CONFIDENTIAL

cc CWO
CO
FCO

DS

10 DOWNING STREET

THE PRIME MINISTER

16 September 1980

Dear Jim

When we met on 21 July you put forward the name of Fred Mulley as a possible candidate to succeed Roy Jenkins at the turn of the year as one of this country's two European Commissioners. I promised to reflect on your suggestion and to let you know privately what conclusion I came to.

I doubt whether Fred Mulley is the most suitable person we could find for this important job, particularly now that there is bound to be a question mark over his health. As you know, I was attracted to the idea that Joel Barnett might do it, but you told me that he had said that he did not want to be considered for it, though you thought that in certain circumstances he might be persuaded to let his name go forward.

Since our talk Joel and Michael Jopling, who knows him well, have had an entirely private word, and Joel now seems more interested in the appointment than perhaps he was earlier. Provided you have no objections, I would now like to sound him out rather more formally.

The Rt. Hon. James Callaghan, M.P.

CONFIDENTIAL

HOUSE OF COMMONS
LONDON SW1A 0AA

From:

The Rt. Hon. James Callaghan, M.P.

22 September 1980

CONFIDENTIAL

Dear Margaret,

Thank you for your letter of 16th September.

I am sorry to hear your decision about Fred Mulley, as I understand he has made a complete recovery and is now quite well again.

As regards Joel Barnett, I have, of course, no objection at all to you sounding him out. – although I still gather that he is not willing!

Yours sincerely

Jim Callaghan

The Rt. Hon. Margaret Thatcher, M.P.

PRIME MINISTER

The Chief Whip is coming in at 1530 tomorrow to see you primarily about the search for a Labour European Commissioner to succeed Mr. Roy Jenkins. As I told you some days ago, he rang me on my return from leave to say that Mr. Joel Barnett was now showing a considerable interest in the appointment.

If we want to pursue the possibility of Mr. Barnett succeeding Mr. Jenkins, the next step is for you to write to Mr. Callaghan to let him know that you wish to approach Mr. Barnett formally. I attach the draft of a letter which you might send to Mr. Callaghan. It would be useful if you could show this to the Chief Whip tomorrow (I will let him have a copy in advance), to ensure that it is consistent with what he has said to Mr. Barnett in their private contacts and will not embarrass Mr. Barnett vis-à-vis Mr. Callaghan.

I also enclose below a minute from Sir Robert Armstrong reporting Mr. Mulley's continuing interest in the appointment and a bid for the post from Lord George Brown.

TLW.

15 September 1980

CONFIDENTIAL

cc FCO
LPCO
CWO
CO

10 DOWNING STREET

THE PRIME MINISTER

1 October 1980

Dear Jim,

Thank you for your letter of 22 September about possible candidates to succeed Roy Jenkins at the European Commission.

I have sounded out Joel Barnett and, contrary to the indications I had had earlier, he has now told me that he has no wish to be considered for Brussels.

When we met on 21 July to discuss possible Labour Party candidates, Ivor Richard's name was among those you mentioned to me. I thought I would let you know that I now propose to approach him to see whether he is interested in the appointment.

Yours sincerely

Margaret Thatcher

The Right Honourable James Callaghan, M.P.

CONFIDENTIAL

Euro Pol

Ref. A03104

PRIME MINISTER

You are to discuss with the Foreign and Commonwealth Secretary tomorrow what to do about the second European Commissioner, now that Mr. Joel Barnett has said definitely that he does not want to be considered.

2. It rather looks as if Mr. Callaghan has signed off. He is merely expressing regret that you do not feel able to go for Mr. Mulley.

3. As you know, Lord George-Brown is very keen to be considered. No doubt his appointment would enrage the Labour Party, though he claims to be in some sense still a member of it by virtue of his union card.

4. Another possibility would be Mrs. Shirley Williams. You will wish to consider whether to approach her, even though the expectation must be that she is likely to say "No".

5. It has recently been suggested to me that you should consider appointing Mr. Jack Jones. I have no idea whether he would take it on, if asked to do so. He would certainly be competent, in his own way; and his appointment might make it more difficult for the anti-Europeans in the Labour Party to press à l'outrance for our withdrawal from the Community. But I am not sure whether a retired trade unionist, even Mr. Jack Jones, cuts all that much ice.

6. A number of other names have been suggested as possible candidates from the Labour Party (in alphabetical order):

Mr. Stanley Clinton Davis

Mr. John Golding

Mr. John Grant

Mr. Frank Judd

Mr. Robert Maclennan

Mr. John Morris

Mr. Ivor Richard.

7. It may just be worth mentioning the name of Dr. Bernard Donoughue who was senior political adviser in No. 10 Downing Street under Mr. Callaghan. Dr. Donoughue is at present with the Economist Intelligence Unit, and I am not sure that that is being a total success.

8. It would obviously be preferable to find somebody from the Labour Party if at all possible. If, however, there is nobody who meets the requirement, it might be worth looking at the Liberal Party. Would Mr. John Pardoe be a possibility?

RTA

(Robert Armstrong)

29th September, 1980

The Rt. Hon. Joel Barnett, M.P.

HOUSE OF COMMONS
LONDON SW1A 0AA

PERSONAL

The Rt. Hon. Margaret Thatcher, M.P.,
Prime Minister,
10 Downing Street,
LONDON, S.W.1.

Seen by the Prime Minister.
30.10.

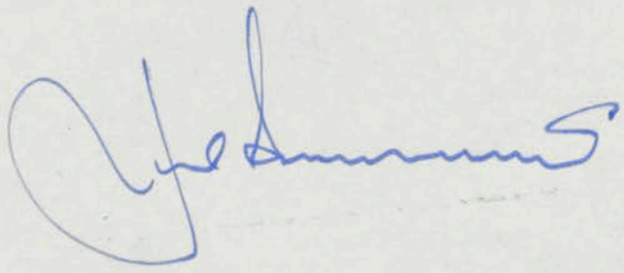
25th September, 1980.

Dear Prime Minister,

I thought I should write to confirm the reply I gave to Michael Jopling and your Private Secretary, on your suggestion that I might reconsider accepting the position as one of our Commissioners in the E.E.C.

I must first express my appreciation that you felt I might be suitable. I declined the offer when it was initially put to me by Jim, as other considerations apart, I was given very little time to make so major a decision. When Michael told me you would like me to reconsider, I naturally gave it much more consideration, but in the event, decided against, on both personal and political grounds. I am, nevertheless, grateful to you for offering me the opportunity.

Yours sincerely,



2.

MS

PRIME MINISTER

European Commissioners

Mr Callaghan has replied saying that he is content for you to approach Mr Barnett but warning that he believes that he remains unwilling to be considered for the European Commission (Flag A).

As you agreed I should, I spoke to Mr Barnett myself today and he confirmed that he was not a candidate for Brussels. A copy of my letter to the FCO recording my conversation with him is at Flag B.

I think that the next step is for you to discuss with the Lord Privy Seal (in Lord Carrington's absence abroad) and the Chief Whip whether to approach Mrs Shirley Williams and if not or in the event of an unsuccessful approach to her, who next to turn to in the Labour Party. In this connection you will be interested to see the attached copy of a letter from Douglas Hurd to Michael Jopling mentioning, rather astonishingly, the name of Mr Jack Jones (Flag C). We have arranged the meeting for 1815 on Tuesday 30 September: this has the advantage of being immediately after your meeting with Lord George-Brown.

TLW.

24 September, 1980

CONFIDENTIAL

Enter PM.

Government Chief Whip

12 Downing Street, London SW1

24 September 1980

Dear Clive,

EUROPEAN COMMISSIONERS

I thought that I should put on record what I have already told you orally, namely, that Mr Joel Barnett has spoken to the Chief Whip on the telephone and indicated that he does not wish to let his name go forward for the post of European Commissioner.

As you know, Mr Barnett had expressed a keen interest in the post when he first discussed this with Mr Jopling. We do not know what has brought about his change in attitude, but clearly Mr Barnett is no longer a runner.

I am sending copies of this letter of Paul Lever (FCO) and to David Wright (Cabinet Office.)

Yours sincerely,

Michael MacLean

(M MACLEAN)

C Whitmore Esq
10 Downing Street
SW1

CONFIDENTIAL

CONFIDENTIAL

RH

cc CWD
CO.

10 DOWNING STREET

From the Principal Private Secretary

24 September 1980

Dear Paul,

European Commissioners

The Prime Minister has had the attached reply from Mr. Callaghan to her letter of 16 September in which he agrees that an approach may be made to Mr. Joel Barnett, while repeating that Mr. Barnett does not wish to be considered for the second of the two British posts in the European Commission.

On receipt of this letter and on the Prime Minister's instructions I spoke myself earlier today to Mr. Barnett to see whether he had any interest at all in the appointment in Brussels. He told me that when Mr. Callaghan had first approached him before the Recess, he had given him only 24 hours in which to respond. He had felt that this was too little time in which to make a major decision about his future and he had therefore told Mr. Callaghan that he did not wish to be considered. Subsequently the Chief Whip had made it clear to him that he could take a good deal longer to think about the suggestion that he should let his name go forward and he had accordingly promised to reflect upon the idea during the Recess. He wanted to make it clear that that was all he had agreed to do: he did not believe that he had said anything which might imply that he was now positively seeking to be considered for the post. He had then thought very hard about whether he should throw his hat into the ring but he had concluded eventually, as he had told the Chief Whip when they spoke last week, that he did not wish to be considered. He re-confirmed to me this morning that although he was grateful to the Prime Minister for asking whether he was interested, he had now firmly decided that he did not wish to be thought of as a runner for Brussels.

Since my conversation with Mr. Barnett I have seen Murdo Maclean's letter of today's date which also makes it clear that Mr. Barnett has ruled himself out as a candidate for the Commission.

/I think

CONFIDENTIAL

I think that the next step is for the Prime Minister to have a word on her return to the office next week with the Lord Privy Seal, in the absence of Lord Carrington, and the Chief Whip to decide whether to approach Mrs. Shirley Williams, as was foreshadowed at her meeting on 25 July, and to consider which other candidates with a Labour Party background might be sounded out, if it is decided not to approach Mrs. Williams or if an approach is made to her but is unsuccessful. We will be in touch to arrange a meeting.

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

Yours ever,

Clive Whitmore.

Paul Lever, Esq.,
Foreign and Commonwealth Office.

PERSONAL AND CONFIDENTIAL

MT 23.9.

Foreign and Commonwealth Office

London SW1A 2AH

22 September 1980

From The Minister of State
Douglas Hurd CBE MP

Clive
An original thought. John Roper as you will know is very pro-European & J is identified as such within the Labour Party. Mr J., by the way, would not stand in the way of Jock Richard
Mrs Thatcher 24/9

Dear Michael,

THE SECOND BRITISH EC COMMISSIONER

There was some informal discussion of this among the British in the margins of the Franco-British Conference in Bordeaux last weekend. This centred on an idea originally put forward by Andrew Knight, the Editor of the Economist, that the Prime Minister should appoint Mr Jack Jones. The argument was that Jack Jones, though about 66, was in good health and had time on his hands. He had originally been strongly anti-EEC but after our entry had taken a serious part in meetings of the Economic and Social Council in Brussels. If appointed he would do a conscientious job. The difficulty would be to persuade him. The advantage would be that Jones is a man of much greater influence in the Labour Movement than any other candidate so far discussed. If he took the job it would be very much more difficult, perhaps impossible, for the Labour Party to come out against British membership before the next election. These arguments were favourably received by the two trade union leaders present, David Basnett and Geoffrey Drain, and also by the Labour MP John Roper. John Roper added that it would be a mistake to appoint one of the well-known Labour pro-Europeans since he would carry little weight in this country. I pass this idea on for your consideration. Christopher Soames and Ian Gilmour both know of it. It is certainly imaginative, and might work.

Quite separately, Freddie Bennett rang me up this morning to say that in the Council of Europe there was discussion in the corridors about rumours that Fred Mulley might be appointed. He is President of the Council of Europe Assembly. The general view, which FB shared, was that Mulley was physically not up to the job.

Yours,

Douglas.

The Rt Hon Michael Jopling MP
Chief Whip

Euro. Pol.

QZ 01748

CONFIDENTIAL h.c.c. Sir R. Armstrong
O/R. Mr Whitmore
Mr Elliot

MR LEVER

cc Mr Gomersall
Lord Bridges

COMMISSION PORTFOLIOS

1. You kindly sent me a copy of Mr Tugendhat's letter to the Secretary of State. I shall shortly be having a meeting with other Departments to get their latest thinking on Commission portfolios and will report further to you. Personally I would agree with much of Mr Tugendhat's assessment although we may have one or two comments which we will give to the FCO.

2. There is however one aspect on which I should like to comment. We are all agreed that the Budget portfolio has become more important (due in no small measure to Mr Tugendhat's own efforts) and is likely to become even more important during the next two or three years. We should therefore retain it for the UK. Would it however be in our best interests to leave it with Mr Tugendhat if, in the event, the second British Commissioner proves to be Mr Joel Barnett? His qualifications for the Budget job are self-evident and it is less clear that he would be equally successful in another post where he was less familiar with the subject matter as well as having to learn the Commission ropes. Mr Tugendhat on the other hand has, during his time with the Commission, been involved in several issues of industrial and competition policy - both portfolios in which we could have an interest. It is true that the chances of another nationality wresting the Budget portfolio from us would be less with Mr Tungendhat as the sitting tenant, but I do not believe the danger would be too great given Mr Barnett's qualifications. It could be argued that we want the Budget portfolio to be held by our senior Commissioner and by one of the Vice Presidents. But I believe our overall influence might be greater if the Vice President held another portfolio of interest to us since - provided he is active - the Commissioner dealing with the Budget is likely to be in the centre of things anyway.

3. This is a personal view and I do not know whether the Prime Minister had the same point in mind in concluding that Mr Barnett would do the

Commission job well. No doubt the Foreign and Commonwealth Secretary will be consulting her in due course.

M D M FRANKLIN

CABINET OFFICE SW1

18 September 1980

CONFIDENTIAL

MD

European Policy

10 DOWNING STREET

From the Principal Private Secretary

SIR ROBERT ARMSTRONG

European Commissioners

The Prime Minister has seen your minute AO2931 of 8 September 1980 about Labour Party candidates for the European Commission.

She raised the question of Lord George-Brown's candidature when the Chief Whip came in this afternoon to report on, amongst other things, his private soundings of Mr. Joel Barnett which he was commissioned to undertake at the meeting which the Prime Minister held on 25 July. The Prime Minister and Chief Whip took the view that Lord George-Brown would not be likely to be acceptable to the Labour Party as a successor to Mr. Roy Jenkins. I attach a copy of my letter to Mr. Maclean recording the main points of the Prime Minister's talk with the Chief Whip.

AW

16 September 1980

CONFIDENTIAL

Ref: A02931

CONFIDENTIAL

MR. ALEXANDER

Before the recess the Prime Minister discussed with the Foreign and Commonwealth Secretary the appointment of the next "Labour Party" Commissioner on the European Commission, to succeed Mr. Roy Jenkins at the end of the year.

2. I should report that, shortly before I went on holiday, I happened to meet Mr. Fred Mulley, who indicated to me his great interest in the appointment. He was, of course, the candidate suggested to the Prime Minister by Mr. Callaghan.

3. The Prime Minister should also know that I have had a signal from Lord George-Brown, to the effect that he would very much like to succeed Mr. Jenkins. He said that he was still a member of the Labour Party by virtue of his political levy.

4. Perhaps we ought to consider whether to take this any further, and if so how.

RA

Robert Armstrong

8th September 1980

CONFIDENTIAL

Discussed with Mr Whitmore
Agreed
15/X

C.F. Scott

10 DOWNING STREET

THE PRIME MINISTER

13 August 1980

Dear Fred,

Thank you for your letter of 8 August, about the European Commission.

It is most helpful to me to know your mind on the subject. I am sure you will understand that we are some way from reaching decisions, but I shall certainly be in touch with you if there are any developments.

Yours sincerely

Margaret Thatcher

The Rt. Hon. Fred Mulley, M.P.

HOUSE OF COMMONS
LONDON SW1A 0AA

8/8/80

R11

Dear Private Secretary,

I enclose a personal letter for the Prime Minister which I hope you can let her see at a convenient time.

In case you may be required to contact me in the recess I enclose telephone numbers which will cover most of my movements until early September when I go to The Hague & Paris for meetings as President of the Assembly of W.E.U. & could be contacted through them.

Yours sincerely

Fred Mulley

from
Fred Mulley

HOUSE OF COMMONS
LONDON SW1A 0AA

8th August 1980

Personal

Dear Prime Minister,

Jim Callaghan has told me that he has suggested my name as a suitable candidate for the forthcoming vacancy as a member of the European Commission, although it is well understood that the decision is entirely for you to make.

I write only to say that I should be most happy if you see fit to appoint me and that I am confident that I have the necessary qualifications and experience to do a satisfactory job. I am glad to say that my health should present no problems as I have made a good recovery.

I do not expect a reply but, of course, I am completely at your disposal should you wish to see me. I hope also you will manage some well deserved rest and recreation.

Yours sincerely
Fred Mulley

HOUSE OF COMMONS
LONDON SWIA OAA

Rt. Hon. Fred Mulley, M.P.
and
Joan Mulley

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Euro. Pol.

CABINET OFFICE
70 WHITEHALL
LONDON SW1A 2AS

01-XXXXXXXX 233 7256

Qz01701

30 July 1980

Mr Whitmore
Mrs. Thatcher

Thank you very much for your letter of 23 July about the appointment of British Commissioners as from 1st January next year. I will, of course, see that your suggestion is considered.

I will be writing to you shortly in reply to your other letter on the use of funds under the proposed Supplementary Measures for the United Kingdom.

M D M FRANKLIN

R Balfe Esq M.E.P.
259 Barry Road
London SE22 0JT

cc Mr Alexander (No 10)
Mr Spreckley (FCO)

Richard Balfe M.E.P.

From: 259 Barry Road, London SE22 0JT Tel: 01 299 0863

23rd July, 1980

~~SECOND LETTER.~~

Mr. Michael Franklin
Cabinet Office
70 Whitehall
London, S.W.1.

Dear Mr.Franklin

Further to our conversation in Strasbourg regarding the next Labour Commissioner, I am writing to confirm that it is my personal opinion that the best person for this job would be Gwyneth Dunwoody.

There has been considerable pressure within the European Parliament for a woman to be appointed as a member of the next Commission. Mrs. Dunwoody obviously fills this criterion. I understand she is a linguist, and finally, her less than fulsome support for the EEC might inject a welcome critical view into the Commission. I am sure she would approach the job constructively and would balance a defence of Britain's interests with the need to act as an effective part of the Commission's team.

Yours sincerely

Richard Balfe

RICHARD BALFE

CONFIDENTIAL

Euro Pol.

NOTE FOR THE FILE

EUROPEAN COMMISSIONERS

The following names were mentioned in the discussion this morning recorded in my letter to Mr. Lever of today's date:-

The Rt. Hon. Dr. J. Dickson Mabon	- It was considered that he would not be an effective Commissioner.
Mr. Robert Maclennan	- Unlikely to fight hard enough for British interests
The Rt. Hon. William Rodgers	- An excellent candidate but would not accept the post because of the repercussions on his own standing in the Labour Party
The Rt. Hon. David Owen	- (as above)
Lord Northfield	- A light-weight
Lord Brimelow	- A backroom operator
Lord Harris	
Professor David Marquand	- A dilettante MP
Mr. Maurice Foley	
Mr. Ivor Richard	- A good candidate but lacking in political weight
The Rt. Hon. Alan Williams	- (as above)
Roderick MacFarquhar	- Plenty of international experience but no administrative experience

The names of Sir Roy Denman, Sir Michael Palliser and Mr. John Pardoe were also mentioned but it was agreed that for the moment at least the effort to find a suitable Labour Party candidate should be continued.

25 July 1980

CONFIDENTIAL

CONFIDENTIAL

(1) Mr Alexander Pass fa.

(2) NOTE FOR THE FILE

(1000, Friday 25 July Meeting to discuss European Commissioner)

He did not attend.

It is possible that the Lord Privy Seal will not be able to be at the meeting on Friday morning as he will be returning from Seretse Khama's funeral. His office rang to say that he is not happy with the choice of Mulley as he is really "over the top". He suggests Shirley Williams or Dickson-Mabon.

C.S.

22 July 1980

CONFIDENTIAL

EuroPol.

PRIME MINISTER

EUROPEAN COMMISSIONERS

The Chief Whip told me this morning that Michael Cocks believes that the Opposition are likely to suggest that Joel Barnett should succeed Roy Jenkins at the European Commission.

I gather from the Chief Whip that Mr. Barnett would be acceptable to the Foreign Secretary and the Lord Privy Seal.

You might like to have a word with the Chief Whip about this on Monday morning. If you are ready to accept Mr. Barnett, you might like to speak to Lord Carrington yourself to confirm that he has no objections. Then you will no doubt wish to have a word with Mr. Callaghan.

AW.

6 June 1980

MT.

When we paid our joint visit to Rome the Italians wanted the 1% to V.A.T. certainly raised. They were only dissuaded by Mrs Thatcher's vehemence. I still feel their conversion is temporary. Keeping the 1% vol. certainly is vital to save the reconstruction of the C.A.P.
M.T.

(2)

Prime Minister
A useful survey. You will probably not want to come to any conclusions just yet but Signor Colombo would be a good choice for President.
MT 5/6

Qz 01605

MR ALEXANDER

cc Sir Robert Armstrong (o.r.)

THE NEW EC COMMISSION

1. In his letter of 29 May to Mr Lever, Mr Whitmore referred to the brief conversation the Foreign Secretary had with the Prime Minister after the Colombo dinner and said that they would need to consider further the appointment of the President of the new 1981 Commission, on which the Venice European Council is due to reach a decision. For that purpose you may like to have a note on the latest position as we understand it. I discussed the question with Sir Robert Armstrong before he left for Paris.

2. The situation is still fluid, and the French in particular have yet to shew their hand. The only formally declared candidate is the Danish Commissioner, Gundelach (although there is a newspaper report that he has withdrawn and wants to stay on as the Commissioner for Agriculture). Other names mentioned recently are Thorn (Luxembourg), O'Kennedy (Ireland), Pandolfi or Colombo (Italy) and possibly Tindemans or Davignon (Belgium). Despite earlier speculation, there is no sign of Barre (France), Biesheuvel or van der Stee (Netherlands) coming forward as serious candidates. Similarly, although there was some talk earlier of Mr Jenkins staying on - and he has recently denied that he intends to resign before the end of the year - there is no evidence that the other member states are disposed to press him to serve a further term.

3. Of this list, Thorn has the necessary political experience but is generally thought to be light weight. Even if he is in Giscard's bad books, he would be more likely to respond to French than to British pressure. No one doubts Gundelach's cleverness but he has not enhanced his reputation in recent months and even if his instincts tend to be Anglo-Saxon, we could not rely on him to push through eg reforms of the CAP. O'Kennedy is no more than an average Irish politician. In short, none of these names merit our support. The only one likely to emerge with significant support is Thorn, and it might be difficult to stop him if a consensus began to emerge.

4. Mr Jenkins has mentioned to Lord Carrington that Commissioner Davignon might attract French support. Davignon has been an energetic and pragmatic Commissioner for industrial affairs, showing no discernible national bias and a

good deal of flexibility in bending the Treaty to accommodate political realities eg in relation to our North Sea landing requirement. He would be worth considering if there is a general wish to give the job to a smaller member state (although the Belgians have supplied a President in the past).

5. But from our point of view one of the Italians would be a better choice for the United Kingdom. Pandolfi has the backing of Mr Tugendhat and the Chancellor of the Exchequer thinks well of him. During the next few difficult years of living with the 1 per cent VAT ceiling, and ensuring the effective implementation of the budget settlement, we could do worse than a competent Italian with a financial background and an implied commitment to make the settlement negotiated under the Italian Presidency work. Colombo would be even better, but we should need to be careful not to interfere in internal Italian politics by expressing too clear a preference for one or the other. We should have to expect that either of them would take a Mediterranean rather than a northern view of enlargement.

6. If it were agreed that we should go for Pandolfi or Colombo, there would be advantage in letting Signor Cossiga know before the Venice summit that if the Italian Government were to put forward either name, it would have our support.

7. In case the discussion moves on to the question of British Commissioners, the Prime Minister should know that, at official level, we have reviewed the various portfolios (there is no certainty that they will stay exactly the same in the new Commission) and having regard to likely availability etc take the view that the portfolios for the United Kingdom to go for this time round would be the Budget, Development, Economic and Monetary, Internal Industrial Market, and Competition Policy; with a preference for the first two (though personally I would rate the third as equally desirable). We think Development important to try to neutralise the present francophone bias in the Community's dealings with the Lome countries, which has cost us aid contracts to French companies. The Budget portfolio, although traditionally not very important, can be made so in the context of the forthcoming negotiations over restructuring and the 1 per cent VAT ceiling.

8. As regards names, might I just record our view that there would be no objection if the Prime Minister wished to ask Mrs Shirley Williams. Failing that, Mr Joel Barnett would be well suited for the Budget portfolio, if Mr Tugendhat moved on to another one. But there is not the same urgency about the British Commissioners at this stage, and the Prime Minister may wish to have some further advice when the President has been chosen and we know a little more about the intentions and aspirations of other countries.

M D M FRANKLIN

Euro Pol JS
cc CO

APPOINTMENTS IN CONFIDENCE

MR. FRANKLIN

THE NEW EC COMMISSION

The Prime Minister has read your undated minute to me (Qz 01605) on this subject. She has not expressed any preference amongst the various candidates named in your minute but has commented as follows:

> "When we paid our first visit to Rome, the Italians wanted the 1% VAT ceiling raised. They were only dissuaded by West Germany. I still feel their conversion is temporary. Keeping to the 1% VAT ceiling is vital to force the reconstruction of the CAP."

I am sending a copy of this minute to David Wright (Cabinet Office).

MA

9 June 1980

Extract from Meeting Record - PM and Chief Whip on 3 June 1980

Original filed Parliament Mem TSRB, Pt 2

3. European Commissioners

As you may know, the Chief Whip had a word some days ago with the Foreign Secretary about these appointments when it was agreed that he would discuss the matter further with the Prime Minister. The Prime Minister agrees that Christopher Tugendhat should be invited to stay on and she would see merit in making such an announcement at an early opportunity.

With regard to the Labour side, the Prime Minister feels that she ought, as a courtesy, to ask the Leader of the Opposition to suggest some names, but making it quite clear that at the end of the day the Government has the discretion over the appointments. She has very serious reservations about two of the names already canvassed, Dickson Mabon and Joel Barnett. Two possibilities would be David Owen and Eric Varley. The Prime Minister, however, is more attracted to the idea of asking Roy Jenkins if he would like to stay on and she would not be averse to offering him a (hereditary) peerage as a consequence. I understand that there is a precedent for a former President continuing as a Commissioner. Perhaps we could have a word about how this should be further pursued.