

CONFIDENTIAL

SUMMARY NOTE OF POINTS MADE AT A MEETING AT THE ELYSEE PALACE AT 6PM  
ON THURSDAY 4 NOVEMBER 1982

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Present:

Sir Robert Armstrong

M. J. Attali

Mr. F.E.R. Butler

M. J.L. Bianco

M. Pierre Morel

Siberian Pipeline

M. Attali said that the attitude of the French Government was to try to enable the Americans to get off the hook of the present sanctions, but they were determined not to get into a position of bargaining with the United States. Now that the US Elections had happened, there would be less pressure on the Americans to reach an agreement, and they might not do so until December. Sir Robert Armstrong said that the British position was similar: we neither wanted to make any firm commitments which would damage our industrial interests, nor did we want to make concessions/unless we were sure that this would lead to the lifting of sanctions.

Iran/Iraq

M. Attali asked whether the British Government had any information about the prospects for the Iran/Iraq conflict, which the French Government regarded as very dangerous. A complex internal struggle appeared to be going on in Iran. Sir Robert Armstrong agreed that the conflict was very dangerous: the information of the British Government on Iran was not as good as it had been in the past, but we had no reason to suppose that the situation would change from one of deadlock.

/ Prime Minister's Far East Tour



Prime Minister's Far East Tour

Sir Robert Armstrong and Mr. Butler gave a brief account of the Prime Minister's visit to the Far East. On the Guangdong nuclear project Mr. Butler said that the Chinese had given the impression of leaning towards the Anglo-French project, subject to negotiating the terms.

Contacts between the British and the French Governments at official levels

Sir Robert Armstrong said that the Prime Minister would be mentioning to the President on the following day a suggestion that the British and French Government should develop closer contacts at official level, on the lines of those which existed between the French and German Governments. Such a development, if welcomed by the French Government, would be greatly assisted by a push from the top. M. Attali said that the President might well be attracted by this: he asked whether the British Government had in mind proceeding by treaty or by informal understanding? Sir Robert Armstrong indicated the latter.

European Summit:

M. Attali said that the French Government were concerned that the Copenhagen Summit might be taken up by a wrangle on the Budget and protectionism, and they did not think that this would be well regarded by public opinion. They suggested that a real effort should be made to identify specific agreements which the European leaders could reach, for example on the European Community borrowing on international markets to finance industrial development; specific items of technological cooperation from the list identified at Versailles; and a specific list of relaxations of barriers of intra-Community trade. Sir Robert Armstrong commented that it might not be possible to get further than agreement to study such projects, since the month before the next Summit provided little time for the necessary preparation. He said that there was interest in Britain in securing action on reducing barriers to trade with



Japan and with the newly industrialised countries; there were also certain specific problems; for example on the tariff on the import of motor cars to Spain, which might be dealt with by accelerating Spain's accession to the Community.

New Spanish Government

Sir Robert Armstrong asked about the French Government's attitude to the new Spanish Government and whether they thought it likely that Spain would leave NATO. On the last question, M. Attali said that he did not know, but thought it possible that the Spanish Government would do less than their pre-election rhetoric had suggested. The French Government would encourage them in this direction. There were close links between the new Spanish leaders and President Mitterrand and his party, but the Spanish were never predictable. There were a number of areas of instability, of which the murder of the Garrison Commander of Madrid by the Basques that morning was an illustration.

Economic Summit

M. Attali said that the French Government had been dismayed about the way in which the new date for the Summit had been arranged, and their present position was still that the President was not committed to going. As a matter of good manners they could not accept the way in which the Americans had handled the matter. Sir Robert Armstrong noted that, and said that it was unthinkable to hold the Summit without the French President.

On the procedure for the Summit, M. Attali said that, while President Reagan accepted in principle that the Summit should be informal, there were already disturbing signs that the Americans were making provision for vast numbers of members of the world press. The French had already said that they would not be prepared to attend another Summit in which statements were made to the press in the course of the discussions. (For example, that of Mr. Reagan at Versailles). They also thought it essential that nobody should be involved in drafting communiques, except the Heads of Government and the "Sherpas".



Anglo/French Relations

M. Attali said that the French Government were greatly hoping, at the present meeting, to remove the clouds in Anglo/French relations, eg over the Budget and areas of protectionism.

F.R.B.

4 November 1982





B77.

10 DOWNING STREET

*From the Principal Private Secretary*

SIR ROBERT ARMSTRONG

I enclose a note of the Bilateral discussion which you and I had with M. Attali and M. Bianco at the Elysee on Thursday, 4 November.

I am sending a copy to Antony Acland and Ken Couzens.

F.R.B.

5 November 1982