

GR 300
CONFIDENTIAL
FM ATHENS 051100Z JUL 85
TO PRIORITY FCO
TELEGRAM NUMBER 322 OF 5 JULY 1985
INFO PRIORITY UKREP BRUSSELS
INFO ROUTINE OTHER EC POSTS

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GREEK MINISTERIAL REACTIONS TO MILAN COUNCIL

1. I CALLED ON PANGALOS TODAY, AFTER HIS RETURN FROM STRASBOURG, TO GET AN IMPRESSION OF GREEK MINISTERIAL THINKING AFTER MILAN.
2. PANGALOS SAID THAT THE FRANCO-GERMAN LAST-MINUTE 'COUP' HAD MADE A DISAGREEABLE IMPRESSION ON PAPANDEOU. THE GREEKS DID NOT CARE FOR DIRECTORIES, WHETHER OF THREE OR TWO, ALTHOUGH THEY PRIVATELY UNDERSTOOD THAT THE UK, FRG AND FRANCE NEEDED TO BRING THEIR IDEAS TOGETHER IF PROGRESS WERE TO BE MADE. BUT TO BE CONFRONTED AT THE LAST MOMENT BY THE KIND OF PRESSURE FRANCE, FRG AND ITALY HAD TRIED TO EXERT AT MILAN WAS NO WAY TO GO ON. THE EC NEEDED CAREFUL PREPARATION IF IT WERE EVER TO MOVE ON ANYTHING. PAPANDEOU HAD BEEN PARTICULARLY OFFENDED BY CRAXI'S 'HIGH-HANDED' BEHAVIOUR. NOT ONLY HAD HE FAILED TO VISIT ATHENS BEFORE THE COUNCIL (THIS OBVIOUSLY RANKLED) BUT WHEN THEY HAD THEIR BILATERAL IMMEDIATELY BEFORE THE COUNCIL, THE GREEKS HAD BEEN GIVEN NO WARNING OF THE VOTING PLOY. THEY REGARDED THE ITALIAN CONDUCT IN THE CHAIR AS DECEITFUL AND THE OUTCOME AS SERIOUSLY DAMAGING THE ESSENTIAL TRUST BETWEEN PARTNERS.
3. I DREW ON YOUR GUIDANCE TELEGRAM NO. 56 ABOUT OUR OWN THINKING. PANGALOS REPEATED WHAT HE HAD SAID PUBLICLY IN STRASBOURG THAT OUR IDEAS ON PROCEDURAL REFORM WERE VERY GOOD. THEY OFFERED A PRACTICAL COMPROMISE WHICH ALL SHOULD BE ABLE TO ACCEPT. HE ENDORSED ENTIRELY OUR VIEW THAT THE IGC WILL DEPEND UPON REBUILDING COMMON GROUND. HE AGREES THAT WE SHOULD KEEP CLOSELY IN TOUCH. THE GREEK CABINET WILL BE CONSIDERING ITS LINE AT A MEETING NEXT WEEK. PANGALOS HAD MEANWHILE INSTRUCTED ZAFIROU TO OBJECT TO THE INSTITUTIONAL A POINT GOING TO ECOFIN (PARAGRAPH 2 OF UKREP BRUSSEL'S TELNO 2494 OF 4 JULY). THIS SHOULD BE DISCUSSED IN FAC.

T H O M A S

FRAME GENERAL

ECD (1)

ADDITIONAL DIST:
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