for President Mitterrand at Lancaster House and that the Prime Minister greet the President there. Sir Geoffrey Howe would greet the President at Kensington Palace - without a guard - as well as see him off from there. We have cleared this arrangement provisionally with the French Embassy, who see no difficulty.

CDP 25/1

I enclose an up-to-date schedule of participation in the Ministerial meetings, plenary and Prime Minister's lunch and an up-dated outline programme.

We have been considering arrangements for Chirac's arrival and departure. We have been able to agree to the French request that he travel from Northolt to central London by helicopter: he will land at Chelsea Barracks (Kensington Palace can handle only one helicopter movement at a time). We shall try to arrange for Chirac's arrival at Lancaster House to follow almost immediately Mitterrand's departure from there at 1100 hrs for the Age of Chivalry exhibition. This would permit the Prime Minister to welcome Chirac in person at Lancaster House. Similarly, we are sure that Chirac would much appreciate it if at the end of lunch when he departs, the Prime Minister could see him off from the steps of Lancaster House. It would be helpful if you could confirm that the Prime Minister is content with these arrangements.

Yes

X

I am copying this letter and enclosures to Shirley Stagg (MAFF), Brian Hawtin (MOD), Philip Mawer (Home Office), Stephen Ratcliffe, Peter Smith and Marjorie Davies (DTI), and Peter Wardle (DES).

Yours ever,
A C Galsworthy

(A C Galsworthy)
Private Secretary

C D Powell Esq
10 Downing Street

ANGLO/FRENCH SUMMIT: MINISTERIAL PARTICIPATION

Prime Minister

President Mitterrand

M Chirac

Foreign Secretary

M Raimond

Home Secretary

M Pandraud

Defence Secretary

M Giraud

Minister

M Guillaume

for Agriculture, Fisheries and Food

Mrs Chalker, FCO

M Bosson

Mr Alan Clark, DTI


M Noir

MINISTERIAL BILATERALS

Heads of State/Government

- | | |
|------------------------------|-----------------------|
| A) Prime Minister | President Mitterrand |
| Mr Powell | French official(s) |
| Mrs Fairweather, interpreter | M Thiery, interpreter |
| | |
| B) Prime Minister | M Chirac |
| Mr Powell | French official(s) |
| Mrs Fairweather, interpreter | |

Foreign Secretary

- | | |
|---|--------------------------|
| A) For discussion of EC Issues | |
| Sir Geoffrey Howe | M Raimond |
| Mrs Chalker | M Bosson |
| Sir E Fergusson | HE The French Ambassador |
| Private Secretary | French official(s) |
| Sir J Fretwell | |
| Mr Braithwaite | |
| Mr Kerr/Mr Wall | |
|  | |
| ECD(I) notetaker | |

B) [see over]

6) For discussion of non EC issues

Sir Geoffrey Howe
Sir E Fergusson
Private Secretary
Sir J Fretwell
Mr Braithwaite
Mr Ratford
Mr Dain

M Raimond
HE the French Ambassador
French official(s)

WED notetaker (Mr Fry)

Defence Secretary

Mr Younger
PS/Secretary of State
for Defence
Mr Nicholls, DUS(P)

[No
Interpreter]

M Giraud
French official(s)

Home Secretary

Mr Hurd
Mr Philip Mawer,
Private Secretary
Mr R M Morris, Under Secretary
Mr G Angel, Under Secretary

French
Interpreter

M Pandraud
French official(s)

Minister for Agriculture Fisheries and Food

Mr Macgregor
PS/Minister
for Agriculture
Mr Andrews, PUS MAFF

French
Interpreter

M Guillaume
French official(s)

Minister of State, FCO

Mrs Chalker	M Bosson
[Mr Maude, PUSS, DTI (for discussion of internal market)]	
Mr Lyall-Grant, PS/Mrs Chalker	French officials
[PS/Mr Maude]	
Mr Kerr, AUSS, FCO	
Mr Wall	
ECD(I) notetaker	[Interpreter if Mr Maude participates]

Minister for Trade

Mr Alan Clark	M Noir
Marjorie Davies, PS/Mr Clark	Interpreter
	French official(s)
Mr A C Hutton,	
Deputy Secretary for External European Policy	
Mr J Hall, DTI	

Prime Minister's Lunch

Prime Minister	President Mitterrand
	M Chirac
Foreign Secretary	M Raimond
Home Secretary	M Pandraud
Defence Secretary	M Giraud
Minister for Agriculture	M Guillaume
Mrs Chalker	M Bosson
Mr Alan Clark	M Noir
Sir E Fergusson	HE The French Ambassador
Mr Powell, PS/No 10	3 Paris-based French officials
Mr Ingham, Press Secretary	
No 10	
Sir John Fretwell	

PARAAF

ANGLO-FRENCH SUMMIT: PARTICIPATION

PLENARY

Prime Minister	President Mitterrand
	M Chirac
Foreign Secretary	M Raimond
Home Secretary	M Pandraud
Defence Secretary	M Giraud
Minister for Agriculture	M Guillaume
Mrs Chalker	M Bosson
Mr Alan Clark	M Noir
Mr Powell, No 10	H.E. the French Ambassador
Mr Ingham, No 10	10 French officials
Sir J Fretwell	
Sir E Fergusson	
Mr Braithwaite	

Home Office official
MOD official
MAFF official
DTI official

Separate Table

Notetakers:

Mr Dain, Head/WED, FCO
Mr Fry, Assistant/WED

French Notetakers

ANGLO-FRENCH SUMMIT: 29 JANUARY

PROGRAMME

- 0830 French delegation arrives RAF Northolt
- 0930 President Mitterrand arrives RAF Northolt
- 0950 President Mitterrand arrives Kensington Palace by
helicopter
Transfer to Lancaster House
- 1000 Meeting between the Prime Minister and President
Mitterrand
[Other Ministerial bilateral meetings begin]
- [1035 M Chirac arrives RAF Northolt]
- [1055 M Chirac arrives Chelsea Barracks by helicopter]
- 1100 Meeting between the Prime Minister and M Chirac
President Mitterrand visits Age of Chivalry Exhibition at
Royal Academy of Arts.
- 1200 Plenary
- 1300 Lunch hosted by the Prime Minister for President
Mitterrand, Prime Minister Chirac, Ministers and some
senior officials
- 1435 M Chirac departs Lancaster House for Chelsea Barracks.
- 1440 Prime Minister and President Mitterrand give
Joint Press Conference
- 1515 French Party departs Lancaster House

FRANCE Miss by Waterland. PLS





File SR
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10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

25 January 1988

The Prime Minister will be receiving President Mitterrand in London on 29 January for an Anglo-French Summit, to be held at Lancaster House. She believes that it would add greatly to the dignity and formality of the occasion if the President were to be accorded a Guard of Honour at the Stableyard (Forecourt) of Lancaster House on arrival. She would be very grateful if this request could be considered favourably.

C D POWELL

The Right Honourable The Earl of Airlie, K.T., G.C.V.O., D.L.

OP

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[22 January 1988]

COPY NO 1

ANGLO-FRENCH SUMMIT: 29 JANUARY 1988

BRIEF

By the Foreign and Commonwealth Office

Introduction

This brief is designed to serve the Prime Minister's meetings with both President Mitterrand and Prime Minister Chirac. On the key EC issues it will be right to go into more depth with Chirac, and to spend more time on defence/arms control with Mitterrand.

A full brief on EC future financing will be inserted after the Foreign Affairs Council on 25/26 January. A general note on this subject is included at Annex A.

The following are attached to the brief:

- Annex A: EC Future Financing
- Annex B: Programme
- Annex C: Personality notes on French Ministers participating
- Annex D: French internal scene
- Annex E: Basic statistics

OUR OBJECTIVES

A EUROPEAN COMMUNITY

- To prepare the ground on EC issues for the special Brussels European Council on 11-12 February.

[Detailed objectives to follow]

B EAST/WEST RELATIONS AND ARMS CONTROL

- To maintain closeness of UK and French views on East-West relations.
- To urge French support for INF agreement during US ratification debate.
- To emphasise continued European requirement for SNF capability, particularly in view of Soviet conventional superiority.
- To confirm that verifiable global CW ban remains French objective.
- To stress the importance of early Alliance agreement on a conventional arms control proposal, based on sound military criteria.
- To confirm French approach on Afghanistan remains similar to ours.

C DEFENCE

- To emphasise our wish to continue to develop Anglo/French bilateral defence relationship.
- To underline that France's bilateral defence activities should strengthen, not undermine, NATO.
- To invite an initial response to British ideas for associating France more closely with collective defence.

OUR OBJECTIVES CONTD

D OTHER INTERNATIONAL ISSUES

- World Economy
- To promote continued G7 cooperation to secure greater exchange rate stability;
- To pursue the Chancellor's Sub-Saharan Debt initiative;
- To seek support for strengthened IMF adjustment programmes;
- Anti-Terrorist cooperation. To ensure continuing French cooperation (and flow of information over Eksund) and to hold France to her international commitments.
- Iran/Iraq/Gulf. To retain French cooperation in New York.

E BILATERAL

- Youth Exchanges. (Chirac)
- To improve quality of existing exchanges in most cost effective way, and encourage French to improve their administrative arrangements.
- To announce three measures agreed by officials.

FRENCH OBJECTIVES

General

- (for both Mitterrand and Chirac) to promote their image in France (with an eye to electoral advantage).

A EUROPEAN COMMUNITY

- to stress value of EMS as means of influencing members' (especially Germans') economic policy, and to promote stronger European monetary cooperation;
[Other detailed French objectives to follow].

B EAST/WEST RELATIONS AND ARMS CONTROL

- To maintain closeness of UK and French views, stressing need for greater European role.
- To keep Moscow Conference proposal in play with an eye to hopes for CSCE Human Rights Conference in Paris, 1989 (bicentenary of French Revolution).
- To keep UK thinking on conventional reductions in line with their own and to resist any discussion of dual capable systems.
- To test UK position on Afghanistan.

C DEFENCE

- To underline political significance of evolution in French policy.
- To assert that French bilateral moves designed to strengthen, not weaken, Alliance and to tie in FRG. But rejoining NATO military structure ruled out.

FRENCH OBJECTIVES CONTD

D OTHER INTERNATIONAL ISSUES

- World Economy.
- To play down the need for Paris Club debt relief;
- To ensure that agricultural reform is not placed on fast track in GATT.
- Anti-Terrorist Cooperation. (Chirac) To profess France fully committed to policy of no concessions.
- Iran/Iraq/Gulf. To ensure arms embargo applies only to Iran.
- Arab/Israel. To probe UK views.
- South Pacific. (Chirac) To persuade us that current efforts will project a more positive image.
- South Africa. To probe UK views.

E BILATERAL

- Youth Exchanges. (Chirac)
- To announce the agreed measures.
- To secure UK agreement to EC proposed scheme, "Youth for Europe".
- To secure UK agreement to a Youth Discount Card.
- Channel Fixed Link. To press for investment in a high speed rail link from the Tunnel to London.
- Territorial Sea Act. To ensure unchanged access rights for fishermen.
- Carriers' Liability Act. To persuade UK to waive fines.
- DOM Rum (Chirac). To persuade that adoption of Spirit Drinks Regulation not within French gift and UK demand therefore unreasonable; thereby to obtain UK agreement to lift our reserve on the DOM Rum derogation immediately, in return for French assurances that they will do what they can to advance the Spirit Drinks Regulation.

ARGUMENTS FOR USE

A EUROPEAN COMMUNITY

[TO FOLLOW]

B EAST/WEST RELATIONS AND ARMS CONTROL

- Welcome outcome of Washington Summit. Closeness of UK and French views important factor in achieving INF Treaty on Western terms.
- Should keep working for progress on all fronts, not just arms control.
- Opportunities for further progress in 1988. Moscow Summit in late May/early June - may conclude START agreement. Good that Shultz and Shevardnadze meet roughly once a month.
- Gorbachev keen to press on with internal reforms but resistance deep rooted and results slow. Your impressions of Ligachev? His relationship with Gorbachev?
- Need to watch Eastern Europe. Gorbachev effect plus internal reform measures could lead to beneficial change, but also instability.
- Impressions of Honecker's visit to Paris?
- Doubt Western concessions at CSCE (eg on Moscow Conference) will improve human rights situation. Must continue to stress that without balanced progress there will be no "successful" outcome to Vienna: and without that, conventional stability talks would be jeopardised.
- Vital that INF agreement ratified. Hope you will voice support.
- Need also firmly to resist Soviet attempts to wedge-drive on SNF. Pleased to see robust line taken (by Mitterrand) against GDR proposal to forego modernising SNF.

● ARGUMENTS FOR USE CONTD

- Important that Alliance reaffirm need to modernise and restructure SNF, whilst not circumventing INF Treaty.
- Substantial Soviet CW capability a serious threat.
- Global CW ban an important opportunity to deal with this. But verification must safeguard Western security.
- In conventional stability negotiations of reductions must be heavily asymmetric, but must be prepared to countenance cuts, albeit minimal, on Alliance side.
- See advantage in proposal based on equal ceilings close to present Alliance levels. Notion of Alliance collectivity which this implies may cause political difficulties for you but impact of equal ceilings less if applied to a more narrowly defined zone. Gorbachev has agreed to include European Russia: offer we should not refuse.
- Should not be deflected from addressing conventional imbalance and pressing CW for elimination before considering SNF negotiations.

Afghanistan

- - Must keep up pressure on Russians to withdraw this year and back US and Pakistani efforts on disengagement and transition arrangements
- (Tactical Arguments: CW only). United Western approach to CW negotiations will outflank Soviet attempts to exploit US and French CW programmes.

ARGUMENTS FOR USE CONT

C DEFENCE

- I wrote to you (Mitterrand) earlier this month with (think you (Chirac) will have been briefed on my) views on European defence and the Anglo/French relationship. Would welcome initial reactions to:

- (i) closer involvement of French forces in support of NORTHAG;
- (ii) exercising reinforcements for British Forces Germany through France, using French Channel ports and French airfields; developing further our joint exercise programme;
- (iii) examining scope for further joint naval planning and exercises in Eastern Atlantic and Channel.
- (iv) NATO commanders taking greater account of France's force plans in defence planning.

D OTHER INTERNATIONAL ISSUES

World Economy

- Correction of trade imbalances and promotion of non-inflationary growth will be helped by cooperation between G7. Greater exchange rate stability will contribute to bolstering confidence.
- Joint UK/French political interest in helping Africa. Countries cannot repay debts in full. Lower interest rates needed most equitable way to share creditor burden;
- Recent weakening in IMF programmes in no one's interest: not solve debtors' economic problems, or improve repayment prospects.
- Extra finance under Fund's Extended Structural Adjustment Facility should be accompanied by extra and sustained adjustment. Need joint G5 action in IMF board;
- Recent concerns about world economy make progress against protectionism more urgent; Uruguay Round therefore increasingly important in successful outcome.

OUR ARGUMENTS CONTD

Anti-Terrorist Cooperation

- Eksund good example of cooperation, which remains essential.
- Important to make no concessions to terrorists or their sponsors.

Iran/Iraq/Gulf

- Still no substantive movement by Iran and Iraq.
- Important that Five have now working on arms embargo resolution.
- Not allow USSR to distract attention with proposals for UN force: suggest West take interrogative line to reveal propaganda intent.
- (Tactical Arguments). Existing UK arms sales guidelines very strict; so keen to see UN embargo as tight as possible. If Iraq continues to raid shipping, embargo might also apply to Iraq.

E BILATERAL

Youth Exchanges (Chirac)

- Number of exchanges (almost all non-official) is broadly sufficient but quality and content need improvement.
- We can announce:- (a) Colloquium on school exchanges (to identify ways to get more out of existing activity); (b) Joint study on vocational training exchanges (which hardly exist at present); (c) A doubling over the next two years of the volume of officially sponsored exchanges.
- To achieve (c) need to improve take-up - recently low on French side, partly because of organisational inadequacies (recognised in recent joint evaluation).

OUR RESPONSE TO THEIR ARGUMENTS

A EUROPEAN COMMUNITY

- Our views on EMS well known. Studying Balladur's latest ideas carefully;

[Further Responses To Follow]

B EAST/WEST RELATIONS AND ARMS CONTROL

- Agree West Europeans should be active on East/West front. But must be wary of Soviet wedge-driving.

- Our position on Moscow Conference well known. Possibility of CSCE Conference in Paris in 1989 consistent with Western Human Dimension proposal already on table in Vienna. Best to stick to this. Western solidarity will suffer if some partners push for more flexibility than is politically realistic.

- On conventional arms control, accept that any Western cuts must be minimal. But our own mandate talks of stability and security "at lower levels" of forces. Have stressed need for "overall balance": before any further nuclear reductions. Do not see how reductions can be considered except in context of total forces of the two Alliances.

- Agree that there should be no provision for dual capability in the mandate and that an explicit exclusion of nuclear weapons is essential. But avoid impression that discussion of dual capable systems is automatically excluded. Could encourage Warsaw Pact intransigence over inclusion of nuclear weapons. To our advantage to address some Warsaw Pact dual capable systems eg heavy artillery.

C DEFENCE

- Welcome indications of gradual transition in French thinking.

- Support French moves which would strengthen Alliance. Specific proposals put forward with this in mind.

OUR RESPONSE CONTD

D OTHER INTERNATIONAL ISSUES

World Economy

- IMF, World Bank and bilateral initiatives important but debt relief needed, particularly in countries with large arrears (Sudan, Zambia);
- Agricultural reform is a major element in GATT round and is the responsibility of all.

Iran/Iraq/Gulf

- Iraq also non compliant: prepared to see embargo against either side, or both.

Arab/Israel

- Occupied Territories unrest underlines need for progress. Useful responses by UN Security Council and Twelve.
- Continue to press case for international conference, including with US. US/Israeli elections no reason to give up. Scope for more preparatory work this year.

South Pacific

- Desirable to get good will of Australia and New Zealand West must work together to retain influence: counter Soviet efforts.

South Africa

- Agreed with Moi and Babangida to differ over sanctions but that all share aim to end apartheid. Both pragmatic in private.
- Working to promote negotiation within South Africa. Would consider a visit there if I thought it could help.
- US sanctions and disinvestment proving counter-productive. Influence lost and positive benefits of Sullivan code for employer practice largely disappeared.
- Internal forces will end apartheid: system unworkable in a modern economy. But will take time. Aid to black community and to neighbour countries important.

OUR RESPONSE CONTD

E BILATERAL

- Youth Exchanges.
- No UK decision yet on Youth for Europe. We want EC budget as a whole settled first.
- We (as Government) not considering a Youth Discount Card at the moment. Many discounts already available to young Britons.
- Channel Fixed Link. Await BR review of rail link (due June 1988).

Territorial Sea Act

- Access rights modified, as base lines (from which the territorial sea and fishery zones are measured) vary from time to time.
- European Court ruling would resolve the matter.

Carriers' Liability Act

- Will consider French arguments carefully: need to consider effect on air and sea carriers generally. Appreciate French willingness to introduce legislation.

DOM Rum

- Understand importance to you of securing derogation. But UK Spirits industry strongly opposed: see derogation as dangerous precedent for their important export trade.
- Only way we could justify removing our reserve on DOM derogation would be to link it to adoption of EC Spirit Drinks Regulation (strongly supported by UK Spirits industry). Have proposed that we should agree to DOM Rum derogation at same time of adoption of Spirits Drinks Regulation.
- Most major outstanding issues on Spirit Drinks Regulation could be resolved by more active French role: await clear indication of French commitment to reach early agreement.
- FRG have indicated to us readiness to work for Spirit Drinks Regulation agreement early in Presidency: positive French support would help remove remaining obstacles.

BACKGROUND CONTD

- General agreement that within an Atlantic-Urals regime there should be special focus on Soviet forces in Central Europe, particularly on tanks and artillery; that reductions must be heavily asymmetrical and involve only minimal reductions on the Western side. Most Allies also subscribe to the notion of parity expressed in the form of equal ceilings at or slightly below current NATO levels. Hitherto France has argued instead for a complex system of "ratios" between the forces of the 23 participants: this reflected political sensitivities in Paris over associating France with collective Alliance-to-Alliance ceilings. But recently the French have said they can accept equal ceilings, if limited to an inner "zone of concentration" in Central Europe and not to the Atlantic/Urals area as a whole. But still no agreement on how to define such a zone. French prefer one based on political criteria, involving WEU countries on Western side; or a zone that excludes France entirely. But WEU zone makes little military sense and a proposal that does not address entire Atlantic/Urals area would fail to achieve the desired asymmetries and deal with Soviet reserve forces in European Russia.

- French have displayed particular sensitivity over dual capable weapons (which they are determined to exclude from the forthcoming negotiations). They criticised our line with Russians that, while the conventional stability mandate should not make provision for dual capable systems, we were not automatically excluding discussion of them. French consider that such discussion would compromise the Alliance's position on the exclusion of nuclear weapons.

[They are
surely
right]

- CW. The Soviet Union has increased propaganda against US and French chemical weapons programmes. Genscher also recently spoke publicly against Western (ie US/French) opponents of CW ban. While French pay lip service to idea of ban, sympathetic to argument that unverifiable: therefore West must retain CW deterrent.

BACKGROUND CONTD

- Afghanistan. French are sound. Chirac appointed Deniau (former Minister) as government's Special Representative on Afghanistan. European Council Statement on Afghanistan orchestrated by UK and French.

C DEFENCE

- Mitterrand's letter of 6 October to the Prime Minister and the Prime Minister's reply of 12 January (attached at Annex F). Our Embassy have briefed Chirac's advisers on the proposals contained in the message, without mentioning the existence of the message itself.

D OTHER INTERNATIONAL ISSUES

World Economy

- G7 statement of 23 December made clear that cooperation on managing exchange rates continues, and efforts to reduce external imbalances will be intensified. Concerted intervention taking place. Policy changes in right direction, though greater US willingness to use interest rates to stabilise dollar would be helpful.
- Two elements of Chancellor's initiative (Retrospective Terms Adjustment and longer Paris Club rescheduling) being implemented. Other G5 still oppose Paris Club interest rate cuts.
- Examples of recent weak IMF programmes include Argentina, Cote d'Ivoire. We are concerned about possible weak programmes for Egypt, Nigeria, Brazil. UK has received little G5 support for strengthened conditionality. French tend to accept whatever IMF management proposes. Best to keep discussion of the problem with the French general and not country specific. They may well tell the countries concerned that UK was proposing taking a hard line against them. UK has pledged a substantial contribution to the enhanced Structural Adjustment Facility of the IMF sufficient to subsidise the interest rate on over \$1 billion of SAF lending. French are also contributing.

BACKGROUND CONTD

- Consensus emerging for Mid Term Review of Uruguay Round in winter 1988-89. US pressing for it to be held before the new Administration takes office: want a decision next month. EC position currently being worked out. While we do not want to direct attention away from the substantive negotiations by arguing over the precise contents of the MTR package we would want to include agriculture; the French may well try to exclude or water down relevant references.

Anti-terrorist cooperation

- French intercepted Eksund on 30 October 1987. French have given valuable information: but we hope for more as investigation continues.

Iran/Iraq/Gulf

- Work started in New York on elements for inclusion in arms embargo resolution. French keen to name Iran as non-compliant party, leaving way open to continue selling aircraft, missiles etc to Iraq.

Arab/Israel

- Upsurge in violence in West Bank and Gaza: at least 25 Palestinians killed in December 1987. UN Security Council passed two Resolutions: 605 (22 December) calling for restraint (US abstained); and 607 (5 January) urging Israel to refrain from deporting Palestinians (unanimous: even US supported). Demarches by Twelve in parallel to Resolutions.

- Mr Mellor visited Israel and Occupied Territories on 2-6 January. Pressed case for international conference, but with no response from Shamir, and criticised conditions in refugee camps in Gaza.

BACKGROUND CONTD

South Africa

- French line on South Africa similar to ours - Chirac more so than Mitterrand.
- Mitterrand refused to accept new South African Ambassador's credentials in June 1987 because of arrest in Ciskei of a French National (Albertini). Chirac negotiated Albertini's release in September: received Pik Botha in Paris on 8/9 October.
- French keen to expand influence beyond Francophone Africa. Chirac's Government looking to promote exports to South Africa, and taking higher profile in Southern Africa as a whole; believe that regional cooperation involving South Africa is desirable and possible.

South Pacific

- France seeking to improve image in the Pacific. Flosse (Minister for South Pacific) promised considerable French aid to some island states. But not clear that he has full backing of French administration for this (French aid to non-French territories in region in 1988 expected to be FF 35m: FF 27m in 1987; FF 10m in 1986 also, technical cooperation ranged between FF 10m and FF20m. France also offered FF 50m to Cook Islands as soft loan and similar amount to Fiji).
- Australian and French Ministers now talking again after 12 months hiatus following Australian moves to have New Caledonia reinscribed on UN list of non-self governing territories. New Zealand objected to unilateral removal of French Rainbow Warrior agent from Pacific exile for medical checks in Paris.

BACKGROUND CONTD

E BILATERAL

Youth Exchanges

- Prime Minister agreed with M Chirac last November on a study of ways to expand youth exchanges. Officials and experts from both sides have agreed to recommend the three items for announcement.
- A successful Anglo-German Colloquium was held last month on school exchanges and how to improve them. DES can fund an Anglo-French Colloquium and perhaps some subsequent research. Preparation could begin at once and Colloquium could be this summer. It would also cover exchanges of teachers, and French want to include art and music colleges.
- Department of Employment could fund a joint study by experts to elaborate a programme of vocational training exchanges (and hope to be able to fund the exchanges too). Britain and France have hardly explored this area so far. But French and Germans already active.
- So far as existing officially sponsored exchanges are concerned, French programme is our second largest - in 1986/87 £52,400 of grants for 1940 participants. But take-up on French side recently so poor that half our budget allocation for France has been redistributed to other countries. The main reason seems to be organisational inadequacies on French side, which were usefully defined in recent joint evaluation.
- EC youth exchange programme Youth for Europe still not settled. We cannot therefore assess the implications for our bilateral programmes. France is ready to accept a YFE programme of up to 30m ecu over three years.

BACKGROUND CONTD

- French launched Youth Discount Card in 1985. About 300,000 young French people now have one. Portugal, Belgium, Netherlands, Spain and Scotland have cards and reciprocal arrangements. French authorities would like to extend card to all UK youth as it should facilitate youth exchanges (eg cheaper rail fares). They will invite a UK Minister (probably from the DES) to a meeting on 10 March to brief foreign neighbours. At present the card is not a priority for HMG. The Young Scot Discount Card is administered by the Scottish Community Education Council, a voluntary organisation.

- In general, most exchanges between Britain and France are unofficial. At least half a million young people travel in each direction every year. We do not know how many visits are on an exchange basis. The Central Bureau for Educational Visits and Exchanges, funded by DES, has helped to set up about 2,000 school links, but probably only about a third of all visits by schools involve such links. An increase in this proportion should lead to more real contacts, linguistic opportunities and other curricula activities. Many other exchanges take place - sporting, twinning, young farmers etc - but are self-financing, and there is no good reason for government involvement in them.

Channel Fixed Link

- Chirac raised French interest in improvements to Tunnel-London rail link with the Prime Minister in Berlin in September. Officials since explained situation to French, underlining BR study in progress and environmental and Parliamentary difficulties about a completely new track.

BACKGROUND CONTD

Territorial Sea Act

- Certain Member States have fishing rights in UK 6-12 mile belt laid down in Act of Accession and subsequently prolonged and redefined in basic Common Fisheries Policy Regulation.
- Territorial Sea Act 1987 came into force 1 October 1987. Certain low tide elevations outside 3 but within 12 miles now constitute basepoints from which territorial sea and 6 to 12 mile belt are measured. The effect is that belt moved outwards in these areas (eg off Goodwins) and that access for fishing was changed.
- We have no doubt extension of territorial sea and consequent new baselines in accordance with international law and Community legislation. French (supported by Commission and certain other Member States) argue that areas of fishing access were fixed in time and place, and cannot be changed unilaterally.
- UK replied on 8 January to Commission's Article 169 letter challenging our decision. Now await reasoned opinion. Meanwhile have agreed to exercise restraint, eg over policing of disputed area.

Carriers' Liability Act

- French have requested waiving of fines imposed since March 1987 until legislation introduced in France empowering French sea carriers to carry out necessary controls. Joint meeting of officials on 25 January.

DOM Rum

- French have repeatedly pressed us to support their request for formal derogation allowing them to continue to charge lower excise rate on rum from French overseas departments than on rum from other sources. Article 95 of Treaty of Rome provides that member states' indirect taxation shall not discriminate against products of other member states; any recognition of derogation requires unanimity. UK has been main opponent. French wish agreement on derogation before their presidential elections.

BACKGROUND CONTD

- We have suggested to the French a deal: UK support for their derogation (which must be both time limited and degressive conditional on simultaneous adoption of EC Spirit Drinks Regulation which would set standards and minimum strengths for spirit drinks and thus help to reduce unfair competition. Regulation under discussion for five years (limited progress): UK Spirit Drinks industry would consider early adoption reasonable quid pro quo for DOM Rum derogation.

- French now attempting to persuade us to support early derogation in advance of agreement on Spirit Drinks Regulation. In return, they are offering to specify, through exchange of letters, those issues on which they would be prepared to lift their existing reserves and support UK positions on Spirits Drinks Regulation. (Other member states have outstanding problems over Regulation, but unlike French have indicated willingness to compromise to secure agreement.)

- Despite bilateral contacts on possibility of a deal since March 1987, seen no real evidence of more positive French attitude in Spirit Drinks Working Group. We require considerably more positive approach from French before being prepared to reconsider our approach.

EC FUTURE FINANCING

- Before the December European Council the French tried to construct a joint position with the Germans on agricultural issues in the hope that this would either dictate the terms of agreement at Copenhagen or effectively isolate the UK. That tactic did not work and the French may be more cautious as a result but the following factors will still weigh heavily with the French:

- Although their substantive interests as an efficient cereals producer are different from those of the Germans, neither Chirac nor Mitterrand will wish to do anything which will be unpopular with French farmers before the elections.

- Each will be determined not to lose points to the other, which means that neither is likely to take a bold step to clinch an agreement.

- It is, on the whole, safer for the French to be lined up with the Germans on the side of the status quo than with the UK on the side of radical change. We cannot therefore expect the French to exert useful pressure on the Germans on agriculture except perhaps in two areas:

- (i) the level of the maximum guaranteed quantity for cereals where they are likely to be more willing to compromise in our direction than the Germans; and
- (ii) set aside for which they have no enthusiasm but which they, like us, see as an essential component of an agreement acceptable to Germany. Like us, the French will wish to keep down the proportion of EC finance to around 25%, whereas the Germans would like an EC contribution as high as 50%.

The French share our concern to constrain the growth of the structural fund expenditure within $1\frac{1}{2}$ times the maximum rate. It will be important to try to make common cause with them (and the Germans) in advance of the Brussels meeting.

EC FUTURE FINANCING CONTD

The French have not so far made a major issue of the UK abatement. They would probably live with its adaptation to the revised system of own resources on the basis discussed at Copenhagen, ie continuation of the present mechanism with any UK gain from the fourth resource offset from the abatement, leaving the overall UK position as it would have been under the Fontainebleau mechanism. They would, however, like the Germans, attempt to make the abatement issue more prominent if they found themselves under pressure on agriculture and wanted to divert the heat to us.

At the Summit we shall wish to narrow the gap as far as possible on agricultural issues on the following lines:

- stabilisers: the French argue that their proposals involving higher MGQs and restricting price cuts on cereals and oilseeds to the level of yield increase would be almost as effective in reducing costs as those of the Commission; and that they represent an effort to coax the Germans away from their outright opposition to stabilisers. We shall want to convince them of the need to hold the cereals MGQ at 155 m tonnes, as proposed by the Commission, and to settle for oilseeds MGQs no higher than in the Presidency's Copenhagen text. We shall also want to persuade the French that price cuts limited to yield increases will not control expenditure, particularly on oilseeds, and thus will not be consistent with binding and effective budgetary discipline.

- Set-Aside: The French have indicated that they want to limit the cost of, and FEOGA contribution to, any set-aside scheme. We are therefore likely to adopt similar attitudes towards the Commission proposal. But we shall wish to question the French idea of using set-aside land to grow a green crop used for pasture ("green fallow") since this would encourage increased beef and sheep production.

EC FUTURE FINANCING CONTD

- Agricultural Guideline: the French argued at Copenhagen that non-adoption of the Oils and Fats Tax implied the need for a guideline of 28.3 becu and a growth rate of 100% GNP, with stocks inside the guideline. Our view is that a guideline of 27 becu excluding the cost of disposal of old stocks, and growing at 60% of GNP (as proposed by the Danish Presidency) would be sufficient to cover 1988 costs and to allow for adequate future growth.
- The French are still mourning the demise of the oils and fats tax. Their line seems to be that it is (a) indispensable but (b) effectively blocked. There should be no need for a discussion.
- Exceptional Circumstances/Monetary Reserve: We shall wish to continue to emphasise to the French our general opposition to any form of exceptional circumstances, whilst acknowledging that a tightly-defined monetary reserve, limited to dollar/ecu movements and above a franchise might be an acceptable way to compensate for the effects of exchange rate variations on agricultural expenditure.
- Structural Funds: at the Copenhagen Council, the French argued for a 40% increase in structural fund commitments in real terms. This would be compatible with our objective of keeping expenditure with 1½ times the maximum rate. We shall wish to establish a firm Anglo-French-German position on containing the growth of expenditure within one and a half times the maximum rate (effectively 40-50%).
- UK Abatement: at Copenhagen, the French accepted the principle of the abatement, provided that it took account of the fourth resource. They also argued that it should diminish with time and should be discontinued from 1992. We shall wish to make sure they understand the UK position, ie continuation of Fontainebleau, and that we are not seeking to make any profit from the benefits of the fourth resource.

MITTERRAND, FRANCOIS

President.

Born 1916. Son of a railway official. Trained as a lawyer in Paris. Distinguished war service including escape from a prisoner of war camp and Resistance work (mission to London in 1943). Represented Nièvre in North Central France from the end of the war until election as President. Was one of the few French politicians to oppose De Gaulle's return to power in 1958 which he considered imposed by the armed forces. From 1958-81 he was de facto leader of the opposition 1965 and 1974: ran unsuccessfully for President in 1965 and 1974. From 1971-81 was First Secretary of the renovated Socialist Party (PS) which, under his leadership has become the dominant force on the left of French politics. A skilful party tactician Mitterrand did much to hold the warring factions of the PS together during the long period of opposition and of difficult relations with the Communist Party (PCF).

Mitterrand is not a doctrinaire socialist but rather a humanist with egalitarian instincts and a sense of public responsibility. By nature aloof with few personal friends. Keeps his own counsel. He is keen on books, painting and writing. His air of self-possession and unflappability is part cultivated and part natural. As President, adopted an outward air of confidence and serenity during difficult periods and low popularity ratings. Cohabitation has not shaken this image.

His wife had a good resistance record and has a strong interest in Human Rights causes (this influence can sometimes be detected in her husband's actions). Of his two sons, one was elected a PS Deputy in 1981.

CHIRAC, JACQUES

Prime Minister, President of the RPR, Mayor of Paris.

Born 1932. Education included a summer course at Harvard. Fought in Algeria. ENA. Member of M Pompidou's Cabinet in 1962. Entered politics in 1967. Several Ministerial posts before being appointed Giscard's first Prime Minister (1974). Resigned in August 1976. President of the new Gaullist movement (RPR) 1976. Mayor of Paris since 1977. Member of the European Parliament 1979-80. 1986 appointed Prime Minister for second time.

Chirac rose meteorically, bent on making it to the top. He is a tireless schemer, his calculation that Chaban-Delmas would be a bad candidate in the 1974 presidential elections and encouragement of defections from the Gaullist camp put Giscard in his debt and helped to make him the obvious choice for Prime Minister. In foreign affairs his role was restricted and his performance uneven. It was in economic affairs that he committed his worst mistake: his response to the first oil shock was to reflate the economy by greatly increasing the budget deficit. Inflation accelerated and the balance of payments deteriorated.

After his resignation in 1976, Chirac quickly relaunched himself in national politics. In an attempt to revitalise and rejuvenate the UDR, he changed its name to the RPR and was elected President in 1976. He stood against Giscard in 1981, receiving 17.99% of first round vote.

Chirac is a man of action rather than reflection nicknamed the bulldozer; but there is no doubt that his combination of authority, drive and nationalism appeals to a wide range of conservative opinion.

Despite their temperamental and political differences, Chirac and Mitterrand have made cohabitation work.

He is married to an attractive and socially assiduous wife, niece of de Courcel. Two daughters. He speaks reasonably good English.

RAIMOND, JEAN-BERNARD

Minister for Foreign Affairs.

Born 1926 ENA. Formerly a career diplomat. Adviser to Pompidou as Prime Minister (1968-9) and as President (1969-73). Ambassador to Rabat (1973-7), Warsaw 1982-5, Moscow 1985 until his appointment as Minister in March 1986.

He is an East-West specialist, well-versed in the intricacies of French Government. Raimond was almost certainly a compromise candidate, Chirac's first choice having been vetoed by Mitterrand who wanted someone less politically committed and less independent. Raimond's appointment reflected a desire by both Mitterrand and Chirac to have a Minister who would efficiently execute rather than initiate policy.

He has succeeded in maintaining a reasonably coherent and credible foreign policy in spite of the difficulties of cohabitation. Despite difficulties in putting himself across publicly as an actor in his own right he has grown in confidence and has conducted business effectively. He has generally taken care to consult and inform the UK of major decisions and to take our interests into account eg over South Africa.

Married with 2 daughters. Speaks fair English.

GIRAUD, ANDRE

Minister for Defence

Born 1925. Qualified as engineer and a very successful early career in the French Petroleum Institute (Deputy Director General by 33).

Joined the government in 1964 as Director of Fuel Division, Ministry of Industry. 1966-70, Directeur de Cabinet to Minister of Education. 1970-78 Administrator-General of the Atomic Energy Commission. Minister for Industry 1978-81.

Generally considered to be a success as Minister of Defence, he has established himself in control in spite of the tug of war between President and Prime Minister. He has said that it is not his job to protect French jobs in the Defence industries and is in favour of European specialisation of production rather than France making everything itself. At Chirac's request he has embarked on a major defence review.

Married with 3 children. Speaks excellent English.

GUILLAUME, FRANCOIS

Minister of Agriculture since March 1986.

Born 1932. A substantial farmer in Lorraine. He has been prominent on the farmer' representational scene since 1968. But a surprise appointment.

Guillaume is tough and has long defended French farmers' interests energetically and aggressively. He generally sticks to a rigid French view of what the CAP is about and has no particular liking for Britain. Nevertheless he responded eagerly to an invitation to go to Britain as a Category I visitor in April 1981. As Minister he has proved unexpectedly loyal to overall government policy. While naturally anxious to be as generous to farmers as possible he has bravely resisted calls for large-scale budgetary assistance, disavowing his own previous stance as head of the Farmers Union (1979-86) when necessary eg over aid for drought-stricken areas in summer 1986. As a result there is increasing dissatisfaction with his performance from his former troops in the agricultural lobby.

Married, 4 children.

PANDRAUD, ROBERT

Minister Delegate responsible to the Minister of the Interior for Security.

Born 1928. ENA 1951. Entered Ministry of the Interior 1953. Subsequently served in various prefectures. Appointed Directeur-Général de la Sécurité Publique in 1970 and Directeur du Personnel et du Matériel de la Police in 1973. Assistant Chef de Cabinet to Chirac in Ministry of the Interior March-May 1974. Directeur-Général de la Police Nationale 1975-78. Establishment Officer, Ministry of the Interior 1978-81. At the Hôtel de Ville since 1981, first as Establishment Officer, later Deputy Secretary-General and as Directeur du Cabinet to Chirac since 1983, still maintaining close links with the Police. Elected MP March 1986, resigning his seat to become a Minister. Concentrates on Police questions. Forms an effective team with Interior Minister Pasqua.

Reputed down to earth, competent and straightforward. Apparently well disposed towards the UK.

Married. Three children.

BOSSON, BERNARD

Minister of State for European Affairs.

Born 1948. Trained as a lawyer. Following a family tradition was prominent in local politics (Haute-Savoie): Mayor of Annecy since 1983.

Member of the CDS (Social Democrats: Centrists) with Barriste sympathies. Elected CDS MP in 1986 but resigned his seat to join Chirac's government as Minister for Local Authorities. Promoted after performing well to become junior Minister for Europe in August 1986.

Very friendly towards Britain largely because of contacts forged through Annecy's twinning link with Cheltenham.

Married with one daughter.

NOIR, MICHEL

Minister of State for Foreign Trade.

Born 1944. Studied law and politics. Several years in industry. Elected RPR deputy for his home town of Lyon in 1978: firm political base there.

A prominent critic of nationalisation programme after 1981 and an outspoken advocate of denationalisation in 1984. As Minister for Foreign Trade he has shown considerable continuity with the policies of his predecessors eg over GATT and multi-fibre arrangement.

Visited UK as a sponsored visitor in 1985 and speaks good English.

Married with 6 children. A keen sportsman.

FRENCH INTERNAL SCENE

Political

"Cohabitation" between a Right-wing Prime Minister and a Socialist President has been made to work for nearly two years, but the jockeying for position in the run-up to the 1988 Presidential is becoming more intense and the atmosphere more confrontational.

The first round of the elections is likely on 24 April; the second two weeks later. The major difficulty for the Right remains the competition between Chirac and former Prime Minister Barre (although the appeal - approx 10% - of the extreme right Front National is a complicating factor). The supporters of the one eliminated in the first round must be persuaded to move solidly behind the other if the Right's candidate is to beat his Socialist opponent. Opinion polls currently suggest that Barre would get more votes than Chirac in the first round but still be defeated by Mitterrand in the second. But Chirac has a reputation as a formidable campaigner, and much remains to play for.

The key issue for the Left is whether Mitterrand will stand. He seems increasingly likely to do so but is not expected to announce his decision until the eleventh hour: he will probably be heavily influenced by the degree of certainty of victory. At present he is high in the polls, but ratings might slip when he exchanges the role of President for Socialist party candidate. If Mitterrand does not stand, the most likely Socialist candidate is Rocard.

These political uncertainties are matched by wider uncertainties about France's future. Frenchmen have been questioning their tradition of close State involvement in the economy and industry, Gaullist isolationism over defence, the ability of France to maintain the status of a world power into the next century. One of the results has been a greater emphasis by political parties of Left and Right on the need for closer European cooperation.

Economy

The French government remains committed to a macro-economic policy that features cutting government expenditure, reducing the budget deficit, diminishing the tax burden on businesses and households, and encouraging wealth creation. Policy aimed at consolidating inflation gains (cautious fiscal policy high real interest rates and EMS) and boosting output wherever possible (privatisation; deregulation). Despite the stock market slump the economy has emerged from 1987 in better shape than looked likely at mid-year, although performing below potential (about 2.75% growth) - less well than UK. OECD forecasts French growth fall to 1.5% 1988; 1.25% 1989. Links to German economy via EMS partly responsible. Good for inflation (down from 5.7% 1985 to 3.1% 1987) but bad for competitiveness and output. Overall deterioration in foreign trade.

The French privatisation programme, launched in autumn 1986 marked time after October 87 but is now resuming with sale of Matra stock. Roughly one third of the 65 companies on the government's list (total value FF200 bn approx) have been privatised.

Unemployment has fallen in recent months to 2.5 million (10.4%). However this is due at least in part to special measures (youth training, community programmes) and the figures are expected to worsen after the Presidential elections.

FRANCE: BASIC STATISTICS

		<u>France</u>	<u>UK</u>
Population (millions)	1986	55.4	56.8
Labour Forces (millions)	1985	23.9	27.6
Unemployed (% OECD standardised rate)	1985	10.2	11.3
	1986	10.5	11.5
	Q3 1987	10.5	10.2
Gross Domestic Product (\$ bn)	1986	711.1	547.1
GDP per head (dollars)	1986	12835	9632
Annual Rate of Growth of GDP (%)	1985	1.1	3.7
	1986	2.0	2.7
Annual Rate of Growth of Industrial Production (%)	1985	1.6	4.7
	1986	2.0	2.0
Inflation (%)	1985	5.8	6.1
	1986	2.7	3.4
	12 months to 10/87	3.2	4.5
Annual Increase in Manufacturing Unit Labour Costs (%)	1985	2.9	3.9
	1986	2.3	4.1
Balance of Payments on Current Account (\$ bn)	1985	0.9	4.9
	1986	3.4	-0.2
	Q1 1987	0.03	0.3
Trade Balance (\$ bn)	1985	-4.5	-2.4
	1986	-2.3	-12.1
	Q1 1987	-2.7	-2.5
Defence Spending (% of GDP)	1985	3.5	5.0
Total Armed Forces (thousands)	1986	546.9	318.7
Trade			
UK Exports to France (£ m)	1985	7771.4	
	1986	6210.2	
	1st 10 months 1987	6298.1	
UK Imports from France (£ m)	1985	6635.8	
	1986	7348.6	
	1st 10 months 1987	6897.6	

Economic Advisers
8 January 1988

LETTER FROM PRESIDENT MITTERRAND TO THE PRIME MINISTER,
6 OCTOBER

As we agreed, I am writing to you to continue our dialogue on the current state and future prospects of Franco/German cooperation and Franco/British cooperation on Defence and Security.

With Chancellor Schmidt and later Chancellor Kohl I have been seeking consistently for six years now, to give body to and take forward the Franco/German rapprochement which began 25 years ago. The Elysee Treaty signed on 22 January 1963 by General De Gaulle and Chancellor Adenauer laid down indeed that on Defence "the competent authorities of the two countries will make efforts to bring their doctrines together so as to reach common assessments".

But this undertaking remained unimplemented, until Chancellor Kohl and I decided on 22 October 1982 to revive this forgotten section of the Treaty by establishing the regular consultations between Ministers, military staffs and officials which flow from it.

Three points have always been clear for Chancellor Kohl and myself, and I believe for our Alliance partners, whom we have kept regularly informed. First, this rapprochement takes place within the framework of our Alliance. It permits developments which are useful for our two countries and for all our Allies. Finally neither France or the FRG is required to modify in any way its own position on nuclear weapons or on belonging to the Alliance's integrated structure.

Franco/German rapprochement has made progress in recent years. In 1983 I decided to create the Rapid Action Force which is intended, among other functions, to act alongside German forces. Common training of officers has been encouraged. At the Franco/German Summit of 28 February 1986 Chancellor Kohl and I looked forward to the organisation of large scale Franco/German manoeuvres, which indeed have just taken place in Bavaria. At that Summit I said that I was ready, if time permitted, to consult the Chancellor of the FRG about eventual use of French pre-strategic weapons on German

territory, although I made clear that the decision on this question cannot be shared.

More recently in May 1987 Chancellor Kohl proposed that France and the FRG should organise a joint military unit. I endorse this idea which is currently being studied and should come to fruition in the near future.

In the light of these developments, Chancellor Kohl and I feel the need to crown the edifice, and we plan to coordinate still better our meetings on these questions to inform each other, to take decisions and to spur us on. We are continuing to reflect on the role and content of a Franco/German Defence Council. This too would be intended to move in the same direction of a greater Franco/German complementarity, or interoperability to use a military term. In my view this cannot inconvenience or weaken the Alliance; on the contrary.

It is because I place Franco/British Military cooperation in a similar perspective that I should like to see it intensified, particularly in the nuclear field, since France and Great Britain are the only Western European powers to possess these weapons. We have discussed this question several times, in particular during our meeting in London after the Reykjavik Summit. I said at Chatham House on 15 June 1987 that I welcomed this Franco/British nuclear coordination.

I therefore found promising and useful the conversations between Mr Younger and M Giraud which have followed the first contacts on this subject which M Hernu and M Quiles had with their opposite numbers. The most worthwhile aims in my view would be coordinating the patrols of our ballistic nuclear submarines; dividing their task of surveillance of patrol zones; exchanging information on our strike plans in such a way as to coordinate them; producing together a nuclear air to ground missile; and various technological exchanges.

The attempts begun by our two countries to cooperate better together, respond to the need for Europe to safeguard better her own security and therefore to strengthen the common security of the Alliance.

In various ways Spain, Italian, Belgian and The Netherlands have in recent months shown interest in one or another form of European cooperation on defence. I underlined on Thursday 24 September in the FRG that our thinking was open to European partners who wished to join.

I wanted you to be kept up to date with these requests, and I was pleased to talk to you on the telephone last week.



10 DOWNING STREET
LONDON SW1A 2AA

THE PRIME MINISTER

12 January 1988

Dear Mr. President,

I wanted to think carefully before replying to your letter of 6 October dealing with our cooperation in defence matters.

We have to recognise that in some ways we approach things from a different viewpoint because France is not part of NATO's integrated military structure.

But there are many areas of common ground: firm commitment to the principle of nuclear deterrence, determination to maintain the independence of our national deterrent forces, the importance we both attach to a strong Western alliance. We are also in close agreement about the right priorities for the next steps in arms control.

Both our countries have a close defence relationship with the Federal Republic of Germany. Ours is illustrated by the fact that one third of the British Army and half of the Royal Air Force's active units are based forward to defend German territory, indeed that of France and other European members of NATO as well. France too maintains some troops in Germany although not on this scale. You have recently taken steps to develop closer Franco/German cooperation in this field.

NATO has developed very effective consultative and force planning procedures, which have a vital role in Europe's

defence. My concern is that separate defence arrangements between France and other European countries, either bilaterally or in small groups, may give the appearance of substituting for these or diminishing their importance. That would undermine NATO's cohesion which is not in the interests of any of us. I know that this is not your intention. But I very much hope that ways can be found of associating France more closely with these collective defence arrangements. The fact that the main European members of NATO were able to set out clearly in the WEU Platform the key points on which they agree was a useful step.

Against this background of efforts to strengthen collective defence, I believe that there is more that we can do together bilaterally. I welcome the discussions which Mr. Younger has had with M. Giraud about nuclear defence cooperation, as well as our growing practical cooperation in the equipment procurement field.

There are also other areas which we might encourage our people to discuss. For instance we could look at ways in which French forces could be more closely involved in the forward defence of the FRG, particularly whether they could make a contribution in the NORTHAG area. Because of the numerical advantages enjoyed by the Warsaw Pact, assuring an adequate forward defence of this region is vitally important. This is also an area where the forces permanently deployed in peacetime come from the European members of the Alliance. In times of crisis or war it would be of great value to have French forces actively committed to its defence.

There is also the area of reinforcement, where plans have existed for some years to allow British reinforcements destined for Germany in times of crisis or war to use certain French facilities, subject to the agreement of the French Government of the day. I should like to see us exercise these plans on a contingency basis by deploying

British forces through French Channel ports and by the use of French airfields by RAF aircraft. I believe that our military experts should also examine other ways in which our current joint exercises could be further developed.

I would also like to see consideration given to the scope for further joint naval planning and exercises in the Eastern Atlantic and Channel areas, where our two Navies have particular responsibilities.

More generally, I would hope that France might be able to consider ways in which the Alliance's major military commanders could take greater account of France's own force plans in their defence planning.

I believe that cooperation in all these ways would serve to supplement the important work already done on nuclear and other matters and would contribute to the strength of the NATO Alliance as a whole. They could have a particularly important influence at a time when the United States is likely to be looking ever more closely at how to tailor its overseas commitments to its resources.

These ideas are put forward in a positive spirit. I would be interested to hear your personal reaction to them at our forthcoming Anglo/French Summit.

Yours sincerely
Margaret Thatcher

His Excellency Monsieur François Mitterrand, G.C.B.

PLENARY HANDLING

The Prime Minister will chair the plenary. Ministers will report to Heads of State/Government as follows:

- Foreign Secretary/M Raimond
 - EC future financing
 - East/West and arms control
 - Gulf
 - Bilateral issues
- Defence Secretary/M Giraud
 - Bilateral defence cooperation
 - Defence equipment issues
 - Arms Control
- Home Secretary/M Pandraud
 - Terrorism
 - Immigration
- Minister for Agriculture, Fisheries and Food/M Guillaume
 - EC agricultural negotiations
 - Stabilisers, set aside, etc
- Mr Alan Clark/M Noir
 - Trade Issues

Mrs Chalker and M Bosson would also be at the table.

BACKGROUND

A EUROPEAN COMMUNITY

- Balladur has sent Chancellor (and other EC Finance Ministers) a memorandum on 'European Monetary Construction': covers familiar ground - asymmetry of the burden of adjustment in ERM, need for others including UK to join the ERM narrow band, greater cohesion in policies towards third countries and reforms aimed at completing capital liberalisation. Some progress in most of these areas made at Nyborg (September 1987). Now suggested that idea of European Central Bank be studied. Study likely to show the practical and political difficulties of the idea and may be an effective way to bury it.

-[Further EC background to follow].


B EAST/WEST RELATIONS AND ARMS CONTROL

- Soviet number two Ligachev paid unofficial visit to France for December French Communist Party Congress. He called on Mitterrand and Chirac. Chirac visited Moscow in May 1987. Atmosphere cool: Soviet criticism of French positions on deterrence and human rights. French (except Mitterrand) remain reserved about the INF agreement and suspicious about Gorbachev's motives and the reality of changes in Soviet policy. GDR President Honecker visited Paris 7-9 January: mood "frank" rather than warm.

- CSCE: Eastern intransigence causing stalemate in Vienna on human rights/contacts. But good progress on military security - main Soviet goal. French have put forward 'human dimension' package in Twelve (leaked to Russians) which envisages Paris human rights conference in 1989 and subsequent Human Contacts conference in Moscow. We have resisted this and encouraged partners/allies to push human dimension proposal originally tabled by West.

- Conventional stability mandate talks resume in Vienna at end of January. Having initially insisted that tactical nuclear weapons be included, the Warsaw Pact now seem to have relented (in face of united Alliance opposition), provided their concerns over dual capability are met. There is some prospect of agreeing a mandate by Easter and negotiations proper beginning towards end of year.

A The National Archives

DEPARTMENT/SERIES <i>PREM 19</i> PIECE/ITEM <i>2691</i> (one piece/item number)	Date and sign
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Enter the department and series,
eg. HO 405, J 82.

Enter the piece and item references, .
eg. 28, 1079, 84/1, 107/3

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This should be an indication of what the extract is,

eg. Folio 28, Indictment 840079, E107, Letter dated 22/11/1995.

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SRWBFD
c/c

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

19 January 1988

Dear Lynn.

ANGLO-FRENCH SUMMIT

Thank you for your letter of 19 January about the arrangements for the Anglo-French Summit. I am getting confused about the Guard of Honour. It seems to be like the Cheshire cat's smile: it gets smaller all the time. From a full guard of honour at Lancaster House and a carpet guard at Kensington Palace it went down to a full guard of honour at Kensington Palace, and now down to a carpet guard at Kensington Palace only. Shall we end up with one NCO and a right marker?

The other arrangements for Ministerial and official participation are admirable. I agree that there should be one official for each Minister at the plenary, with two for President Mitterrand, M. Chirac and the Prime Minister. In the Prime Minister's case it will be me and Bernard Ingham. I would be most grateful if David Dain could take the record.

I am copying this letter to Alex Allan (HM Treasury), Shirley Stagg (Ministry of Agriculture, Fisheries and Food), Brian Hawtin (Ministry of Defence), Philip Mawer (Home Office), Stephen Ratcliffe, Peter Smith and Marjorie Davies (Department of Trade and Industry), Roy Griffin (Department of Transport) and Peter Wardle (Department of Education and Science).

Yours sincerely,

(C. D. POWELL)

Lyn Parker, Esq.,
Foreign and Commonwealth Office.

RESTRICTED

JKW

cc/c



Foreign and Commonwealth Office

London SW1A 2AH

19 January 1988

Dear Charles,

Anglo/French Summit: 29 January

Thank you for your letter of 14 January ^{not flap} about the Anglo/French Summit on 29 January.

We are arranging for President Mitterrand to be accompanied around the Age of Chivalry Exhibition by the President of the Royal Academy of Arts, Mr Roger De Grey, and the Academy's secretary, Mr Piers Rodgers, who is a French speaker. The French are content with these arrangements. Unfortunately the Prince of Wales will be in Australia.

We have subsequently spoken about greeting arrangements and it has been agreed that a ceremonial guard (red carpet lining party) will be arranged at Kensington Palace. These arrangements have also been agreed by the French.

I attach as an annex a list of Ministerial participation for the Summit as of today's date. We await confirmation from the French of M. Valade's inclusion and clarification of a proposal they made on 15 January to include their Minister for the Sea, M. Guellec.*

When Summit plenary meetings have been held in Number 10, the size of the Cabinet Room has kept plenary participants to an absolute minimum. This problem will not exist at Lancaster House. The French told us on 15 January that their firm preference would be for Mitterrand and Chirac to be supported in the plenary by two officials and for other Ministers to be accompanied by one. We recommend that the Prime Minister agree to this arrangement and that it be matched by similar numbers on the British side with the Head of our Western European Department as usual acting as note-taker (this would mirror arrangements for Summits in Paris). We envisage Ministers only being seated at the table, with supporting officials and the two Ambassadors behind.

I am copying this letter to Alex Allan (HM Treasury), Shirley Stagg (MAFF), Brian Hawtin (MOD), Philip Mawer (Home Office), Stephen Ratcliffe, Peter Smith and Marjorie Davies (DTI), Roy Griffin (DTP) and Peter Wardle (DES).

* I have just heard that the French have dropped their Guellec proposal
C D Powell Esq
10 Downing Street

Yours ever,
L Parker
(L Parker)
Private Secretary



ANGLO/FRENCH SUMMIT: MINISTERIAL PARTICIPATION

Prime Minister

President Mitterrand

M Chirac

Foreign Secretary

M Raimond

Home Secretary

M Pasqua (or M Pandraud)

Defence Secretary

M Giraud

Minister

M Guillaume

for Agriculture, Fisheries and Food

Mrs Chalker, FCO

M Bosson

Mr Alan Clark, DTI

M Noir

Mr Jackson, DES

M Valade

[M Guellec]



FRANSES: Vis. to P.M. Howard
P. 6

To No. 10.

CONFIDENTIAL

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CONFIDENTIAL
FM PARIS
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OF 141825Z JANUARY 88

YOUR TELEGRAMS 30 AND 31: MESSAGE TO PRESIDENT MITTERRAND.

1. THE MESSAGE ITSELF HAS BEEN DELIVERED TO THE ELYSEE. I SHALL BE SEEING THE SECRETARY-GENERAL OF THE QUAI FOR A TETE-A-TETE LUNCH ON MONDAY 18 JANUARY, AND WILL BRIEF HIM FULLY THEN ABOUT THE PRIME MINISTER'S THINKING. MEANWHILE MINISTER HAS GIVEN A FULL ACCOUNT TO BUJON (MATIGNON) AND TO D'AMECOURT (GIRAUD'S CABINET). BUJON'S IMMEDIATE REACTION WAS POSITIVE. HE NOTED IN PARTICULAR THAT THE PRIME MINISTER ENDORSED THE YOUNGER/GIRAUD TALKS ON NUCLEAR MATTERS, AND HE ALSO WELCOMED THE PRACTICAL SUGGESTIONS ON MATTERS SUCH AS JOINT EXERCISES. HE SAID THE TIME FOR DISCUSSION OF OLD POINTS OF THEOLOGY HAD LONG SINCE PASSED. CHIRAC BELIEVED THAT PRACTICAL MEASURES WERE WHAT COUNTED AND THAT BOTH BILATERAL AND MULTILATERAL ROUTES TO REINFORCING THE EUROPEAN PILLAR WITHIN THE ALLIANCE WERE NEEDED. THIS INDICATION OF MRS THATCHER'S THINKING HAD BEEN VERY TIMELY.

2. BUJON (WHO JUST BEFORE WESTON'S CALL HAD SEEN DAVIDSON OF THE FINANCIAL TIMES) SAID THAT, SPEAKING PERSONALLY, HE THOUGHT COORDINATION OF FRANCO-BRITISH REPRESENTATIONS AND LOBBYING WITH THE US CONGRESS ON DEFENCE/SECURITY MATTERS WAS ANOTHER AREA WHERE FRANCE AND BRITAIN MIGHT WANT TO CONSIDER WORKING TOGETHER. THE FRENCH WERE IMPRESSED BY US CONGRESSIONAL FIGURES OF SENATOR BIDEN'S STAMP (BYRD AND NUNN WERE OTHERS). IT MIGHT WELL BE THAT THE US CONGRESS WOULD BE A MORE RECEPTIVE POINT OF REFERENCE OVER EUROPEAN DEFENCE/SECURITY CONCERNS IN THE NEXT FEW YEARS THAN THE FUTURE ADMINISTRATION ITSELF (HE DID NOT SEEM MUCH IMPRESSED BY THE PROSPECT OF BUSH OR DOLE). IF SO, KEY CONGRESSIONAL FIGURES WOULD BE WORTH SPECIAL ATTENTION, AND GIVEN IN PARTICULAR THE NEED TO MAINTAIN ORTHODOXY IN WASHINGTON ON THE ROLE OF NUCLEAR DETERRENCE IN NATO STRATEGY, NO ALLIES WERE BETTER PLACED TO ACT THAN WE TWO.

3. D'AMECOURT DID NOT HAVE TIME TO COMMENT (HE WAS ABOUT TO LEAVE FOR AFRICA WITH GIRAUD).

FERGUSON

CONFIDENTIAL



SPUBFA

alc

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

14 January 1988

Dear Lyn.

ANGLO-FRENCH SUMMIT: 29 JANUARY

B/F // Thank you for your letter of 13 January dealing with a number of administrative points about the Anglo-French summit on 29 January. The Prime Minister is content with the proposed programme, on the understanding that a satisfactory way of occupying President Mitterrand during her talk with M. Chirac can be found. I understand the intention is to suggest that he should visit the Age of Chivalry Exhibition. The Prime Minister thinks this would be perfectly appropriate but wonders whether we could not arrange for the Prince of Wales to accompany the President round it. I should be grateful if you could look into this.

As regards the meeting arrangements, the Prime Minister will go to Kensington Palace to meet President Mitterrand on arrival and see him off on departure. She thinks the best arrangement would be a "carpet guard" at Kensington Palace with a fuller guard of honour mounted outside Lancaster House. Again, I should be grateful if you would pursue this. The Prime Minister is content with the proposals for participation in the summit, including that of Mr. Jackson and his French opposite number, and for attendance at the lunch.

I am copying this letter to Alex Allan (HM Treasury), Shirley Stagg (Ministry of Agriculture, Fisheries and Food), Brian Hawtin (Ministry of Defence), Philip Mawer (Home Office), Stephen Ratcliffe, Peter Smith and Marjorie Davies (Department of Trade and Industry), Roy Griffin (Department of Transport) and Peter Wardle (Department of Education and Science).


(C. D. POWELL)

Lyn Parker, Esq.,
Foreign and Commonwealth Office.

CONFIDENTIAL

CPK



HOME OFFICE
QUEEN ANNE'S GATE
LONDON SW1H 9AT

14 January 1988

Dear Lyn,

*000
1571*

ANGLO-FRENCH SUMMIT: 29 JANUARY 1988

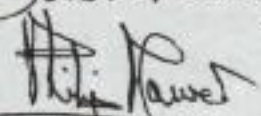
We have been collecting our thoughts on the agenda of issues which the Home Secretary might discuss with Monsieur Pasqua during their bilateral session as part of this Summit. Our conclusions are as follows:

- (i) Terrorism should certainly feature and, following recent discussions in Trevi, we might focus on our respective perceptions of the terrorist threat to the EC countries whether from States or groups and how that work might develop. The discussion would also provide an opportunity for an exchange of views on how we each see future developments in multilateral bodies such as Trevi and Summit Seven. We should also look at the scope for closer bilateral co-operation.
- (ii) Immigration matters should also certainly feature. In particular we would want to discuss the prospects for visa harmonisation, and the country of first asylum issue.
- (iii) If time allows, it might also be useful to discuss the question of drug trafficking and measures to combat it.

There are a number of issues which the French may wish to raise and on which defensive briefing will be necessary, including the Channel Tunnel and the Carriers' Liability Act. I suppose that crime in general and efforts to control it may also come up, although this might better feature in the discussions which the Home Secretary hopes to have with the French Minister of Justice, as a result of his invitation to Monsieur Chalandon to visit London in the early part of this year.

I should be grateful if, through our Embassy in Paris, you could sound the French about any items they may plan to raise with us, with a view to producing an agreed agenda for the occasion. The Home Secretary is of course greatly looking forward to seeing Monsieur Pasqua again.

I am copying this letter to Charles Powell (No 10).

Yours sincerely,

 P J C MAWER

Lyn Parker, Esq.,

PRIME MINISTER

ANGLO-FRENCH SUMMIT: 29 JANUARY

The attached papers require some decisions about the Anglo-French Summit, to be held at Lancaster House on 29 January.

The main ones are:

(i) Programme. This would start with separate meetings between you and President Mitterrand and you and M. Chirac (who would arrive slightly later than the President). While you saw Chirac, Mitterrand would visit the Age of Chivalry Exhibition at the Royal Academy. (The Queen is at Sandringham and cannot receive him.) There would then be a plenary, a lunch and a press conference terminating at 1515.

Private notes?

(ii) Meeting Arrangements. President Mitterrand would helicopter to Kensington Palace, where you would meet him. There would be a 'carpet guard' with a fuller Guard of Honour to be mounted outside Lancaster House. Lord Dundee would be present at Kensington Palace to welcome the President on behalf of The Queen. The same procedure would apply in reverse on departure.

(iii) Participation.

The proposal is:

- Foreign Ministers
- Defence Ministers
- Interior Ministers
- Agriculture Ministers
- Trade Ministers

In addition Robert Jackson wants to see his opposite number to explain our position or CERN.

(iv) Lunch

Lunch would be attended by the Ministers, Ambassadors and three senior officials on each side.

Content with these arrangements?

C.D.?

Yes

Charles Powell

13 January 1988

cc pc.



Foreign and Commonwealth Office

London SW1A 2AH

13 January 1988

Dear Charles,

Anglo-French Summit: 29 January 1988 *at Paris*

Thank you for your letter of 11 December.

Programme

[attached]

President Mitterrand has now accepted the outline programme set out in my letter of 11 December. (He and M. Chirac do sometimes meet Chancellor Kohl together at Franco-German summits, but these are more elaborate than our own summits and the French have not suggested a joint meeting with the Prime Minister this time.)

Arrangements for greeting and bidding farewell

President Mitterrand has also agreed to travel between Northolt and Central London by Queen's Flight helicopter. We therefore envisage the Prime Minister greeting him at Kensington Palace. A ceremonial guard (red carpet lining party) would be found by First Battalion Irish Guards. As The Queen will be at Sandringham she will be unable to receive the President during the course of this visit. The Lord Chamberlain's Office have therefore recommended that Lord Dundee, Lord-in-Waiting, should also greet President Mitterrand at Kensington Palace on behalf of The Queen as a courtesy. I should be grateful if you would confirm that the Prime Minister would be content with these arrangements.

Participation

The French have now confirmed that Mitterrand and Chirac will be accompanied by the French Ministers of Foreign Affairs (Raimond), Defence (Giraud), Interior (Pasqua), Agriculture (Guillaume) and the Minister of State for EC Affairs (Bosson). They have also proposed that the Minister of State for Foreign Trade (Noir) should participate in the Summit: they envisage discussions with Mr Alan Clark. We recommend that we accept this proposal. The DTI agree.

We have heard from the DES that Mr Jackson needs urgently to explain to CERN (European Nuclear Research Facility) members that the UK wants to remain a full member of CERN but can only do so if CERN costs are significantly

/reduced.



reduced. The only date on which he could meet the French Minister of Research (Valade) appears 29 January. After fuller discussion with the DES we may therefore propose that these two Ministers also be included in the Summit delegations.

Prime Minister's Lunch

On the basis of participation as above we recommend that the guest list for the lunch which the Prime Minister would host should be:

Prime Minister	President Mitterrand
Foreign Secretary	M. Chirac
Home Secretary	M. Raimond
Defence Secretary	M. Pasqua
Secretary of State for Agriculture	M. Giraud
Mrs Chalker	M. Guillaume
Mr Alan Clark	M. Bosson
[Mr Robert Jackson	M. Noir
Sir Ewen Fergusson,	M. Valade]
HM Ambassador, Paris	HE The French Ambassador
	[3 Paris-based French officials]
Yourself	
Mr Bernard Ingham	
Sir John Fretwell	

A French recce party will visit London on 15 January. This should give us a clearer idea of French intentions and requirements.

I am copying this letter to Alex Allan (HM Treasury), Shirley Stagg (Ministry of Agriculture, Fisheries and Food), Brian Hawtin (Ministry of Defence), Philip Mawer (Home Office), Stephen Ratcliffe, Peter Smith and Marjorie Davies (DTI), Roy Griffin (Department of Transport) and Peter Wardle (DES).

Yours ever

(L Parker)
Private Secretary

C D Powell Esq
10 Downing Street

FRANCE: Visits of P
M. Howard AG



CHARLES ✓

~~✓~~
✓
✓
on

of || I have pencilled in a time for briefing for the Anglo-French Summit for 1600 on Wednesday 27 January.

Is one hour long enough?

1882

MRS. TESSA GAISMAN

6 January 1988



10 DOWNING STREET

Mr. Tava

Colin Budd rang - re

wondered if you would like
to consider slotting in a
briefing meeting for the
Anglo/French summit (29-1-88).

I told Kim Charles would probably
do so nearer the time but re
asked me to mention it to you.

Guyver.

4-1-88.



ccpc

DEPARTMENT OF TRANSPORT
2 MARSHAM STREET LONDON SW1P 3EB

01-212 3434

Lyn Parker Esq
Private Secretary to the
Secretary of State for Foreign
and Commonwealth Affairs
Foreign and Commonwealth Office
Downing Street
LONDON
SW1A 2AL

CDP
16/xii

15 DEC 1987

Dear Lyn

ANGLO-FRENCH SUMMIT: 29 JANUARY

Thank you for sending me a copy of your letter of *✓* 11 December about the Anglo-French Summit. *Acc*

You say that you have no steer about French thinking on the possible involvement of Transport Ministers to discuss the Channel Tunnel. Our view is clear: there are no tunnel or other bilateral transport issues which could conceivably justify a meeting between my Secretary of State and M. Douffiagues on 29 January.

The French would simply use such a meeting to reiterate their well-known grumbles about BR investment and on-train controls, but there is nothing new that we can say to them at this stage. For these reasons I hope that you will squash any French suggestion of a Transport Ministers' meeting as soon as it is made.

I am copying this letter to Charles Powell.

*Your ever
loy*

R J GRIFFINS
Private Secretary

15.21



FRANCE: Vieux & Mitland 176



file M
CCPC

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

11 December 1987

Dear Lyn,

ANGLO-FRENCH SUMMIT: 29 JANUARY 1988

Thank you for your letter of 11 December about the arrangements for the Anglo-French Summit.

Programme

This seems on the right lines. But we shall have to take French views on the arrangements for meetings with President Mitterrand and M. Chirac into account. Do we know what the practice is at the Franco-German Summits? I think I am right in saying that there are occasions when Chancellor Kohl sees them together.

Arrangements for Greeting and Bidding Farewell

I am confident that the Prime Minister will again agree to meet President Mitterrand at Northolt if necessary. But is this not a case where we could bring President Mitterrand into central London by helicopter, with a formal welcoming ceremony at Kensington Palace or elsewhere?

Participation

I am sure that the Prime Minister will agree with the proposals in your letter.

I am copying this letter to Alex Allan (H. M. Treasury), Shirley Stagg (Ministry of Agriculture, Fisheries and Food), John Howe (Ministry of Defence) and Philip Mawer (Home Office).

Yours sincerely,

 C. D. POWELL

Lyn Parker, Esq.,
Foreign and Commonwealth Office

CCP



Foreign and Commonwealth Office

London SW1A 2AH

11 December 1987

Dear Charles,

Anglo-French Summit: 29 January 1988

Thank you for your letter of 16 November. Lancaster House has been booked for the Anglo-French Summit on 29 January. We plan that all the events should take place there, ie all Ministerial bilaterals, the Plenary, the lunches and the press conference.

We should now be grateful for guidance on the programme and participation. We assume that M Chirac will take part in the Summit, although no decision has yet been taken in Paris. Since EC business will be top of the agenda, a discussion with him would certainly be useful. We shall need to broach the cohabitation aspects with the French soon.

Programme

We recommend the following pattern:

0930 French delegation arrives at RAF Northolt (except M Chirac who might arrive later).

1000-1100 Meeting between the Prime Minister and President Mitterrand.

[Other Ministerial bilateral meetings begin]

1100-1200 Meeting between the Prime Minister and M Chirac.

[Separate event for President Mitterrand]

1200-1245 Plenary Session.

1300-1430 Lunch (a working lunch attended by all participating Ministers and a few key officials).

1440-1515 Joint press conference.

/The



The Queen received President Mitterrand in the margins of the 1985 Summit. An audience will not however be possible this time as The Queen will be at Sandringham on 29 January. We shall consider with the French what arrangements might be made to fill the morning slot in the President's programme. Possibilities include a call on the Leader of the Opposition or a visit to a cultural event such as the "Age of Chivalry" exhibition at the Royal Academy.

We expect President Mitterrand and his Ministers to return to Paris that evening.

Arrangements for Greeting and Bidding Farewell

At the last three Anglo-French Summits in London (1981, 1983 and 1985) the Prime Minister met President Mitterrand at the airport. It would doubtless be welcomed by the President if the Prime Minister were able to do so again (although we might have to look out for sensitivity from M Chirac). We would also envisage the provision of an RAF Ceremonial Red Carpet Guard at Northolt on arrival. We propose that, as in previous years, a Cabinet Minister should bid the President farewell. Sir Geoffrey Howe hopes that he will be able to do this personally.

Participation

The Foreign Secretary recommends that the participants should include Foreign Ministers, the Chancellor of the Exchequer/Finance Minister, Ministers of Agriculture and Defence and the Home Secretary/Interior Minister. We doubt whether a meeting between Ministers of Trade and Industry will be necessary as Lord Young had comprehensive discussions with the French Ministers for Finance and Industry in Paris on 4 December and Mr Kenneth Clarke will be having talks with the French Industry Minister in London just three days before the Summit. We do not yet have any steer on French thinking on participation but they may seek the inclusion also of Ministers of Transport (for discussion of Channel Fixed Link issues)

Interpretation

We have provisionally booked Mrs Fairweather.

/I am

CONFIDENTIAL



I am copying this letter to the Private Secretaries of Ministers who may be involved and to PS/Sir Robert Armstrong.

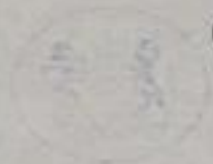
Yours ever,
L Parker

(L Parker)
Private Secretary

C D Powell Esq
10 Downing Street

CONFIDENTIAL

FRANCE: visit of Mustards, pt 6.



COPIED TO
GERMANY VISITS OF
CHANCELLOR KATH 170



File Pmm
cc Sue
Goodchild

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

16 November 1987

BILATERAL SUMMITS WITH
THE FRENCH AND GERMANS

We had a word about the bilateral summits with the French and Germans early next year, and where they should be held. The Prime Minister would have no objection to Lancaster House. I assume that the whole shooting match would take place there, including the lunch and press conference.

C. D. Powell

Lyn Parker, Esq.,
Foreign and Commonwealth Office.

JK

①

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GERMANY VISITS of
CHANCELLOR KALT
17/10

PRIME MINISTER

BILATERALS WITH THE FRENCH AND GERMANS

As you will have noticed, we have managed to stretch the intervals between these full-scale bilateral summits to very nearly one year. But there comes a point when we can postpone them no longer, and we are currently planning to hold them on consecutive Fridays at the very end of January/early February in London.

The Foreign Office have suggested that it might be administratively a good deal easier to hold them in Lancaster House. This would enable all the bilaterals between individual Ministers to be conducted in different corners of the same building, before all the Ministers come together for the plenary and the lunch. It might also help to get the meetings over more quickly, which I am sure you would endorse!

May we plan on the basis of using Lancaster House on this occasion please?

y
yes not

C.D.P.

CHARLES POWELL

13 November 1987

RESTRICTED



10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

30 September 1987

PMMAHP

cc P.C.

Copied to

*GERMANY: VISITS
by Chancellor*

Kohl:

PE 10

ANGLO-FRENCH AND ANGLO-GERMAN SUMMITS

Thank you for your letter of 28 September about dates for the Anglo-French and Anglo-German summits. We could offer Friday 22 January or Monday 25 January for the Anglo-French summit; and Monday 22 February for the Anglo-German summit. I should be grateful if you could propose these dates.

C. D. Powell

Lyn Parker, Esq.,
Foreign and Commonwealth Office.

RESTRICTED

ca



Foreign and Commonwealth Office

London SW1A 2AH

28 September 1987

CPC

(Copied to GERMANY;
visits of Chancellor
Kohl: PE 10.)

Dear Charles,

Anglo-French and Anglo-German Summits

Following their postponement this autumn, the next formal summits with France and Germany are due to take place at the beginning of 1988. Since both are to be held in London, it is for us to propose dates, and since diaries fill up rapidly, the sooner we can do this, the better.

Fri 22 Jan

Mon. 25 Jan

As you know, the French Presidential elections are expected to take place in May. It will be important to hold the summit in good time before the official campaigning gets under way. This suggests an early date, ideally before the end of January, which would still be 14 months after the last full summit.

Mon 22 Feb

No similar factors affect the timing of the next Anglo-German summit: the only Land election scheduled for 1988 (Baden Wuerttemberg) will take place in March. But the last full summit took place in September 1986 and the Germans will attach importance to an early date in 1988. (There is already some disappointment in Bonn that the pattern of two Anglo-German summits a year has slipped to annual meetings, even if supplemented by a number of bilaterals between the Prime Minister and Chancellor Kohl. Inevitably, the Germans compare this unfavourably with the regular six monthly Franco-German summits with frequent meetings in between).

Whether EC subjects appear high on the agenda of both summits will depend on the outcome of Copenhagen. But it would in any case be useful to meet the Germans early on in their Presidency in order to influence their handling of Community business.

I should be grateful if you would let me know which dates are available, so that we can instruct Paris and Bonn to put them to the French and Germans. For the sake of completeness, I should add that an Anglo-Italian summit will also need to be fitted into the first few months of 1988. But, since this will take place in Italy, it is for the Italians to propose dates.

Yours ever,

Lyn Parker
(L Parker)

Private Secretary

C D Powell Esq
10 Downing Street

CONFIDENTIAL

cc GERMANY ^{7/83}
Kohl
bc: PC

File



10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

19 March 1987

SUMMITS WITH FRANCE AND GERMANY IN 1987

Thank you for your letter about bilateral Summits with France and Germany later this year.

As your letter recognises, any suggestions have to be tentative this year. But subject to that warning, we have identified Friday 25 September as a possible date for the Germans and Monday 23 November for the French. You may like to try these.

(Charles Powell)

Lyn Parker, Esq.,
Foreign and Commonwealth Office.

CONFIDENTIAL

SLW

28/11/47

? 9th Nov.

? 23rd Nov.

cc
GERMANY
Kohl



Charles Home
permitted in these
two dates - was
the only one
available.

10 DOWNING STREET

Fessa

Tolson
18/3

You might like

to look at this.

It all depends, of

course, on when
a decision is held.

But can we

identify tentative
dates in November

which we could

pin it in. Ideally Mondays

or
as Kridges.

or

D10

CC GERMANY
Kohl

CONFIDENTIAL

cc PG



Foreign and Commonwealth Office

London SW1A 2AH

13 March 1987

Dear Charles,

Summits with France and Germany in 1987

Since it is for the Prime Minister as host to take the initiative in proposing dates for the next Anglo-French and Anglo-German Summits, we see advantage in giving some thought to possible dates in case Mitterrand or Kohl raise the question during the Prime Minister's meetings with them on 23 March.

Leaving other considerations aside, the natural time for the next Anglo-German Summit would be September, one year after the last summit in Bonn. The Anglo-French Summit could be held after the Party Conference in late October, before the new session of Parliament in November. It might be preferable to avoid dates too close to the State Visit by President Cossiga of Italy (17-20 November). There is no need to consider the timing of the next summit with Italy at this stage.

If you can identify dates which would suit the Prime Minister, we could put them to the French and Germans in advance of the Prime Minister's meetings on 23 March. There would then be no need for the matter to be mentioned at the meetings (in view of the question whether or not Chirac would attend the summit, discussion at this stage with Mitterrand might in any case be best avoided). Otherwise, if the subject is raised by Mitterrand or Kohl, the Prime Minister could say simply that we were considering dates and would be in touch through official channels.

Yours ever,
L. Parker(L. Parker)
Private SecretaryC D Powell Esq
No 10 Downing St

CONFIDENTIAL

SUBJECT CC MASTER
OPS



JAI BGD

file cc fco

10 DOWNING STREET

THE PRIME MINISTER

19 February 1987

PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. T21/87

Dear Mr President,

I am most grateful to you for writing as you did on 27 January about your speech to the Royal Institute of International Affairs at Chatham House on 13 January. I am sorry that our weekly Cabinet meeting prevented me from being with you on that occasion.

I found the speech stimulating to read and offering much food for thought. I should like to discuss some of the ideas in it when we next meet. For now I would say only that I appreciate the views you put forward about the contribution Britain and France can make together in building the Europe of the future; and I share your wish to see discussions between our two countries on defence questions intensified. It is indeed important for European and for wider Western security that the United Kingdom and France should work increasingly closely together within the Alliance.

Kind regards

Yours sincerely

Margaret Thatcher

His Excellency Francois Mitterrand GCB.

DTS



Foreign and Commonwealth Office

London SW1A 2AH

17 February 1987

Dear Charles,

President Mitterrand's Speech at Chatham House

Thank you for your letter of 5 February enclosing one from President Mitterrand of 27 January to the Prime Minister about the President's speech at Chatham House on 15 January. You asked for advice on whether the Prime Minister should reply.

Sir Geoffrey Howe has no doubt that she should. President Mitterrand writes that he would value a response from the Prime Minister particularly on his points about strengthening the dialogue between France and Britain in the military field as the only European nuclear powers. Our information from Mitterrand's close advisers is that in writing to the Prime Minister the President intended to convey a clear signal of readiness for dialogue, but that he well understood the limitations where cooperation on nuclear matters was concerned. He had in other words no intention of pressing on Britain a nuclear relationship that could prejudice our partnership with the United States. As you know, Mitterrand has himself made notable efforts to improve France's own links with the United States. The French moreover regard our fulfilment of the Trident programme as also in their national interests.

Our advice therefore is that the Prime Minister reply in a warm tone welcoming both the progress that has already been made and President Mitterrand's proposal of a more regular and systematic dialogue.

I enclose a draft.

Yours ever,

(L Parker)
Private Secretary

C D Powell Esq
PS/10 Downing Street

FROM:
PRIME MINISTER
DEPARTMENT:

TEL NO:

Reference

BUILDING:

ROOM NO:

Your Reference

SECURITY CLASSIFICATION

- Top Secret
- Secret
- Confidential
- Restricted
- Unclassified

TO:

Copies to:

PRESIDENT FRANCOIS MITTERRAND

JABSD B i m.

SUBJECT:

PRIVACY MARKING

..... In Confidence

CAVEAT

I am most grateful to you for writing as you did on 27 January about your speech to the Royal Institute of International Affairs at Chatham House on 13 January. *stimulating* I found the speech *inspiring* to read, *and* I am very sorry that our weekly Cabinet meeting prevented me *or any senior Ministers* from being with you on that occasion. I appreciate the views you put forward about the contribution Britain and France can make together in building the Europe of the future.

ad
I *very* much share your wish to see the *dialogue* between our two countries on defence questions strengthened and intensified. As the only two European nuclear powers, we share particular responsibilities in these areas. ~~It is essential that we maintain and improve the network of close contacts and regular exchanges which we have built up.~~ *on established* I too hope that we can make further progress. It is important for both Europe *and the Alliance* *a few wider Western countries* that the United Kingdom and France *work* increasingly closely together *within the Alliance* in the cause of Western security.

ad offering much food for thought. We might discuss some of the ideas we met - per the time being I would say only

Enclosures flag(s)

not

FRANK

VISITS OF MATTHEW

POB





V6

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

5 February 1987

I enclose a copy of a letter to the Prime Minister from President Mitterrand covering his recent speech to the Royal Institute of International Affairs. I should be grateful for advice on whether the Prime Minister should reply.

BF //

Charles Powell

Lyn Parker, Esq.,
Foreign and Commonwealth Office.

✓

010

AMBASSADE DE FRANCE
LONDRES

cyfo

L'AMBASSADEUR

4th February, 1987

Dear Prime Minister

I have just received through the diplomatic bag a letter addressed to you by Monsieur François Mitterrand, President of the French Republic.

I enclose it herewith with a translation of his speech delivered at Chatham House on Thursday 15th January.

Yours sincerely

Luc de Nanteuil

Luc de La Barre de Nanteuil

The Rt. Hon. Margaret Thatcher, M.P.
Prime Minister,
10, Downing Street,
London, S.W.1.

LE PRÉSIDENT DE LA RÉPUBLIQUE

Paris, le 27 janvier 1987

PRIME MINISTER'S

PERSONAL MESSAGE

SERIAL No. T.10B/v7

SUBJECT

CC MASTER

TOPS

Madame le Premier Ministre,

Le 15 janvier dernier j'ai pu exprimer mes vues sur "l'Europe du futur" à l'invitation de M. James Callaghan, à Chatham House, devant l'Institut Royal des Affaires Internationales. Je vous adresse sous ce pli une copie du discours que j'ai prononcé à cette occasion.

Pour parler de ce sujet qui m'est cher, j'ai été particulièrement heureux d'être l'hôte du Royaume Uni, qui a montré sous votre direction, durant la dernière présidence de la Communauté, son souci de faire progresser l'Europe.

J'ai rappelé à Chatham House la somme d'efforts qu'il avait fallu aux précurseurs de la Communauté, puis à ses gouvernants, pour que l'Europe des douze existe en dépit des crises traversées, et peut-être un peu grâce à elles. Nous pouvons être fiers du chemin déjà parcouru.

Mais je désirais surtout, en dehors d'une échéance précise telle qu'un Sommet européen, insister sur la volonté politique qu'il faudra à tous pour que les objectifs fixés se réalisent, et pour que nous puissions progresser demain sur d'autres terrains.

Sans cette volonté politique tendant à la construction d'une communauté véritable, ce qui existe ira se délitant, tandis que ce qui reste à faire ne verra jamais le jour.

J'ai aussi souhaité que nos deux pays, seuls détenteurs en Europe de l'arme nucléaire, renforcent leur dialogue dans le domaine militaire.

.../...

Madame Margaret THATCHER
Premier Ministre
de Grande Bretagne
à Londres

Je vous propose que nous rendions ce dialogue plus régulier et systématique, qu'il s'agisse de mieux coordonner nos politiques d'équipements militaires, ou de réfléchir ensemble à l'évolution de nos forces de dissuasion nucléaire.

J'attacherais du prix à connaître votre sentiment, notamment sur cette dernière question.

Je vous prie de croire, Madame le Premier Ministre, à l'assurance de ma très haute considération,

et de mes sentiments personnels

François MITTERRAND

François Mitterrand



010

CCP

AMBASSADE DE FRANCE
LONDRES

L'AMBASSADEUR

le 20 janvier 1987

CCP
11/2

Des Charles

At the President's request, I am glad to forward through you to the Prime Minister a copy of his 5137 - speech at Chatham House last Thursday.

Yani m-ly

Lu. 1.000

Luc de La Barre de Nanteuil

Charles Powell, Esq.,
Private Secretary to the
Prime Minister,
Prime Minister's Office,
10 Downing Street,
London SW1

CONFIDENTIAL

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FM PARIS

TO PRIORITY F C O

TELNO 40

OF 161719Z JANUARY 87

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INFO SAVING LUXEMBOURG, MADRID, ROME, THE HAGUE, UKDEL NATO

(COLLAR)

MIPT: MITTERRAND'S SPEECH AT CHATHAM HOUSE: COMMENT

1. THE LEFT-WING PRESS RAN PREVIEWS OF THIS SPEECH, AND IT HAS BEEN WIDELY REPORTED IN THE PRESS AND TELEVISION. MOST COMMENTATORS CONCENTRATE ON ITS DOMESTIC POLITICAL SIGNIFICANCE. AT A TIME WHEN CHIRAC HAS BEEN WEAKENED BY A SERIES OF SOCIAL CONFLICTS, MITTERRAND HAS REASSERTED HIS AUTHORITY AS THE VOICE OF FRANCE, AND IN A DOMAIN WHERE FOREIGN AND DOMESTIC POLICIES OVERLAP. WE HAVE BEEN HEARING SINCE APRIL FROM ELYSEE SOURCES THAT MITTERRAND WAS UNHAPPY WITH CHIRAC'S MINIMALIST APPROACH TO THE COMMUNITY AND WOULD SOONER OR LATER MAKE THIS PLAIN. CHIRAC ATTEMPTED TO SEIZE THE HIGH GROUND ON EUROPEAN DEFENCE AT THE WEU ON 2 DECEMBER, BARRE HAS RECENTLY MADE AN IMPORTANT SPEECH ON NATIONAL INDEPENDENCE WITH A STRONGLY EUROPEAN TINGE, AND GISCARD HAS BEEN DEVELOPING THE EUROPEAN THEME AT EVERY OPPORTUNITY (ESPECIALLY THE IDEA OF A PRESIDENCY OF EUROPE). MITTERRAND'S WIDE-RANGING PRESENTATION, WITH ITS EMPHASIS ON POLITICAL WILL, PUTS HIM AGAIN AT THE FOREFRONT OF THIS GAME. CHIRAC MAY SOON TRY TO RESPOND. LE FIGARO REPORTS THAT HE WILL SPEAK ON EUROPEAN ISSUES AT THE END OF THIS MONTH AT THE EUROPEAN PARLIAMENT.

2. ON THE SUBSTANCE, THERE IS LITTLE WHICH MITTERRAND HAS NOT SAID BEFORE OR WHICH DOES NOT AT LEAST DEVELOP EARLIER IDEAS. THIS IS REGRETTED BY TODAY'S LE MONDE, WHICH DOES HOWEVER WELCOME THE QUOTE PEDAGOGIC UNQUOTE VALUE OF THE SPEECH. ELYSEE OFFICIALS SAY THAT MITTERRAND WAS CONSCIOUS OF THE DILEMMA THAT HE NEEDED TO PRESENT AN AMBITIOUS VISION AND AT THE SAME TIME NOT TO BE SO DIVORCED FROM CURRENT REALITY AS TO SEEM DREAMY. THE SPEECH IS A MIXTURE OF GRAND DESIGNS AND BALANCING ACKNOWLEDGEMENTS OF THE DIFFICULTIES OR THE (MODEST) STEPS ALREADY TAKEN. MITTERRAND DID NOT PRESENT ANY VERY SPECIFIC PROPOSALS FOR NEW ACTION. THE QUOTE GREAT DEBATE UNQUOTE ON THE CAP IS A NEW PRESENTATION, BUT IT IS NOT DEFINED WITH ANY PRECISION, AND ITS RESULTS ARE PRE-JUDGED. THE PROPOSAL FOR DEFENCE

/AND

CONFIDENTIAL

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AND INDUSTRY MINISTERS TO LOOK FOR COMMON PROJECTS IS A VARIANT ON MITTERRAND'S PROPOSAL OF END 1985 FOR CO-OPERATION ON ASSESSING FUTURE NEEDS FOR MILITARY AIRCRAFT. THE CALL FOR CLOSER CONSULTATION ON DEFENCE ISSUES IS A GENERAL ENCOURAGEMENT TO DO MORE RATHER THAN A SPECIFIC NEW INITIATIVE. ELYSEE OFFICIALS TODAY DID NOT GIVE THE IMPRESSION THAT THEY WERE PLANNING SPECIFIC FOLLOW-UP. IN ANY CASE THEIR ABILITY TO DO SO WOULD BE SEVERELY LIMITED BY THE PRACTICE OF COHABITATION.

3. ACCORDING TO THE ELYSEE, THEIR FIRST DRAFTS OF THE SPEECH CONTAINED MORE EXTENSIVE MATERIAL ON DEFENCE ISSUES, BUT MITTERRAND DECIDED TO PUT THE MAIN ACCENT ON HIS VISION FOR THE COMMUNITY. NEVERTHELESS, HE RECALLED AT LENGTH, IN ANSWER TO QUESTIONS, FRANCE'S POSITION ON POSSIBLE PARTICIPATION IN NUCLEAR DISARMAMENT NEGOTIATIONS AND HER DETERMINATION TO RETAIN NUCLEAR WEAPONS. IN SPITE OF THE EMPHASIS ON CLOSER CO-OPERATION WITH GERMANY, THE UK AND OTHER ALLIES, THERE IS ONLY A PASSING REFERENCE TO WEU AND NONE AT ALL TO CHIRAC'S CHARTER.

4. MITTERRAND IS SAID TO HAVE THOROUGHLY ENJOYED THE RECEPTION HE WAS GIVEN BY CHATHAM HOUSE AND THE ATMOSPHERE OF THE QUESTION-TIME. NEWS REPORTS SPEAK OF THE QUOTE PRESTIGE UNQUOTE OF CHATHAM HOUSE, WHOSE STANDING IN FRANCE HAS CLEARLY BENEFITTED.

FRETWELL

YYYY
FCO PASS SAVING

PCLNAN 7074

REPEATED AS REQUESTED

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WED

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TO PRIORITY FCO

TELNO 39

OF 161738Z JANUARY 87

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MITTERRAND'S SPEECH AT CHATHAM HOUSE: 15 JANUARY.

SUMMARY

1. IN A MAJOR SPEECH AT CHATHAM HOUSE, MITTERRAND AIMED TO PRESENT HIS VISION OF FUTURE DIRECTIONS FOR EUROPEAN CO-OPERATION WITHOUT LOSING TOUCH WITH CURRENT REALITIES. DOMESTICALLY, THE SPEECH IS SEEN AS REAFFIRMING MITTERRAND'S ABILITY TO SPEAK FOR FRANCE AND HIS EUROPEAN CREDENTIALS. SUMMARY BELOW. COMMENT IN MIFT.

DETAIL

2. MITTERRAND'S CENTRAL THEME WAS THE NEED FOR POLITICAL WILL IN ORDER TO REVERSE THE DECLINE OF EUROPE AND PROMOTE GREATER INTEGRATION BOTH IN NEW AREAS AND IN AREAS WHERE COMMON POLICIES WERE ALREADY BEING DEVELOPED. HIS MESSAGE TO HIS COMPATRIOTS WAS: QUOTE FRANCE IS OUR COUNTRY AND EUROPE OUR FUTURE UNQUOTE.

3. AFTER OUTLINING THE DEVELOPMENT OF THE COMMUNITY SO FAR, HE TURNED TO THE CRISES WHICH IT CURRENTLY FACED, THE CRISES OF GROWTH AFTER SUCCESSIVE ENLARGEMENTS:-

- ON THE CAP, HE CALLED FOR A GREAT DEBATE INVOLVING NOT ONLY THE GOVERNMENTS OF THE 12 BUT ALSO THE AGRICULTURAL ORGANISATIONS. THEY SHOULD TACKLE THE QUESTION OF WHETHER EUROPEAN AGRICULTURE SHOULD BE PURELY INDUSTRIAL OR WHETHER IT SHOULD CONTINUE IN ITS TRADITIONAL FORM. ONE COULD NOT IGNORE TECHNOLOGICAL PROGRESS, BUT HE HIMSELF THOUGHT IT WOULD BE A BIG MISTAKE TO ELIMINATE THE FARMERS AND PEASANTS AND QUOTE A CERTAIN FORM OF RURAL CIVILISATION UNQUOTE.

- THE INCREASES DEMANDED IN THE BUDGET SEEMED LARGE IN RELATION TO ITS PRESENT SIZE, BUT WERE TINY IN RELATION TO COMMUNITY GDP.

- IF THE EMS FAILED, EUROPE COULD NOT DEVELOP. COUNTRIES HAD TO DECIDE WHETHER TO REINFORCE IT OR NOT. THE ABSENCE OF THE POUND CONSTITUTED AN IMPORTANT QUESTION MARK.

- RESEARCH DID NOT RECEIVE AN ADEQUATE SHARE OF THE COMMUNITY BUDGET. TO COMPETE WITH THE US AND JAPAN, EUROPE NEEDED TO DEVOTE NEW RESOURCES TO AMBITIOUS PROGRAMMES.

- TO CREATE THE INTERNAL MARKET, POLITICAL WILL WAS REQUIRED. IN THE NEXT FIVE YEARS IT WOULD BE NECESSARY TO HARMONISE ECONOMIC, SOCIAL, CULTURAL, TRAINING AND MONETARY POLICIES. IF ANY ONE OF THESE ELEMENTS WAS MISSING THE INTERNAL MARKET WOULD FAIL.

4. THIS LED MITTERRAND ON TO NEW AREAS FOR THE FUTURE:-

- SOCIAL. HARMONISING CONDITIONS OF WORK AND EMPLOYMENT.
- ECONOMIC GROWTH, IN ORDER TO OVERCOME UNEMPLOYMENT. WE WOULD NEED GREAT PUBLIC WORKS PROJECTS OF WHICH THE CHANNEL TUNNEL WAS AN EXAMPLE. THE WHOLE OF EUROPE SHOULD BE LINKED BY MOTORWAYS AND HIGHSPEED TRAINS.
- COMMUNICATIONS. THIS MEANT NOT ONLY TRANSPORT BUT TELECOMMUNICATIONS AND THE AUDIO-VISUAL SECTOR. THIS LAST WAS VITAL FOR THE CULTURAL IDENTITY OF EUROPE.
- SCIENCE AND TECHNOLOGY, INCLUDING SPACE EXPLORATION.
- HEALTH. CO-OPERATION HAD ALREADY BEGUN ON CANCER AND AIDS BUT COULD GO MUCH FURTHER. WHY NOT DECIDE AT THE BRUSSELS SUMMIT ON JOINT ACTION AGAINST AIDS SIMILAR TO THAT AGAINST CANCER? EUROPE SHOULD BE A CENTRE OF MEDICAL RESEARCH AND INNOVATION.
- EDUCATION. THERE SHOULD BE MORE EXCHANGES OF UNIVERSITY STUDENTS THROUGHOUT EUROPE, COMPARABLE WITH THOSE EXISTING BETWEEN FRANCE AND GERMANY. A SPECIAL EFFORT WAS NEEDED FOR LANGUAGE TEACHING, SINCE NO ONE LANGUAGE COULD CLAIM TO BE UNIVERSAL.
- SECURITY. CO-OPERATION BETWEEN POLICE FORCES SHOULD BE FURTHER DEVELOPED, WITHOUT INTERVENING IN OTHER COUNTRIES' JUDICIAL SYSTEMS.

5. ON DEFENCE, MITTERRAND DESCRIBED THE CO-OPERATION ACHIEVED BETWEEN FRANCE AND GERMANY ON THE BASIS OF THE ELYSEE TREATY. DISCUSSIONS TOOK PLACE WITH OTHER EUROPEAN COUNTRIES ALSO, INCLUDING BRITAIN. BUT MITTERRAND CALLED FOR MORE EXCHANGES, MORE MEETINGS AND FINALLY MORE AGREEMENTS. FRANCE AND BRITAIN POSSESSED NUCLEAR WEAPONS, WHEREAS GERMANY, FOR EXAMPLE, HAD IMPORTANT CONVENTIONAL FORCES. IF ONE CO-ORDINATED THE WHOLE OF THESE FORCES, ONE COULD ACHIEVE A PRECISE AND NOT MERELY VERBAL IDEA OF A SORT OF EUROPEAN DEFENCE, IN CONJUNCTION WITH WEU. WHILE RECOGNISING THE DIFFICULTIES AND NOT WISHING TO EXCLUDE CO-OPERATION WITH THE AMERICANS, MITTERRAND CALLED FOR CLOSER EUROPEAN CO-OPERATION ON ARMAMENTS PRODUCTION AND SUGGESTED MEETINGS BETWEEN MINISTERS OF DEFENCE AND OF INDUSTRY, EITHER SEPARATELY OR TOGETHER, IN ORDER TO LOOK AT THE POSSIBILITIES. THERE WAS SCOPE FOR VARIABLE GEOMETRY IN THESE INDUSTRIAL VENTURES.

6. ON NUCLEAR DISARMAMENT, MITTERRAND EXPLAINED IN TRADITIONAL TERMS WHY FRANCE WAS NOT PREPARED TO TAKE PART IN NEGOTIATIONS NOW, AND IN PARTICULAR WHY SHE HAD REJECTED THE SOVIET DEMAND FOR HER FORCES TO BE TAKEN INTO ACCOUNT IN THE INF NEGOTIATIONS. FRENCH FORCES WERE NOT INTERMEDIATE, AND TO ESTABLISH A CEILING FOR FRENCH, AMERICAN /AND

AND BRITISH FORCES WOULD BE TO FORCE FRANCE BACK INTO NATO INTEGRATION. THE FIRST PRIORITY WAS TO REDUCE THE EXCESSIVE ARSENALS OF THE TWO SUPER POWERS. MITTERRAND INSISTED, HOWEVER, THAT THE EUROPEANS MUST BE CONSULTED ABOUT THE US/SOVIET NEGOTIATIONS, AND NOT MERELY BY LETTERS FROM REAGAN WHICH ARRIVED AFTER THE PRESS AGENCY REPORTS. HE RECOGNISED, HOWEVER, THE AMERICAN CONTRIBUTION TO EUROPE, AND DESCRIBED THE ALLIANCE AND FRANCE'S DETERRENT AS THE TWO LEGS OF FRENCH SECURITY.

7. FINALLY HE SAID THAT HE WAS NOT OPPOSED TO THE PROPOSAL FOR A PRESIDENT OF EUROPE, ALTHOUGH THE IDEA NEEDED TO BE BETTER DEFINED. THE PRESENT SIX-MONTH ROTATION DID NOT GIVE EACH PRESIDENT ENOUGH TIME TO DO WHAT HE OR SHE WANTED. THE PRESIDENCY OF THE EUROPEAN COUNCIL SHOULD PERHAPS LAST ONE OR TWO YEARS OR EVEN LONGER.

8. COPIES OF FULL TEXT BY BAG TO ECD(1), DEFENCE DEPARTMENT AND UKREP BRUSSELS.

FRETWELL

YYYY
FCO PASS SAVING

PCLNAM 7075

EUROPEAN POLITICAL
WED

Discours prononcé par M. François Mitterrand,
Président de la République,
à l'invitation de l'ancien Premier Ministre travailliste, M. James
Callaghan, Président du "Royal Institute of International Affairs"

(Chatham House, jeudi 15 janvier 1987)

Monsieur le Président,

Mesdames et Messieurs,

Lorsque j'ai reçu cette invitation du Président Callaghan, j'ai pensé que c'était une excellente occasion pour moi de m'exprimer sur un sujet qui m'est cher, devant un public aussi informé que le vôtre. Je vous remercie donc de cette invitation et je m'efforcerai, dans le délai qui m'est imparti, de traiter un sujet si vaste qu'il y faudrait non seulement des heures mais des conférences et donc beaucoup de temps. Je serai donc contraint de m'en tenir à quelques idées essentielles et à un discours extrêmement cursif qui apparaîtra du même coup, peut-être, exagérément schématique. Mais c'est la loi du genre et je ne puis faire autrement si je veux laisser du temps à celles et à ceux d'entre vous qui souhaiteront me poser des questions.

Il y a quelques jours, en France, j'ai adressé pour le premier de l'An, c'est-à-dire le 31 décembre au soir, un message aux Français. Et dans ce message, j'ai notamment indiqué l'une des intentions majeures de mon action. J'ai dit : "La France est notre patrie et l'Europe notre avenir". Je le pense depuis longtemps. Venu avec mon ami Maurice Faure en avion tout-à-l'heure, nous évoquions les années passées. Et je rappelais, ce que je fais souvent parce que c'est pour moi une source d'orgueil, c'est-à-dire une marque de continuité, que j'étais l'un des survivants aujourd'hui parmi ceux qui avaient pris part au Congrès de la Haye, le premier congrès européen de l'histoire, en 1948, sous la présidence de Winston Churchill. Depuis cette époque, j'ai constamment accompagné le mouvement de ceux qui se sont déclarés artisans, pionniers, fondateurs de ce qu'on appelle d'un terme simple mais qui se comprend bien, l'Europe.

Nous allons bientôt célébrer le trentième anniversaire du Traité de Rome qui représente l'acte majeur de l'histoire de l'Europe jusqu'ici. Nous fêterons l'année prochaine, la mémoire de l'un des fondateurs, Jean Monnet, et nous avons célébré il y a peu la mémoire d'un autre homme d'Etat français associé un moment à cette construction qui était Robert Schuman.

Je n'ai pas suivi ces hommes illustres dans chacune de leurs conceptions mais j'ai suivi le mouvement général de leurs pensées et de leurs actions. C'est à ce titre que je m'exprime devant vous, ce matin, cherchant à définir d'une façon simple ce

qu'est l'Europe telle que je la conçois, pourquoi l'Europe et qu'est-ce que l'Europe aujourd'hui, toujours dans sa définition malheureusement restrictive de l'Europe de la Communauté Européenne.

L'essentiel de mon propos tournera autour de trois thèmes principaux. Le premier : qu'est-ce qui a été fait ? Où en est l'Europe de la Communauté ? Le deuxième thème : que reste-t-il à réaliser de ce qui a été décidé ? Malheureusement beaucoup de choses. Troisième thème : quels sont les projets, les idées, les thèmes nouveaux, quels sont les espaces nouveaux qui s'offrent à l'Europe si l'on veut qu'elle réussisse, c'est-à-dire si l'on veut éviter qu'elle achoppe, après trente, quarante années, ou un-demi siècle d'existence. Où en sera-t-elle au siècle prochain ?

Alors pourquoi l'Europe ?

A vrai dire, pendant des siècles, elle a existé sans le savoir. Et elle pouvait se dispenser de rechercher une définition parce qu'elle était omniprésente. Elle pouvait se permettre d'être divisée, d'être morcelée, partagée, de laisser de temps à autre les dominations de la puissance ou de l'ambition se développer ; elle n'en était pas moins l'Europe ; elle disposait d'une culture diverse, variée, multiple, complémentaire ; elle disposait d'une autorité considérable dans le monde. Elle est à l'origine non pas des civilisations, mais d'une grande et forte civilisation. Elle a surtout su réaliser la synthèse des civilisations antérieures.

Alors, pourquoi l'Europe, l'Europe de la Communauté ?

Cette Europe, que je viens de décrire trop rapidement, trop succinctement, donc trop imparfaitement, celle qui ne connaissait pas de passeports, celle qui permettait au voyageur - je pense à ceux du XVIIIème siècle - d'aller d'une Cour à l'autre, d'enseigner, de porter assez loin les philosophies qu'il concevait, à la littérature d'être également partagée, bref, à la circulation d'être aisée - du moins entre les couches aristocratiques ou de la grande bourgeoisie - mais enfin cette Europe elle se faisait d'elle-même sans trop qu'on y pense.

Et voilà que les deux guerres mondiales, successives et à peu de distance, ont montré - je ne dirai pas provoqué - le déclin de l'Europe ; elles ont en tout cas révélé la force de ce déclin. C'était une sorte de rage d'autodestruction, une guerre civile européenne accompagnée de la fin des empires coloniaux tandis que naissaient d'autres empires dont les plus importants sont bien connus : celui des Etats-Unis d'Amérique et celui de l'Union Soviétique. Naissance de deux empires qui exerçaient leur contrôle, leur tutelle et, pour employer un terme plus diplomatique, leur influence sur l'Europe.

L'Europe, coupée en deux, ayant véritablement perdu son influence politique, voyait se propulser sur la surface de la planète des formes d'expression, des centres de décisions qui, tous, se situent ou presque en dehors d'elle. En même temps se produisait alors une chute impressionnante de la démographie. En Extrême-Orient, mais aussi dans beaucoup d'autres régions du monde, se développait une montée en puissance du nombre des hommes.

Alors on a vu se déplacer les grands axes de l'histoire -

ceux que nous avons appris en naissant, qui nous étaient enseignés par nos livres d'école - les grands axes de la puissance de l'Europe, de la Manche ou du Rhin et puis, un peu plus tard, la Méditerranée. Quand je dis plus tard, c'est par rapport à l'histoire de l'Europe. Ensuite ce fut la grande ligne atlantique qui a laissé place, il faut le reconnaître, aux deux rivages du Pacifique. Ce déplacement est très significatif du déclin de l'Europe.

Bien, et j'en aurai fini avec ce premier préambule, l'idée qui s'est emparée de l'esprit de beaucoup d'Européens, qui consistait à ramener l'existence historique de l'Europe sur ses propres rivages, au cœur même de son continent, pouvait apparaître, et m'apparaître à moi, comme l'une des grandes ambitions des temps modernes. D'autant plus que chacun des pays qui la composent, cette Europe, souffrent aujourd'hui de la faiblesse de l'Europe. D'abord de sa propre faiblesse, d'un manque de dimension et de la carence collective. Le chacun pour soi, c'est l'assurance que l'Europe aura disparue pour longtemps - avec les pays qui la composent - des centres de puissance. Ce n'est pas que la puissance soit en soi un objectif idéal, mais enfin puisque nos sociétés sont des sociétés politiques, puisqu'elles sont porteuses de valeurs de toutes sortes, spirituelles, culturelles et matérielles, ou bien l'on renonce à exister en tant que collectivités sur le sol du monde, ou bien on y prétend et je suis de ceux qui, pardonnez moi de vous le dire, y prétendent.

J'ai dit pourquoi l'Europe ? Maintenant je dirai qu'est-ce que l'Europe, je veux dire qu'est-ce que l'Europe de la Communauté ?

Cela a été d'abord l'Europe à Six à partir des années 1950-1957. Cette Europe là s'est esquissée autour de la Communauté Economique du Charbon et de l'Acier et s'est affirmée tout-à-fait autour du Traité de Rome en 1957. Qu'est-ce qu'était au fond que cette Communauté ? C'était essentiellement un Marché Commun Agricole, une Union Douanière et des tarifs préférentiels, mais, en même temps, une sorte d'apprentissage de la vie en commun.

Les Communautés se sont étendues, se sont élargies, elles ont eu des ambitions sur les technologies ; elles en ont encore sur les transports, sur l'environnement ; elles ont développé leurs institutions. La géographie le montre : six, neuf, dix, douze aujourd'hui. En même temps que cette Europe s'étendait à ces douze pays, elle changeait de nature, c'est-à-dire qu'elle ne pouvait plus avoir exactement le même comportement que lorsqu'elle était ramassée sur elle-même. Elle présentait pour certains le danger, pour d'autres l'avantage de passer d'un stade de zone protégée à une sorte de zone où les inspirations d'un libre échange universel risquaient de détruire les structures initiales.

C'est aujourd'hui l'Europe à douze et il faut savoir se prémunir, à mesure que l'on grandit, contre les risques d'éclatement, contre les crises de croissance. Nous vivons à l'heure actuelle une crise de croissance.

Il y a eu beaucoup de crises. Il y a eu la crise de 1965 où l'Europe a changé de cours puisque l'on a admis, à Luxembourg en janvier 1966, que si l'un des pays qui constituait l'Europe évoquait telle ou telle raison de force majeure, on pouvait tout simplement

arrêter, enrayer le développement des projets européens. On a connu aussi une crise larvée dans les années 1980 : des contentieux s'accumulaient ; lorsque j'ai moi-même assuré au nom de mon pays la Présidence de la Communauté en 1984, j'avais compté dix-sept contentieux graves ; ils ont été, pour la plupart, réglés. Certains d'entre eux réapparaissent aujourd'hui.

Je terminerai ce deuxième point de mon préambule en vous disant que cette Europe là, après tout, cette Europe des Douze, c'est une Europe du hasard. Une Europe du hasard qui est née de la guerre, du hasard de la guerre, du hasard des rapports de force. Pourquoi l'Allemagne et pourquoi pas l'Autriche ? Pourquoi le Danemark et pourquoi pas la Suède ? Pourquoi la Grèce et pourquoi pas la Pologne ? L'Europe du hasard, là où les armées et les diplomates ont borné les frontières, les frontières de deux mondes, ces frontières qui marquent les divisions profondes de l'Europe.

Pourtant, dans l'esprit qui animera mon propos, il y a une idée fondamentale : la Communauté c'est bien, c'est même tout à fait nécessaire. On ne peut pas se contenter de ce qui est, il faut renforcer cette Communauté des Douze, mais il faut toujours avoir les regards portés à l'extérieur, c'est-à-dire vers le reste de l'Europe. Il a fallu d'abord fonder les réconciliations nécessaires entre les anciens adversaires. La réconciliation Franco-Allemande, pour ne parler que de mon pays, a été l'un des éléments déterminants de l'immédiat après-guerre. Aujourd'hui, on doit penser que les réconciliations par cercles concentriques qui ont permis à l'Europe de passer à Douze devraient un jour permettre à l'Europe dite de l'Ouest d'engager un dialogue plus fécond avec l'autre Europe qui est aussi l'Europe.

Mais l'Europe, en dépit des obstacles qu'elle rencontre, a un langage commun. C'est une Europe du hasard mais ce n'est pas une Europe contrefaite ; c'est une Europe incomplète, ce n'est pas une Europe difforme. Les Douze sont faits pour vivre ensemble.

Ayant dit ces choses, je voudrais maintenant aborder le schéma même de mon exposé.

Vous qui appartenez à cet Institut, vous êtes des personnes qui suivez de près l'ensemble des problèmes. Je ne voudrais pas avoir l'outrecuidance de sembler vous apprendre quelque chose. J'ai seulement essayé de mettre en forme, de réaliser une synthèse rapide et, de ce fait, peut-être un peu trop superficielle.

Il faut quand même que je rappelle que si l'on a commencé, je l'ai dit tout-à-l'heure, par la CECA (la Communauté Européenne du Charbon et de l'Acier) en 1950, si l'on a parachevé les premières tentatives par le Traité de Rome de 1957, au cours de ces dernières années un certain nombre de progrès sensibles et structurels ont été réalisés. Je les rappelle simplement en les énumérant. Chacun d'entre eux mériterait un exposé très approfondi.

Je vois ici de nombreuses personnalités qui en ont été les artisans et qui les connaissent mieux que moi. Ils pourraient beaucoup en parler. D'autres, ceux qui les ont suivi de plus loin, s'excuseront de ne pas pouvoir en dire davantage.

En 1974, on a créé le Conseil Européen, c'était au temps

du septennat de mon prédécesseur. Le Conseil Européen est une initiative que je crois importante. Il présente des inconvénients. Jusqu'alors c'était les Ministres, le Conseil des Ministres, les Ministres des Affaires Etrangères qui se réunissaient et gouvernaient l'Europe. Avec la Commission, ils représentaient l'exécutif des pays composant la Communauté. Ils rapportaient leurs délibérations devant leur gouvernement et les décisions politiques se prenaient alors.

Le Conseil Européen permet aux Chefs d'Etat et de Gouvernement de se réunir eux-mêmes. Inconvénient : le Conseil des Ministres a désormais trop tendance à se débarrasser des questions difficiles pour en laisser le soin au Conseil Européen proprement dit, c'est-à-dire aux Chefs d'Etat et de Gouvernement. De ce fait, ceux-ci peuvent passer trois ou quatre sessions à discuter du beurre, du prix du lait et de toute une série de procédures extrêmement complexes qui ne sont, à l'évidence, pas de leur ressort. Si bien qu'il y a une sorte de télescopage entre les deux institutions : le Conseil des Ministres d'une part, le Conseil Européen d'autre part. Il n'empêche que la responsabilité politique est mieux engagée et que, de ce fait, une volonté politique de l'Europe peut mieux se dessiner.

En 1979 s'est mis en place le Parlement Européen élu au suffrage universel.

Troisième réforme importante - je remonte tout juste aux douze ou treize dernières années - l'institution du Système Monétaire Européen. Une charte monétaire en 1978, le projet de parvenir à partir de 1981 à la création d'un Fonds Monétaire en 1981 et une monnaie de réserve : l'écu. Voilà pour la période passée.

Dans une période plus récente, celle à laquelle j'ai moi-même participé en tant que membre de la Communauté représentant de la France : l'Europe dite "bleue" c'est-à-dire l'Europe maritime, l'Europe de la pêche ; l'Europe technologique, qui était déjà née, mais qui a connu un plus grand développement depuis quelques années. Je me souviens d'être venu ici auprès de sa Majesté la Reine pour visiter le JET. Il y a eu "Ariane", "Airbus", d'autres réalisations encore. L'Europe technologique, c'est aussi une initiative importante, je crois, qui dépasse les limites de la Communauté des Douze. C'est "Euréka" qui permet à toute une série d'entreprises industrielles de mettre en commun leurs recherches et leurs réalisations.

Donc l'Europe "bleue", l'Europe technologique qui a connu un grand développement, l'élargissement de la Communauté à l'Espagne et au Portugal - on est passé de Dix à Douze - , l'Europe des citoyens lancée autour d'un rapport présenté par une personnalité italienne, M. Adomino, pour que les habitants de l'Europe, en dehors des définitions politiques et des définitions institutionnelles, ressentent la réalité de l'Europe. L'Europe des citoyens, c'est, par exemple, faciliter le franchissement des frontières ou la liberté d'installation pour les professions libérales, ou encore l'équivalence des diplômes. J'en passe, les exemples seraient multiples.

Enfin, le rapport que M. Maurice Faure, dans le cadre de la Commission DOOGE pour développer les institutions a pratiquement

abouti aux définitions et au contenu de l'Acte Unique qui est la dernière grande réalisation de ces dernières années. L'Europe "bleue", le développement de l'Europe technologique, l'élargissement à l'Espagne et au Portugal, l'Europe des citoyens, enfin l'Acte Unique, c'est-à-dire la naissance d'un grand marché intérieur. L'Acte Unique, décidé à Luxembourg, en décembre 1985, prévoit l'aboutissement du marché intérieur pour le 1er janvier 1992.

Cet Acte Unique, s'il parvient à son terme comme je le souhaite - et les obstacles seront considérables - cet Acte Unique peut avoir une portée aussi décisive que le Traité de Rome lui-même.

Enfin, dans ce bilan, n'oublions pas un aspect particulier que je cite pour mémoire - mais qui est fort important - c'est l'activité de cette même Communauté en dehors de ses frontières. Non seulement un certain nombre de prises de positions politiques, mais aussi des prises de positions économiques, en particulier les accords de Lomé : Lomé II, Lomé III permettent à l'Europe d'être présente auprès de 65 pays du monde, en Afrique, dans le Pacifique, aux Caraïbes. Les accords de Lomé, c'est une démarche commune pour le développement, pour l'aide au Tiers-Monde qui représente aussi une présence de tous ordres de l'Europe. S'il n'y avait que cet exemple, il serait déjà démonstratif pour montrer que le chemin suivi était le bon.

J'aurais pu m'attarder, il faudrait le faire, sur quelques aspects. Par exemple le Conseil Européen. Avec l'Acte Unique, le Conseil Européen, de toute façon, est intégré aux institutions. C'était une institution décidée par quelques uns, elle a été mise en place d'une façon pragmatique, elle est désormais une institution consacrée par traité.

Je voudrais en dire davantage sur le Système Monétaire Européen. C'est une coopération monétaire afin de créer - je n'ose le dire en ce moment - une zone de stabilité monétaire en Europe. En fixant un cours de change, en organisant la convergence des politiques économiques. Le SME comporte trois volets : d'abord une monnaie, l'Ecu, créé en échange des réserves, 20 % en or et en dollars par les Banques Centrales auprès du Fonds Européen de Coopération Monétaire ; ensuite, c'est un mécanisme de change, tel que l'on ne peut pas aller au-dessus ou au-dessous d'une limite de 2,25 % de fluctuation permise - exception faite pour la lire italienne qui peut aller à 6 % ; vous savez autant que moi, la livre est absente de ce mécanisme de change, de même que les monnaies grecque, espagnole et portugaise. Certes, le fait que la livre ne soit pas membre inscrit un point d'interrogation de grande ampleur quant au développement du Système Monétaire Européen. Le SME c'est, enfin, un mécanisme de crédit à très court terme - 45 jours renouvelables - à court terme - 3 mois renouvelables - à moyen terme - deux à cinq ans.

Sur le Système Monétaire Européen, j'y reviendrai tout-à-l'heure lorsque je dessinerai quelques traits d'avenir pour vous dire : ou bien le SME réussira - mais il est menacé - et l'Europe pourra se faire, ou bien il échouera et l'Europe ne se fera pas.

Ceux qui contribueront à l'édification, à la consolidation de ce système auront fait le choix de l'Europe ; ceux qui ne feront

pas cela aurent fait choix d'en finir avec l'Europe et de passer à autre chose.

Car aujourd'hui se dessinent des crises après celles que j'évoquais tout-à-l'heure. Que va devenir la Politique Agricole Commune avec le problème des excédents ? Que va devenir le Système Monétaire Européen face au bloc du dollar et du yen ? Va-t-il rester une petite zone de stabilité dans une immense zone, dans un océan d'instabilité, puisqu'il n'y a pas d'ordre économique mondial ?

Quant au Parlement, j'aurai pu m'y attarder un moment, mais je me contenterai de dessiner quelques traits. Il faut savoir qu'en dépit des progrès et de son élection au suffrage universel, il n'a pas de compétence législative ; il peut amender, en revanche, les projets de budget mais il n'a pas de compétence pour le vote des recettes. A Luxembourg, il a été décidé que le Parlement Européen donnerait un avis conforme dans deux cas : les nouvelles adhésions et lorsqu'il y aurait des accords d'associations, et qu'il serait associé à la décision dans les domaines communs de la libre circulation des travailleurs, du droit d'établissement, de la politique sociale, de l'harmonisation des législations.

Voilà à peu près le point où nous en sommes.

Le deuxième thème que j'entends développer devant vous c'est : désormais, il nous appartient de réaliser ce qui a été décidé.

Beaucoup d'éléments de ce je viens de rapporter sont entrés dans les faits, beaucoup d'autres sont restés en suspens. Il est bien clair - ce sera le refrain du début à la fin de ce rapide exposé - il est certain que sans une volonté politique tendant à la construction d'une communauté véritable, l'ensemble des dispositions déjà en exercice iront se délitant tandis que ce qui reste à faire ne sera pas fait. Alors voilà ! Avons-nous décidé ou pas d'être des ouvriers consciencieux alors que nous en sommes simplement à la troisième ligne des pierres sur un mur et que, à la fin du compte, ce sera une cathédrale. Je me souviens de cette anecdote et qui me paraît chargée de symboles, particulièrement pour l'Europe. C'était au Moyen-Age, un voyageur rencontre deux ouvriers qui édifient un mur. Le voyageur s'intéresse et dit au premier ouvrier : "Mais qu'est-ce que vous faites là ?". Et l'ouvrier dit : "Je fais un mur, je mets des pierres l'une sur l'autre". Le voyageur se retourne vers le deuxième ouvrier et lui dit : "Mais qu'est-ce que vous faites là ?" Et le deuxième ouvrier lui dit : "Je bâtis une cathédrale". Selon l'idée que l'on se fait, on veut l'Europe ou on ne le veut pas. Ce qui a été fait, ces quelques pierres ayant l'allure d'un mur, on peut penser qu'il y aura, en fin de compte, une cathédrale.

J'ai parlé tout-à-l'heure de la politique agricole et de la nécessité de mettre un terme aux excédents abusifs, tandis que le marché international se resserre, que la concurrence américaine s'affirme avec le retour au protectionnisme, tandis qu'un certain nombre de pays du tiers-monde, je pense à l'Argentine, deviennent de plus en plus demandeurs d'une part de marché, en particulier pour les céréales et la viande.

Crise budgétaire ? Il faut quand même savoir que le budget de l'Europe est un petit budget. Si l'on raisonne par rapport à ce

budget, les demandes d'augmentation apparaissent importantes. Si l'on raisonne par rapport au produit national brut de la Communauté, ce budget est insignifiant. Donc, là aussi, il y a un point de départ au raisonnement. Et selon le point que l'on retient, on est plutôt pour ou on est plutôt contre. J'avais préconisé, avec d'autres, dès le sommet de Londres il y a déjà quelques années, que l'on pût augmenter les ressources propres au-delà du 1 % de TVA. On est passé à 1,4 %... Avec l'élargissement à l'Espagne et au Portugal on atteint déjà la limite de ce qui peut être dépensé. On est déjà obligé de choisir entre le développement de la politique agricole ou, par exemple, le développement des programmes intégrés méditerranéens, de la politique régionale.

Et puis, enfin, on ne s'est pas suffisamment posé la question : quelle agriculture pour l'Europe ? On se pose toujours la question : comment faire, que va-t-on faire des agriculteurs ? Il faut d'abord répondre à la question : quelle agriculture pour l'Europe ? Si l'on veut faire une agriculture industrielle, purement industrielle, hors sol, on peut installer des usines agro-alimentaires à Picadilly ou sur la Place de la Concorde. Bien entendu, il n'y aura plus d'agriculture à la campagne, il n'y aura plus ces exploitations plus ou moins importantes, il n'y aura plus cette installation humaine sur le sol ; on en aura fini avec la civilisation dont nous sommes issus. Je suis de ceux qui pensent que ce serait une grave erreur. En tout cas, ce serait un contresens absolu avec l'intention initiale des fondateurs de l'Europe. Lorsqu'on a signé le Traité de Rome, on n'a pas voulu n'importe quel marché commun agricole ; on a voulu une certaine agriculture pour l'Europe, une certaine forme de civilisation rurale. Bien entendu, cela ne doit pas aller jusqu'à l'absurde. On ne peut pas ignorer non plus les progrès de la technologie, le développement colossal de la productivité. On doit tenir compte de tous ces éléments et pas simplement de la rentabilité. Quant on produit, il faut vendre ; mais on produit quoi, comment, pour vendre et vendre à qui ? Il est évident que le marché se resserre partout.

Donc, si l'on veut réaliser ce qui a été décidé en matière agricole, il faut un grand débat. Personnellement, je préconise qu'il y ait une sorte de conférence de travail, une grande consultation entre ces Etats bien entendu mais aussi entre les organisations agricoles. Il faut que les uns et les autres repensent ensemble ce que doit être la politique agricole de l'Europe au cours des dix à vingt années qui vont suivre car le moment est décisif. Selon que l'on bifurque d'un côté ou de l'autre, il n'y aura plus de véritable agriculture, il n'y aura plus d'agriculteurs, de paysans, il n'y aura donc plus une certaine Europe à laquelle nous sommes attachés sans qu'on puisse nous accuser de passéisme car c'est une forme de civilisation.

Le système monétaire : les secousses actuelles montrent bien qu'il est en péril. Il est en péril d'abord parce qu'il se trouve isolé en face de monnaies qui jouent leur jeu. Voyez ce qui se passe sur le dollar. Il est évident qu'à partir du moment où dans le Système Monétaire Européen se trouvent des monnaies qui ne sont pas en tête, mais dans le deuxième, troisième, sixième, septième wagon, ces monnaies sont ballottées dans les courbes comme on l'est dans un chemin de fer de telle sorte qu'à tout moment il risque de dérailler. Mais, en effet, cette zone de stabilité dans un océan de trouble, d'incertitude et de désordre, cela nécessite un soin

particulier. Personnellement, je vous le dirai tout-à-l'heure, c'est un des points sur lequel j'accroche le plus. Il faut savoir si les pays intéressés - je pense à l'Allemagne, je pense à la France mais je pense aussi aux autres - sont décidés à renforcer ou non leur système monétaire.

Dans ce qui a été décidé, il y a un programme de recherches. On a déjà vu de grandes réalisations ; je ne les citerai pas toutes, mais elles sont dans vos esprits : Esprit, Race, la fusion nucléaire. Pour ces projets, il faut dégager des ressources nouvelles. A l'heure actuelle, on a tendance à raréfier l'oxygène qui permettrait d'entretenir les grandes entreprises humaines au sein de l'Europe. La Recherche, cela représente environ 2,5 % du budget communautaire ; c'est extrêmement peu. J'ai proposé Euréka, qui n'est pas uniquement communautaire, qui rassemble dix-neuf pays d'Europe mais qui doit se développer en harmonie avec la Communauté et avec le programme cadre de Recherche présenté par le Président de la Commission Européenne, M. Delors. Tout cela doit s'harmoniser. Eh bien, il faut le dire, pour l'instant il n'y a pas de crédits suffisants. Il faudra bien dégager des ressources nouvelles, ou bien le développement technologique de l'Europe arrivera trop tard, après des économies plus actives, je pense à celle du Japon ou à celle des Etats-Unis d'Amérique. Ceux-ci auront pénétré l'ensemble des groupes industriels de chacun de nos pays pris isolément. Je ne suis pas hostile à ces prises de participations, j'ai encouragé certaines d'entre elles en France ; il ne s'agit pas de s'enfermer mais il ne faut pas non plus être dépossédé de ses propres biens, de son propre capital et, surtout, de sa principale ressource qui est celle de l'intelligence. Et si désormais pour affirmer ses capacités un savant, un expert, un chercheur, un ingénieur, un cadre doit émigrer en Californie ou dans les environs de Tokyo, que restera-t-il dans le monde européen pour aider notre développement ?

Il y a le problème de cohésion. Nous sommes douze, mais sommes-nous vraiment douze lorsque nous abordons les conférences commerciales mondiales, celles du GATT ? Rendez-vous est déjà pris. Est-ce que nous avons la même position par rapport aux demandes de nos partenaires ? Est-ce que l'on va traiter différemment l'industrie et séparer l'agriculture, comme on le voulait au départ du côté américain ? Et, lorsque l'on parle de l'industrie, est-ce que l'on parlera des brevets ? Est-ce que l'on parlera des marques ? Et que dira-t-on des services ? Un certain nombre de pays du tiers-monde ne se sentent pas prêts à ce type de discussions.

Pour le marché intérieur, je vous l'ai dit tout-à-l'heure, il faut une volonté politique. Car, dans les cinq ans qui viennent, il faudra harmoniser l'économie, le social, le culturel, la formation des hommes, la monnaie. Qu'il manque un seul de ces éléments, et le marché intérieur échouera ! On n'imagine pas qu'il puisse s'installer une communauté d'un grand marché intérieur où tout est libre et commun, tandis qu'il y aurait des législations protectionnistes ou contraignantes, qu'ici on travaillerait tant d'heures par jour, que là on travaillerait autrement ; que l'organisation du travail serait différente, que les relations sociales seraient ici fécondes et là resteraient arides. Il y a une logique du système. Ceux qui ont signé l'Acte Unique de Luxembourg pour la constitution d'un marché intérieur en cinq ans devraient avoir songé à toutes ces perspectives ou bien ils auraient pêché par légèreté. On est en engagé, il faut aboutir.

Enfin, les programmes intégrés méditerranéens. Il n'est pas possible d'imaginer que l'Europe pourrait se développer avec des zones qui seraient exagérément en retard par rapport aux autres. Il se produirait un déséquilibre. Tout le sud de l'Europe, moins bien servi sur le plan de la production par la nature - même s'il est mieux servi sur le plan souvent de l'esthétique, du tourisme - risque de sombrer dans une grande misère si l'Europe régionale n'est pas intelligemment menée.

Voilà. Prenons conscience de ce qui a été décidé et ayons véritablement la volonté de mener à bien ces décisions. Je viens de relever quelques absences, quelques manques ou carences.

Existe-t-il des terrains nouveaux qui permettront à l'Europe d'être vraiment l'Europe ? J'en citerai sept.

D'abord, l'Europe sociale. J'ai parlé à l'instant des conditions de travail et des conditions de l'emploi. Cela fait partie du marché intérieur, on n'y parviendra pas sans cela.

Je citerai la croissance. Il existe un projet européen que M. Delors a appelé la "stratégie coopérative de croissance". Autour de quel pôle développer cette croissance ? Cette action nous paraît indispensable quand ce ne serait que pour guérir l'Europe de cette maladie mortelle qui s'appelle le chômage. On répondra par grands chantiers, grands travaux, moyens de communications. D'abord, l'exemple type, c'est l'exemple Trans-Manche que j'ai eu la joie de signer avec Madame le Premier Ministre du Royaume Uni. Par rapport aux moeurs et aux usages, c'est une véritable révolution. Il est vrai que si l'ensemble des moyens de communication européens permettent d'être reliés avec ce tunnel Trans-Manche, à partir de là l'ensemble de l'Europe communautaire sera inervée de telle sorte qu'aucun pays ne sera en mesure de mener durablement une économie, une société, un développement d'équipement indépendant des autres. Il faut le savoir. Mais j'observe que cette initiative a été adoptée par tous les pays de l'Europe des Douze et que, malgré les réticences initialement exprimées, il y a eu ralliement au thème commun que je développe aujourd'hui.

Les autoroutes, le système des trains à grande vitesse, quelle que soit la marque ou la nationalité. Aujourd'hui cela existe en France, mais avec les projections vers la Belgique, vers la Hollande, vers l'Allemagne, vers Londres, avec les autoroutes qui se relient aujourd'hui dans le nord de l'Europe, avec ce qui pourrait aller vers l'Orient de l'Europe, tout ce système peut avoir un effet considérable pour recréer les conditions d'une Europe qui ressemblerait à celle du XVIIIème siècle, mais qui, cette fois-ci, ne serait plus réservée à quelques privilégiés.

Quant on parle communication - j'en dirai un mot dans un instant - on peut penser à tout ce qui est la télécommunication et tout ce qui est audiovisuel. Donc, l'Europe sociale : indispensable qu'il y ait une Europe des conditions de travail. Indispensable qu'il y ait une Europe de la croissance autour de ces grands chantiers d'abord, mais aussi autour de beaucoup d'autres initiatives. Qu'est-ce qu'on attend pour fonder véritablement l'Europe des transports, par exemple ? Il y a de timides avancées ; chacun a des arguments pour retarder les échéances, chacun, bien

entendu, au moment de passer à l'acte a je ne sais quel retrait qui est synonyme d'impuissance. Il faut véritablement que ces Europes là, celle de la communication, celle des transports, celle de l'environnement se développent en même temps que les Europes agricole, industrielle, technologique.

J'ai parlé tout-à-l'heure de l'Europe scientifique et technologique. Le terrain nouveau, cette fois-ci, est immense parce que l'Europe a d'immenses ressources : des ressources d'intelligence, de compétence et de technicité tout-à-fait comparables aux plus grands du monde actuel. Savez-vous que nous avons - nous, tous ensemble - des crédits pour la recherche plus importants que ceux des Etats-Unis d'Amérique ou que ceux du Japon ? Savez-vous que tous ces crédits ensemble - intellectuellement additionnés, mais ils ne le sont pas dans la réalité - produisent une capacité d'expansion cinq fois moindre que la notre ? Alors, qu'est-ce que cela veut dire ? Les intelligences sont là, les ressources existent et elles ne sont pas utilisées. Je pense donc que nous devons avoir des programmes de technologie extrêmement puissants. Parmi eux - je sais que c'est un sujet qui vous intéresse - l'exploration du système solaire. Nous avons déjà réalisé un peu d'Europe autour de la comète d'Halley avec l'Amérique. C'est une excellente initiative. Les satellites d'observation, l'heureuse concurrence qui existe aujourd'hui pour des stations orbitales habitées, les essais dont on se transmet la connaissance de Washington aux différentes capitales européennes, c'est excellent à la condition, bien entendu, sans quoi il n'y aura pas d'échange bilatéral, que la production de l'intelligence et de la technique se fasse se fasse des deux côtés de l'Atlantique.

L'Europe de la santé. Quoi ? Nous n'en serions pas capables ? Nous avons commencé de la faire, il faut le dire, mais c'est encore à peine amorcé. Bâtir une Europe de savants capables de lutter contre la croissance du cancer ou du Sida ? Chacun de nos pays va engager ses petites actions, pour peu qu'il le fasse ? Des projets universels, planétaires sont en cours. J'en ai beaucoup discuté avec M. Nakasoné qui attache beaucoup d'importance, et avec raison, au développement d'un monde de la santé. C'est une proposition que j'avais émise au sommet des Pays Industrialisés de Versailles en 1982 pour développer une politique de croissance et une politique de la santé. Mais l'Europe au moins devrait représenter, pour reprendre une expression déjà employée, un pôle d'innovation, d'invention, de recherches en commun. Cela existe déjà sous forme d'embryons. Le Professeur Tubiana, par exemple, a réuni récemment à Paris - j'ai participé à cette réunion - des grands savants venus du monde entier et particulièrement de l'Europe pour la lutte contre le cancer.

Les universités, la jeunesse, le projet Erasmus, faire que les jeunes gens puissent, avec des bourses, aller là où ils veulent dans les grandes universités reconnues de l'Europe, qu'il puisse il y avoir un échange constant entre les universités, que les jeunes européens s'habituent à se trouver chez eux, que ce soit à Heidelberg, à Salamanque ou en Grande-Bretagne dans vos universités, ou à la Sorbonne ; cela est à notre portée. Les échanges de jeunes entre la France et l'Allemagne sont très actifs, ne sont pas très actifs avec les autres pays.

L'enseignement des langues. Je sais bien qu'à compter du

moment où l'on développe ici une langue qui a l'ambition de devenir universelle, on ne peut avoir que quelques réticences ; l'Allemagne ne peut qu'éprouver quelques réticences lorsqu'on lui demande d'appeler "écu" une monnaie de réserve qu'il serait si commode d'appeler le mark ! Bien entendu, lorsque je pense à quelque "langue de réserve", la langue anglaise pourrait songer qu'après tout c'est sa vocation naturelle. Mais elle devrait songer que, d'ici à un siècle, elle sera distancée par les langues romanes, en particulier par les langues hispaniques. C'est une remarque que je fais sans vouloir offenser personne, mais qui peut montrer, en effet, qu'il est nécessaire d'avoir un front commun dans la connaissance et le développement des langues. Tout cela est à faire.

J'ai évoqué l'audiovisuel. C'est un facteur essentiel d'identité culturelle pour l'Europe. Nous sommes en mesure, aujourd'hui, de prévoir 125 000 heures de programmes pour l'Europe. Que fait-on à l'heure actuelle dans un pays comme la France ? On doit faire 5 000 heures. Que fait-on en Grande-Bretagne ? Je ne sais. Ce qui est vrai, c'est que les programmes venus de l'extérieur de l'Europe par leur qualité, leur précision, leur dynamique sont à la veille de modifier les éléments culturels de l'Europe. Il faut donc absolument agir très rapidement, notamment par les moyens de communication, mais il faut absolument que tous les moyens de la technique soient mis à la disposition de l'Europe.

Je citerai aussi l'Europe de la sécurité. On a commencé, au cours de ces derniers mois, à développer la lutte en commun contre le terrorisme. Je me contenterai de dire que je suis fermement partisan d'accélérer les démarches pour que, sans que chacun empiète sur le système judiciaire d'autrui, il n'en existe pas moins une réalité de police, une réalité de contrôle et une réalité judiciaire qui permette de mener à bien la lutte nécessaire contre les formes modernes de la barbarie.

Je voudrais maintenant évoquer la défense. Qu'est-ce qui existe ? Il existe un accord particulier entre l'Allemagne et la France. C'est une grande conquête lorsque l'on sait qu'en l'espace d'un siècle, deux guerres mondiales et d'autres qui en étaient l'amarce ont divisé ces deux pays. Ces trois guerres ont laissé des traces profondes et, cependant, grâce aux hommes dont j'ai cité les noms tout-à-l'heure, grâce à la continuité affirmée depuis maintenant trente ans, c'est un problème qui se trouve derrière nous. Il y a une profonde amitié Franco-Allemande. L'amitié Franco-Britannique est considérée comme allant de soi, du moins depuis le début du siècle, c'est-à-dire en 1904, car auparavant la France se connaissait des ennemis traditionnels. Le dernier c'était l'Allemand, l'avant-dernier c'était l'Anglais, l'avant avant-dernier c'était l'Autrichien, c'était un moment l'Espagnol... Passons rapidement sur ces choses. Je n'interrogerai pas les personnalités britanniques qui sont devant moi pour savoir quel est leur classement ! Ce qui est vrai, en tout cas, c'est que c'est une période dépassée

Des accords qui existent entre la France et l'Allemagne. Ils ont été signés il y a maintenant un peu plus de vingt ans. C'était en 1963, le Traité de l'Elysée, entre le Général de Gaulle et Monsieur le Chancelier Adenauer, que j'ai modernisé, actualisé, vingt ans plus tard en 1983 en mettant en oeuvre les dispositions militaires qui étaient restées en jachère pendant les vingt ans

précédents. J'aimerais bien que des conversations de ce genre existent avec d'autres pays. Ce n'est pas que nous ne parlions pas avec les gouvernants britanniques des problèmes militaires. Bien entendu on en parle ! Nous l'avons particulièrement ressenti lorsqu'au lendemain de Reykjavik nous nous sommes rendus compte qu'un certain nombre des armements de l'Europe étaient totalement dépendants des décisions qui seraient prises entre les deux puissances qui négocient aujourd'hui, c'est-à-dire l'Union Soviétique et les Etats Unis d'Amérique. On peut penser en particulier à certains armements de type nucléaire.

Il faut savoir ce que l'on veut. Je pense qu'il est indispensable de mettre à plat, de mettre sur la table, l'ensemble des données touchant au matériel militaire. Vous faites un avion avec d'autres pays européens, un avion de combat, nous on en fait un autre. Lorsque l'on parle de chars, lorsque l'on parle d'hélicoptères... Je ne prétend pas tout uniformiser. Je sais bien qu'il faudra du temps, que c'est difficile, qu'il y a des intérêts légitimes. Il y a aussi le fait que nous sommes dans la même Alliance et que cette alliance comporte un élément indispensable, nécessaire, déterminant que sont nos amis Américains, les Etats-Unis d'Amérique et qu'il est bien normal qu'ils aient leur part à ce concert. Mais il n'empêche qu'un certain nombre de fabrication et d'adoption de matériel militaire entre les pays d'Europe apporterait un allègement à nos économies et sans doute une efficacité devant certaines perspectives militaires qui peuvent se trouver spécifiquement européennes.

Après tout, il existe deux pays disposant d'une arme nucléaire : le vôtre et le nôtre. Pas les autres. Les autres, qu'est-ce qu'ils ont ? Des armées dites conventionnelles et ils appartiennent à l'Alliance Atlantique. Si la France, au temps du Général de Gaulle, s'est isolée par rapport au commandement intégré - elle ne s'est pas isolée par rapport à l'alliance militaire mais par rapport au commandement intégré - c'est parce que le Général de Gaulle avait le sentiment qu'il n'y avait pas d'automatisme dans la décision de notre puissant allié, qu'il n'était pas établi, acquis, que cela pourrait varier selon le tempérament du Président, selon la nature ou l'état de l'opinion américaine et que cette absence d'automatisme dans le jeu de l'Alliance en face d'une menace nucléaire représentait un danger mortel et qu'il convenait de s'armer soi-même, au moins pour parer au plus pressé, pour disposer d'une force de dissuasion suffisante pour que nul ne songe à nous agresser.

Ces données n'ont pas véritablement changé. On peut imaginer des hypothèses strictement européennes qui ne poseraient pas forcément le problème du jeu général de l'Alliance. Alors, sommes-nous disposés à en parler ? Ne serait-il pas nécessaire que les Ministres de la défense, que les Ministres de la défense et de l'industrie, que les Ministres de l'industrie aient des conférences de travail permettant de faire le tour des choses et peut-être d'aligner les démarches. Je pourrai terminer sur ce chapitre là en disant qu'il ne semble très utile de ne pas s'enfermer dans un esprit de système sur aucun des sujets. Contrairement à ce que l'on pense, en général, des Français, moi je suis tout-à-fait hostile au fait de fonder une institution, un organisme, une organisation chaque fois que l'on a une idée. On peut très bien laisser les gens agir selon leur inspiration, en particulier les gens qui agissent

sur le terrain. Ainsi, dans le cadre général de la Communauté, on peut parfois bâtir à plusieurs des aventures technologiques, examiner des stratégies ou des armements militaires entre ceux qui en ont le goût ou dont la démarche est commune. Après tout, la discussion que nous avons là pourrait apparaître comme hétérodoxe pour les Grecs ou pour les Irlandais. Il y a des statuts très différents dans l'Alliance Atlantique et il y en a qui n'appartiennent pas à l'Alliance Atlantique. Ce n'est pas le même barème autour duquel tournent toutes les références. Alors, je pense qu'il doit y avoir dans certains domaines, des initiatives à géométrie variable sans que l'on en fasse non plus un système parce que ce serait un système d'éclatement de l'Europe. Voyez ce que l'on fait pour "Airbus", ce que l'on fait pour "Ariane". Dans "Airbus" il y a l'Espagne alors qu'elle n'était pas membre de la Communauté Européenne. J'ai parlé d'"Euréka" où il y a six pays d'Europe en plus des Douze. On peut s'inspirer de ces exemples pour avoir une démarche pragmatique, libre, aussi intelligente que l'est la réalité sans prétendre imposer un jugement préconçu au mouvement des hommes et des choses. Certes encore faut-il que cela soit relié et qui peut mieux le valoir que l'Institution de l'Europe ?

Institution. J'ai prononcé le mot, cela sera une autre projection sur les terrains futurs, celui des institutions. Mais je voudrais, sur le terrain militaire, me faire bien comprendre. Je souhaite qu'il y ait davantage d'échanges, davantage d'examen des problèmes stratégiques. Je ne demande pas, contrairement à certains autres, que l'Europe, en tous cas que la France participe à la négociation des Etats-Unis d'Amérique et de l'Union Soviétique. Je n'aurai pas voulu que la France fût à Reykjavik. Je ne souhaite pas qu'elle aille à Genève car le problème posé aux deux plus grandes puissances est un problème de surarmement. Elles ont, sur le plan nucléaire, chacune plus de 10.000 charges nucléaires. La France n'en a pas 500. La Grande-Bretagne non plus. C'est un chiffre en perspective mais encore loin d'être atteint. Avant de penser à englober l'ensemble des pays des puissances nucléaires dans un examen général, il faudrait que les deux super puissances réduisent considérablement leur propre armement. L'examen qu'ils ont fait des 50 % me paraît tout-à-fait raisonnable. Mais, c'est pour vous dire que je ne recommande pas comme une sorte de revendication de l'Europe d'être présente. Qu'est ce qu'elle ferait là ? Qu'est ce qu'elle dirait ? Elle se trouverait englobée dans un désarmement qui, en vérité, ne la concerne pas tant qu'une certaine marge de destruction des armements existants ou de non construction des armements futurs ne sera pas décidée par les deux plus grandes puissances.

C'est ainsi qu'à un moment on a voulu compter l'armement britannique et l'armement français dans le décompte des armes nucléaires intermédiaires. Je m'acharnais à répéter à M. Gorbachov qui insistait là-dessus, M. Reagan ayant soutenu la position française : "Nous n'avons pas d'armes intermédiaires. Nos sous-marins, qui sont l'essentiel de nos armes nucléaires, comme d'ailleurs les Britanniques, sont par nature stratégiques : ils circulent au fond des océans, ils peuvent aller jusqu'à n'importe quel point du globe. La portée de leurs missiles peut atteindre 4500 Kms. La définition stratégique, intermédiaire et tactique selon la portée de l'armement : est stratégique ce qui traverse l'Atlantique. Ce sont des notions un peu courtes ! L'océan Atlantique n'est pas le barème de toutes les actions militaires possibles au monde ; est

intermédiaire ce qui va d'un pays du continent, en ajoutant la Grande-Bretagne, à l'autre ; est à courte portée ou tactique ce qui fait 30 à 100 Kms. C'est tout-à-fait artificiel. Il y a les armes qui sont nécessaires pour assurer l'indépendance d'un pays, sa sécurité et sa sauvegarde et celles qui sont des approches ou qui sont des éléments limités d'action précédant un conflit général.

Je souhaite qu'il y ait plus d'échanges et donc plus de rencontres et, finalement, plus d'accords. Les relations Franco-Allemandes sont, à cet égard, assez exemplaires. Il y a des manœuvres militaires communes. Il faut renforcer la coordination et le débat. J'ai accepté que, dans la mesure naturellement du possible, dans le cas d'une menace de guerre, l'Allemagne qui pourrait être un territoire où se développeraient des conflits meurtriers, soit elle-même informée, qu'elle ait son mot à dire sur l'usage de nos armes. Même si, bien entendu, la réalité de l'Europe, héritée de la dernière guerre mondiale, fait que l'Allemagne n'a pas accès à l'armement nucléaire et ne peut pas avoir pour capacité de décider à la place des pays qui en disposent. Mais les Allemands le comprennent très bien. D'ailleurs ils ne le demandent pas. Mais ils disposent d'armes conventionnelles importantes. Ils ont d'immenses qualités militaires. Si l'on coordonne l'ensemble de ces forces, on peut arriver à une notion précise et non pas simplement verbale, d'une sorte de défense européenne tout ceci en jonction avec l'UEO qui, de ce point de vue, sera fort utile.

Enfin, les institutions. On parle de renforcer les pouvoirs du Parlement. Ils devront être renforcés une fois qu'en 1992 on aura abouti, si on a abouti, à l'édification du grand marché intérieur. On peut très bien imaginer une consultation plus généralisée et même certaines initiatives du Parlement européen.

D'autre part on parle d'une présidence. Je ne suis pas opposé à cette idée. J'ai entendu, venues de ce côté-ci de la Manche, quelques protestations véhémentes, mais moi je ne suis pas hostile à cette idée. Je ne pense pas qu'il soit concevable d'imaginer dans un délai assez bref des élections au suffrage universel. Mais on peut imaginer des étapes. On ne voit pas pourquoi on s'en tiendrait à la pratique actuelle : tous les six mois, selon les obligations de l'alphabet, un pays où le Chef d'Etat ou de Gouvernement de ce pays là préside aux destinées de l'Europe. Pendant ces six mois, il y a un Conseil Européen, parfois deux. Que peut-on faire ? Chaque Président, au bout de six mois, reste sur ses regrets de n'avoir pu en faire davantage. La dernière présidence britannique a été efficace. La Présidence Belge le sera certainement. Je ne conteste pas du tout les capacités de ceux qui se succèdent, mais il est vrai que c'est une instabilité institutionnelle dommageable. Alors, on a essayé de corriger en disant eh bien il y aura une troïka : c'est-à-dire il y aura le Président du moment, il y aura le Président de la veille et il y aura le Président du lendemain. Ces trois là se réuniront, ce qui ferait qu'aujourd'hui le Président Belge serait assisté d'une vice-présidence de Grande-Bretagne et du Danemark. C'est un progrès mais ce progrès n'est pas suffisant. D'ailleurs il n'est pratiquement pas mis en oeuvre.

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On peut imaginer une présidence permanente, en tout cas disposant d'un temps plus long. Un an, deux ans, plus longtemps ? A Douze, bien entendu, bien des rivalités se feront jour. Non, on peut échapper à ces rivalités en désignant une personne, d'un commun accord bien entendu. Une personne qui serait choisie pour conduire les travaux pendant une période déterminée, quitte à ce qu'elle soit assistée par des représentants des différents pays. Je ne suis pas hostile à l'idée, j'estime qu'il faut la préciser. Je m'y suis essayé à mon tour.

Mesdames et Messieurs, rien de tout cela ne se fera sans volonté politique : ou on veut, ou on ne veut pas. Mais la volonté, elle est politique. Le jeu de cartes qui est disposé devant nous est simple à définir. Nous pouvons en rester au stade de l'alliance. Nous sommes des pays alliés, nous sommes des pays amis. Sans structure. Nous avons commencé d'être associés. C'est une structure. Comme une association entre personnes privées. Certes nous avons un Conseil d'Administration, nous avons des statuts, nous votons de temps en temps à la majorité, de temps en temps à l'unanimité. C'est une association. Nous ne sommes pas une véritable Confédération. Peut-être sur certains points pouvons-nous dire que nous le sommes. C'est un peu le cas de la politique agricole. Ça pourrait être le cas de quelques autres politiques institutionnelles. Mais nous sommes loin d'être une Fédération, c'est-à-dire que nous n'avons pas d'unité politique. Nous pouvons, de temps à autre, émettre un texte sur la façon dont nous concevons le retour à la paix au Moyen Orient. Nous pouvons nous exprimer de temps à autre, et ce n'est pas si aisé, sur l'attitude à prendre en face de l'apartheid en Afrique du Sud. Nous pourrions exprimer une idée sur la situation de l'Amérique Centrale et sur les rôles respectifs que peuvent jouer le Nicaragua et les Etats-Unis d'Amérique mais cela n'arrive jamais naturellement. Nous pouvons formuler des positions sur l'Afghanistan. C'est très facile. Cela pourrait être encore plus facile, semble-t-il, à partir d'aujourd'hui. Nous sommes suffisamment proches les uns des autres pour avoir des points communs. Je crois qu'il faut chercher systématiquement à définir une volonté politique commune sur les grands problèmes qui touchent à la vie du monde.

Ira-t-on vers l'unité politique que je souhaite ? Pour reprendre le terme initial, la France est ma patrie, l'Europe est notre avenir. Est-il possible de ne pas manquer ce rendez-vous ? C'est toute l'oeuvre à accomplir, c'est le sujet de ce débat.

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QUESTION - Dans votre très intéressante description de l'avenir de l'Europe, pourriez-vous ajouter quelques mots sur le développement, tel que vous le concevez, de cette Europe par rapport aux deux superpuissances. Vous en avez dit un mot, bien sûr, mais il me semble que nos rapports avec les Etats-Unis entrent actuellement dans une phase cruciale et difficile. Il est possible que nous ayons à faire face à une guerre commerciale ; des différences existent, comme le laissait entendre notre Président, entre le point de vue des superpuissances exprimées à Reykjavik et ceux des Européens. Comment, à votre avis, tous ces éléments vont-ils jouer les uns par

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rapport aux autres ? Sommes-nous en train de nous éloigner des super-puissances, et notamment de l'Amérique ? Nos intérêts prennent-ils une direction divergente ? Que pensez-vous de tout cela ?

LE PRESIDENT :

Monsieur, puisque l'on parle surtout des Etats-Unis d'Amérique et de l'Europe, je résumerai mon propos en termes simples. Nous sommes alliés. Nous sommes donc dans la même alliance militaire et nous sommes dans le même ensemble économique. De multiples institutions nous rassemblent. Cela, bien entendu, étant précisé, précisé aussi que j'en suis partisan, cela ne doit pas conduire à l'identité. Il y a des rivalités d'intérêts et il y a des rivalités culturelles. Il faut rester soi-même si l'on veut pouvoir réaliser de bonnes ententes. Bester soi-même ! Vous allez parler du protectionnisme. Je pense que la seule façon de trouver un dénominateur commun aux Etats-Unis d'Amérique et à l'Europe, c'est de partir en guerre contre toute forme de protectionnisme. D'abord contre les protectionnismes hypocrites. Actuellement, on se lance des chiffres à la figure. Les Américains disent : "La Communauté c'est une protection". Mais on ne peut pas négocier deux fois la même chose. Au GATT, il y a plus de vingt ans, il avait été décidé par exemple que pour corriger la protection agricole de l'Europe les produits alimentaires pour les animaux parviendraient en Europe sans taxes. Cela a été décidé. Cette compensation a été obtenue. Il est difficile de négocier une deuxième fois le même. J'ai déjà demandé déjà qu'une conférence ait lieu et qu'on commence par mettre sur la table la totalité des protectionnismes pratiqués par les uns et par les autres. Par exemple, le protectionnisme japonais : ils ne mettront rien sur la table car il n'y a pas de protectionnisme institutionnel. Et pourtant on ne pénètre pas le Japon. Donc il faudra tenir compte également des formes de protectionnisme plus subtiles. Une société française qui veut entrer au Japon, il lui faut sept ans de patience et, je cite un exemple concret que je connais, il faut avoir les reins financiers solides pour attendre sept ans avant de pouvoir vendre un pot de yaourt à un japonais.

Tous les protectionnismes. Moi, au nom de la France, je suis prêt à engager ce débat et à mandater des représentants de la France pour qu'ils renoncent aux protectionnismes - au pluriel - dont la France pourrait se servir contre ses voisins. C'est simple.

Quant à la Communauté Européenne, elle repose sur une certaine protection de son Marché Commun. Eh bien, cela se négocie. Ce n'est quand même pas un protectionnisme étroit. Cela représente un ensemble de 320 millions d'habitants. C'est plus peuplé que les Etats-Unis d'Amérique, plus peuplé que l'Union Soviétique, plus peuplé que le Japon. Nous avons donc le droit, cette entité là, de la protéger, mais d'un commun accord et sur des bases négociées. Tandis qu'aujourd'hui, c'est une petite guerre sauvage. J'ai appris, par exemple, qu'on venait d'arrêter le cognac à l'entrée des Etats-Unis d'Amérique. Je ne sais pas qui souffrira le plus, mais j'ai éprouvé cette nouvelle très douloureusement parce que je suis né là ! Je me suis dit mais qu'arrive-t-il aux Américains ? C'est vrai que cela peut être considéré comme superflu, mais pour les gens qui le produisent, ce ne l'est pas, superflu. Lorsque j'entends dire que le Maroc ou que l'Egypte sont des nouveaux chantiers ouverts à la vente de céréales à bas prix, je souffre pour les

productions de céréales françaises ou européennes. Lorsque j'entends dire qu'il y a un monopole de navigation pour le transports des marchandises, je me dis : "Mais est-ce que ce ne serait pas une forme déjà ancienne de protectionnisme ?"

Reykjavik est un exemple typique. Il faut que désormais, avant que les deux grands pays qui débattent du désarmement n'aboutissent à un accord, les pays d'Europe soient consultés. Il doit y avoir une consultation interne à l'Alliance, aux pays membres de l'Alliance. Le Président Reagan en est d'accord. Il a écrit aux différents Chefs d'Etat et de Gouvernement. Je lui ai répondu. Mais, jusqu'ici, cette consultation se borne le plus souvent à des lettres extrêmement amicales qui arrivent souvent après les dépêches d'agences. Il faudrait donc que l'ordre soit inversé de façon qu'il soit possible d'édifier une politique commune. Je respecte beaucoup les Etats-Unis d'Amérique, je dois dire que j'ai beaucoup d'amitié pour son peuple et j'ai des relations excellentes avec le Président des Etats-Unis auquel nous sommes redevables d'une large part de notre sécurité commune et de combien d'autres éléments fondamentaux de notre vie, notamment la liberté d'être, d'exister. Mais, cette pétition de principe étant faite, cela n'empêche pas que ce ne sont pas les mêmes fabricants d'objets qui sont à Détroit et qui sont à Pittsburgh ou qui sont à Hambourg ou qui sont à Lyon. Je pense que ce doit être la même chose en Angleterre. Je pense quand même à défendre les intérêts de ceux qui se trouvent chez nous et, de ce point de vue, il faut une négociation générale contre tous les protectionnismes. Il faut que la négociation sur le GATT serve à cela, mais il faut que cela soit précédé de négociations extrêmement serrées entre les grands partenaires de l'Alliance. Quand je dis les grands, je n'exclus pas les petits, je veux dire entre le pilier européen et le pilier américain.

QUESTION - Monsieur le Président, vous avez évoqué la division de l'Europe et vous avez regretté cette division. Est-ce que vous pourriez nous dire quelles sont les conditions historiques et politiques pour le dépassement de la division de l'Europe ?

LE PRESIDENT :

Cela ne peut qu'être une approche prudente. J'ai dans l'esprit que l'Europe n'est pas l'Europe, tant que l'Europe de l'Est n'aura pas bâti un bon contrat avec l'Europe de l'Ouest. Difficulté immense. Il s'agit de deux mondes sur les plans philosophique, politique, économique, social, mais pas culturel car la culture des pays de l'Est est aussi européenne que la nôtre. Elles sont complémentaires. Donc, je crois que cela doit s'organiser autour d'accords particuliers et de soutiens financiers. Il en existe déjà avec quelques pays : je pense à la Hongrie, à la Roumanie, à la Pologne. Des soutiens, de l'entraide, de la solidarité pratique, vécue au quotidien et qu'il est possible de multiplier les accords culturels, il ne faut pas les négliger. Tout passe par l'esprit et si l'on se rend compte par la traduction des ouvrages, par les échanges de conférences, par les relations entre les savants, si l'on s'aperçoit que les uns peuvent apporter beaucoup aux autres, il faut éviter de provoquer les grands clash, notamment avec le pays protecteur de l'ensemble des pays de l'Est, je veux dire l'Union Soviétique. Il ne faut pas qu'elle ait le sentiment qu'il s'agit d'une machine de guerre. C'est une démarche très pragmatique que je

recommande. On peut ne pas le faire. Il faut toujours y penser. On peut le faire mal, lentement, aussi il faut toujours y penser. Il faut penser que l'Europe ne sera l'Europe que lorsqu'elle aura retrouvé son unité géographique et historique.

QUESTION - Dans son analyse de la situation de l'Europe sur le plan de la sécurité militaire, le Président a fait état à plus d'une reprise du fait que le Royaume-Uni et la France sont les deux pays Européens qui disposent de l'armement nucléaire. Pense-t-il que la situation de l'Europe sur ce plan s'améliorerait si l'un de ces pays ne dépendait plus d'un système nucléaire de défense, ou ne participait plus à l'armement nucléaire ?

LE PRESIDENT :

Vous me faites pénétrer insidieusement dans la politique intérieure britannique. Je m'en garderai bien. Je vais donc vous répondre pour la France. La France aurait tort de renoncer à la détention de l'arme nucléaire car c'est la seule arme dissuasive pour éviter la guerre, pas pour la faire, pour l'empêcher.

QUESTION - De quelles manières une influence européenne pourrait-elle s'exercer dans le cadre des négociations en matière de contrôle des armements, qui constituent un aspect essentiel des rapports Est-Ouest ; plus spécifiquement, dans quelles circonstances pensez-vous que les armes nucléaires française et britannique devraient être prise en compte dans ces négociations afin de permettre à la France et à la Grande-Bretagne d'y participer ?

LE PRESIDENT :

J'ai dit tout à l'heure que je ne souhaitais pas que la France participât aux négociations sur le désarmement nucléaire dans l'état présent des choses. J'ai même fait une estimation numérique. J'ai dit plus de 10 000 charges nucléaires en Union Soviétique, plus de 10 000 charges nucléaires aux Etats-Unis d'Amérique, moins de 500, je dois même dire moins de 300, actuellement en France ou en Grande-Bretagne. Il faut donc, avant d'aborder la nécessaire conférence qui un jour devrait réunir les cinq puissances nucléaires ou celles qui le deviendraient d'ici là : Etats-Unis d'Amérique, Union Soviétique, Grande-Bretagne, France, Chine. Il convient que les deux plus grandes puissances limitent leur propre armement. C'est dans ce sens là que l'on est allés à Reykjavik. Je n'analyserai pas les aspects qui pouvaient paraître, disons, inattendus à Reykjavik, mais la limitation à 50 % qui a été sérieusement examinée par les deux parties me paraît tout-à-fait concevable, convenable et concevable. Personnellement je le souhaite. De même une certaine élimination des forces intermédiaires. Je ne parle pas là de l'option zéro qui représente tout un monde de négociations que je ne veux pas aborder aujourd'hui, mais une réduction, en tout cas un contrôle. De même les précautions à prendre par rapport aux armes chimiques.

De ce point de vue, c'est aux deux plus grandes puissances qu'il appartient de commencer, de donner l'exemple. A compter d'un certain moment où les forces pourraient être sinon comparées, du moins comparables - vous voyez la différence que j'établis entre ces termes - je ne demande pas l'identité entre les puissances d'armement soviétique, américaine et française par exemple, mais

qu'il y ait quand même des situations comparables. J'ai indiqué d'autres conditions, je n'y reviendrai pas. A partir de là - je l'ai dit aux Nations Unies en 1983 - la France serait disposée à entrer dans la négociation, mais elle ne le fera pas avant car la France et la Grande-Bretagne - mais je parle pour la France - n'ont pas à être incluses présentement dans un débat qui les dépasse. Ce serait une trop bonne occasion fournie à l'un des partenaires d'englober certaines de nos forces pour les réduire sur le continent à néant.

Supposez que l'on ait compris la force nucléaire française dans l'équilibre stratégique établi par les deux plus grandes puissances. Dès lors que l'on estimait que les forces sous-marines françaises étaient de caractère intermédiaire, la totalité de l'armement nucléaire français se trouvait décompté dans le calcul. Et quel était son inconvénient ? Lorsque M. Gorbachev, que j'ai eu l'occasion de rencontrer plusieurs fois d'une façon fort intéressante - c'est un homme parfaitement capable de comprendre les problèmes modernes - lorsqu'il m'a répété cette demande soviétique, je lui répondais que c'était un peu arbitraire que de négocier des sous-marins français tandis que les sous-marins américains et soviétiques n'étaient pas sur la table de ce même forum de la conférence de Genève. On se demande pourquoi il y aurait cette différence de traitement. D'autre part, lorsque l'on parlait des armes intermédiaires, je me demandais pourquoi, et je le répétais, nos forces essentiellement mobiles sur la surface du globe seraient comprises dans un échange d'armes intermédiaires qui laisserait intacte la capacité, le potentiel stratégique des 10 000, on devrait dire des 8 000, charges nucléaires stratégiques des deux côtés de la table de négociation américaine ou russe .

Donc, c'est parler d'une façon totalement irréaliste et cela aboutirait à une conclusion, disais-je à M. Gorbachev, tout-à-fait pittoresque car puisque M. Gorbachev disait : "Mais je ne demande pas du tout à la France de diminuer son armement", ce qu'il faut c'est que l'Alliance Atlantique reste dans des données comparables aux forces de l'Est. A partir de là, la France qui n'est pas partie aux négociations serait conduite à se trouver enfermée dans une définition numérique. Et supposez que la France, à partir de ses quelques centaines d'armes nucléaires, de charges nucléaires, veuille l'augmenter. Par exemple, lorsque notre arme sous-marine pourra passer par fusée de une à six têtes - c'est en cours - et de six à douze têtes - cela est pour la fin du siècle - ce qui automatiquement multipliera considérablement notre force défensive et dissuasive. Mais supposez que nous voulions, précisément, passer de six à douze. A qui faudra-t-il demander la permission ? Aux Etats-Unis d'Amérique qui pourraient nous dire : "Justement j'y songeais"; à la Grande-Bretagne : "Non, moi je voulais faire..." Si bien que M. Gorbachev, par ce système, lui ai-je expliqué, ramenait la France dans le Commandement intégré de l'OTAN. Ce qui me paraissait une démarche surprenante.

La France ne veut pas demander la permission à quiconque, y compris à ses meilleurs alliés, pour estimer ce qui est nécessaire à sa sécurité.

QUESTION - Notre association et la structure étudiante qui est implantée dans trente-cinq universités dans la Communauté Européenne, avec près de 1 000 étudiants adhérents, nous avons pu voir dans les derniers mois qu'il y avait un sentiment assez nouveau

qui naissait dans le public étudiant en Europe, et ceci toutes nations confondues, qui, notamment à travers les problèmes universitaires qui se posaient, avait une analyse qui était relativement commune, à savoir que le cadre national, dorénavant, n'offrait plus les moyens d'apporter des solutions à ses problèmes de financement et reprenne les structures.... archaïsmes... des structures qui existent en Europe. Ne pensez-vous pas que ce serait le moment de créer, au niveau européen, un nouveau programme communautaire qui prenne en charge la formation au niveau du moins de l'enseignement supérieur en Europe ?

LE PRESIDENT :

Je pense, Monsieur, que cela doit faire partie du projet de l'Europe. Il y a à établir simplement un ordre de priorité en raison de la modicité des moyens budgétaires, mais c'est un projet tout-à-fait nécessaire. Quand pourra-t-il se réaliser ? C'est aux Douze maintenant d'en débattre.

QUESTION - Notre dernière rencontre, M. le Président, a eu lieu à l'occasion de la signature du Traité du tunnel trans-Manche. Je me souviens très bien de la construction du tunnel sous le Mont-Blanc, et j'ai également à l'esprit le tunnel du St Gothard en Suisse. aviez-vous estimé, dans ces deux cas, que la France, la Suisse et l'Italie en faisaient trop leur affaire plutôt qu'une affaire européenne ? Et le tunnel trans-Manche risque-t-il d'être envisagé non pas dans le contexte européen mais dans celui d'une opération franco-britannique ?

LE PRESIDENT :

Ecoutez, Monsieur, depuis le St Gothard il y a quand même de l'eau qui a coulé sous les ponts. Aujourd'hui la Communauté Européenne a une réelle existence, même si cette existence est parfois insuffisante. J'ai, dans mon propre exposé tout à l'heure, indiqué que je concevais le Trans-Manche comme un élément du développement des moyens de communication et j'ai même cité le lien à établir, la communication directe à établir entre le Trans-Manche, donc vers le cœur de l'Angleterre, et le système TGV français, belge, hollandais, allemand, cela pouvant s'étendre naturellement du côté suisse ou italien, pourquoi pas d'ailleurs espagnol mais c'est un autre problème. Mais c'est tout-à-fait à notre portée. Je ne conçois le Trans-Manche qui viendra innover l'Angleterre, mais aussi le Nord de la France, que comme un élément d'un tout qui devrait être un tout européen autour des grandes métropoles hanséatiques jusque si possible, pourquoi pas, au Portugal. Cela me paraît indispensable et les premiers éléments, sans rêver, sont déjà à notre portée. Il existe déjà Paris-Lyon, il va exister Paris-Lille, on discute sérieusement de Lille-Bruxelles-Liège, on parle de Bruxelles-Amsterdam, et on parle de Bruxelles-Francfort ou Liège-Francfort. En France, on parle de Paris-Strasbourg - on ne se contente pas d'en parler, on fait des projets - Paris-Bordeaux et la frontière espagnole est en cours. On va pouvoir accéder véritablement autour du Trans-Manche à une communication colossale de l'ensemble des pays d'Europe avec le Royaume-Uni.

QUESTION - Vous avez parlé de la nécessité d'un resserrement entre Européens pour entreprendre beaucoup de choses, notamment dans le domaine de la recherche scientifique, et vous avez cité les exemples

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spécifiques du cancer et du sida. Seriez-vous disposé et en mesure de prendre une initiative au nom de la France et peut-être de l'Europe en vue d'une coopération urgente et à grande échelle entre les meilleurs cerveaux européens afin de s'attaquer aux problèmes de (...) un vaccin contre le sida qui nous inquiète énormément en Europe et qui menace de ravager tous nos pays ?

LE PRESIDENT :

Je vous remercie. J'ai dû rappeler tout à l'heure que j'avais poussé à la constitution d'un groupe de travail des plus grands chercheurs européens sur le cancer autour du Professeur Tubiana. J'ai moi-même présidé la première réunion de travail de ce Comité qui est tout-à-fait remarquable. On commence tout juste à s'organiser en France pour la lutte contre le sida, c'est-à-dire que nous commençons d'avoir une organisation nationale. Pourquoi ne pas passer au stade européen, puisque ces grandes contagions ne connaissent pas de frontières ? Et je me demande pourquoi, profitant de votre question, la France ou tout autre pays ne saisirait pas la Communauté d'une démarche similaire à celle contre le cancer dans les trois mois qui viennent. Pourquoi, au sommet de Bruxelles, on ne déciderait pas une action dans ce sens ?

QUESTION - Le Président pense-t-il que l'ensemble de l'Europe puisse contribuer, à l'heure actuelle, à la recherche d'un règlement au Moyen Orient ?

LE PRESIDENT :

Je vais vous répondre comme je le pense. Elle le pourrait, mais elle n'a pas cette influence là. Elle le pourrait. Il y a une demande, notamment autour du problème israélo-arabe et autour du problème proprement libanais. Il n'y en a pas pour le problème irako-iranien. Cette demande est exprimée avant chaque sommet européen. "Intervenez, intervenez, nous avons besoin de la voix de l'Europe". Mais l'Europe elle-même sur ce point a bien bâti une doctrine minimum autour de la notion de frontières sûres et reconnues pour Israël et de la reconnaissance définitive de son droit mais aussi des moyens à exister. Là-dessus il y a une position commune des pays de l'Europe. Mais, à partir de là, lorsqu'il s'agit d'affirmer les résolutions 242 ou 338 des Nations Unies, le principe est toujours retenu, la pratique est plus faible parce qu'il y a des influences diverses qui jouent selon le pays en faveur de tel ou tel bloc. Bien entendu, cela empêche, du moins jusqu'à nouvel ordre, qu'il y ait des positions tout-à-fait réalistes. Il y a surtout des déclarations d'intention. Ces déclarations d'intention, qui sont toujours pacifiques, sont excellentes mais pas suffisantes. C'est-à-dire que la définition de la volonté politique de l'Europe dans ce domaine est encore un peu faible.

Pour le Proche Orient, pour le conflit Israélo-Arabe, la France a pris une position favorable à une conférence internationale qui pourrait être préparée par les cinq membres permanents du Conseil de Sécurité. Cela aurait l'avantage de mêler directement à la résolution du conflit, l'examen de la résolution du conflit, déjà les deux grands pays antagonistes. Il est illusoire de penser que l'on pourra régler ces problèmes en l'absence des Etats-Unis d'Amérique ou de l'Union Soviétique puisque, de toute manière, ils

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sont présents par des intermédiaires, et il est préférable de les avoir directement. D'autre part, deux pays aussi connaisseurs qu'ils le sont des problèmes du Proche et du Moyen Orient que sont la Grande-Bretagne et la France, sans oublier l'influence mondiale dont peut disposer la Chine.

Je pense qu'il y a là une amorce intéressante, d'autant plus que dans une conférence préparée par ces cinq pays, il serait tout-à-fait possible d'inclure toutes les relations bilatérales possibles et imaginables. On n'y arrivera pas en commençant par les relations bilatérales. J'ai défendu cette thèse moi-même pendant de longues années. Je préfère les relations bilatérales directes entre les gens qui se combattent. J'ai été un des rares Français à approuver l'accord de Camp David en ce sens qu'il réglait le problème militaire entre l'Égypte et Israël. Mais pas dans le sens qu'il réglait le problème palestinien qui n'a pas été réglé.

Je suis donc d'accord sur toutes ces relations directes, mais, en fait, elles n'ont pas abouti. Lorsque je rencontre mes amis dirigeants d'Israël - je reverrai M. Shimon Peres dans quelques jours - j'avais hier comme hôte à Paris le Roi Hussein de Jordanie, M. Peres me répètera : "Mais j'ai confiance dans les relations directes". Oui, vous avez confiance, mais cela ne se fait pas. On ne peut pas rester durablement sur ce terrain là. La conférence internationale préparée de la façon que je viens d'indiquer devrait faire de réels progrès. Pourquoi est-ce que l'Europe ne s'entendrait pas sur cette démarche ?

QUESTION - Monsieur le Président, vous avez cité la défense et la sécurité parmi les choses à faire dans l'avenir. Je voudrais vous poser deux brèves questions à ce sujet : pensez-vous que la défense soit un aspect désirable mais facultatif de l'Europe, ou bien qu'un progrès en matière de défense et de grande politique soit, dans une certaine mesure, un préalable essentiel si l'on veut progresser dans d'autres domaines où l'Europe doit faire face à tant de crises ? Deuxième question : si un progrès à cet égard apparaissait essentiel, qu'impliquerait-il pour la France ? La France s'est retirée en 1966 du Commandement Intégré de l'OTAN, non pas par simple mauvaise humeur, mais en raison d'un profond désaccord avec les autres membres de l'Alliance sur la plan de la doctrine militaire. Dans l'hypothèse d'un progrès en matière de défense en Europe, qui devrait changer d'avis ?

LE PRESIDENT ;

Je considère qu'une défense commune est une condition sine qua non à la réussite finale de l'Europe. Mais ce n'est pas une condition préalable. La preuve, c'est qu'on a pu beaucoup avancer depuis trente ans sans avoir pu résoudre le problème militaire qui ne peut être résolu qu'avec le temps car nous sommes tenus par l'équilibre européen tel qu'il est issu des accords qui ont suivi la dernière guerre mondiale. Le statut de l'Allemagne n'est pas le même que le statut de la Grande-Bretagne et de la France par exemple. Chacun le sait bien, pardonnez-moi de le rappeler. Je crois que pendant la période présente, une Communauté de défense pourrait être désirable mais pouvait rester facultative. Elle l'est restée et cela n'a pas empêché l'avance de l'Europe. Si aujourd'hui l'Europe connaît des obstacles - j'ai essayé de les citer il y a un moment - ce n'est pas à cause de l'absence d'une Communauté de défense car

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l'Alliance, pour l'instant, en fait l'office. Bien entendu, je souhaite qu'il y ait une défense proprement européenne de façon que l'Europe prenne elle-même en main son propre destin. Mais, si l'on veut aboutir au cheminement normal de cette Europe allant vers son unité, pour le moins confédérale, d'autres - je suis de ceux-là - pensent à un stade ultime plus structuré. Mais les pays n'en sont pas là, il suffit de le constater. Je pense que pour les stades ultérieurs, une certaine Communauté de défense devra être définie. Il y a déjà des appels au sein de l'UEO, des demandes surgissent un peu partout, l'Allemagne est demanderesse d'une certaine manière, pas comme on le croit, pas comme on le dit généralement. J'ai en mémoire quelques discours ou interventions du Chancelier Schmidt. En vérité le gouvernement allemand ne demande pas l'accession à la détention de l'arme nucléaire, ni même exactement au partage.

Condition finale de réussite de l'Europe associée à la volonté politique ? Oui, sans aucun doute. A la condition qu'il y ait une certaine unité politique de l'Europe qui, elle, devrait être accomplie au préalable sans quoi nous achopperions sur ce problème comme on a échoppé au moment de la Communauté européenne de Défense des années 1953-1954. Voilà ma conviction. Donc, condition finale, oui, condition préalable, non, condition désirable, oui, condition facultative pour un certain temps.

Votre deuxième question : oui la France a l'arme nucléaire. Je vous ai dit pourquoi tout à l'heure : parce que n'ayant pas l'assurance d'un automatisme dans le jeu de l'Alliance en face d'une menace, il y avait en somme toute une part de la sécurité qui est restée non assurée. La France a entendu la remplir elle-même et donc ne pas rester uniquement dans le cadre du Commandement intégré mais, quand même, alliée fidèle, de telle sorte qu'elle a pu définir elle-même son développement nucléaire. C'est vrai que la France n'éprouve pas la gêne que d'autres pourraient éprouver devant telle ou telle décision qui serait prise à Genève parce que son propre armement ne dépend que d'elle-même. Mais son arme nucléaire n'est pas partageable. Elle n'est pas diplomatiquement et politiquement partageable avec nos amis Allemands. Ce qui ne veut pas dire que la coopération militaire et que la marche de l'alliance entre l'Allemagne et la France ne peut pas être élargie car l'arme nucléaire n'est pas la seule arme. L'arme nucléaire européenne n'est d'ailleurs qu'une partie du tout dans l'Alliance. L'arme nucléaire américaine, stratégique surtout, est infiniment plus puissante, elle est un facteur d'équilibre indispensable. La sécurité de la France repose sur l'Alliance et sur la force de dissuasion. Les deux à la fois. Nous marchons sur deux jambes, l'une serait coupée on tomberait. Mais, sur le plan de l'Europe, il y a des armes de toutes sortes, des stratégies différentes. Il n'est pas établi d'avance que la guerre serait fatalement nucléaire. Moi, je le pense. Je dois m'exprimer ici clairement. Je pense que toute guerre déboucherait sur la guerre nucléaire. Je le pense, mais beaucoup de bons esprits pensent le contraire, pensent qu'il pourrait il y avoir une habile démarche qui procéderait par l'usage des forces conventionnelles pour éviter l'affrontement entre les deux principales puissances et, dans ce cas là, l'Europe serait à découvert. Ou bien, une forme plus subtile encore, qui serait la réduction à zéro, comme on en a parlé à un moment à Reykjavik, ce qui poserait le problème du formidable déséquilibre conventionnel entre les forces soviétiques et les forces des pays d'Europe appartenant à la Communauté.

Nous n'avons pas parlé du tout de l'IDS parce que c'est un sujet nouveau. Certains ont regretté que les pays d'Europe ne participent pas. La France, par ma bouche, a refusé de participer à cette stratégie. Bien entendu les entreprises, elles, font ce qu'elles ont envie de faire pour telle ou telle fourniture. Mais il n'y aura pas d'accord d'Etat pour participer à cette stratégie. Situation contestée en France : il y a des gens forts importants qui ont une pensée contraire à la mienne, mais je maintiens celle qui est mienne. Je ne pense pas qu'il soit nécessaire d'ajouter une dimension nouvelle au mot surarmement. On n'est pas prêt en fait de voir l'Amérique renoncer, en vérité, pas plus que l'Union Soviétique, à ses forces nucléaires. Ce n'est pas la seule arme. Si l'hypothèse conventionnelle devait s'affirmer, l'Allemagne redeviendrait un très puissant partenaire et même j'ajouterais, un partenaire indispensable. On peut donc coordonner beaucoup plus fermement qu'on ne le fait : coordonner les armes nucléaires entre la Grande-Bretagne et la France, coordonner les armes classiques avec d'autres pays dont l'Allemagne, coordonner la stratégie entre pays européens - j'en suis tout-à-fait partisan - mais cela commence naturellement par une coordination des armements eux-mêmes.

QUESTION - Monsieur le Président, certains vous diraient que la désillusion ressentie par bien des gens à propos de la Communauté Européenne résulte de la différence entre les espoirs et les aspirations exprimés par les politiciens et hommes d'Etat et la réalité communautaire. Tous les discours sur une Europe technologique, une Europe où tous coopèrent ensemble, une Europe sociale sont perçus sur un fond de crises budgétaire perpétuelles. En ce début d'année, la Communauté n'a même pas arrêté son budget pour 1987. Quels espoirs peut-on nourrir pour les grands desseins si les douze grandes nations de la Communauté Européenne n'arrivent même pas à se mettre d'accord sur les prix et les niveaux de production agricole ?

LE PRESIDENT :

Ce que vous dites est un constat cruel mais juste. Il y a des personnalités européennes qui pensent qu'il ne faut pas se contenter de dire, mais qu'il faut faire. Quant on fait, il faut s'en donner les moyens. Il y a d'autres personnalités éminentes qui estiment qu'il faut avancer pas à pas et qu'il faut d'abord affermir les économies nationales et donc ne pas trop dépenser sur le plan communautaire. Ces deux formes d'esprit s'affrontent en permanence. Je souhaite que ceux qui pensent Communauté finissent pas convaincre les autres. A ce moment là, le dire et le faire seront plus harmonisés./.

SPEECHES *and* STATEMENTS

Sp.St/LON/2/87

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SPEECH OF M. FRANCOIS MITTERRAND, PRESIDENT OF THE REPUBLIC,
AT THE INVITATION OF MR. JAMES CALLAGHAN,
FORMER LABOUR PRIME MINISTER,
CHAIRMAN OF THE ROYAL INSTITUTE OF INTERNATIONAL AFFAIRS

(CHATHAM HOUSE, 15 JANUARY 1987)

"When I received this invitation from Mr. Callaghan, I thought it was an excellent opportunity of voicing my views on a subject close to my heart before an audience as well informed as yourselves. Thank you for this invitation. I shall try, in the time I have been allowed, to deal with a subject that is so vast it would take not just several hours, but several lectures, therefore a great deal of time. So I shall have to confine myself to a few essential ideas and an extremely cursory talk, which you may find too diagrammatic. But that's how it has to be, I have no alternative if I want to leave time for your questions.

"A few days ago, in France, on 31 December, I broadcast a New Year message to the French. In that message I indicated amongst other things one of the major intentions behind my policy. I said: 'France is our country and Europe our future'. I have long thought this. In the plane on my way here with my friend Maurice Faure, we talked about the years gone by. I recalled, as I often do - because I am proud of such continuity - that I was today one of the survivors among the participants in the Congress of the The Hague, the first European congress in history, in 1948, presided over by Winston Churchill. Since that time I have consistently accompanied the movement of those who declared themselves architects, pioneers, founders of what is referred to by a simple but easily understood name: Europe.

"We shall soon be celebrating the thirtieth anniversary of the Treaty of Rome, which represents the major act in European history to date. Next year we shall commemorate one of the founders, Jean Monnet, and a short time ago we commemorated another French statesman, Robert Schuman, whose name was at one stage linked with the construction of Europe.

"I did not go along with those famous men in all their concepts but I went along with the general trend of their thinking and action. It is on that basis that I am speaking to you this morning. I shall try to define in simple terms the European concept as I see it - why Europe? What is Europe today? - referring, sadly, to the restrictive definition of the Europe of the European Communities.

"I shall concentrate essentially on three main themes. The first: what has been done, how far has Community Europe got? The second: how much of what was decided has still to be carried out? (a great deal, unfortunately). The third: what new projects, ideas, themes, areas are open to Europe if we want it to succeed, in

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other words if we don't want it to grind to a halt after thirty, forty or fifty years? What will become of it in the next century?

"Why Europe ?

"The fact is that Europe has existed unconsciously for centuries. And it did not have to try to define itself, because it was omni-present. It could afford to be divided, split up, parcelled out, to allow power or ambition to predominate from time to time; it was still Europe; it had a diversified, variegated, many-faceted and complementary culture; it enjoyed considerable authority around the world. It spawned, not several civilizations, but one great, strong civilization, and above all it successfully achieved a synthesis of earlier civilizations.

"So why Community Europe ?

"The Europe I have just described all too briefly and succinctly, and therefore too sketchily, was a Europe in which passports were unknown, in which travellers (I am thinking of the eighteenth century) could go from court to court teaching and disseminating their philosophies, in which literature could also be widely shared, in short a Europe where travel was easy, at any rate for the aristocracy and upper middle class. That Europe came into being of its own accord, without much conscious thought on anyone's part.

"Then two world wars in quick succession revealed - I wouldn't say caused - Europe's decline; at any rate they revealed the severity of the decline. It was a kind of self-destructive rage, a European civil war coupled with the demise of colonial empires, while other empires were born, the two greatest ones being, as you all know, the United States of America and the Soviet Union. Two empires were born that had Europe under their control and, to use a more diplomatic term, under their influence.

"Divided in two and having well and truly lost its political influence, Europe has seen the emergence around the world of forms of expression and decision-making centres, all of which, or almost, are unrelated to it. At the same time demography has plummeted, whilst in the Far East, but also in many other parts of the world, populations have increased in both power and numbers.

"So the mainstreams of history - those we learned about in our school books, the mainstreams of European power: the Channel, the Rhine and a little later the Mediterranean (by 'later' I mean in European history) - have moved elsewhere. And then one cannot but see that the Atlantic mainstream has been superseded by the two shores of the Pacific. This shift has played a very significant part in Europe's decline.

"Now, to round off this preamble, the idea that has instilled itself in many European minds that Europe's historic existence must be brought back to its own shores, to the very heart of our continent, may be regarded by others as well as by me as one of the major ambitions of modern times. All the more so since every

European country is today suffering from Europe's weakness. In the first place its inherent weakness, a dimensional shortcoming, a collective deficiency. Narrow self-interest is the way of ensuring that Europe, together with its constituent countries, will have disappeared from the centres of power for a long time to come. Not that power is in itself an ideal objective, but since ours are political societies and vehicles for all kinds of spiritual, moral and material values, either we renounce our claim to exist as an entity on the face of the earth, or we don't. And I, if you will allow me to say so, among those who don't.

"I have told you why we need Europe. I shall now tell you what Europe is - I mean Community Europe. First it was the Europe of the Six, starting in the years 1950-1957. That Europe began to take shape round the European Coal and Steel Community and fully asserted itself round the Treaty of Rome in 1957. What, basically, was that Community? It was essentially an agricultural common market, a customs union and a number of preferential tariffs, but at the same time it was a framework for learning to live together.

"The Communities expanded, they developed ambitions on technology - they still have these - on transport, on the environment, they developed their institutions. We can see it on the map: six, nine, ten, now twelve. As that Europe expanded to twelve countries, its nature changed: it could no longer behave exactly as it had done when it was a compact community. It moved on - some people saw this as a danger, others as an advantage - from the stage of a protected zone to the sort of zone where aspirations towards universal free trade risked destroying the initial structures.

"Today Europe has twelve members, and as the Community grows it has to guard against the dangers of bursting apart, against growth crises. We are currently living through a growth crisis.

"There have been many crises. There was the 1965 crisis, when Europe changed course on accepting in Luxembourg, in January 1966, that if one of the member countries pleaded force majeure for some given reason, we could simply stop or block the development of European projects. We also had an insidious crisis in the eighties: disputes piled up; when I myself took over the Community presidency on my country's behalf in 1984, I found seventeen serious disputes. Most of them were settled. Some are rearing today.

"I shall conclude this second part of my preamble by saying that this Europe, the Europe of the Twelve, is an accidental creation, brought about by the accidental circumstances of war, by accidental balance-of-power factors.

"Why Germany and not Austria? Why Denmark and not Sweden? Why Greece and not Poland? An accidental Europe whose frontiers were drawn by armies and diplomats - frontiers between two worlds, frontiers marking Europe's deep-seated divisions.

"And yet one idea will underlie my reasoning: the Community is a good and even entirely necessary thing. We can't be content with it as it is, we must strengthen our twelve-nation Community. But we must always be looking outside it towards the rest of Europe. First we had to achieve the necessary

reconciliations between former enemies. The Franco-German reconciliation, to mention only what involved my country, was one of the decisive factors of the immediate post-war period. Today we must take the view that the process of reconciliation by concentric circles, thanks to which Europe has expanded to twelve members, should one day enable so-called Western Europe to have a more fruitful dialogue with the other Europe, which is also Europe.

"But despite the obstacles standing in the way, Europe has a common language. It is an accidental Europe but not a counterfeit Europe ; it is an incomplete Europe but a deformed Europe. The Twelve are made to live together.

"Having said all that, I should now like to start on the actual plan of my talk.

"You who are members of this Institute take a close interest in these problems as a whole. I would not have the temerity to seem to be telling you anything you don't know. I have simply tried to build a perspective, to make a brief synthesis that will inevitably be rather too superficial.

"I nevertheless have to recall that, having begun, as I said just now, with the European Coal and Steel Community (1950) and then set the seal on the early attempts with the Treaty of Rome in 1957, we have achieved a number of significant structural advances in more recent years. I shall merely list these, though they would each deserve an in-depth analysis.

"I see here many distinguished figures who did the spadework and who have a more intimate knowledge of them than I. They would have a lot to say about them. Those of you who were less closely involved will forgive me for not speaking of them at greater length.

"In 1974, in my predecessor's time, the European Council was created. It was, I believe, an important initiative. It also has its drawbacks. Until then it was the Foreign Ministers who met in the Council of Ministers and governed Europe. Together with the Commission, they formed the Executive of the countries making up the Community ; they reported to their Governments and then the political decisions were taken.

"The European Council allows the Heads of State and of Government themselves to have meetings. The drawback is that the Council of Ministers now tends too often to offload the difficult issues onto the European Council, that is, the Heads of State and of Government. The latter may thus spend three or four sessions discussing the price of butter or milk, or a whole range of extremely complex procedures that are obviously not their province. So there is a kind of telescope effect between the two institutions: the Council of Ministers and the European Council. On the other hand, the political responsibility is more fully brought into play and this means that a European will can take shape more satisfactorily.

"In 1979 the European Parliament elected by universal suffrage was established.

"The third major reform over the last twelve or thirteen years was the creation of the European Monetary System. After a monetary charter in 1978, the proposal came to fruition in 1981 with the creation of a Monetary Fund and a reserve currency : the ECU.

"Those were the past achievements.

"More recently, in the period when I myself have played a part as a member of the Community representing France, we have established what we call Blue Europe - maritime and fisheries Europe. Technological Europe existed already but has developed more fully in the past few years. I remember coming here to visit the JET with Her Majesty the Queen. There has been Ariane, the Airbus and more besides. Technological Europe is also, I believe, a major initiative beyond the confines of the Community of the Twelve : thanks to Eureka, a whole range of industrial firms can pool their research and projects.

"So : Blue Europe ; technological Europe which has expanded considerably ; enlargement of the European Community from ten to twelve members with the accession of Spain and Portugal ; launch of the People's Europe on the basis of a report by an Italian leader, Mr. Adonino, to develop a European consciousness among Europe's inhabitants at the level of practicalities, as opposed to political and institutional definitions : for instance, easier frontier crossings, or the freedom to establish a professional practice, or equivalence of qualifications all come under the heading of the People's Europe and there would be many other examples.

"Lastly, M. Maurice Faure's report in the framework of the Dooge Commission on institutional development led in effect to the definitions and contents of the Single Act, which is the last major achievement of the recent years. Blue Europe, development of Technological Europe, enlargement to include Spain and Portugal, People's Europe, and finally the Single Act, in other words the beginnings of a large internal market.

"According to the Single Act, adopted in Luxembourg in December 1985, the internal market should become a full reality by 1 January 1992.

"If that Single Act achieves all its objectives as I would like - and the obstacles are considerable - its effects may be as decisive as those of the Treaty of Rome itself.

"Finally, to complete the record, let's not forget a very important aspect : the Community's activity outside its frontiers. Not just a certain number of political stances but also some economic stances, particularly the Lomé agreements. Thanks to Lomé III, Europe is maintaining a presence in sixty-five African, Pacific and Caribbean countries. The Lomé agreements provide for a joint approach to development, to third-world aid, and also represent a European presence in all sorts of spheres. Even if that were the only example, it would already show that the course we set was the right one.

"There would be more to say on some aspects. The European Council, for instance. With the Single Act, at any rate, the

European Council is integrated in the institutions. It was an institution decided on by a few people and established pragmatically. It is now an institution officialized by a treaty.

"I should like to say more about the European Monetary System. This is a form of monetary cooperation designed to create - I daren't say so right now - an area of monetary stability in Europe by setting an exchange rate and organizing the convergence of economic policies. The EMS features three elements : first a currency, the ECU, which is exchanged by the Central Banks - 20 % in gold and dollar reserves - at the European Monetary Cooperation Fund. Secondly an exchange mechanism whereby currencies cannot fluctuate above or below a permitted limit of 2.25 % (except for the Italian lira which can fluctuate by up to 6 %) ; you know as well as I do that Sterling is absent from this exchange mechanism, as are the Greek, Spanish and Portuguese currencies. Sterling's absence is certainly a major factor of uncertainty for the development of the European Monetary System. Lastly, the EMS is a credit mechanism that operates in the very short term (forty-five days renewable), the short term (three months renewable) and the medium term (two to five years).

"I shall come back to the European Monetary System in a few moments, in the context of future prospects. I shall say to you : either the European Monetary System will succeed - but it is threatened - and Europe will be feasible, or it will fail and so will Europe.

"Those of us who will help consolidate that system will have opted for Europe. Those who will not will have opted to scrap Europe and move on to something else.

"For today some crises are looming, following those I recalled earlier. What will become of the Common Agricultural Policy with the surpluses problem ? What will become of the European Monetary System confronted with the dollar and yen bloc ? Will a small area of stability survive in an ocean of instability, since there is no world economic order ?

"As for the Parliament, I could have said a little more about it but I shall merely make a few remarks. Although some headway has been made and it is now elected by universal suffrage, it has no legislative powers ; it can, on the other hand, amend draft budgets, but it has no power to decide on revenue. It was decided in Luxembourg that the European Parliament would give its assent in two cases - new accessions, and when association agreements were proposed - and would join in the decision-making in the common areas of freedom of movement for workers, right of establishment, social policy and harmonization of legislations.

"That is more or less as far as we have got.

"My second heading is : we now have to carry out what has been decided.

"Much of what I have just outlined has been translated into fact and much is still outstanding. And - this will be the refrain from beginning to end of this brief exposition - there is no doubt at all that, without a political will to build a genuine

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community, all the measures we have already implemented will gradually slip into disuse, while the rest will not be done. So have we or have we not decided to be conscientious workers, after having laid only the third line of bricks on a wall, when the end product will be a cathedral? I remember an anecdote which I think has special symbolic value for Europe. In the Middle Ages a traveller sees two workers building a wall. He asks the first worker: 'What are you doing?' and the worker replies: 'I am building a wall, I am laying stones one upon the other'. The traveller turns to the second worker and asks him: 'What are you doing?' and the second worker says: 'I am building a cathedral'. Depending on our concept of Europe, either we want it or we don't. Either we have done a spot of bricklaying that looks like a wall, or we may think that in the end we shall have a cathedral.

"I spoke earlier of the Common Agricultural Policy and the need to stop piling up unduly large surpluses, at a time when international markets are contracting and American competition is becoming more self-assertive with the return of protectionism, while a number of third-world countries such as Argentina are increasingly claiming part of the market, especially the cereals and meat markets.

"The budget crisis? We really should bear in mind that the European budget is a small budget. By reference to that budget, the requests for more money seem substantial, but if one reasons by reference to the Community's gross national product, that budget is insignificant. So here again, one reasons from a starting point. And depending on which starting point one chooses, one is more in favour or more against. A few years ago already, at the London summit, I, together with some others, suggested that we might increase the own resources to more than 1% of VAT. We raised them to 1.4%.... With Spain's and Portugal's accession, we are already reaching the limit of what can be spent. We are already having to choose between development of the agricultural policy and, for instance, development of the integrated Mediterranean programmes or the regional policy.

"Lastly, we have not given enough thought to what kind of agriculture we want for Europe. We are always asking ourselves what to do about farmers, but first we must decide what kind of agriculture we want for Europe. If we want a purely industrial, soilless agriculture, we can open agri-food factories in Piccadilly or on the Place de la Concorde. Then, of course, there will be no more countryside agriculture, no more of those larger or smaller farms, no more human settlement on the land, and the civilization that produced us will be over and done with. I am among those who think this would be a grave mistake. It would at any rate be totally contrary to what Europe's founders originally intended. When we signed the Treaty of Rome, we didn't want just any sort of agricultural common market, we wanted a certain kind of agriculture for Europe, a certain form of rural civilization. Naturally, this should not be taken to the point of absurdity. We can't ignore technological progress, the colossal productivity gains, but we have to take account of all these factors and not simply of profitability. A production has to be sold; but what and how are we to produce, and for what customers? The market is obviously contracting everywhere.

"So if we want to carry out our decisions in the agricultural sector, a major debate is necessary. I personally am advocating a kind of working conference, a large-scale consultation between the States, of course, but also between the farming organizations. All concerned must get together to rethink Europe's agricultural policy over the next ten to twenty years, for we are at a decisive moment. Depending on which way we veer, there will be no more real agriculture, no more farmers or peasants, so it will be the end of a certain aspect of Europe to which we are attached ; but no-one can accuse us of being addicted to the past, because it is a form of civilization.

"The Monetary System : the current jolts show that it is in danger. It is in danger, firstly, because it is isolated in relation to the currencies that are playing their own game. Look at what is happening with the dollar. Obviously, when there are currencies in the EMS that are not at the front of the train but in the second, third, sixth or seventh carriage, those currencies are tossed about on the bends and so a derailment may occur at any moment.

"But indeed this zone of stability in an ocean of confusion, uncertainty and disorder requires particular care. As I shall tell you in a moment, this is one of the points I personally feel most strongly about. We need to know whether the countries concerned - I am thinking of Germany and France but of the others too - are resolved to strengthen their monetary system or not.

"Among the decisions is a research programme. Some major projects have already materialized. I shan't mention them all, you have them in mind : Esprit, Race, nuclear fusion. New funding is needed for such projects. At the present time we are tending to rarify the oxygen that would keep man's great endeavours in Europe. Research accounts for about 2.5 % of the Community budget - an extremely small proportion. I proposed Eureka. It is not confined to the Community since nineteen European countries are involved, but it must develop in harmony with the Community and the outline research programme presented by the President of the European Commission, M. Delors. All that must be harmonized. And I must say that, for the moment, there is not enough money. New funding will of necessity have to be found, otherwise Europe's technological development will be too late, coming after the more active Japanese and United States economies. The latter will have generally penetrated the industrial groups of our individual countries. I am not against such participations, I have encouraged some in France. It's not a matter of shutting ourselves in, but neither should one be dispossessed of one's own assets, one's own capital, and above all the main resource, one's brain power. And if a scientist, an expert, a researcher, an engineer or an executive now has to emigrate to California or the Tokyo area to make the most of his abilities, what will be left in the European world to further development ?

"There is the problem of cohesion. We are twelve, but are we really twelve when it comes to determining our approach to world trade conferences ? A GATT round is coming up. Do we have the same position regarding our partners' requests ? Are we going to deal differently with industry and separately with agriculture, as the Americans wished at the start ? And since industry will be

discussed, shall we discuss patents ? And what shall we say about services ?

"A number of third-world countries do not feel ready for discussions of that type.

"For the internal market, as I told you earlier, we need a political will. For in the next five years we shall have to harmonize the economic, social, cultural, training and monetary sectors. If just one of these parts is missing, the internal market will be a failure. A large Community internal market where everything is free and operates under common rules cannot conceivably be established if there are protectionist or restrictive legislations, if people work so many hours a day here but don't do likewise there, if labour organization is different, if social relations are fruitful in some countries but arid in others. The system has to be logical. The signatories of the Luxembourg Single Act providing for the creation of an internal market over five years must have thought of all this, otherwise they would have been irresponsible. We are committed, we must bring the task to successful completion.

"Finally, the integrated Mediterranean programmes : Europe cannot possibly develop if some areas lag too far behind others. The result would be unbalanced. The whole of Southern Europe, whose natural productive potential is not so good - although it is better endowed with aesthetic and tourist resources - risks sinking into great poverty if the regional policy is not conducted intelligently.

"That completes my review. Let us take full stock of what has been decided and develop a genuine will to carry out those decisions. I have just noted a few missing parts, a few shortcomings or differences.

"Are there some new areas offering possibilities for Europe to exist in the full sense ? I shall name seven.

"First, social Europe : I have just mentioned working conditions and terms of employment in connection with the internal market, which will not be completed without action on that front.

"Growth : there is a European proposal, which M. Delors calls the cooperative strategy for growth. Round what focal points must that growth be developed ? We consider this policy vital, if only to cure Europe of the fatal disease of unemployment. The answer is : major works and means of communication. A typical example is the Channel Tunnel ; I was delighted to put my signature to that, together with the United Kingdom Prime Minister.

"It is nothing less than a revolution in habits and practices. It is a fact that, if all the European means of communication can be linked up with the Channel Tunnel, then the whole of Community Europe will have one single nervous system and no one country will be able indefinitely to run its economy, its society, its infrastructural development independently from the others ; we have to realize this. But I note that this initiative has been adopted by all the twelve countries of Europe and that, despite the reticence expressed in some quarters at the start, the

common theme I am developing today has won acceptance.

"The whole system of motorways and high-speed trains - of whatever make or nationality - exists in France today, but with projections towards Belgium, Holland, Germany, London, motorway interconnections in Northern Europe and possibilities in the direction of Eastern Europe. It could play a considerable part in re-creating conditions similar to those of eighteenth-century Europe, but this time not only for the privileged few.

"Communications - I shall say more about this in a moment - also include telecommunications and the audiovisual sector. So social Europe - a European policy on working conditions - is indispensable. So is a European policy on growth centred in the first place on those major works schemes, but also on many other initiatives. What, for instance, is holding up a genuine European transport policy? There is some timorous progress here and there, but everybody has arguments for putting off doing things. When the time comes for actual action, everybody retreats, which means that things can't get done. Those aspects of Europe - communications, transport, the environment - really must be developed alongside the agricultural, industrial and technological aspects.

"I spoke earlier of scientific and technological Europe. Here the new prospects are immense because Europe has immense resources of intelligence, competence and technical know-how which are fully comparable with those of the greatest powers in the world today. Do you know that our countries have between them more money for research than the United States of America or Japan? And do you know that all that money added together - a purely intellectual calculation, because it isn't really added together - produces five times less capacity for expansion? So what does that mean? We have the brains, the money, and they are not used. I therefore think that we must have some extremely high-powered technology programmes. One of these which I know is of interest to you is exploration of the solar system. We have already achieved a small European breakthrough round Halley's comet, together with America. It is an excellent initiative. Observation satellites, the friendly competition that exists today for manned orbiting stations, the experiments of which the results are transmitted between Washington and the European capitals: all this is excellent, providing, of course - otherwise there will be no two-way exchange - that this intellectual and technological production is engaged in on both sides of the Atlantic.

"European health policy: are we really not capable of it? We have admittedly made a start, but only just, on building a scientific Europe to fight the spread of cancer and AIDS. Are our countries each going to act on their own small scale, if at all? Some worldwide projects are under way. I have discussed this at length with Mr. Nakasone, who rightly attaches great importance to the development of a world health policy. I put forward a proposal at the Versailles Industrialized Countries' Summit in 1982 for developing a growth policy and a health policy. But Europe should at least be a focal point for innovation, invention and joint research. This already exists in embryonic form.

"For instance, Professor Tubiana recently held a meeting in Paris (which I attended) of leading scientists from the whole

world and particularly from Europe on cancer prevention.

"Universities, young people, Erasmus project : we have the ability to enable the young, with the help of grants, to go to the great European universities they wish to attend, so that there can be a constant interflow between universities and young Europeans will get used to feeling at home, be it in Heidelberg, or Salamanca, or in your British universities, or at the Sorbonne. Exchanges of young people are very active between France and Germany, but not so sustained with the other countries.

"Language teaching : I well know that, when a language has developed here that has the ambition of becoming universal, there cannot but be a certain amount of reticence ; Germany cannot but feel some reticence when asked to call 'ECU' a reserve currency that could so conveniently be called the mark. Of course, when it comes to 'reserve languages', the English language could, after all, regard itself as naturally cut out for such a role. But it should be realized that, a century from now, it will be outdistanced by the Romance languages, in particular the Hispanic languages. I am saying this without wishing to give offence, but it does show that a common front is necessary in respect of the understanding and development of languages. All that must be dealt with.

"I have mentioned the audiovisual sector : it is an essential factor of cultural identity for Europe. We are able today to provide 125,000 hours of programmes for Europe. How much are we producing in a country like France ? Probably 5,000 hours. How much in Great Britain ? I don't know. It is a fact that programmes from outside Europe, due to their quality, precision and dynamism, are on the verge of changing Europe's cultural make-up. So we absolutely must act very quickly, particularly through the means of communication ; but all the technical means absolutely must be placed at Europe's disposal.

"Security : over the past few months we have begun to develop common action against terrorism. I shall merely say that I am firmly in favour of speeding up the arrangements in order that, without anyone encroaching on the judicial systems of others, there can nevertheless be some real police, control and judicial procedures enabling us to win the struggle against the modern forms of barbarism.

"I should now like to talk about defence. What is there ? There is a special agreement between Germany and France. It is a great victory, considering that in the space of a century those two countries were enemies in two world wars and in others that sparked them off. Those wars left a deep imprint and yet, thanks to the men I named earlier and a continuous process that has now gone on for thirty years, the problem is behind us. There is deep friendship between France and Germany. Franco-British friendship is taken for granted, at any rate since the beginning of the century, that is since 1904, for before that France had some traditional enemies. The most recent was the German enemy, the one before the British and the one before that the Austrian etc. ; at one point the enemy was Spanish... Let's quickly move on from all that. I shan't thank my British audience here what is their classification ? One thing is true at any rate : that period is over.

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"Some agreements were signed just over twenty years ago between France and Germany. I am referring to the 1963 Elysee Treaty signed by General de Gaulle and Chancellor Adenauer and which I modernized twenty years later, in 1983, activating its military clauses that has lain fallow for twenty years. I should very much like there to be conversations of that kind with other countries. We discuss military problems with the British leaders, of course. We felt particular concern just after Reykjavik, when we realized that certain European arms capabilities were totally dependent on the decisions that might be taken between the two powers who are negotiating today, the Soviet Union and the United States of America. One may think in particular of certain nuclear weapons.

"We have to know what we want. I think it vital to lay out flat on the table all that has to do with military equipment. You design a combat plane with certain other European countries, we design another. When we consider tanks, helicopters... I don't advocate uniformity in all things. I well know that it will take time, that it's difficult, that there are legitimate interests. There is also the fact that we are in the same alliance, that it includes one indispensable, necessary, decisive member - our American friends the United States of America - and that it is quite normal that they should play their part in the concert. Nevertheless, if certain items of military equipment were jointly adopted and manufactured by the European countries, the load on our economies would be lightened and we could probably prepare more efficiently for certain military eventualities that might be specifically European.

"After all, two countries have nuclear weapons : yours and ours. Not the others. What do the others have ? So-called conventional weapons and membership of the Atlantic Alliance. If France, under General de Gaulle, parted company with the integrated command - not with the military alliance but with the integrated command - it was because General de Gaulle felt that there was no automatic element in our powerful ally's decision-making, that it was not established and agreed but could vary according to the President's temperament or the nature or state of American public opinion, and that, should a nuclear threat arise the lack of this automatic element in the Alliance machinery represented a mortal danger ; therefore that we had to have our own capabilities in order to protect ourselves at least against the direst emergencies and have a strong enough deterrent to ensure that no-one would consider attacking us.

"These factors haven't really changed. One can imagine strictly European eventualities that would not necessarily involve triggering the whole Alliance machinery. Are we prepared to discuss this ? Shouldn't the Defence Ministers, the Defence and Industry Ministers and the Industry Ministers hold working conferences to look at things in the round and perhaps harmonize our approaches ?

"My last remark on this subject is that I consider it very undesirable to think that everything has to be systematized. Contrary to what is generally thought of the French, I myself am very much against setting up an institution or an organization every time one has an idea. People can perfectly well be left to act according to their inspiration, especially when it comes to practicalities. Thus, in the general Community framework, several

partners can sometimes get together to construct technological projects, or examine strategies or military weapons, if they are so inclined and their approach is the same. After all, the discussion we are having on this subject might seem heterodox to the Greeks or the Irish. There are wide differences of status in the Atlantic Alliance and there are countries that don't belong to it. The references don't all revolve round the same yardstick. So to my mind some areas would call for variable geometry initiatives, but, there again, not systematically, for a system would tend to break up Europe. Look at what has been done in the cases of the Airbus and Ariane. Spain joined in the Airbus project when she was not a member of the European Community. In Eureka, there are six European countries in addition to the Twelve. Drawing inspiration from those examples, we can adopt a pragmatic, free and intelligently realistic approach without seeking to impose preconceived judgments on people and things. Admittedly, it has to be coordinated, and what better coordinator is there than the European institution ?

"Institution. I have uttered the word. The institutions are another aspect of Europe's future. But as far as the military aspect is concerned, I want to make myself quite clear. I should like to see more exchanges, more examination of strategic problems. Unlike some other people, I am not asking that Europe, or at any rate France, take part in the negotiation between the United States of America and the Soviet Union. I would not have wished France to be at the Reykjavik meeting. Neither do I wish her to go to Geneva, for the problem confronting the two greatest powers is one of too much weaponry. As far as nuclear weapons are concerned, they each have more than 10,000 warheads. France has less than 500. So has Great Britain. It's a prospect, but we are still far below that figure. Before thinking of including all the nuclear powers in a general examination, the two super-powers should considerably reduce their own capabilities. The 50 % cut they have considered seems to me most reasonable. But I do not recommend, as though it were a kind of demand, that Europe be present at the negotiation. What would it be doing there ? What would it say ? It would be included in a disarmament negotiation that really does not concern it as long as the two greatest powers have not decided on a certain degree of destruction of existing weapons, or non-construction of future weapons.

"For instance, at one time there was a wish to include the British and French arsenals in the intermediate weapons count. I went on and on repeating to Mr. Gorbachev, who was insisting on that (Mr. Reagan having supported the French position), 'we haven't got intermediate weapons. Our submarines which make up the bulk of our nuclear capability - and this applies to the British as well - are by nature strategic'. They ply the ocean depths, they can go to any part of the world. Their missiles have a range of up to 4,500 kilometres. The definitions 'strategic', 'intermediate' and 'tactical' applied to a weapon's range - a strategic weapon being one that can cross the Atlantic - are somewhat oversimplified ! The Atlantic Ocean isn't the measuring rod for every possible military action in the world. A weapon that can be fired from one country on the continent (plus Great Britain) at another is classed as intermediate ; one with a range of thirty to a hundred kilometres is classed as short-range or tactical. It's totally artificial. There are in fact the weapons necessary to a country's independence, security and protection and those whose use is restricted to actions

preceding a general conflict.

"I want to see more exchanges, therefore more meetings and ultimately more agreements. The Franco-German relationship is in that respect fairly exemplary. There are joint military exercises with a view to closer coordination and more informed discussions. I have accepted that - as far as possible, of course - in the event of a threat of war, Germany on whose territory murderous conflicts might develop must herself be informed and have a say on the use of our weapons, even though, due to European realities inherited from the last world war, she does not have access to nuclear weapons and is not entitled to take decisions in the place of the countries which possess them. But the Germans understand that very well, and in fact are not asking to do so. But they have substantial conventional weapons. They have tremendous military qualities. If we coordinate all those capabilities, we can arrive at a specific and not simply verbal concept of a sort of European defence, all this hand in hand with WEU, which from that point of view will be very useful.

"Finally, the institutions. There is talk of strengthening the Parliament's powers. They will have to be strengthened once we have succeeded - if we succeed - in completing the large internal market in 1992. There could quite conceivably be more generalized consultations and even certain initiatives on the European Parliament's part.

"There is also talk of a presidency. I am not against that idea. I have heard some vehement protests from this side of the Channel, but I am not against it. I don't think elections by universal suffrage are conceivable in the near future, but a process in successive stages could be considered. I don't see why we should confine ourselves to the present practice: each country or its Head of State or of Government presides in turn, in alphabetical order, over Europe's destiny for six months. During those six months there is a meeting of the European Council, sometimes two. What can one achieve? Every President, at the end of the six months, is left regretting not having done more. The last British presidency was efficacious, the Belgian one will certainly be so. I am not in any way questioning the abilities of the successive leaderships, but it is a fact that this arrangement is a source of harmful institutional instability. So an attempt has been made to put things right by saying that there will be a troika made up of the current President, the preceding one and the next one; those three will meet, which would mean that today the Belgian President would be assisted by a British and Danish vice-presidency. It's an improvement, but it's not enough; moreover there's virtually nothing along those lines so far.

"A permanent presidency, or at any rate one of longer duration - a year, two years, or longer? - is conceivable. Of course, with twelve countries, many rivalries would surface. No, we can avoid those rivalries by choosing someone by common consent to take the helm for a fixed period, possibly with the assistance of representatives of the different countries. I am not against the idea, I consider it needs to be elaborated on; I have now had a go at it.

"Ladies and Gentlemen, none of that will be done without

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the political will : either we have it or we don't, but the will has to be political. The cards laid out in front of us are quite clear. We can remain at the alliance stage. Our countries are an unstructured group of allies and friends. We have begun to be partners, that's a structure, like a partnership between private individuals : we have a board of directors, we have articles of association, we sometimes have majority voting, sometimes there has to be unanimity, it's a partnership. We are not a genuine confederation, though perhaps, on certain points, we can say we are. This is to some extent the case for farm policy, it could be for certain other institutional policies. And we are a long way from being a federation : we don't have political unity. From time to time we may put out a text on the way we see peace returning to the Middle East. From time to time - and this isn't all that easy - we may express the attitude to take on apartheid in South Africa. We might voice an idea about the Central American situation and the respective roles that Nicaragua and the United States of America could play, but this never comes naturally. We may define positions on Afghanistan. That's very easy, it could be still easier, it seems, from now on. We are sufficiently close to one another to have some points in common. I believe we must systematically seek to define a common political will on the major problems affecting the life of the world.

"Will we head towards political unity as I would like ? To repeat what I said at the beginning, France is my country and Europe our future. Do we have the option of not looking to that future ? There lie all the tasks we have to accomplish, that's the subject of this debate."

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QUESTION - In the very interesting description of Europe's future that you have given us, I wonder if you could add a few words about how you see the relationships of this Europe developing in relation to the two superpowers. Of course, you have touched upon this but, in particular, our relations with America seem to me to be entering a very crucial and difficult stage. We may be facing a trade war, there are differences, as our Chairman suggested, between the view of the superpowers expressed at Reykjavik and those of the Europeans and we are entering a period of a number of European and American elections. How do you see all this coming together ? Are we growing further away from the superpowers, particularly from America, are our own interests diverging, or what ?

THE PRESIDENT :

Since your question is primarily about the United States of America and Europe, I shall summarize my views in simple terms : we are allies, we are in the same military alliance and in the same economic grouping. A great many institutions bring us together. Having made that clear and said that I approve of this situation, it does not mean we have to be the same. There are rivalries of interests and cultures. We must remain ourselves if we want to get

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on well together. Remain ourselves - you are going to talk about protectionism. I think the only way to find a common denominator for the United States of America and Europe is to mount a campaign against all forms of protectionism. And first of all against hypocritical protectionism. Today people are hurling figures at each other. The Americans are saying: 'The Community is protectionist!'. But you can't negotiate the same thing twice. In GATT, more than twenty years ago, it was, for example, decided that to correct Europe's agricultural protectionism, animal foodstuffs entering Europe would not be taxed. That was decided, that compensation was obtained. It is difficult to negotiate the same advantage for the second time. I have already asked for a conference to take place and that it should begin with all the parties putting all the protectionist practices on the table. Japanese protectionism, for example. The Japanese won't put anything on the table since there is no institutional protectionism there. Yet you can't get into Japan. So account will also have to be taken of subtler forms of protectionism. One French company which wants to get into Japan has had to be patient for seven years. I am quoting a concrete example I know about - you've got to be rock solid financially to wait seven years before being able to sell a yoghurt to a Japanese.

All forms of protectionism. In France's name, I am ready to start this debate and empower her representatives to renounce the protectionist practices she might use against her neighbours. It's simple.

As for the European Community, it is based on a degree of protection of its common market. Well that's negotiable. After all, it's not a narrow protectionism, the Community has 320 million inhabitants, which is more than the United States of America, the Soviet Union or Japan. So we are entitled to protect that entity, but by common agreement and on negotiated bases; whereas today it's done by uncivil in-fighting. I have heard, for example, that cognac has just been shut out of the United States of America. I don't know who will suffer most, but I was very upset by the news because I was born in the cognac region. I wondered what was happening to the Americans. Admittedly, that product may be considered superfluous, but not for the people who produce it. When I hear it said that Morocco or Egypt are new destinations for low-price cereals, I suffer for the French and other European cereals producers. When I hear talk of an ocean freight monopoly, I wonder whether it isn't an already long-existing form of protectionism.

Reykjavik is a typical example. From now on, before the two great powers discussing disarmament reach agreement, the European countries must be consulted. There must be consultation within the Alliance, with its member countries. President Reagan agrees. He wrote to the various Heads of State and Government. I replied to him. But until now that consultation has usually been limited to extremely friendly letters which often arrive after the news has come through on the agency wires. So the order should be reversed so that a joint policy may be constructed. I greatly respect the United States of America. I must say that I feel great friendship for her people and have excellent relations with the President of the United States, to whom we are indebted for a large part of our common security and for so many other fundamental factors of our life, particularly our freedom to be what we are, to

exist. But, that being said, the fact remains that manufacturers in Detroit and Pittsburg are not the same as those in Hamburg or Lyon. I expect it must be the same in Britain. I do make it my concern to defend our people's interests, and from that point of view there must be a general negotiation against all forms of protectionism. The GATT negotiation must be used for that, but it must be preceded by extremely painstaking negotiations between the major Alliance partners - I don't mean by this that the small countries should be left out, I mean between its European and American pillars.

QUESTION - You referred to the division of Europe and you regretted it. Could you tell us what are the historical and political conditions for overcoming the divide ?

THE PRESIDENT :

The approach must of necessity be cautious. To my mind, Europe is not Europe so long as Eastern Europe has not forged a good contract with Western Europe. That's immensely difficult. They are two worlds philosophically, politically, economically and socially, but not culturally, since the East European countries' culture is as European as ours : they are complementary. So I think it must be organized around special agreements and financial support arrangements. Some already exist with certain countries such as Hungary, Rumania, Poland. Support, mutual help, practical solidarity on everyday matters. And cultural agreements can be stepped up - they must not be neglected. The intellectual sector is the key to everything. And while we realize that there is much to be gained from book translations, exchanges of lecturers or relations between scientists, we must avoid provoking major clashes, particularly with the Eastern European group's protector : the Soviet Union. She must not feel that it's a war machine. I advise a very pragmatic approach.

It is open to us not to do this. We must always keep it in mind. We can do it badly, slowly, again we must always keep it in mind. We must keep in mind that Europe will not be Europe until it has regained its geographical and historical unity.

QUESTION - In this analysis of the military security situation of Europe, the President referred more than once to the fact that the United Kingdom and France are two European countries who possess nuclear weapons. Does he think that the security situation of Europe would be improved if one of those countries ceased to be a country depending on nuclear defence or associated with nuclear weapons ?

THE PRESIDENT :

You are insidiously trying to drag me into domestic British politics, something I shall be very careful to avoid. I shall therefore answer for France. France would be wrong to give up possession of nuclear weapons, since it's the only deterrent weapon to avoid war, not to make it, to prevent it.

QUESTION - In what ways could there be a European influence in the arms control negotiations which are a focal point of East-West relations and, specifically, under what circumstances do you think that the French and British nuclear weapons should be included in

these negotiations in order to enable France or Great Britain to participate in them ?

THE PRESIDENT :

I said just now that I did not want France to take part in the negotiations on nuclear disarmament in the present state of affairs. I even made a numerical estimate, I said : over 10,000 nuclear warheads in the Soviet Union, over 10,000 in the United States of America, less than 500 - I must even say today less than 300 - in France or Great Britain.

So before commencing the conference that should one day bring together the five nuclear powers (the United States of America, Soviet Union, Great Britain, France, China) and any other countries that may by then have become nuclear powers, the two greatest powers must limit their own weaponry. That was the purpose of the Reykjavik meeting. I shall not analyse the aspects that may have seemed, let us say, unexpected at Reykjavik, but the 50 % reduction which the two parties seriously considered seems to me most appropriate and conceivable. Personally, I would like this, together with a cutback of intermediate forces. I am not talking here of the zero option, which involves a whole realm of negotiations I cannot go into today, but a reduction and in any event a control. The same applies to the precautions to be taken regarding chemical weapons.

From that point of view, it's up to the two biggest powers to begin, to set the example. Once the forces, if they cannot be compared, are at least comparable - you understand the difference between those terms, I am not asking for Soviet, American and say French nuclear power to be the same, but once there are comparable situations (I have stated other conditions but I shall not go back over them) - then, as I said at the United Nations in 1983, France would be prepared to enter the negotiation, but not before then, since France's and Great Britain's inclusion right now - but I am speaking for France - in a debate that's above their level is uncalled-for. It would give one of the partners too good an opportunity to include some of our forces in the count with a view to eliminating them from the continent.

Suppose that the French nuclear force had been included in the strategic balance established by the two greatest powers. Once the French submarine forces were considered to be intermediate, then all the French nuclear weapons would be included in the calculation. What was wrong with that ? When Mr. Gorbachev, with whom I have had several very interesting meetings - he's a man perfectly capable of understanding modern problems - repeated that Soviet request to me, I answered that it was somewhat arbitrary to negotiate on the French submarines while the American and Soviet submarines were not on that same Geneva conference table. Why that different treatment ? Also, when intermediate weapons were being discussed, I again wondered why our essentially mobile forces in the world would be included in an intermediate weapons exchange that would leave intact the capability, the strategic potential of the 10,000 - one should say 8,000 - strategic nuclear warheads on both the American and Russian sides of the table.

So that's a totally unrealistic way of talking and it

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would, I told Mr. Gorbachev, lead to a really peculiar conclusion. Mr. Gorbachev said: 'But I am not asking France to reduce her weapons, what we need is comparability between the Atlantic Alliance and Eastern-bloc forces'. On that basis, France who is not party to the negotiation would be imprisoned in a numerical definition. Suppose France wanted to increase her few hundred warheads? This will occur, for example, when our submarine force changes over from one- to six-warhead rockets - that's under way - and then from six to twelve warheads - that's for the end of the century - which will automatically increase considerably our defensive and deterrent force. But let's suppose we wanted the six to twelve increase, whose permission would we have to ask? The United States', who could say to us 'actually, I was just thinking of doing that', or Great Britain's, who might be wanting an increase herself? Thus through that system Mr. Gorbachev, as I explained to him, would return France to the integrated NATO command, which seemed to me a surprising step.

France does not want to ask anyone's permission, not even that of her best allies, in order to determine what is necessary for her security.

QUESTION - In our association and the student structure established in thirty-five universities in the European Community, with nearly 1,000 student members, we have in recent months encountered a fairly new feeling emerging among the student public in all the European countries: particularly with regard to university problems, there is a fairly general view that the national framework no longer offers the means of solving funding problems and that the European structures are archaic.

Do you not think it would perhaps be time to create at the European level a new Community programme taking over responsibility for training, at least at the higher education level?

THE PRESIDENT :

I think that must be included among Europe's projects. It's just that an order of priority has to be established because budget resources are slim, but it is most necessary. When can it materialize? That's now for the Twelve to discuss.

QUESTION - We last met, Mr. President, at the signing of the Treaty for the Channel Tunnel. I well remember when the Mont Blanc Tunnel was built and there's been the Gotthard Tunnel in Switzerland. Did you think on both those occasions that France, Switzerland and Italy regarded it too much as their concern rather than a European concern? And is there a danger that the Channel Tunnel will not be looked at in the European context, but as a deal between Great Britain and France?

THE PRESIDENT :

A lot of water has passed under the bridge since the Saint-Gothard Tunnel. Today the European Community genuinely exists, even if that existence is at times inadequate. In my talk just now, I said that I viewed the Channel Tunnel as a factor in developing the means of communication and I even referred to the

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link to be established, the direct communication between the Channel Tunnel, and thus England's heartland, with the French, Belgian, Dutch and German high-speed train services. They could, of course, be extended to Switzerland and Italy and indeed (why not?) to Spain - but that's another problem. But it's completely within our grasp. So I view the Channel Tunnel which will innervate not just England, but also Northern France, as part of a whole European system linking the great Hanseatic metropolises and extending if possible (why not?) all the way to Portugal. That seems vital to me. And the first elements - no dream these - are already within our grasp. We already have the Paris-Lyon line, the Paris-Lille is going to be built, Lille-Brussels-Liège is under serious discussion and there is talk of Brussels-Amsterdam, Brussels-Frankfurt and Liège-Frankfurt. In France, we are not just talking about but are planning the Paris-Strasbourg line, and the link between Paris-Bordeaux and the Spanish frontier is under construction. So thanks to the Channel Tunnel we shall genuinely achieve a colossal communications link between the European countries and the United Kingdom.

QUESTION - You mentioned the question of the need for Europeans to get together to tackle many things, and particularly the area of scientific research, and you specifically referred, as an example, to cancer and AIDS. I wish to ask you whether you would be willing and able to take an initiative on behalf of France and perhaps Europe to bring about urgent and massive cooperation of the best brains in Europe to tackle the problems of (...) a vaccine for AIDS which is worrying us in Europe on a massive scale and is threatening to become devastating for all our nations?

THE PRESIDENT :

I may have recalled earlier that I had urged the setting up of working party of leading European cancer researchers to work with Professor Tubiana. I myself chaired the first working meeting of that quite outstanding committee. We are just beginning to organize in France the battle against AIDS : we are beginning to have a national organization. Why not move straight on to the European stage, since those major communicable diseases know no frontiers? And, taking advantage of your question, I see no reason why France or any other country should not in the next three months submit to the Community an approach similar to the one against cancer. Why not decide on such action at the Brussels summit?

QUESTION - Does the President think that Europe as a whole has a contribution to make at the present time about the Middle East?

THE PRESIDENT :

I am going to tell you what I think. It could, but it doesn't have that sort of influence. It could do so. There has been a request, particularly as regards the Israeli-Arab problem and the specifically Lebanese problem, but not for the Iraqi-Iranian one. That request is made before every European summit. 'Intervene, intervene, we need Europe's voice'.

On that issue, Europe itself has laid down a minimum doctrine centred on the notion of secure and recognized frontiers for Israel and the definitive recognition, not just of the latter's right to exist, but also the fact that she must have the means to

do. On that the countries of Europe have a common position. But thereafter, although when it is a matter of reaffirming United Nations Resolutions 242 or 338 the principle is always adhered to, less is achievable on the practical plane because diverse influences, depending on which bloc is favoured by the country in question, come into play. Of course, that prevents, for the time being, totally realistic stands. There are above all declarations of intent. Those declarations of intent, which are always peaceful, are excellent but inadequate. So the definition of Europe's political will in that area is still a little weak.

As regards the Near East, the Israeli-Arab conflict, France has come out in favour of an international conference that could be prepared by the five Permanent Members of the Security Council. That would have the advantage of straightaway involving the two major antagonist countries in resolving, in the attempt to resolve the conflict. It is illusory to think that those problems can be settled in the absence of the United States of America or the Soviet Union, since they are in any case present through intermediaries. And it's preferable to have them there themselves, along with two countries as knowledgeable about Near and Middle Eastern problems as Great Britain and France, and, not forgetting her potential world influence, China.

I think that's an important first step, all the more so because a conference set up by those five countries could quite possibly include every imaginable bilateral contact. The process won't succeed if bilateral contacts are put first. I myself have maintained that view for many years. I prefer direct bilateral contacts between parties at war with each other. I was one of the few Frenchmen to approve of the Camp David agreement inasmuch as it settled the military problem between Egypt and Israel, but not inasmuch as it settled the Palestinian problem, which hasn't been settled.

So I am for all those direct contacts, but in fact they haven't succeeded. Yesterday King Hussein of Jordan was my guest in Paris. When I meet my friends the Israeli leaders - I shall see Mr. Shimon Peres again in a few days time and he will repeat to me 'I have confidence in direct contacts.' He has indeed, but they're not working. One can't stay for ever on that tack. An international conference prepared in the way I indicated should make genuine progress. Why shouldn't Europe settle for that approach?

QUESTION - Mr. President, you mentioned in your list of things that needed to be done in the future defence and security. I'd like to ask you two brief questions about this issue: do you think that defence is a desirable but optional aspect of Europe, or do you think that progress on defence and the big questions of politics are in some degree essential preconditions for progress in other areas where Europe faces so many crises? The second question is: if it were essential, what would be the implications for France? After all, France left the integrated NATO command in 1966, not just out of bad temper, but because of profound disagreement with the rest of the Alliance about military doctrine. If there were to be progress on defence in Europe, who would have to change their minds?

THE PRESIDENT - That won't be necessary. I consider that joint defence is a sine qua non condition of Europe's final success.

But it is not a pre-condition. The proof is that a great deal of progress has been made in the last thirty years without a solution having been found to the military problem, which can be solved only with time, since we are bound by the European balance that emerged from the agreements following the last world war. The status of Germany is, for example, not the same as that of Great Britain and France. Everyone is well aware of that - forgive me for repeating it. So I believe that in the present period, a defence community might be desirable, but could remain optional. It has remained so, but that has not prevented Europe's progress. And if today Europe is up against obstacles, I tried to list them a moment ago, it's not because there's no defence community, since for the moment the Alliance serves as one. Of course, I would like a specifically European defence so that Europe itself can take its own destiny in hand.

But if we want this Europe to set a normal course towards at least confederal unity, others, and I among them, are thinking of an ultimate more structured stage. However, the countries are obviously not ready for that. So I think that, for the later stages, some form of defence community will have to be defined. There are already voices calling for this in WEU and in all sorts of places. Germany is asking for it in a way, not as people generally say, but I have in mind some of Chancellor Schmidt's speeches. In fact, the German Government is not asking to possess nuclear weapons, nor even exactly to share in them.

This, together with the political will, is undoubtedly the final condition for Europe's success, provided Europe has a certain political unity which should be achieved first, otherwise we would stumble over that problem on which we stumbled at the time of the 1953-1954 European Defence Community. That's my firm belief. So final condition, yes ; precondition, no ; desirable condition, yes ; optional condition, for a time.

Your second question : France and nuclear weapons. I told you why just now : because without the certainty of automaticity in the Alliance's response to a threat, there was, all in all, a whole part of security left unassured. France was determined to cover that herself and so not just to remain within the framework of the integrated command, but nevertheless a faithful ally, so that she was able to define her nuclear development herself. Admittedly, France does not feel as uncomfortable as others might about certain decisions taken in Geneva, because her own weapons depend only on her. But her nuclear weapons are not sharable. They are not diplomatically or politically sharable with our German friends, which does not mean that military cooperation and the area of the Franco-German alliance cannot be broadened, because nuclear weapons are not the only weapons. Moreover, European nuclear weapons are only a part of the Alliance's total strength. The American strategic nuclear capability is infinitely more powerful, it is a vital factor of balance. France's security rests simultaneously on the Alliance and the deterrent. We walk on two legs, if one were severed we would fall. But on the European level there are weapons of every sort, different strategies. It has not been predetermined that war would inevitably be nuclear. I think it would. I must express myself clearly here. I think that any war would lead to nuclear war. I think so, but many intelligent people think the contrary : they think there could be a skilful approach involving

the use of conventional forces to avoid the clash between the two main powers. In that case, Europe would be exposed. Or an even subtler idea, the reduction to zero that was briefly contemplated in Reykjavik and which would raise the problem of the tremendous conventional imbalance between the Soviet forces and those of the European countries belonging to the Community. We have not talked at all about SDI, because it's a new subject. Some people have regretted that certain European countries are not participating in it.

France, through my voice, refused to take part in that strategy. Of course, industry does what it wants as regards the supply of specific items. But there will be no State agreement to take part in that strategy. That is a matter of controversy in France, where there are highly important people who think the opposite to me. But I maintain my view. I do not think it necessary to add a new dimension to overabundant arms capabilities. Indeed the likelihood of America, or in fact the Soviet Union, giving up her nuclear forces is pretty remote.

That's not the only weapon. If the conventional hypothesis were to become more definite, Germany would again become a very powerful, and I would even add vital, partner.

So we can have much firmer coordination than we have now, coordinate the British and French nuclear weapons, coordinate conventional weapons with other countries including Germany, coordinate strategy between European countries. I am totally in favour of this and it is beginning naturally through actual weapons coordination.

QUESTION - Mr. President, there are some people who would say that what disillusioned many people about the European Community is the distinction between what politicians and statesmen hope and aspire to in the Community and what actually happens. So that all the talk about a technological Europe, a cooperative Europe and a social Europe is seen against the background of eternal budget crises and as 1987 starts the European Community doesn't even have a 1987 budget. So what hope can there be for the grand designs if the twelve great nations of the European Community cannot even agree on the appropriate level of farm prices and farm output ?

THE PRESIDENT :

What you say is a cruel but accurate observation. There are European leaders who think we must not content ourselves with talking, but must act and when we act, then we must have the means to do so. There are other distinguished leaders who consider we must move forward step by step and that national economies must first be put on a sounder footing and so we must not spend too much at Community level. These two approaches conflict all the time. I hope that those who 'think Community' will ultimately convince the others, then words and deeds will be in greater harmony./.

PRÉSIDENCE
DE LA
RÉPUBLIQUE

SERVICE DE PRESSE

DISCOURS PRONONCE PAR MONSIEUR FRANCOIS MITTERRAND
PRESIDENT DE LA REPUBLIQUE
A L'INVITATION DE L'ANCIEN PREMIER MINISTRE TRAVAILLISTE
JAMES CALLAGHAN
PRESIDENT DU "ROYAL INSTITUTE OF INTERNATIONAL AFFAIRS"

Chatham House, jeudi 15 janvier 1987

Monsieur le Président,
Mesdames et Messieurs,

Lorsque j'ai reçu cette invitation du Président CALLAGHAN, j'ai pensé que c'était une excellente occasion pour moi de m'exprimer sur un sujet qui m'est cher, devant un public aussi informé que le vôtre. Je vous remercie donc de cette invitation, et je m'efforcerai, dans le délai qui m'est imparti de traiter un sujet si vaste qu'il y faudrait non seulement des heures mais des conférences et donc beaucoup de temps. Je serai donc contraint de m'en tenir à quelques idées essentielles, et à un discours extrêmement cursif qui apparaîtra du même coup peut-être exagérément schématique. Mais c'est la loi du genre, et je ne puis faire autrement si je veux laisser du temps à celles et ceux d'entre vous qui souhaiteront me poser des questions.

Il y a quelques jours, en France, j'ai adressé pour le premier de l'An, c'est-à-dire le 31 décembre au soir, un message aux Français. Et dans ce message, j'ai notamment indiqué l'une des intentions majeures de mon

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action. J'ai dit : "la France est notre patrie et l'Europe notre avenir". Je le pense depuis longtemps. Venu avec mon ami Maurice FAURE en avion tout à l'heure, nous évoquions les années passées. Et je rappelais, ce que je fais souvent parce que c'est pour moi une source d'orgueil, c'est-à-dire une marque de continuité, que j'étais l'un des survivants aujourd'hui, parmi ceux qui avaient pris part au congrès de La Haye, le premier congrès européen de l'histoire, en 1948, sous la présidence de Winston CHURCHILL. Depuis cette époque, j'ai constamment accompagné le mouvement de ceux qui se sont déclarés artisans, pionniers, fondateurs, de ce qu'on appelle, d'un terme simple mais qui se comprend bien, l'Europe.

Nous allons bientôt célébrer le trentième anniversaire du traité de Rome qui représente l'acte majeur de l'histoire de l'Europe jusqu'ici. Nous fêterons l'année prochaine, la mémoire de l'un des fondateurs, Jean MONNET, et nous avons célébré, il y a peu, la mémoire d'un autre homme d'Etat français associé un moment à cette construction, qui était Robert SCHUMAN.

Je n'ai pas suivi ces hommes illustres dans chacune de leurs conceptions mais j'ai suivi le mouvement général de leurs pensées et de leurs actions. C'est à ce titre que je m'exprime devant vous ce matin, cherchant à définir d'une façon simple, ce qu'est l'Europe telle que je la conçois, pourquoi l'Europe, et qu'est-ce que l'Europe aujourd'hui, dans sa définition malheureusement restrictive de l'Europe de la Communauté Européenne.

L'essentiel de mon propos tournera autour de trois thèmes principaux. Le premier : qu'est-ce qui a été fait ? Où en est l'Europe de la Communauté ? Le deuxième thème : que reste-t-il à réaliser de ce qui a été décidé ? Malheureusement beaucoup de choses. Troisième thème : quels sont les projets, les idées, les thèmes nouveaux, quels sont les espaces nouveaux qui s'offrent à l'Europe si l'on veut qu'elle réussisse, c'est-à-dire si on veut éviter qu'elle achoppe, après trente, quarante années, ou un demi siècle d'existence. Où en sera-t-elle au siècle prochain ?

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Alors pourquoi l'Europe ?

A vrai dire, pendant des siècles, elle a existé sans le savoir. Et elle pouvait se dispenser de rechercher une définition parce qu'elle était omni-présente. Elle pouvait se permettre d'être divisée, d'être morcelée, partagée, de laisser de temps à autre les dominations de la puissance ou de l'ambition se développer ; elle n'en était pas moins l'Europe ; elle disposait d'une culture diverse, variée, multiple, complémentaire ; elle disposait d'une autorité considérable dans le monde. Elle est à l'origine non pas des civilisations mais d'une grande et forte civilisation, elle a surtout su réaliser la synthèse des civilisations antérieures.

Alors pourquoi l'Europe, l'Europe de la Communauté ?

Cette Europe, que je viens de décrire trop rapidement, trop succinctement, donc trop imparfaitement, celle qui ne connaissait pas de passeport, celle qui permettait aux voyageurs, je pense à ceux du XVIIIème siècle, d'aller d'une cour à l'autre, d'enseigner, de porter assez loin les philosophies qu'il concevait, à la littérature d'être également partagée, bref à la circulation d'être aisée -du moins entre les couches aristocratiques ou de la grande bourgeoisie-, cette Europe là se faisait d'elle même, sans trop qu'on y pense.

Et voilà que les deux guerres mondiales, successives et à peu de distance, ont montré, je ne dirai pas provoqué, le déclin de l'Europe ; elles ont en tout cas révélé la force de ce déclin. C'était une sorte de rage d'auto-destruction, une guerre civile européenne accompagnée de la fin des empires coloniaux tandis que naissaient d'autres empires dont les plus importants sont bien connus : celui des Etats-Unis d'Amérique, et celui de l'Union Soviétique. Naissance de deux empires qui exerçaient leur contrôle, leur tutelle, et pour employer un terme plus diplomatique, leur influence sur l'Europe.

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L'Europe, coupée en deux, ayant véritablement perdu son influence politique, voyait se propulser sur la surface de la planète des formes d'expression, des centres de décisions, qui tous se situent, ou presque, en dehors d'elle. En même temps se produisait alors une chute impressionnante de la démographie. En Extrême-Orient, mais aussi dans beaucoup d'autres régions du monde se développait une montée en puissance du nombre des hommes.

Alors on a vu se déplacer les grands axes de l'histoire, -ceux que nous avons appris en naissant, qui nous étaient enseignés par nos livres d'école-, les grands axes de la puissance de l'Europe, la Manche ou le Rhin, et puis un peu plus tard, la Méditerranée. Quand je dis plus tard c'est par rapport à l'histoire de l'Europe. Ensuite ce fut la grande ligne atlantique qui a laissé place, il faut le reconnaître, aux deux rivages du Pacifique. Ce déplacement est très significatif du déclin de l'Europe.

Bien, et j'en aurai fini avec ce premier préambule, l'idée qui s'est emparée de l'esprit de beaucoup d'Européens, qui consistait à ramener l'existence historique de l'Europe sur ses propres rivages, au coeur même de son continent, pouvait apparaître, et m'apparaître à moi, comme l'une des grandes ambitions des temps modernes. D'autant plus que chacun des pays qui la composent cette Europe, souffrent aujourd'hui de la faiblesse de l'Europe. D'abord de sa propre faiblesse, d'un manque de dimension et de la carence collective. Le chacun pour soi, c'est l'assurance que l'Europe aura disparu pour longtemps -avec les pays qui la composent- des centres de puissance. Ce n'est pas que la puissance soit en soi un objectif idéal mais enfin puisque nos sociétés sont des sociétés politiques, puisqu'elles sont porteuses de valeurs de toutes sortes, spirituelles, culturelles et matérielles, ou bien l'on renonce à exister en temps que collectivités sur le sol du monde, ou bien on y prétend, et je suis de ceux, pardonnez-moi de vous le dire, qui y prétendent.

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J'ai dit pourquoi l'Europe.

Qu'est-ce que l'Europe ? Maintenant je dirai qu'est-ce que l'Europe, je veux dire qu'est-ce que l'Europe de la Communauté ? Ca a d'abord été l'Europe à Six, à partir des années 1950-1957. Cette Europe là s'est esquissée autour de la Communauté Economique du charbon et de l'acier, et s'est affirmée tout à fait autour du Traité de Rome en 1957. Qu'est-ce que c'était au fond que cette Communauté ? C'était essentiellement un marché commun agricole, une union douanière, et des tarifs préférentiels mais en même temps, une sorte d'apprentissage de la vie en commun.

Les Communautés se sont étendues, se sont élargies, elles ont eu des ambitions sur les technologies ; elles en ont encore sur les transports, sur l'environnement, elles ont développé leurs institutions. La géographie le montre : six, neuf, dix, douze aujourd'hui. En même temps que cette Europe s'étendait à ces douze pays, elle changeait de nature, c'est-à-dire qu'elle ne pouvait plus avoir exactement le même comportement que lorsqu'elle était ramassée sur elle-même. Elle présentait pour certains le danger, pour d'autres l'avantage, de passer d'un stade de zone protégée à une sorte de zone où les aspirations d'un libre change universel risquaient de détruire les structures initiales.

C'est aujourd'hui l'Europe à douze et il faut savoir se prémunir à mesure que l'on grandit, contre les risques d'éclatement, contre les crises de croissance. Nous vivons à l'heure actuelle une crise de croissance.

Il y a eu beaucoup de crises. Il y a eu la crise de 1965, où l'Europe a changé de cours puisque l'on a admis à Luxembourg en Janvier 1966 que, si l'un des pays qui constituait l'Europe évoquait telle ou telle raison force majeure, on pouvait tout simplement arrêter, enrayer, le développement des projets européens. On a connu aussi une crise larvée dans les années 1980 : des contentieux s'accumulaient ; lorsque j'ai moi-même assuré, au nom de mon pays, la présidence de la Communauté en 1984, j'avais compté 17 contentieux graves ; ils ont été, pour la plupart, réglés. Certains d'entre eux réapparaissent aujourd'hui.

Je terminerai ce deuxième point de mon préambule en vous disant que cette Europe là après tout, cette Europe des Douze, c'est une Europe du hasard. Une Europe du hasard, qui est née de la guerre.

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Du hasard de la guerre, du hasard des rapports de force.

Pourquoi l'Allemagne et pourquoi pas l'Autriche ? Pourquoi le Danemark et pourquoi pas la Suède ? Pourquoi la Grèce et pourquoi pas la Pologne ? L'Europe du hasard, là où les armées et les diplomates ont borné les frontières, les frontières de deux mondes, ces frontières qui marquent les divisions profondes de l'Europe.

Et pourtant dans l'esprit qui animera mon propos, il y aura cette idée fondamentale : que la Communauté c'est bien, c'est même tout à fait nécessaire. On ne peut pas se contenter de ce qui est, il faut renforcer cette Communauté des Douze, mais il faut toujours avoir le regard porté à l'extérieur, c'est-à-dire vers le reste de l'Europe. Il a fallu d'abord fonder les réconciliations nécessaires entre les anciens adversaires. La réconciliation franco-allemande, pour ne parler que de mon pays, a été l'un des éléments déterminants de l'immédiate après-guerre. Aujourd'hui on doit penser que les réconciliations par cercle concentrique qui ont permis à l'Europe de passer à Douze, devraient permettre un jour à l'Europe dite de l'Ouest, d'engager un dialogue plus fécond avec l'autre Europe, qui est aussi l'Europe.

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Mais l'Europe en dépit des obstacles qu'elle rencontre à un langage commun. C'est une Europe du hasard mais ce n'est pas une Europe contrefaite ; c'est une Europe incomplète, ce n'est pas une Europe difforme. Les Douze sont faits pour vivre ensemble.

Ayant dit ces choses, je voudrais maintenant aborder le schéma même de mon exposé.

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CE QUI A ETE FAIT

Vous qui appartenez à cet Institut, vous êtes des personnes qui suivez de près l'ensemble des problèmes. Je ne voudrais pas avoir l'outrecuidance de sembler vous apprendre quelque chose. J'ai seulement essayé de mettre en forme, de réaliser une synthèse rapide et de ce fait un peu trop superficielle.

Il faut quand même que je rappelle que si l'on a commencé, je l'ai dit tout à l'heure, par la CECA, Communauté Européenne du Charbon et de l'Acier (1950), si l'on a parachevé les premières tentatives par le Traité de Rome de 1957, au cours de ces dernières années, un certain nombre de progrès sensibles et structurels ont été réalisés. Je les rappelle en les énumérant simplement : chacun d'entre eux mériterait un exposé très approfondi.

Je vois ici de très nombreuses personnalités qui en ont été les artisans et qui les connaissent mieux que moi. Ils pourraient beaucoup en parler. D'autres, ceux qui les ont suivi de plus loin, m'excuseront de ne pouvoir en dire davantage.

En 1974, on a créé le Conseil Européen, c'était au temps du septennat de mon prédécesseur. Le Conseil Européen est une initiative que je crois importante. Il présente aussi des inconvénients. Jusqu'alors c'étaient les Ministres, le Conseil des Ministres, les Ministres des Affaires Etrangères, qui se réunissaient, et gouvernaient l'Europe. Avec la Commission, ils représentaient l'exécutif; ils rapportaient leurs délibérations devant leur Gouvernement et les décisions politiques se prenaient alors.

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Le Conseil Européen permet aux Chefs d'Etat et de Gouvernement de se réunir eux-mêmes. Inconvénient : ils ont tendance ou plutôt le Conseil des Ministres a désormais trop tendance à se débarrasser des questions difficiles pour en laisser le soin au Conseil Européen proprement dit, c'est-à-dire aux Chefs d'Etat et de Gouvernement. De ce fait ceux-ci peuvent passer trois ou quatre sessions à discuter du beurre, du prix du lait et de toute une série de procédures extrêmement complexes qui ne sont, à l'évidence, pas de leur ressort. Si bien qu'il y a une sorte de télescopage entre les deux institutions : le Conseil des Ministres d'une part, le Conseil Européen d'autre part. Il n'empêche que la responsabilité politique est mieux engagée et que de ce fait une volonté de l'Europe peut mieux se dessiner.

En 1979, s'est mis en place le Parlement Européen élu au suffrage universel.

Troisième réforme importante -je remonte tout juste aux douze ou treize dernières années- l'institution du Système Monétaire Européen. Une charte monétaire en 1978, et le projet de parvenir à partir de 1981 à la création d'un Fonds Monétaire et d'une monnaie de réserve : l'écu. Voilà pour la période passée.

Dans une période plus récente, celle à laquelle j'ai moi-même participé en tant que membre de la Communauté représentant la France : l'Europe dite bleue, c'est à dire l'Europe maritime, l'Europe de la pêche ; l'Europe technologique qui était déjà née mais qui a connu un plus grand développement depuis quelques années. Je me souviens d'être venu ici auprès de sa Majesté la Reine, visiter le Jet. Il y a eu Ariane, Airbus, d'autres réalisations encore. L'Europe technologique, c'est aussi une initiative importante je crois, qui dépasse les limites de la Communauté des Douze. C'est EUREKA qui permet à toute une série d'entreprises industrielles de mettre en commun leurs recherches et leurs réalisations.

Donc l'Europe bleue ; l'Europe technologique qui a connu un grand développement ; l'élargissement de la Communauté à l'Espagne et au Portugal -on est passé de Dix à Douze- ; l'Europe des citoyens lancée autour d'un rapport présenté par une personnalité italienne, M. ADONINO, pour que les habitants de l'Europe, en dehors des définitions politiques et des

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définitions institutionnelles, ressentent la réalité de l'Europe. L'Europe des citoyens, c'est par exemple faciliter le franchissement des frontières ou la liberté d'installation pour des professions libérales, ou encore l'équivalence des diplômes. J'en passe, les exemples seraient multiples.

Enfin le rapport que M. Maurice FAURE a élaboré dans le cadre de la Commission DOOGE pour développer les institutions a pratiquement abouti au contenu de l'acte unique qui est la dernière grande réalisation de ces dernières années.

L'Europe bleue, le développement de l'Europe technologique, l'élargissement à l'Espagne et au Portugal, l'Europe des citoyens, enfin l'Acte Unique, c'est à dire la naissance d'un grand marché intérieur.

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L'Acte Unique, décidé à Luxembourg, en décembre 1985, prévoit l'aboutissement du marché intérieur pour le 1er janvier 1992.

Cet Acte Unique, s'il parvient à son terme, comme je le souhaite -et les obstacles seront considérables-, cet Acte Unique, peut avoir une portée aussi décisive que le Traité de Rome lui-même.

Enfin, dans ce bilan, n'oublions pas un aspect que je cite pour mémoire -mais qui est fort important- c'est l'activité de cette même Communauté en dehors de ses frontières. Non seulement un certain nombre de prises de positions politiques, mais aussi des prises de positions économiques, en particulier les accords de Lomé ; Lomé III permet à l'Europe d'être présente auprès de 65 pays du monde en Afrique, dans le Pacifique, aux Caraïbes. Les accords de Lomé, c'est une démarche commune pour le développement, pour l'aide au Tiers-Monde, qui représente aussi une présence de tous ordres de l'Europe. S'il n'y avait que cet exemple, il serait déjà démonstratif pour montrer que le chemin suivi était le bon.

J'aurais pu m'attarder, il faudrait le faire, sur quelques aspects.

Par exemple le Conseil européen. Avec l'Acte Unique, le Conseil européen, désormais, est intégré aux institutions. C'était une institution décidée par quelques uns, elle a été mise en place d'une façon pragmatique, elle est désormais une institution consacrée par traité.

Je voudrais en dire davantage sur le système monétaire européen. C'est une coopération monétaire, afin de créer -je n'ose le dire en ce moment- une zone de stabilité monétaire en Europe, en fixant un cours de change, en organisant la convergence des politiques économiques. Le SME comporte trois volets : d'abord une monnaie, l'Ecu, créé en échange des réserves, -20 % en or et en dollars- déposés par les Banques centrales auprès du fonds européen de coopération monétaire ; ensuite, c'est un mécanisme de change, tel que l'on ne peut pas aller au-dessus ou au-dessous d'une limite de 2,25 % de fluctuation permise -exception faite pour la lire italienne qui peut aller à 6 %- ; vous savez autant que moi, que la livre est absente de ce mécanisme de change, de même que les monnaies grecque, espagnole et portugaise. Certes, le fait que la livre ne soit pas membre, incite un point d'interrogation de grande ampleur quant au développement du système monétaire européen. Le SME, c'est enfin, un mécanisme de crédit, à très court terme -45 jours, renouvelable- à court terme -trois mois renouvelable- ; à moyen terme, deux à cinq ans.

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Sur le Système Monétaire Européen, je reviendrai tout à l'heure, lorsque je dessinerai quelques traits d'avenir, pour vous dire : ou bien le système monétaire européen réussira -mais il est menacé- et l'Europe pourra se faire, ou bien il échouera et l'Europe ne se fera pas.

Ceux qui contribueront à l'édification, à la consolidation de ce système auront fait le choix de l'Europe ; ceux qui ne feront pas cela auront fait choix d'en finir avec l'Europe et de passer à autre chose.

Car, aujourd'hui se dessinent des crises -après celles que j'évoquais tout à l'heure-. Que va devenir la politique agricole commune avec le problème des excédents ? Que va devenir le système monétaire européen face au bloc du dollar et du yen ? Va-t-il rester une petite zone de stabilité dans une immense zone, dans un océan d'instabilité, puisqu'il n'y a pas d'ordre économique mondial ?

Quant au Parlement, j'aurai pu m'y attarder un moment, mais je me contenterai de dessiner quelques traits. Il faut savoir qu'en dépit des progrès et de son élection au suffrage universel, il n'a pas de compétence législative ; il peut amender, en revanche, les projets de budget, mais il n'a pas de compétences pour le vote des recettes. A Luxembourg, il a été décidé que le Parlement européen donnerait un avis conforme dans deux cas, les nouvelles adhésions et lorsqu'il y aurait des accords d'associations ; et qu'il serait associé à la décision dans des domaines comme la libre circulation des travailleurs, le droit d'établissement, la politique sociale, l'harmonisation des législations.

Voilà à peu près le point où nous en sommes.

Le deuxième thème que j'entends développer devant vous c'est : désormais il nous appartient de réaliser ce qui a été décidé.

Beaucoup d'éléments de ce que je viens de rapporter sont entrés dans les faits, beaucoup d'autres sont restés en suspend. Et il est bien clair -ce sera le refrain du début à la fin de ce rapide exposé- il est bien certain que sans une volonté politique tendant à la construction d'une communauté véritable, l'ensemble des dispositions déjà

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en exercice, iront se délitant, tandis que ce qui reste à faire ne sera pas fait. Alors voilà, avons-nous décidé ou pas, d'être des ouvriers consciencieux, alors que nous en sommes simplement à la troisième ligne des pierres sur un mur et que, à la fin du compte, ce sera une cathédrale. Je me souviens de cette anecdote, et qui me paraît chargée de symbole, particulièrement pour l'Europe. C'était au Moyen-Age, un voyageur rencontre deux ouvriers qui édifient un mur. Le voyageur s'intéresse, dit au premier ouvrier : "Mais qu'est-ce que vous faites-là ?" Et l'ouvrier dit : "Je fais un mur, je mets des pierres l'une sur l'autre". Le voyageur se retourne vers le deuxième ouvrier et lui dit : "Mais qu'est-ce que vous faites-là ?" Et le deuxième ouvrier lui dit : "Je bâtis une cathédrale". Selon l'idée qu'on s'en fait on veut l'Europe ou on ne le veut pas. Ce qui a été fait, c'est soit quelques pierres ayant l'allure d'un mur. On peut aussi penser qu'il y aura, en fin de compte, une cathédrale.

J'ai parlé tout à l'heure de la politique agricole et de la nécessité de mettre un terme aux excédents abusifs, tandis que le marché international se resserre, que la concurrence américaine s'affirme avec le retour au protectionnisme, tandis qu'un certain nombre de pays du Tiers-Monde, je pense à l'Argentine, deviennent de plus en plus demandeurs d'une part de marché, en particulier pour les céréales et pour la viande.

Crise budgétaire ? Il faut quand même savoir que le budget de l'Europe est un petit budget. Si l'on raisonne par rapport à ce budget, les demandes d'augmentation apparaissent importantes. Si l'on raisonne par rapport au produit national brut de la Communauté, ce budget est insignifiant. Donc, là aussi, il y a un point de départ au raisonnement. Et selon le point que l'on retient, on est plutôt pour ou on est plutôt contre. J'avais préconisé avec d'autres, dès le Sommet de Londres, il y a déjà quelques années, que l'on pût augmenter les ressources propres au-delà du 1 % de TVA. On est passé à 1,4 %... Avec l'élargissement à l'Espagne et au Portugal on atteint déjà la limite de ce qui peut être dépensé. On est déjà obligé de choisir entre le développement de la politique agricole, ou par exemple, le développement des programmes intégrés méditerranéens, de la politique régionale.

Et puis enfin, on ne s'est pas suffisamment posé la question, quelle agriculture pour l'Europe ? On se pose toujours la question : comment faire, que va-t-on faire des agriculteurs ? Il faut d'abord répondre à la question : quelle agriculture pour l'Europe ? Si l'on veut faire une agriculture industrielle, purement industrielle, hors sol,

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on peut installer des usines agro-alimentaires à Picadilly ou sur la place de la Concorde. Bien entendu, il n'y aura plus d'agriculture à la campagne, il n'y aura plus ces exploitations plus ou moins importantes, il n'y aura plus cette installation humaine sur le sol, on en aura fini avec la civilisation dont nous sommes issus. Je suis de ceux qui pensent que ce serait une grave erreur. En tous cas ce serait un contresens absolu avec l'intention initiale des fondateurs de l'Europe. Lorsqu'on a signé le Traité de Rome, on n'a pas voulu n'importe quel marché commun agricole, on a voulu une certaine agriculture pour l'Europe, une certaine forme de civilisation rurale. Bien entendu, cela ne doit pas aller jusqu'à l'absurde. On ne peut pas ignorer non plus les progrès de la technologie, le développement colossal de la productivité, on doit tenir compte de tout ces éléments et pas simplement de la rentabilité. Quand on produit, il faut vendre; mais on produit quoi, comment, pour vendre et vendre à qui ? Il est évident que le marché se resserre partout.

Donc, si l'on veut réaliser ce qui a été décidé en matière agricole, il faut un grand débat. Personnellement, je préconise qu'il y ait une sorte de conférence de travail, une grande consultation, bien entendu entre les Etats mais aussi entre les organisations agricoles. Il faut que les uns et les autres repensent ensemble ce que doit être la politique agricole de l'Europe au cours des 10 à 20 années qui vont suivre car le moment est décisif. Selon que l'on bifurque d'un côté ou de l'autre, il n'y aura plus de véritable agriculture, il n'y aura plus d'agriculteurs, de paysans, il n'y aura donc plus une certaine Europe à laquelle nous sommes attachés sans que l'on puisse nous accuser de passéisme car c'est une forme de civilisation.

Le système monétaire : les secousses actuelles montrent bien qu'il est en péril. Il est en péril d'abord parce qu'il se trouve isolé en face de monnaies qui jouent leur jeu. Voyez ce qui se passe sur le dollar. Il est évident qu'à partir du moment où dans le système monétaire européen se trouvent des monnaies qui ne sont pas en tête, mais dans un 2ème, 3ème, 6ème, 7ème wagon, ces monnaies sont ballottées dans les courbes comme on l'est dans un chemin de fer de telle sorte qu'à tout moment, il risque de dérailler.

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Mais en effet, cette zone de stabilité dans un océan de troubles et d'incertitudes, et de désordre, cela nécessite un soin particulier. Personnellement, je vous le dirai tout à l'heure, c'est un des points sur lequel j'accroche le plus. Il faut savoir si les pays intéressés, -je pense à l'Allemagne, je pense à la France mais je pense aussi aux autres- sont décidés à renforcer ou non leur système monétaire.

Dans ce qui a été décidé, il y a un programme de recherche. On a déjà vu de grandes réalisations, je ne les citerai pas toutes : Esprit, Race, la Fusion nucléaire. Pour ces projets, il faut dégager des ressources nouvelles. A l'heure actuelle, on a tendance à raréfier l'oxygène qui permettrait d'entretenir les grandes entreprises humaines au sein de l'Europe. La Recherche, cela représente environ 2,5 % du budget communautaire; c'est extrêmement peu. J'ai proposé EUREKA qui n'est pas uniquement communautaire, qui rassemble 19 pays d'Europe mais qui doit se développer en harmonie avec la Communauté et avec le programme cadre de recherche présenté par le Président de Commission européenne M. Delors. Tout cela doit s'harmoniser. Eh bien, il faut le dire, pour l'instant il n'y a pas de crédits suffisants. Il faudra bien dégager des ressources nouvelles ou bien le développement technologique de l'Europe arrivera trop tard, après des économies plus actives, je pense à celles du Japon ou à celles des Etats-Unis d'Amérique. Ceux-ci auront pénétré l'ensemble des groupes industriels de chacun de nos pays pris isolément. Je ne suis pas hostile à ces prises de participations, j'ai encouragé certaines d'entre elles en France; il ne s'agit pas de s'enfermer mais il ne faut pas non plus être dépossédé de ses propres biens, de son propre capital et surtout de sa principale ressource qui est celle de l'intelligence. Et si désormais pour affirmer ses capacités un savant, un expert, un chercheur, un ingénieur, un cadre doit émigrer en Californie ou dans les environs de Tokyo, que restera-t-il dans le monde européen pour aider à notre développement ?

Il y a le problème de la cohésion. Nous sommes 12 mais sommes-nous vraiment 12 lorsque nous abordons les conférences commerciales mondiales, celles du GATT ? Rendez-vous est déjà pris. Est-ce que nous avons la même position par rapport aux demandes de nos partenaires ? Est-ce que l'on va traiter différemment l'industrie et l'agriculture, comme on le voulait au départ du côté américain ? Et lorsque l'on parle de l'industrie est-ce que l'on parlera des brevets ? Est-ce que l'on parlera des marques ? Et que dira-t-on sur les services ?

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Un certain nombre de pays du tiers-monde ne se sentent pas prêts à ce type de discussions.

Pour le marché intérieur, je vous l'ai dit tout à l'heure, il faut une volonté politique. Car dans les cinq ans qui viennent, il faudra harmoniser l'économie, le social, le culturel, la formation des hommes, la monnaie. Qu'il manque un seul de ces éléments et le marché intérieur échouera. On n'imagine pas qu'il puisse s'installer d'un grand marché intérieur ou tout est libre et commun tandis qu'il y aurait des législations protectionnistes ou contraignantes, qu'ici on travaillerait tant d'heures par jour, que là on travaillerait autrement; que l'organisation du travail serait différente, que les relations sociales seraient ici fécondes et là resteraient arides. Il y a une logique du système. Ceux qui ont signé l'acte unique de Luxembourg pour la constitution d'un marché intérieur en cinq ans, devaient avoir songé à toutes ces perspectives ou bien ils auraient pêché par légèreté. On est engagé, il faut aboutir.

Enfin les programmes intégrés méditerranéens, il n'est pas possible d'imaginer que l'Europe pourrait se développer avec des zones qui seraient exagérément en retard par rapport aux autres. Il se produirait un déséquilibre. Tout le sud de l'Europe, moins bien servi sur le plan de la production par la nature, -même s'il est mieux servi sur le plan de l'esthétique, du tourisme- risque de sombrer dans une grande misère si l'Europe régionale n'est pas intelligemment menée.

Voilà. Prenons vraiment conscience de ce qui a été décidé, et ayons véritablement la volonté de mener à bien ces décisions, -je viens de relever quelques absences, quelques manques ou carences-.

Existe-il des terrains nouveaux qui permettront à l'Europe d'être vraiment l'Europe.

J'en citerai sept :

D'abord l'Europe sociale. J'ai parlé à l'instant des conditions de travail et des conditions de l'emploi. Cela fait partie du marché intérieur, on y parviendra pas sans cela.

Je citerai la croissance. Il existe un projet européen que M. Delors appelé la stratégie coopérative de croissance. Autour de quel pôle développer cette croissance ? Cette action nous paraît indispensable quand ce ne serait que pour guérir l'Europe de cette maladie mortelle qui s'appelle le chômage. On répondra par : grands chantiers, grands travaux, moyens de communications. D'abord l'exemple type, c'est l'exemple transmanche que j'ai eu la joie de signer avec Mme le Premier Ministre du Royaume Uni.

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Par rapport aux moeurs et aux usages, c'est une véritable révolution. Il est vrai que si l'ensemble des moyens de communication européens permettent d'être reliés avec ce tunnel transmanche, à partir de là, l'ensemble de l'Europe communautaire sera inervé de telle sorte qu'aucun pays ne sera en mesure de mener durablement une économie, une société, un développement d'équipement indépendantes des autres ; il faut le savoir.

Les autoroutes, le système des Trains à Grande Vitesse -quelle que soit la marque et la nationalité-. Aujourd'hui cela existe en France, mais avec les projections vers la Belgique, vers la Hollande, vers l'Allemagne, vers Londres avec les autoroutes qui se relient aujourd'hui dans le Nord de l'Europe, avec ce qui pourrait aller vers l'Orient de l'Europe, tout ce système peut avoir un effet considérable pour recréer les conditions, d'une Europe qui ressemblerait à celle du 18ème siècle mais qui, cette fois-ci, ne serait plus réservée à quelques privilégiés.

Quand on parle communication, j'en dirai un mot dans un instant, on peut penser à tout ce qui est la télécommunication et tout ce qui est audiovisuel. Donc l'Europe sociale : indispensable. Qu'il y ait une Europe des conditions de travail. Indispensable qu'il y ait une Europe de la croissance autour de ces grands chantiers, d'abord, mais aussi autour de beaucoup d'autres initiatives. Qu'est-ce que l'on attend pour fonder véritablement l'Europe des Transports par exemple. Il y a de timides avancées, chacun a des arguments pour retarder les échéances. Chacun bien entendu, au moment de passer à l'acte a je ne sais quel retrait qui est synonyme d'impuissance. Il faut véritablement que ces Europes là, celle de la communication, celle des

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transports, celle de l'Environnement, se développent en même temps que les Europes agricoles, industrielles, technologiques.

J'ai parlé tout à l'heure de l'Europe scientifique et technologique . Le terrain nouveau cette fois-ci est immense, parce que l'Europe a d'immenses ressources, des ressources d'intelligence, de compétence et de technicité tout à fait comparables aux plus grands du monde actuel. Savez-vous que nous avons -nous tous ensemble- des crédits pour la recherche plus importants que ceux des Etats-Unis d'Amérique ou que ceux du Japon ? Et savez-vous que tous ces crédits ensemble, -intellectuellement additionnés mais ils ne le sont pas dans la réalité- produisent une capacité d'expansion cinq fois moindre que la nôtre ? Alors, qu'est-ce que cela veut dire ? Les intelligences sont là, les ressources existent et elles ne sont pas utilisées. Je pense donc que nous devons avoir des programmes de technologie extrêmement puissants. Parmi eux, je sais que c'est un sujet qui vous intéresse, l'exploration du système solaire. Nous avons déjà réalisé un peu d'Europe autour de la comète de Halley, avec l'Amérique. C'est une excellente initiative. Les satellites d'observation, l'heureuse concurrence qui existe aujourd'hui pour des stations orbitales habitées, les essais dont on se transmet la connaissance de Washington aux différentes capitales européennes, c'est excellent, à la condition bien entendu, sans quoi il n'y aura pas d'échange bilatéral, que la production de l'intelligence et de la technique se fasse des deux côtés de l'Atlantique.

L'Europe de la Santé : quoi ? Nous n'en serions pas capables ? Nous avons commencé de le faire, il faut le dire, mais c'est encore à peine amorcé, de bâtir une Europe de savants capables de lutter contre la croissance du cancer ou du SIDA. Chacun de nos pays va engager ses petites actions, pour peu qu'il le fasse. Des projets universels, planétaires sont en cours. J'en ai beaucoup discuté avec M. NAKASONE qui attache beaucoup d'importance, et avec raison, au développement d'un monde de la santé. C'est une proposition que j'avais émise au Sommet des Pays Industriels de Versailles en 1982. Mais l'Europe au moins devrait représenter, pour reprendre une expression déjà employée, un pôle d'innovation, d'invention de recherches en commun. Cela existe déjà sous forme d'embryon.

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Le Professeur TUBIANA par exemple a réuni récemment à Paris, -j'ai participé à cette réunion- des grands savants venus du monde entier et particulièrement de l'Europe pour la lutte contre le cancer.

Les universités, la jeunesse, le projet Erasmus, faire que les jeunes gens puissent avec des bourses aller là où ils veulent dans les grandes universités reconnues de l'Europe, qu'il puisse y avoir un échange constant entre les universités, que les jeunes européens s'habituent à se trouver chez eux, que ce soit à HEIDELBERG, à SALAMANQUE ou en Grande-Bretagne dans vos grandes universités, ou à la Sorbonne : cela est à notre portée. Les échanges de jeunes entre la France et l'Allemagne, sont très actifs, ne sont pas très actifs avec les autres pays.

L'enseignement des langues. Je sais bien qu'à compter du moment où l'on développe ici une langue qui a l'ambition de devenir universelle, on ne peut avoir que quelques réticences ; l'Allemagne ne peut qu'éprouver quelques réticences lorsqu'on lui demande d'appeler "écu" une monnaie de réserve qu'il serait si commode d'appeler le mark. Bien entendu lorsque je pense à quelques "langues de réserve," la langue anglaise pourrait songer qu'après tout c'est sa vocation naturelle. Mais elle devrait songer que d'ici un siècle elle sera distancé par les langues romanes, en particulier par les langues hispaniques. C'est une remarque que je fais sans vouloir offenser personne mais qui peut montrer en effet, qu'il est nécessaire d'avoir un front commun dans la connaissance et le développement des langues. Tout cela est à faire.

J'ai évoqué l'audiovisuel. C'est un facteur essentiel d'identité culturelle pour l'Europe. Nous sommes en mesure aujourd'hui de prévoir 125 000 heures de programme pour l'Europe. Que fait-on à l'heure actuelle dans un pays comme la France ? On doit faire 5 000 heures. Que fait-on en Grande-Bretagne ? Je ne sais. Ce qui est vrai, c'est que les programmes venus de l'extérieur de l'Europe par leur qualité, leur précision, leur dynamique sont à la veille de modifier les éléments culturels de l'Europe, celle dont nous sommes et celle que nous voulons. Il faut donc absolument agir très rapidement, notamment par les moyens de communication mais il faut absolument que tous les moyens de la technique soient mis à la disposition de l'Europe.

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Je citerai aussi l'Europe de la Sécurité.

Au cours de ces derniers mois on a commencé de développer la lutte en commun contre le terrorisme. Je me contenterai de dire que je suis fermement partisan d'accélérer les démarches pour que, sans que chacun empiète sur le système judiciaire d'autrui, il n'en existe pas moins une réalité de police, une réalité de contrôle et une réalité judiciaire qui permette de mener à bien la lutte nécessaire contre les formes modernes de la barbarie.

Je voudrais maintenant évoquer la défense. Qu'est-ce qui existe ? Un accord particulier entre l'Allemagne et la France. C'est une grande conquête lorsque l'on pense qu'en l'espace d'un siècle, deux guerres mondiales et d'autres qui en étaient l'amorce ont divisé ces deux pays. Trois guerres ont laissé des traces profondes et cependant grâce aux hommes dont j'ai cité les noms tout à l'heure, grâce à la continuité affirmée depuis maintenant trente ans, c'est un problème qui se trouve derrière nous. Il y a une profonde amitié franco-allemande.

L'amitié franco-britannique est considérée comme allant de soi, du moins depuis le début du siècle, c'est à dire 1904 car auparavant la France se connaissait des ennemis traditionnels.

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Le dernier a été l'Allemand, l'avant-dernier l'Anglais; l'avant-avant-dernier l'Autrichien, ce fut un moment l'Espagnol. Passons rapidement sur ces choses. Je n'interrogerai pas les personnalités britanniques qui sont devant moi pour savoir quel est leur classement. En tous cas, c'est une période dépassée.

Les accords existents entre la France et l'Allemagne ont été conclus il y a maintenant un peu plus de 20 ans. C'était en 1963, par le Traité de l'Elysée signé par le Général de Gaulle et le Chancelier ADENAUER. Traité que j'ai modernisé et actualisé en 1983, 20 ans plus tard, en mettant en oeuvre les dispositions militaires qui étaient restées en jachère pendant les 20 années précédentes. J'aimerais bien qu'il y ait des conversations de ce genre avec d'autres pays. Ce n'est pas que nous ne parlions pas avec les gouvernants britanniques des problèmes militaires. Bien entendu, on en parle ! Nous avons particulièrement ressenti cette nécessité lorsqu'au lendemain de Reykjavik nous nous sommes rendus compte qu'un certain nombre des armements de l'Europe en particulier à certains armements de type nucléaire étaient totalement dépendants des décisions qui seraient prises entre les deux puissances qui négocient aujourd'hui, c'est-à-dire l'Union Soviétique et les Etats-Unis d'Amérique.

Il faut savoir ce que l'on veut. Je pense qu'il est indispensable de mettre à plat, de mettre sur la table l'ensemble des données touchant au matériel militaire. Vous faites un avion, un avion de combat avec d'autres pays européens. Nous en faisons un autre. Lorsque je parle de char, d'hélicoptère... je ne prétends pas tout uniformiser. Je sais bien qu'il faudra du temps, que c'est difficile, qu'il y a des intérêts légitimes.

Il y a aussi le fait que nous sommes dans la même alliance et que cette alliance comporte un élément indispensable, nécessaire, déterminant que sont nos amis américains, les Etats-Unis d'Amérique et qu'il est bien normal qu'ils aient leur part à ce concert. Il n'empêche qu'un certain nombre de fabrications de matériel militaire en coopération entre les pays d'Europe apporterait un allègement à nos économies et sans doute une efficacité devant certaines perspectives militaires qui peuvent s'avérer spécifiquement européenne.

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Il existe en Europe deux pays et deux pays seulement disposant des armes nucléaires, le vôtre et le nôtre. Les autres qu'ont-ils ? Des armées dites conventionnelles. Ils appartiennent à l'alliance atlantique. Si la France, au temps du Général de Gaulle, s'est isolée du commandement intégré, c'est parce que le Général de Gaulle a eu le sentiment qu'il n'y avait plus d'automatisme dans la décision de notre puissant allié à notre égard, qu'elle n'était plus établie, acquise, que cela pouvait varier selon le tempérament du Président, la nature ou l'état de l'opinion américaine, que cette absence d'automatisme dans le jeu de l'alliance représentait en face d'une menace nucléaire représentait un danger mortel et qu'il convenait donc de s'armer soi-même, au moins pour parer au plus pressé, et disposer d'une dissuasion suffisante pour que nul ne songe à nous agresser. Ces données n'ont pas véritablement changé.

On peut imaginer des hypothèses strictement européennes qui ne poseraient pas forcément le problème du jeu général de l'alliance. Sommes-nous disposés à en parler ? Ne serait-il pas nécessaire que les Ministres de la Défense, que les Ministres de la Défense et de l'Industrie, que les Ministres de l'Industrie aient des conférences de travail permettant de faire le tour des choses et peut-être d'aligner des démarches ? J'ajouterai qu'il me semble très utile de ne pas s'enfermer dans un esprit de système sur aucun de ces sujets.

Contrairement à ce que l'on pense, en général, des Français, je suis tout à fait hostile au fait de fonder une institution, un organisme, une organisation chaque fois que l'on a une idée. On peut très bien laisser les gens agir selon leur inspiration, en particulier les gens qui agissent sur le terrain.

Ainsi dans le cadre général de la Communauté, on peut parfois bâtir à plusieurs des aventures technologiques, examiner des stratégies ou des armements militaires entre ceux qui en ont le goût, ou dont la démarche est commune. Après tout la discussion d'aujourd'hui pourrait apparaître comme hétérodoxe pour les Grecs ou pour les Irlandais. Il y a des statuts différents dans l'Alliance Atlantique et il y en a des pays de la Communauté qui n'appartiennent pas à l'Alliance Atlantique. Ce n'est pas autour du même barème que tournent toutes les références. Je pense qu'il doit y avoir dans certains domaines des initiatives à géométrie variable sans que l'on en fasse non plus un système. Parce que ce serait un système d'éclatement de l'Europe. Voyez ce que l'on fait pour Airbus, pour Ariane. Il y a l'Espagne dans Airbus alors qu'elle n'était pas membre de la Communauté européenne. J'ai parlé d'EUREKA où il y a sept

pays d'Europe en plus des douze. On peut s'inspirer de ces exemples pour adapter une démarche pragmatique et libre aussi intelligente que l'est la réalité, sans prétendre imposer un jugement préconçu au mouvement des hommes et des choses. Encore faut-il que cela soit relié et qui peut mieux le faire, que l'Institution même de l'Europe ?

Institution, j'ai prononcé le mot, cela sera une autre projection sur les terrains futurs. Mais je voudrais sur le terrain militaire me faire bien comprendre. Je souhaite qu'il y ait davantage d'échanges et davantage d'examens des problèmes stratégiques. Je ne demande pas, contrairement à certains autres, que l'Europe, en tous cas que la France participe aux négociations, des Etats-Unis d'Amérique, et de l'Union Soviétique. Je n'aurai pas voulu que la France fut à Reykjavik. Je ne souhaite pas qu'elle aille à Genève car le problème posé aux deux plus grandes puissances est un problème de surarmement. Elles ont, sur le plan nucléaire, plus de 10.000 charges nucléaires. La France n'en a pas 500, la Grande-Bretagne non plus. C'est un chiffre en perspective, mais encore loin d'être atteint. Avant de penser à englober l'ensemble des puissances nucléaires dans un examen général, il faudrait que les deux supers puissances réduisent considérablement leur propre armement. L'examen qu'elles ont fait à Reykjavik de 50 % me paraît tout à fait raisonnable. Mais c'est pour vous dire que je ne recommande pas comme une sorte de revendication de l'Europe d'être présente. Qu'est-ce qu'elle ferait là ? Qu'est-ce qu'elle dirait ? Elle se trouverait englobée dans un désarmement qui, en vérité, ne la concerne pas tant qu'une certaine destruction des armements existants ou de non construction des armements futurs ne sera pas décidé par les deux plus grandes puissances.

C'est ainsi qu'on a voulu un moment comptabiliser l'armement britannique et l'armement français dans les armes nucléaires intermédiaires. Je m'acharnais à répéter à M. Gorbatchev qui insistait là dessus, (M. Reagan ayant soutenu la position française) : "nous n'avons pas d'arme intermédiaire ! nos sous-marins qui sont l'essentiel de nos armes nucléaires, comme d'ailleurs des Britanniques, sont par nature stratégiques. Ils circulent au fond des océans, ils peuvent aller sur n'importe quel point du globe. La portée de leurs missiles peut atteindre 4.500 kilomètres.

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Quant aux définitions "stratégique", "intermédiaire" "tactique" selon la portée des armements n'est stratégique que ce qui traverse l'Atlantique. Ce sont des notions un peu courtes ! L'Océan Atlantique n'est pas le barème de toutes les actions militaires possibles au monde ! Serait intermédiaire ce qui va d'un pays du continent (en ajoutant la Grande-Bretagne) à l'autre ; et à courte portée ou tactique ce qui fait 30 à 100 kilomètres ? C'est tout à fait artificiel. Il y a les armes qui sont nécessaires pour assurer l'indépendance d'un pays, sa sécurité et sa sauvegarde et celles qui sont des approches ou qui sont des éléments limités d'action précédant un conflit général.

Je souhaite qu'il y ait plus d'échanges, donc plus de rencontres, et finalement plus d'accords. La relation franco-allemande est à cet égard assez exemplaire : il y a des manoeuvres militaires communes. Il faut renforcer la coordination et le débat. J'ai accepté, que dans la mesure naturellement

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du possible, dans le cas d'une menace de guerre, l'Allemagne qui pourrait être un territoire où se développeraient des conflits meurtriers, soit elle-même informée, qu'elle ait son mot à dire sur l'usage de nos armes. Même si bien entendu, la réalité de l'Europe, héritée de la dernière guerre mondiale, fait que l'Allemagne n'a pas accès à l'armement nucléaire, et ne peut pas avoir pour capacité de décider à la place des pays qui en disposent. Les allemands le comprennent très bien d'ailleurs et ils ne le demandent pas. Mais ils disposent d'armes classiques conventionnelles importantes, ils ont d'immenses qualités militaires. Si on coordonne l'ensemble de ces forces, on peut arriver à une notion précise en non pas simplement verbale d'une sorte de défense européenne, tout ceci en jonction avec l'U.E.O. qui de ce point de vue sera fort utile.

Enfin les institutions. On parle de renforcer les pouvoirs du parlement. Ils devront être renforcés, une fois qu'en 1992 on aura abouti, si on a abouti, à l'édification du grand marché intérieur. On peut très bien imaginer une consultation plus généralisée et même certaines initiatives du parlement européen.

D'autre part on parle d'une présidence. Je ne suis pas opposé à cette idée. J'ai entendu, venues de ce côté ci de la Manche, quelques protestations véhémentes. Mais moi je ne suis pas hostile à cette idée. Je ne pense pas qu'il soit concevable d'imaginer dans un délai assez bref des élections au suffrage universel. Mais on peut imaginer des étapes. On ne voit pas pourquoi on s'en tiendrait à la pratique actuelle : tous les six mois, selon les obligations de l'alphabet, un pays où le Chef d'Etat ou de gouvernement de ce pays là, préside aux destinées de l'Europe. Pendant ces six mois, il y a un Conseil Européen, parfois deux, qu'est-ce qu'on peut faire ? Chaque Président, au bout de six mois, reste sur ses regrets de n'avoir pu en faire davantage. La dernière présidence britannique a été efficace, la présidence belge le sera certainement. Je ne conteste pas du tout les capacités de ceux qui se succèdent. Mais il est vrai que c'est une instabilité institutionnelle dommageable. Alors on a essayé de corriger en disant eh bien il y aura une troïka, c'est-à-dire il y aura le Président du moment, il y aura le Président de la veille, et il y aura le Président du lendemain ; ces trois là se réuniront, ce qui ferait qu'aujourd'hui le Président belge serait assisté d'une vice-présidence de Grande-Bretagne, du Danemark. C'est un progrès, mais ce progrès n'est pas suffisant, d'ailleurs il n'est pratiquement pas mis en oeuvre.

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On peut imaginer une présidence permanente, en tout cas disposant d'un temps plus long, un an, deux ans, plus longtemps ? A douze bien entendu, bien des rivalités se feront jour. Non, on peut échapper à ces rivalités en désignant une personne, d'un commun accord bien entendu, une personne qui serait choisie pour conduire les travaux pendant une période déterminée, quitte à ce qu'elle soit assistée par des représentants des différents pays. Je ne suis pas hostile à l'idée, j'estime qu'il faut la préciser, je m'y suis essayé à mon tour.

Mesdames et Messieurs, rien de tout cela ne se fera sans volonté politique : ou on veut, ou on ne veut pas. Mais la volonté, elle, est politique. Le jeu des cartes qui est disposé devant nous est simple à définir. Nous pouvons en rester au stade de l'alliance. Nous sommes des pays alliés, nous sommes des pays amis, sans structure. Nous avons commencé d'être associés, c'est une structure, comme une association entre personnes privées. C'est-à-dire que nous avons un Conseil d'administration, nous avons des statuts, nous votons de temps en temps à la majorité, de temps en temps à l'unanimité, c'est une association. Nous ne sommes pas une véritable confédération. Peut-être sur certains points, pouvons-nous dire que nous le sommes. C'est un peu le cas de la politique agricole, ça pourrait être le cas de quelques autres politiques institutionnelles. Et nous sommes loin d'être une fédération, c'est-à-dire que nous n'avons pas d'unité politique. Nous pouvons de temps à autre émettre un texte sur la façon dont nous concevons le retour à la paix au Moyen-orient. Nous pouvons nous exprimer de temps à autre et ce n'est pas si aisé sur l'attitude à prendre en face de l'apartheid -en Afrique du sud-. Nous pourrions exprimer une idée sur la situation de l'Amérique centrale, et sur le rôle respectif que peuvent jouer le Nicaragua et les Etats-Unis d'Amérique, mais cela n'arrive jamais naturellement. Nous pouvons formuler des positions sur l'Afghanistan. C'est très facile, cela pourrait être encore plus facile, semble-t-il, à partir d'aujourd'hui. Nous sommes suffisamment proches les uns les autres pour avoir des points communs. Je crois qu'il faut chercher systématiquement à définir une volonté politique commune sur les grands problèmes qui touchent à la vie du monde.

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Ira-t-on vers l'unité politique que je souhaite ? Pour reprendre le terme initial, la France est ma patrie, l'Europe est notre avenir. Est-il possible de ne pas manquer ce rendez-vous ? C'est toute l'oeuvre à accomplir, c'est le sujet de ce débat.

QUESTION - Dans votre très intéressante description de l'avenir de l'Europe, pourriez-vous ajouter quelques mots sur le développement, tel que vous le concevez, de cette Europe par rapport aux deux superpuissances. Vous en avez dit un mot, bien sûr, mais, il me semble que nos rapports avec les Etats-Unis entrent actuellement dans une phase cruciale et difficile. Il est possible que nous ayons à faire face à une guerre commerciale ; des différences existent, comme le laissait entendre notre Président, entre le point de vue des superpuissances exprimées à Reykjavik et ceux des Européens. Comment, à votre avis, tous ces éléments vont-ils jouer les uns par rapport aux autres ? Sommes-nous en train de nous éloigner des superpuissances, et notamment de l'Amérique ? Nos intérêts prennent-ils une direction divergente ? Que pensez-vous de tout cela ?

LE PRESIDENT - Monsieur, puisque l'on parle surtout des Etats-Unis d'Amérique et de l'Europe, je résumerai mon propos en termes simples, nous sommes alliés, nous sommes donc dans la même alliance militaire et nous sommes dans le même ensemble économique. De multiples institutions nous rassemblent. Cela bien entendu étant précisé, que j'en suis partisan, cela ne doit pas conduire à l'identité, il y a des rivalités d'intérêts, et il y a des rivalités culturelles. Il faut rester soi-même si l'on veut pouvoir réaliser de bonnes ententes. Rester soi-même, vous allez parler du protectionnisme. Je crois que la seule façon de trouver un dénominateur commun aux Etats-Unis d'Amérique et à l'Europe c'est de partir en guerre contre toute forme de protectionnisme. Et d'abord contre les protectionnismes hypocrites. Actuellement, on se lance des chiffres à la figure, les Américains disent : la Communauté, c'est une protection. Mais on ne peut pas négocier deux fois la même chose. Au GATT, il y a plus de vingt ans, il avait été décidé par exemple que pour corriger la protection agricole de l'Europe, les produits alimentaires pour les animaux parviendraient en Europe sans taxe. Cela a été décidé, cette compensation a été obtenue. Il est difficile de négocier

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une deuxième fois le même avantage. J'ai déjà demandé qu'une conférence ait lieu et qu'on commence par mettre sur la table, la totalité des protectionnismes pratiqués par les uns et par les autres. Par exemple, le protectionnisme japonais : ils mettront rien sur la table car il n'y a pas de protectionnisme institutionnel. Et pourtant on ne pénètre pas le Japon. Donc il faudra également tenir compte des formes de protectionnisme plus subtiles. Une société française qui veut entrer au Japon, il lui faut sept ans de patience. Je cite un exemple concret que je connais, il faut avoir les reins financiers solides pour attendre sept ans avant de pouvoir vendre un pot de yaourt à un Japonais.

Tous les protectionnismes. Moi, au nom de la France, je suis prêt à engager ce débat et à mandater les représentants de la France pour qu'ils renoncent aux protectionnismes -au pluriel- dont la France pourrait se servir contre ses voisins. C'est simple.

Quant à la Communauté européenne, elle repose sur une certaine protection de son marché commun. Eh bien cela se négocie. Ce n'est quand même pas un protectionnisme étroit, cela représente un ensemble de 320 millions d'habitants. C'est plus peuplé que les Etats-Unis d'Amérique, plus peuplé que l'Union Soviétique, plus peuplé que le Japon. Nous avons donc le droit, cette entité là, de la protéger mais d'un commun accord et sur des bases négociées. Tandis qu'aujourd'hui, c'est une petite guerre sauvage. J'ai appris par exemple qu'on venait d'arrêter le cognac à l'entrée des Etats-Unis d'Amérique. Je ne sais pas qui souffrira le plus mais j'ai éprouvé cette nouvelle très douloureusement parce que je suis né là. Bon je me dis mais qu'est-ce qui arrive aux américains ? C'est vrai que cela peut être considéré comme superflu. Lorsque j'entends dire que le Maroc ou que l'Egypte sont des nouveaux chantiers ouverts à la vente de céréales à bas prix, je souffre pour les productions de céréales françaises ou européennes. Lorsque j'entends dire qu'il y a un monopole de navigation pour le transport des marchandises, je me dis mais est-ce que ce ne serait pas déjà une forme déjà ancienne de protectionnisme ?

Reykjavik est un exemple typique. Il faut que désormais, avant que les deux grands pays qui débattent du désarmement aboutissent à un accord, les pays d'Europe soient consultés. Il doit y avoir une consultation interne à l'alliance. Le Président REAGAN en est d'accord. Il a écrit aux différents Chefs d'Etat et de gouvernement. Je lui ai

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répondu. Mais jusqu'ici, cette consultation s'est bornée le plus souvent à des lettres extrêmement amicales mais qui arrivent souvent après les dépêches d'agences. Il faudrait que l'ordre soit inversé de façon qu'il soit possible d'édifier une politique commune. Je respecte beaucoup les Etats-Unis d'Amérique. J'ai beaucoup d'amitié pour son peuple et j'ai des relations excellentes avec le Président des Etats-Unis, auquel nous sommes redevables d'une large part de notre sécurité commune et de combien d'autres éléments fondamentaux de notre vie notamment de la liberté d'être, d'exister. Cette pétition de principe étant faite, cela n'empêche pas que ce ne sont pas les mêmes fabricants d'objets qui sont à Detroit et qui sont à Pittsburgh ou qui sont à Hambourg ou qui sont à Lyon. Je pense que cela doit être la même chose en Angleterre. Alors je pense quand même à défendre les intérêts de ceux qui se trouvent chez nous et de ce point de vue, il faut une négociation générale contre tous les protectionnismes. Il faut que la négociation sur le GATT serve à cela, mais il faut que cela soit précédé de négociations extrêmement serrées entre les partenaires de l'alliance, entre le pilier européen et le pilier américain de l'alliance.

QUESTION - Monsieur le Président, vous avez évoqué la division de l'Europe et vous avez regretté cette division. Est-ce que vous pourriez nous dire quelles sont les conditions historiques et politiques pour le dépassement de la division de l'Europe ?

LE PRESIDENT - Cela ne peut être une approche prudente. J'ai dans l'esprit que l'Europe ne sera pas l'Europe, tant que l'Europe de l'Est n'aura pas bâti un bon contrat avec l'Europe de l'Ouest. Difficulté immense. Il s'agit de deux mondes sur les plans philosophique, politique, économique, social mais pas sur le plan culturel. Car la culture des pays de l'Est est aussi européenne que la nôtre, elles sont complémentaires. Donc, je crois que cela doit s'organiser autour d'accords particuliers et de soutiens financiers. Il en existe déjà avec quelques pays, je pense à la Hongrie, je pense à la Roumanie, je pense à la Pologne. Des soutiens, de l'entraide, de la solidarité pratique, vecue au quotidien

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et qu'il est possible de multiplier les accords culturels, il ne faut pas les négliger. Tout passe par l'esprit. Et si l'on se rend compte par la traduction des ouvrages, par des échanges de conférences, par des relations entre les savants, si l'on s'aperçoit que les uns peuvent apporter beaucoup aux autres, il faut éviter de provoquer les grands clash, notamment avec le pays protecteur de l'ensemble des pays de l'Est, je veux dire l'Union soviétique. Il ne faut pas qu'elle ait le sentiment qu'il s'agit d'une machine de guerre. C'est une démarche très pragmatique que je recommande. On peut ne pas le faire. Il faut toujours y penser. On peut le faire mal, lentement, mais il faut toujours y penser. Penser que l'Europe ne sera l'Europe que lorsqu'elle aura retrouvé son unité géographique et historique.

QUESTION - Dans son analyse de la situation de l'Europe sur le plan de la sécurité militaire, le Président a fait état à plus d'une reprise du fait que le Royaume-Uni et la France sont les deux pays européens qui disposent de l'armement nucléaire. Pense-t-il que la situation de l'Europe sur ce plan s'améliorerait si l'un de ces pays ne dépendait plus d'un système nucléaire de défense, ou ne participait plus à l'armement nucléaire ?

LE PRESIDENT - Vous me faites pénétrer insidieusement dans la politique intérieure britannique, je m'en garderai bien. Je vais donc vous répondre pour la France. La France aurait tort de renoncer à la détention de l'arme nucléaire, car c'est la seule arme dissuasive pour éviter la guerre, pas pour la faire, pour l'empêcher.

QUESTION - De quelles manières une influence européenne pourrait-elle s'exercer dans le cadre des négociations en matière de contrôle des armements, qui constituent un aspect essentiel des rapports Est/Ouest ; plus spécifiquement, dans quelles circonstances pensez-vous que les armes nucléaires française et britannique devraient être prise en compte dans ces négociations afin de permettre à la France et à la Grande-Bretagne d'y participer ?

LE PRESIDENT - J'ai dit tout à l'heure que je ne souhaitais pas que la France participât aux négociations sur le désarmement nucléaire dans l'état présent des choses. J'ai même fait une estimation numérique, j'ai dit : plus de 10 000 charges nucléaires en Union soviétique, plus de 10 000 charges nucléaires aux Etats-Unis d'Amérique, moins de 500, je dois même dire moins de 300, actuellement en France ou en Grande-Bretagne.

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Il faut donc, avant d'aborder la nécessaire conférence qui un jour devrait réunir les cinq puissances nucléaires ou celles qui le deviendraient d'ici là (les Etats-Unis d'Amérique, l'Union soviétique, la Grande-Bretagne, le Royaume-Uni, la France, la Chine) que les deux plus grandes puissances limitent leur propre armement. C'est dans ce sens là que l'on est allé à Reykjavik. Je n'analyserai pas les aspects qui pouvaient paraître dits inattendus à Reykjavik. Mais, la limitation à 50 %, qui a été sérieusement examinée par les deux parties, me paraît tout à fait convenable et concevable. Personnellement je le souhaite. De même une certaine élimination des forces intermédiaires. Je ne parle pas là de l'option zéro qui représente tout un monde de négociations que je ne veux pas aborder aujourd'hui, mais d'une réduction, assortie en tout cas d'un contrôle. De même il y a des précautions à prendre par rapport aux armes chimiques.

De ce point de vue, c'est aux deux plus grandes puissances qu'il appartient de commencer, de donner l'exemple jusqu'à un certain moment où les forces pourraient être sinon comparées, du moins comparables, vous voyez la différence que j'établis entre ces termes ; je ne demande pas qu'il y ait identité entre les puissances d'armement soviétique, américaine et française par exemple. Mais qu'il y ait quand même des situations comparables. J'ai indiqué d'autres conditions, je n'y reviendrai pas. A partir de là -je l'ai dit aux Nations Unies en 1983- la France serait disposer à entrer dans la négociation, mais elle ne le fera pas avant. La France et la Grande-Bretagne -mais je parle pour la France- n'ont pas à être incluses présentement dans un débat qui les dépasse. Ce serait une trop bonne occasion fournie à l'un des partenaires d'englober certaines de nos forces pour les réduire sur le continent à néant.

Supposez que l'on ait compris la force nucléaire française dans l'équilibre stratégique établi par les deux plus grandes puissances. Dès lors que l'on estimait que les forces sous-marines françaises étaient de caractère intermédiaires, la totalité de l'armement nucléaire français se trouvait décomptée dans le calcul. Quel était son inconvénient ? Lorsque Monsieur GORBATCHEV, que j'ai eu l'occasion de rencontrer plusieurs fois d'une façon fort intéressante -c'est un homme parfaitement capable de comprendre les problèmes modernes- me répétait cette demande soviétique, je lui répondais que c'était un peu arbitraire que de vouloir négocier des sous-marins français, tandis que

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les sous-marins américains et soviétiques n'étaient pas sur la table de ce même forum sur les forces intermédiaires de la conférence de Genève. On se demande pourquoi il y aurait cette différence de traitement. D'autre part, lorsqu'on parlait des armes intermédiaires, je me demandais pourquoi -et je le répétais- nos forces essentiellement mobiles sur la surface du globe seraient comprises dans un échange d'armes intermédiaires qui laisserait intact la capacité, le potentiel stratégique des 10 000 -on devrait dire des 8 000 charges nucléaires stratégiques- des deux côtés de la table de négociation américaine ou russe.

Donc, c'est parler d'une façon totalement irréaliste et cela aboutirait à une conclusion tout à fait pittoresque disais-je à Monsieur GORBATCHEV. Monsieur GORBATCHEV répondait "mais je ne demande pas du tout à la France de diminuer son armement. Ce qu'il faut, c'est que l'Alliance Atlantique reste dans des données comparables aux forces de l'Est. A partir de là, la France qui n'est pas partie à la négociation se trouverait enfermée dans une définition numérique. Et supposez que la France, à partir de ses quelques centaines de charges nucléaires veuille les augmenter ? Par exemple, lorsque notre force sous-marine pourra passer de fusées à une à des fusées à six têtes, c'est en cours, et de six à douze têtes -cela c'est pour la fin du siècle- ce qui automatiquement multipliera considérablement notre force défensive et dissuasive. Supposez que nous voulions précisément passer de six à douze, à qui faudra-t-il demander la permission ? Aux Etats-Unis d'Amérique, qui pourraient nous dire : "Ecoutez, moi, justement, j'y songeais" ; à la Grande-Bretagne ? "non, moi je voulais faire..." Si bien que Monsieur GORBATCHEV, par ce système, lui ai-je expliqué, ramènerait la France dans le commandement intégré de l'OTAN. Ce qui me paraissait une démarche surprenante. Non, la France ne veut pas demander la permission à quiconque, y compris à ses meilleurs alliés, pour estimer ce qui est nécessaire à sa sécurité.

QUESTION - Notre association et la structure étudiante qui est implantée dans 35 universités dans la Communauté européenne, avec près de 1 000 étudiants adhérents, nous avons pu voir dans les derniers mois qu'il y avait un sentiment assez nouveau qui naissait dans le public étudiant en Europe, et ceci, toute nation confondue, qui, notamment à travers les problèmes universitaires qui se posaient, avait une analyse qui était relativement commune, à savoir que le

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cadre national, dorénavant, n'offrait plus les moyens d'apporter des solutions à ses problèmes de financement et reprenne les structures... archaïsmes... des structures qui existent en Europe. Ne pensez-vous pas que ce serait le moment de créer, au niveau européen, un nouveau programme communautaire qui prenne en charge la formation au niveau du moins de l'enseignement supérieur en Europe ?

LE PRESIDENT - Je pense Monsieur que cela doit faire partie du projet de l'Europe. Il y a à établir simplement un ordre de priorité, en raison de la modicité des moyens budgétaires, mais c'est un projet tout à fait nécessaire. Quand pourra-t-il se réaliser ? C'est au Douze maintenant d'en débattre.

QUESTION - Notre dernière rencontre, Monsieur le Président, a eu lieu à l'occasion de la signature du Traité du tunnel trans-Manche. Je me souviens très bien de la construction du tunnel sous le Mont-Blanc, et j'ai également à l'esprit le tunnel du Saint-Gothard en Suisse. Aviez-vous estimé, dans ces deux cas, que la France, la Suisse et l'Italie en faisaient trop leur affaire plutôt qu'une affaire européenne ? Et le tunnel trans-Manche risque-t-il d'être envisagé non pas dans le contexte européen mais dans celui d'une opération franco-britannique ?

LE PRESIDENT - Depuis Saint-Gothard quand même de l'eau à couler sous les ponts. Aujourd'hui, la Communauté européenne a une réelle existence, même si cette existence est parfois insuffisante. J'ai dans mon propre exposé, tout à l'heure, indiqué que je concevais le Transmanche comme un élément du développement des moyens de communication et j'ai même cité le lien à établir, la communication directe à établir entre le Transmanche, donc vers le coeur de l'Angleterre, et le système TGV français, belge, hollandais, allemand. Cela pouvant s'étendre naturellement du côté suisse ou italien, pourquoi pas d'ailleurs espagnol, enfin, cela est un autre problème. Mais c'est tout à fait à notre portée. Donc, je ne conçois le transmanche qui viendra innerver l'Angleterre, mais aussi le nord de la France que comme un élément d'un tout qui devait être un tout européen autour des grandes

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métropoles hanséatiques, jusque si possible, pourquoi pas, au Portugal. Cela me paraît indispensable. Et les premiers éléments, sans rêver, sont déjà à notre portée. Il existe déjà Paris/Lyon, il va exister Paris/Lille. On discute sérieusement des lignes Bruxelles/Liège. On parle de Bruxelles/Amsterdam. Et on parle de Bruxelles/Francfort ou Liège/Francfort. En France, on parle de Paris/Strasbourg, on s'en contente pas d'en parler, on fait des projets. Paris/Bordeaux et la frontière espagnole est en cours. Donc, on va pouvoir accéder véritablement autour du transmanche à une communication colossale de l'ensemble des pays d'Europe avec le Royaume-Uni.

QUESTION - Vous avez parlé de la nécessité d'un resserrement entre Européens pour entreprendre beaucoup de choses, notamment dans le domaine de la recherche scientifique, et vous avez cité les exemples spécifiques du cancer et du sida. Seriez-vous disposé et en mesure de prendre une initiative au nom de la France et peut-être de l'Europe en vue d'une coopération urgente et à grande échelle entre les meilleurs cerveaux européens afin de s'attaquer aux problèmes de (...) un vaccin contre le sida qui nous inquiète énormément en Europe et qui menace de ravager tous nos pays ?

LE PRESIDENT - Je vous remercie. J'ai dû rappeler tout à l'heure que j'avais poussé à la constitution d'un groupe de travail des plus grands chercheurs européens sur le cancer, autour du Professeur TUBIANA. J'ai moi-même présidé la première réunion de travail de ce Comité qui est tout à fait remarquable. On commence tout juste à s'organiser en France pour la lutte contre le SIDA, c'est-à-dire que nous commençons d'avoir une organisation nationale. Pourquoi ne pas passer au stade européen, puisque ces grandes contagions ne connaissent pas de frontières ? Et je me demande pourquoi, profitant de votre question, la France ou tout autre pays, ne saisirait pas la Communauté d'une démarche similaire à celle contre le cancer dans les trois mois qui viennent. Pourquoi, est-ce qu'au Sommet de Bruxelles, on ne déciderait pas une action dans ce sens ?

QUESTION - Le Président pense-t-il que l'ensemble de l'Europe puisse contribuer, à l'heure actuelle, à la recherche d'un règlement au Moyen-Orient ?

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LE PRESIDENT - Je vais vous répondre comme je le pense. Elle le pourrait mais elle n'a pas cette influence là. Elle le pourrait. Il y a une demande, notamment autour du problème israëlo-arabe et autour du problème proprement libanais. Il n'y en a pas pour le problème irako-iranien. Cette demande est exprimée avant chaque sommet européen. "Intervenez, intervenez, nous avons besoin de la voix de l'Europe."

L'Europe elle-même sur ce point, a bien bâti une doctrine minimum autour de la notion de frontières "sûres et reconnues" pour ISRAEL de la reconnaissance définitive de son droit et de ses moyens à exister. La-dessus il y a une position commune des pays de l'Europe. A partir de là lorsqu'il s'agit d'affirmer les résolutions 242 ou 338 des Nations-Unies, le principe est toujours retenu, la pratique est plus faible parce qu'il y a des influences diverses qui jouent selon les pays en faveur de tel ou tel bloc. Bien entendu cela empêche, du moins jusqu'à nouvel ordre, qu'il y ait des positions tout à fait réalistes. Il y a surtout des déclarations d'intention. Ces déclarations d'intention qui sont toujours pacifiques, sont excellentes mais pas suffisantes. C'est à dire que la définition de la volonté politique de l'Europe dans ce domaine est encore un peu faible.

Pour le Proche-Orient, pour le conflit Israëlo-arabe, la France a pris une position favorable à une conférence internationale qui pourrait être préparée par les cinq membres permanents du Conseil de Sécurité. Cela aurait l'avantage de mêler directement à la résolution du conflit à l'examen de la résolution du conflit, déjà les deux grands pays antagonistes. Il est illusoire de penser que l'on pourra régler ces problèmes en l'absence des Etats-Unis d'Amérique ou de l'Union Soviétique puisque de toute manière ils sont présents par des intermédiaires. Et cela est préférable de les avoir directement. D'autre part il faut deux pays aussi connaisseurs qu'ils le sont des problèmes du Proche et du Moyen-Orient que le sont la Grande-Bretagne et la France, sans oublier l'influence mondiale dont peut disposer la Chine.

Je pense qu'il y a là une amorce intéressante d'autant plus que dans une Conférence préparée par ces cinq pays, il serait tout à fait possible d'inclure toutes les relations bilatérales possibles et imaginables. On n'y arrivera pas en commençant par les relations bilatérales. J'ai défendu moi-même cette thèse, pendant de longues années. Je préfère les relations bilatérales directes entre les gens qui se combattent. J'ai été un des rares français à approuver l'accord de CAMP DAVID en ce sens qu'il réglait le problème militaire entre l'Egypte et Israëlo, mais pas dans le sens qu'il réglait le problème palestinien qui n'a pas été réglé.

.../...

Je suis donc d'accord sur toutes ces relations directes mais en fait elles n'ont pas abouties. Lorsque je rencontre mes amis dirigeants d'Israël, -je reverrai M. Shimon PERES dans quelques jours, j'avais hier comme hôte à Paris, le roi Hussein de Jordanie- M. PERES me répètera "j'ai confiance dans les relations directes". "Oui, vous avez confiance mais cela ne se fait pas." On ne peut pas rester durablement sur ce terrain là. La conférence internationale préparée de la façon que j'ai indiquée devrait faire de réels progrès. Pourquoi est-ce que l'Europe ne s'entendrait pas sur cette démarche ?

QUESTION - M. le Président, vous avez cité la défense et la sécurité parmi les choses à faire dans l'avenir. Je voudrais vous poser deux brèves questions à ce sujet : pensez-vous que la défense soit un aspect désirable mais facultatif de l'Europe, ou bien qu'un progrès en matière de défense et de grande politique soit, dans une certaine mesure, un préalable essentiel si l'on veut progresser dans d'autres domaines où l'Europe doit faire face à tant de crises ? Deuxième question : si un progrès à cet égard apparaissait essentiel, qu'impliquerait-il pour la France ? La France s'est retirée en 1966 du Commandement Intégré de l'OTAN, non pas par simple mauvaise humeur, mais en raison d'un profond désaccord avec les autres membres de l'Alliance sur le plan de la doctrine militaire. Dans l'hypothèse d'un progrès en matière de défense en Europe, qui devrait changer d'avis ?

LE PRESIDENT - Ce ne sera pas nécessaire. Je considère que la défense commune est une condition sine qua non à la réussite finale de l'Europe. Mais ce n'est pas une condition préalable. La preuve, c'est qu'on a pu beaucoup avancer depuis trente ans sans avoir pu résoudre le problème militaire qui ne peut être résolu qu'avec le temps car nous sommes tenus par l'équilibre européen tel qu'il est issu des accords qui ont suivi la dernière guerre mondiale. Le statut de l'Allemagne n'est pas le même que le statut de la Grande-Bretagne et de la France par exemple. Chacun le sait bien, pardonnez-moi de le rappeler.

Donc, je crois que pendant la période présente, une communauté de défense pourrait être désirable mais pouvait rester facultative. Elle l'est restée ; cela n'a pas empêché l'avance de l'Europe. Et si aujourd'hui l'Europe connaît des obstacles, -j'ai essayé de les citer il y a un moment- ce n'est pas à cause de l'absence d'une communauté de défense, car l'alliance pour l'instant en fait office. Bien entendu, je souhaite qu'il y ait une défense proprement européenne, de façon que l'Europe prenne elle-même en main son propre destin.

.../....

Si l'on veut aboutir au cheminement normal de cette Europe allant vers son unité, pour le moins confédérale, d'autres, je suis de ceux-là, pensent à un stade ultime plus structuré, mais les pays n'en sont pas là, il suffit de le constater que pour les stades ultérieurs, une certaine communauté de défense devra être définie. Il y a déjà des appels au sein de l'UEO, des demandes surgissent un peu partout. L'Allemagne est demanderesse d'une certaine manière, pas comme on le dit généralement. Mais j'ai en mémoire quelques discours ou interventions du Chancelier SCHMITT. En vérité, le gouvernement allemand ne demande pas l'accession à la détention de l'arme nucléaire, ni même exactement le partage.

Condition finale de réussite de l'Europe associée à la volonté politique : oui sans aucun doute, à la condition qu'il y ait une certaine unité politique de l'Europe qui devrait être accomplie au préalable sans quoi nous achopperions sur le même problème qu'au moment de la Communauté Européenne de Défense des années 1953-1954. Voilà ma conviction. Donc, condition finale : oui ; condition préalable : non ; condition désirable : oui ; condition facultative pour un certain temps.

Votre deuxième question : la France et l'arme nucléaire Je vous ai dit pourquoi tout à l'heure ; parce que n'ayant pas l'assurance d'un automatisme dans le jeu de l'alliance en face d'une menace, il y avait toute une part de la sécurité qui restait non assurée. La France a entendu la remplir elle-même et donc ne pas rester uniquement dans le cadre du commandement intégré, mais quand même allié fidèle, de telle sorte qu'elle a défini elle-même son développement nucléaire. C'est vrai que la France n'éprouve pas la gêne que d'autres pourraient éprouver devant telle ou telle décision qui serait prise à Genève parce que son propre armement ne dépend que d'elle. Mais son arme nucléaire n'est pas partageable. Elle n'est pas diplomatiquement et politiquement partageable avec nos amis allemands. Ce qui ne veut pas dire que la coopération militaire et que la marge d'alliance entre l'Allemagne et la France ne peut pas être élargie car l'arme nucléaire n'est pas la seule arme. Les armes nucléaires européennes ne sont d'ailleurs qu'une partie du tout de l'alliance. L'arme nucléaire stratégique américaine est infiniment plus

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puissante, elle est un facteur d'équilibre indispensable. La sécurité de la France repose sur l'alliance et sur la force de dissuasion. Nous marchons sur deux jambes. L'une serait coupée. Nous tomberions. Sur le plan de l'Europe, il y a des armes de toutes sortes, des stratégies différentes, il n'est pas établi d'avance que la guerre y serait fatalement nucléaire. Moi, je le pense. Je dois m'exprimer ici clairement : je pense que toutes les guerres déboucheraient sur la guerre nucléaire. Je le pense mais beaucoup de bons esprits pensent le contraire, pensent qu'il pourrait y avoir une habile démarche qui procéderait au moyen des forces conventionnelles pour éviter l'affrontement entre les deux principales puissances. Dans ce cas là l'Europe serait à découvert. Une forme plus subtile encore qui serait la réduction à zéro comme on en a parlé un moment à REYKJAVIK, ce qui poserait le problème du formidable déséquilibre conventionnel entre les forces soviétiques et les forces des pays d'Europe appartenant à la Communauté.

Ce n'est pas la seule arme. Si l'hypothèse conventionnelle devait s'affirmer, l'Allemagne redeviendrait un très puissant partenaire, et même j'ajouterais un partenaire indispensable.

On peut donc coordonner beaucoup plus fermement qu'on ne le fait, coordonner les armes nucléaires entre la Grande-Bretagne et la France, coordonner les armes classiques avec d'autres pays dont l'Allemagne, coordonner la stratégie entre pays européens. J'en suis tout à fait partisan, et ça commence naturellement par une coordination des armements eux-mêmes.

La France, par ma bouche, a refusé de participer à cette stratégie. Bien entendu les entreprises elles, font ce qu'elles ont envie de faire pour telle ou telle fourniture. Mais il n'y aura pas d'accord d'état pour participer à cette stratégie. Situation contestée en France où il y a des gens fort importants qui ont une pensée contraire à la mienne. Mais je maintiens celle qui est mienne. Je ne pense pas que ce soit nécessaire d'ajouter une dimension nouvelle au mot sur-armement. On n'est pas prêt en fait de voir l'Amérique renoncer, pas plus que l'Union Soviétique, à ses forces.

.../...

Nous n'avons pas parlé du tout de l'I.D.S. Certains ont regretté que certains pays d'Europe n'y participent pas.

QUESTION - Monsieur le Président, certains vous diraient que la désillusion ressentie par bien des gens à propos de la Communauté Européenne résulte de la différence entre les espoirs et les aspirations exprimés par les politiciens et hommes d'Etat et la réalité communautaire. Tous les discours sur une Europe technologique, une Europe où tous coopèrent ensemble, une Europe sociale sont perçus sur un fond de crises budgétaires perpétuelles. En ce début d'année, la Communauté n'a même pas arrêté son budget pour 1987. Quels espoirs peut-on nourrir pour les grands desseins si les douze grandes nations de la Communauté Européenne n'arrivent même pas à se mettre d'accord sur les prix et les niveaux de production agricole ?

LE PRESIDENT - Ce que vous dites est un constat cruel mais juste. Il y a des personnalités européennes qui pensent qu'il ne faut pas se contenter de dire mais qu'il faut faire et quand on fait, il faut s'en donner les moyens. Il y a d'autres personnalités éminentes qui estiment qu'il faut avancer pas à pas et qu'il faut d'abord affermir les économies nationales et donc ne pas trop dépenser sur le plan communautaire. Ces deux formes d'esprit s'affrontent en permanence. Je souhaite que ceux qui pensent communauté finissent par convaincre les autres, à ce moment là, le dire et le faire seront plus harmonisés.

PRIME MINISTER

You should be aware that President Mitterrand will address the Royal Institute of International Affairs (Chatham House) on 15 January.

We have checked with the Elysee that the President regards this entirely as a private visit and is not expecting or seeking any meeting with you.

Agree not to provoke a meeting, but to be open to a request if he changes his mind and makes one?

C.D.P.

Open

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C. D. POWELL

5 January 1987



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10 DOWNING STREET

From the Private Secretary

1 December 1986

Visit of President Mitterrand

As you probably know, President Mitterrand will now visit London on 15 January to speak at Chatham House.

15 // I should be grateful for advice on whether it will be necessary for the Prime Minister to see the President while he is here. She will of course have met him on three occasions in the preceding three months. An indication from the Elysee that the President saw this as a private visit, did not require any attention and was not seeking a meeting with the Prime Minister would be welcome. But the Prime Minister will of course do whatever courtesy requires.

(CHARLES POWELL)

C.R. Budd, Esq.,
Foreign and Commonwealth Office.

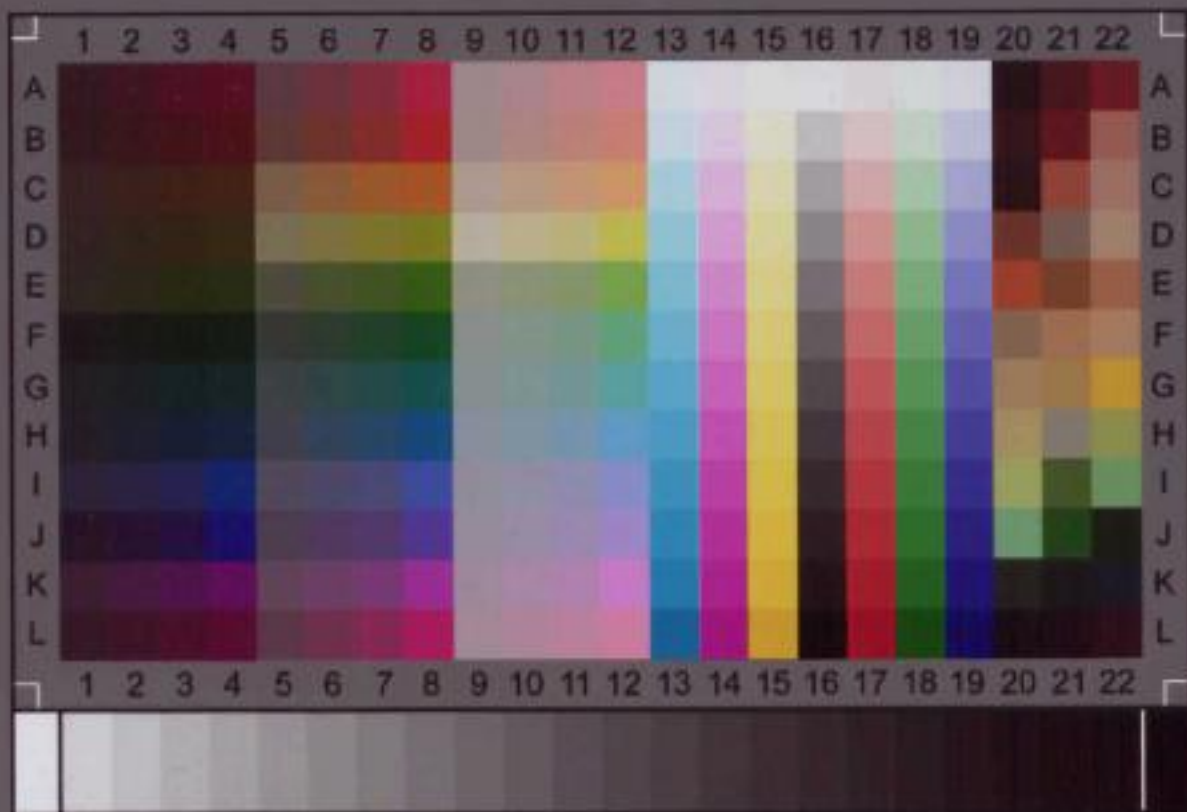
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