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10 DOWNING STREET

cc Master Set.

From the Principal Private Secretary

2 July 1980

Dear Paul,

EUROPEAN COMMISSIONERS

The Prime Minister met the Leader of the Opposition earlier today to discuss who should become the second of the two British European Commissioners when Mr. Roy Jenkins left Brussels at the beginning of next year.

The Prime Minister said that Mr. Tugendhat would stay on and would become the senior of the two British Commissioners. We did not yet know what portfolio he would hold but since much of the Commission's work over the next two or more years would be devoted to such key issues as the reform of the budget and the CAP, we would aim to secure one of the economic or financial posts. There was also a case for trying to take over M. Cheysson's portfolio dealing with Community aid to the Third World. It was surprising how much of the trade associated with Community assistance to developing countries seemed to go to French firms. She was in favour of multi-lateral aid, provided we gained as much as we put in. One portfolio we could be sure the UK would not get was the agriculture one. She would welcome any names Mr. Callaghan would like to suggest for consideration as the second British Commissioner.

Mr. Callaghan said that he could not offer any names today but he would take some soundings and let the Prime Minister have the names of two or three possible candidates in the course of next week. He agreed that the UK should try to secure one of the economic or financial portfolios. He also shared the Prime Minister's views about multilateral aid.

The Prime Minister said that if M. Thorn succeeded Mr. Jenkins as President of the Commission, he would have to be consulted at the appropriate moment about who the British Commissioners should be. She added that she had been supporting M. Thorn's candidature for the Presidency.

Mr. Callaghan said that he thought M. Thorn would probably make a good President. But the Prime Minister should bear in mind that he was a strong federalist, a fact which probably explained President Giscard's objection to him for the Presidency. If M. Thorn was appointed, there would be much to be said for the Prime Minister finding an opportunity to warn him that whatever his personal views, Europe as a whole was not federalist.

/The Prime Minister

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The Prime Minister said that she was herself strongly anti-federalist. If M. Thorn attempted to push the Community in a federalist direction, she thought that he would be strongly resisted. She looked forward to receiving Mr. Callaghan's suggestions for the Commission next week.

I am sending a copy of this letter to Murdo Maclean (Chief Whip's Office) and David Wright (Cabinet Office).

Yours ever,

Shirley Williams.

Paul Lever, Esq.,  
Foreign and Commonwealth Office.

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As I promised, I attach copies of the records of this morning's meeting between the Prime Minister and Mr. Callaghan.

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C. A. WHITMORE

Sir Tom McCaffrey

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