

GRS 500

UNCLASSIFIED

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TO PRIORITY FCO

TELEGRAM NUMBER 720 OF 12 JUNE

INFO PRIORITY BONN, OTTAWA, ROME, TOKYO, WASHINGTON, UKREP BRUSSELS  
INFO SAVING UKDEL OECD, CONSULATES GENERAL FRANCE

LONDON ECONOMIC SUMMIT: FRENCH PRESS REACTION

SUMMARY

1. FRENCH PRESS IS GENERALLY SCEPTICAL OF THE VALUE OF THE SUMMIT AND UNIMPRESSED BY ROLE OF FRENCH DELEGATION. HOWEVER, THERE IS LITTLE OR NO HOSTILITY TOWARDS ANY OF THE SUMMIT DECLARATIONS.

DETAIL

2. THE FRENCH PRESS ADOPTS A GENERALLY SCEPTICAL TONE IN ASSESSING THE OUTCOME OF THE SUMMIT, EMPHASISING THE ELEMENT OF AMERICAN PRESIDENTIAL SHOW-BUSINESS, AND THE CONCERN OF REAGAN'S PARTNERS TO HANDLE HIM WITH KID GLOVES IN VIEW OF HIS ELECTION CAMPAIGN. SOME PAPERS (EG FIGARO AND QUOTIDIEN ON THE RIGHT) ARE DOWNRIGHT CRITICAL OF WHAT THEY SEE AS THE 'MEAGRE RESULTS' OF THE MEETING. COMMENTATORS ARE QUITELY DISCONSOLATE AT THE INABILITY OF FRANCE TO INFLUENCE A MEETING THAT IS SEEN AS SINGING A LARGELY ANGLO-AMERICAN TUNE. DESPITE GENERAL AGREEMENT THAT THE ECONOMIC DECLARATION WAS LARGELY INSPIRED BY AMERICAN AND BRITISH RATHER THAN FRENCH VIEWS, THERE IS NO SUGGESTION THAT THE UK WAS DISLOYAL TO ITS EUROPEAN PARTNERS.

3. ATTENTION IS CENTRED ON US INTEREST RATES AND ISSUES DIRECTLY INVOLVING THE THIRD WORLD, RATHER THAN MACRO-ECONOMIC STRATEGY. THE FRENCH DELEGATION, IT IS REPORTED, OBTAINED SOME MODEST SATISFACTION FROM THE REMIT TO THE IMF INTERIM COMMITTEE TO DISCUSS FURTHER INTERNATIONAL MONETARY REFORM, FROM THE CALL FOR INCREASED ODA, FROM THE ENCOURAGEMENT OF MORE WORLD BANK PROGRAMME LENDING AND FROM THE FAILURE TO SET A DATE FOR STARTING THE NEXT GATT ROUND. ON THE OTHER HAND, IT IS RECOGNISED THAT THE MORE AMBITIOUS FRENCH PROPOSALS FOR GLOBAL TREATMENT OF INTERNATIONAL DEBT, INCLUDING AN SDR ISSUE, DID NOT ATTRACT SUPPORT.

4. MITTERRAND'S COMPLIMENTARY REMARKS ABOUT THE ORGANISATION OF THE SUMMIT DISCUSSION AND HIS WILLINGNESS TO ATTEND NEXT YEAR'S MEETING ARE DULY REPORTED. HIS CLAIM THAT THE SUMMIT GAVE THIRD WORLD DEBTOR NATIONS REASON TO BE PATIENT IS QUOTED WITH SOME SCEPTICAL COMMENT. DELORS' REMARK, IN THE CONTEXT OF US INTEREST RATES, THAT THE AMERICAN ELEPHANT IS NOT GOING TO SHRINK JUST BECAUSE THE FRENCH COCK PINCHES ITS BACKSIDE IS REPORTED WITH RELISH.



5. MITTERRAND'S CLAIM TO HAVE PREVENTED FURTHER DRIFT TOWARDS POLITICAL AS OPPOSED TO ECONOMIC CONTENT IN THE SUMMIT IS SET RATHER FACILELY AGAINST THE STATISTIC THAT FOUR OUT OF FIVE COMMUNIQUES DEALT WITH POLITICAL SUBJECTS.

6. ONLY QUOTIDIEN REPLAYS THE WASHINGTON POST REPORT OF REMARKS SUPPOSEDLY MADE TO A US OFFICIAL BY DELORS (AND SINCE DENIED BY HIM) WHICH INDICATED THAT THE FRENCH GOVERNMENT WOULD REVIEW THE RESULTS OF ITS NATIONALISATION PROGRAMME A YEAR FROM NOW AND DENATIONALISE IF AND WHERE THAT SEEMED DESIRABLE.

FRETWELL

ECONOMIC SUMMIT

LIMITED

ERD

ESID

WED

FED

NAD

ECD's

PLANNING STAFF

TRED

ES&SD

SOV D

EED

NEWS D

PROTOCOL D

SEC D

MAED

PUSD

DEF D

ACDD

PS

PS/LADY YOUNG

PS/MR RIFKIND

PS/MR WHITNEY

PS/MR RAISON

PS/PUS

SIR C TICKELL

SIR J BULLARD

MR RENWICK

MR J THOMAS

MR WILSON

MR WRIGHT

MR WESTON

MR ADAMS

MR BARRINGTON

MR EGERTON

MR MILES

BUCKINGHAM PALACE

ADDITIONAL DISTN:

ECONOMIC SUMMIT

COPIES TO:

ESAU

MR KEAY D/ENERGY

MR INGHAM -

NO 10 DOWNING STREET