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WITHDRAWAL SHEET

Ronald Reagan Library

Collection Name CLARK, WILLIAM: FILES

Withdrawer

LOJ 1/6/2005

File Folder MITTERRAND/CLARK-6:30PM 10/27/1982: II.
BACKGROUND (4)

FOIA

2000-147

Box Number 4

CLARK

74

ID	Doc Type	Document Description	No of Pages	Doc Date	Restrictions
1789	MEMO	TO GEORGE SHULTZ, RE DISCUSSIONS... <i>R 6/23/2006</i>	3	10/23/1982	B1
1790	PAPER	REVISED VERSION OF NON-PAPER <i>R 6/23/2006</i>	4	10/21/1982	B1
1791	PAPER	THE DEFENSE RELATIONSHIP WITH FRANCE	2	ND	B1
1792	MEMO	FOR UNDER SECRETARY OF DEFENSE FOR POLICY, RE COOPERATION WITH FRANCE	3	10/22/1982	B1
1793	SUMMARY	RE FRANCE <i>R 11/6/2007 F2000-147</i>	1	ND	B1
1794	MEMO	DRAFT, DONALD FORTIER TO CLARK, RE OBSERVATIONS... <i>R 6/23/2006</i>	9	ND	B1
1795	CABLE	SAME TEXT AS 1797 (WITHOUT NOTATIONS) <i>R 6/23/2006</i>	1	10/23/1982	B1
1796	CHECKLIST	SITUATION ROOM <i>R 11/6/2007 F2000-147</i>	1	10/23/1982	B1
1797	CABLE	231244Z OCTOBER 1982 (WITH NOTATIONS) <i>R 6/23/2006</i>	1	10/23/1982	B1
1798	CABLE	231731Z OCT 82 <i>R 11/6/2007 F2000-147</i>	9	10/23/1982	B1

Freedom of Information Act - [5 U.S.C. 552(b)]

B-1 National security classified information [(b)(1) of the FOIA]

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ID	Doc Type	Document Description	No of Pages	Doc Date	Restrictions	
1799	MEMO	TO CLARK, RE MEETING <i>D 1/3/2011 F2000-147/1</i>	1	10/25/1982	B1	<i>B3</i>

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National Security Council The White House

Package # _____

	SEQUENCE TO	HAS SEEN	ACTION
John Poindexter	<u>1</u>	<u><i>[initials]</i></u>	_____
Bud McFarlane	<u>4</u>	_____	_____
Jacque Hill	<u>2</u>	_____	_____
Judge Clark	<u>3</u>	<u><i>[initials]</i></u>	<u>I</u>
John Poindexter	<u>5</u>	_____	_____
Staff Secretary	_____	_____	_____
Sit Room	_____	_____	_____

I-Information A-Action R-Retain D-Dispatch N-No further Action

DISTRIBUTION

cc: VP Meese Baker Deaver Other _____

COMMENTS

Judge,
 This is President's mark-up
 of the non paper.

John

THE WHITE HOUSE
WASHINGTON

~~SECRET~~

October 23, 1982

MEMORANDUM FOR THE HONORABLE GEORGE P. SHULTZ
THE SECRETARY OF STATE

SUBJECT: Quadripartite Discussions on La Sapiniere
Follow-up

The President has reviewed the October 21 revision of the non-paper and has approved the following comments on the revisions and the language in brackets. The comments are in two categories: those we feel strongly about and those that are mandatory.

Feel Strongly About

p. 1, Sec. 2, tick 3

Comment: If we are going to live with the new language in ticks 1 and 2, then a further weakening in tick 3 is not indicated. It provides the US with a much easier case to make for the former language ("contribute to the strategic advantage of the Soviet Union") than to prove the reverse argument proposed ("weaken the strategic position of the West"). Should therefore seek to restore the original tick 3 in exchange for new language in ticks 1 and 2.

Should this be OK

p. 2, Sec. 2, tick 4

Comment: This is an entirely new tick. We feel that the second underlined sentence should end with "strict balance of advantages." The addition of "and obligations" is more favorable to the USSR and highlights the notion of "contract sanctity" and other methods used to circumvent US objectives.

yes

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NLS FOO-147#1789

BY LOT, NARA, DATE 6/23/06

~~SECRET~~

-2-

p. 2, Sec. 2, paragraph 2

Comment: In the new language added at the end of the paragraph insert Eastern European so that it reads "...recognizing the different political and economic conditions that prevail in each of these Eastern European countries." This will clarify which countries and will insure it is not later interpreted to mean the Western European countries.

p. 2, list of areas

Drop possible
Comment: Why permit addition of the word "possible" in the areas "High technology of strategic importance including oil and gas equipment?" This addition is a weakening of the language that may bring the Soviets cheer. We feel strongly that oil and gas equipment are of strategic importance without doubt.

Mandatory

p. 3, Sec. 3., paragraph (b)

Comment: If this is at all modified, much less deleted, we have less than Versailles. We must state our objective of not subsidizing the Soviet economy and must delineate the specific means to accomplish this objective without any changes.

p. 4, Sec. 3, paragraph (c)

Agst to sign
Comment: This is priority one. We must insist on the following new language for paragraph (c): "During the course of the study on energy, Allied Governments will not sign new contracts with the Soviet Union for the purchase of natural gas." First, we are highly suspicious of the word "approve." In past deals "approve" has been similar or synonymous with "ratify." Allied firms could conceivably sign a new Soviet gas deal but the Government hold off on "approving" it. Second, we assume the newly added language (for which negotiations have not been concluded) is to permit Italy to sign on strand one after its "pause for reflection." This should definitely be deleted and replaced with an oral understanding that Italy can sign on strand

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-3-

one if necessary. You can appreciate the irony of the way paragraph (c) presently reads. We must stay away from tying the ability to "sign" a deal to the stage of the negotiations. The Europeans will use back-dating or other techniques if we give them any daylight.

p. 4, Sec. 3, paragraph (d)

Comment: This bracketed language simply must stay in.

~~SECRET~~

October 21, 1982

REVISED VERSION OF NON-PAPER

1. Our Governments recognize the necessity of conducting their relations with the USSR on the basis of a global and comprehensive policy designed to serve our own fundamental security interests. They are particularly conscious of the need for a common approach in the economic field, where actions must be coordinated within the framework of their global strategy. They are resolved together to take the necessary steps to remove differences and to ensure that future decisions by their governments on these issues are taken on the basis of an analysis of the East-West relationship as a whole, with due regard for their respective interests and in a spirit of mutual trust and confidence.

2. They agree that the following criteria should govern the economic dealings of their countries with the Soviet Union and Eastern European countries.

-- That they will not undertake trade arrangements which contribute to the military capabilities of the USSR.

-- That it is not in their interest to subsidize the Soviet economy; trade should be conducted in a prudent manner without preferential treatment.

-- That they will take no steps that weaken the strategic position of the West.

contribute to the strategic advantage of the Soviet Union

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NLS FOO-147#1790

BY NOT NARA, DATE 6/23/06

-- That is is not their purpose to engage in economic warfare against the Soviet Union. Trade with the Soviet Union and Eastern Europe should proceed on the basis of a strict balance of advantages, and obligations.

They agree to examine thoroughly how to apply these criteria, taking into account the various economic and political problems involved, with the view to agreeing on a common line of action. They will pay due attention in the course of this work to the question of how best to tailor their economic relations with Eastern European countries to the specific situation of each of them, recognizing the different political and economic conditions that prevail in each of these countries.

This overall analysis will touch in particular on the following areas:

- Strategic goods and technology of military significance (COCOM);
- High technology of possible strategic importance including oil and gas equipment;
- Credit policy;
- Energy;
- Agricultural products.

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In the field of energy, the European Governments, as they are heavily dependent on imports of energy, will initiate a study of projected European energy requirements over the next decade and beyond and possible means of meeting those requirements. The United States will participate in this study. It will be prepared under the auspices of the OECD.

3. As an immediate decision and following decisions already made, they have agreed on the following:

(a) They will work together within the framework of the Coordinating Committee (COCOM) to protect the contemporary security interests of the Alliance. The list of strategic items would be evaluated and, if necessary, adjusted. This objective will be pursued at the COCOM Review now under way. They further agree to take the necessary measures to strengthen the effectiveness and responsiveness of COCOM and to enhance their national mechanisms as necessary to enforce COCOM decisions.

(b) It was agreed at Versailles that the development of economic and financial relations with the Soviet Union and Eastern Europe would be subject to periodic ex post review. The Allies are agreed on the need to establish without delay the necessary mechanism for this purpose. [Having in mind the objective of not subsidizing the Soviet economy, Allied Governments will also establish the means to harmonize national policies with respect to the extension of credits, covering interest rates, maturities, down payments, and fees.]

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-4-

(c) [During the course of the study on energy, Allied Governments will not ^{Sign} approve new contracts with the Soviet Union for the purchase of natural gas for which negotiations have not been concluded.]

(d) [Allied Governments agree to examine immediately whether their security interests require controls on the export to the Soviet Union and Eastern Europe of strategically significant advanced technology and equipment, to be jointly determined, but including technology with direct application to the oil and gas sector. Any actions would be agreed upon and implemented within a framework to be agreed.]

yes

~~SECRET/SENSITIVE~~



POLICY

~~TOP SECRET~~ SENSITIVE EYES ONLY

THE UNDER SECRETARY OF DEFENSE
WASHINGTON, D.C. 20301

October 23, 1982

MEMORANDUM FOR THE ASSISTANT TO THE PRESIDENT FOR
NATIONAL SECURITY AFFAIRS

SUBJECT: Cooperation with France

For your mission to Paris, I put the attached together on our defense relationships with France. Cap has looked it over and asked me to transmit it to you.

I will be available anytime today or tomorrow, should you have some further questions or wish to discuss these issues.

Fred C. Ikle

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1791 PAPER

2

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B1

THE DEFENSE RELATIONSHIP WITH FRANCE

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	<i>Document Description</i>	<i>pages</i>		<i>tions</i>

1792 MEMO

3 10/22/1982 B1

FOR UNDER SECRETARY OF DEFENSE FOR
POLICY, RE COOPERATION WITH FRANCE

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- 3 -

NR

3. FRANCE AND THE USSR: A QUESTION OF DISTANCE

Embassy Paris has indicated concern that France may be moving toward warmer relations with Moscow. While economic exigencies and a desire to maintain the CSCE process may lead to a more active Franco-Soviet dialogue, we believe that a return to the Franco-Soviet "special relationship" of the pre-Afghanistan period is highly unlikely.

* * *

Recent criticism of the US in international fora, ministerial visits to Moscow, and conversations with French officials suggest that Mitterrand may be returning to the Gaullist policy of "equal distance" between Washington and Moscow. Nevertheless, although the French have become more vocal critics of certain US policies, their willingness to work with Washington has not significantly declined.

France's trade deficit with the Soviet Union is projected to reach 10 billion FF by the end of 1982. The French have become increasingly concerned and, according to AFP, have warned the USSR that they might reconsider their deal to buy gas if the trade deficit continues to widen. Agriculture Minister Cresson's October 17 visit to Moscow resulted in agreements to increase significantly French agricultural exports over the next three years. The planned visit of Minister of Industry Chevenement will no doubt have the same goal of promoting exports.

While recent French comments may not be helpful to the US, it is unlikely that they were intended to be interpreted in an East-West context. Ideologically committed to the North-South dialogue, the French Socialists have found it convenient to blame the US for France's inability to meet Third World needs.

Despite Soviet demarches lamenting the state of Franco-Soviet relations, the French have not deviated from Alliance positions on Afghanistan and Poland. In addition, Paris has reminded the Soviets that their insistence on including French forces in East-West arms negotiations and their failure to respect the principles of the Helsinki Final Act have a negative impact on French public opinion.

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NLS F00-1474-1793

BY NOT NARA, DATE 11/06/07

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TO: Honorable William P. Clark
Assistant to the President
for National Security Affairs

FROM: Donald Fortier

SUBJECT: Observations on U.S.-French Relations

The following thoughts were set down in necessary haste and with a view toward providing a strategic overview for your talks in Paris. There was not time -- nor did it seem appropriate -- to try to deal definitively with the broad array of complex issues now dividing us, particularly in the economic realm. Instead, I have tried to highlight the most compelling points of agreement and disagreement; to lay out general observations on ways of approaching the French; to distinguish between damaging actions and irritating affronts; and to suggest possible new points of departure.

In my current position, I have not been privy to the details of our effort to reach an accord over the pipeline dispute. Obviously the larger our ultimate concessions, the more we should expect in terms of improving French conduct in other areas.

General Observations

- France places a high premium on both the reality and the appearance of independence. The belief that France must provide a "third way" between East and West has deep historical roots. Because of this, U.S. efforts to "reform" French policies often end up having perversely the opposite result.

Our most notable successes appear to have arisen out of situations where "coordination" did not appear to be overtly visible.

- Because of the French need to avoid the appearance of doing our bidding, it may be fruitful to consider other channels for influencing the French on certain sensitive questions, e.g., the Italian-Socialists, whose position on nuclear and other matters is quite compatible with our own.

- Though it may sound trite, the French do have a tendency to "be French," to play on well-worn Gaullist themes,

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BY LET NARA. DATE 6/23/06

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DECL: OADR

to behave as though the superiority of their views and philosophy is self-evident; in short, to be profoundly irritating. In the immediate case, it is difficult to know how much of France's currently objectionable behavior is simply the result of the continued public ripening of Mitterrand's position on the economy and the Third World, and how much it is the result of France's short-term pique over post-Versaille decisions on the pipeline.

- Whatever the case, any thoughtful effort to rehabilitate the Reagan-Mitterrand relationship must begin by differentiating between offensive rhetoric and truly damaging action -- realizing that in some cases rhetoric itself will be enough to trigger adverse substantive results, e.g., in the Namibian negotiations.

- It follows from this that we may be forced to endure French sermons on the morality of our actions in El Salvador, but not arms aid for Nicaragua. Rolling the two issues up together only makes it easier for the French to dismiss the whole bill of complaint. Judging from the reports of our Ambassador and others, we have been most successful in the past when we made a clearly focused presentation on those elements of French behavior that were simply unacceptable. In no case should we pay a price simply to get a cosmetic change in rhetoric; and even where French rhetoric seems awful, we should not discount the possibility of being able to do some positive business -- as suggested below in case of Central America and Martinique.

- Analysts with long experience in French politics and foreign policy argue that behind the French air of superiority lurks a profound insecurity toward the United States. This may be particularly relevant in the case of Mitterrand, who came to his position from a rather provincial background, and who lacks the cosmopolitan, international reputation possessed by Giscard. While it would be fruitless to push such popular psychology too far, this point does suggest the utility of blending positive elements into one message.

*Re
bel
we*

- Flattery seems to work well with the French, and one is reminded of Lincoln's maxim that you can catch more flies with an ounce of honey than a gallon of gall. The French are particularly proud of the distinctive, activist, international role they have been able to play in the post-war period. Where possible, we should help them draw attention to this. In areas where the French have done well -- e.g., defense spending and a demonstrated capability to act in Third-World contingencies -- we should go out of our way to praise them. This would not only help to lubricate concessions in other areas, but it should

also serve to brake -- or at least complicate -- any tendency to slide away from the actions we are praising (as seems to be the case today with their conventional defense effort).

● In some areas it may be necessary to rest content with the less ambitious objective of containing existing disagreements, realizing that we will be up against trends which could make even this a difficult task.

The most notable such trend is the French economy which seems destined to continue on a sharp decline. If this happens, Mitterrand will be increasingly tempted to make us the target and to further glorify the Socialist position in Third World debates -- the purpose being both to distract French attention and to make us appear responsible for French economic distress. Moreover, a Socialist victory in Spain is likely to further fortify Mitterrand and encourage him to lead that government -- along with Papandreu's -- in enterprises that will seldom be to our liking.

● In addition to the issues that capture headlines, we have been engaged with the French in certain broad-ranging but ultra-secret cooperation in the nuclear and conventional security areas. Although such cooperation is not discussed below, it needs to be borne in mind in reaching toward a balanced understanding of the benefits and liabilities of our current relationship.

Specific Areas of Discord and Cooperation

1. Central America

Assessment:

Since the Franco-Mexican communique, the French have to some degree de-personalized and moderated their rhetoric on El Salvador, though they continue, of course, to give moral encouragement to the anti-government forces there. To the best of our knowledge, there have been no further French arms shipments to Nicaragua, and some experts believe that the French are increasingly coming to the view that they will not be able to wean Nicaragua away from its current repressive and adventurist policy. A future danger point is Cuba, which seeks Western technology, a market within the EEC for its sugar, and debt rescheduling. The French are, of course, in a position to help influence the outcome on all three. Moreover, they may be inclined to act positively in the hope of cutting a deal favorable to France in other areas, e.g., Angola.

Objectives:

We should not spend capital in an effort to affect romantic Socialist rhetoric about the guerrilla cause in Central America. This rhetoric has a two-fold function for Mitterrand, enabling him both to maximize his influence in international Socialist politics and to play upon the desire of the Gaullists to strike a posture independent of the U.S. Our sights ought to be directed on the more critical target of Cuba, which we should designate as a special case. In any debt rescheduling, the French should, at a minimum, not allow Cuba (a non IMF member) to escape the traditional requirements for internal economic reform which are the price for new support. Beyond this, the French should be pressed to work actively to secure tangible Cuban concessions (in Angola and elsewhere) as a price for additional favors. Finally, we ought not let our public disagreements stand in the way of private explorations with the French military regarding the possibility of using French military transportation on the strategically located island of Martinique to move local police forces seeking to help their neighbors avert sudden coups and extra-legal government takeovers.

2. East-WestAssessment:

French rhetorical support on two of the most critical East-West issues, Poland and Afghanistan, has been basically quite strong. Mitterrand's statement in the wake of the de-legalization of Solidarity was one of the most forceful of any Western leader. And indeed on Afghanistan, the French have gone beyond mere rhetoric to embrace a variety of private and government supported programs to provide training, medical relief, and other concrete forms of support for the resistance. In the CSCE pre-negotiations in Madrid, the French have been described as not having been "unhelpful;" there, of course, our real problem continues to be the German desire to continue arms control discussions with the Soviets despite events in Poland. Though not a member of the NATO military alliance, France is very much a part of European security planning and her support for defense spending has been generally quite good. One of the more serious emerging issues may be the French desire -- because of economic constraints -- to rebuild nuclear forces at the expense of conventional ground forces in Germany.

Objectives:

For a variety of political and cultural reasons, the French have as a whole remained less susceptible than others to the nuclear "allergy" and other neutralist tendencies spreading

through Europe. Both the French public and the intellectual elites can be galvanized by strong moral impulses, by the notion of heroism and resistance.

We have seen this work to our disadvantage in Central America and parts of the Third World where we believe the French have identified with the wrong "heroes," but these same forces have worked to our advantage in Poland and Afghanistan. This asset may be of deepening importance to us in the days ahead in the battle to shape European opinion on the crucial issues of peace and nuclear security. This falls into the category described earlier of finding opportunities to salute past performance, and then, from that salutes to try to build toward new advances. The French fear, as much as we do, the growth of pacifist tendencies among the young in Germany and the Scandinavian countries. We ought to begin a dialogue -- at a variety of levels -- on ways we can work with and in support of the French on preventing a further deterioration in this area. Similarly, in the case of Poland and Afghanistan, we should seek to capitalize on the unique French position by discussing ways in which they might provide more active patronage of the anti-government forces.

The crucial problem, of course, has been coming to agreement on a coordinated policy on East-West trade and converting French moral energy on Poland into meaningful sanctions. In sorting our way through this thicket in the days ahead, it may make sense to focus not just on exports -- which arouse strong political constituencies -- but on Soviet and East Bloc imports, particularly in areas -- like automobiles -- where the French are themselves fighting to retain their own in-country share of the market.

While not a direct affront to us, French moves to reduce conventional forces to fund nuclear programs should be near the top of our worry list. Organizing a more credible conventional defense of Europe is fundamental to any effort to reduce alarm over the use of nuclear weapons. It would be useful to think of ways that we could -- perhaps through more expansive programs of off-shore procurement -- lessen the economic incentives for such a realignment.

3. Africa and the Middle East

Assessment:

In recent days, Africa has been the scene of some of France's most substantively unsettling and rhetorically offensive behavior. The most egregious examples, of course, have

been public statements by Mitterrand, Cheysson, and Mauroy undercutting our position on the need for Cuban withdrawal in connection with a settlement of the Namibian issue. In addition, Mitterrand went out of his way to make disparaging remarks about our "irresponsible" economic policies; about our failure to fund international lending institutions and about our lack of responsiveness to the Third World in general. In places like Burundi, Mitterrand tried to key his anti-American rhetoric to specific local problems, e.g., Burundi's coffee exports. The French are obviously playing a variety of games: 1) trying to position themselves to look good in case the Namibian negotiations break down; 2) trying to position themselves to play a larger role in Angola's future -- perhaps replacing the Cubans as Angola's protector; 3) trying to make anti-Americanism a platform on which to attract more business for France in countries like Angola and Mozambique; and 4) trying to demonstrate that they can inflict costs on us for our pipeline sanctions.

In Chad, the French are gradually improving their support for Habre -- more at the urging of the Africans than as a concession to us (which reinforces a point made earlier about channeling some of our messages through others). The French are in some ways deeply embarrassed by events in Chad. In a country where they like to believe they pull the strings (and where the perception of their being able to pull strings enhances their prestige among the Francophone states) they backed the wrong horse. Worse still, we -- whom they had hoped to show up as amateurs -- proved to have the better analysis.

In Libya, the French bear no love for Qadhafi and, by some reports, are trying to find more ways to distance themselves from him. They recently refused the Libyans permission to attend a naval arms exhibition in Paris. At the same time, weapons sales on pre-existing contracts continue, and we remain at odds over the sale of the airbus.

Consult? In the Middle East, the French seemed to have recovered (for the time being at least) from their desire to complicate our peace efforts and have worked instead in the service of our objectives by committing real resources of their own. This, of course, is an important plus.

Objectives:

We should discriminate (though not approve) between French efforts to ingratiate themselves with prospective customers at our expense and their efforts to directly undercut the sensitive Namibian negotiations. On the latter, we should reject the French argument that such rhetoric is less important than what

they say in private. The two go hand-in-hand, and weak public rhetoric can only decrease the seriousness with which private messages are treated. Indeed, cables from our Embassy in Dar Es Salaam and elsewhere, already confirm this point.

On Chad and Libya, French policies -- while far from ideal -- are not so bad as to merit special treatment, though it is always useful to emphasize the continued seriousness with which we take the Libyan threat and its bearing on the willingness of our friends in the region to make progress toward peace.

French activity in Lebanon should, of course, be praised. An active French posture in Lebanon (provided it can be contained from spilling over unhelpfully into our broader peace-making initiative) not only is important in its own right, but -- seen in a more cynical light -- also helps to channelize French attention and energy away from crusades like Central America that undermine our interests.

Finally, it should be noted that the French "Third way" in Africa -- that is, as an alternative to the Soviets or ourselves -- is not necessarily something we should fear. Provided, of course, that it is not purchased at our expense. Precisely because of its reputation for independence, France may be able to pull certain countries toward the West without causing them to run the political risks they might encounter in a direct association with us. At a later date, we could try to capitalize ourselves on the French induced Westernization -- that is, so long as our reputation is not overly sullied by the French to make their own opening easier. In a case like Ethiopia, French carrots -- if coordinated with serious countervailing pressure by us -- could be effective in trying to pull Ethiopia out of the Soviet orbit. On the broader subject of Soviet proxies, action-oriented consultation between France and the U.S. could certainly be improved. In short, with imagination, we ought both to be able to do a better job at having our cake and eating it too.

4. Terrorism and Non-Proliferation

Assessment:

Three Americans, including a U.S. Defense Attache, have lost their lives in recent terrorist attacks in France. Despite relatively effective internal anti-terrorist capabilities, the French have been notoriously resistant both to international cooperation on terrorist matters and to the extradition of offenders. The latter problem stems from France's long-standing desire to be seen as a land of asylum for those of all shades

of political opinion. More cynical observers believe that the French have cut deals with terrorist groups, promising safe passage in return for restraint on French targets. In a recent egregious case, the French let a suspect for two Los Angeles terrorist bombings slip away to Libya, arguing that our 1909 Extradition Treaty did not provide a basis for retention. Our Turkish allies are deeply troubled by the lack of French help on Armenian terrorist matters.

In the non-proliferation area, French cooperation has been generally satisfactory. They seem to be moving cautiously on the Iraqi nuclear front; have been generally tough-minded on safeguards requirements for India; and appear to be working cooperatively on tightening restrictions over sensitive materials and technologies. The French have, however, balked at joining us in a requirement for comprehensive safeguards in any significant new supply undertaking. This is one of our central desires, and French agreement would enable the Reagan Administration to score a non-proliferation success that has persistently eluded others.

Objectives:

We should register satisfaction with the recent French decision to begin multinational cooperation on terrorist issues -- though not unduly so given the enormity of the problem and the lack of any concrete results. We should press firmly for rapid renegotiation of the Extradition Treaty. Finally, we should make the political point that since American lives and interests are directly at stake, backsliding by the French could lead to an especially sharp and acrimonious public reaction in the U.S.

In the non-proliferation area, the issue has to do more with opportunities missed than French-created problems. Because we have done so little to publicize it, most people overlook (and tactically it is in France's interest to do so) the major concessions the President has granted European reprocessing countries (like France). These concessions translate into France's being able to plan confidently on billions of dollars of business in reprocessing U.S.-origin nuclear fuel in countries like Japan. The President defended these concessions on the Hill by saying they would improve French cooperation in proliferation matters. We have reason to expect more from the French than we have been getting. They should be willing to help us score a more visible non-proliferation gain.

Summary of Key Points

-- Desire for independence makes French policy hard to change. Others may be better conduits for especially touchy messages. Results are more likely where we can give French an independent rationale for action.

-- We shouldn't pay much of a price for rhetorical improvements or worry excessively about French rhetoric in general, though recent swipes at the Administration have gotten clearly out of bounds.

-- The key task at the moment is to contain U.S.-French disputes in the face of trends that drive us in the opposite direction. And we need to look for ways to enhance the cooperation we have so as to hedge against further deterioration in other areas.

-- In Central America, our principal concern should be on stopping further French arms to Nicaragua and on assuring that the French attempt to achieve Cuban political concessions in return for new deals.

-- On East-West relations, we should try to build upon French concern over Poland, Afghanistan and Euro-neutralism, realizing that the French (and Italian) Socialists can be increasingly important allies in the struggle to shape European opinion on these issues. We should take seriously the possibility that the French will further sacrifice conventional forces for nuclear ones.

-- We should come down sharply on the French for undercutting the Contact Group on Namibia, and keep pressure on in Libya. We should recognize the positive French contribution in Lebanon, and understand, too, that their involvement there may reduce their potential for mischief-making in other areas.

-- We should make improved cooperation in terrorism, particularly on extradition, a top item on our bilateral agenda; and we should recognize that in the non-proliferation area our reprocessing concessions created reciprocal obligations the French have yet to fully satisfy or acknowledge.

*Corrected
by [unclear], 1/20/80*

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WHITE HOUSE SITUATION ROOM

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DE WTE31 #0001 2961244
P 231244Z OCTOBER 1982
FM ELYSEE FRANCE

TO WHITE HOUSE

~~CONFIDENTIAL~~ GOUVERNEMENTAL

PARIS LE 23. 10. 1982

A L'ATTENTION PERSONNELLE DU PRESIDENT REAGAN
MONSIEUR LE PRESIDENT,

J'AI BIEN RECU LE TELEX DANS LEQUEL VOUS ME FAISIEZ PART
DE VOTRE SOUHAIT D'ENVOYER VOTRE PROCHE CONSEILLER M. BILL CLARK.

JE SERAI HEUREUX DE RECEVOIR M. CLARK LE MERCREDI 27 OCTOBRE
A 18H30.

JE VOUS PRIE DE CROIRE, MONSIEUR LE PRESIDENT, A L'ASSURANCE
DE MA TRES HAUTE CONSIDERATION

FRANCOIS MITTERAND

CFN: 23 10 1982 27 18H30

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NLS EOD-147#1795

BY LTJ NARA, DATE 6/23/06

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MEMORANDUM

THE WHITE HOUSE
WASHINGTON

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SITUATION ROOM CHECKLIST

October 23, 1982

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French Gas Officials Comment on Gas Purchases

Senior Gas De France officials told Ambassador Galbraith early this week they are considering various additional sources of gas in efforts to diversify their supply. The officials noted:

- o Norwegian gas is "indispensible" for Europe's long-term needs and there will be sufficient demand to assure the development of the Troll field.
- o It would be impossible for the continent to accept transporting Norwegian gas through the UK to them as they would never agree to being so far down the line on a delivery system.
- o While looking for other sources, they have ruled out Mexico as source and will consider all options which do not put them in abnormal competition with the U.S. or Japan and they will not put "all their eggs in one basket."
- o Future purchases from the Soviet Union would depend on what could be purchased elsewhere and political factors.
- o The Belgians will end up buying Soviet gas, but will be put off signing until the gas is actually available in Europe.
- o The Soviets have been offering spot sales recently of current excess in order to get cash to buy grain.
- o The amount of excess capacity in the Soviet system is difficult to estimate because the pipeline is completely integrated with the Soviet domestic gas system. (C)

Paris 36429, PSN 29342, 29345

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*Van. Attali - conciliatory spirit
+ to resolve every problem -*

PRIORITY
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P 231244Z OCTOBER 1982
FM ELYSEE FRANCE

TO WHITE HOUSE

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PARIS LE 23.10.1982

A L'ATTENTION PERSONNELLE DU PRESIDENT REAGAN
MONSIEUR LE PRESIDENT,

J'AI BIEN RECU LE TELEX DANS LEQUEL VOUS ME FAISIEZ PART
DE VOTRE SOUHAIT D'ENVOYER VOTRE PROCHE CONSEILLER M. BILL CLARK.
JE SERAI HEUREUX DE RECEVOIR M. CLARK LE MERCREDI 27 OCTOBRE
A 18H30.

JE VOUS PRIE DE CROIRE, MONSIEUR LE PRESIDENT, A L'ASSURANCE
DE MA TRES HAUTE CONSIDERATION

FRANCOIS MITTERAND

CFN: 23 10 1982 27 18H30

Mr President

I have received the cable in which you advise me of your
wish to send your close advisor Mr Bill Clark.

I would be pleased to receive Mr Clark on Wednesday October
27 at 6:30 pm.

XXXXXXXXXXXXXXXXXXXXXXXXXXXX

With assurance of my very high consideration,

Francois Mitterand

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NLS FOO-147#1797

BY LOT, NARA, DATE 6/23/06

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REMARKS:

S/S Officer:

Clay E. McManaway
cdj

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FM AMEMBASSY BONN

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~~SECRET~~ SECTION 01 OF 03 BONN 23689

NODIS

FOR THE SECRETARY FROM AMBASSADOR BURNS

E.O. 12356: DECL: OADR

TAGS: FR

SUBJECT: CONVERSATIONS WITH THE FOREIGN MINISTER AND
THE FINANCE MINISTER OF FRANCE

1. (~~SECRET~~ - ENTIRE TEXT)

2. AFTER CHECKING WITH EAGLEBURGER AND THE FRENCH
AMBASSADOR HERE, I ARRANGED TO MEET WITH MR. CHEYSSON,
THE FRENCH FOREIGN MINISTER WHO WAS HERE AS A MEMBER OF
THE FRENCH DELEGATION VISITING TOP OFFICIALS OF THE
GERMAN GOVERNMENT. OUR MEETING LASTED ABOUT AN HOUR ON
THE MORNING OF OCTOBER 21; IT TOOK PLACE AT MY RESIDENCE.
THE FRENCH AMBASSADOR ACCOMPANIED HIS FOREIGN MINISTER.
I HAD NO ONE WITH ME SINCE I WANTED THE MEETING TO
BE PRIVATE.

3. I INFORMED CHEYSSON AT THE START THAT THE MEETING
WAS ENTIRELY MY IDEA, THAT I HAD NO INSTRUCTIONS FROM
MY GOVERNMENT, BUT THAT THE SECRETARY OF STATE WAS IN-

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BY LIT, NARA, DATE 11/6/07

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FORMED THAT I WOULD BE HOLDING THIS MEETING. CHEYSSON THEN RECALLED OUR CONVERSATION IN WASHINGTON LAST YEAR AND STATED THAT HE WELCOMED MY INITIATIVE. I PROCEEDED TO SAY THAT FRANCE WAS THE OLDEST AND MOST CONSISTENT ALLY OF THE U.S., THAT OUR RELATIONS HAVE BEEN ESPECIALLY WARM IN RECENT TIMES; BUT THAT SOME TENSIONS HAVE BECOME APPARENT DURING THE PAST YEAR, AND THAT MY PURPOSE WAS TO LEARN HOW THE FRENCH GOVERNMENT VIEWED ITS RELATIONS WITH THE UNITED STATES SO THAT I MIGHT PERHAPS BE HELPFUL IN FURTHERING WAYS TO REDUCE OUTSTANDING DIFFERENCES.

4. CHEYSSON THANKED ME AND SAID THAT HE WOULD BE ENTIRELY CANDID. HE PROCEEDED TO COMMENT ON THE FRENCH GOVERNMENT'S VIEW CONCERNING NAMIBIA, THE MIDDLE EAST, LATIN AMERICA, "SOUTHERN COUNTRIES", AND THE NATO ALLIANCE. HE STATED THAT THE VIEWS OF HIS GOVERNMENT ON PRACTICALLY ALL THESE MATTERS WERE IN CLOSE ACCORD WITH THE VIEWS OF THE AMERICAN GOVERNMENT AS EXPLAINED TO HIM BY GEORGE SHULTZ, THAT SUCH DIFFERENCES AS EXISTED WERE MATTERS OF DETAIL OR EMPHASIS, AND THAT HE HAD SO INFORMED YOU DURING HIS RECENT MEETING WITH YOU. HE EMPHASIZED PARTICULARLY THE SIMILARITY OF AMERICAN AND FRENCH VIEWS ON THE SOVIET THREAT, THAT FRANCE CONSIDERED NATO ABSOLUTELY INDISPENSABLE, AND THAT IT WARMLY SUPPORTED AMERICAN IDEAS ON DEFENSE.

5. HE THEN OBSERVED THAT HE AGREED THAT TENSIONS NOW EXIST BETWEEN OUR TWO COUNTRIES. HE ADDED THAT EVERY ELEMENT OF DIFFERENCE BETWEEN US COULD HAVE BEEN IRONED OUT, THAT HE HAD NO DIFFICULTY WITH THE BROAD PRINCIPLES OF THE LA SAPINIERE NON-PAPER, BUT THAT HIS COUNTRY WAS

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FOR SOME TIME IRKED BY AMERICAN "LACK OF CONSIDERATION" FOR FRENCH OPINION--OR FOR THAT MATTER--THE THINKING OF OTHER EUROPEAN COUNTRIES ON VARIOUS ISSUES OF COMMON INTEREST. HE EXPLAINED THAT BY "LACK OF CONSIDERATION" HE MEANT THAT WE RARELY CONSULTED IN ANY TRUE SENSE, THAT MORE OFTEN THAN NOT WE MERELY INDICATED TO HIS GOVERNMENT WHAT HE HAD ALREADY DECIDED TO DO. HE SPOKE WITH DEEP FEELING ABOUT THE INADEQUACY OF OUR CONSULTATIVE PROCEDURES; AND WHILE HE DID NOT SAY THIS IN SO MANY WORDS HE MADE IT CLEAR THAT FRANCE'S PRIDE WAS INJURED. I REPLIED THAT I THOUGHT THERE WAS SOME BASIS FOR HIS CRITICISM, BUT THAT I WAS ALSO CONFIDENT THAT THE CONSULTATIVE PROCESS WOULD BE MORE THOROUGH AS WELL AS MORE TIMELY UNDER YOUR STEWARDSHIP OF FOREIGN POLICY. HE REPLIED THAT HE WAS ENORMOUSLY PLEASED WITH THE WAY IN WHICH HIS CONVERSATIONS WITH YOU HAVE GONE.

1/5 level?

8. HE THEN TOLD ME, AND IN DOING SO WARNED HIS AMBASSADOR NEVER TO MENTION THE POINT, THAT HE WAS CONCERNED ABOUT THE RELATION BETWEEN PRESIDENT MITTERAND AND PRESIDENT REAGAN; THAT THE TWO MEN GOT OFF TO A GOOD START, BUT THAT THEIR RELATIONSHIP BEGAN TO DETERIORATE SHORTLY BEFORE THE VERSAILLES MEETING, AND THAT IT THEN TOOK A STILL MORE UNFORTUNATE TURN AT VERSAILLES. HE DID NOT SPECIFICALLY EXPLAIN WHO OR WHAT WAS RESPONSIBLE FOR THE ESTRANGEMENT, BUT HE SEEMED TO HAVE IN MIND A CERTAIN LACK OF SENSITIVITY TO FRENCH CONCERNS AND FEELINGS. HE WENT ON TO EXPRESS THE HOPE THAT THE RELATION BETWEEN THE TWO PRESIDENTS WOULD IMPROVE, AND THAT CLOSE COMMUNICATION--IMPLYING SOME AMERICAN INITIATIVE--WOULD HELP. HE EVEN SUGGESTED--I COULDN'T TELL HOW SERIOUSLY HE MEANT IT--THAT MITTERAND MIGHT BE INVITED

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FM AMEMBASSY BONN

TO SECSTATE WASHDC NIACT IMMEDIATE 1255

~~SECRET~~ SECTION 02 OF 03 BONN 23689

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FOR THE SECRETARY FROM AMBASSADOR BURNS

SOON FOR A FRIENDLY PRIVATE MEETING WITH PRESIDENT REAGAN, AND THAT IF THIS HAPPENED IT SHOULD BE DONE WITH LITTLE OR NO PUBLICITY. HE DID NOT ASK ME TO CONVEY THIS OR ANYTHING ELSE TO YOU, ALTHOUGH I HAD TOLD HIM AT THE OUT-SET--IT WAS ONLY PROPER TO DO SO--THAT I MIGHT REPORT TO YOU ON THE CONVERSATION WE WERE HOLDING.

7. CHEYSSON SPOKE SCORNFULLY OF THE VERSAILLES MEETING. HE WAS CRITICAL OF THE MASSIVE JOURNALISTIC PRESENCE AT VERSAILLES, OF THE ATTENTION ACCORDED THE PRESS BY THE SUMMITTEERS, OF THE "STRUCTURED AGENDA" FOR THE MEETING, OF THE RELATIVE LACK OF INFORMED CONVERSATION AMONG THE GOVERNMENTAL LEADERS, AND OF THE INSUFFICIENT PERSONAL UNDERSTANDING--BOTH OF ONE ANOTHER AND OF DIVERGENT NATIONAL INTERESTS--THAT RESULTED FROM THE EXCESSIVELY FORMAL ATMOSPHERE. I NOTED THAT PRESIDENT REAGAN ALSO FELT THAT GREATER INFORMALITY AND MORE TRUE DIALOGUE SHOULD CHARACTERIZE THE NEXT SUMMIT MEETING, THAT HE HAD WRITTEN CHANCELLOR KOHL TO THAT EFFECT, THAT I ASSUMED A SIMILAR COMMUNICATION WAS RECEIVED BY PRESIDENT MITTERAND, AND THAT WITHIN A FEW DAYS THE NEW

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UNDER SECRETARY OF STATE FOR ECONOMIC AFFAIRS, ALLEN WALLIS, WOULD BE DISCUSSING PLANS FOR THE NEXT SUMMIT WITH HIS EUROPEAN COUNTERPARTS IN THE LIGHT OF PRESIDENT REAGAN'S THOUGHTS. CHEYSSON RESPONDED THAT HE HAD THE FEELING THAT PRESIDENT REAGAN WAS SEEKING A "STRUCTURE FOR AN UNSTRUCTURED MEETING." I THEN NOTED THAT ALLEN WALLIS, AN OLD FRIEND OF MINE, WOULD BE STAYING WITH ME WHILE IN BONN, AND THAT I WOULD IMPRESS ON HIM THE IMPORTANCE OF INFORMAL DIALOGUE--THAT, INDEED, IT MIGHT BE MORE IMPORTANT FOR THE SUMMITTEERS TO GET TO KNOW ONE ANOTHER AS HUMAN BEINGS, EACH HAVING HIS OWN CONCERNS AND PERCEPTIONS, THAN TO STRIVE FOR SPECIFIC CONCLUSIONS ON OUTSTANDING ISSUES. CHEYSSON SEEMED PLEASED WITH MY STATEMENT AND VOICED THE HOPE THAT THE NEXT SUMMIT WOULD BE RICH IN DIALOGUE AND RELATIVELY FREE OF THE FANFARE OF PUBLICITY.

8. I THEN SHIFTED THE CONVERSATION TO THE FINANCIAL AREA. I INDICATED THAT OUR FEDERAL RESERVE AUTHORITIES BEGAN MODIFYING THEIR MONETARY POLICY TOWARDS THE END OF JUNE, THAT THEY HAVE BEEN TESTING THE MARKET SINCE THEN WITH A VIEW TO DETERMINING HOW MUCH ELBOW ROOM THEY ACTUALLY HAD TO MOVE INTEREST RATES TOWARD LOWER LEVELS, THAT THEY HAVE FOUND THEY HAD MORE ELBOW ROOM THAN THEY ANTICIPATED, THAT THE NEW POLICY OF SEEKING LOWER INTEREST RATES WOULD PROBABLY BE CONTINUED FOR SOME TIME, BUT THAT IT WAS AS YET IMPOSSIBLE TO JUDGE HOW LONG THE NEW POLICY MIGHT LAST OR HOW MUCH LOWER INTEREST RATES WOULD MOVE IN THE PROCESS. I ALSO OBSERVED THAT WHILE THE SHIFT IN MONETARY POLICY WAS UNDERTAKEN PRIMARILY FOR DOMESTIC REASONS, OUR GOVERNMENT--INCLUDING OF COURSE THE FEDERAL RESERVE--WAS

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AWARE OF THE BENEFICIAL EFFECTS THAT LOWER AMERICAN INTEREST RATES WOULD HAVE IN EUROPE, AND THAT THIS AWARENESS WAS NOT WITHOUT INFLUENCE ON THE EVOLUTION OF U.S. MONETARY POLICY. CHEYSSON WAS OBVIOUSLY PLEASED WITH MY EXPLANATION AND INDICATED THAT FRANCE GREATLY WELCOMED THE REDUCTION OF INTEREST RATES THAT WAS UNDER WAY.

9. I TURNED NEXT TO THE FOREIGN EXCHANGE MARKET. I REMINDED CHEYSSON THAT WHEN WE MET LAST YEAR, HE WAS UNHAPPY OVER U.S. RELUCTANCE TO INTERVENE IN THE FOREIGN EXCHANGE MARKET. I INQUIRED WHETHER THAT WAS STILL HIS VIEW, AND IF SO WHETHER HE FELT THAT OUR POLICY OF NON-INTERVENTION WAS CONTRIBUTING TO POLITICAL TENSIONS BETWEEN OUR TWO COUNTRIES. HE REPLIED THAT THE FOREIGN EXCHANGE MARKET WAS OUTSIDE HIS AREA OF RESPONSIBILITY, THAT MR. DELORS--THE FINANCE MINISTER OF FRANCE--WAS ALSO IN BONN, AND THAT HE WOULD PROMPTLY TRY TO ARRANGE A MEETING BETWEEN ME AND DELORS. HE CONCLUDED BY SAYING, AS HE HAD PREVIOUSLY, HOW PLEASED HE WAS WITH THE WAY YOU WERE CONDUCTING AMERICAN FOREIGN POLICY, THAT YOU WERE A CONSTRUCTIVE FORCE IN FRENCH-AMERICAN RELATIONS, THAT HE HAS ALREADY DEVELOPED CONGENIAL UNDERSTANDINGS WITH YOU, AND THAT PRACTICALLY ALL THE GROUND THAT HE COVERED WITH ME HE HAD PREVIOUSLY COMMUNICATED TO YOU. ON PARTING, HE EXPRESSED THE HOPE THAT WE MIGHT MEET AGAIN WHEN IT SEEMED SUITABLE AND CONVENIENT.

10. I MET WITH DELORS THE SAME DAY, AFTER 10 P.M. AT MY RESIDENCE. OUR CONVERSATION COVERED THE INTERNATIONAL FINANCIAL SCENE AS WELL AS ECONOMIC AND FINANCIAL CONDITIONS IN OUR TWO COUNTRIES. WE WERE TOGETHER ALONE

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TO SECSTATE WASHDC NIACT IMMEDIATE 1256

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NODIS

FOR THE SECRETARY FROM AMBASSADOR BURNS

FOR ABOUT TWO HOURS. I WAS CANDID WITH DELORS THROUGH-
OUT, AND I FELT THAT HE WAS EQUALLY CANDID AND FRIENDLY.
IT TURNED OUT, INCIDENTALLY, THAT WE HAD MET SOME YEARS
AGO.

11. FOR REASONS OF TIME, I WILL BE MERCIFUL AND CONFINE
MY REPORT ON THE CONVERSATION WITH DELORS TO HIS VIEWS
ON THE FOREIGN EXCHANGE PROBLEM. HE ATTACHES GREAT
IMPORTANCE TO THE STUDY OF INTERVENTION POLICIES THAT WAS
AGREED UPON AT VERSAILLES. HE EXPECTS THE STUDY TO MOVE
SPEEDILY AND HE WOULD RESIST ANY ATTEMPTS AT DELAY.
HE WILL URGE AGREEMENT BY THE PRINCIPAL INDUSTRIAL
DEMOCRACIES ON FAIRLY WIDE BANDS WITHIN WHICH EXCHANGE
RATES SHOULD BE MAINTAINED. LESS VOLATILE EXCHANGE
RATES ARE OF THE UTMOST IMPORTANCE TO FRANCE, AND
THEREFORE A WILLINGNESS TO INTERVENE IN THE MARKET SO
AS TO KEEP EXCHANGE RATES WITHIN THE ACCEPTED BANDS
WILL BE ESSENTIAL. THE RELUCTANCE OF THE REAGAN ADMINIS-
TRATION TO INTERVENE IN EXCHANGE MARKETS HAS BEEN
DISAPPOINTING TO FRANCE. FINALLY, MORE STABLE EXCHANGE
RATES ARE POLITICALLY IMPORTANT FOR FRANCE BECAUSE

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THEY WOULD CONTRIBUTE TO BETTER RELATIONS WITH THE UNITED STATES AND HER OTHER ALLIES, BECAUSE SUCH A REGIME OF EXCHANGE RATES WOULD STRENGTHEN THE ECONOMIES OF THE WEST, AND BECAUSE IT WOULD THEREBY STRENGTHEN THE POLITICAL WILL OF THE WEST TO RESIST BOTH SOVIET PROPAGANDA AND SOVIET AGGRESSION. THESE, IN BRIEF, ARE HIS VIEWS ON THE EXCHANGE PROBLEM.

12. A FEW COMMENTS; FIRST, ALTHOUGH I FEEL THAT BOTH CHEYSSON AND DELORS WERE CANDID WITH ME, THE DIFFERENCE IN WHAT THEY ACCENTED IS A LITTLE PUZZLING. THERE IS, HOWEVER, NO INHERENT CONTRADICTION BETWEEN WHAT THE TWO OF THEM HAD TO SAY. I MIGHT ADD THAT THE FRENCH AMBASSADOR HERE TOLD ME A FEW DAYS EARLIER THAT HE HAD BEEN COMMUTING BETWEEN BONN AND PARIS IN RECENT WEEKS, AND THAT HE ENCOUNTERED MUCH UNHAPPINESS IN PARIS ABOUT AMERICAN ATTITUDES, PARTICULARLY OUR VIEWS ON EAST-WEST ECONOMIC RELATIONS. VARIOUS CABLES FROM OUR EMBASSY IN PARIS HAVE ALSO LEFT ME WITH THE IMPRESSION THAT THE FRENCH GOVERNMENT IS UNHAPPY WITH US. I DO NOT KNOW ENOUGH TO SORT OUT RESPONSIBLY THESE VARIOUS REPORTS. SEVERAL THINGS, NEVERTHELESS, SEEM CLEAR TO ME FROM MY CONVERSATIONS WITH THE TWO FRENCH MINISTERS. FIRST, SOME EFFORT AT FOREIGN EXCHANGE STABILIZATION IS IMPORTANT TO FRANCE, AND FAILURE TO REACH SOME UNDERSTANDING WITH US ON THIS ISSUE IS A POLITICAL IRRITANT. SECOND, IMPROVED RELATIONS BETWEEN PRESIDENT REAGAN AND PRESIDENT MITTERAND SHOULD BE SOUGHT. THIRD, WHILE CHEYSSON APPEARS TO BE WELL DISPOSED TOWARD THE UNITED STATES, HE DEEPLY RESENTS OUR FAILURE TO CONSULT HIM AND HIS GOVERNMENT SUFFICIENTLY. FOURTH, BOTH CHEYSSON AND DELORS BELIEVE THAT GEORGE SHULTZ

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BOTH CAN AND WILL IMPROVE THE POLITICAL RELATIONS BETWEEN
THE U.S. AND FRANCE. REGARDS AND BEST WISHES, ARTHUR,
BURNS.

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