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Part 1

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France

10 March 1981

Anglo/French Summit

The Prime Minister has seen your letter to me of 3 March. She agrees that we should now propose 17-18 September as the dates for President Giscard's next visit to this country.

MICHAEL ALEXANDER

Francis Richards, Esq., Foreign and Commonwealth Office.

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Foreign and Commonwealth Office

London SW1A 2AH

3 March 1981

Dear Mochael, Phyl

Anglo-French Summit

In your letter of 3 February you suggested that we should in due course offer the French the dates of 15-16 September for President Giscard's visit to London this year. However, the Foreign and Commonwealth Secretary will be in Brussels for a Foreign Affairs Council on 14-15 September and the French Foreign Minister will, presumably, be there too. Also 16 September is a Wednesday, the traditional day for the French Cabinet to meet.

In the light of the above, the Foreign and Commonwealth Secretary recommends that we propose 17-18 September to the French for the Summit instead. I understand that these dates would be equally convenient for the Prime Minister. We could suggest that the President delay his arrival until the afternoon ie after our own Cabinet meeting.

There is also a Finance Council on 17 September but subject to any other engagements he may have, Sir G Howe could probably join the talks on 18 September.

Our Embassy advises that we put our proposed dates to the French now even though we may not get a firm reply until after the French elections (ie mid-May).

(F N Richards)

M O'D B Alexander Esq 10 Downing Street Subject of number as sent as Fishing Industry: CFP: Pt 4 - T26/81 18.2.81

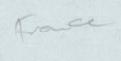
HIS EXCELLENCY MONSIEUR VALERY GISCARD d'ESTAING

I am grateful to you both for sending me a copy of the Common Declaration published after your meeting with Helmut Schmidt and for your separate message about the Fisheries Council.

I regret that, in the event, it did not prove possible to reach agreement at the Council on Fisheries, but I am glad that discussions are still continuing, and that the Council is due to meet again on 9/10 March. We wish to see the earliest possible agreement on a Common Fisheries Policy, and I can assure you that we shall continue to work constructively in the hope of achieving this objective. We have been considering the best way ahead and hope to be in a position to let you know soon how our thoughts are developing.

MARGARET THATCHER





10 DOWNING STREET

From the Private Secretary

9 February, 1981.

Message from President Giscard

I enclose a copy of a message which the Prime Minister received late on Friday night from President Giscard about the Anglo-Covered a copy of the communique which I

You may already have these texts since they were sent to the Resident Clerk on Saturday morning.

I am copying this letter and its enclosures to David Wright (Cabinet Office).

M. O'D. B. ALEXANDER

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



10 DOWNING STREET

Prime Minister,

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President Giscord D'Estaing endiving

the communique of the Franco-Borman

summit hall today.

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Duty derk.

5 Bye C

Ambassade de France Londres Waste

6th February, 1981

PRIME MINISTER'S

PERSONAL MESSAGE

SERIAL No. T 20/81

Deus Mr. Clexenda

I have just received a message from the President of the French Republic addressed to the Prime Minister.

I enclose it herewith.

Sincerely yours

Mann

M.O.B. Alexander, Esq.
Private Secretary to the Prime Minister,
10, Downing Street,
London, S.W.1.

MESSAGE DE MONSIEUR VALERY GISCARD D'ESTAING, PRESIDENT DE LA REPUBLIQUE

A

THE RT. HON. MARGARET THATCHER, M.P. PREMIER MINISTRE

Paris, le 6 février 1981

"Madame le Premier Ministre,

A l'issue des consultations francoallemandes qui viennent de se tenir à Paris, le Chancelier Schmidt et moi-même avons adopté une déclaration dont je vous prie de trouver ci-joint le texte.

Cette déclaration commune énonce les exigences dont, à nos yeux, dépendent la stabilisation des relations Est-Ouest et le maintien de la paix.

Elle définit des orientations qui expriment notre volonté que l'Europe apporte au redressement de la situation internationale une contribution conforme à son rôle historique. C'est donc en solidarité avec nos huit partenaires que nous entendons conduire cette action.

Je vous prie de croire, Madame le Premier Ministre, à mes sentiments les plus cordiaux.

signé : Valéry Giscard d'Estaing''./.

TEXTE DE LA DECLARATION COMMUNE PUBLIEE A L'ISSUE DU 37EME SOMMET FRANCO-ALLEMAND

"Le Président de la République française et le Chancelier de la République Fédérale d'Allemagne ont procédé à un examen approfondi de la situation internationale, de la dégradation qu'elle a subie et de l'effort de redressement qu'elle appelle.

Aux facteurs de déstabilisation et aux dangers qu'ils font peser sur l'avenir de la paix, ils entendent opposer l'action commune et résolue de leurs deux pays.

Pour contribuer à ce résultat, ils expriment leur détermination de coopérer dans un esprit de confiance avec le nouveau gouvernement américain.

Ils entendent faire prévaloir les trois exigences dont dépendent la stabilisation des relations Est-Ouest et le maintien de la paix.

1) Exigence de l'équilibre dans la sécurité

Elle exclut aussi bien l'acceptation d'une situation de faiblesse que la recherche d'une supériorité

militaire. Elle suppose que les entreprises de limitation et de réduction des armements respectent le principe de l'équilibre global des forces. Elle rend également nécessaires la vigilance et le dialogue.

En réaffirmant leur fidélité aux engagements de l'Alliance Atlantique, en marquant leur détermination de maintenir l'effort de défense qu'elles s'imposent, en oeuvrant en faveur d'une conférence sur le désarmement en Europe, visant à adopter dans une première phase des mesures de confiance applicables de l'Atlantique à l'Oural, la France et la République Fédérale d'Allemagne contribuent à assurer l'équilibre dans la sécurité.

2) Exigence de modération des comportements politiques

La modération s'impose en premier lieu dans les rapports entre les pays signataires de l'acte final d'Helsinki qui en a défini les règles. Elle signifie qu'il est essentiel que la Pologne puisse résoudre ses graves problèmes elle-même, d'une manière pacifique et sans ingérence extérieure.

Cette modération est partout, hors d'Europe, comme en Europe, incompatible avec le recours à la force, avec la politique du fait accompli et avec les tentatives pour s'assurer des avantages unilatéraux.

La France et la République Fédérale d'Allemagne, se référant à leur déclaration du 5 février 1980, et réaffirmant qu'elles maintiennent leur condamnation de l'intervention soviétique en Afghanistan, rappellent que "la détente ne résisterait pas à un nouveau choc du même ordre".

L'exigence de modération doit conduire également, face aux situations de crise ou de conflit, à la recherche de solutions politiques, c'est-à-dire négociées avec le concours de toutes les parties intéressées. C'est le sens des efforts entamés par les Européens au Proche-Orient, de l'initiative des Cinq au sujet de la Namibie et de la proposition de la France à propos de l'Afghanistan. C'est également le sens de l'appui que la France et la République Fédérale d'Allemagne donnent aux Accords de Lagos et de Lomé sur l'indépendance du Tchad.

3) Exigence d'égalité dans la responsabilité face aux grands problèmes du monde

La lutte contre la faim, la pauvreté et le sous-développement, le rétablissement de la stabilité monétaire et économique grâce à une évolution plus modérée du prix du pétrole, la mise en oeuvre résolument pacifique de l'énergie nucléaire sont des tâches universelles.

Ces objectifs ne seront atteints que dans le respect de l'indépendance et de la personnalité des états et des peuples du Tiers-Monde, et dans la reconnaissance de leur aspiration à un authentique non-alignement. Il est nécessaire qu'en matière d'aide économique tous les états du monde, quel que soit leur régime, prennent leur juste part dans l'établissement d'un ordre international où tous les peuples trouveront garantie pour leur sécurité, chance pour leur progrès, et respect pour leur dignité et leur liberté.

En définissant ces orientations, la France et la République Fédérale d'Allemagne sont conscientes des devoirs de l'Europe. Elles sont décidées à les assumer en solidarité avec leurs huit partenaires.

Surmonter les difficultés actuelles de la Communauté, affermir la cohésion politique de l'Europe, assurer la stabilité et le progrès de son économie, sont des tâches prioritaires pour rendre à l'Europe un rôle conforme à sa tradition historique"./.

CONFIDENTIAL



BU 16 FEBRUARY 1981

Cace RH

10 DOWNING STREET

From the Private Secretary

7 January, 1981

Anglo-French Summit, 1981

George Walden wrote to Clive Whitmore on 30 December about the date of the next Anglo-French Summit. The Prime Minister does not wish to take a view just yet on when President Giscard's visit might take place. She is not sure that it would be right to invite him to pay a visit immediately after the Presidential Elections in France. Moreover, there is, as you are aware, continuing uncertainty about the dates of the possible North/South Summit in Mexico. We here will aim to look at the question again in mid-February.

M. O'D. B. ALEXANDER

F Richards, Esq Foreign and Commonwealth Office

M





10 DOWNING STREET

PRIME MINISTER

President Giscard's Visit

May we offer the French
the choice of Wednesday/Thursday
9/10 September or Tuesday/
Wednesday 15/16 September for
President Giscard's visit to
London later this year?

The second pair of dates marks more or less exactly the anniversary of your own visit to Paris last year.

Vor per Must

2 February 1981

MR. ALEXANDER

PRESIDENT GISCARD'S VISIT IN SEPTEMBER

Can I please offer you two dates,
Wednesday 9th to Thursday 10th or
Tuesday 15th to Wednesday 16th? I cannot
offer you the 8th because the Prime Minister
is opening the Egyptian Sculpture Gallery
at the British Museum, but we might run
into difficulties with the Cabinet on the
10th, though I think this could be
negotiable. The disadvantage of 15/16 dates
are that it is at present a free week and
therefore ties her to being in London, but
no doubt she will have to be anyway so I
hope that either group of dates will suit.

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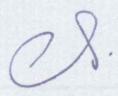


10 DOWNING STREET

MR. ALEXANDER

Visit of President Giscard in September

The Prime Minister returns from Scotland (Balmoral) on Monday 7 September and therefore I can offer any two days between 9 and 18 September for the above.



29 January 1981



10 DOWNING STREET

Mis Stephers.

PM has deaded not to mile Giscund here
in Time: This means
the visit will have to
be in mid . Suplember.

Sugarlinis?

This

27 January 1981

Anglo/French Summit

I have discussed again with the Prime Minister the timing of President Giscard's next visit to this country. She has now definitely decided that in fiew of the crowded state of her programme, it will not be possible to invite President Giscard before the summer break. We shall therefore have to think in terms of a visit in mid-September. I will be in touch with you shortly to suggest more precise dates.

MODBA

Francis Richards, Esq., Foreign and Commonwealth Office.



10 DOWNING STREET

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answer, but have not
written

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Foreign and Commonwealth Office

London SW1A 2AH

De grand for a lot-

30 December 1980

Pome. Muristr.

fine is a by querian - much for early fine in his respect of war North. South someth in these is. But that of warm would after foundary the scape as more as you if it took place them. I gulpert to that, content and was should find some Anglo-French Summit 1981 dates during that parent in explore them with the formal

It is our turn to invite the French to Britain for the next annual Anglo-French Summit.

the somi

After her successful visit to Paris last September, the Prime Minister indicated that she might like to hold the Summit slightly earlier than usual. There would be added advantage if we could bring the date forward sufficiently to avoid the period of the UK Presidency of the European Community. The Presidential elections in France preclude a visit before mid-May and a good time would therefore seem to be early June.

President Giscard will almost certainly feel unable to commit himself to specific engagements after the elections (for which he has not yet even declared his candidacy). But we could probably secure his provisional agreement to dates, subject to success in the elections. At present there seems little doubt that he will win.

I should be grateful if you could seek the Prime Minister's views, and suggest suitable dates which HM Ambassador Paris could explore with the Elysee.

(G H G Walden)
Private Secretary

C Whitmore Esq 10 Downing Street

France

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TELEGRAM NO 871 OF 22 NOVEMBER

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Rome Rimiter Arts, Aus

ANGLO-FRENCH SUMMIT: FRENCH PRESS REACTIONS

- 1. IN ITS COVERAGE THE FRENCH PRESS HAS REFLECTED THE ATMOSPHERE OF THE CONCLUDING PRESS CONFERENCE RATHER THAN THE ATMOSPHERE AND OF COURSE THE MEETING ITSELF. PRESS ACCOUNTS AND COMMENT, LIKE THE CONCLUDING PRESS CONFERENCE, HAVE CONCENTRATED ALMOST EXCLUSIVELY ON COMMUNITY I SSUES AND MORE PARTICULARLY THE BUDGET QUESTION. BOTH SIDES ARE PRESENTED AS MAKING NO MOVEMENT OR CONCESSIONS FROM THE POSTITIONS WHICH THEY HAD ALREADY TAKEN UP BEFOREHAND. PRESIDENT GISCARD'S WORDS OF SUPPORT AND ENCOURAGEMENT FOR BRITAIN AND THE BRITISH GOVERNMENT. WHICH CAME AT THE BEGINING OF HIS PRONOUNCEMENT'S, HAVE BEEN RELEGATED BY THE PRESS TO CONCLUDING PARAGRAPHS, CONVEYING THE SOMEWHAT CHILLY SENSE THAT IN SPITE OF FUNDAMENTAL DI SAGREEMENTS THE CORRECTNESS OF THE FRANCO BRITISH RELATIONSHIP WAS MAINTAINED. VERY LITTLE ATTENTION HAS BEEN PAID TO THE FACT THAT MANY IMPORTANT NON-COMMUNITY MATTERS WERE DISCUSSED AT THE SUMMIT. THE I DEA OF AN ENTENTE CORDIALE CREEPS IN HERE AND THERE, BUT MOSTLY IT IS A MESENTENTE CORDIALE WHICH IS PRESENTED.
- 2. THE REPORTING ON THE BUDGET ISSUE HAS REFLECTED FAITHFULLY ALL
 THE COMPONENTS OF THE OFFICIAL FRENCH ARGUMENT. IT IS CLAIMED THAT
 BRITAIN'S PROBLEM ARISES FROM NOT PLAYING THE GAME OF COMMUNITY
 PREFERENCE. THERE IS SCEPTICISM THAT BRITAIN IS REALLY AMONG THE
 COMMUNITY'S POORER COUNTRIES, PARTICULATLY IF PURCHASING POWER
 IS TAKEN AS THE YARDSTICK RATHER THAN GNP. ACCORDING TO L'AURORE
 NORTH SEA OIL IS ABOUT TO TRANSFORM BRITAIN INTO QUOTE ONE OF THE
 RICHEST COUNTRIES IN THE WORLD UNQUOTE. MANY PAPERS QUOTE
 DIRECTLY PRESIDENT GISCARD'S REMARK THAT ONE QUOTE CANNOT BOTH
 ASK FOR THE RULES TO BE APPLIED IN ONE AREA (SHEEPMEAT) AND REFUSE
 TO ACCEPT THEM IN ANOTHER (THE EUROPEAN BUDGET) UNQUOTE.
 L'AURORE ADDS THAT THE BRITISH ARE ASKING FOR QUOTE A JUSTE RETOUR
 A PRINCIPLE WHICH IS NOT PROVIDED FOR IN THE COMMUNITY RULES,
 RULES WHICH BRITAIN ACCEPTED AND NOW ASKS TO BE CHANGED UNQUOTE.

- THE LIST OF CONTENTIOUS ISSUES ALONG WITH THE BUDGET, SHEEP MEAT
 AND LANGOUSTINES. THE POINT MOST FREQUENTLY MADE IS THAT BRITAIN
 IS UNCOMMUNAUTAIRE IS ASKING HER PARTNERS TO PAY TOP PRICES FOR
 BRITISH OIL.
- 5. WHILE A NUMBER OF PAPERS PICK UP THE PRIME MINISTERSS REMARKS
 AT THE PRESS CONFERENCE STRESSING BRITAIN'S COMMITMENT TO EUROPE,
 THERE ARE A GOOD MANY NOTES OF SCEPTICISM. QUOTE BRITAIN WILL
 NEVER BE A EUROPEAN COUNTRY LIKE THE OTHERS UNQUOTE SAID AN
 INFLUENTIAL MORNING COMMENTATOR ON EUROPE 1 COMMERCIAL RADIO. FIGARO
 IN ITS EDITORIAL REFERS TO THE BRITISH POLITICAL MENTALITY BEING
 QUOTE AS LITTLE EUROPEAN AS POSSIBLE. ONE MAY EVEN WONDER
 WHETHER BRITISH MEMBERSHIP OF THE COMMUNITY IS NOT REALLY A FICTION
 UNQUOTE.
- 6. A NOTABLE EXCEPTION TO THE CHORUS OF CRITICISM IS THE SOCIALIST
 MORNING PAPER "LE MATIN", WHICH RECOGNISES THAT THERE IS MORE
 THAN ONE WAY OF LOOKING AT THE ISSUES. IT SAYS IN PARTICULAR
 THAT THE BUDGETARY DEBATE IS QUOTE CONFUSED UNQUOTE AND THAT
 QUOTE THE METHODS OF CALCULATION ARE OFTEN DIFFERENT UNQUOTE (ON
 EITHER SIDE). IT GIVES MORE SPACE THAN OTHER PAPERS TO STATING THE

BRITISH CASE. BUT, THE ARTICLE ASKS: QUOTE IN THE END, WILL NOT THIS OLD (ANGLO-FRENCH) ALLIANCE SUFFER FROM ALL THIS? EVEN THOSE SPECIALISTS WHO ARE MOST FIRMLY CONVINCED OF THE HISTORICAL VIRTUES OF THE ENTENTE CORDIALE RESERVE THEIR JUDGMENT UNQUOTE. HIBBERT

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10 DOWNING STREET

From the Private Secretary

22 November 1979

Visit of President Giscard

I am enclosing with this letter the final record of the Prime Minister's talks with President Giscard, that covering the plenary session held here on the morning of Tuesday 20 November. This is less sensitive than the other records which I have forwarded to you but I would be grateful if it also could be given a limited distribution.

I am sending copies of this letter and its enclosure to Tony Battishill (H.M. Treasury), Ian Ellison (Department of Industry), Bill Burroughs (Department of Energy) and Martin Vile (Cabinet Office).

M. O'D. B. ALEXANDER

G.G.H. Walden, Esq.,
Foreign and Commonwealth Office.





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10 DOWNING STREET

From the Private Secretary

22 November 1979

Further to my letter to you of yesterday, I enclose herewith the record of the Prime Minister's tête-à-tête discussion with President Giscard on Monday 19 November. I also enclose a note of the discussion at lunch that day. Needless to say these records should be given a very limited distribution.

I am sending a copy of this letter and its enclosures to Martin Vile (Cabinet Office). I am also sending a copy together with that part of the tête-à-tête discussion dealing with defence matters to Brian Norbury (Ministry of Defence) and with the section covering energy matters to Bill Burroughs (Department of Energy).

M. O'D. B. ALEXANDER

George Walden, Esq., Foreign and Commonwealth Office.

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10 DOWNING STREET

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From the Private Secretary

21 November 1979

PRESIDENT GISCARD'S VISIT

Owing to other preoccupations here, the records of President Giscard's discussions with the Prime Minister are not yet complete. However, the record of principal immediate interest, that concerning Community issues, is ready and I enclose a copy. I should be grateful if, as usual, it could be given a very restricted distribution.

I am sending copies of this letter and enclosure to Tony Battishill (HM Treasury), Garth Waters (MAFF) and Martin Vile (Cabinet Office). I am also sending a copy of the letter, together with that section of the record dealing with energy matters, to Bill Burroughs (Department of Energy).

M. O'D. B. ALEXANDER

G. G. H. Walden, Esq., Foreign and Commonwealth Office.

COMPRDENTIAL

Copied to: Master set

RECORD OF A MEETING, IN PLENARY SESSION, BETWEEN THE PRIME MINISTER AND THE PRESIDENT OF FRANCE, PRESIDENT GISCARD D'ESTAING, AT 10 DOWNING STREET ON 20 NOVEMBER 1979 AT 0945

Present:

Prime Minister

Foreign and Commonwealth Secretary

Chancellor of the Exchequer

Secretary of State for Industry

Secretary of State for Energy

Sir Robert Armstrong

Sir Michael Palliser

Sir Jack Rampton

Sir Reginald Hibbert

Sir Kenneth Couzens

Mr. Michael Franklin

Mr. C.W. Whitmore

Mr. Bernard Ingham

Mr. M.O'D.B. Alexander

President Giscard d'Estaing Monsieur Francois-Poncet Monsieur Monory Monsieur Giraud HE. Monsieur Jean Sauvagnargues and other officials

Industry

The Prime Minister asked the Secretary of State for Industry to report on his discussions with M. Giraud. The Secretary of State for Industry said that he would like to begin by mentioning a point of concern which M. Giraud had mentioned to him. M. Giraud was worried about the links between British Leyland and Honda. The Secretary of State had reassured him that British Leyland would be producing a British car not a Japanese one.

/The Secretary of

CONFIDENTIAL

The Secretary of State for Industry then listed the areas where he and his French colleague had identified mutual interests. These included:-

- (a) co-operation in the production of titanium. Both countries were going to need additional supplies in the years ahead. Britain needed it for aero-engines, the French for their nuclear power stations. There was no question of either country subsidising the production of the metal. It was a question of supplying it on the right terms. There could be a common interest in constructing one or two plants. The product of the existing UK manufacturing capability did not altogther meet French requirements. But the production process could not be changed because the certification of Rolls Royce engines using the product was based on it and Rolls Royce could not wait while a new process was developed. It might be that a new plant would be built in this country using the present technology;
- (b) the need to reduce the level of subsidies to "mobile industries" i.e. multinational companies which have a choice of country in which to locate their investments;
- (c) concern about the level of US sibsidies to their oil industry given the effect that this was having on the cost of various synthetic fibres;
- (d) the need to identify more precisely the threat from Japanese subsidies generally;
- (e) the possibility of co-operation in computer software and in the space industry;
- (f) French willingness to look at regulations limiting their UK exports of trucks to France.
- M. Giraud said that he and the Secretary of State for Industry had also discussed the dumping of Italian woollen textiles and the Standards Code which had emerged from the recent Multilateral Trade Negotiations. The latter was particularly important if the Community was to keep control of unfair competition from Japan and the United

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/States

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States. Both Ministers had agreed that there was a role for national action in dealing with this problem. The position of the Community as a whole was being discussed in the Foreign Affairs Council, The Prime Minister asked about Commission Davignon's investigation into the effect of US oil subsidies on the synthetic fibre industry. M. Giraud said the Community was progressing too slowly. This was an example of an area where national action could be important.

Energy

The <u>Secretary of State</u> said that he and M. Giraud had discussed the present disturbing situation on the world oil market and the precarious nature of the supply/demand balance. There had been some difference of approach to the problems of the spot market but no divergence of view on the extreme seriousness of the situation. Both Ministers had agreed to keep in touch about the proposals which the United States would shortly be bringing to the IEA for strengthening the constraints on oil imports and for improving monitoring of the situation. (France is not a member of the IEA.)

The Secretary of State for Energy said that he and M. Giraud had identified common interests in the future development of civil nuclear power. Both countries intended to expand their nuclear power capacity. The UK would be reactivating the Westinghouse PWR licence. He and M. Giraud had agreed that there was a possibility of future construction of PWR reactors being conducted on a trilateral support basis. There might be component manufacturing and licencing arrangements embracing both Westinghouse and the French industry. He would be considering how to proceed with Westinghouse in the light of M. Giraud's remarks.

There had also been a discussion about the possibility of co-operation in the breeder reactor field in the years ahead. Finally he and M. Giraud had discussed the possibility of transporting gas from the Statfjord field through/British gas gathering system and onwards to France. He would be happy to

/look

CONFIDENTIAL

-4-

look at this more carefully if the Norwegian authorities were willing to enter the arrangement. It would offer greater security of supply in the future.

M. Giraud said he had nothing significant to add on the nuclear front. But he hoped that Britain would not get too deeply entangled in Westinghouse. He would be investigating the question of supplying gas through the British system on his return to France. On North Sea oil, he noted that France would be receiving no UK oil next year. He did not find this a very satisfactory situation. On the international oil situation in general, M. Giraud said that the rise in prices and the complete disorganisation of the market threatened a short term disaster. An upheaval on the oil front would lead to disruption of the monetary system. The difficulty was that the gap in price between the spot market and the regular market had become so great as to force more and more oil on to the spot market. Regular patterns of trade were being destroyed and it was becoming impossible to regulate the trade. The spot market must be made as unattractive as possible. He was not aware of any substantive proposal to tackle the situation. He himself wondered whether it might not be possible to implement the Tokyo agreement more vigorously. He hoped that this could be discussed in the following month.

In replying to a question from the Prime Minister the Secretary of State for Energy said that information on what was happening about the supply of Iranian oil was confused. But there seemed likely to be an overall cut in production of 5%. The ban on supplies to the United States would only effect crude oil going to the United States in United States ships. Oil going elsewhere in United States ships would not be affected. On the question of sales of oil by BNOC to France, the Secretary of State for Energy confirmed that there would be no sales next year. This was the way the cards had fallen. The contracts had been made on commercial terms: Total had put in its bids too late for 1980/81. HMG's policy in general was where possible

CONFIDENTIAL

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to supply the members of the Community and the IEA. 28% of our total production and 50% of our exports were at present going to the EEC.

President Giscard said that he shared the gloomy estimates which had just been advanced. There was probably not a great deal that Governments could do. The most likely scenario was that prices would go on rising until they reached a point where the production of synthetic alternatives became profitable. He did not know where this level was but it was clearly far above the present price. (M. Giraud interjected that it was not only a question of price: the production of synthetic alternatives on an adequate scale would take 15 years.) The only alternative scenario was the organising of a Western cartel to regulate the allocation and distribution of oil. This would be a radical change but, given the West's lack of control of production, was the only way open. In the past the same people had determined the production level and the price. This had given consistency to the market. Now the oil companies were dealing with distribution; the individual producing countries with the level of production; and OPEC with prices. Operating individually, consumer countries had no leverage on the producers. The larger producers would probably be prepared to co-operate with a cartel: if so, the smaller ones would have no option but to go along. / the West would have to take what action it could but without any great hope of success. The right time to take a first look at the structure of the market might come in the spring of next year.

Finance

The <u>Chancellor of the Exchequer</u> said that he and M. Monory had not had a bilateral talk the previous day since they had been in Brussels. He was far from underestimating the importance of the Community in the present troubled international economic situation. The British Government thought the EMS had an important role to play. They wanted it to prosper and would support it. However the British Government still had some hesitation

-6-

about joining the exchange rate mechanism. Owing to the recent abolition of exchange controls, to Britain's domestic economic situation, and to sterling's petro-currency status the position of sterling was still too unstable.

The Chancellor said that the Budget problem was a distressing one. The British Government sought a solution commensurate with the scale of the problem. They thought that the language approved by the Council in 1970 applied in the present case. The proposals under discussion were not contrary to the acquis communautaire. On the contrary it was part of the Community philosophy that the Budget should not be an instrument for the transfer of resources from one member state to another. It was an instrument for the implementation of Community policies. The basis for Britain's case was set out in the Commission documents already prepared for Dublin. We awaited with interest the further document which we understood the Commission was preparing. It was important that the problem should be solved. It inhibited Britain's ability to participate in the Community as fully as we would like. M. Monory said that the budgetary problem had been fully discussed in Brussels the previous day. The mood of the meeting was that the general philosophy of the EEC should not be brought into question. Equally any idea of a "juste retour" should be put aside. Solutions should be sought in development of the Dublin mechanism or in Article 131. There was also a feeling that the figures produced by the Commission did not give sufficient weight to the disequilibrium in UK trade with non-member countries and member countries. Nobody had closed their mind to agreement in Dublin on a suitable mechanism but equally nobody envisaged a miracle solution.

Foreign Affairs

The Foreign and Commonwealth Secretary said that he and M. Francois-Poncet had discussed the political situation in Iran following President Carter's telephone call to the Prime Minister and President Giscard. It had been agreed that the Community should issue a statement after the political co-operation meeting later that day. They had sent a draft of the statement

CONFIDENTIAL

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to Herr Genscher the previous evening since President Carter had spoken to Chancellor Schmidt. He and M. Francois-Poncet hoped that if the Nine were ready to stand up and be counted, this might have some effect on Iran.

In their discussion on Africa M. Francois-Poncet had emphasised the importance of not looking at problems like Rhodesia, Chad and Namibia in isolation and he had suggested that it would be a good idea if Britain and France had bilateral discussions from time to time to agree upon an Anglo/French position on Africa as a whole. He had welcomed this proposal. They had then gone on to discuss Rhodesia. He had explained that it was not a foregone conclusion that the negotiations on the cease fire would be successful. He did not propose to allow the Conference too long to talk about the cease fire. His experience with the earlier stages of the negotiations showed that it was important to set out the British position and then to demand a response to it from the other parties at the Conference. He would soon have to do the same on the cease fire.

They had agreed that there would be little movement on Namibia until the South Africans were clearer about how the Rhodesian situation was going to develop.

They had discussed South East Asia in the light of the talks which both Governments had recently had with Premier Hua and they had concluded that there was no easy solution to the problems of that part of the world in sight.

The <u>Prime Minister</u> said that she would like to thank
President Giscard and our other European partners for the support
which they had given us on Rhodesia. The Foreign and Commonwealth
Secretary had handled the negotiations with great skill and
she hoped and believed that he would bring the Conference to
a successful conclusion. If this were done it could turn the
tide of events in Central Africa and stem the Communist advance
in that part of the Continent.

COMPLETENTIAL

President Giscard said that he had followed closely the efforts of the British Government to resolve the situation in Rhodesia. He had a very high opinion of the efforts the Prime Minister and the Foreign and Commonwealth Secretary had made. It was difficult to imagine what more could have been done. The next great difficulty would be the reaction of the African states e.g. Nigeria, to whatever was agreed at Lancaster House: would they support the solution or not? The French Government could perhaps contribute to the way the African community in general reacted. It would be helpful therefore if they could be kept fully in the picture about the developing situation.

The situation in Cambodia was lamentable and shameful. But there was little that the Western Governments could do. France hoped to maintain the idea of a solution ultimately being found which would restore to the Cambodians their normal rights. No doubt this was largely theoretical at present. But Prince Sihanouk might have a role to play in giving the concept creditability. President Giscard had been interested to hear Premier Hua refer to "my friend Sihanouk". The Soviet Union equally had occasionally given signs that it would not exclude some movement in a positive direction. The French Government therefore hoped to keep alive the feeling that an initiative might be taken and a political solution found.

The <u>Prime Minister</u> concluded the discussion by stressing the value she attached to bilateral talks with France. Meetings at all levels should continue. Meetings between officials should become much more regular. The two Heads of Government agreed that the next bilateral would take place in September 1980 when they would meet at Fontevraud at the first session of the Anglo/French Conference that the Franco/British Council were setting up.

The discussion ended at 1050.

RTMENT OF TRADE 1 VICTORIA STREET LONDON SW1H 0ET Telephone 01-215 7877 From the Secretary of State Peter Stredder Esq Private Secretary Secretary of State for Industry Ashdown House

123 Victoria Street

19 November 1979

Dear Feter

MINS: COMMUNITY IMPLEMENTATION OF AGREEMENT ON TECHNICAL BARRIERS TO TRADE ("STANDARDS CODE")

You told me that the French Minister for Industry raised this subject at his meeting today with your Secretary of State. I understand the French may raise it again at the Plenary session and you may find the attached background note helpful.

I am sending copies of the note to Michael Alexander (No 10) and to Paul Lever (FCO).

Yours sincerely John Synes

J M D SYMES Private Secretary



PRESIDENT GISCARD'S VISIT

MINS: COMMUNITY IMPLEMENTATION OF AGREEMENT ON TECHNICAL BARRIERS TO TRADE ("STANDARDS CODE")

We understand that this subject came up at Sir Keith Joseph's meeting today.

BACKGROUND

- Only the French insist on secondary questions like this arising on the Community's implementing legislation being sorted out before the Council agrees in principle to the formal decision to enter into the MTN agreements. We do not accept this linkage; our priority is for the Council to take this decision and we see no obstacle to it.
- of national action in circumstances when a third country can get its goods recognized as conforming to a harmonized Community technical regulation etc., and a member state considers it is not getting proper reciprocity in the third country's market. This concept was agreed in principle when the Council agreed in Luxembourg on 2/3 April to the Commission initialling the MTN package. There have been considerable difficulties between the French and others about the interpretation of this conclusion and what the national role should be. On Friday 16 November the Commission, drawing on some compromise ideas produced by the UK earlier, tabled new proposals which are closer to the French position but not yet acceptable to them. These will be discussed at the Foreign Affairs Council on 20 November, which John Nott is attending.

LINE TO TAKE

- (i) We do not think it is essential for the implementation of the MTN Standards Code within the Community to be sorted out immediately; rather the Foreign Affairs Council should accept the decision to enter into the agreements forthwith.
- (ii) But we can agree with the French that there should be a national role in cases of non-reciprocity even where there is a



harmonized Community system. We do not necessarily agree with them on every detail of the proposals, however. Experts are discussing these points in Brussels.

CRE1/1
19 November 1979

Copied to: Master set Euro Pol : Budget + CAP

RECORD OF A DISCUSSION BETWEEN THE PRIME MINISTER AND THE PRESIDENT OF FRANCE, PRESIDENT GISCARD D'ESTAING, AT NO. 10 DOWNING STREET ON 19 NOVEMBER 1979 AT 1615.

Present:

Prime Minister Foreign and Commonwealth Secretary M. Francois-Poncet Chancellor of the Exchequer Mr. M.O.D.B. Alexander

President Giscard d'Estaing

M. Monorv

M. Leclercq

Community Budget

The Prime Minister said that she wanted to deal first with the question of the Budget. It was a very worrying problem for the British Government. But she did not want it to dominate the day's discussions. She was concerned lest, in raising the Budget issue, she should sound as though she was complaining about Britain's membership of the Community. This was not the case. Britain was in the EEC because the British Government wanted to be in and intended to stay in. They were there because of the larger values that the Community represented.

Nonetheless the anomalous situation which had arisen in the Budget posed very great practical and political problems. Over the last six years Britain's contribution had gone up from 22 million units of account to 1550 million units of account (on the reckoning most favourable to the Community). This was an enormous burden. Britain had become a larger contributor than the Federal Republic even though the national income here was below the Community average. The present British Government intended to remedy Britain's poor economic performance. But until their measures took effect, the British Government wanted to achieve a position of broad balance in their net contribution to the Community. Failure to achieve

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a broad balance would intensify the deep public resentment which already existed in this country. Britain's present net contribution was bigger than our entire aid programme; it cancelled out all our invisible earnings; it was being paid, to countries richer than us, at a time when cuts were being made in planned expenditure on education, housing and health.

The Prime Minister said that the President would be familiar with the papers, the calculations and the mechanisms. He would also be aware of the feeling in some member countries that Britain could be given some of what was being sought in Dublin and could wait for the rest. This would not be politically saleable here. The solution found in Dublin must be equitable, reasonable and fair. Britain's net contribution ought to be of the same order and magnitude as that of France, or perhaps a little less since France was a considerably richer country. It was essential that the President should not underestimate either the intensity of feeling in Britain or the resolve of the British Government to achieve a satisfactory result. The position of the whole Community would be problematical if such a solution was not found.

President Giscard said that he recognised the difficulty of the problem. But it was not a bilateral issue and he was anxious that it should not cloud the meeting as a whole. There were some factors that he wished to underline. There had been a renegotiation, initiated at British request, and culminating in an agreement signed and approved by all members of the Community. The negotiation had been a painful one. But the rules then evolved had been presented and ratified as dealing with the problem until 1982. The agreement might be subject to reconsideration in that year.

The President said that he did not dispute that the mechanism approved in Dublin had produced results that were unsatisfactory from a British viewpoint. But other analyses were possible. Most members of the Community had at one time or another been substantial net contributors. Britain's

/ gross contribution

gross contribution, as distinct from her net contribution, exceeded the share that would be indicated by her share of the Community's GNP by 700 million units of account. The other 850 million units of account reflected Britain's failure to get receipts on the appropriate scale. Of the excess 700 million units of account, 50 per cent were due to the fact that Britain's imports from non-members were proportionately higher than those of other members. In other words if the proportion were the same, the excess would be 350 million units of account. France understood that Britain needed time to adjust her trade pattern. But the French Government saw no moral need to compensate Britain for the fact that British consumers preferred Japanese cars to their European equivalents.

The President said that he did not dispute the fact that Britain did not get sufficient receipts from the Community Budget. But the Community could not agree to follow this logic. The Community was founded on the basis that there were common policies that members should implement rather than that everyone should get out of the Budget the same amount as they put in. France in any case was in a position of broad balance and could therefore excuse herself from the discussion of Britain's budgetary problem. The Irish, the Dutch, the Danes and the Italians were the major recipients. The question of transferring resources from those who were net beneficiaries to those who were net benefactors should be addressed to them. But this would of course be absolutely against the spirit of the Community. No other country had ever asked for "broad balance".

Summarising his position, President Giscard said that it was a fact that the UK paid more than her share and received less than her share. Some adjustment would have to be considered. But there could be no compensation for the particular pattern of British imports and there could be no discussion of the concept of broad balance. Moreover, this was a Community problem, not a bilateral one. Of the ideas put forward by the Commission, France could only consider the first two. In any discussion of an adjustment for Britain, every member would have to take its share of the burden.

CONFIDENTIAL / The Prime Minister

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The Prime Minister said that Britain had adjusted the pattern of her trade faster than any other country had ever done. We had provided an excellent market for both the agricultural and manufactured products of our partners. She did not complain about the increasing share of our market won by continental manufacturers: British manufacturers had been inefficient. She felt more strongly about the fact that although our agriculture was highly efficient, we had had to take the competing products of less efficient agricultural industries. The country did not in fact need German butter or Danish bacon. The present situation on the Budget was bitterly unfair and could not go on. She expected the other members to recognise that Britain was getting a raw deal and that there was no justification for the continuation of the present situation. She hoped that she had made her position clear. There would be no histrionics in Dublin. But she intended to stick to what she had said. Britain expected fair and reasonable treatment.

The Foreign and Commonwealth Secretary, speaking as someone who had been a committed European all his political life, said that the present British Government wished to be good members of the Community. But the budgetary problem was politically very inflammable in this country.

The Prime Minister could not ignore the head of steam building up on the question. If she returned from Dublin with something derisory, she would not find it easy to prevent the undoing of everything that had so far been achieved. The latent "little Englandism" in the country could not be defended but it was a fact. The Chancellor of the Exchequer pointed out that it was generally accepted that the Community did not exist to provide for net transfers of resources between member states. But Britain was transferring resources and on a remorselessly upward trend.

<u>President Giscard</u> expressed concern about the political aspects of the Dublin meeting. Council meetings tended to have political consequences. He saw little chance of achieving

/ a solution

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a solution in Dublin of the type envisaged by the Prime Minister. The other eight countries could not agree to a sudden transfer of resources on the scale to which the Prime Minister had referred. The small countries were certain to oppose it. He had understood at Strasbourg that the Prime Minister sought a correction of the excess of injustice in the present position. Now she was seeking more. A failure in Dublin need not necessarily be a drama. But the chances of avoiding failure were limited. The Prime Minister said that she recognised that there would be enormous problems if Dublin failed to produce a fair result. But she would stand out for what was fair both at Dublin and thereafter. If the other member countries found it difficult to find their share of Britain's excess contribution, how much harder was it for Britain to find the whole sum?

Sheepmeat

The Prime Minister asked President Giscard whether he was going to sort out the lamb question. President Giscard said that the Community had been at peace on the lamb question until this year. Then it had been raised by Britain. or by the Commission on Britain's behalf, in the courts. For a number of reasons (climate, the inclusion of the wool value in the costing of the meat, the imports from New Zealand, etc.), British lamb was cheaper than French lamb. His Government would oppose the export of British lamb so long as Britain objected to a sensible organisation of the market in sheepmeat. The Commission had made proposals which should be studied. France would wish to see a regime which included a mechanism to stabilise prices; safeguards against disruption; and an agreement by external suppliers to exercise auto-limitation. As a result of the European Court's decision. Britain was legally in a good position. But morally she was in a weak position. At a time when Britain was calling for changes in the rules of the Budget, she was insisting on the rigid application of the rules governing the trade in sheepmeat. The Prime Minister asked whether, on the basis of the President's reasoning, she would be justified in excluding

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cheap cars from the British market. Lamb was one case where the British product was better than others. Both the British Press and British sheep farmers were up in arms. President Giscard said that if the market were organised, British producers would not suffer. The income of France's sheep farmers was half the national average. They had to be protected. It was difficult for the French Government to defend the disruption of the previously existing arrangements by Britain at a time when Britain was seeking substantial adjustments in her favour in the Budget.

The Foreign and Commonwealth Secretary asked about the willingness of the French Government to reimburse their sheep farmers through national measures. President Giscard said that the French Government would be willing to pay but could not do so efficiently until there was an organised market. M. Francois-Poncet said that the free flow of agricultural goods within the Community had only begun following the establishment of a Community market. Since in the case of lamb no such market existed, it followed that there was no commitment to free trade in lamb. Britain wanted the free flow without an organised market. France wanted the organisation. If the British Government wanted to lay so much stress on the decision of the European court, they should be prepared to abide by other Community decisions, e.g., that agreed in Dublin on the budgetary mechanism. The Chancellor of the Exchequer said that the Court had ruled in favour of free movement. Their ruling had to be respected. Prime Minister said that the sheepmeat problem ought to be soluble. But she stressed that New Zealand was in many respects an extension of the United Kingdom. New Zealand was a primary producer of butter and lamb. New Zealanders had little protection against such events as the recent oil price rise. Britain was bound to be concerned about New Zealand's position.

International Monetary Situation

In response to a question from the Prime Minister, President Giscard said that the European Monetary System

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presented no particular problem at present. He recognised that there was no desire on Britain's part to re-open the question of full adherence to the exchange rate mechanism. at present. The Prime Minister recalled what Chancellor Schmidt had said at Strasbourg about the desirability of the abandonment of exchange controls by Britain. The British Government had now taken this step. Partly as a result and partly for other reasons, there had been considerable fluctuation in the value of sterling. Ultimately the British Government would like to enter the mechanism, but there had to be greater stability first. President Giscard asked what the British Government expected to happen to the exchange rate of sterling vis-à-vis the other European currencies in the year ahead. The Chancellor of the Exchequer said that there were conflicting influences. The performance of the economy and the differential rate of inflation had tended to push the value down while sterling's petro-currency status tended to push it up. The broad assumption for the year ahead was that the rate would remain more or less stable though there might be fluctuations week by week. The Prime Minister said that the Government would take a much closer look at the question of joining the exchange rate mechanism if exchange rate stability persisted for some time.

/ Energy

Energy

The Prime Minister said that the Community had for some time been seeking to develop a dialogue with the OPEC countries but seemed never to make any progress. President Giscard said that one reason for recent failures had been that the Arabs, and particularly Iraqis, tended to link the oil question with Arab/Israeli issues. The Community could not discuss both problems at once. Unless the Iraqis and others were prepared to break the link, dialogue was impossible.

The Prime Minister asked President Giscard about his Government's civil nuclear programme. President Giscard said that really significant results would begin to be achieved in 1982 and that by 1985 France's nuclear power programme would be saving the equivalent of 50 million tonnes of oil per year. The Prime Minister asked whether the problem about cracks in the nuclear reactors was a serious one. President Giscard said that it was soluble. The cracks had occurred because the third sheet in the lining of the pressure vessels was not adhering well to the second sheet.

The Foreign and Commonwealth Secretary said that he had often heard regret expressed at the absence of a Community energy policy. But he had never been altogether sure what a Community energy policy would involve.

President Giscard said that he thought it would have two aspects:-

a) The sharing of members' energy resources i.e. an intention on the part of some to 'grab a share' of North Sea oil; and

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b) The formulation of joint attitudes on basic energy choices e.g. the scale and direction of nuclear reactor development.

The Foreign and Commonwealth Secretary said that the Danish Foreign Minister seemed to think that Britain ought to be supplying oil to the Community at preferential prices. The difficulty was that the British Government was not in a position to police what the oil companies did. The fact was, in any case, that 30% of Denmark's oil imports already came from Britain. President Giscard said that there was a vague feeling in the Community that the market could be better organised. The spot Market in Rotterdam was destroying the market mechanism as it had previously existed. The profits of the oil companies had trebled. But the problems of energy policy had become too big to be handled by the oil companies. It was no longer possible to live by simple market rules. The oil consuming countries should establish a cartel. They were, after all, dealing with a product which was going to be scarce for another twenty years and on which any price could be set by the producers. Unfortunately no-one seemed able at present to propose anything. Paradoxically the countries which would suffer most were the new industrialised countries like Greece and Brazil rather than the highly industrialised countries like France. An oil crisis would hurt France less now than it would have done three years ago. The Prime Minister and President Giscard agreed that the energy problem was the most urgent now facing the world.

Institutional Problems

President Giscard said that he hoped that the Prime Minister would be able soon to define her position on various organisational problems facing the Community. There were three problems which preoccupied him:-

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- There were far too many Commissioners. In tackling a) this problem it would not be enough simply to suppress the second Commissioner slots held by the larger members of the Community:
- The rotation of the presidency was too rapid. b) The equivalence between, say, Luxembourg and the Federal Republic implied in the present system was ridiculous. It meant, in effect, the Community had no external representation on occasion. This was a key problem. Whatever solution was found,/should not hurt the smaller members: and
- The rules for voting in the European Parliament c) and in the European Council were arbitrary. The weighting in the Council of Ministers did not reflect the true importance of member countries. If progress was to be made in the direction of using majority voting regularly, adjustments would have to be made so that the majority in the Council reflected the majority in the Community as a whole.

The President raised the question of the recent votes in the European Parliament to amend the budget. said that despite the advantage that votes in the European Parliament would sometimes give to one member or another, there should be stricter rules about the relationship between the Parliament and the Council of Ministers. France had therefore agreed with the Federal Republic to oppose the amendments recently voted through. Neither country was prepared to be out-manoeuvred by the combination of a majority in the Parliament and a minority on the Council of Ministers. If Britain also agreed, there would be no problem. The Prime Minister said that the British Government had not yet taken a position.

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The <u>Chancellor of the Exchequer</u> said that it was not altogether simple to reject out of hand the proposals made by an elected Parliament. To do so aroused questions about why its Members had been elected in the first place.

M. Francois-Poncet said that if policies unanimously adopted in the Council of Ministers could be overturned by the European Parliament and a minority on the Council, the balance of the Community's institutions would be radically altered. In the present instance the French Government would welcome the co-responsibility levy on milk while the British Government would not. But the merits of the case were secondary compared with the institutional implications. President Giscard said that he hoped the Prime Minister would review the question, considering the matter not on the basis of the merits of the present proposals but on the basis that the member states did not want policies imposed on them. Once Spain and Portugal had joined the Community, the potential spending nations would have a majority in the European Parliament. The Prime Minister said that she had the impression that the Parliament had acquired its powers over the budget almost by accident. M. Francois-Poncet said that when the budgetary regulation had been adopted member states had not recognised its implications. What had happened in Strasbourg recently had not been foreseen. The French Government regarded it of great importance that member states should not get into an institutional position that would imply fundamental uncertainty on all the problems with which / dealt. At present member states were able to find compromises on controversial issues. The new arrangements would imply that they could never be sure that those compromises would be acceptable. The change would be radical.

/France's attitude to the CAP

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France's attitude to the CAP

President Giscard said that he suspected the Prime Minister had the feeling that the French were high spending members of the Community and enjoyed having a Common Agricultural Policy that was costly. This might have been true 15 years ago, when France was trying to share out the costs of her farm policy, but it was no longer true. It was of course not easy to change attitudes but the fact was that France was no longer a net recipient under the CAP. She was contributing 21% to the CAP budget and receiving 16% back. France sought no additional expenditure from the CAP and was ready to take on a national share of the cost of structural changes, modernisation and the extra financing of surpluses. The Germans, who were creating surpluses in milk and wheat, and the Dutch were more likely to seek additional expenditure. France would be seeking a less costly functioning of the CAP. The Italian efforts to reorganise the CAP would be supported by France if the reorganisation was on the right lines. The French Government held the view that surpluses could be more effectively financed by the country which was creating them.

The discussion ended at 1740.

And -

20 November 1979

Copied to:

Master set

Deline TNF

Angle French Nuclear Collaboration

Malle French Stan + Energy Pelicy

AT 1445 ON MONDAY

NOTE OF A MEETING HELD IN 10 DOWNING STREET AT 1445 ON MONDAY 19 NOVEMBER 1979

Present:

The Prime Minister
Mr. C.A. Whitmore

President Giscard d'Estaing
Monsieur Patrick LeClerc

* * * * * * * * *

The <u>Prime Minister</u> suggested, and <u>President Giscard</u> agreed, that their tete-a-tete should concentrate on broader international issues and that they should leave Community matters for the subsequent enlarged meeting in which they would be joined by Foreign and Finance Ministers.

East/West Relations and Defence Matters

The Prime Minister said that she had set out her views on East/West relations in her recent speech in Luxembourg. had struck a forthright note on that occasion because she felt that President Brezhnev was attempting to influence the smaller European members in NATO in their defence policies and, in particular, to frighten them off the modernisation of Theatre Nuclear Forces. All this was part of a grand Soviet design which was aimed at giving them unassailable military power. eventual aim was to be able to force other countries to go along with Soviet objectives by threatening them with the use of force. We were already seeing how successful they could be in countries like Vietnam, Afghanistan and Ethiopia by the use of subversion and proxy forces. The Prime Minister continued that detente must be a two-way process and a prerequisite for it was that the West should be strong in defence terms. There needed to be some discussion of disarmament but it should be conducted from a position of strength. She was familiar with France's proposals for a European Disarmament Conference but she would like to hear what the President had to say about them. Our hope must be that by having more and more contact with the Soviet Union the Russians would eventually come to question their own social In the meantime, it was essential for the wellbeing of the free nations that there should be a European grouping

- 2 -

which could show the world that it could live together, protecting its political freedom with economic liberty. Nothing in these views of hers was new, for principles and ideals in this area did not change.

President Giscard said that he had read the Prime Minister's Luxembourg speech and he shared her general approach to East/West relations. He had met President Brezhnev several times and although he gave the impression that he was trying to bully the West, he, President Giscard, believed that President Brezhnev had some measure of dedication to peace. He did not believe that the Soviet Union were calculating on invading Europe over the next five to ten years. What then was their intention? In trying to assess Soviet objectives, we had to have in mind two factors. First, they were obsessed by the feeling that they should not be militarily inferior to the West. The lessons of the Cuban missile crisis had gone deep in the Soviet Union. Second, they were afraid that if there was a war, they would have to fight on two fronts, and all history showed that this was likely to lead to defeat. They calculated that if there was a war in Europe, China would interfere; and equally that if they fought China, the West would become involved. There was no doubt that, influenced by these two factors, the Soviet Union had built up a very powerful military establishment, though in the light of their weakness in many civil, industrial and technological fields in comparison with the West, he personally was not sure that they were as strong as some made out. What was the position of Britain and France in this situation? The period of American strategic supremacy was over. was now a global balance at that level, and the United States would not use their strategic systems except in the most extreme circumstances. Even if they said that they were ready to use strategic nuclear weapons in defence of the West, he would be cautious in his evaluation of any such assurance. Probably because of the earlier American advantage at the strategic level.

the Soviet Union had built up over the years a substantial lead in TNF, yet they denied very strongly their advantage in this area. It was curious that they did so when they must know that our intelligence made the facts available to us, and he was unable to offer any explanation of their denials. He was, however, clear that it was absolutely essential that the West should develop similar systems. Although France was not involved directly in the consideration that was being given within the Alliance to the modernisation of TNF, he understood why many of the European allies were in favour of improving NATO'S TNF. France would herself take similar national decisions, though the timing of them would be different. France had started studies twenty months ago to evaluate cruise missiles and a new Theatre ballistic missile system. final report would be available in six to eight months' time and he expected that the decision would be to go for the ballistic missile.

The President repeated that he believed that the chances of early American intervention at the strategic level in any future conflict were not great. He did not believe that it would be possible to force the Americans to use their strategic weapons by launching the French force /dissuasion and it would be counter-productive for France to use its strategic weapons alone against the Soviet Union. In any case, he did not believe that conflict would turn into nuclear war quickly: on the contrary, he thought that the period of conventional war might be quite long. He had discussed this with Chancellor Schmidt who shared his views. These considerations underlined the importance of high quality conventional forces. France had recently been putting emphasis on improving their conventional forces and she expected to have broadly the same capability as Germany in three or so years' time. He regarded it as important that the United Kingdom should also have effective conventional forces. If the West made improvements in this way, it would reduce the opportunities open to the Soviet Union for blackmail and military intervention.

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President Giscard said that the West should put the Soviet Union on the defensive on disarmament. It was absurd that the most heavily armed country in the world had for so long been posing as one of the keener supporters of disarmament. We must attempt to establish whether the Soviet Union were really ready to contribute to arms limitation. France was not being naive about this but thought it diplomatically important that the West should hold the initiative in this field. France had never been in favour of the MBFR negotiations because they did not believe that the talks would ever reach any positive conclusion and because they believed that it would be dangerous if there was an area in Central Europe where the Federal Republic was neutralised and disengaged but into which the Soviet Union could rapidly move the forces it had previously withdrawn. French had therefore proposed a general European discussion on security. This was a way to oblige the Soviet Union to show its hand. If the Russians were ready to accept reductions in their forces stationed in the European part of their country, this would mean that they were serious about disarmament. The French proposals would mean that it would be less easy for the Russians to reintroduce their forces into the area covered by the negotiations. It would also offer a way of dismantling, even if only by a little, the structure of the Warsaw Pact which was militarily strong but weak politically and morally. first Soviet reaction to the French proposals had been strongly against them because they meant that, for the first time, Soviet territory would be brought into an arms control negotiation. But, perhaps because they felt themselves to be on the defensive, they were now beginning to show signs of changing their view. It would not, however, be enough to get agreement on confidencebuilding measures (CBMs) alone. CBMs might impose some practical limitation on the Russians, but they would have no real political impact. France was therefore taking the line that CBMs must be accompanied by a process for reducing the level of armaments.

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President Giscard continued that he saw advantages in countries like Britain and France, which both had practical experience of the dangers of the world, studying international problems jointly. He thought, for example, that both countries might act together to exert their influence in the Caribbean where they both still had dependent territories. The influence of Cuba was growing stronger, and a number of former British colonies consistently voted with the Soviet Union at the United Nations. He hoped that France and Britain would co-operate to study the situation with a view to trying to persuade those Caribbean countries where they still had influence to take a moderate line. Another area where France and Britain should work together was the Pacific. Britain had given independence to a number of her former dependent territories, whereas France had tended to keep hers under French sovereignty. At international meetings former British colonies in the Pacific, like Fiji, often attacked France and her Pacific territories. He would like Britain to do what she could to get her former colonies to behave more reasonably. Again, he thought there should be an exchange of views on the subject. If Britain and France were to have regular consultations about these and other difficult parts of the world, we should be able to help each other in promoting stability.

The Prime Minister said that she too was worried about the Caribbean situation. In countries like Jamaica and Guyana subversion was widespread, though there were one or two countries like Barbados where the position was still much better. She thought that what was happening in the Caribbean was part of the general Soviet advance in the third world. Belize was a particular problem for Britain in this area. We did not want to keep Belize as a dependent territory but we had to prevent Guatemala taking over the country.

/ The Prime Minister

The Prime Minister repeated the importance of not letting the Soviet Union blackmail NATO countries over TNF modernisation. Psychology played a significant part in East/West relations, and to give way to Soviet pressure would have a bad impact on the confidence of the Alliance. The United Kingdom had virtually taken the necessary decisions on TNF modernisation, and the essential thing now was to carry the Dutch and the Belgians with the rest of NATO. Britain would also have to take decisions soon on the replacement of its Polaris submarines. We had been worried about the non-circumvention provisions of the SALT II Treaty, and about the Protocol, but President Carter had assured us that the Americans would be able to make available to us the technology we needed to modernise our strategic forces. Replacing Polaris would be very expensive and this was why we were expecting to rely on American help, though Britain would continue to develop and produce its own warheads. If the President had any proposals for co-operation with the United Kingdom in this area and wished to suggest that there should be talks, we would be very happy to take part.

President Giscard said that he understood that the United Kingdom's choice might be constrained by budgetary reasons. He could see that it would be costly for Britain to go it entirely alone. France of course developed and produced her strategic systems without the help of other countries for reasons of national policy, but he understood that the United Kingdom's approach was different. As regards possible co-operation in this area between Britain and France, the Defence Ministers of the two countries met regularly and this was something they might discuss. The Prime Minister said that she was ready to leave it to them.

In replying to a question by President Giscard, the Prime Minister said that Britain had no intention of returning to conscription. We did not think that it would be an economical use of resources and we believed that we could play our part in the defence of the Alliance better by having highly professional regular forces. The re-introduction of conscription would be popular in certain quarters for social reasons but it would raise difficult political issues. President Giscard said that conscription was accepted in France for moral reasons. It was a positive factor

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for the spiritual health of the nation, and France would retain it so long as the present military situation in Europe continued. French troops were now of good quality, and their officers were well-motivated.

Energy

The Prime Minister said that the oil situation continued to be very gloomy. Prices were rising, and more and more oil was being sold at spot market prices. The follow-up to Strasbourg and Tokyo had not got very far. There was still no dialogue between the EEC and OPEC. In the meantime, the United States dual price structure was causing difficulties. In particular it gave them an unfair advantage in the trade of any products with an oil base, e.g. synthetic textiles.

President Giscard said that he thought that the present oil situation was a complete failure for the West. Despite all his urgings in the past, the United States had never had the political will to act decisively. It would be interesting to see how they handled the Iranian situation. He was also obliged to say that the British approach to prices of North Sea oil was not well received by the other members of the Community. The United Kingdom were always amongst the first to join in any increase in price. France was getting oil from Saudi Arabia and Iraq at significantly lower prices than those they had to pay for North Sea oil. The Prime Minister said that we charged the right price for the grades of oil. We did not put our prices up ahead of Libya and Algeria but followed the world price. We were doing what we reasonably could to help our European partners. For example, we had agreed to produce 5 million tonnes a year more to help the Community over the Tokyo Agreement. We had no reason to feel guilty about our policy: on the contrary, we had been very reasonable. President Giscard added that he had only wanted to mention the matter. We should expect it to come up again at Dublin.

The Middle East

President Giscard said that he was generally pessimistic about the situation in the Middle East. He had always been surprised at the degree of support which the Labour Government had given Israel.

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/He understood

He understood the emotional reasons for this. They applied to France as well for she had the biggest Jewish community in Western Europe. But we had to look at the situation realistically. It was impossible for Israel to keep the Occupied Territories and their attempts to do so were an embarrassment for everybody. He did not know Mr. Begin, whom he had never met, but he thought his approach fanatical and unrealistic. On the other hand. Yasser Arafat was adopting a moderate line at the moment and he seemed to be in command of the Palestinian forces. Arafat wanted international recognition and would get it. A number of European countries had already accorded the Palestinians some form of recognition, and there was now growing pressure from all the Arab countries, even including Egypt, for France to offer recognition. Nothing would be gained, in his view, by rejecting the Palestinians and the West Bank would have to be given back to them in due course. France wanted to be on normal terms with the Palestinians and although they would not be able to give them diplomatic recognition since there was not a Palestinian state, France would make some move towards recognition. The only reason for the delay was the feelings of the French Jewish community. The Americans were supporting France on this: though Germany still remained reluctant, they now seemed to be nearer the French position.

/ The Prime Minister

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The Prime Minister said that she was doubtful whether we could take further steps on the Middle East until the Camp David talks had finally run into sand. She agreed entirely with what President Giscard had said about Mr. Begin. She had never had a more difficult man to deal with. She had told him that his West Bank policy was unrealistic and that she knew of no arrangement which gave a people autonomy over their political future without autonomy over the soil. Mr. Begin's policies were making things very difficult for President Sadat who had been very courageous and who was, if anything, too generous minded towards Mr. Begin. All our efforts to convince Mr. Begin that his West Bank policy was absurd and that there should not be Israeli settlements on the West Bank had failed to move him. His response was that Judea and Samaria had been Jewish in biblical times and that they should therefore be so today. But notwithstanding Israel's present intransigeance we were reluctant to recognise the PLO. Recognition of the PLO would have to be accompanied by the PLO's acceptance of Israel's right to exist. In the meantime, however, Britain was ready to talk with representatives of the Palestinian people.

The discussion ended at 1610.

21 November 1979

Copied to:

Master set

USA: Political sit

Anglo French relations

NOTE OF THE DISCUSSION AT THE PRIME MINISTER'S LUNCH FOR PRESIDENT GISCARD D'ESTAING ON 19 NOVEMBER AT 10 DOWNING STREET

Present:

Prime Minister
Foreign and Commonwealth Secretary
Lord President of the Council
Secretary of State for Industry
Sir Reginald Hibbert
Mr. C.A. Whitmore

President Giscard d'Estaing
Monsieur Francois-Poncet
Monsieur Giraud
HE, Monsieur Jean Sauvagnargues
Monsieur Patrick LeClerc

* * * * * * * * *

United States

Following a discussion on the prospects of the various United States Presidential candidates, in the course of which there was general agreement that Senator Kennedy was unlikely to be successful, President Giscard remarked that it would be a pity for the western world if the re-election of President Carter meant that we were deprived of what he called the United States presence. The West did not need American leadership but it did need the steadying influence of the United States. The prospects for the global balance of power in the next few years were not good. Although the Soviet Union would continue to be militarily strong they were not in a sound ideological and economic position. Their system was not a good one for the future. If the West now adopted a strong policy, it would be "on the winning side" but the present erratic United States approach was worrying. It was impossible for the West to be politically effective without an American contribution. The United Kingdom was acting boldly in Southern Africa and France was doing the same in Central Africa, but they were doing so separately.

Monsieur Francois-Poncet added that what happened in Iran might well affect President Carter's chances of re-election. It was possible that things there would knock him out of the race.

Britain and the international scene

President Giscard said that he was glad to see Mrs. Thatcher confirming the position and influence of the United Kingdom in world affairs. He welcomed the British contribution to international

SECRET

/ politics.

- 2 -

politics. There was no French jalousie: Britain's ambitions were well received and were appreciated by France. He felt that the British Government's approach was different from that of Mr. Callaghan's Government. Within the Community the Federal Republic, the United Kingdom and France should concert their policies. At present France and Germany had regular talks to discuss their problems. Their exchanges were frank and neither country tried to gain an advantage at the expense of the other. Their aim was to develop joint political attitudes. France would be delighted to have the same kind of relationship with the United Kingdom.

It was, however, difficult for France to understand Britain's economic problems, and he thought that this lack of understanding was shared by other members of the Nine. The difficulties of the Italians and the Belgians were well appreciated but Britain had oil, excellent institutions, and good scientists and technologists and it was hard to understand why she should be in greater economic difficulties than some other countries. France had had an inferiority complex for more than 100 years towards the United Kingdom: she had regarded Britain's industry, banking systems and even her universities as better than France's. But she had got rid of this feeling in the 1960s.

The <u>Prime Minister</u> said that there was no single, simple explanation for Britain's economic problems, though our difficulties in the field of industrial relations had much to do with them. The important point, however, was our determination to overcome our difficulties.

21 November 1979

Frank met & met verbalin.
E: 20 NOVEMBER Prod.

PRIME MINISTER'S PRESS CONFERENCE : 20 NOVEMBER

President Giscard and I have just concluded a valuable series of discussions, some tete-a-tete, and some together with our Foreign Ministers, Finance Ministers and Industry Ministers.

We began with a wide-ranging discussion of world problems in which we concentrated particularly on East/West relations, current difficulties in the Middle East and their bearing on the energy situation. Our views on many of these issues are very close.

Together with our Ministers, we discussed a number of bilateral issues, including the possibility of closer co-operation in various areas. We reviewed questions of concern within the European Community. I stressed that the British Government are totally committed to the Community and to its success. The British Government believe the Community has a major role to play in the years ahead. Against this background, the President and I had a detailed discussion of the problems, both immediate and longer term, at present facing the Community.

One of the subjects on which I laid special emphasis was that of the United Kingdom's Community Budget contribution. It is a matter of the highest importance to this Government that action should be taken by the Community to correct the anomalies which have grown up in the structure of the Budget itself and which have resulted in a disproportionately large and growing UK net contribution. I told the President that we were determined to get this problem out of the way and that decisions should be taken in Dublin which would lead to its solution. /If Britain's economic difficulties were overcome, and our national wealth grew relatively, we would of course be prepared to pay more. But for the moment we were seeking a substantial adjustment which would have the effect of bringing us into a position of broad balance.7

The Budget problem is not, of course, a bilateral one.

It is a matter of concern to the Community as a whole and one which only the Community as a whole can solve. My discussion with the President was not therefore of a kind that could come to any definite conclusion. However it was, in my view, extremely useful in enabling each of us to understand the others problems more clearly.

TALKS WITH PRESIDENT CISCARD

Line to take:

Your picture of the nature and role of the Community: cooperation among independent members; evolution of common policies; independent role for the whole vis-a-vis US (weak leadership), Soviet Union (succession problems) and Third World (instability and interdependence).

Potential importance of Europe in the dangerous decade: defence (T.N.F. modernisation), energy, international economic and monetary problems (role of EMS).

Importance of Anglo/French cooperation and Anglo/French leadership within the Community. Cooperation in defence (coordination of strategic doctrines, no UK involvement in SALT III); defence equipment; industry; and civil nuclear matters (PWR components). Anglo/French Conference.

The Budget anomaly constitutes an obstacle in the path of all this. Must be removed. Inequitable; politically and economically damaging in the UK. The 1970 language applies.

Recognise French problems: sheep meat (willing to consider a regime based on premia); fisheries; and wine. Should be considered separately from the budget.

Willing to help on European Disarmament Conference (phase 1 rather than phase 2) and European Parliament (resist increase in powers of European Parliament.

Defensive:

Must have broad balance or something like it in Dublin. But restructuring of CAP would play a part in the solution.

T DF GUESTS ATTENDING THE DINGER TO BE GIVEN BY THE PRIME MINISTER AND MR. DENIS THATCHER HONOUR OF HIS EXCELLENCY MONSIEUR VALERY GISCARD D'ESTAING, PRESIDENT OF THE REPUBLIC HONOUR OF HIS EXCELLENCY MONSIEUR VALERY GISCARD D'ESTAING, PRESIDENT OF THE REPUBLIC HONOUR OF HIS EXCELLENCY MONSIEUR 1979 AT 8.00 PM FOR 8.15 PM BLACK TIE

List a age a visit till a (2)

. The Hon. Angus Ogilvy

ne Prime Minister

is Excellency Monsieur Valery Giscard d'Estaing

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is Excellency Mornieta ------

is Excellency Monsieur Jean François-Poncet

is Excellency Monsieur René Monory

is Excellency Monsieur André Giraud

is Excellency The French Ambassador

is Excellency Monsieur Pierre Hunt

onsieur Patrick Leclercq

finisters

The Rt. Hon. Lord Carrington and Lady Carrington

The Rt. Hon. Sir Geoffrey Howe, MP

The Rt. Hon. Lord Soames and Lady Soames

The Rt. Hon. David Howell, MP

Industry

Sir Michael Edwardes

Sir Arnold Weinstock

Sir John Hill

Dr. John Adams

Commerce

The Hon. Sir Marcus Sieff

Mr. Nicholas Goodison

President of the Republic of France

Minister of Foreign Affairs

Finance Minister

Minister of Industry

Spokesman

Technical Counsellor at the Presidency

Chairman, BL Ltd.

Chairman, GEC

Chairman, UK Atomic Energy Authority

Director General, European Organisation for Nuclear Research (CERN)

Chairman, Marks & Spencer Ltd.

Chairman, The Stock Exchange

Economists

Mr. Sam Brittan

Mr. Terry Burns

·Historians

Lord Blake

Eminent Women

Lady Plowden

Miss Mary Quant

Members of Parliament

Sir Anthony Meyer, MP

Officials

Sir Robert Armstrong

Sir Michael Palliser

Sir Reginald Hibbert

Mr. Michael Alexander

Mr. Bernard Ingham

Financial Times

London Business School

Chairman, Independent Broadcasting Authority

Chairman, Franco/British Parliamentary Committee

H.M. Ambassador, Paris

Private Secretary, 10 Downing Stree

REVED DRAFT SEATING PLAN FOR DINNER ON 19 NOVEMBER

La

Mr. Sam Brittan

Mr. Bernard Ingham

Mr. Terry Burns

Sir Michael Edwardes

The Hon. Sir Marcus Sieff

HE The French Ambassador

Lady Carrington

THE HON. ANGUS OGILVY

THE PRIME MINISTER

HE MONSIEUR VALERY GISCARD D'ESTAING

The Lady Soames

HE Monsieur Andre Giraud

Rt. Hon. David Howell

Sir Robert Armstrong

Sir John Hill

Dr. John Adams

Monsieur Pierre Hunt

Sir Reginald Hibbert

The Lord Blake

The Lady Plowden

Rt. Hon. Sir Geoffrey Howe

HE Monsieur Jean François-Poncet

Rt. Hon. Lord Carrington

HE Monsieur Rene Monory

Rt. Hon. Lord Soames

Sir Arnold Weinstock

Miss Mary Quant

Sir Michael Palliser

Sir Anthony Meyer

Mr. Nicholas Goodison

Monsieur Patrick Leclercq Mr. Michael Alexander

LIST OF GUESTS ATTENDING THE LUNCHEON TO BE GIVEN BY THE PRIME MINISTER IN HONOUR OF HIS EXCELLENCY MONSIEUR VALERY GISCARD D'ESTAING, PRESIDENT OF THE REPUBLIC OF FRANCE ON MONDAY, 19 NOVEMBER 1979 AT 1.00 PM FOR 1.15 PM

The Prime Minister

His Excellency Monsieur Valery Giscard d'Estaing President of the Republic of France

His Excellency Monsieur Jean François-Poncet Minister of Foreign

Affairs

His Excellency Monsieur André Giraud

Minister of Industry

His Excellency the French Ambassador

Technical Counsellor at the Presidency

Monsieur Patrick Le Clerc

The Rt. Hon. Lord Carrington

The Rt. Hon. Sir Keith Joseph, MP

The Rt. Hon. Lord Soames

Sir Reginald Hibbert

Mr. Clive Whitmore

H.M. Ambassador, Paris

REVISED DRAFT SEATING PLAN FOR LUNCH ON MONDAY, 19 NOVEMBER

The Rt. Hon. Sir Keith Joseph Mr. Clive Whitmore

HE Monsieur Jean Francois-Poncet

HE The French Ambassador

PRIME MINISTER

Rt. Hon.Lord Carrington

HE Monsieur Valery Giscard d'Estaing

HE Monsieur Andre Giraud

Rt. Hon. Lord Soames

Sir Reginald Hibbert

Mr. Patrick Leclercq

ENTRANCE



M. Barre, the French Prime Minister has sent a personal telegram to the Prime Minister saying that he is unable to accompany President Giscard to London on Monday.

The French National Assembly is debating the Budget, and M. Barre feels his presence is necessary for a motion of censure.

I have told the Prime Minister.

G. Balduin.

Duty Clerk

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MRS MARGARET THATCHER

FREMIER MINISTRE DU ROYAUME-UNILONDRES

EN RAISON DU DEBAT BUDGETAIRE A L'ASSEMBLEE NATIONALE, IL NE M'EST PAS POSSIBLE DE QUITTER FARIS LUNDI PROCHAIN. JE NE SERAI DONC PAS EN MESURE D'ACCOMPAGNER A LONDRES LE PRESIDENT DE LA REPUBLIQUE ET DE FARTICIPER A LA RENCONTRE AU SOMMET FRANCO-BRITANNIQUE. JE VOUS DEMANDE DE BIEN VOULOIR M'EN EXCUSER ET VOUS EXPRIME MES VIFS REGRETS.

JE VOUS PRIE DE BIEN VOULOIR AGREER L'EXPRESSION DE MES HOMMAGES RESPECTUEUX ET DE MA HAUTE CONSIDERATION. RAYMOND BARRE PREMIER MINISTRE

NNNN 203563 FRORME G FREMIN 200724F CONFIDENTIAL

Prime Minister

Foreign and Commonwealth Office

London SW1A 2AH

17 November 1979

M O'D B Alexander Esq No 10 Downing Street London SW1

La Part

Mufaxed to Cheque 15.
11.30 am 18/11.
Duty Cle 1.

Dear Alexander.

VISIT OF PRESIDENT GISCARD: FRENCH PROPOSAL FOR A EUROPEAN DISARMAMENT CONFERENCE

- 1. At the meeting of the Political Directors of the Nine in Dublin on 15 November, the French made a determined effort to secure agreement in principle to a public statement by Ministers at the Political Cooperation meeting in Brussels on 20 November endorsing French proposals for a European Disarmament Conference (EDC). If this is not agreed on 20 November, the French may wish to raise the matter at the European Council in Dublin. The French Ambassador has already told Lord Carrington that either President Giscard or M. François-Ponçet will wish to discuss French ideas for an EDC at the forthcoming Anglo/French Summit.
- 2. President Giscard himself is personally identified with French proposals for an EDC. In domestic political terms, they have enabled President Giscard to steal some of the opposition's clothes by coming forward with an initiative in an area where French Governments have previously adopted negative attitudes.
- At a time when his Administration is facing difficulties at home, President Giscard has all the more reason for pursuing an initiative which he himself launched in May 1978 and for seeking public endorsement of French ideas for an EDC. Lord Carrington considers that President Giscard's interest in obtaining support from his partners for an EDC puts France in the position of demandeur. Hitherto, the other members of the Nine, most noticeably Chancellor Schmidt, have welcomed French ideas for Phase I (CBMs), while expressing reservations in relation to Phase II (reductions and limitations on conventional armaments). We therefore found ourselves increasingly isolated in adopting a lukewart attitude to the proposals as a whole. For this reason, at the Ashford

/ Castle



Castle meeting of Foreign Ministers on 20/21 October, Lord Carrington decided to adopt a more forthcoming approach to French proposals for a Phase I conference. Nevertheless, for the French, the UK still occupies a key position if they are to win support for their ideas in the Nine.

- 4. The French proposals to extend CBMs in a mandatory form to a wide area, including Soviet territory up to the Urals, could, with adequate verification provisions, increase NATO's warning of a surprise attack. A Western initiative, on CBMs could also be useful as part of the Alliance's counter to Soviet propaganda against TNF modernisation.
- Substance of Phase II, which are shared by Mr Pym, remain unchanged. He considers therefore that we should continue to avoid any commitment which implies British support for a disarmament conference along the lines envisaged by the French for Phase II. But in the talks with the French next week, and in the subsequent discussion of French ideas among the Nine, there may be some scope for exploiting the French need for our support. Lord Carrington suggests that if the Prime Minister's tête-a-tête conversation with President Giscard on 19 November provides a suitable opening, she might tell him that she fully understands the reasoning behind French ideas for an EDC and the importance which the French attach to British support. Without implying that the two issues are of the same order of magnitude, the Prime Minister might point out that for our part the Budget is an important domestic political matter on which we look for French support. The Prime Minister might go on to say that despite our misgivings especially over Phase II, we are willing to work actively with the French in the Nine and NATO to secure public endorsement of an EDC on the understanding that mutually acceptable language should be found on the relationship with CSCE and on any eventual follow-up to Phase I.
- 6. If the Prime Minister decides to speak to President Giscard along these lines, I should be grateful if you could let me know the outcome before Lord Carrington sets off to attend the Political Cooperation meeting in Brussels on 20 November.
- 7. I am copying this letter to the Private Secretaries to the Secretary of State for Defence, the Chancellor of the Exchequer and the Secretary of the Cabinet.

Your ever CONFIDENTIAL



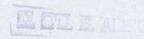
10 DOWNING STREET

From the Private Secretary

16 November 1979

Anglo-French Summit: Ministerial Participation

The assumption in the final sentence of your letter of 14 November is correct.



Paul Lever, Esq., Foreign and Commonwealth Office 10

SECRET

Copied to 4

Defence: Anglo-French

Nuclear Collaboration: May 79

Ref. A0691

PRIME MINISTER

President Giscard and Defence Nuclear Issues

The Foreign and Commonwealth Secretary's recent minute to you on this subject (PM/79/80) makes clear that one of your assets in handling President Giscard next week will be that he would like you to talk to him about defence nuclear matters. Tactically, there are three important points to bear in mind.

- (a) You will need to raise the subject. The President is unlikely to. He broached it tentatively with you in June, and his Defence and Foreign Ministers did the same with their British counterparts in July and September. On all three occasions the British reply was cautious and non-committal, and in the President's case the follow-up message sent by my predecessor to the Secretary General of the Elysee deliberately avoided interpreting his ambiguous remarks as referring to the strategic deterrent (which they almost certainly did). We know from what the Secretary General told Mr. Whitmore earlier this month that the French are inclined to interpret this sequence as a mild snub and feel it is up to us to make the next opening if we want to carry the matter further.
- (b) As Lord Carrington says, his brief does not give you great scope. But it will enable you to adopt what from the President's point of view will be a welcome change of British tone. This will give you something to build on in the future.
- (c) There is no question of you giving something for nothing. At this stage you will only be indicating a general willingness to develop a dialogue with the French on a subject where we undoubtedly have common interests (as well as differences). If the President shows interest, we may have the beginnings of a lever we could put to use in the future. If he does not, nothing will have been lost.

ROBERT ARMSTRONG

Covering SECRET (my Wathers) Foreign and Commonwealth Office London SW1A 2AH Manuscript note deleted and retained under 16 November 1979 Section 3(4). Quayland Drew Michael Visit of President Giscard: Rhodesia We shall be providing a separate brief on Rhodesia for President Giscard's visit which will take account of developments immediately prior to the visit. Lord Carrington recommends that, during the tete-a-tete meeting, the Prime Minister should take this opportunity to impress on President Giscard personally the importance we attach to French support for our Rhodesia policy, and to ask in particular: (a) that the French should impress on the Francophone African Governments over the next few days the need to exert their influence on the Patriotic Front to agree to a ceasefire; of the administering power and should cease to apply

that they should uphold our doctrine about the responsibility sanctions if we are obliged to proceed to return Rhodesia to legal dependent status without the Patriotic Front.

your ever Lynn

(R M J Lyne) Private Secretary

M O'D B Alexander Esq 10 Downing Street

CONFIDENTIAL

Ref. A0672 PRIME MINISTER

Briefing Meeting for President Giscard's Visit Community Negotiating Cards

Within the Community framework, there appear to be three issues on which President Giscard may be looking for our help and on which you may be able to make some mileage in the budget context:-

- (a) Sheepmeat. Even if the French now comply with the European Court ruling they will still want to secure agreement on a sheepmeat regime as soon as possible and one which goes some way towards protecting their sheep farmers' interests. They will be hoping for a settlement at the next Council in mid-December. So far, the Minister of Agriculture has not departed from our stated preference for national financing for any premium to Community producers. But, with your approval, OD(E) has agreed that in the end we can accept a Community scheme involving FEOGA financing. You could let President Giscard know that, provided Dublin has gone well, the Minister of Agriculture might be able to shift his position on Community financed premiums for sheepmeat.
- (b) The 1980 Budget. OD(E) will be meeting tomorrow morning to consider a paper by the Financial Secretary on our at titude towards various amendments proposed by the European Parliament. The voting rules are such that the line we take in the 23rd November Budget Council may be decisive in determing whether or not they will be adopted. The main issues are:-
 - (i) Whether the Parliament's proposals in the agricultural sector should be rejected or not. On substance, Ministers are likely to agree that we should oppose their attempt to increase the co-responsibility levy on a discriminatory basis, but that we might accept a number of minor changes to show our understanding of the Parliament's attempt to get CAP expenditure under control.

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(ii) On the Regional and Social Funds, OD(E) may well agree that we should support the reinstatement of the higher totals earlier rejected by the Council against our wishes, while accepting that at the end of the day these may have to be scaled down to keep within the "maximum rate" for the budget as a whole.

The French will be strongly opposed to both sets of amendments on grounds of cost, because they attack the CAP and above all because they appear to extend Parliament's power at the expense of the Council. This time last year, President Giscard made much of the agreement he reached with Mr. Callaghan to curb the European Parliament's powers over the budget. He will be looking for the same support this time, but may be afraid that we will be tempted to let the amendments through because they attack the CAP and benefit us on the Regional and Social Funds. You will not want to go into detail in advance of the OD(E) discussion but ask the Chancellor and the Lord Privy Seal to consider how you should handle the issue with Giscard and report to you after the OD(E) meeting. It is not something we can hold until after Dublin: we shall have to show our hand at the Budget Council on 23rd November (if not already in the House of Commons debate on 21st November).

(c) Fisheries. As the brief (DMV(79) 2(v)) says, the main French concern politically is with the historic rights exercised by French fishermen (mainly Breton) in our 6-12 mile belt off the South West coast.

Mr. Callaghan told President Giscard in 1976 that French fishermen should not necessarily be excluded from their traditional fishing grounds in British waters. President Giscard will be anxious for you to reaffirm this assurance. You might wish tonight to seek the Minister of Agriculture's views on how to extract the most value from this card.

(Robert Armstrong)

Ref: A0671

MR. ALEXANDER

Top Copyon: Euro Pol, PE3, EEC Bridget,

You may like to have a note of those who are attending this afternoon's meetings:

Meeting on EEC Budget

*Chancellor of the Exchequer

Lord Privy Seal

Lord President

Sir Robert Armstrong

Sir Michael Pailiser

Mr. Franklin

Sir Kenneth Couzens

*The Chancellor of the Exchequer may well now be engaged in media briefings and with the 1922 Committee after his statement this afternoon. I believe he has asked life the Financial Secretary can attend in his place. The Financial Secretary will not be familiar with the papers, and I doubt if his presence is necessary, given that Sir Kenneth Couzens is coming.

Briefing Meeting for Visit of President Giscard

Foreign and Commonwealth Secretary
Chancellor of the Exchequer
Secretary of State of Industry
Secretary of State for Defence
Secretary of State forEnergy
Lord Privy Seal
Lord President
Minister of Agriculture
Sir Robert Armstrong
Sir Michael Palliser
SirRegnald Hibbert

Mr. Fretwell
Sir Kenneth Couzens
Sir Frank Cooper
Mr John Lippitt, Department of Industry
Mr. Priddle, Department of Energy
Mr. Franklin

(M.J. Vile)

15th November 1979

M. O'D. B. Alexander, Esq.



CABINET OFFICE

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

Phys

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

CABINET OFFICE

70 Whitehall, London swia 2As Telephone 01-233 8319

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

Ref. A0670

15th November, 1979

Visit of President Giscard: Participation of Defence Ministers

As you know, action was suspended on Michael Alexander's letter to you of 8th November (conveying the Prime Minister's agreement that there is no need for participation by Defence Ministers in the Anglo-French Summit) pending receipt of the Foreign and Commonwealth Secretary's minute to the Prime Minister on defence nuclear issues. In the light of this minute, Sir Robert Armstrong considers that the French may now be told that the Prime Minister will herself wish to discuss some defence matters with the President; that she understands that the two Defence Ministers have met very recently; and that she does not herself therefore consider that President Giscard need bring M. Bourges with him, unless of course the President himself wishes to do so. I spoke to you in these terms this morning. You said that this was very much Mr. Pym's own view, and agreed to arrange for the Foreign and Commonwealth Office to speak accordingly to the French.

I am copying this letter to Paul Lever (FCO) and Michael Alexander (No. 10).

M. J. VILE

(M.J. Vile) Private Secretary

B. M. Norbury, Esq.

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APPARIS 151508Z NOV 79
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TO IMMEDIATE FCO
TELEGRAM NUMBER 838 OF 15 NOVEMBER 1979

YOUR TELNO 485 AND TELECON HILTON/YOUNG: VISIT OF PRESIDENT GISCARD

1. M BARRE, M FRANCOIS-PONCET AND M GIRAUD, ALONG WITH ALL THE FRENCH OFFICIALS, EXCEPT THE AIDE-DE-CAMP OF THE PRESIDENT, WILL TRAVEL TO GETHER IN A CARAVELLE ETA HEATHROW 11.55. PRESIDENT GISCARD WILL BE ACCOMPANIED IN HIS PLANE (ETA HEATHROW 1205) BY HIS AIDE-DE-CAMP (LT COL RENARD) AND A SECURITY OFFICER. WE HAVE INFORMED THE FRENCH THAT IT IS INTENDED THAT THE MINISTERS WILL ARRIVE AT HORSE GUARDS PARADE JUST BEFORE THE PRESIDENT IS DUE TO ARRIVE TO REVIEW THE GUARD OF HONOUR AT 12.40.

2. M BARRE'S OFFICE HAVE BEEN INFORMED OF THE ARRANGEMENTS FOR THE AFTERNOON OF 19 NOVEMBER. THEY HOPE TO LET US KNOW SHORTLY WHICH SUBJECTS HE WISHES TO RAISE WITH LORD SOAMES.

3. THE FOLLOWING IS THE LIST OF FRENCH OFFICIALS WHO WILL ACCOMPANY THE PRESIDENT:

M PIERRE HUNT
M PATRICK LECLERCQ
M GUY DE PANANFIEU

M GABRIEL ROBIN

M JEAN-CLAUDE PAYE

M GUY VI DAL

M PHILIPPE ESPER

M PIERRE ACHARD

M BERTRAND DUFOURCQ
M JEAN-PAUL CLUZEL

M RENE-PAUL RIGAUD COUNSELLOR IN THE CABINET OF N LIEUTENANT-COLONEL RENARD AIDE-DE-CAMP TO THE PRESIDENT

THE PRESI DENT'S SPOKESMAN DIPLOMATIC COUNSELLOR AT THE ELYSEE ECONOMIC COUNSELLOR AT THE ELYSEE POLITICAL DIRECTOR, QUAI D'ORSAY DI RECTOR OF ECOMONIC AND FINANCIAL AFFAIRS, QUAI D'ORSAY DIRECTOR OF THE BUDGET, MINISTRY OF ECONOMY (REPEAT ECONOMY) DELEGATE FOR EXTERNAL RELATIONS. MINISTRY OF INDUSTRY SECRETARY-GENERAL OF THE SGCI (THE INTER-MINISTERIAL BODY RESPONSIBLE FOR COORDINATING FRENCH EEC POLICY) DI RECTOR FOR EUROPE, QUAL D'ORSAY COUNSELLOR IN THE CABINET OF M FRANCOIS-PONCET COUNSELLOR IN THE CABINET OF M MONORY

CONFIDENTIAL

4. THE FOLLOWING OFFICIALS WILL ACCOMPANY FRENCH MINISTERS AT THE SEPERATE MINISTERIAL TALKS:

WITH M GIRAUD:

WITH M FRANCOIS-PONCET: ROBIN, PAYE, ACHARD, DUFOURCQ, CLUZEL. ESPER, PANAFLIEU.

5. WE HAVE CONFIRMED TO THE QUAL (CHIEF OF PROTOCOL) THE CHANGE IN ARRANGEMENTS FOR THE PLENARY SESSION. THE QUAI WOULD LIKE THE FOLLOWING FRENCH OFFICIALS (IN ADDITION TO THE FRENCH AMBASSADOR). TO BE PRESENT AT THE PLENARY SESSION ON 20 NO VEMBER:

HUNT, LECLERCQ, PANAFIEU, ROBIN, PAYE,

ACHARD, VI DAL.

WE UNDERSTAND THAT THIS IS ONE MORE THAN THE NUMBER PROPOSED BY NO 1¢, AND THAT THE FRENCH EMBASSY ARE PURSUING THIS POINT SEPERATELY.

6. THE FRENCH WOULD BE GRATEFUL IF LECLERCQ COULD ATTEND THE PRIME MINISTER'S LUNCH ON 19 NOVEMBER AS NOTE-TAKEN. WE THINK IT PROBABLE THAT THE FRENCH WILL ASK FOR BOTH HUNT AND LEGLERCQ TO ATTEND THE PRIME MINISTER'S DINNER THAT EVENING.

7. WE HAVE CONFIRMED TO THE ELYSEE IN THE TERMS OF THIS MORNING'S TELECON GLADSTONE/YOUNG THE PRIME MINISTER'S DECISION THAT DEFENCE MINISTERS NEED NOT ATTEND THE SUMMIT. JAMES

FCO WHITEHALL WED

10 2 2 C

10 DOWNING STREET

Pomie Phrister

Buisant Giscard's Visit

The two defence muisters have, as You know bropped ml: There are therefore 2 space places at both lunch + Summer. On the other hand 1. Bane, the Buch Prime Minuter, hill be here for both meals: historial the hord Beribert will be working after him i the tarly part of the Soamer to the guest list for lunch? 11. Honory, the French Funince Minister will return to honor with the Chancella from Rounds i mis afternoon. Can 1 ads him to the lit for the expanded tite a tite + the Summer hit - as well as A. Barrefor The Chints 131129



Foreign and Commonwealth Office London SW1A 2AH

14 November 1979

for And 16/41

Dear Michael,

Anglo-French Summit: Ministerial Participation

Thank you for your letter of 12 November.

We have now sent a telegram to Paris (No 485 - copy attached) which summarises the various decisions made by the Prime Minister about Ministerial participation and the shape of the programme for President Giscard's visit on 19/20 November. Lord Soames has, as you will see, agreed to look after M. Barre during the first part of the afternoon of 19 November. May we assume that he will be invited to attend the lunch as well?

Yours DE

(P Lever)

Private Secretary

M O'D B AlexanderEsq 10 Downing Street CONFIDENTIAL

D KBY 140800Z

FM FCO 131858Z NOV 79

TO IMMEDIATE PARIS

TELEGRAM NUMBER 485 OF 13 NOVEMBER

YOUR TELNOS 809 AND 820 : VISIT OF PRESIDENT GISCARD

UCA COU

- 1. THE PRIME MINISTER HAS NOW AGREED THE FOLLOWING :
- (A) M.BARRE SHOULD TAKE PART IN THE WHOLE OF THE MEETING
 BEGINNING WITH LUNCH ON 19 NOVEMBER. DURING THE PRIME MINISTER'S
 TETE-A-TETE WITH PRESIDENT GISCARD AFTER LUNCH, M.BARRE WILL
 HAVE A MEETING WITH THE LORD PRESIDENT UNTIL 1600 WHEN M.BARRE
 WILL JOIN THE ENLARGED SESSION AT NO 10. (IT WOULD BE
 USEFUL TO KNOW WHICH TOPICS M.BARRE IS LIKELY TO WANT TO DISCUSS
 WITH LORD SOAMES.)
- (B) M. MONORY SHOULD TRAVEL TO LONDON FROM BRUSSELS ON THE AFTERNOON OF 19 NOVEMBER WITH THE CHANCELLOR OF THE EXCHEQUER TO PARTICIPATE IN THE REMAINDER OF THE PROGRAMME.
- (C) M.GIRAUD SHOULD HAVE TALKS WITH BOTH SIR KEITH JOSEPH AND MR HOWELL.
- 2. THE PROGRAMME FOR THE VISIT IS BEING ARRANGED TO TAKE ACCOUNT OF THE ABOVE AS WELL AS THE LATER ARRIVAL TIME OF THE FRENCH MINISTERS. IN ADDITION THE PRIME MINISTER HAS DECIDED THAT SHE WOULD PREFER TO HAVE ONLY ONE PLENARY SESSION AND THAT THIS SHOULD TAKE PLACE AT 0945 ON TUESDAY 20 NOVEMBER AND CONCLUDE WITH A BRIEF COURTESY TETE-ATETE PRIOR TO THE JOINT PRESS CONFERENCE AT 1100. ON 19 NOVEMBER THE PRIME MINISTER WILL HAVE A TETE-ATETE DISCUSSION WITH PRESIDENT GISCARD AFTER LUNCH FROM 1430 TO 1600, FOLLOWED BY AN ENLARGED SESSION FROM 1600 TO ABOUT 1730 TO INCLUDE ON THE FRENCH SIDE M.BARRE, M.FRANCOIS-PONCET AND M.MONORY, AND ON THE BRITISH SIDE, LORD CARRINGTON AND SIR GEOFFREY HOWE.
- 3. THE FRENCH EMBASSY HAVE BEEN KEPT FULLY INFORMED OF THESE DEVELOPMENTS.

· Carrier Marian

SECRET

Defence: Anglo-French Nuclear Collaboration Prime Rimilia Fully 1979

PM/79/90

PRIME MINISTER

Discussion with President Giscard of Defence Nuclear Issues

1. Bearing in mind our limited leverage on the Community front, we will want to get as much as possible out of the discussion of defence nuclear issues when President Giscard is here on 19 November. There are signs that he too might welcome an exchange on these subjects: but the French see the initiative as lying with us. I believe therefore that we should be prepared to raise three topics with him:-

A. SALT III

- 2. The French are worried that British systems will become entangled in SALT III thus increasing the pressure for French involvement. A reassurance on our part that we equally want to avoid this would be welcome to them. I suggest therefore that we take this opportunity:-
 - to assure Giscard that we have no interest in seeing our systems involved in SALT III and no wish to participate;
 - to express our willingness to keep in close touch with the French on this issue, since our interests are very similar.
- 3. Soviet pressure has already started and can be expected to intensify during SALT III for non-US nuclear systems to be included. The involvement of British systems would however detract from our fundamental interest in maintaining the effectiveness of our strategic forces unimpaired. I therefore conclude that our best policy is to keep out of the SALT process and to do everything possible to avoid any numerical constraints on our nuclear forces in SALT III.

/4. Giscard



- 4. Giscard may well point out that non-involvement may be difficult for us to sustain as we will continue to rely on US co-operation to maintain the effectiveness of our deterrent. In response you could say that:
 - we shall make our attitude to SALT III clear to the US Administration, who have already indicated that they will resist Soviet efforts to bring UK forces into SALT III;
 - we hope to reach agreement with the US on co-operation over a Polaris successor before SALT III negotiations begin;
 - in the last resort there is nothing we or the French could do to prevent the super powers deciding without our consent to take account of our national systems in negotiating ceilings for their own forces in SALT III. This is a further reason for keeping in close touch with each other.
- 5. Giscard may also express concern that SALT III will cover not only strategic but also long range theatre systems, and this could strengthen the Soviet case for inclusion of UK and French forces. If this question arises, I suggest that you might reply that:-
 - we can expect intense Soviet pressure irrespective of whether long range TNF are covered;
 - it is accepted in the Alliance that UK and French systems should be excluded from any negotiations on TNF;
 - SALT I and II provide precedents for the continued exclusion of British and French systems.

B. POLARIS SUCCESSOR

6. Gis card will be interested in our plans. He is unlikely to raise the subject himself but he would certainly, I think, be grateful to know where we stand. We cannot say much yet, but you could:-



- let him know that our thinking clearly points towards a continuation of Anglo-US collaboration on lines similar to the Polaris arrangement;
- give him some idea of our views on timing, mentioning the importance of your visit to Washington in December;
- indicate that we will keep him informed as matters progress.

C. ANGLO-FRENCH NUCLEAR COLLABORATION

- 7. It is not clear what the French want here. Ideally no doubt they would like to co-operate with us in the development and production of actual nuclear systems. But they probably assume by now that we intend to go on developing our strategic missiles and delivery systems in conjunction with the Americans. There is however some evidence that they would see advantages in co-operation short of major procurement: for example on operational matters, support arrangements and the like. In all of these areas we are restricted by our obligations to the Americans. We have had recent hints that the Americans would understand it if we were a little more frank with the French than hitherto. But it would be unwise to heighten expectations in the latter respect until we have taken our soundings with the Americans further.
- 8. Subject to the Defence Secretary's views, I suggest therefore that you may like to indicate to Giscard that:
 - we are keen to see a greater degree of mutual understanding in the nuclear defence field;
 - we would see value in exchanging views on our respective nuclear doctrines, given our broadly similar capabilities and roles;
 - we would see this as a useful starting point from which, with patience and time, and within the limits of our obligations to the Americans, something more substantial might develop.

/9. This



9. This does not amount to much. It would help to give more substance to the message if we could add that we would also like to investigate the scope for collaboration in more operational areas, such as deployment, support, training and safety. Our very tentative soundings with the Americans have not yet gone far enough to allow us to speak on these lines to the French. But I am sure that we should at some stage seek US agreement to our holding exploratory talks with the French on these matters too.

10. I am sending copies of this minute to the Defence Secretary, Chancellor of the Exchequer, Home Secretary and Sir Robert Armstrong.

(CARRINGTON)

Foreign and Commonwealth Office

14 Nov 79



10 DOWNING STREET

From the Private Secretary

12 November 1979

Anglo/French Consultations

The Prime Minister has seen your letter to me of 8 November on this subject. As I have told you on the telephone, the Prime Minister sees no reason for suggesting to President Giscard that their meetings should take place on a biannual basis.

I am sending a copy of this letter to Martin Vile (Cabinet Office).

M. O'D. B. ALEXANDER

58

Paul Lever, Esq., Foreign and Commonwealth Office.

CONFIDENTIAL



10 DOWNING STREET

From the Private Secretary

12 November, 1979.

Dear Paul.

Anglo-French Summit: Ministerial Participation

Thank you for your letter to me of 9 November on this subject. It was overtaken by Paris telegram 809 almost before it arrived! I look forward to receiving further guidance about French intentions.

I have discussed the programme with the Prime Minister. She has come to the conclusion that she would prefer to have only one Plenary Session and that this should take place on the morning of Tuesday, 20 November. It might begin at 0945 rather than at 1000. If there is to be a tete-a-tete at the end of that meeting, it would be purely for courtesy purpose and need hardly figure formally in the programme.

As regards the arrangements for the afternoon of Monday, 19 November, the Prime Minister will have a tête-a-tête discussion . with President Giscard from 1430 to 1600 and an enlarged session from 1600 to, say, 1730.

Since M. Barre seems determined to be in London in time for lunch, he must clearly be invited to the Prime Minister's lunch. If it is agreed that the Lord President should entertain M. Barre for the first part of the afternoon, I am sure the Prime Minister would be happy to entertain him at lunch. Since the Prime Minister has agreed that Mr. Pym and M. Bourges will not be participating in the talks, I hope I can assume that neither will be participating in the lunch!

There would be no difficulty about the Lord Privy Seal participating in the plenary session if he is in London.

I am sending copies of this letter to the recipients of yours, and to Jim Buckley (Lord President's Office).

Paul Lever, Esq., Foreign and Commonwealth Office. Muhael Alexander

1. In Minne Amy 2 nergy: Policy: Pt 3 PRIME MINISTER CIVIL NUCLEAR COLLABORATION There have been indications that at the Summit on 19/20 November President Giscard d'Estaing and M. Giraud, the French Minister of Industry, will want to discuss co-operation in the nuclear field, particularly the fast reactor and the PWR. I thought it might be helpful to summarise the present position as further background to the brief which will be coming forward. FAST REACTOR The UK Atomic Energy Authority (UKAEA) and the Nuclear Power Company (NPC) have made useful progress in their discussions with the French and Germans about fast reactor collaboration. They aim to put to us before Christmas their proposals for the future development of the fast reactor in the UK and these will cover collaboration. Discussions so far have been without prejudice to Government policy. There is no doubt that collaboration on the fast reactor has considerable attractions as a way of limiting risks, co-ordinating research and development and designs, and giving access to the experience of others. We shall, however, have to look carefully at what is put to us to ensure that it is the best deal we can obtain. I understand that the French have shown reluctance to give us a full role and status in the European partnership and that this has influenced their attitude on issues such as finance where they would prefer to regard us as applicants for a license for their technology rather than as equals. The Germans have been much more favourable to our interests. There are other issues which will also need careful consideration such as the extent, if at all, to which the European partnership should be able to pass British technology to third parties without our agreement and the scope for arrangements on the fast reactor fuel cycle where the UKAEA believe we currently have a lead. We shall also need to bear in mind the alternative of collaboration with the United States where political attitudes to the fast reactor are unclear but the UKAEA are nonetheless having interesting discussions. Following a brief discussion which I had with Secretary Duncan on this, he has encouraged US officials to explore possible collaboration with the UKAEA as a matter of urgency. In the forthcoming Summit, therefore, I believe we should limit ourselves to expressing interest in European collaborative arrangements and to saying that we look forward to considering the UKAEA's proposals in a constructive spirit. To go further might prejudice our future ability to achieve better terms. But at the highest level I believe

President Giscard should be pressed hard on whether the French really want to have us with them in full collaboration or not. Perhaps our strongest card is that the French are committed and feel lonely in a world where anti-nuclear pressures have grown.

PRESSURISED WATER REACTOR

The French would prefer us to take a PWR license from them rather than Westinghouse and may link this with collaboration on the fast reactor.

We should resist this. As my paper to E Committee (E(79)54) made clear, the advice from industry strongly points to maintaining the NPC's existing relationship with Westinghouse. The French themselves are not yet free from their own license agreement with Westinghouse though they hope to be so soon. They are not going to build in France the same size of PWR as is being contemplated for the UK whereas Westinghouse have substantial operating experience which we could benefit from. The French have no experience of licensing PWR technology to third countries, and negotiating an agreement with them would take time and delay our programme. The NNC would also still have to pay royalties to Westinghouse under their existing agreement even if they took the technology from France.

None of this, however, rules out the possibility of joint arrangements between the UK and France for the procurement and perhaps manufacture of components for PWRs after we have activated our license agreement with Westinghouse. This is a matter for discussion between French and British industries but I think we should encourage them to explore it. The CEGB should also be able in due course to benefit from exchanges with their opposite numbers about operating experience on PWRs. The point at the end of para 9 applies here too.

CONCLUSION

To sum up, therefore, I believe collaboration within Europe in the nuclear field may turn out to be a valuable element in our nuclear power programme. But we must be prepared for businesslike negotiations if we are to achieve satisfactory arrangements and at this stage it would be wrong to do more than show a constructive interest in the possibilities and reserve our negotiating position. This suggests to me that, at the Summit, any discussion between you and President Giscard should be in general terms, but you might press hard the question whether they really want us with them fully in the broad political as well as the economic scheme rather than in a minor role to support French nuclear domination. (I will be able to explain our position more fully to M. Giraud).

I am copying this to other members of E Committee, Sir Robert Armstrong and Sir Kenneth Berrill.

JA.

SECRETARY OF STATE FOR ENERGY
1 NOVEMBER 1979

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TO PRIORITY FCO

Primie Minister

TELEGRAM NUMBER 811 OF \$9 NOVEMBER 1979

INFO PRIORITY EEC POSTS UKREP BRUSSELS UKDEL NATO WASHINGTON

MIPT:

I BELIEVE THAT THE EFFECT OF THESE INTERNAL FACTORS ON GISCARD'S POSITION AT THE ANGLO-FRENCH SUMMIT ON 19 NOVEMBER CAN BE SUMMARISED AS FOLLOWS:-

- (A) HE IS NOT IN ANY WAY A POLITICAL LAMEDUCK, AS SOME OF THE BRITISH PAPERS HAVE INFERRED. NOR IS HIS GOVERNMENT CRUMBLING. INTERNALLY, HE STILL HAS ENOUGH TIME AND ROOM FOR MANOEUVRE.
- (B) THE OPPOSITION AND THE GAULLISTS AT PRESNET SEEM UNABLE TO MOUNT AN EFFECTIVE ATTACK AGAINST THE GOVERNMENT, EVEN THOUGH THE LATTER IS PASSING THROUGH A SOMEWHAT DIFFICULT PERIOD. BUT THEY REMAIN ON THE LOOKOUT FOR ISSUES WHICH COULD DAMAGE THE PRESIDENT'S AND THE GOVERNMENT'S STANDING.
- (C) PRESIDENT GISCARD'S CAPACITY FOR MAKING CONCESSIONS MAY
 HAVE BECOME A LITTLE MORE LIMITED. HE WILL NOT WANT TO RETURN
 FROM LONDON OR DUBLIN TO FACE THE CRITICISM OF THE
 GAULLISTS AND THE OPPOSITION FOR
 SEEMING TO HAVE SACRIFICED FRENCH INTERESTS TO BRITISH DEMANDS.
 HIBBERT

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TO PRIORITY FCO

TELNO 81Ø OF 9 NOVEMBER 1979

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AND TO PRIORITY ALL EEC POSTS, UKDEL NATO AND WASHINGTON.

MY TELNO 778 : FRENCH INTERNAL POLITICS.

- 1. POLITICAL COMMENT IN FRANCE CONTINUES TO CHEW OVER ITS OWN REACTIONS TO M. BOULIN'S SUICIDE. BUT THERE HAVE BEEN NO NEW REVELATIONS AND THE GOVERNMENT IS TRYING HARD TO CALM THE AGITATED ATMOSPHERE OF THE LAST 10 DAYS.
- 2. THERE WAS SPECULATION EARLIER THIS WEEK THAT PRESIDENT GISCARD MIGHT MAKE MAJOR GOVERNMENT CHANGES ON HIS RETURN FROM A TWO-DAY REST IN THE AUVERGNE. IN THE EVENT, THE ONLY APPOINTMENT HAS BEEN THAT OF M. JEAN MATTEOLI TO BE THE NEW MINISTER OF LABOUR. A BUSINESSMAN AND FORMER OFFICIAL, M. MATTEOLI IS ALSO A MEMBER OF THE GAULLIST RPR (AS WAS M. BOULIN). THE GOVERNMENT'S POLITICAL BALANCE REMAINS UNCHANGED.
- 3. PRESIDENT GISCARD HAS LAUNCHED A FIRM WARNING ABOUT THE NEED FOR AN END TO GOSSIP AND POLITICAL BACK-BITING. THE ELYSEE SPOKESMAN SAID THE PRESIDENT BELIEVED THE FRENCH PEOPLE WANTED 'THE DEAD TO BE ALLOWED TO BURY THE DEAD'. SOME NEWSPAPERS HAD THEIR THEOLOGICAL CORRESPONDENTS ADVISE ON THE MEANING OF THIS, BUT WITHOUT ACHIEVING ANY USEFUL CLARIFICATION. AT ANY RATE MINISTERS HAVE BEEN GIVEN A FIRM DIRECTIVE TO GET ON WITH TACKLING PRESSING ECONOMIC ISSUES.
- 4. REPLYING TO SOCIALIST CRITICISMS OF THE BOULIN AFFAIR IN THE NATIONAL ASSEMBLY, M. BARRE ARGUED THAT THERE WAS NO BOULIN AFFAIR, THAT CURRENT JUDICIAL ENQUIRIES INTO THE AFFAIRS OF THE PROPERTY DEALER WITH WHOM M. BOULIN WAS INVOLVED SHOULD TAKE THEIR COURSE, AND THAT THIS WAS THE CORRECT DEMOCRATIC WAY FOR THE TRUTH TO EMERGE. THIS SEEMS TO HAVE SATISFIED MOST GOVERNMENT SUPPORTERS, ALTHOUGH SOME GAULLISTS CONTINUE TO CRITICISE THE GOVERNMENT'S HANDLING OF THE AFFAIR.

- 5. IF NO NEW SCANDALS EMERGE, THE GOVERNMENT WILL HAVE HAD A CLOSE SHAVE, BUT NOTHING WORSE. PRESIDENT GISCARD'S STRATEGY SEEMS TO BE TO GAIN TIME AND COUNT ON THE SHORT MEMORY OF THE ELECTORATE. HE SEEMS CONFIDENT THAT HIS PERSONAL POSITION AND NATIONAL DOMINANCE REMAIN LARGELY UNAFFECTED, AND IN THIS HE IS SUPPORTED BY RECENT PUBLIC OPINION POLLS AND BY SOUNDINGS OF THE PREFECTS IN THE PROVINCES. NO DOUBT HIS ADVISERS HAVE USED THE LAST 1¢ DAYS TO CHECK THOROUGHLY WHETHER ANY MORE AWKWARD REVELATIONS OR SCANDALS LIE NEAR THE SURFACE.
- 6. PRESIDENT GISCARD'S IMMEDIATE PROBLEM REMAINS THE FAILURE
 OF THE ECONOMY TO TURN ROUND AND TAKE OFF IN SPITE OF M. BARRE'S
 EFFORTS OVER THREE YEARS. THE GOVERNMENT CANNOT BE POPULAR AND
 IT WOULD BE DANGEROUS IF IT WERE ALSO TO CEASE TO BE RESPECTED.
 IT IS POSSIBLE THAT, ONCE THE RECENT EMBARRASSING EVENTS ARE NO
 LONGER THE MAIN FOCUS OF ATTENTION, THERE COULD BE WIDER GOVERNMENT
 OHANGES. THE PRESIDENT'S MAIN SOURCE OF CONFIDENCE MUST REMAIN
 THE STATE OF THE OPPOSITION, WHOSE DIVISIONS AND WEAKNESSES
 CONTINUE TO GIVE HIM SCOPE AND TIME FOR MANOEUVRE. THE GAULLISTS
 WHO WOULD LIKE TO BOX HIM INTO A POLITICAL CORNER HAVE FAILED TO
- 7. A LONGER TERM CONSIDERATION IS THAT THE MORAL AND CONSTITUTIONAL ARTIFICIALITIES ON WHICH THE FRENCH POLITICAL EQUILIBRIUM RESTS HAVE BECOME UNCOMFORTABLY EXPOSED RECENTLY AND PRESIDENT GISCARD HAS NOTHING TO OFFER EXCEPT FURTHER HIGHLY SKILLED JUGGLING WITH THE ARTIFICIALITIES. HE IS PROBABLY CONFIDENT THAT, WITH LUCK AND TIME, HE CAN COVER THE ARTIFICIALITIES UP AGAIN AND REFURBISH APPEARANCES.

8. SEE MIFT. HIBBERT.

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5 16000 95 ADVANCE SONT PARIS/FCO Ø12/Ø9 00 FCO GRS 510 CONFI DENTI AL FM PARIS 691855Z NOV 79 TO IMMEDIATE FCO TELNO 809 OF 9 NOVEMBER 1979. VISIT OF PRESIDENT GISCARD. 1. I WAS ABLE TO REVIEW THIS AFTERNOON WITH THE SECRETARY GENERAL OF THE ELYSEE THE ARRANGEMENTS FOR THE VISIT OF PRESIDENT GI SCARD. 2. HIS FIRST POINT WAS THAT THE FRENCH MINISTERS WOULD NOT BE ABLE TO ARRIVE AT 1100 HOURS AND COULD THEREFORE NOT START THE TALKS AT MID-DAY. THEY WOULD IN FACT ARRIVE AT ROUGHLY THE SAME TIME AS THE PRESIDENT OR SHORTLY AFTERWARDS SO THAT THEIR FIRST MEETING WITH BRITISH MINISTERS WOULD BE AT THE INFORMAL LUNCH AT 1300.

3. WAHL SAID THAT M. BARRE WOULD LIKE TO TAKE PART IN THE WHOLE OF THE MEETING, ARRIVING PERHAPS A QUARTER OF AN HOUR AFTER THE PRESIDENT SO THAT HE WOULD BE IN TIME FOR THE LUNCH, AND LEAVING AT 1130 HOURS ON THE SECOND DAY. IT WOULD NOT WORRY HIM IF HE HAD NO APPOINTMENTS BETWEEN THE END OF LUNCH AND THE BEGINNING OF THE ENLARGED MEETING AT 1600 HOURS, BUT WAHL THOUGHT HE WOULD BE DELIGHTED TO HAVE A TALK WITH LORD SOAMES IF THAT WERE TO BE SUGGESTED.

4. WAHL SAID THAT, WHATEVER M. BOURGES AND MR PYM MIGHT HAVE AGREED TO GETHER, PRSI DENT GI SCARD HAD HITHERTO ENVISAGED QUITE CLEARLY THAT M. BOURGES WOULD BE PART OF HIS DELEGATION. I TOLD WARL THAT THERE WAS NOW SOME DOUBT ABOUT THIS ON THE BRITISH SIDE AS M. BOURGES HAD QUESTIONED HIS OWN PRESENCE, AND I WOULD / PROBABLY RECIEVE INSTRUCTIONS ON THE QUESTION OF PARTICIPATION BY MINISTERS OF DEFENCE IN DUE COURSE. WAHL SAID HE WOULD ASCERTAIN THE PRESIDENT'S WISHES ONCE AGAIN.

5. AS REGARDS M. MONORY, THE PRESIDENT HAS NOT YET BEEN CONSULTED BUT WILL BE CONSULTED OVER THE WEEKEND. WAHL CLEARLY UNDERSTANDS THAT THE CHANCELLOR OF THE EXCHEQUER WILL BE JOINING THE ENLARGED MEETING AT 1600 HOURS IN ORDER TO BALANCE M. BARRE'S PRESENCE, AN THAT THE PRESIDENT WILL HAVE TO DECIDE WHETHER HE WOULD WISH TO SPONSOR M. MONORY'S PRESENCE IN ADDITION.

6. WAHL SAID THAT THE QUESTION HAD NOW BEEN RAISED ON THE FRENCH SIDE OF PERHAPS INCLUDING M. MEHAIGNERIE AND M. LE THEULE IN THE DELEGATION, THE LATTER FOR THE PURPOSE OF DISCUSSING AVIATION MATTERS. WAHL THOUGHT M. LE THEULE'S CANDITATURE WAS WEAKER THAN M. MEHAIGNERIE'S. YOU MAY HOWEVER THINK THAT, IF M. LE THEULE WORE HIS FISHING HAT, THIS WOULD PROVIDE THE OCCASION FOR THE BILATERAL MEETING ON FISH WHICH MR WALKER IS SEEKING. WAHL CONFIRMED THAT HE WAS NOT MAKING A SPECIFIC PROPOSITION AS REGARDS THESE MINISTERS BUT SIMPLY WARNING ME OF A PROPOSITION WHICH HAD BEEN PUT TO PRESIDENT GISCARD.

7. WAHL SAID THAT HE ASSUMED THAT THE PRESIDENT WOULD RECIEVE MR CALLAGHAN AT THE FRENCH EMBASSY. I ASSUME THAT THIS IS A MATTER WHICH HAS BEEN ARRANGED WITH THE FRENCH EMBASSSY.

8. WAHL SAID THAT HE HIMSELF WOULD NOT BE COMING TO LONDON. IT WAS IMPOSSIBLE FOR HIM TO BE AWAY IF THE PRESIDENT AND PRIME MINISTER WERE BOTH ABSENT FROM FRANCE. THE ABSENCE OF BOTH OF THEM TOGETHER WAS A VERY RARE EVENT AND THE LENGTH OF TIME INVOLVED WOULD PRODUCE SOME AWKWARD ADMINISTRATIVE COMPLICATIONS IN RESPECT OF SOME OF THE PRESIDENT'S AND PRIME MINISTER'S DUTIES. HIBBERT.

NNNN

SENT PARIS \$9/1943Z RS RECD FCO \$9/1934 Z DGN

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With the compliments of

SIR MICHAEL PALLISER'S

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TO IMMEDIATE FCO

TELEGRAM NUMBER 8¢8 OF ¢9 NOVEMBER 1979

Placed this copy personal + conf to MA Repander at Nº 10 12A13

PERSONAL FOR PS/PUS

YOUR TEL NO 471: PRESIDENT GISCARD'S CHAIR

- 1. I TOOK THIS UP WITH JACQUES WAHL THIS AFTERNOON AND TO MY SUPRISE ENCOUNTERED CONSIDERABLE RESISTANCE. HIS FIRST REACTION WAS TO THINK THAT THE OBVIOUS SOLUTION WAS TO STAND THE PRIME MINISTER'S CHAIR IN A CORNER AND HAVE HER SEATED ON THE SAME SORT OF CHAIR AS THE PRESIDENT. HE THOUGHT THAT THE PRESIDENT WOULD HAVE A FEELING OF SUPRISE IF IT WERE OTHERWISE.
- 2. I SAID THAT I THOUGHT THERE WOULD BE AN EVEN GREATER FEELING OF SUPRISE ON OUR SIDE, AND SPREAD OVER A FAR WIDER NUMBER OF PEOPLE, IF THE PRESIDENT WERE TO FIND IT DIFFICULT TO ACCEPT A ARRANGEMENT WHICH HAD BEEN ACCEPTED OVER VERY MANY YEARS BY HEADS OF STATE AND GOVERNMENT FROM ALL PARTS OF THE WORLD WHO HAD VISITED NO 10.
- 3. IN THE END HE SAID HE WOULD LOOK INTO THE MATTER FURTHER. THE DECISIVE CONSIDERATION MIGHT BE WHETHER OTHER FRENCH PRESIDENTS OR PRESISENT GISCARD HIMSELF HAD PREVIOUSLY ACCEPTED THE SEATING ARRANGEMENT WITHOUT COMMENT. I WAS ABLE TO DRAW HIS ATTENTION TO THE 1976 PRECEDENT OF PRESIDENT GISCARD HIMSELF. QUOTE DIEU SOIT LOUE UNQUOTE HE SAID. HE FELT BOUND TO CONSULT FURTHER WITH THE HEAD OF PROTOCOL AND WOULD LET US HAVE FURTHER COMMENT ON MONDAY. HIBBERT



Foreign and Commonwealth Office London SW1A 2AH

9 November 1979

Dear Michael,

ANGLO-FRENCH SUMMIT: MINISTERIAL PARTICIPATION

Paris telegrams 797 and 798 (copies attached) raise a number of questions about Ministerial participation at the forthcoming Anglo-French Summit.

The main difficulty concerns the participation of M Barre, the Prime Minister. At an earlier stage of planning. M Barre expected to be engaged with a visitor in Paris during the period of the Summit but was prepared to come to London for the afternoon of 19 November to join the Prime Minister and President Giscard at the enlarged session of talks, followed by the plenary session.

M Barre now finds that he could be present in London for the whole of 19 November (including the Prime Minister's dinner in the evening). However, this could cause difficulties in that there would be no British Minister with equivalent responsibilities available to match him during the period of the tete-a-tete sessions. (The Chancellor of the Exchequer, his most natural interlocutor, will be in Brussels for a Finance Council and does not expect to return to London until after lunch at the earliest.) This suggests that it would be best if M Barre arrived as originally planned, in time to join the enlarged session of talks at 1600 hours.

The telegrams refer also to the possible participation of M Monory, the French Finance Minister, who will be in Brussels at the Finance Council with the Chancellor of the Exchequer. There is a possibility that the timing of this Council may be brought forward, thus enabling the Chancellor and M Monory (who himself has suggested his participation in the talks) to return to London in time for the enlarged session of talks at 1600 hours followed by the plenary session. I understand that the Chancellor of the Exchequer would see value in M Monory's attendance. Can we assume that the Prime Minister would be content that M Monory should be included in the French team?

Finally, the Lord Privy Seal, who was to have been in the Far East during the period of the Summit, will now after all be in London. The Foreign and Commonwealth Secretary considers that it would be appropriate, if the Prime Minister agrees, for him to attend the plenary sessions.

If these recommendations are acceptable to the Prime Minister they may necessitate changes in the guest lists for both the Prime Minister's lunch and dinner on 19 November.

/I am

M O'D B Alexander Esq 10 Downing Street



I am sending copies of this letter to Martin Hall (HM Treasury), Brian Norbury (Ministry of Defence), Ian Ellison (Department of Industry), Bill Burroughs (Department of Energy) and Martin Vile (Cabinet Office).

Yours was

(P Lever)

Good, for Vhil c. Mrs. Goodchild

MR. ALEXANDER

GISCARD DINNER

I spoke to John Kitchen at United
Biscuits and he assured me that Mr. Gibson
was to be in charge of the dinner and
that he will continue to have contact
with Ring and Brymer. He is in fact
travelling down to see them this weekend.

28.

8 November 1979

CONFIDENTIAL OFCO

8 November 1979

President Giscard's visit

The Prime Minister has seen your letter to me of 7 November on this subject. She agrees that, in all the circumstances, there is no need for participation by Defence Ministers on this occasion.

I am sending copies of this letter to George Walden (Foreign and Commonwealth Office) and Martin Vile (Cabinet Office).

MICHAEL ALEXANDER

B.M. Norbury, Esq., CONFIDENTIAL





Foreign and Commonwealth Office

London SW1A 2AH

Apa A verlag? - 1 su no nem forms

8 November 1979 Jonani:

Pur 9/x,

Deay Milhael,

Anglo/French Consultations

I understand that in commenting on the British objectives set out in the attachment to Martin Vile's circular letter of 5 November, the Prime Minister has queried the need for an increase in the frequency of Anglo-French Summits to twice a year, to bring them into line with the arrangements with the FRG and Italy.

The Foreign and Commonwealth Secretary believes that the arguments in favour are as follows:-

- (a) Experience suggests that annual meetings with the French may be too infrequent to maintain the momentum of our relationship. Because of the nature of the French governmental system, Anglo-French relations depend critically on the impetus given by the President personally and they have tended to slow down significantly between the annual peaks at Summit-time.
- (b) The key European relationship at present is that between France and the FRG. The strength of that relationship does not depend primarily on the closeness of the personal relationship between the two leaders (although the current relationship between President Giscard and Chancellor Schmidt is a very significant bonus) but rather on the dense network of regular consultations at all levels provided for in the 1963 Franco-German Treaty. The intensity of these consultations is fostered by the twice-yearly meetings of Heads of Government.
- (c) The fact that our relations with the FRG are so much more satisfactory than those with France owes much to the closeness of our defence relationship and to special factors such as Berlin; but the relationship has undoubtedly profitted greatly from the habit of biannual Summits.
- (d) However, this increasing closeness of the Anglo-German relationship, and of the Franco-German relationship, together with the fact that the Prime Minister has now agreed to biannual Anglo-Italian Summits, only highlights the relative weakness of the current arrangements for co-ordination of policies between Britain and France.



(e) Biannual meetings would have the practical advantage of allowing one to take place in each six-monthly EEC Presidency.

In a recent letter, Sir R Hibbert quotes Baron de Courcel (former French Ambassador in London and currently Head of the French Section of the Franco-British Council) as saying that President Giscard had indicated to him that as far as he, Giscard, was concerned, one annual Summit was what he reckoned on with the British. Although Courcel is not very close to the President, it is indeed possible that Giscard may have some reservations about biannual meetings. But Lord Carrington does not think that the Courcel evidence is so conclusive as to hinder the Prime Minister from raising the question with President Giscard, and he hopes that she will be prepared to do so - perhaps informally during their tete-a-tete discussion.

If the Prime Minister agrees, the Foreign and Commonwealth Office will take this into account in preparing the brief on bilateral relations.

I am copying this letter to Martin Vile (Cabinet Office).

Yours our

(P Lever)

Private Secretary

M O'D B Alexander Esq 10 Downing Street LONDON

Precedence/Deskiy Classification and Caveats IMMEDIATE CONFIDENTIAL AND PERSONAL ZCZC GRS GRS CONFIDENTIAL LIAN LAVIALS PERSONAL DESKBY FM FCO 081430Z NOV 79 IM FLO TO IMMEDIATE PARIS PRIZADD 7 TELEGRAM NUMBER ILL NO 8 FOR AMBASSADOR FROM PS/PUS PRESIDENT GISCARD'S VISIT 11 1. The advance team from the Elysee who were over here earlier 12 this week came up with anywery odd complaint when they looked over the arrangements at No 10. They noted that in the com where the Prime Minister would receive the President her chair

18 the Prime Minister.

19 2. The furniture of the room being all of a piece, it would 10 frankly be rather difficult to introduce some quite different chair for the President. In any case we have never come across this problem before despite the many Heads of State and Heads of 23 Government who have been to No 10, and we find it difficult to believe that the French complaint does in fact reflect the wishes of the President himself. We are not aware of any complaint on

would have arms and his would not. They claimed that the President would not accept arrangements which meant that he was sitting on a chair which was not of equal status with that of

Catchword NNNN ends his BLANK telegram lite number Dept Distribution PUS'S OFFICE NI Drafted by (Block capitals) R A BURNS lelephone number 233 5142 Authorised for despatch Time of despatch tomcen reference



Classification and Caveats

CONFIDENTIAL AND PERSONAL

1 <<<

his part after his visit to London in 1976 when the Cabinet Room was used.

4 3. We and No 10 should be grateful if you would have an informal word with Wahl when you see him tomorrow to try to get this little matter sorted out.

8 CARRINGTON

9 NNNN

// 32 / 33

NNNN ends BLANK telegram

Catchword

GRS 16¢
CONFIDENTIAL
FM PARIS Ø81Ø4ØZ NOV 79
TO IMMEDIATE FCO
TELEGRAM NUMBER 798 OF Ø8 NOVEMBER 1979

MY TEL NO 797: ANGLO FRENCH SUMMIT ARRANGEMENTS FOR THE VISIT OF PRESIDENT GISCARD

- 1. I HAD A CHANCE TO SPEAK BRIEFLY TO JACQUES WAHL LAST NIGHT
 ABOUT M BARRE'S PLANS. HE CONFIRMED THAT M BARRE COULD BE
 AVAILABLE FOR THE WHOLE OF THE 19TH (INCLUDING THE PRIME MINISTER'S
 DINNER IN THE EVENING) BUT SAID THAT IT WOULD BE NORMAL FOR HIM TO
 TRAVEL IN A DIFFERENT AIRCRAFT FROM THE PRESIDENT. IT WOULD THEREFORE
 BE POSSIBLE IF THE PRIME MINISTER WISHED FOR HIM TO ARRIVE LATER
 THAN THE PRESIDENT.
- 2. WAHL APPEARED NOT TO HAVE HEARD ABOUT M MONORY'S PLANS
 AND SAID HE WOULD SPEAK ONCE AGAIN TO THE
 PRESIDENT ABOUT THE ARRANGEMENTS FOR ACCOMPANYING
 MINISTERS. MEANWHILE HE WOULD BE GRATEFUL FOR ANY INDICATION WHICH
 I COULD GIVE HIM OF THE PRIME MINISTER'S WISHES IN THE LIGHT OF
 THE INFORMATION SUMMARISED IN MY TEL. UNDER REFERENCE.
 HIBBERT

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SIR J HUNT CABINET OFFICE
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PS/S OF S DEFENCE
PS/S OF S INDUSTRY
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KCVO CB CMG
BUCKINGHAM PALACE

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CONFIDENTIAL

NO 10 DST

m

GRS 320
CONFI DENTI AL
FM PARIS Ø71845Z NOV 79
TO IMMEDIATE FCO
TELEGRAM NO 797 OF 7 NOVEMBER

MY TEL NO 785: ANGLO-FRENCH SUMMIT: ARRANGEMENTS FOR THE VISIT

- 1. AS WE HAD HEARD NOTHING PRECISE ABOUT M BARRE'S TRAVEL PLANS
 ON 19 NOVEMBER, I HAD AN ENQUIRY MADE OF THE ELYSEE. THEY TOLD
 US THAT M BARRE NO LONGER HAS AN EARLIER ENGAGEMENT ON 19 NOVEMBER
 WHICH WOULD PREVENT HIM FROM ARRIVING UNTIL THE AFTERNOON AND
 WOULD IN PRINCIPLE BE ABLE TO COME IN TIME FOR LUNCH, IF THE
 PRIME MINISTER THOUGHT THIS DESIRABLE.
- 2. ANOTHER DEVELOPMENT IS THAT M MONORY, FOLLOWING HIS TALKS
 YESTERDAY WITH THE CHANCELLOR OF THE EXCHEQUER, HAS TOLD US THROUGH
 HIS CABINET THAT HE HAS THE ELYSEE'S AGREEMENT TO A PROPOSAL
 TO RETURN TO LONDON ON THE SAME AIRCRAFT AS THE CHANCELLOR
 FROM THE FINANCE COUNCIL ON 19 NOVEMBER. WE HAVE AS YET HEARD
 NOTHING ABOUT THIS FROM THE ELYSEE. I WOULD NOT PROPOSE TO RAISE IT W
 WITH THEM DIRECTLY UNTIL IT IS CLEAR WHAT THE PRIME MINISTER'S
 WISHES ARE AS REGARDS TO M BARRE.
- 3. IT WOULD BE VERY HELPFUL IF WE COULD HAVE AN EARLY INDICATION WHETHER THE PRIME MINISTER WOULD WISH TO HAVE M BARRE PRESENT WITH PRESIDENT GISCARD FROM LUNCH TIME ONWARDS, OR HOW IT WOULD BE PROPOSED TO HANDLE M BARRE IF HE WERE TO ARRIVE WITH THE PRESIDENT BUT NOT BE INCLUDED IN THE PRESIDENT'S TALKS; WHILE THE CHANCELLOR OF THE EXCHEQUER WOULD NOT ARRIVE UNTIL LATE IN THE AFTERNOON. THEREAFTER THE NEXT PRIORITY SEEMS TO BE TO CLARIFY THAT THERE IS GOING TO BE A MEETING BETWEEN M BOURGES; AND THE MINISTER OF DEFENCE,

AND

CONFIDENTIAL

AND MR PYM (PARA.3 OF MY TEL NO 785). THERE ARE A RANGE OF TOPICS ON THE DEFENCE SIDE (EG NUCLEAR COLLABORATION, ARMS CONTROL, THE TACTICAL COMBAT AIRCRAFT AND THE SEA HARRIER) WHICH COULD USEFULLLY BE REVIEWED AT A BILATERAL MEETING.

4. THE PARTICIPATION OF M GIRAUD, MINISTER OF INDUSTRY, SEEMS ASSURED.
HIBBERT

COPIES SENT TO NO 10 DOWNING ST

DEPARTMENTAL DIST : WED PCD COPIES TO:

BIR I HUNT. CABINET OFFICE

PS CHANCELLOR OF THE EXCHEQUER

PS S OF S FOR DEFENCE

PS S OF S FOR INDUSTRY

THE RT HON SIR P HOORE,

KCVO, CB, CMG

BUCKINGHAM PALACE



Copied to 2 Defence: Anglo-Fr Collabolation May 79.

10 DOWNING STREET

From the Private Secretary

7 November 1979

BR 9. 11.39

President Giscard and the Strategic Deterrent

The Prime Minister would be grateful if the Foreign and Commonwealth Secretary, in consultation with the Secretary of State for Defence, could let her have advice on the line she might take about the future of the British deterrent in talking to President Giscard during his forthcoming visit, with the object of ensuring that her discussion of this subject with the President should not sour, and should if possible help to ease, their discussion of the EEC Budget issue. Given the sensitivity of the subject, this might appropriately be contained in a minute separate from the main briefing series.

The brief, which should be prepared in consultation with the Ministry of Defence and the Cabinet Office, might cover:-

- (a) Our likely approach to the Polaris succession issue.
- (b) Our policy on SALT III in relation to British (and French) strategic weapons.
- (c) Possible future co-operation.

I would be grateful if the brief could reach me by Friday, 9 November, along with the other briefs for the visit.

I am copying this letter to Brian Norbury (Ministry of Defence) and Martin Vile (Cabinet Office).

M. O'D. B. ALEXANDER

George Walden, Esq., Foreign and Commonwealth Office.

SECRET

93

Copied to:
Defence: Anglo-French
Vuctor Collaboration
May 79. Ref: A0599 SECRET MR. ALEXANDER President Giscard and the Deterrent In his brief (A0547) for the MISC 7 meeting which did not in fact take place on Monday, Sir Robert Armstrong suggested that the Prime Minister might ask the Foreign and Commonwealth Secretary, in consultation with the Secretary of State for Defence, to let her have a brief on how discussion of the deterrent and the related issues with President Giscard might help to win his support on the Community Budget issue. In view of the cancellation of MISC 7, we thought it prudent to ask Foreign and Commonwealth Office and Ministry of Defence officials to set in hand the preparation of such a brief, but it would be appropriate for you to confirm these arrangements by writing to the Private Offices concerned. I attach a draft. M. J. Vile 7th November 1979

SECRET

DRAFT LETTER TO MR. WALDEN, FCO FROM MR. ALEXANDER,

President Giscard and the Strategic Deterrent

The Prime Minister would be grateful if the Foreign and Commonwealth Secretary, in consultation with the Secretary of State for Defence, could let her have advice on the line she might take about the future of the British deterrent in talking to President Giscard during his forthcoming visit, with the object of ensuring that her discussion of this subject with the President should not sour, and should if possible help to ease, their discussion of the EEC Budget issue. Given the sensitivity of the subject, this might appropriately be contained in a minute separate from the main briefing series.

- 2. The brief, which should be prepared in consultation with the Ministry of Defence and the Cabinet Office, might cover:-
 - (a) Our likely approach to the Polaris succession issue.
 - (b) Our policy on SALT III in relation to British (and French) strategic weapons.
 - (c) Possible future co-operation.
- 3. I would be grateful if the brief could reach me by Friday, 9th November, along with the other briefs for the visit.
- 5. I am copying this letter to Brian Norbury (MOD) and Martin Vile (Cabinet Office).

Ans

MR. ALEXANDER

GISCARD VISIT

The following points need comment/clarification:-

1. Accommodation for the French Party

The Elysee advance party are happy with the waiting room which the President could - if the need arose - use as his 'Private Office'. They would also like a secretarial/support room in No. 10. I believe Charles Rylands has mentioned the suggestion that Richard Ryder might be asked to give up his office for the duration. This would be an ideal solution. Will you approach Mr. Ryder?

2. Cabinet Room

In all seriousness the Elysée party pointed out that they would consider it essential for the President to have a chair equal in status - i.e. with arms - to the Prime Minister.

Alternatively would the Prime Minister swap her chair for a 'regular' model? Sorry about this - the French made the point quite seriously.

* * * * *

For the record, the programme for Monday now stands as follows (I gave your revised afternoon timings to Peggy Metcalfe today):-

1205	President arrives Northolt (special flight)
1225	Helicopter lands at Kensington Palace Gardens:
	Prime Minister greets President:
	Together in GHF limousine to Horseguards (leave
	Kensington Palace Gardens 1230)
1237	Arrive Horseguards
1238	
1245	French National Anthem: President inspects Guards:
	Enters No. 10 via Garden Door
1245	Lunch begins: tête-a-tête if wished.

14301600 Tete-a-tete (I presume in the Study)
1600 enlarged tete-a-tete - to include Lord Carrington,
Sir Geoffrey Howe (if back), M. François Poncet and

1700

onwards Plenary session.

M. Barre)

Timings for the rest of the day as already arranged.

In a later note I shall be asking the Prime Minister if she agrees to photocalls at the following times - all on a restricted rota basis.

(a)	19 November:	garden of No. 10:43 Prime Minister and
		President arrive
(b)	19 November:	1555 "groupe de famille photograph
		(Prime Minister, President Giscard,
		Lord Carrington, Sir Geoffrey Howe(?),
		M. François Poncet and M. Barre before start of enlarged tête-a-tête).
(c)	19 November:	Prime Minister and President Giscard
		receive 2000 onwards guests prior to
		dinner.

Aw.

Andy Wood Press Office

CONFIDENTIAL



MINISTRY OF DEFENCE

MAIN BUILDING WHITEHALL LONDON SW1

Telephone 01-20200202 218 2111/3

CONFIDENTIAL

MO 14/4

7th November 1979

Prime Pinishei: l'arrume you will be content for the Defence Phisting to Sup ont. Print Ver pres

Dur Missail,

THE FRENCH PRESIDENT'S VISIT

You will have seen Sir Reginald Hibbert's telegram 785 of 5th November.

For his part, my Secretary of State would not wish to press the French Defence Minister to visit London in the President's party and there are no particular topics which he currently wishes to raise with Monsieur Bourges given that they had fairly extensive discussions in Hamburg at the recent trilateral equipment meeting (at which the German Defence Minister was also present). His view, therefore, is that if the Prime Minister is content, we should indicate politely to the French that Monsieur Bourges need not come. The FCO concurs.

I should add, however, that no one on the British side has any recollection of any suggestion at Hamburg that the three Ministers there should meet again in December after the NATO Ministerial meeting; we shall be making this clear to the French.

I am sending copies of this letter to George Walden (FCO) and Martin Vile (Cabinet Office).

(B M NORBURY)

M O'D B Alexander Esq No 10 Downing Street

CONFIDENTIAL

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VISIT OF PRESIDENT GISCARD D'ESTAING 19-20 NOVEMBER 1979

LIST OF BRIEFS

- 1. STEERING BRIEF
- 2. EUROPEAN COMMUNITY QUESTIONS:
 - (i) COMMUNITY STEERING BRIEF
 - (ii) BUDGET
 - (iii) EMS
 - (iv) CAP
 - (v) FISHERIES
 - (vi) INSTITUTIONS
 - (vii) OTHER COMMUNITY ISSUES
- 3. DEFENCE, INCLUDING THE
- 4. ARMS CONTROL AND DISARMAMENT, INCLUDING SALT, MBFR AND EDC
- 5. RELATIONS BETWEEN THE UNITED STATES AND EUROPE
- 6. EAST/WEST RELATIONS (INCLUDING CHINA)
- 7. EXPORT CREDIT
- 8. INTERNATIONAL ECONOMIC AND MONETARY QUESTIONS
- 9. ENERGY QUESTIONS
- 10. AFRICA
- 11. INDO-CHINA
- 12. MIDDLE EAST
- 13. INDUSTRIAL (INCLUDING DEFENCE) COLLABORATION
- 14. BILATERAL MATTERS (INCLUDING THE FONTEVRAUD CONFERENCE)
- 15. FRANCE: INTERNAL POLITICAL AND ECONOMIC SCENE

Set of brief destroyed, Martin Set proserved in CAB 133 | 495

Phus

Cabinet Office, Whitehall, London SW1

5th November, 1979

PS(79) 37

Dear Private Secretary,

Visit of President Giscard d'Estaing - 19th/20th November, 1979

This letter sets out the briefing arrangements for the visit of the French President on 19th/20th November.

The objectives for the visit, as approved by the Prime Minister, are at Annex A. The list of briefs to be prepared, with an indication of Departmental responsibility, is at Annex B. Instructions on format are at Annexes C and D.

Seventy-five copies of each brief should be sent to the Cabinet Office, 70, Whitehall, to arrive no later than 11.00 hours on Friday, 9th November. They should be addressed to Mrs. Wagner in Committee Section, who should be consulted (tel. no. 233 7628) about any technical points arising.

I am sending copies of this letter to the Private Secretaries to Sir Michael Palliser, Sir Douglas Wass, Sir Frank Cooper, Sir Kenneth Couzens, Sir Kenneth Clucas, Sir Peter Carey, Sir Jack Rampton, Mr. Brian Hayes, Sir Kenneth Berrill and Mr. Michael Franklin, and to Michael Alexander (No. 10).

Yours sincerely,

(Signed) M. J. VILE

CONFIDENTIAL

UNITED KINGDOM OBJECTIVES

- To secure French acquiescence in a satisfactory outcome for the United Kingdom on the budget at the Dublin European Council.
- 2. To see whether common ground can be established with the French on other Community problems which they may raise, consistently with the maintenance of British interests.
- 3. To consolidate the good working relationship established with the French during the Prime Minister's visit to France in June and to secure President Giscard's agreement to an increase in the frequency of Anglo-French summits to twice a year, in line with arrangements with the FRG and Italy.
- 4. To exchange views on defence questions and East/West relations.
- 5. To assess the international economic and monetary situation, including North/South issues and energy.
- 6. To review the situation in Africa and to ensure that we and the French continue to see eye to eye on the problems of Southern Africa.
- 7. To review progress in the promotion of industrial collaboration between Britain and France, and to press for the removal of obstacles to British investment in France.
- 8. To obtain French agreement that any future government-supported credits for the Soviet Union should attract interest not below the internationally agreed Consensus rates.



PROBABLE FRENCH OBJECTIVES

- 1. To ensure that the summit is a success in maintaining good relations between France and Britain and, therefore, in the course of defending French interests, not to appear obstructive.
- 2. On Britain's contribution to the European Community budget, to form a judgement on how little France needs to concede and to ensure that France gets a quid pro quo for any concession.
- 3. To probe in particular the possibility of UK concessions on Fisheries, and Sheepmeat, and possibly on North Sea oil, Euratom and institutional matters.
- 4. To explore cautiously the possibilities for cooperation in the military nuclear field.

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ANNEX B

LIST OF BRIEFS FOR VISIT OF PRESIDENT GISCARD D'ESTAING 19th/20th NOVEMBER 1979

OMV(79)	Subject D	Lead epartment	In consultation with
1.	Steering Brief	FCO	as appropriate
2.	European Community Questions:		
	(i) Community Steering Brie	f FCO	as appropriate
	(ii) Budget	Treasury	FCO Cabinet Office
	(iii) EMS	Treasury	FCO Cabinet Office
	(iv) CAP	MAFF	Treasury FCO Cabinet Office
	(v) Fisheries	MAFF	FCO Cabinet Office
	(vi) Institutions	FCO	
	(vii) Other Community Issues	FCO	as appropriate
3.	Defence, including TNF	MOD	FCO
4.	Arms Control and Disarmament, including SALT, MBFR and EDC	FCO	MOD
5.	Relations between the United States and Europe	FCO	
6.	East/West Relations (including China)	FCO	
7.	Export Credit	Trade	Treasury ECGD FCO

CONFIDENTIAL

OMV(79)	Subject	<u>Lead</u> <u>Department</u>	In consultation with
8.	International Economic and Monetary Questions	Treasury	FCO
9.	International Energy Questions	Energy	Treasury FCO
10.	Africa	FCO	
11.	Indo-China	FCO	
12.	Middle East	FCO	
13.	Industrial (including Defence) Collaboration	Industry	Trade FCO MOD
14.	Bilateral Matters (including the Fontevraud Conference)	FCO	as appropriate
15.	France: Internal Political and Economic Scene	FCO	

INSTRUCTIONS ABOUT FORMAT

All briefs should be laid out in the same way with a top page in accordance with the specimen layout at Annex D. Those preparing briefs should note the following:-

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

 Pages should be numbered at the foot of each page.
- (e) The top page only should bear the symbol and number of the briefs in the top left-hand corner (e.g. OMV(79) 5), with the date of production below; a copy number in the top right-hand corner; and the visit heading, the title of the brief (in capitals) and the name of the Department responsible (as in Annex D).
- (f) Briefs should bear at the foot of the last page, on the left-hand side, the name of the originating Department and the date of origin.
- (g) If late developments require a brief to be amended or updated, an addendum should be prepared. It should be set out in the standard way with the brief number (e.g. OMV(79) 5 Addendum) and title to which it relates at the top of the front page. The Private Secretary to the Secretary of the Cabinet should be informed when an addendum is in preparation.
- (h) Additions to the list of briefs in Annex B require the authorisation of the Private Secretary to the Secretary of the Cabinet.

/CLASSIFICATION/

ANNEX D

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

CMV(79) /Serial No. 7

COPY NO

/Date/

VISIT OF PRESIDENT GISCARD D'ESTAING 19/20 NOVEMBER 1979

/Leave 1½"
margin/

/SUBJECT//Insert subject in capitals/

Brief by /name of originating Department e.g. Foreign and _____ Commonwealth Office/

/At the foot of the last page:-/

Department of origin e.g. Foreign and Commonwealth Office/

/Date/

CONFIDENTIAL RS 325 CONFIDENTIAL. FM PARIS 051725Z NOV 79 TO IMMEDIATE FCO TELEGRAM NUMBER 785 OF \$5 NOVEMBER 1979

MY TEL NO 645 ARRANGEMENTS FOR THE VISIT OF PRESIDENT GISCARD

- 1. AS ONE OR TWO QUESTIONS PUT TO MEMBERS OF THE STAFF BY MEMBERS OF THE QUAL D'ORSAY AND ELYSEE SEEM TO INDICATE THAT FRENCH AGREEMENT TO SOME OF THE ARRANGEMENTS WAS LESS FIRM THAN ! HAD BEEN GIVEN TO UNDERSTAND BY THE SECRETARY GENERAL OF THE ELYSEE, I ASKED HIM THIS EVENING IF HE COULD CLARIFY THE POSITION.
- 2. HE TOLD ME THAT A DIFFICULTY HAD ARISEN AS REGARDS THE TIME OF PRESIDENT GISCARDS'S ARRIVAL IN LONDON. THE PRESIDENT WAS GOING TO BE ABSENT FROM PARIS DURING THE WEEKEND 17/18 NOVEMBER AND NEEDED TO SPEND A SHORT TIME IN PARIS ON THE MONDAY MORNING. HE THEREFORE FELT HE WOULD BE UNABLE TO ARRIVE AT 10 DOWNING STREET BEFORE 1245 HOURS. HE MOPED THAT THIS WOULD STILL GIVE TIME FOR A SHORT TETE-A-TETE DISCUSSION WITH THE PRIME MINISTER BEFORE LUNCH. HE WOULD BE CONTENT IF THE PRIME MINISTER WERE TO GIVE THE INFORMAL LUNCH ANY FORM WHICH SHE WISHED, IE IF SHE WISHED IT TO BE A PROLONGATION OF THE INITIAL TETE-A-TETE DISCUSSION HE WOULD HAVE NO OBJECTION, HE WOULD EQUALLY HAVE NO OBJECTION IF THE PRIME MINISTER WISHED TO INCLUDE A FEW OTHERS.
- 3. AS REGARDS THE PROPOSED PARTICIPATION BY THE TWO MINISTERS OF DEFENCE, MONSIEUR WAHL SAID THAT THE THREE MINISTERS OF DEFENCE (IE INCLUDING HERR APEL) HAD AGREED AT THEIR RECENT MEETING AT HAMBURG THAT THEY WOULD MEET AGAIN IN DECEMBER AFTER THE NATO MINISTERIAL MEETING. THIS WOULD OF COURSE BE ANOTHER TRIPARTITE MEETING. M BOURGES NOW WONDERED WHETHER THERE WOULD BE MATERIAL FOR HIM TO DISCUSS WITH MR PYM ON 19/20 MOVEMBER. THE ELYSEE WOULD BE GRATEFUL TO KNOW WHETHER IT WAS STILL THE BELIEF ON THE BRITISH SIDE THAT THE PRESENCE OF THE MINISTERS OF DEFENCE ON 19/20 NOVEMBER WOULD BE DESIRABLE. / 4. I HAVE

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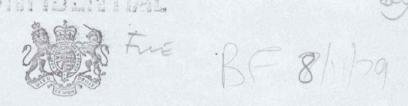
4. I HAVE AN APPOINTMENT WITH WAHL AT 1000 HOURS ON 09 NOVEMBER. IF THERE ARE ANY POINTS WHICH YOU WOULD WISH ME TO MAKE TO HIM ON THAT OCCASION IN RELATION TO THE SUMMIT I SHOULD BE GRATEFUL FOR A TELEGRAM BY THE EVENING OF 08 NOVEMBER. I CAN OF COURSE FEED INTO HIM COMMENTS ON THE ABOVE ADMINISTRATIVE POINTS OR ANY OTHERS AT ANY TIME. HIBBERT

[COPIES SENT TO NO.10 DOWNING ST]

DEPARTMENTAL DISTRIBUTION:

WED P & C D COPIES TO:
SIR J. HUNT CABINET OFFICE
PS/CHANCELLOR OF THE EXCHEQUER
PS/S OF S FOR DEFENCE
PS/S OF S FOR INDUSTRY
THE RT HON SIR P. MOORE,
KCVO, CB, CMG.
BUCKINGHAM PALACE

- 2 - CONFIDENTIAL



10 DOWNING STREET

From the Private Secretary

MR. VILL

CABINET OFFICE

ANGLO-FRENCH CONSULTATIONS: 19/20 NOVEMBER

The Prime Minister has seen your minute to me of 2 November on this subject. She has approved Annex A (except for paragraph 3) and Annex C. In relation to paragraph 3 of Annex A, the Prime Minister has asked why it is necessary to increase the frequency of Anglo-French summits to twice a year. I should be grateful for a minute setting out the case in more detail.

The Prime Minister has asked that the brief on the Community Budget should be detailed and should include background on the past net contributions of all Member States as well as on their future net contributions. She has also asked that the origin of all quotations used should be made clear.

The briefing meeting for President Giscard's visit will take place at 1615 on Thursday 15 November.

M. O'D. B. ALEXANDER

5 November 1979

PRIME MINISTER



merly s-

Giscard Visit

I have ordered you two more candlesticks 1. and they will arrive next week.

I think I have found somebody to lend us 2. marky m a lace tablecloth.

I have made various inquiries about 3. gold-plated liners and have drawn a blank, so hope you will be happy without w! _ them. 7

Ref: A0568

MR. ALEXANDER

CONFIDENTIAL (You will of comme not be expected to deal into most - or even many - of the Heims on the agenda.)

Anglo-French Consultations: 19th-20th November

President Giscard will be visiting this country on 19th-20th November for the next in the series of full-scale summit meetings which take place annually. (The Prime Minister's visit to France on 5th June was arranged to allow early contact between the two leaders following the change of Government, and, as such, was not part of the summit series). The Embassy in Paris expect President Giscard to bring with him his Prime Minister, M. Barre; his Foreign Minister, M. Francois-Poncet; his Minister of Defence, M. Bourges; and his Minister of Industry, M. Giraud. On the British side, the Prime Minister has said she wishes to be supported by the Foreign and Commonwealth Secretary; the Chancellor of the Exchequer (who is not yet, however, in a position to say whether he will be able to get back from the Finance Council in Brussels in time to meet M. Barre); and by the Secretaries of State for Defence and for Industry. It would also be desirable to engage the Secretary of State for Energy on this occasion: M. Giraud, who also acts as Minister of Energy, has specifically said that he wishes to exchange views on possible nuclear co-operation and international energy issues will also no doubt figure in the talks.

2. President Giscard is due to arrive in London on 19th November in time for a tete-a-tete discussion with the Prime Minister at No. 10 at 12 noon which will be followed by a small informal lunch. There will be a further tete-a-tete discussion during the first part of the afternoon, enlarged at half-time by the participation of the Foreign and Commonwealth Secretary and the Chancellor of the Exchequer (depending on progress at the Finance Council) with M. Barre (who will be in London for the afternoon of 19th November only) and M. Francois-Poncet. This will be followed in turn by a plenary session of talks at about 16.30 at which the Secretaries of State for Defence, Industry and Energy and their French opposite numbers - who will have separate talks

CONFIDENTIAL

during the course of the visit - would be present. The Prime Minister is to give a dinner for President Giscard at No. 10 that evening. The programme is to continue during the first part of the morning of 20th November, with a concluding tete-a-tete discussion immediately followed by a joint Press conference which would end at 11.30. This is to be followed by a call on President Giscard by the Leader of the Opposition and, to conclude his visit, The Queen has arranged to give President Giscard a private lunch at Buckingham Palace.

- 3. The following agenda has been agreed with the French:-
 - (a) European Community Issues
 - (b) International Economic and Monetary Questions
 - (c) International Energy Questions
 - (d) African Questions
 - (e) East/West Relations (including China)
 - (f) Indo-China
 - (g) Middle East
 - (h) Defence and Disarmament Issues
 - (i) Industrial Collaboration
 - (j) Bilateral Matters (including the Fontevraud Conference)
- 4. It is virtually certain that at various points on the agenda, not least under items (e) and (h) of this agenda, various aspects of United States/
 European relations will be discussed and it is therefore proposed to cover this subject in a separate brief. We shall also arrange for the Prime Minister to have a separate brief on nuclear matters.
- 5. I attach at Annexes A and B a draft of British and probable French objectives and, at Annex C, a suggested list of briefs, the preparation of which will be co-ordinated by the Cabinet Office, and which will be delivered to you in time for the Prime Minister's weekend box on Friday, 9th November.
- 6. I would be grateful if you could let me know if the Prime Minister is content.

Mir.

(M. J. Vile)



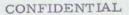
UNITED KINGDOM OBJECTIVES

- 1. To secure French acquiescence in a satisfactory outcome for the United Kingdom on the budget at the Dublin European Council.
- 2. To see whether common ground can be established with the French on other Community problems which they may raise, consistently with the maintenance of British interests.
- 3. To consolidate the good working relationship established with the French during the Prime Minister's visit to France in June and to secure President Giscard's agreement to an increase in the frequency of Anglo-French summits to twice a year, in line with arrangements with the FRG and Italy.
- 4. To exchange views on defence questions and East/West relations.
- 5. To assess the international economic and monetary situation, including North/South issues and energy.
- 6. To review the situation in Africa and to ensure that we and the French continue to see eye to eye on the problems of Southern Africa.
- 7. To review progress in the promotion of industrial collaboration between Britain and France, and to press for the removal of obstacles to British investment in France.
- 8. To obtain French agreement that any future government-supported credits for the Soviet Union should attract interest not below the internationally agreed Consensus rates.



PROBABLE FRENCH OBJECTIVES

- 1. To ensure that the summit is a success in maintaining good relations between France and Britain and, therefore, in the course of defending French interests, not to appear obstructive.
- 2. On Britain's contribution to the European Community budget, to form a judgement on how little France needs to concede and to ensure that France gets a quid pro quo for any concession.
- 3. To probe in particular the possibility of UK concessions on Fisheries, and Sheepmeat, and possibly on North Sea oil, Euratom and institutional matters.
- 4. To explore cautiously the possibilities for cooperation in the military nuclear field.



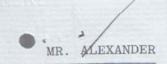
LIST OF BRIEFS

- 1. Steering Brief
- 2. European Community Questions
 - Community Steering Brief
 - EMS at contribution a work of all marks relief

 CAP

 Tisheries

 The desired of the conjunction of the conjun (ii)
 - EMS (iii)
 - (iv) CAP
 - (v) Fisheries
 - Institutions (vi)
 - (vii) Other Community Issues
- Defence, including TNF 3.
- Arms Control and Disarmament, including SALT, MBFR and EDC 4.
- 5. East/West Relations (including China)
- 6. Export Credit
- 7. International Economic and Monetary Questions
- 8. International Energy Questions
- 9. Africa
- 10. Indo-China
- Middle East 11.
- 12. Industrial Collaboration
- 13. Bilateral Matters (including the Fontevraud Conference)
- 14. France: Internal Political and Economic Scene
- 15. Relations between the United States and Europe



GISCARD VISIT: OUTSTANDING POINTS

FCO need guidance on translation requirements.

In Downing Street

Assuming the working language is English, the only problem is M. Bourges. Would the Prime Minister be happy to have any contribution he makes (a) "whisper" translated while M. Bourges speaks or (b) to have a consecutive translation for the benefit of the whole meeting?

At Millbank (or wherever the joint press conference is held)

I think we should have a French-to-English and English-to-French translator at respective ends of the platform to translate (a) any remarks in French the President or any of the French team of Ministers may make (Giscard lapsed into French at the last press conference in 1977). Would the Prime Minister agree that this would be useful? (b) to translate (whisper) for M. Bourges? All this pre-supposes that the majority of questions and answers will be in English, but in my view Giscard is certain to respond to questions from the travelling French press in French. Would the Prime Minister want whisper translation in such an eventuality or would she wait for consecutive translation for the benefit of the press and other Ministers?

Guard of Honour: Horseguards

I have passed on the Prime Minister's wish to Brenda Chaplin who is getting in touch with MOD. She did not immediately see any objection from a protocol point of view in (a) landing at Kensington (b) driving - I presume together - to Whitehall and (c) inspecting the guard.

Order of Play: Tuesday 20 November

You were going to ask the Prime Minister if she is happy with his par 1 the programme - it rends:

1000 Plenary at No. 10.

1045/50 End of Plenary as Ministers leave for Millbank(?)

1050- Tete-a-tete before departure for Millbank(?)

The last meeting would seem to serve no real purpose unless the Prime Minister and the President want some time to agree their lines for the coming press conference.

Andy.

ANDY WOOD 2 November 1979

mr. Alexander.

PRIME MINISTER

You minuted that you thought Millbank "uncosy".

However, we expect that President Giscard's visit will be covered by about 200 journalists and cameramen and, because of these numbers, we had planned on using the Millbank Cinema for the final joint press conference. The alternative - the Government Press Centre - is far too small. We will, of course, ensure that the television lights, which were so troublesome during Herr Schmidt's Press Conference, are moved up to the balcony, out of your eyeline. The security people consider Millbank an ideal venue. I hope you will agree that in all these circumstances we can plan formally on the basis of using Millbank.

S. Walnestery

PB. INGHAM

2 November, 1979

-PRESS NOTICE

At the invitation of the Prime Minister, the Rt Hon Margaret Thatcher MP, the President of the French Republic, His Excellency Monsieur Valery Giscard d'Estaing, will visit Britain on 19 and 20 November. This will be the fourth in the series of annual summit meetings foreseen in the Joint Declaration issued during President Giscard d'Estaing's State Visit to Britain in June 1976. The talks will take place at 10 Downing Street.

10 Downing Street Whitehall 30 October 1979

Note to Editors

Previous meetings took place at Rambouillet and Paris (November 1976, November 1978) and Chequers (December 1977).



Foreign and Commonwealth Office London SW1A 2AH

Telephone 01- 233 5037

M O'D B Alexander Esq No 10 Downing Street LONDON SW1 Your reference

Our reference

TXV 408/312/2

Date

26 October 1979

Dear Receie

La Phul

INTERPRETATION ARRANGEMENTS FOR THE VISIT OF THE PRESIDENT OF THE FRENCH REPUBLIC MONDAY 19 NOVEMBER AND TUESDAY 20 NOVEMBER 1979

- 1. As all the visiting French Ministers, with the exception of M. Bourges (Defence), speak good English we are working on the assumption that professional interpreters will only be required for the Plenary Session (approx 1630 on 19 November and possibly the following morning) and perhaps for the concluding Press Conference: a detailed list of events is attached.
- 2. For the Plenary Session I understand from PSA that consecutive interpretation is to be used and I should be grateful for confirmation that this is correct, as this form of interpretation is not normally popular with Ministers; on the last occasion President Giscard was here we had to arrange for simultaneous interpretation equipment to be installed at Chequers in rather a hurry. To avoid a recurrence, it would be useful to know which room at No 10 is to be used for the Plenary Session?
- 3. As Peers Carter will be abroad at the time we have arranged with the MOD that they will engage two of their regular freelance interpreters who will be able to cover the Plenary Session and the separate ministerial talks at the Ministry of Defence and the Department of Industry on 19 November as well as the Plenary meeting on 20 November if it takes place.
- 4. Do you know yet whether interpreters will be needed for the final Press Conference and whether consecutive interpretation will be used? If simultaneous is needed PSA will have to arrange for the necessary equipment to be installed at Millbank.
- 5. We should like to have a meeting very soon to discuss all the nuts and bolts for this visit. Will you be able to come to the meeting and, if so, would you like to suggest a time and date, preferably early next week, so that we can clear our own minds in advance of the visit of the French reconnaissance party the following week.

cc: PS/Secretary of State
Mr S J Hilton, WED
News Dept (Mr Knight-Smith)

Miss E B Chaplin Conference & Visits Section Protocol & Conference Dept PROVISIONAL DRAFT PROGRAMME FOR THE VISIT OF
THE PRESIDENT OF THE FRENCH REPUBLIC, 19+20 NOVEMBER 1979
AS AT 25 OCTOBER 1979

PROPOSED INTERPRETATION ARRANGEMENTS

OFFICIAL FRENCH PARTY	KNOWLEDGE OF ENGLISH	
M Valéry Giscard d'Estaing	President of the French Republic	Very Good
Mr Raymond Barre*	Prime Minister	Good
Mr Jean Francois Poncet	Minister of Foreign Affairs	Good
M Yvon Bourges	Minister of Defence	Very Little
M André Giraud	Minister of Industry	Good
H.E. M Jean Sauvagnargues GCMG	French Ambassador	Very Good
M Jacques Wahl	Secretary_General of the	Unknown

Presidency

Other Senior Officials yet to be notified.

*M Barre arrives after lunch on Monday and leaves before dinner.

Serial	No Time	Event	Place	Interpreting Requirements
Monday	19 Novembe	r		
1	1115	Arrival met by Mr du Boulay	London Heathrow Airport Southside (or Northolt)	No professional Interpreter.
2		Transit	Helicopter to Kensington Palace	No professional Interpreter.
3	1140	Arrival met by The Queen's Representative and the Prime Minister, The RE Hon Margaret Thatcher MP	Kensington Palace Landing Pad	No professional Interpreter. Sir R Hibbert, Ambassador to Paris, to be present to introduce the Prime Minister.
4		Proceed to No 10 Downing Street by Limousine		No Professional Interpreter

5	1200	Tête a Tête discussion President Giscard and Mrs Thatcher	No 10 Downing Street: Blue room?	No Professional Interpreter Private Secretaries present to interpret if required
6	1200	Other members of the French Official Party to have talks with their opposite numbers (subject to view of other ministerial Dept.	S: WS	
	(a) M Jean Francois	3-	
		Poncet and	F.C.O	
		Lord Carrington	Room. W53	(Interpreter required?)
7	(b) M Yvon Bourges and the Rt Hon Francis Pym	Ministry of Defence Main Building Secretary of State's Office	Professional Interpreter required. (MOD have engaged Mrs Dennis)
8	(c)	M. Giraudand Sir Keith Joseph	Secretary of State's Office Ashdown House	Professional Interpreter required? (Mrs Taylor?)
9	(d)	M Wahl and other officials and Cabinet Secre PUS et al?	123 Victoria St	No Professional Interpreters required.
10		Small informal lunch given by the Prime Minister, to include:	No 10 Room?	No Professional Interpreter. (Attention to be paid to placement of M Bourges)
	1	President Giscard M Francois-Ponce M Bourges M Giraud At Hon Lord Carri Rt Hon Francis Py Rt Hon Sir Keith HM Ambassador, Si French Ambassador PS to the Prime M PS to President G	ngton /m Joseph r R Hibbert M Sauvagnargues	
11	for 1315	Small informal lunch given by the PUS or Cabine Secretary to include: M Wahl and other officials.		No Professional Interpreter

•	1430	Tête à Tête discussion; President Giscard and Mrs Thatcher	No 10 Downing Street Blue Room?	No Professional Interpreter required.
	1430	Other members of the French official party to continue talks with opposite members		
13	(a)M Jean Francois- Poncet and Lord Carrington		(Interpreter required?
14	(b)M Yvon Bourges and the Rt Hon Francis Pym	Ministry of Defence Main Building Secretary of State's Office	Professional Interpreter required. (Mrs Dennis)
15	(c)M Giraud and Sir Keitn Joseph		Professional Interpreter required (Mrs Taylor?)
16	(d)M Wahl and other Officials and Cabinet Secre PUS et al?	123 Victoria St	No Professional Interpreter required.
17	1530	Tête à Tête enlarged to include: M Barre M Francois-Poncet Lord Carrington Rt Hon Sir Geoffr Howe MP?		No Professional Interpreters
18	1630	Plenary Session to include: M Bourges M Giraud Rt Hon Francis Pym Rt Hon Sir Keith Joseph M Wahl, Cabinet 8 and other French a British officials	and	Professional Interpreters: Mrs Dennis and Mrs Taylor,

6 9	2000 for 2015	Dinner (Stag) hosted by the Prime Minister for 32 people	No 10 Downing Street Room?	No Professional Interpreters. Attention to paid to placement for M Bourges.
20	2000 for	Dinner given by HMG for senior Officials hosted by Mr Bullard.	Athenaeum?	No Professional Interpreters.
Tuesday	20 Nove	ember		
21	1000?	Plenary Session	No 10 Downing Street Cabinet Room?	Professional Interpreters required:
22	1050?	Tête a Tête (President Giscard and Mrs Thatcher)	No 10 Downing Street Room?	No Professional Interpreter,
23	1055	Leave by car for Millbank Tower.		No Professional Interpreter required.
24	1100- 1130	Joint Press Conference	Millbank Tower Vickers Cinema	Is simultaneous Interpretation required? if so 2 professional Interpreters.
	-	END OF OFFICIAL PI	ROGRAMME	
25	1145	Return to the French Ambassadors Residence	58 Knightsbridge SW1X 7JT	No Professional Interpreters required.
26	1200	Call on Presidence Giscard by the Rt Hon Mr J Callaghan MR	The Residence	No Professional Interpreter required.
27	1250	Leave the Residence		No Professional Interpreter required.
28	1300	Private lunch with The Queen	Buckingham Palace	No Professional Interpreter required

1500 Departure by helicopter Palace No Professional Interpreter requ 29 Interpreter required? seen off by The Queen's Representative and by The Rt Hon Francis Pym Departure of From Heathrow 30 ? No Professional other ministers. Airport Interpreters required Seen off by Southside or Special Northolt Representative of the Secretary

of State.

C A Whitmore Esq



With

the Compliments of

Sir Frank Cooper, G.C.B., C.M.G.

Permanent Under-Secretary of State

MINISTRY OF DEFENCE SW1A 2HB

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PERMANENT UNDER-SECRETARY OF STATE
SIR FRANK COOPER GCB CMG

PUS/79/959

MINISTRY OF DEFENCE
MAIN BUILDING WHITEHALL LONDON SW1A 2HB

Telephone 01-218 2119 (Direct Dialling) 01-218 9000 (Switchboard)

Ag. Ams

23 October 1979

Sir John Hunt GCB Cabinet Office Whitehall

Vim John.

ANGLO-FRENCH CONSULTATIONS: 19/20 NOVEMBER 1979

I am content with Michael Palliser's proposals in his letter to you of 11 October.

I understand that, as was previously done in June, it is intended to cover defence equipment co-operation in brief No 11 on industrial collaboration on which the DOI will presumably lead. This is acceptable to us and we shall prepare the necessary contribution, but I think it would be helpful for there to be a short sentence for cross-reference in the defence brief (No 9). We should, of course, also like to be consulted on briefs No 6 and 10. It is interesting that the value placed on defence seems to be slightly increasing.

I am copying this letter to those who received Michael Palliser's.

FRANK COOPER

John un



10 DOWNING STREET

cc. Mrs Good shell

From the Private Secretary

SF 23. 10 79

17 October, 1979.

Anglo-French Consultations

My letter to you of 18 September dealt with the dinner which the Prime Minister will be giving for President Giscard on the evening of 19 November. It did not, however, refer to the lunch which she will also be giving for the President that day. You will wish to be aware that the Prime Minister's intention is to have a small working lunch which would be attended by herself, President Giscard, by the three Ministers involved on each side, and, subject to your views, by the two Ambassadors. One Private Secretary on each side will bring the total to 12.

I should be grateful if you could let me know as soon as possible whether you would see any difficulty in the proposal that the Ambassadors, rather than some other senior officials, should be present.

M. O'D. B. ALEXANDER

Paul Lever, Esq., Foreign and Commonwealth Office.

& Chan



Sir Peter Carey KCB
Permanent Secretary

Sir Michael Palliser GCMG Foreign and Commonwealth Office Downing Street LONDON SW1 DEPARTMENT OF INDUSTRY

ASHDOWN HOUSE 123 VICTORIA STREET LONDON SW1E 6RB

Direct Line 01-212 7003 Switchboard 01-212 7676

16 October 1979

Phul

Dow muchael,

ANGLO-FRENCH CONSULTATIONS: 19-20 NOVEMBER

I agree with the proposal in your letter of 11 October that the briefing for the Anglo-French Summit should be co-ordinated by the Cabinet Office. Given that the French side will be fielding their Industry Minister I would think it likely that among their objectives will be the desire to bring home to us their ideas about the risks of Japanese penetration of the European Market. We will ensure that Sir Keith Joseph is briefed to cover this point which he has already discussed in his bilateral talks with M Giraud.

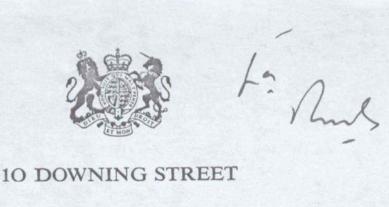
From our side we think that the UK objective No 7 should be more specifically addressed to our desire to see the French take steps to improve the climate of confidence in which industrial investment can take place. As you know we have on our books a number of cases where the French are blatently blocking British industrial initiatives in France. We would want Sir Keith to raise this topic with M Giraud during their bilateral sessions.

I have no comments on the list of briefs.

I am copying this letter to the recipients of yours.

your ever,

Peter Carey



16 October, 1979

Dear Tom,

Visit of President Giscard

I was glad to have your confirmation that the cinema at Millbank will be available on Tuesday, 20 November for the joint press conference to be given by the Prime Minister and President Giscard.

The conference is timed for 1100 to 1130 that day.

I will be in touch later about translation requirements, a platform seating plan and the accreditation procedure.

ANDY WOOD

Tom Rickett, Esq.
Press Officer,
National Economic Development
Office.

- cc. Michael Alexander Ian Knight Smith, Press Facilities Unit. Christine Joynes, Protocol and Conference FCO MR. ALEXANDER

Dinner for the French President

I attach a draft guest list for the Dinner for the French President. I understand that Mr. Thatcher will be attending this Dinner. (Lord Trevor-Roper's name is now on the Supplementary List).

A member of the Royal Family to be invited?

Sue Goodskild

16 October 1979



H M Treasury

Parliament Street London SWIP 3AG

Switchboard 01-233 3000 Direct Dialling 01-233 3620

Sir Douglas Wass KCB Permanent Secretary

> Martin Vile Esq Private Secretary to Sir John Hunt GCB Cabinet Office Whitehall LONDON SWIA 2AS

16 October 1979

Dear Montin,

Sir Michael Palliser copied to Sir Douglas Wass his letter of M October to Sir John Hunt about the forthcoming discussions between the Prime Minister and President Giscard d'Estaing.

Annex A to this letter includes - (item 8) - the objective of obtaining French agreement that any future Government-supported credits for the Soviet Union should attract interest not below the international agreed Consensus rates.

But there is no corresponding brief in Annex C. I am sure you will agree that there should be. It would be for the Department of Trade and ECGD to be responsible for providing this, but we should like it to be prepared in consultation with the Treasury.

I am sending copies of this letter to the recipients of Sir Michael Palliser's letter. You will no doubt bring Sir Kenneth Clucas in at the next stage.

J M G TAYLOR

Toms smerely

Frace



Foreign and Commonwealth Office

London SW1A 2AH

11 October 1979

Sir John Hunt GCB CABINET OFFICE And Wx

Lear John,

ANGLO-FRENCH CONSULTATIONS: 19/20 NOVEMBER

- 1. President Giscard will be visiting this country on 19/20
 November for the next in the series of full-scale summit meetings
 which take place annually. (The Prime Minister's visit to France
 on 5 June was arranged to allow early contact between the two
 leaders following the change of Government, and, as such, was not part
 of the summit series.) The Embassy in Paris expect President
 Giscard to bring with him his Prime Minister, M. Barre; his
 Foreign Minister, M. François-Poncet; his Minister of Defence,
 M. Bourges; and his Minister of Industry, M. Giraud. On the
 British side, the Prime Minister has said she wishes to be
 supported by the Foreign and Commonwealth Secretary; the
 Chancellor of the Exchequer (who is not yet, however, in a
 position to say whether he will be able to get back from the
 Finance Council in Brussels in time to meet M. Barre); and by
 the Secretaries of State for Defence and for Industry.
- President Giscard is due to arrive in London on 19 November in time for a tête-à-tête discussion with the Prime Minister at No 10 at 12 noon which will be followed by a small informal lunch. There could be a further tête-à-tête discussion during the first part of the afternoon, enlarged at half-time by the participation of the Foreign and Commonwealth Secretary and the Chancellor of the Exchequer (depending on progress at the Finance Council) with M. Barre (who will be in London for the afternoon of 19 November only) and M. François-Poncet. This could be followed in turn by a plenary session of talks at about 1630 at which the Secretaries of State for Defence and for Industry and their French opposite numbers - who will have separate talks during the course of the visit - would be present. The Prime Minister is to give a dinner for President Giscard at No 10 that evening. The programme is to continue during the first part of the morning of 20 November, with a concluding tête-à-tête discussion immediately followed by a joint press conference which would end at 1130. This is to be followed by a call on President Giscard by the Leader of the Opposition and, to conclude his visit, The Queen has arranged to give President Giscard a private lunch at Buckingham Palace.
- 3. The following agenda has been agreed with the French:
 - (a) European Community issues



- International economic and monetary questions
- International energy questions (c)
- (d) African questions
- East/West relations (including China) (e)
- (f) Indo China
- Middle East (g)
- (h) Defence and disarmament issues
- (i) Industrial collaboration
- Bilateral matters (including the Fontevraud Conference) (j)
- It is virtually certain that at various points on the agenda, not least under items (e) and (h) of this agenda, various aspects of US/European relations will be discussed and we are therefore proposing to cover this subject in a separate brief. We shall also need to cover rather carefully the defence matter that was mentioned briefly at your meeting on 10 October.
- 5. I attach at Annexes A and B our draft assessment of British and probable French objectives and at Annex C, a suggested list of briefs, the preparation of which might, if you and the other recipients of this letter agree, be coordinated by the Cabinet Office.

Michael Palliser

cc: Sir Douglas Wass KCB, HM Treasury

Sir Frank Cooper GCB CMG, MOD

B D Hayes Esq CB, MAFF Sir Jack Rampton KCB, Department of Energy Sir Peter Carey KCB, DOI

C A Whitmore Esq, No 10

CONFIDENTIAL

ANNEX A

UK OBJECTIVES

- 1. To secure French acquiescence in a satisfactory outcome for the UK on the budget at the Dublin European Council.
- 2. To see whether common ground can be established with the French on other Community problems which they may raise, consistently with the maintenance of British interests.
- 3. To consolidate the good working relationship established with the French during the Prime Minister's visit to France in June and to secure President Giscard's agreement to an increase in the frequency of Anglo-French summits to twice a year, in line with arrangements with the FRG and Italy.
- 4. To exchange views on defence questions and East-West relations.
- 5. To assess the international economic and monetary situation, including North/South issues and energy.
- 6. To review the situation in Africa and to ensure that we and the French continue to see eye to eye on the problems of Southern Africa.
- 7. To review progress in the promotion of industrial collaboration between Britain and France.
- 8. To obtain French agreement that any future government-supported credits for the Soviet Union should attract interest not below the internationally agreed Consensus rates.

ANNEX B

PROBABLE FRENCH OBJECTIVES

- 1. To ensure that the summit is a success in maintaining good relations between France and Britain and, therefore, in the course of defending French interests, not to appear obstructive.
- 2. On Britain's contribution to the European Community budget, to form a judgement on how little France needs to concede and to ensure that France gets a quid pro quo for any concession.
- 3. To probe in particular the possibility of UK concessions on Fisheries, and Sheepmeat, and possibly on North Sea oil, Euratom and institutional matters.
- 4. To explore cautiously the possibilities for cooperation in the military nuclear field.

ANNEX C

LIST OF BRIEFS

- 1. Steering Brief
- 2. European community questions
 - (i) Community Steering Brief
 - (ii) Budget
 - (iii) EMS
 - (iv) CAP
 - (v) Fisheries
 - (vi) Institutions
- 3. International economic and monetary questions
- 4. International energy questions
- 5. Africa
- 6. East/West relations (including China)
- 7. Indo-China
- 8. Middle East
- 9. Defence, arms control and disarmament
- 10. Relations between the United States and Europe
- 11. Industrial collaboration
- 12. Bilateral matters (including the Fontevraud Conference)
- 13. France: Internal political and economic scene

PRIME MINISTER

Visit of President Giscard

I should be grateful for guidance on one point about the programme for President Giscard's visit. The programme envisages your giving the President an informal lunch at No. 10 on the first day of the visit. The lunch will be sandwiched between two sessions of tête-a-tête talks.

There seem to me to be four possible formats for the lunch:-

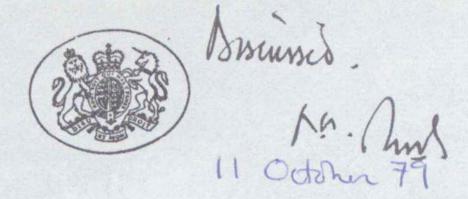
- a) A lunch limited to yourself, President Giscard and Private Secretaries;
- b) A working lunch including, in addition to yourself and President Giscard, two Foreign Ministers, two Ambassadors, two Private Secretaries, Sir Robert Armstrong and Sir Michael Palliser, ie ten people in all;
- c) A lunch for twelve including the three Ministers involved on each side (Foreign Affairs, Defence and Industry) plus Private Secretaries and the two Ambassadors (or some other senior official);
 - d) A larger lunch including the official teams of both sides.

My own inclination would be to go for the second of the above options. You will be spending a good deal of the day tête-a-tête with President Giscard and may not want to spend lunch in the same format. A working lunch with the Foreign Affairs specialists might be more productive than a lunch with the various Ministers.

(c)

Pms

m.



With the compliments of

PROTOCOL AND CONFERENCE DEPARTMENT

VISITS SECTION

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FOREIGN AND COMMONWEALTH OFFICE LONDON, SW1A 2AH MEGEIVED IN REGIOTRY No. 18

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TO IMMEDIATE FCO
TELEGRAM NUMBER 683 OF 10 OCTOBER 1979

WED News D PS PS | LPs PS | Pus Mr Bullard Mr Feigunon

UK/FRANCE CONSULTATIONS: 19/20 NOVEMBER

1. THE CHIEF OF PROTOCOL, JEAN-BERNARD MERIMEE HAS ASKED WHETHER IT WOULD BE POSSIBLE TO MAKE A RECONNAISSANCE VISIT TO LONDON ON 30 OCTOBER TO PREPARE FOR PRESIDENT GISCARD'S VISIT THE FOLLOWING MONTH. MERIMEE EXPECTS TO BE ABLE TO ARRIVE AND LEAVE WITHIN THE DAY. HE IS LIKELY TO BE ACCOMPANIED BY:

M DES LYONS (PROTOCOL, PRESIDENCY)
ONE OR TWO MEMBERS OF THE VOYAGES OFFICIELS
AIDE-DE-CAMP FROM THE PRESIDENCY
PRESS OFFICIAL
TV REPRESENTATIVE

2. WE SHOULD BE GRATEFUL TO KNOW IF 30 OCTOBER WOULD BE CONVENIENT. IF NOT, COULD YOU PLEASE SUGGEST ALTERNATIVE DATES?

NNNN

France

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FM PARIS 011545Z OCT 79
TO IMMEDIATE F C 0
TELEGRAM NUMBER 647 OF 1 OCTOBER 1979

Fa Ams

MY TELNO 645 # ANGLO/FRENCH CONSULTATIONS

1. THE ELYSEE CONFIRMED THIS MORNING THAT M BARRE WILL BE ABLE TO FLY TO LONDON FOR A FEW HOURS ON THE AFTERNOON OF 19 NOVEMBER.

HIBBERT

[COPIES SENT TO NO 10 DOWNING STREET]

DEPARTMENTAL DISTRIBUTION

WED

COPIES TO
SIR J HUNT CABINET OFFICE
PS/CHANCELLOR OF THE EXCHEQUER
PS/S OF S FOR DEFENCE
PS/S OF S FOR INDUSTRY
SIR P MOORE KCVO CB CMG
BUCKINGHAM PALACE

CONFIDENTIAL

SRS 140 CONFIDENTIAL FM PARIS 010935Z OCT 79 TO IMMEDIATE FCO TELNO 645 OF 1 OCTOBER 1979.

L'a Pans

MY TELNO 631 : ANGLO-FRENCH CONSULTATIONS.

THE SECRETARY GENERAL OF THE ELYSEE HAS INFORMED ME THAT ALL THE PROPOSALS FOR THE AGENDA AND OTHER ARRANGEMENTS WHICH I PUT TO HIM ON 25 SEPTEMBER ARE ACCEPTABLE TO PRESIDENT GISCARD.

2. IT APPEARS THAT THERE IS STILL SOME UNCERTAINTY ABOUT MONSIEUR BARRE'S COMMITMENTS ON 19 NOVEMBER. IT IS THEREFORE NOT ALTOGETHER CERTAIN THAT HE WILL BE ABLE TO FLY TO LONDON FOR A COUPLE OF HOURS OR SO ON THE AFTERNOON OF THAT DAY, ALTHOUGH IT IS HOPED THAT HE WILL BE THERE. I SHALL PRESS FOR CLARIFICATION OF THIS POINT IN A FEW DAYS TIME.

3. THE PRESIDENT OF THE REPUBLIC IS VERY GRATEFUL FOR HER MAJESTY'S THE QUEEN'S INVITATION TO HIM TO LUNCH WITH HER PRIVATELY ON 20 NOVEMBER. COMMA NOTE THIS IS A MISSING TOL

REPERTED AT OUR REQUEST COPIES SENT TO NOTO DOWNING ST

DEPRETMENTAL DIST: WED PCD

HIBBERT.

COPIES TO:

SIR IT HUNT CABINGT OFFICE PSI CHANGGLIDE OF THE Excusouss

PSISOS FOR DEFENCE PS SOFS FOR INDUSTRY SIR P MOORE KEVO CO CNG

BUCKINGHAM PALACE

CONFIDENTIAL

James



Foreign and Commonwealth Office

London S.W.1

1 October 1979

to Pauls

Dear Martin,

Anglo-French Consultations

Thank you for your letter of 24 September. I am sorry that you were not consulted before the despatch of FCO telegram No 360 to Paris. We should of course have checked with you before appearing to commit the Chancellor to taking part in the Anglo/French consultations on 19 November: I apologise for our oversight in not doing so. We have subsequently instructed our Embassy in Paris to make it clear to the French that it is doubtful whether the Chancellor will in fact be able to be present.

The part of the talks for which it had been envisaged that the French Prime Minister and the Chancellor of the Exchequer might attend is likely to begin mid-way through the afternoon of 19 November (M. Barre will arrive from Paris after lunch and return in the evening). Perhaps you could let us know in due course if the timing of the Finance Council offers any prospect of the Chancellor of the Exchequer returning to London in time?

I am sending copies of this letter to Michael Alexander (No 10) and Martin Vile (Cabinet Office).

Yours wa

(P Lever)

Private Secretary

M A Hall Esq MVO PS/Chancellor of the Exchequer Treasury Chambers Parliament Street LONDON SW1 GRS 100

CONFIDENTIAL

FM PARIS 251400Z SEP 79

TO ROUTINE FCO

TELEGRAM NO 631 OF 25 SEP

CONFIDENTIAL

La Roma

YOUR TEL NO 360 18.9 ANGLO FRENCH CONSULTATIONS

- THIS MORNING I WENT OVER WITH SECRETARY GENERAL OF THE ELYSEE
 THE PROGRAMME PROPOSED FOR THE MEETING BETWEEN THE PRIME MINISTER
 AND THE PRESIDENT ON 19 AND 20 NOVEMBER AND I PUT TO HIM THE AGENDA
 AND OTHER POINTS IN YOUR TELEGRAM UNDER REFERENCE. I ALSO
 MENTIONED TO HIM THE DINNER PLANNED FOR 19 NOVEMBER (YOUR TEL NO 361)
 AND THE LEADER OF THE OPPOSITION'S WISH TO MEET PRESIDENT GISCARD
 (YOUR TEL NO 375)
- 2. WAHL APPEARED TO FIND ALL OF THIS WELCOME, TOOK CAREFUL NOTE AND SAID HE WOULD REPORT AT ONCE TO PRESIDENT GISCARD.
 HIBBERT

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SIR P. MOORE KCVO, CB, CMG
BUCKINGHAM PALACE

CONFIDENTIAL

CONFIDENTIAL



France

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

24 September, 1979

Der Parl,

49. Pml 24/9

ANGLO-FRENCH CONSULTATIONS

We discussed last Friday FCO Telegram No.360 to Paris of 18th September. I confessed to some amazement that the instructions had been sent to Paris without any consultation with the Treasury either about the Agenda or the availability of the Chancellor. As I mentioned to you, the last Finance Council before the Dublin Summit is scheduled for 19th November, and the Chancellor feels that he must attend it. We do not, of course, yet know the timing or Agenda for the Finance Council, so that it is impossible to say at this stage what time the Chancellor will be able to return from Brussels. But it is quite certain that he will not be available in the morning of 19th November or for the greater part of the afternoon.

I am copying this letter to Michael Alexander and Martin Vile.

Your ever,

1000

M.A.HALL

P. Lever, Esq.,
PS/Secretary of State for
Foreign & Commonwealth Affairs.

CPS 200 CONFIDENTIAL CONFIDENTIAL FM F C O 181700Z SEP 79 AMENDED DISTRIBUTION - 19 SEPTEMBER 1979 O ROUTINE PARIS TELEGRAM NO 360 OF 18 SEPTEMBER YOUR TEL NOS 539 AND 548: ANGLO/FRENCH CONSULTATIONS 1. PLEASE NOW PUT TO THE FRENCH THE FOLLOWING OUTLINE AGENDA FOR THE MEETING ON 19 AND 20 NOVEMBER: (A) COMMUNITY ISSUES (B) INTERNATIONAL ENERGY QUESTIONS (C) INTERNATIONAL ECONOMIC AND MONETARY QUESTIONS (D) AFRICAN QUESTIONS (E) EAST/WEST RELATIONS (F) MIDDLE EAST (G) INDO CHINA (H) DEFENCE AND DISARMAMENT ISSUES (1) INDUSTRIAL COLLABORATION (J) BILATERAL MATTERS (INCLUDING THE FONTEVRAUD CONFERENCE) 2. THE PRIME MINISTER AGREES, IN THE LIGHT OF THE PROPOSED AGENDA, THAT IT WOULD BE APPROPRIATE FOR THE SECRETARIES OF STATE FOR DEFENCE AND FOR INDUSTRY TO HAVE TALKS WITH THEIR FRENCH OPPOSITE NUMBERS DURING THE COURSE OF THE VISIT AND FOR BOTH THEM AND THEIR FRENCH COLLEAGUES TO PARTICIPATE IN THE PLENARY SESSION. LORD CARRINGTON HOPES THAT M. FRANCOIS-PONCET WILL BE AVAILABLE FOR TALKS WITH HIM WHILE THE PRIME MINISTER AND PRESIDENT GISCARD ARE MEETING TETE-A-TETE. THE CHANCELLOR OF THE EXCHEQUER WOULD ATTEND ANY SESSIONS AT WHICH M. BARRE WAS PRESENT. 3. YOU MAY INFORM THE ELYSEE THAT THE QUEEN WILL BE PLEASED TO OFFER PRESIDENT GISCARD A PRIVATE LUNCH, TETE-A-TETE, AT BUCKINGHAM. · PALACE ON 20 NOVEMBER. CARRINGTON [COPIES SENT TO NO 10 DOWNING STREET] DEPARTMENTAL DISTRIBUTION COPIES TO WED SIR J HUNT CABINET OFFICE PCD PS/CHANCELLOR OF EXCHEQUER PS/S OF S FOR DEFENCE PS/S OF S FOR INDUSTRY SIR P MOORE KCVO CB CMG BUCKINGHAM PALACE CONFIDENTIAL

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10 DOWNING STREET

From the Private Secretary

18 September 1979

Visit of President Giscard

You wrote to me on 13 September enclosing a draft telegram to Paris about the visit of President Giscard. I enclose a slightly redrafted version of the text which can now be despatched.

As you will be aware from Bryan Cartledge's letter to Stephen Wall of 22 August, the Prime Minister wishes to give a dinner for President Giscard here at No. 10 on the evening of 19 November. The Prime Minister envisages this as a dinner, without spouses, for 32 people. She is anxious that particularly careful attention should be given to the guest list. She has a number of ideas of her own as to who should attend. (The Prime Minister would like the list to include the names of prominent figures in the worlds of industry, commerce and economic studies. She does not on this occasion wish to include representatives of the arts.) It would be helpful therefore to have your own suggestions for the guest list rather earlier than usual. I should be grateful if you could arrange for them to reach me by Monday 8 October.

As regards the briefing, it would be helpful if this could reach me by close of play on Tuesday 13 November. I should stress that the Prime Minister still regards the briefing that she receives as too discursive. I should be grateful if particular attention could be given to the steering brief which should bring out even more clearly than at present the points that it is hoped the Prime Minister might get across.

I am sending a copy of this letter to Martin Vile (Cabinet Office).

Paul Lever Esq Foreign and Commonwealth Office

CONFIDENTIAL

PRIME MINISTER

1, 1

MEETING WITH PRESIDENT GISCARD

President Giscard has now agreed the dates of 19/20 November for his visit to London.

The Queen has agreed to give President Giscard a private lunch, tete-a-tete, at Buckingham Palace on 20 November, i.e. immediately after the official part of the visit has ended.

The French side have suggested that the Ministers of Defence and of Industry should participate in the meeting at some stage. The Foreign and Commonwealth Secretary recommends that you should agree that Mr. Pym and Sir Keith Joseph should have separate talks with their opposite numbers and participate in the plenary session, primarily to report on the outcome of their bilaterals. M. Barre, whose primary concern as Prime Minister of France is with economic affairs, will be in London for the first part of the visit. The Foreign and Commonwealth Secretary thinks, therefore, that it would be appropriate for the Chancellor of the Exchequer to attend any session at which M. Barre was present. Finally, Lord Carrington proposes to invite M. Francois-Poncet to meet with him while you are seeing President Giscard tete-a-tete.

I attach a draft telegram summarising the above. Can it be despatched?

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14 September 1979

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Distribution:		[TEXT]					
		Your Tel Nos. 539 and 548: Anglo/French Consultations					
		agenda for th	ne meeting on 19	ench the following outline and 20 November:			
	(a) Community Issues (b) International Energy Questions						
				and Monetary Questions			
			Questions	and monetary questions			
			st Relations				
Copies to:-		(f) Middle 1					
		(g) Indo China (h) Defence and Disarmament Issues					
			ial Collaboration				
		Conferen		uding the Fontevraud			
		Conferen					

- 2. The Prime Minister agrees, in the light of the proposed agenda, that it would be appropriate for the Secretaries of State for Defence and for Industry to have talks with their French opposite numbers during the course of the visit and for both them and their French colleagues to participate in the plenary session. Lord Carrington hopes that M. Francois-Poncet will be available for talks with him while the Prime Minister and President Giscard are meeting tete-a-tete. The Chancellor of the Exchequer would attend any sessions at which M. Barre was present.
- 3. You may inform the Elysee that The Queen will be pleased to offer President Giscard a private lunch, tete-a-tete, at Buckingham Palace on 20 November.



Foreign and Commonwealth Office

London SW1A 2AH

13 September 1979

Dear Michael,

Anglo/French Consultations

You will have seen Paris telegrams 548 and 570 (copies attached) about the next round of Anglo/French consultations. and have noted the French suggestion that the Ministers of Defence and of Industry should participate in the meeting at some stage. The Foreign and Commonwealth Secretary considers, in view of the likely agenda, that it would be appropriate for Mr Pym and Sir Keith Joseph to be present at the plenary sessions and to have separate talks with their opposite numbers. Lord Carrington also considers that the Chancellor of the Exchequer's presence at the talks will be desirable; in a sense, he can be regarded as the counterpart of M Barre, whose primary concern as Prime Minister is with economic affairs. Lord Carrington proposes to invite M Francois-Poncet to the Foreign and Commonwealth Office for discussions while the Prime Minister is seeing President Giscard tete-a-tete.

I understand that The Queen has agreed to give a private lunch for President Giscard at Buckingham Palace on 20 November.

I attach a draft telegram to Paris which incorporates the points above and includes our suggestions for the agenda. I should be grateful to know whether it may be despatched.

Yours was

P Lever

Private Secretary

M O'D B Alexander Esq 10 Downing Street GRS 235
CONFIDENTIAL

M PARIS 301458Z AUG 79
TO PRIORITY F C 0
TELEGRAM NUMBER 548 OF 30 AUGUST 1979

MY TEL NO 539 : ANGLO-FRENCH CONSULTATIONS

THE SECRETARY-GENERAL OF THE ELYSEE TOLD ME TODAY THAT PRESIDENT GISCARD ACCEPTS THE PROPOSAL FOR A MEETING IN LONDON ON 19 AND 20 NOVEMBER. HE ACCEPTS ALL THE POINTS MADE IN YOU TEL NO 321.

- 2. THERE IS A POSSIBLE COMPLICATION ABOUT MONSIEUR BARRE AS HE HAS ALREADY INVITED THE HUNGARIAN PRIME MINISTER TO VISIT HIM IN PARIS ON THAT DAY. WAHL SAID THAT IT COULD PROBABLY BE ARRANGED FOR M BARRE TO FLY OVER TO LONDON FOR, SAY, THE AFTERNOON SESSION IN WHICH HE WOULD BE INVOLVED AND TO FLY BACK TO FRANCE IMMEDIATELY AFTERWARDS. DETAILS OF THIS ARRANGEMENT COULD BE CONSIDERED LATER.
- 3. WAHL ASKED WHETHER IT IS INTENDED TO MAKE ANY PROPOSALS FOR THE PARTICIPATION OF MINISTERS OTHER THAN THOSE MENTIONED IN YOUR TEL NO 321. HE COMMENTED THAT THE FIELDS IN WHICH THE FRENCH GOVERNMENT WERE HOPING TO BE ABLE TO DEVELOP COOPERATION WITH THE UNITED KINGDOM WERE INDUSTRY AND DEFENCE PROCUREMENT. THERE COULD BE AN INTEREST IN HAVING THE MINISTERS OF DEFENCE AND INDUSTRY TAKE PART IN THE MEETING AT SOME STAGE. I SAID THAT I WOULD SEEK CLARIFICATION ON THIS QUESTION.
- 4. WAHL DID NOT REVERT TO THE POSSIBILITY OF PRESIDENT GISCARD BEING RECEIVED BY H M THE QUEEN. MY READING IS THAT HE IS ASSUMING THAT THE IDEA IS BEING PURSUED IN LONDON AND THAT HE WILL RECEIVE A REPLY ON THIS POINT IN DUE COURSE.

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FM PARIS 081010Z SEPT 79
TO PRIORITY FCO
TELEGRAM NO 570 OF 08 SEPT

MY TEYVM 548. ANGLO- FRENCH CONSULTATIONS

WHEN I SAW WAHL AT THE END OF THE WEEK ON OTHER BUSINESS HE REFERRED TO OUR CONVERSATION ON 30 AUGUST REPORTED IN MY TELEGRAM UNDER REFERENCE AND SAID THAT THE FRENCH SIDE LOOKED FORWARD TO RECEIVING PROPOSALS FROM LONDON AS REGARDS THE TOPICS WHICH, SHOULD BE DISCUSSED AT THE BILATERAL CONSULTATIONS IN NOVEMBER AND THE OTHER MINISTERS WHO SHOULD BE INVITED TO BE PRESENT WITH THE PRIME MINISTER AND PRESIDENT.

2. I NOTE THAT PARA 1 OF YOUR TEL NO 321 ENVISAGES THAT THE AFTERNOON TETE-A-TETE SESSION WOULD BE ENLARGED HALF WAY THROUGH BY YOUR PARTICIPATION ON THE UK SIDE AND BY THE PARTICIPATION OF M. BARRE OR (REPEAR OR) M. FRANCOIS PONCET ON THE FRENCH SIDE. THE FOLLOWING SENTENCE ENVISAGES A PLENARY SESSION THEREAFTER BUT DOES NOT INDICATE WHO MIGHT BE INCLUDED IN THIS PLENARY SESSION, AND THERE IS NO MENTION OF ANY MEETINGS BETWEEN OTHER MINISTERS ON EITHER 19 OR 20 NOVEMBER. YOU WILL BE AWARE FROM MY TEL NO 548 THAT M. BARRE WILL BE ABLE TO BE IN LONDON ONLY VERY BRIEFLY ON THE AFTERNOON OF 19 NOVEMBER. IT APPEARS TO BE ASSUMED THAT THE FRENCH SIDE THAT M. FRANCOIS PONCET WILL BE IN LONDON FOR THE WHOLE MEETING. I SHOULD BE GRATEFUL FOR GUIDANCE AS TO YOUR WISHES REGARDING TALKS BETWEEN YOU AND M. FRANCGIS PONCET ON THAT OCCASION AND AS TO THE PRIME MINISTER'S WISHES REGARDING PARTICIPATION BY OTHER MINISTERS. HIBBERT

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File No	
Department	WED
Drafted by (Block Capitals)	S J HILTON

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Precedence

IMMEDIATE Tel. Extn 233 4506 DESKBYZ FOR COMMS. DEPT. (Date) Despatched POSTBY USE PREAMBLE (Restrictive Prefix)..... (Caveat/ (Codeword)..... (Deskby) (precedence) (post) AND TO (precedence/post) REPEATED TO (for info)

Distribution:-

Departmental WED

(TEXT)

SAVING TO (for info).....

YOUR TEL NOS 539 AND 548: ANGLO/FRENCH CONSULTATIONS

- 1. Please now put to the French the following outline agenda for the meeting on 19 and 20 November:
- (a) Community Issues
- (b) International Energy Questions
- (c) International Economic and Monetary Questions
- (d) African Questions
- (e) East/West Relations
- (f) Middle East
- (g) Indo China
- (h) Defence and Disarmament Issues
- (i) Industrial Collaboration
- (j) Bilateral Matters (including the Fontevraud Conference)
- 2. As regards Ministerial participation at the talks, The Prime Minister agrees, in the light of the proposed agenda, that it

Copies to:10 Downing Street
PS/Chancellor of the

Exchequer
PS/Secretary of State
for Defence
PS/Secretary of State

for Industry Sir P Moore Buckingham Palace would be appropriate for the Secretaries of State for Defence and for Industry, together with their French opposite numbers. to participate in the plenary sessions and to have to the French Colleger to separate talks during the course of the visity Similarly Lord Carrington hopes that M François-Poncet will be available for talks with him while the Prime Minister and President Giscard are meeting tête-à-tête. The Chancellor of the Exchequer would attend any sessions at which M Barre was present.

3. You may inform the Elysée that The Queen world be pleased to offer President Giscard a private lunch at Buckingham Palace on 20 November.

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PARIS 081010Z SEPT 79

TO PRIORITY FCO

TELEGRAM NO 570 OF 08 SEPT

MY TEYVM 548. ANGLO- FRENCH CONSULTATIONS

WHEN I SAW WAHL AT THE END OF THE WEEK ON OTHER BUSINESS HE REFERRED TO OUR CONVERSATION ON 30 AUGUST REPORTED IN MY TELEGRAM UNDER REFERENCE AND SAID THAT THE FRENCH SIDE LOOKED FORWARD TO RECEIVING PROPOSALS FROM LONDON AS REGARDS THE TOPICS WHICH SHOULD BE DISCUSSED AT THE BILATERAL CONSULTATIONS IN NOVEMBER AND THE OTHER MINISTERS WHO SHOULD BE INVITED TO BE PRESENT WITH THE PRIME MINISTER AND PRESIDENT.

2. I NOTE THAT PARA 1 OF YOUR TEL NO 321 ENVISAGES THAT THE AFTERNOON TETE-A-TETE SESSION WOULD BE ENLARGED HALF WAY THROUGH BY YOUR PARTICIPATION ON THE UK SIDE AND BY THE PARTICIPATION OF M. BARRE OR (REPEAR OR) M. FRANCOIS PONCET ON THE FRENCH SIDE. THE FOLLOWING SENTENCE ENVISAGES A PLENARY SESSION THEREAFTER BUT DOES NOT INDICATE WHO MIGHT BE INCLUDED IN THIS PLENARY SESSION, AND THERE IS NO MENTION OF ANY MEETINGS BETWEEN OTHER MINISTERS ON EITHER 19 OR 20 NOVEMBER. YOU WILL BE AWARE FROM MY TEL NO 548 THAT M. BARRE WILL BE ABLE TO BE IN LONDON ONLY VERY BRIEFLY ON THE AFTERNOON OF 19 NOVEMBER. IT APPEARS TO BE ASSUMED THAT THE FRENCH SIDE THAT M. FRANÇOIS PONCET WILL BE IN LONDON FOR THE WHOLE MEETING. I SHOULD BE GRATEFUL FOR GUIDANCE AS TO YOUR WISHES REGARDING TALKS BETWEEN YOU AND M. FRANCOIS PONCET ON THAT OCCASION AND AS TO THE PRIME MINISTER'S WISHES REGARDING PARTICIPATION BY OTHER MINISTERS. HIBBERT

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FM PARIS 301458Z AUG 79

TO PRIORITY F C O

TELEGRAM NUMBER 548 OF 30 AUGUST 1979

MY TEL NO 539 : ANGLO-FRENCH CONSULTATIONS

THE SECRETARY-GENERAL OF THE ELYSEE TOLD ME TODAY THAT PRESIDENT GISCARD ACCEPTS THE PROPOSAL FOR A MEETING IN LONDON ON 19 AND 20 NOVEMBER. HE ACCEPTS ALL THE POINTS MADE IN YOU TEL NO 321.

- 2. THERE IS A POSSIBLE COMPLICATION ABOUT MONSIEUR BARRE AS HE HAS ALREADY INVITED THE HUNGARIAN PRIME MINISTER TO VISIT HIM IN PARIS ON THAT DAY. WAHL SAID THAT IT COULD PROBABLY BE ARRANGED FOR M BARRE TO FLY OVER TO LONDON FOR, SAY, THE AFTERNOON SESSION IN WHICH HE WOULD BE INVOLVED AND TO FLY BACK TO FRANCE IMMEDIATELY AFTERWARDS. DETAILS OF THIS ARRANGEMENT COULD BE CONSIDERED LATER.
- 3. WAHL ASKED WHETHER IT IS INTENDED TO MAKE ANY PROPOSALS FOR THE PARTICIPATION OF MINISTERS OTHER THAN THOSE MENTIONED IN YOUR TEL NO 321. HE COMMENTED THAT THE FIELDS IN WHICH THE FRENCH GOVERNMENT WERE HOPING TO BE ABLE TO DEVELOP COOPERATION WITH THE UNITED KINGDOM WERE INDUSTRY AND DEFENCE PROCUREMENT. THERE COULD BE AN INTEREST IN HAVING THE MINISTERS OF DEFENCE AND INDUSTRY TAKE PART IN THE MEETING AT SOME STAGE. I SAID THAT I WOULD SEEK CLARIFICATION ON THIS QUESTION.
- 4. WAHL DID NOT REVERT TO THE POSSIBILITY OF PRESIDENT GISCARD BEING RECEIVED BY H M THE QUEEN. MY READING IS THAT HE IS ASSUMING THAT THE IDEA IS BEING PURSUED IN LONDON AND THAT HE WILL RECEIVE A REPLY ON THIS POINT IN DUE COURSE.

DEPARTMENTAL D WED

PS/NO 10 DOWNING ST

PS/Nº 10 Downing St.

CRS 40

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FM PARIS 241415Z AUG 79

TO IMMEDIATE FCO

TELEGRAM NO 539 OF 24 AUG

CONFIDENTIAL

Johnson France.

YOUR TEL NO 321: ANGLO-FRENCH CONSULTATIONS

1. MINISTER SPOKE TODAY AS INSTRUCTED TO ROBIN, DIPLOMATIC COUNCELLOR AT THE ELYSEE. ROBIN SAID THAT HE WOULD TRY TO LET US HAVE A REPLY AS SOON AS POSSIBLE.

HIBBERT

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Additioned Dish & stat.
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- k.s. Puns - 31/8

CONFIDENTIAL COMMON France Rates Ma 6 Km - 823/8 GR 270 CON DENTIAL FM FCO 231045Z AUG 79 TO IMMEDIATE PARIS TELEGRAM NUMBER 321 OF 23 AUG FROM WED YOUR TELEGRAM NUMBER 493: ANGLO-FRENCH CONSULTATIONS 1. THE PRIME MINISTER HAS DECIDED THAT SHE CANNOT AGREE TO PRESIDENT GISCARD'S LATEST SUGGESTION OF 12/13 NOVEMBER SINCE HER PARLIAMENTARY COMMITMENTS ARE LIKELY TO BE PARTICULARLY HEAVY AT THAT TIME. SHE WOULD LIKE TO PROPOSE INSTEAD THAT PRESIDENT GISCARD MIGHT COME TO LONDON ON MONDAY 19 NOVEMBER IN TIME FOR A TETE-A-TETE DISCUSSION AT NO. 10 AT 12 NOON, WHICH WOULD BE FOLLOWED BY A SMALL INFORMAL LUNCH. THERE COULD BE A FURTHER TETE-A-TETE DISCUSSION DURING THE FIRST PART OF THE AFTERNOON, ENLARGED AT HALF TIME BY THE PARTICIPATION OF LORD CARRINGTON AND M. BARRE OR THE FRENCH FOREIGN MINISTER. THIS WOULD BE FOLLOWED IN TURN BY A PLENARY SESSION OF TALKS AT, SAY, 1630. 2. THE PRIME MINISTER WOULD LIKE TO GIVE A DINNER FOR PRESIDENT GISCARD AT NO. 10 THAT EVENING. SHE SUGGESTS THAT THE PROGRAMME MIGHT CONTINUE DURING THE FIRST PART OF THE FOLLOWING MORNING, 20 NOVEMBER, WITH A CONCLUDING TETE-A-TETE DISCUSSION IMMEDIATELY FOLLOWED BY A JOINT PRESS CONFERENCE. THIS COULD END BY 1130 (THE PRIME MINISTER WILL THEN WISH TO PREPARE FOR HER QUESTIONS IN THE HOUSE THAT AFTERNOON). 3. PLEASE PUT THIS OUTLINE PROGRAMME TO THE ELYSEE AS SOON AS POSSIBLE. 4. YOU SHOULD KNOW THAT WHILE THE PRIME MINISTER IS AWARE OF THE DESIRABILITY OF FITTING IN THE NEXT ROUND OF ANGLO-FRENCH CONSULTATIONS IN ADVANCE OF THE EUROPEAN COUNCIL MEETING IN DUBLIN, IT WILL BE VERY DIFFICULT INDEED TO FIND A FURTHER ALTERNATIVE SET OF DATES IF THIS LATEST PROPOSAL IS UNACCEPTABLE TO THE FRENCH. CARRINGTON DEPARTHEMTAL DIST.

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10 DOWNING STREET

From the Private Secretary

22 August 1979

Next Round of Anglo-French Consultations

Paris telegram no. 493 reported that President Giscard is not, after all; able to accept the dates (5/6 November) which we had proposed for the next round of Anglo-French consultations, which are due to take place this time in the UK; and that he had proposed 12/13 November instead.

The Prime Minister has now given further consideration to the timing of President Giscard's visit. She has decided that she cannot agree to his latest suggestion of 12/13 November, since her Parliamentary commitments are likely to be particularly heavy at that time. The Prime Minister would like to propose instead that President Giscard might come to London on Monday 19 November in time for a tête-à-tête discussion at No.10 at 12 noon, which would be followed by a small informal lunch. There could be a further tête-à-tête discussion during the first part of the afternoon, enlarged at half time by the participation of the Foreign and Commonwealth Secretary and M. Barre or the French Foreign Minister, followed in turn by a plenary session of talks at, say, 1630. The Prime Minister would like to give a dinner for President Giscard at No.10 that evening. The Prime Minister suggests that the programme might continue during the first part of the following morning, 20 November, with a concluding tête-à-tête discussion immediately followed by a joint press conference. This could end by 1130 (the Prime Minister will then wish to prepare for her Questions in the House that afternoon). The Prime Minister hopes that it might be possible to arrange for President Giscard to be received by The Queen on 20 November before he returns to Paris: I shall be taking this up separately with Sir Philip Moore.

I should be grateful if you would arrange for this outline programme to be put to the Elysée as soon as possible (although no mention should, of course, be made at this stage of a possible call by President Giscard at the Palace). The Prime Minister is aware of the desirability of fitting in the next round of Anglo-French consultations in advance of the European Council meeting in Dublin; but it will be very difficult indeed to find a further alternative set of dates if our latest proposal is unacceptable to the French.

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I am sending a copy of this letter to Martin Vile (Cabinet Office).

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

PRESIDENT GISCARD'S VISIT

You said that you did not wish to propose 13/14 November to President Giscard as possible dates for his visit to London, in view of likely Parliamentary commitments on Rhodesia at that time.

It is, I think, important that we should find dates for this round of Anglo/French consultations before the European Council in Dublin at the end of November; but as you know, it is already a very crowded month. One possibility would be to suggest to the French that President Giscard's visit might begin in the late morning of Monday, 19 November with a short tete-a-tete, followed by a small informal lunch. During the afternoon, there could be a more extended tete-a-tete session, perhaps with Foreign Ministers (or M. Barre) joining in for part of it; and a plenary session at, say, 1630. You could give a large dinner for President Giscard in the evening. On the morning of the following day, 20 November, you could have a short concluding tete-a-tete immediately followed by the traditional joint press conference. The programme could end by 1130, which should give you sufficient time to prepare for Questions in the afternoon. We would try to arrange for President Giscard to be given lunch, or at least an Audience, with The Queen before his departure from London that day.

Would you be content for this outline plan to be put to the French?

Yes our.

PRESIDENT GISCARD'S VISIT TO LONDON

You will see from the telegram below that President Giscard has now said that the dates we have proposed (some considerable time ago) for the next round of Anglo/French consultations in London, namely 5 and 6 November, are not convenient after all. He has proposed 12 and 13 November instead.

Lord Mayor's Banquet. If you agree, however, we could offer 13 and 14 November instead. The programme could begin at 1700 on 13 November, after Questions, with a tête-a-tête discussion followed by a major dinner at No. 10. There could be a plenary session followed by a press conference on the morning of 14 November and we could find out whether The Queen would be willing to give President Giscard lunch on that day. If she cannot, you could offer President Giscard a small informal lunch at No. 10 and The Queen might be able to give him tea.

Do you agree that we should put this alternative proposal to the French?

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days.

Traday 20 8 more Talks + Press Conference.

GRS 120 CONFIDENTIAL FM PARIS 091705Z AUG 79 TO IMMEDIATE FCO TELNO 493 OF 9 AUGUST 1979.

FROM JAMES : MY TELNO 465 : ANGLO-FRENCH BILATERAL MEETING OF HEADS OF GOVERNMENT.

- 1. THE SECRETARY-GENERAL AT THE ELYSEE ASKED ME TO CALL TODAY AND REVERTED TO THE DATES PROPOSED FOR THE BILATERAL SUMMIT MEETING. WAHL SAID THAT THE PRESIDENT, ON FURTHER CONSIDERATION OF HIS TIME-TABLE, FOUND TO HIS REGRET THAT HE COULD NOT MANAGE 5 AND 6 NOVEMBER AND WOULD LIKE TO PROPOSE INSTEAD 12 AND 13 NOVEMBER.
- 2. IF THESE DATES WERE AGREEABLE TO THE PRIME MINISTER, THE PRESIDENT HOPED THAT THE MEETING MIGHT FOLLOW THE SAME LINES AS THOSE PROPOSED IN OUR TUR, NAMELY:
- (A) ARRIVAL IN LONDON IN THE AFTERNOON IN TIME FOR A TETE-A-TETE MEETING WITH THE PRIME MINISTER, FOLLOWED BY DINNER,
- (B) ANOTHER TETE-A-TETE MEETING THE NEXT DAY FOLLOWED BY A PLENARY SESSION. OTHER MINISTERS WOULD HOLD MEETINGS SIMULTANEOUSLY WHILE THE PRIME MINISTER AND PRESIDENT WERE HAVING THEIR TALKS.
- 3. WAHL AGAIN REVERTED TO THE PRESIDENT'S HOPE, AS HEAD OF STATE. THAT HE MIGHT BE RECEIVED BY HER MAJESTY THE QUEEN. HIBBERT.

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(AMENDED DISTRIBUTION 1 AUGUST)

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FM PARIS 311630Z JUL 79

TO PRIORITY FCO

TELEGRAM NUMBER 465 OF 31 JULY 1979

MY TELNO 461

ANGLO-FRENCH BILATERAL MEETING OF HEADS OF GOVERNMENT

ANGLO-FRENCH BILATERAL MEETING OF HEADS OF GOVERNMENT

1. THE SECRETARY GENERAL OF THE ELYSEE INFORMED ME TODAY THAT

5 AND 6 NOVEMBER ARE ACCEPTABLE TO PRESIDENT GISCARD FOR THE

BILATERAL SUMMIT MEEING.

- 2. JACQUES WAHL SAID THAT THE PRESIDENT THOUGHT HE MIGHT LEAVE
 PARIS AFTER LUNCH ON 5 NOVEMBER AND ARRIVE IN LONDON AT ABOUT
 1700 HOURS, WHICH WOULD GIVE TIME FOR A TETE-A-TETE MEETING
 WITH THE PRIME MINISTER BEFORE DINNER. TALKS COULD CONTINUE
 ON THE MORNING OF 6 NOVEMBER FOLLOWED PERHAPS BY A PLENARY SESSION.
 WAHL SAID THAT THESE WERE ONLY SUGGESTIONS. THE PRESIDENT
 COULD PROBABLY ARRIVE EARLIER OR LEAVE LATER IF THIS SEEMED
 DESIRABLE.
- 3. THE PRESIDENT WOULD EXPECT TO BE ACCOMPANIED BY M. BARRE AND M. FRANCOIS-PONCET. IF, AS SEEMS LIKELY, ENERGY WAS A PROMINENT SUBJECT AT THE TIME, HE WOULD EXPECT TO BRING M. GIRAUD. THERE MIGHT ALSO BE A CASE FOR HAVING THE TWO MINISTERS OF DEFENCE AND THE TWO MINISTERS OF INDUSTRY PRESENT, BUT THERE WAS NO NEED TO DECIDE THIS STRAIGHTAWAY.
- 4. WAHL ADDED THAT THE PRESIDENT HAD REMINDED HIM THAT ON PREVIOUS OCCASIONS THE PRESIDENT HAD BEEN RECEIVED BY HER MAJESTY THE QUEEN. THE PRESIDENT WOULD BE MUCH GRATIFIED IF IT WERE POSSIBLE FOR THE QUEEN TO RECEIVE HIM ON THIS OCCASION TOO.

 HIBBERT

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GRS 250
CONFIDENTIAL
FM PARIS 301650Z JUL 79
TO PRIORITY FCO
TELEGRAM NUMBER 461 OF 30 JULY 1979

ANGLO-FRENCH BILATERAL MEETING OF HEADS OF GOVERNMENT

1. IN THE ABSENCE OF JACQUES WAHL I CALLED ON POLGE DE COMBRET
AT THE ELYSEE ON 27 JULY AND ASKED INTER ALIA ABOUT THE DATES
FOR THE ANGLO-FRENCH SUMMIT. AFTER VARIOÙS TELEPHONINGS HE
CONFESSED THAT THERE WAS NO ANSWER AS YET. I SPOKE TODAY
TO WAHL WHO HAS NOW RETURNED FROM LEAVE AND HE SAID THAT HE HAS
PUT A NUMBER OF SUBMISSIONS TO PRESIDENT GISCARD AND EXPECTS TO
HAVE INSTRUCTIONS FROM THE PRESIDENT TOMORROW. HE WILL THEN BE
IN TOUCH WITH ME.

2. MEANWHILE LECLERCQ, THE DIPLOMATIC COUNSELLOR AT THE ELYSEE,
HAS TOLD A MEMBER OF CHANCERY THAT WE CAN COUNT ON 5 AND 6
NOVEMBER BEING ACCEPTED: BUT HE SAID THAT PRESIDENT GISCARD
HAD ASKED WHAT SORT OF PROGRAMME IS ENVISAGED AND EXACTLY
WHERE THE SUMMIT WILL BE HELD.

IF THERE IS ANY INFORMATION WHICH YOU CAN GIVE ME ON THESE POINTS
QUICKLY I COULD CONVEY IT TO WAHL WHEN HE GETS IN TOUCH WITH ME
AFTER RECEIVING THE PRESIDENT'S INSTRUCTIONS: BUT IT WOULD
EQUALLY BE POSSIBLE TO PASS THE INFORMATION TO THE ELYSEE LATER.
HIBBERT

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PS
PS/LPS
PS/MR HURD
PS/PUS
SIR A DUFF
SIR A PARSONS
MR BULLARD

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GE Miss Hemens.

M. Whismore

1) your agree, 6/5 14/8

10 May French

10/French Consultations

5/10

PRIME MINISTER

Annual Anglo/French Consult

As you know, consultations with the French at Head of Government level take place approximately every 12 months and the next round will be due in November. It is the UK's turn to be host. It will, in fact, be useful to have had bilateral consultations with both the Germans (we are trying to arrange these for late October) and the French before the European Council meeting in Dublin at the end of November.

You will wish to avoid the middle of November for the Anglo/ French talks, since you will be preoccupied at that time both with your Guildhall speech and with the Rhodesian sanctions problem. May we therefore offer the French 5/6 November for President Giscard's Hoes we Ruce receive him as bred A Hate!

A possible pattern for the visit would be to begin with a small working lunch on Monday, 5 November, preceded by a short tetea-tete discussion: to devote the afternoon of 5 November to more talks, with Foreign Ministers (or M. Barre, if he comes) present, while other French Ministers accompanying President Giscard could have separate discussions with their UK counterparts (eg Finance, Industry and Energy): and to finish the day with a large dinner party. On Tuesday, 6 November, there could be a short pleary session of talks at the beginning of the morning, followed by the usual joint press conference. President Giscard could leave before lunch, leaving you free to prepare for Questions in the afternoon. If you agree with this outline, we shall suggest it to the French.

When President Giscard last came to the UK for these consultations. the programme took place at Chequers. This has some some advantages but increases the administrative complications. Would you be content to base the programme on No. 10 this time? If you wished to make a splash with the dinner, it could of course be held at Lancaster House if you would prefer this, in order to increase the numbers.

must de c'el retres carefulls. 11 July 1979