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## 10 DOWNING STREET

LONDON SWIA 2AA

From the Private Secretary

22 October 1987

Don Tony.

## PRIME MINISTER'S TALK WITH PRESIDENT MITTERRAND

Thank you for your letter of 19 October covering a translation of President Mitterrand's recent message to the Prime Minister and giving an assessment of Franco-German discussions on defence.

The Prime Minister finds the judgements in your letter on the complacent side and would give greater weight to the hazards than you do. She takes the view that the French are indeed being forced by circumstances to abandon the Gaullist policy of national defence. But rather than edge back closer to NATO, they seem to be trying to construct an alternative system of European defence based on a number of bilateral - or so far bilateral - agreements with France at the centre. Hence the proposals for a closer Franco-German cooperation in the conventional field and Franco-British cooperation in the nuclear field. This of course runs strictly counter to our policy of strengthening NATO and the multilateral defence of Europe. If we allow it to go too far it carries the risk of loosening NATO cohesion - or at least slowing down the process of closer integration - without producing anything adequate in its stead, and also of alienating the Americans. In other words, she would argue that the French realise the inadequacies of their present defence policy but are too proud and too selfish to come back fully into the integrated military structure of NATO, seeking instead a French solution. In the Prime Minister's view, this ought to be apparent to the Germans but there is a risk that they are so befuddled with the political benefits of being seen to promote Franco-German cooperation that they may allow themselves to lose sight of their wider interest in preserving NATO. In that case, we ought to be doing more to bring the risks home to them.

The Prime Minister would like to see a rather fuller and more sophisticated analysis of the possible dangers for us of at is going on in the Franco-German field and of ho and react. Your letter says that these matters are ject of continuing study and discussion between the coreign and Defence Secretaries. That may give rise to the arther view that she wants to see. The Prime Minister would hope to

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see these fairly soon since the issue is likely to come up in her contacts with French and German leaders over the next month or so.

I am copying this letter to John Howe (Ministry of Defence) and Trevor Woolley (Cabinet Office).

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C. D. POWELL

A. C. Galsworthy, Esq., C.M.G., Foreign and Commonwealth Office