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REPORTAGE ON GISCARD-FORD SUMMIT IN MARTINIQUE

Arrival

Paris Domestic Service in French 2100 GMT 14 Dec 74 L

[Excerpt] After inspecting troops of the French Navy, and after listening to the national anthems, President Valery Giscard d'Estaing made a speech of welcome for Gerald Ford, during which he spoke about French-American relations: [Giscard d'Estaing voice recording]

In the face of immense changes which are taking place all over the world, our two countries have in different respects and to different degrees responsibilities to assume. Belonging to the community of the liberal democracies, they each have a personality and a position which sometimes leads them, and I would say, naturally, to adopt different standpoints. But they are linked by a too long-established friendship not to want to harmonize them whenever necessary; and they are too deeply attached to the same ideal of freedom, progress and peace not to have the will to achieve this. This shows the importance attached to our meeting which has been stressed by our partners in the European Community, and shows the frankness and cordiality with which I hope our talks will begin and end. [end recording]

In his reply, President Gerald Ford laid particular stress on the time-honored friendship which links France and the United States. He also stressed how important it was for the two presidents to work together in the face of problems arising at the present time.

The ceremony at Lamentin Airport is now over. President Gerald Ford will now go and rest at his residence in the Hotel Meridien while President Valery Giscard d'Estaing is going to give an impromptu press conference at the Fort de France airport.

Giscard Press Conference

Paris Domestic Service in French 2200 GMT 14 Dec 74 L

[Text] Following the reception at the Fort de France airport, President Giscard d'Estaing held a brief press conference during which he mentioned in particular the election of Jacques Chirac as head of the UDR. The head of state sees no anomaly in the fact Jacques Chirac holds the post of prime minister as well as that of secretary-general of the largest majority party.

First Round of Talks

Paris Domestic Service in French 1800 GMT 15 Dec 74 L

[Excerpts] The first Valery Giscard d'Estaing-Gerald Ford talk in the Salon Bougainville of the Hotel Meridien in Fort de France lasted one hour 35 minutes. A single subject--energy--was discussed, and this is no surprise when it is known that the two further talks will continue to revolve around this same question which Paris and Washington do not approach in the same way. The next meeting of the French president with Gerald Ford will not be long delayed. It is scheduled in two hours.

A private talk was held between the two heads of state and their foreign ministers while the finance ministers were meeting elsewhere. The president of the republic's first words to Gerald Ford were: "We prayed for you at church this morning."

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Farsightedness must proceed from the real needs of the people and show real, concrete manageable ways to the future. (applause) Nobody needs to be afraid of our real future. If somewhere in the country there should be talk of resignation, then I say: stop it. (applause) If there is talk about uncertainty somewhere, then I say: stop this uncertainty. (applause) I believe that the Christian-Democratic and Christian-Social Union will agree with me here if I say: We shall continue to live in prosperity and in peace with safe employment if we pool our forces here and now. (applause)

MINISTER GENSCHER INTERVIEWED ON NATO PROBLEMS

Mainz Domestic Television Service in German 1800 GMT 12 Dec 74 G

[Text] [Question] You have pleaded today that some countries of the West should not relax their defense efforts in view of the economic difficulties. Do you believe that this appeal will find an echo?

[Answer] I do believe so. After all, it came to light at the summit conference in Paris, and it also becomes evident in the talks within NATO, that one is agreed about the goal of regaining stability while at the same time combating the dangers of unemployment. Both also serve political stability and efficiency of our states, which in turn are prerequisites of an effective defense policy.

[Question] But there are still some countries which want to cut their defense contribution?

[Answer] I believe that it is a task of those politically responsible in the NATO states to make it plain to their public that it is a veritable precondition for a realistic detente policy not to slacken our defense efforts. All of us welcome the agreements of the United States with the Soviet Union concluded in Vladivostok, but the limitation of the strategic atomic arms requires that in the conventional sphere no increasing superiority of the Warsaw Pact states must occur. We simply cannot close our eyes to the fact that a great strength of the Soviet Union and its allies exists here and that the Soviet Union is endeavoring to further enlarge this position. The alliance on our side must also see this, for only in this way can we maintain the prerequisites for our detente policy.

[Question] You mention the catchword detente policy: thus, you have not spoken about security policy--after all, both are connected by nature, on the whole, is there agreement about the East-West dialog about the detente efforts?

[Answer] Nothing has changed in the goal of our defense alliance to insure peace and contribute to detente, yet, it is necessary, under consideration of this goal, not to neglect the aspect of security, and what mattered to us also during the discussions here was to advocate particularly this aspect.

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The two men talked for 2 hours [as heard] in English. The only subject was energy. The finance ministers discussed the international monetary situation, gold and the recycling of Arab funds.

Here is the first comment by the Elysee spokesman:

[Unidentified official--recorded] These talks were very friendly and very much in-depth. We believe that on the problem preoccupying us there should be no incompatibility between the French wish for a meeting between producers and consumers and the American wish, which France shares, for some kind of concertation among consumer countries. The French side considers that it should be possible to agree on a timetable reflecting this compatibility.

Rapprochement

Paris Domestic Service in French 0700 GMT 16 Dec 74 L

[Excerpts] The Giscard d'Estaing-Ford talks in Martinique, a good-humored and relaxed summit--the two presidents are making a success of this French-American meeting which is unlike others.

There is, indeed, a good chance that Valery Giscard d'Estaing and Ford may reach agreement on energy matters as a whole. From Fort de France, one of our special correspondents, Jean-Claude Mangeot:

[Mangeot] Valery Giscard d'Estaing and Gerald Ford will clinch things this morning. One thing is certain, and it is not the least in this kind of business. The two men have got to know each other. They were seen to be tense on Ford's arrival and then gradually the atmosphere became relaxed. Finally, contact was established.

This is important, as Kissinger said on arrival. For 15 years French and Americans have been unnecessarily cool toward one another. In these conditions it was unthinkable that positions should not develop. It seems that they have developed on the number one subject of this meeting first: energy. It can be wagered that the Americans will come to the tripartite meeting proposed by Giscard d'Estaing and that they will come without demanding that France should officially join the energy commission set up on their initiative. Kissinger admitted this today: The institutional issue is secondary. In return for which France will agree to consultations among consumer countries being held on the understanding--and it is here that the rapprochement comes--that the two sets of consultations should be very "close" or at least coordinated.

But of course energy is not the only point of friction between Paris and Washington. Now, when it is said on the French side that there is a constructive approach, this encompasses, it seems, the economic and monetary situation which cannot be dissociated from the energy crisis. Valery Giscard d'Estaing will sum up the results of these talks for the press late this morning and it is quite likely that, as for the Paris summit, they may exceed expectations. In any event the president of the republic's toast last night was deliberately optimistic:

[Giscard d'Estaing--recording] Mr President, in this world and at this time when everyone wonders about everything, it is sometimes wondered what makes statesmen act and what inspires them to sacrifice all sorts of aspects of their lives to the great responsibilities weighing upon statesmen nowadays. I should like to tell you that, in meeting you, I had the feeling that for you--as indeed for me--this inspiration is to try and advance the problems of our time.

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It is fortunate or unfortunate fate to exercise public responsibilities at a time when these are doubtless very heavy, but when the contribution we can make to them can be significant, I believe. The progress of mankind and world peace will depend on the concerted efforts and the understanding established between those who, at the present time, here or elsewhere, exercise these responsibilities. Henceforth I know, after our meeting, we shall be able to work together in this sphere. [end recording]

Thirdly and lastly Giscard-Ford will meet today. Tonight the president of the republic will leave Fort de France for Paris.

Press Comments

Paris AFP in French 0300 GMT 14 Dec 74 C

[Text] Paris, 14 Dec--The meeting to be held this morning between Valery Giscard d'Estaing and President Ford inspired the commentaries of the Paris editorialists. They agree that the discussions will be dominated by two questions--energy and currency.

For LE FIGARO the two elements are inseparable: Valery Giscard d'Estaing cannot forget for a moment that during the talks with Mister Ford there is a close interdependency between the energy and monetary problems which France and Europe must confront. They are henceforth linked, especially since the monetary problems did not arise solely from the quadrupling of energy prices in an 18 month period. Many of these European countries had significant balance of payment deficits following prolonged social conflicts and an especially high rate of inflation...this meeting will be especially dedicated to the creation of a recycling fund of petrodollars in the amount of \$25 million...The creation of this fund is more or less linked to an energy policy similar to one drafted by the International Energy Agency of which France is not a member. Therefore, President Ford and his advisers are in a strong position.

According to L'AUREOLE the Americans are on the verge of proposing another energy policy: The Americans will henceforth be convinced of the vanity of all hopes for (?price) decreases: also convinced...that it is best to accept a very high price for petroleum and hasten efforts to find and control other sources of energy to replace it. Great petroleum producers themselves, the Americans will invest surplus profits from fuels in this search. One wonders what can Giscard d'Estaing's reaction be if Gerald Ford really means well but one still doubts this 180-degree turn in American policy, a policy which will bring France only difficulties within the foreseeable future.

L'HUMANITE does not hide its mistrust about the results of this summit: At the summit of the nine in Paris, the chief of state said in many different ways that finally, is it not true that, looking at it a little closer, it may be that coordination is quite possible...therefore a compromise will be reached regarding the essentials, that is, about the attitude that must be taken vis-a-vis the oil producing countries. To be sure, nobody will in principle deny the need for dialog. The Americans may be on the point of agreeing to the conference proposed by Giscard. Provided that the well known agreement is reached first, the dialog will follow. A dialog the American way: with guns on the hips.

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No 16 Dec Press Comment

Paris AFP in French 0320 GMT 16 Dec 74 C

[Excerpt] Paris, 16 Dec--This morning's Paris press devotes considerable space to the French-U.S. summit meeting at Martinique, but publishes the reports from the special correspondents or the news agencies without comment. The reports are printed on the front pages with banner headlines such as: "Ford and Giscard: To Settle Their Differences," says LE FIGARO; "Giscard and Ford Discuss Energy Problems," writes L'AUREORE; "First Giscard-Ford Meeting Held at Martinique, the French President Ready to Yield to the U.S. Demands on Petroleum," writes L'HUMANITE.

Paris Bombings Protest Meeting

[Text] Two bombs exploded last night outside American companies in Paris, the headquarters of two on the Champs-Elysees and Coca-Cola at Rue la Boetie. The damage was slight. A group called Youth Action has claimed responsibility for these two attacks. The explosions, the group said in a telephone call, were in protest against the Ford-Giscard meeting. The group also called several Paris newspapers to announce other explosions in different parts of the capital. [program headlines at the beginning of the news bulletin said there were no casualties]

GISCARD COMMENTS ON WEST INDIAN PROBLEMS

Paris Domestic Service in French 0700 GMT 15 Dec 74 L

[Excerpts] Before beginning the main French-American talks on the harmony and balance to be found among partners with naturally different concerns, in particular over the conference on energy prices, Valery Giscard d'Estaing made a point of summing up the purely French part of his trip to the West Indies for journalists.

Mr Giscard d'Estaing convened journalists, partly, I think, to explain in guarded terms his disappointment over the incident of the mairie of Fort de France and what [Mayor] Aime Cesaire said. I did not come for a match between the crowd and me, I did not come for a cockfight, but to discuss serious matters with the West Indians--this was his theme. And his conclusion was that this trip was a success for him that no other illustrious visitor before him had known. As to the political lesson, that is what he said:

[Giscard d'Estaing--recorded] When their political status is challenged, one actually does them harm and one gets no sympathy or support from them. They say that after all maybe there is in this desire to continually question their status as citizens, is it not here that there is a sort of [word indistinct] of colonialism. [sentence as heard] And conversely when the question of their economic future, their employment, the prospects for young people arises, then one has the impression that they are listening very carefully, because they see you are talking about their real problems. The political problem of the French West Indies is a problem that the people themselves settle. On the other hand the problem of economic and social development remains a real problem. Efforts have been made and these efforts must be accentuated. I think that through the change I wish to bring about we can, in fact, organize a more fraternal and more equal West Indian society. In any case I will discuss this with you at another time.

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PREMIER CHIRAC ELECTED UDR SECRETARY GENERAL

Paris Domestic Service in French 2100 GMT 14 Dec 74 L

[Summary] At the UDR National Council meeting today Sanguinetti resigned as secretary general, Jacques Chirac stood as candidate to replace him and was elected.

"The prime minister gave his reasons for the decision: At present public opinion is losing interest in the movement; it is far more concerned or mobilized by initiatives from the opposition. This is not all. After the death of Georges Pompidou, the UDR went through a crisis. Various trends challenged in good faith everything that was done or wondered about the future. Today Jacques Chirac said forcefully, 'this attitude must end!' [Chirac voice recording]

We should have no complexes. We are a great movement united behind ideas which are appropriate to the future of France. We can affirm this unreservedly, and consequently we must change our tactics and deliberately adopt an aggressive attitude.

ARON REFLECTS ON COMPLEX FRENCH-U.S. RELATIONS

Paris LE FIGARO in French 13 Dec 74 p 2 L

Raymond Aron article: "Our Closest Adversaries"]

[Text] The diplomatic relations between the United States and France cannot be analyzed rationally. They so often arouse passions--even with reference to form--that any observer can often wonder whether the partners do not derive some secret satisfaction from these quarrels. In fact Henry Kissinger entitled his book dealing with the France-American couple "The Troubled Partnership." The noun used has no equivalent in French while the adjective "troubled" now seems weak. In the eyes of the general public, the partners--the princes by whom we are ruled whether in Washington or in Paris--are not even able to agree to differ. Sometimes they are unable to agree on the way they should negotiate.

It seems that some evil spirit transforms friends into enemies. As secretary of state, Henry Kissinger has made all the mistakes of which he accused his predecessors at the time when he himself was a professor. "A Europe trying to achieve unity will not necessarily implicitly obey Washington's orders; it will defend its interests which will not always coincide with our own," he wrote, "and we should accept this for otherwise we would paralyze the Europeans' own will."

This very man and his aids both talk and act as if any desire for European autonomy amounted to an act of aggression against the United States and as if by creating a partially autonomous action center, the West European countries were harming America's global policy. A really grotesque exaggeration: Even if they were united--and the events have not made any rapid progress in this sphere easy-- neither the six nor the Nine would possess either the arms or the raw materials which could raise them to the status enjoyed by the two superpowers.

The French have been affected by the same malignant process. Mr Jobert played an important role in the negotiations as the result of which Great Britain became a member of the Common Market. As long as he was merely Georges Pompidou's adviser in the shadow of the Elysee, his personal relations with Mr Kissinger were excellent. But, according to the Americans, as soon as he was promoted to the seat of Vergennes, he became a different man in such a way that even his predecessor was missed.

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The statement on the Atlantic alliance, the U.S.-European consultations and the energy agency led to Homeric--in the real meaning of the word--quarrels: quarrels about words and through words, as if, contrary to their vocation, diplomats were waiting for an opportunity to raise their voices and mark points. And I am refraining from mentioning here the dirty tricks of which both sides are accusing each other.

L. B. Johnson forbade his aids to indulge in any polemics with General de Gaulle even when the latter thought fit to give discrete advice to the crowd he was addressing in Phnom Penh. Nixon and Kissinger made it their business to "improve" French-American relations. Four years later, at the time of the Yom Kippur war, these efforts led to the Kissinger-Jobert duel. Mr Giscard d'Estaing wanted to make the French-American relations "more relaxed." Six months later State Department officials were telling everybody--could they not have concealed their feelings?--that the quarrels with Mr Jobert were more amusing than those with Mr Sauvagnargues.

I will not seek, today, the reasons why France appears to U.S. leaders as their country's oldest and most intolerable ally. Nor will I try to find out why a French prime minister finds it less humiliating to do favors for some Arab country (which he does not take seriously at heart) or even for the Soviet Union (whose power and toughness he fears) than for the United States where he would go to seek refuge if things turned out badly in Europe. I will confine myself to two remarks. Those who govern in France start out from a correct idea or wish: France must assert itself in the face of the United States, not through hostility but because of the disproportion of forces. It remains to be seen whether the implementation of the idea could not assume forms which are both less spectacular and more effective. Whether they profess to be cynical or are people of good will, the representatives of a ruling power rarely understand or are unwilling to understand the refusals of an ally which does not want to be or still less seem to be a satellite.

Many things will be talked about in Martinique; particularly the contract of the century, the two U.S. aircraft and the "Mirage." But the International Energy Agency will primarily be talked about. If the talks develop according to the usual scenario, the presidents will end up by finding a compromise formula. France will indirectly cooperate with the agency without being part of it. A symbolic episode, in its absurdity, of French-U.S. diplomatic relations.

The increase in the price of hydrocarbons decided upon by the syndicate of producer states is endangering the entire world economy, industrialized countries, and poor countries without oil. No serious discussion is possible with the producer countries without cooperation (let us not say a syndicate between the consumer states). This cooperation does not prevent any of them from establishing bilateral relations with any specific Arab country and concluding contracts with it. If an organization like the energy agency had been created immediately after the Yom Kippur war on France's or Europe's initiative, this reply to OPEC would have seemed normal to everyone. It is the syndicate itself which creates confrontation. It would not even have prevented the French ministers from joining with the Iraqi and Algerian presidents in denouncing U.S. imperialism.

Today, it is entirely different. France's nonparticipation in the energy agency has become the symbol of our "independence." Now at last, the eternal contradiction between this definition of independence and the will to consolidate the Community with the other Europeans who do not want to separate from the United States is arising. This is a contradiction which is by no means inevitable: It results from a sort of unconscious assumption that we can only influence the United States by "countering" it and never by winning it over. The fact that formal discussions assume such importance is thus explained.

Today, for example, it is less important to know whether or not France should join the agency than to know the United States' energy policy, assuming there is one. What groups, what people are in favor of lowering the international price of oil? Which are in favor of maintaining a high price? Supposing Kissinger and his men want the price to be lowered. Have they the means to secure this? Our friends in Iraq or Algeria definitely count among the hardliners. Let us suppose that some economists from Saudi Arabia or elsewhere deem the present price of oil too high: How can they be helped to drag along their partners?

In short, for a year the French and the Americans have not moved beyond the procedural stage. At the Council of Europe this week the agenda distinguished institutional problems and substantive problems (a formula translated from English). Is it not time that, tomorrow or the day after tomorrow, diplomats in Paris and Washington stopped acting as litigants and strove to avert the dangers which will spare neither U.S. domination nor French independence.

GOVERNMENT PLANS LONG-TERM ENERGY-SAVING PROGRAM

Paris LE MONDE in French 13 Dec 74 p 38 L

[Unattributed report: "The Government Wants To Limit the Growth of Consumption to Three Percent Annually"]

[Text] The government's objective for 1985 is to achieve a saving of 20 percent on the energy consumption forecast a few years ago, which will mean this consumption reaching a ceiling of the equivalent of 356 million tons of coal instead of 450 million. This was stated by Industry and Research Minister d'Ornano at a press conference on 11 December.

The growth of consumption will thus be limited to three percent annually in contrast to the six percent it was between 1960 and 1970. The objective does not seem unreasonable (between 1930 and 1960 growth was only one percent per year), but in order to achieve it the volume of research and development in the energy field must be increased and, at the same time, measures and technology must be gradually developed to enable savings to be made.

In 1975, state expenditure allocated to research and development in the energy field will total Fr2,270 million (an increase of 23 percent on the 1974 total).

Over half of this budget (Fr1,150 million) is allocated to nuclear energy; but a considerable proportion (Fr477 million) will go to research into oil and other fossil fuels such as oil shale.

The third important item in this budget concerns energy saving, which will receive Fr346 million in 1975. The new energy-saving agency still has no definite budget but it could receive around Fr50 million, which would enable it to finance between 20 and 30 percent of the expenses necessitated by experimental operations.

It is possible to aim at saving on the energy consumed by industrial manufacturing processes and this means constructing prototypes, for example, systems for recovering hot gases, smoke recycling systems, heat pumps, radiation drying systems.... According to preliminary studies it appears possible to reduce the energy consumption of most industries by 10 percent before 1980. With the aid of minor technical improvements (adjustment of the idling speed, improved carburation) it is also possible to reduce the gasoline consumption of automobiles by approximately 10 percent.

In the longer term, one of the essential concerns will be to recover the energy wasted by nuclear power stations, which pour away two-thirds of their calories in the form of hot water, using only one-third to produce electricity.

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CONTINUED REPORTAGE AND COMMENT ON FRENCH-AMERICAN SUMMIT

LE FIGARO on Hard Bargaining

Paris LE FIGARO in French 16 Dec 74 pp 1,4 L

[Jacques Renard and Henri de Kergorlay report: "Ford and Giscard: Reconciling Differences"]

[Text] The Martinique Franco-American meeting has at least one specific aim: to avoid collision. One imagines two ships sailing in the mist without either of them knowing the other's route but absolutely determined to avoid collision. The first statements exchanged by Presidents Ford and Giscard d'Estaing have in fact demonstrated this. Beside the obligatory polite statements and tributes paid to Lafayette, similar words echoed as if uttered through foghorns: dialog, consultation and cooperation. However, the way one engages in dialogs, consults with someone, and cooperates can differ depending on whether one is the United States or France.

Giscard d'Estaing takes the view that there should be "equality as far as rights and duties are concerned," even though there may be "inequality between resources and power." Ford believes implicitly that no dialog is possible except within the framework of the theses advanced by the stronger side. "Unilateral measures, Mr President, are no longer sufficient to solve problems of universal importance confronting us."

In short, in his view, the best way to avoid collision between the two ships is to insure that there is one ship only. And he very firmly invites the French to get on board of his ship.

"As in the past, we are now facing major perils together. This time the problems of peace, not war, represent the main danger: inflation, balance of payments deficits, difficulties with respect to energy supplies and, for many countries throughout the world, a food shortage. These problems unfortunately emphasize the interdependence of nations and the need to come to an understanding and work together," the American President said. He even used Valery Giscard d'Estaing's words: "Yes, the world is unhappy." But he added: "If we want to overcome these obstacles and confront this challenge successfully, we--that is, France and the United States--must cooperate."

Ambiguities Predominate

However, a minimum of trust is needed to insure cooperation. Now both sides have very obvious reservations. The Americans find it difficult to accept the fact that France goes it alone and is trying to carry Europe with it. The European countries are not powerful enough to deal with the present crisis on their own. The French are ready to detect behind Henry Kissinger's plans the old American desire to dominate the Western world. France believes that the creation of the International Energy Agency is an excellent example of this and this is why it has refused to join it.

Under the circumstances, one may wonder what kind of agreement could result from the Martinique summit. It seems that at the moment no one has any idea at all, not even the experts in the two delegations. One of them told us: "Let us hope that light will spring from the discussion." Ambiguities predominate. Especially with regard to the energy problem. Despite Henry Kissinger's numerous speeches and statements regarding this sphere, it is still unclear whether or not he has really been won over to the idea of a dialog with the oil producers. Perhaps his famous realism simply prevents him from having a definite opinion on the subject.

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A high American official on board of the presidential Air Force One aircraft flying to Martinique explained to the journalists that Washington was in no way opposed to the French proposal to start discussions, but he emphasized at the same time that a preparatory stage was needed and that it was necessary first to make sure of the solidarity of the consumers and then agree on a joint attitude before starting such discussions. All in all, at least 6 months would be needed, he explained.

Now the French are in a hurry.

Even supposing that a timetable could be agreed upon in the next few days, the problem of abiding by it would remain. Mr Kissinger always could assert that the much-talked-about solidarity of the consumers had not yet reached the level necessary to enable them to start negotiating with the oil-producing countries under propitious conditions. Rightly or wrongly, it is felt in Paris that the American secretary of state is trying to gain--or, rather, lose--time.

Who Should Be Believed?

With regard to the problem of oil price, the Americans have--to say the least--spread confusion by delivering contradictory statements. Their official thesis is that pressure should be exerted on the producers to secure a reduction in the tariffs now in force. However, Mr Enders, one of the secretary of state's deputies, has simultaneously extolled the advantages of dear oil. This, he explained, would reduce consumption and make profitable the exploitation of oil shale on national territory.

Who should be believed?

Another perturbing problem: Economic and monetary questions with regard to which the American view, in the face of recession and problems connected with petrodollars, have not been clearly determined.

During the meeting, the "bargain of the century"--the sale of combat aircraft to several European countries, a market on which America and France compete--has also been discussed. It appears from the discussions held so far that the United States will make no gift to France in this sphere.

Radio Comment on Communiqué

Paris Europe No. 1 in French 1600 GMT 16 Dec 74 L

[Text] A joint French-American communiqué on the summit meeting in Fort de France has already been issued. At the moment both presidents, Valéry Giscard d'Estaing and Gerald Ford, should each be summing up the results of their talks. Now, here are the first points of this joint communiqué, the first points that have been handed to me.

The two presidents have agreed that it would be desirable to convene a conference of oil exporting and importing countries as soon as possible. On this point I will say in parenthesis right away that this is a (rather) important diplomatic victory for France, for this is one of President Giscard d'Estaing's dearest wishes and he had previously been opposed by the United States. This conference, however, will not be held immediately because, one learns in further reading the communiqué, the two presidents agreed that it would be desirable to propose a preparatory meeting on the consumer and producer sides. The preparatory discussions will be followed by intensive consultations between oil-consumer countries in view of the conference itself which, it is said, and this is unofficial, could finally take place around March next year.

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Ford and Giscard d'Estaing also spoke of gold, saying that all governments could, and this is what they would like, could adopt the current market prices as the basis for evaluating their gold reserves. It should be pointed out that, at the moment, the official gold rates which guarantee currencies are undervalued in relation to the free market. In fact, the disparity is about four to one. This means that the gold which guarantees the franc or the dollar is officially worth only one quarter of its value--a quarter of what one could buy it for on the market as an individual.

The two presidents also spoke of underemployment, which, in fact, means unemployment, in their countries. They also spoke of unemployment in all industrialized countries. Joint measures will have to be taken. But these measures must not be protectionist to combat inflation. Nonprotectionist measures mean those which would not close borders to imports through excessive customs duties.

For his part, Henry Kissinger, the American secretary of state, also held a press conference. He spoke a little about the climate of this Giscard d'Estaing-Ford meeting, saying: We carried out these discussions not as antagonists, but as allies. On the subject of energy we came to a synthesis of French and American ideas in an atmosphere of great cordiality.

REUTER Report on Communique

London REUTER in English 1614 GMT 16 Dec 74 X

[Text] Fort de France, Martinique, Dec 16, REUTER--President Ford and French President Valery Giscard d'Estaing today agreed on a target date of March 1975, for a preparatory meeting on holding a world energy conference of oil-consuming, oil-producing and developing nations, a summit communique said.

President Ford accepted an offer of 100 million dollars from President Giscard d'Estaing in full settlement of the cost of moving American NATO forces and bases from France to other countries in 1967. The transfers were made when France left NATO's integrated military command.

On energy, the communique said the two presidents considered the problem in depth and its serious and disturbing effects on the world economy. "They stressed the importance of solidarity among oil importing nations on these issues," the communique said.

They agreed it would be desirable "at the earliest possible date" to convene the conference of oil-importing and oil-exporting nations which Mr Giscard d'Estaing first proposed on October 24.

On the Middle East, the two presidents agreed on the importance of early progress toward a just and lasting peace in the area.

President Ford reaffirmed the continuing support of the United States for efforts to achieve European unity.

FRANCE, QATAR TO SIGN ECONOMIC COOPERATION AGREEMENT

Paris Domestic Service in French 1800 GMT 14 Dec 74 L

[Text] France and Qatar are going to sign an economic cooperation agreement containing a \$150 million loan from the shaykhdom to France. Norbert Segard, secretary of state for foreign trade, met with several ministers from this shaykhdom on the Arabian Gulf today. Next week he will go back to discuss oil. It is already known that a joint economic commission will be established.

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GENERAL ARRESTED FOR 'NEOFASCIST SUBVERSIVE ACTIVITIES'

Paris APP in Spanish 1207 GMT 16 Dec 74 C

[Text] Rome, 16 Dec--Gen Ugo Ricci, who was arrested Sunday for alleged implication in neofascist subversive activities, declared himself innocent and "appealed to the nation" today during an interview with the newspaper IL TEMPO. "All those who know me know this is an injustice," he said during the interview. "If I accept this situation it is only because the military must become aware that they can be arrested in their own country."

In the "appeal," which was published by his wife, Ricci affirms he has never conspired against any of the institutions which he has "loyally seized, in war as well as in peace, for 34 years."

The 52-year-old general and another 30 persons were arrested under orders of Padua magistrate Giovanni Tamburino, who is investigating the activities of an extreme rightist underground group called Rose of the Winds [La Rosa de los Vientos].

Gen Vito Miceli, former chief of the military secret services, and industrialist Andrea Mario Piaggio, arrested in August but released later for reasons of health, were among those arrested.

For his part, Roman Judge Filippo Picre, who is investigating neofascist subversive activities in the capital, has issued arrest warrants against five officers of the corps of carabinieri. The officers are charged with plotting last August the occupation of the president's summer home.

SPOKESMAN GIVES PCI VIEWPOINT ON GOVERNMENT SITUATION

Rome L'UNITA in Italian 8 Dec 74 pp 1,16 L

[Unattributed report: "The Communists: Unitary Action To Get Out of the Present Crisis With a Prospect of Progress"]

[Excerpts] The reasons for the adverse vote of the Communists in the vote of confidence on the two-party coalition government were given by Comrade Natta, president of the Chamber group. The basic reason for this vote lies in the fact that the PCI does not believe that this ministerial formation, its majority and the center-left policy are capable of facing the crisis of the country and of promoting a new phase of development and democratic progress. Because we are faced by a crisis which is at the same time economic, political and moral, with a danger of decline and isolation (and this has been recognized as such by the prime minister); and because we are convinced that in order to remedy such profound damage in society and the state, exceptional determination and effort, and a mobilization and new unity, too, of our people are needed. We think that the government solution appears profoundly inadequate. The political and even historical prospect which has been indicated, that is, the organic collaboration of the center-left, is the same which has been revived so many times, and each time more fragile, incapable, let us not say of doing great things, but even of preventing a deterioration of the situation of the country.

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CHIRAC ANNOUNCES REDUCED PRICE RISES

Paris Domestic Service in French 0700 GMT 18 Dec 74 L

[Text] In the course of the debate [in the French National Assembly] the prime minister announced two good pieces of news. First of all, regarding prices, the retail price index was 0.9 percent in November, as opposed to over 1.2 in October. The government's aim to reduce price rises to less than 1 percent per month before the end of the year has, therefore, been achieved. So, for the first time since the beginning of the year France has exported more than it imported. A cloud hangs over these figures, though--a rise in unemployment. There are more than 700,000 people seeking jobs at the moment.

GISCARD MUCH SATISFIED WITH FORD TALKS; MEDIA COMMENTS

Paris Domestic Service in French 0700 GMT 17 Dec 74 L

[Text] Some people are talking of reconciliation this morning, but we can undoubtedly go a bit further than this and really talk of a French-American rediscovery. Valery Giscard d'Estaing and Gerald Ford parted yesterday after a series of agreements that put an end in practice to the quarrel between Paris and Washington. Preceded by a meeting of consumer countries, a conference between oil purchasers and producers will be held in 1975. Such is America's concession. And the central banks are henceforth free to revalue their gold reserves at market prices. Such is France's concession.

But what should be noted is the unusual agreement between the two men in the political field: The United States is well-inclined toward Europe and Europe is well-inclined toward NATO. Is this a return to Atlanticism? In any case, ears pricked up upon hearing this declaration, as one of our special correspondents in Port de France, Jean-Claude Mangeot, stresses.

[Mangeot--recorded] Ears pricked up all the more because Valery Giscard d'Estaing now accepts compensating the military organization for the loss of its installations in France when it leaves in 1977. The immediate conclusion is that this is a slide toward Atlanticism. Valery Giscard d'Estaing himself prefers to place this meeting in its true context--in the diplomatic efforts that he has been organizing.

[Giscard--recorded] In the world in which we live, taking into account problems that arise and the great changes taking place, it is very important that a spirit of cooperation (?accompanied by) concerted efforts be the impetus behind international relations. Moreover, it is this spirit that I found in my meeting with Leonid Brezhnev, which marked a new departure in the development of political and economic cooperation with the Soviet Union. It is this spirit that we found at the summit of European heads of government in their pursuit of the necessary and, despite everything, the rather slow construction of the political organization of Europe.

It is this spirit that I found in my meetings with President Ford. These talks were marked on his and on my part by very great cordiality, by very great frankness. I attach great importance to the quality of the human relations established between us at this conference. This means that we can maintain and, I am certain, develop very friendly cooperation.

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FRANCE

Radio on Gold Concession

Paris Domestic Service in French 0745 GMT 17 Dec 74 L

[Herve Claude commentary]

[Text] [intercepted in progress] Gold in all countries was frozen. At a time when many countries were looking for money to pay for their oil, this was very annoying. Italy, for example, would have liked to use its rather large gold reserves to make up for its trade balance deficit, but this was to all intents and purposes impossible.

In Martinique, then, Gerald Ford has moved forward slightly to unblock the situation. But what should be realized is that it is only a very slight move forward at the moment, a very small concession. He has simply accepted that the central banks can value their reserves at free market prices. They can value them, but not yet sell them. Countries that hold gold become, therefore, four times richer--or thereabouts. But these are rather useless riches because they cannot use them, since they cannot sell them freely.

Let us not be too defeatist, though. This does have practical interest nonetheless. Countries in difficulty will be able to borrow currency, using their metal reserves which are now worth four times as much, as security. Henceforth, for example, Italy will find it easier to get loans because of the knowledge that it has gold reserves worth approximately four times more than before. But here again, Ford's concession is a very limited one because Germany, for example, has already made a loan to the Bank of Italy a few months ago using this new guarantee system by calculating on the higher price for gold. The Germans did not wait for the Americans to give the go-ahead.

The upshot of all this is that the American President's concession will not be a real one and will not improve the gold problem until he accepts that the central banks can buy and sell their gold freely on the market. But the first step taken in Martinique does show, nonetheless, that he will undoubtedly end up by accepting this solution when it no longer presents any inconvenience to the Americans.

Morning Press Review

Paris AFP in French 0300 GMT 17 Dec 74 C

[Text] Paris, 17 Dec--The Paris morning press features the results of the French-American summit at Martinique.

For LE FIGARO this Ford-Giscard meeting marked the end of an era--that of quarrels between France and the United States waged in terse language and lofty avowals of intent.... In London and Bonn as well as in Brussels, satisfaction was immediate and vocal. Our allies have not underestimated the importance of this issue. Finally, after a long period, Paris and Washington have decided to emphasize their points of agreement instead of their differences.... This rapprochement does not mean all differences have been miraculously overcome. Far from it.

On energy especially, it does not go beyond a very vague outline of a compromise, and the American concessions on gold are not really such. Consequently, the Fort de France spirit is much more important than the letter of the communique. It still remains to be seen just how successful this Antilles meeting was compared to the Rambouillet meeting.

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After having reinforced French-Soviet relations, Giscard d'Estaing has improved relations between France and the United States. He has accomplished a sort of feat, at the end of his first great diplomatic fortnight. But his quest for equilibrium may rapidly become a balancing act.

Under the title "The Capitulations at Fort de France," L'HUMANITE remarks: The official communique emphasizes 'the importance of the solidarity between the petroleum-importing states' [and provides] an elegant formula to affirm the community of imperialist interests. What will then happen to the agreement--so recently preached in Paris, with the Arab countries and the other producers? ...it is a matter of creating a neocolonialist front under the U.S. leadership. With Giscard d'Estaing yielding on the main point, we see nothing but a game to camouflage his capitulation...in exchange for amiably-couched concessions, Giscard d'Estaing made serious basic concessions detrimental to France's friends in North Africa, the Near East and the Third World. The other results of the French-American summit also are not worth much...after France's withdrawal from NATO helped improve the international atmosphere, the Martinique communique goes in the opposite direction, since it preaches 'cooperation between France and NATO'.... Another gift for Washington: the authorization given to the central banks to reevaluate their stock of gold according to the market prices. The stocks held by the United States are nearly three times greater than those of France, so one can see who will be the greatest beneficiary. But the measure runs the risk of having much greater consequences: the definite substitution of the dollar for gold as the standard of the capitalist monetary system."

L'AUREOLE in turn believes: A page has been turned....Valery Giscard d'Estaing and Gerald Ford have eliminated the surliness, friction and misunderstandings which for a long time crippled French-American relations...the energy crisis, threatening to demolish the Western economies, certainly created an excellent opportunity for this reordering of things.

But it is necessary to be grateful to the two chiefs of state for having desired and succeeded in harmonizing the policies of the oldest Western allies....The main decision, establishing a revaluation of gold stocks, gives a unique character to an agreement which will be received with relief in our continent...this evolution of our diplomacy toward a very desirable return to Atlantic solidarity goes beyond the framework of the finally improved relations between Paris and Washington; it also lifts the heavy mortgage of Elysee defiance of America which for so many years has hampered European development. Crowning the great diplomatic fortnight which allowed Valery Giscard d'Estaing to meet with the main leaders of the Western world and the ruler of the USSR, the success of the Antilles conference gives, finally, a new meaning and some credibility to France's foreign policy.

Evening Press Review

Paris AFP in French 1504 GMT 17 Dec 74 C

[Text] Paris, 17 Dec--The Parisian evening papers all agree in stressing the usefulness of the Ford-Giscard d'Estaing talks in Martinique. Under the headline "Agreement and Compromise," the LE MONDE editorial recalls that in meeting Gerald Ford, President Giscard d'Estaing had two objectives in mind: "to erase the French-American disagreements inherited from General de Gaulle and to arrive at some practical arrangement with the United States in order to face the oil crisis and the current acute situation in the Western world. To a large extent, the first objective has been achieved."

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LE MONDE writes: "Mr Giscard d'Estaing's stand on the Middle East and the Palestinians, as well as his extended hand to the Arabs and to the oilmen, have seriously disturbed the Americans. But apparently Mr Giscard d'Estaing has convinced his interlocutors that their fears were groundless. One does not find in any of the proposals made in Martinique the bitterness and acidity which thus far had marked relations between the two countries."

From another quarter, LE MONDE acknowledges that the outcome of the talks regarding the oil problem may be more difficult to appreciate. The agreement, it says, "has been cleverly drafted so that each may profit by it. But under close analysis, serious doubts remain and the comments made by Mr Giscard d'Estaing and Mr Kissinger show that their ulterior motives are not identical."

The LE MONDE editorial stresses that "what matters now is to find out what the third interlocutor, the one whose hands are on the oil taps, think about the diplomatic mechanisms outlined in Martinique." Concluding, LE MONDE writes: "On final analysis, is the 'Martinique agreement' a Giscard victory or a Kissinger victory? Its effects will have to be judged very specially in terms of the outcome of the trilateral conference."

Albert Paul-Gregoire writes in LA CROIX that the Martinique meeting "should be regarded as a positive step because it marks a reciprocal will to reach an agreement without either side claiming a victory, or as 'enemies' confronting each other but rather as long-time allies and friends who have been divided occasionally but who refuse to oppose each other. With reference to this situation, the Martinique agreement stands to the right of the Brussels agreement which in June ended a long dispute over the reaching of an agreement between these allies from both sides of the Atlantic."

Concluding, LA CROIX writes that "any agreement is as good as the spirit with which it is applied. At present, this agreement satisfies both parties even when there is the risk that some French circles might interpret it as a French concession and an amendment of the Gaullist independent stand with regard to the United States....After this summit meeting and the one in Rambouillet, Giscard's policies seem to be balanced between the two superpowers."

Under the headline "Troubled Waters," FRANCE SOIR points out that ultimately the Presidents' swim together during the summit conference--surface swimming only--is no doubt the most symbolic illustration of this meeting. The presidents stirred up the water, each floating in the other's wake. Then the currents combined to eliminate the most obvious misunderstandings.

In the opinion of the FRANCE SOIR correspondents at Fort de France, "the French chief of state believes that his fruitful meeting with President Ford, after his talks with Mr Brezhnev and his having presided over the European summit in the French capital, have finally raised his country to the height of his ambitions."

MINISTER SEGARD SEES VENEZUELA AS 'GEOGRAPHIC PRIORITY'

Paris AFP in Spanish 2030 GMT 17 Dec 74 C

[Text] Paris, 17 Dec--French Foreign Trade Secretary Norbert Segard said here today that Venezuela is one of the Third World countries which now constitutes "a geographic priority for France." The French secretary of state made his statement this evening at the French Foreign Trade Center on the occasion of issuing a list of export priorities.

Segard included Venezuela as one of the Third World countries with which the establishment of a special export policy would prove beneficial to France.