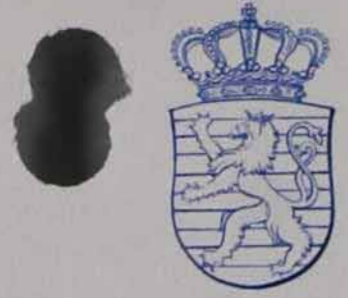


SUBJECT

GRAND-DUCHÉ DE LUXEMBOURG

Luxembourg, le 10 novembre 1980



LE PRÉSIDENT DU GOUVERNEMENT

PRIME MINISTER'S  
PERSONAL MESSAGE  
SERIAL No. T 220/80

Right Hon. Mrs Margaret THATCHER,  
Prime Minister

*My dear Prime Minister,*

I have the honour, as President in office of the European Council, to confirm that our next meeting will be held on 1 and 2 December next, when I shall have the pleasure of receiving you in Luxembourg.

This meeting is taking place at a moment when public opinion certainly expects that the Heads of State or of Government will not only review the economic and political situation in the Community and in the world, as has now become a tradition, but will also show their determination to get action on a number of vital current issues.

As usual, our meeting should enable us to have an exchange of views on the political situation.

It is already clear to me that the question of the Middle East must be placed well up on our agenda. In accordance with Point 2 of our declaration in Venice, the Luxembourg Minister for Foreign Affairs has taken up contact with all the parties concerned. It will be for the European Council to assess the results of this mission and to decide on the form of any further initiative on the part of the Member States of the Community.

.../...

The economic and social situation doubtless requires thorough examination and special emphasis should be placed on our joint concern to check and to reduce unemployment, the continuation of which, and its tendency to become chronic, are gradually creating a situation which poses a danger to stability and public order in our countries.

Turning to Community problems, we shall have to appoint the President and members of the future Commission of the Communities and to confirm to them or to set out in more detail a mandate already given to the Commission to complete, before 30 June 1981, an examination of future developments in Community policies, without calling into question either the principle of joint financial responsibility or the basic principles of the common agricultural policy. This examination should take the interests of all the Member States into account, so as to prevent situations which would be unacceptable for any of them from arising in the future.

It has been suggested that, on the same occasion, Mr Roy JENKINS, President of the Commission, should let the European Council have his views on the state of the Community, in the service of which, for almost four years now, he has carried out the important and difficult duties which the European Council entrusted to him in 1976. It has also been suggested that the person whom we shall appoint as President of the Commission for the next term of office should take part in this exchange of views.

As regards the more immediate future, there is no doubt that it would be advisable for the Heads of State or of Government also to discuss the situation in certain branches of our economies which have been particularly affected by the crisis, and the longer-term prospects of an economic upturn resulting, in particular, from the rationalization of economic structures which has now become imperative.

In this context we should perhaps also pay attention to relations between the countries of the European Community and the other large industrialized countries, with a view both to maintaining free trade throughout this delicate phase and to ensuring that Europe's industrial efforts are not unduly thwarted by unbalanced commercial policies pursued by one or other of our great partners.

.../...

In the light of our exchanges of views on the international monetary situation we shall no doubt have to continue our earlier discussions on the development of the European Monetary system. Even if decisions as fundamental as those concerning the establishment and operation of the future European monetary fund may prove to be somewhat premature at this particular meeting, a re-affirmation of the determination of the Heads of State or of Government to continue the development and strengthening of monetary co-operation would not only satisfy the expectations of Community and International economic and financial operators, but would emphasize a determination to continue with a process now irrevocably under way. In this connection instructions to examine certain questions in more detail could be given to the competent bodies, as regards the widening of the role of the ECU among other things.

We shall also have to examine the conditions under which the North/South Dialogue should be resumed in the near future. During this preparatory phase we should try to promote joint positions which are capable of giving Europe the weight and cohesion which are necessary for the judicious defence of its own interests but which can also prove to make a real contribution to the prospects for the longer term success of this dialogue.

Finally, we should think about the problems of the internal functioning of the Community, with particular reference to future relations between the Council and the European Parliament, and also to the conclusions which the Ministers for Foreign Affairs have drawn from the report drawn up by the Three Wise Men at the request of the European Council.

My suggestions concerning the items for discussion are neither exhaustive nor indicative of any priorities. I shall be very happy if you would like to let me have your suggestions and wishes concerning the agenda.

If you consider that a personal exchange of views could be useful for the effective preparation of this meeting I would be very willing to come to LONDON sometime this month.

In addition, unless you see any objection, I also propose to extend an invitation to the Prime Minister of Greece.

*With kindest regards*

*Yours sincerely*

*Lucien Demin*