# Record of an informal meeting of the WEU Permanent Council at the Foreign Office (London, 7 October 1981)

**Caption:** On 7 October 1981, an informal meeting of the Permanent Council of Western European Union (WEU) is held at the British Foreign Office. London hopes that an informal meeting might lead to freer discussion on the future of WEU than in formal Council meetings. Sir Ewen Alastair John Fergusson, British diplomat explains that over the last four years, questions have been raised by both Labour and Conservative administrations on the continuing value of WEU and renewed calls have been made for financial economies. While recognising that WEU has greater importance in some Member States than in others, the UK sees WEU as continuing to have a primarily symbolic value. The Secretary-General is deeply disturbed by the UK's proposal to reduce the budget of the WEU ministerial bodies by 15 % over the next three years. The French delegation stresses that there exists a particular bond between the Member States of WEU, which represents an important element of European firmness and resolution vis-à-vis the Soviet Union. Any reduction in the Budget would be seen as a weakening of our resolve. According to the French representative the mutual defence commitments and the degree of automaticity expressed by WEU go much further than in the NATO Treaty.

**Source:** The National Archives of the UK (TNA). Foreign Office, Western Department and Foreign and Commonwealth Office, Western European Department: Registered Files (R and WR Series). WESTERN EUROPEAN UNION. British policy towards the Western European Union. 01/01/1981-31/12/1981, FCO 33/5232 (Former Reference Dep: WRU 22/1).

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Last updated: 13/10/2016



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RECORD OF AN INFORMAL MEETING OF THE PERMANENT COUNCIL OF WESTERN EUROPEAN UNION, FOREIGN OFFICE, 7 OCTOBER 1981

#### Present:

### Belgium

SE M. R. Vaes M. O. Gilles de Pelichy

### France

SE M. E. J. de Margerie Mme J. Kraitsowits

#### Germany

SE D. J. Ruhfus Mr J. von Alten Mrs C. Gnodtke

### Italy

SE S. A. Cagiati M. M. Guagliotti

#### Luxembourg

SE Mr R. Hastert M. J. Welter WRU. 022

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#### Netherlands

SE M. R. Fack M. E. R'O'Ell

#### United Kingdom

Mr E. A. J. Fergusson Mr D. Gladstone Mr A. P. Ceurvorst

#### Secretary-General

M. E. Longerstaey

1. <u>Mr Fergusson</u>, having welcomed the visitors, explained that he had invited colleagues to an informal meeting because he felt it might lead to a freer discussion than was possible in the formal Council meetings.

# Importance of WEU/the need for economies

2. Mr Fergusson said that in the last 4 years he had had to respond to searching questions from both Labour and Conservative administrations about the continuing value of the WEU. Renewed calls for financial stringency plus the UK's Presidency of WEU had served to refocus attention on this question. As seen from London, the WEU of today contained some apparent illogicalities and inconsistencies. This implied no criticism whatsoever of the staff. He wished to emphasise

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the UK's debt to the continuing loyal and efficient staff of WEU at all levels, in London and in Paris.

3. To the UK the WEU was of continued political importance. The United Kingdom commitment to maintain land forces and a tactical air force on the mainland of Europe had recently been reconfirmed and re-emphasised by Ministers. We recognised the value of the mutual defence commitment contained in Article IV of the Modified Brussels Treaty although on the face of it it was difficult to see very much difference between it and Article 5 of the North Atlantic Treaty. We noted that the WEU Council and the Agency for Control of Armaments relied heavily on NATO.

4. As to the controls on the level of forces and armaments, which incidentally bore on a country whose land forces represented a major source of protection to WEU member countries, they appeared to have a symbolic rather than practical value. In the case of atomic, biological and chemical weapons, it was clear that as far as the Treaty was concerned it had already been decided that some of the provisions did not have to apply if one member or another found them inconvenient.

5. The Standing Armaments Committee, a creation of the Council not the Treaty, had comparatively little to do. It had been superseded by the Eurogroup and more particularly by the Independent European Programme Group to which all WEU members belonged. The UK recognised that for some the SAC had value in blurring the emphasis of the Treaty of controls of certain armaments.

6. The UK saw continuing importance in the WEU Assembly although the UK lobby was not particularly powerful. The Assembly provided a useful forum for informed discussion among Parliamentarians on defence matters although, as the Parliamentarians themselves complained, it failed to arouse much public or press interest.

7. We all knew only too well what the Permanent Council spent its time on. And the Ministerial Council was really a shadow. When questions were put to it, it almost invariably referred to work which had been done in other bodies, relying on their communiqués. Ministerial attendance at the Council meeting and the Assembly was spasmodic and rarely at Cabinet Minister level. It was clearly not the <u>activities</u> of WEU which Ministers found important.

8. The United Kingdom recognised that for some time there was an attraction in the WEU in the long term, in as much as it represented a unique European nucleus in the defence field. This was not a view held strongly in the United Kingdom where the current emphasis was on developing Political Cooperation the Ten. Some member countries had difficulty in accepting in the Ten. Some member countries had difficulty in accepting an increased security element in PoCo but the UK did not regard

the WEU 7 in the same light as the 10, or 11, or 12. We noted that there had been no suggestion so far (compare the question of Spanish membership of NATO) of WEU enlargement. 9. To sum up the

9. To sum up, therefore, the UK recognised that the WEU had a greater importance in some member States than in others; that some might see a future role for it which others did not. The UK saw it as continuing to have a primarily symbolic value. The question was, what price should one pay for continuing symbolism? UK Ministers believed that the political requirement could be met at much reduced cost.

10. This was the background against which we viewed the budgetary aspects of WEU. At present it cost the Diplomatic Service Vote £800,000 - not a negligible sum particularly when set against the pressure for reductions all round. We could not like some others lose the cost of the WEU subscription in a vast MOD Vote. Hitherto, despite Ministerial questioning, we had been able to maintain the line that the WEU Budget should be held to zero growth in real terms. We were now instructed to look for significant reductions in the budgets of most international organisations. Mr Fergusson hoped to hear that other delegates had similar problems; that we would be able to agree on the envelope within which to fit the WEU Budget for 1982. It would be necessary for the Council to reach agreement because failure to do so would mean that expenditure in 1982 would be limited to 1981 levels, ie no account would be taken of inflation. The UK was looking for reductions as a continuing process, not a one-off exercise. We hoped it would be possible to reach agreement on a 3 year or longer programme of reductions, recognising that, depending on practical problems in the first year or two, significant reductions might not be available until further down the line.

11. The <u>Netherlands</u> Ambassador was without specific instructions but he had a general impression of attitudes in The Hague. He reminded everybody that it was the Netherlands which had suggested earlier this year that it might not be possible to increase the WEU Budget for 1982 (including the Assembly) by more than 9%. A thorough review and appraisal of all Government services was under way in The Hague. Severe cuts in the foreign service were being mooted. The Netherlands Ambassador believed his Government would therefore have great sympathy with the British position.

12. The Netherlands also regarded the WEU as having political importance and would defend it. It regarded the mutual defence commitment in the Modified Brussels Treaty as firm as a rock; by comparison the commitment in the North Atlantic Treaty contained an element of uncertainty, because of the need to consult the US Congress.

13. The Netherlands thought it time to take a critical look at WEU. In the 27 years since the original Treaty was modified the world had changed. We should ask whether the operations

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of the ACA were still required. It seemed quite possible that we would be able to reduce its operations. As regards the Assembly, the Netherlands Ambassador considered it illadvised to look for a quarrel with Parliamentarians.

14. The Luxembourg Ambassador shared the views of his Netherlands colleague. The Luxembourg authorities regarded the WEU as primarily symbolic but wished to keep the organisation in reserve. The Italian Ambassador confirmed that the WEU was important for Italy. His Government wished to keep the WEU fully operative so that it could be used in case of need. WEU had had and could have a strong role in European security. The Italian Government was interested in economies but only to the extent that they did not affect the efficiency of WEU. Perhaps the Ad Hoc Working Group could be recalled to consider some specific aspects.

15. The FRG Ambassador confirmed that his Government regarded the WEU as politically important. One had to remember that the FRG was NATO's front line. The UK commitment to maintain forces on the Continent and the mutual assistance provisions of the Treaty therefore remained politically important to the FRG. His country was of course a special case in that most of the Treaty controls were directed at the FRG (his Government had been grateful that the ship building controls had been lifted), there would of course be no going back on the FRG undertakings with regard to ABC weapons. The Government's attitude thereon was consistent with the Government's policy as pursued in other fora, in Geneva and elsewhere. It was necessary to bear that policy in mind. Herr Genscher's proposals on European Union envisaged an increase in cooperation on security/military matters. It was thus clear that the FRG placed emphasis on increased cooperation in the Ten. The German proposal took nothing from and gave nothing to the WEU. The FRG's basic position was that the cohesion of Western Europe was ensured by the EC.

16. The Ambassador shared the views expressed on the WEU Assembly particularly as regards maintenance of zero growth in the Budget. Herr Genscher's ideas also involved giving greater power to the European Parliament. Since however its competence could not be widened, it followed that the WEU Assembly continued to be useful for discussions on security and defence. The WEU Budget for the Ministerial organs should be held below zero growth. The FRG appreciated everything which the staff had done. It believed, however, that international bodies had to follow the example of national Governments when it came to reducing costs. The FRG did not wish to abolish the ACA or the SAC; it wished merely to reduce the Budget to correspond with the work-load.

17. The French Ambassador said that his contribution would be an entirely personal view, moreover one based on only a short experience of the WEU. Nevertheless he felt safe in

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saying that the French Government's interpretation of the two texts revealed a significant difference between the mutual defence commitments as expressed by the WEU and North Atlantic Treaties. The degree of automaticity went much further in the former than in the North Atlantic Treaty. The WEU commitment warned any potential foe that other WEU members would come to their aid if one of them was attacked. He stressed that there existed a particular bond between the member States of the WEU, which indeed represented an important element of European firmness and resolution vis-a-vis the Soviet Union. There was a danger that to the man in the street and the Soviet Union any reduction in the Budget of the WEU would be seen as a weakening of our resolve. The French Government shared the economic concerns of their partners but we should not lose sight of the global aspects when talking about economies.

18. Noting that no-one contested the importance of the WEU, the <u>Belgian</u> Ambassador agreed with those who saw a difference between the mutual defence commitments in the two Treaties. He had been party to the negotiation of the North Atlantic Treaty and had witnessed the difficulties which the USA and Canada had made; in view of the Congressional difficulties, both had insisted on a distinction between the Brussels and NATO Treaties. The need for economies was forcing reductions on the Belgian Ministry of Foreign Affairs. It followed that the Belgian authorities would welcome a reduction in the cost of WEU. That did not mean that the Belgian Government did not want to retain the WEU.

19. The Secretary-General noted that there was general agreement that the Assembly Budget should be maintained at zero growth in real terms. He was deeply disturbed by the British proposal that the Ministerial organs of WEU be reduced by as much as 15% over the next three years. With a certain amount of cosmetic surgery it had been possible in recent years to keep the cost of the Ministerial organs at zero growth in real terms. But the organisation had been cut to the bone in the process and he did not believe that it would be possible to reduce the cost by 5% per year without enormous sacrifices both in London and in Paris.

## Political discussion in the Permanent Council

20. <u>Mr Fergusson</u> said it had been hinted that the WEU should be preserved in order, should the need arise, to facilitate political discussions analogies of those which were held in the period 1958-72. This was not a line of thought which he wished to pursue. In any case there was a problem of composition. The <u>Netherlands Ambassador said that he had</u> received comments from The Hague following the last meeting of the Permanent Council. The Netherlands authorities preferred to see political discussions pursued in the framework of the Ten. They did not wish discussions to go any

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further in the WEU forum. The WEU was not the organisation in which they would wish to participate in discussions on problems of immediate political importance. His authorities saw the WEU rather as something to fall back on in case of need. The FRG Ambassador said that the WEU should be kept at the present political level, neither increased nor decreased.

21. The Belgian Ambassador said that he had found the political discussions at the end of the last meeting of the Permanent Council extremely interesting. He had been instructed by the Belgian authorities to ask whether the Council could regularly have discussions on subjects which had a bearing on defence/ security but he realised that he had heard the answer: for the time being the Council should continue in its lethargy. But he asked his colleagues whether they thought it would still be possible for Permanent Representatives to have an occasional exchange on political subjects affecting European defence and security at Council meetings. Mr Fergusson said that as far as the UK was concerned the major forum must remain the Ten. There was no prospect of the United Kingdom wanting to raise the level of discussion in the WEU Council so that it became a substitute for the Ten or NATO. Taking account of his existing responsibilities in the FCO, he would always be happy to discuss problems of common interest but that would be no substitute for serious discussions in the other fora.

22. The FRG Ambassador agreed and said it would be impossible for Ambassadors to be as well briefed as their colleagues in capitals who took part in discussions in the framework of the Ten. In addition he did not see how discussions in the WEU Council could be of much help to those concerned. The French Ambassador said that he had no wish to compete with Political Directors who found themselves discussing all manner of problems concerning the whole planet. But he nevertheless shared the Belgian view that the occasional exchange on a defence/security subject of interest to Europe would be worthwhile. He repeated his view that the member States of WEU enjoyed a specially close relationship of which use might occasionally be made.

23. The Netherlands Ambassador said that the position of his authorities was clear. They saw no advantage in doing the same thing twice. There were discussions already going on amongst experts in the Ten. And if military matters were discussed in the WEU that would be duplicating matters with NATO. The Luxembourg Ambassador agreed with the Netherlands Ambassador. The FRC Ambassador said that, like Mr Fergusson, he would be willing to take part in discussions but it would be without instructions because he would not feel able to ask Bonn to provide briefing. The Italian Ambassador supported the French view; in his eyes the WEU did have a special European defence dimension.

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24. <u>Mr Fergusson</u>, summarising, said that certain of his colleagues, including himself, would find it difficult to obtain specific instructions to hold discussions with the objective of reaching decisions. As for the more general question raised on the raison d'être of the WEU this had been a most interesting discussion. There appeared to be much common ground between them; the informal atmosphere had been extremely useful. All member Governments gave a lot of weight to the maintenance of their WEU commitments within the Treaty framework. As for the difference which had emerged in interpreting the commitments of the two Treaties, that might be given further study. He wished to recall that the UK was not suggesting any fundamental change. All member Governments were under very stringent budgetary pressure.

## How to reduce the Budget

25. Mr Fergusson said the question was how to achieve one's target. Would it be possible for the Council to agree to laying down some guidelines for the Secretariat which had to draft the 1982 Budget? There were always good arguments for not finding savings and experience showed that savings only materialise when those concerned were put under tight constraint. The Council was the proper place for detailed discussions and we hoped that it would be possible there to give the required impetus. The UK considered that the Assembly should be allowed compensation for inflation, but that the other organs in London and Paris ought together to show an annual reduction of 5% in real terms ie below the inflation rate, over at least a 3 year period. A greater burden should fall on the Standing Armaments Committee (£0.7 million) and the ACA (£1.5 million) than on the Secretariat, because much of the Secretariat's work was linked with that of the Assembly. He wondered whether it might be possible for the Permanent Council meeting on 21 October to agree a budgetary envelope for the next 3 years; to agree on the principle of real reductions and to the Secretariat being asked to produce a draft Budget. It might show the consequences arising out of a decision to maintain the Assembly Budget at zero growth and the others at a 5% reduction in real terms, in other words primarily a scaling down of the level of ACA and SAC costs. He could not see how the ACA and SAC contributed towards our defence.

26. The French Ambassador said that for his part he did not believe, given the comprehensive study which was called for, that it would be possible for him to receive instructions to enable the French to participate in a useful discussion as early as 21 October. In addition he did not feel able to agree to any preparatory work being done by the Secretariat. The Belgian Ambassador asked whether we could discuss the list of points contained in Chapter II of the Report of the Ad Hoc Working Group. He was particularly interested in the possibility of grouping all WEU organs in either Paris or London. As far as the Belgians were concerned Brussels was not a candidate. Mr Pergusson said that he would be interested to know whether

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any delegates could offer views on the question of the siting of offices. For its part the UK authorities felt there was no need at present for any change. The FRG Ambassador said he was not ready to talk about location of offices. The <u>Italian</u> Ambassador said that his Government would be very interested to know, before making up its mind, what the likely economies might be. If there was likely to be a 30% saving then this might have an influence on their decision. The <u>Netherlands</u> Ambassador said that his Government had not yet crystallised its views but would take account of the political reasons for the original choice of the two capitals involved. It would look at the problem of concentration with sympathy but it would also look at both the political and the practical angles.

27. The Secretary-General said that it would be wrong of Governments to expect any big economies in the first year because the cost of the move itself would have to be taken into account. It was not easy to say what economies there would be in the absence of any decision about the services that needed to be maintained. In his view however there might be reductions in the number of hors grade officers, in Security Guards and on travel and telephone expenses. The Secretariat could try to produce a paper on this subject but Ambassadors would have to appreciate that it would be impossible for the work to be kept secret. The French Ambassador said he could not agree to any paper being prepared. The Belgian Ambassador said he thought it might be premature to think of preparing a paper. The Belgian authorities had already produced some thoughts on the subject in July for the Ad Hoc Working Group but it was his understanding that if only one country objected to the merger of WEU offices there was no consensus and the offices therefore stayed where they were. Mr Fergusson said that costs might have an influence on decisions. This would certainly be so if some significant facts were made available, but in the meantime the UK authorities viewed the idea with considerable caution. The Italian Ambassador suggested that in the circumstances it might be better to look for economies in other areas.

28. The French Ambassador said that he had found the informal atmosphere of the meeting very helpful. He hoped that it might be possible, when the Council came to discuss detail, for the discussions to be held in restricted session. In further discussion it was confirmed that restricted sessions had been held in the past immediately following ordinary Permanent Council meetings. The Secretary-General was supported by his advisers but the microphones were switched off and the recorders/interpreters were not present.

Western European Department 16 October 1981

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Mr Fergusson Mr Gladstone Mr Ceurvorst

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