

April 82

Mico F.

PRIME MINISTER

MEDIA TOMORROW

You have agreed, subject to events in the case of BBC and ITN, to give the following interviews tomorrow:

- 2.30-3.30pm - Len Downie, Washington Post, on the record, primarily a review of your first 3 years and how you propose to build an election-winning appeal on the achievements so far;
- 3.45-4.00pm - ITN, a 15 minute interview primarily on the Falklands, but possibly dealing with the forthcoming Summits and the EC;
- 4.10-4.25pm - BBC, as with ITN;
- 4.30-4.45pm - ARD, the West German TV Channel, a 15 minute interview covering the EC, Nato and the Falklands crisis; this would form part of a 45 minute programme on Britain: relations with her Allies to be shown at peak viewing time on Thursday, June 3; and in addition
- 7.30 for
8.15pm - Association of American Correspondents in London - dinner at Brown's Hotel.

I have suggested this order so that you can get the BBC and ITN interviews out of the way in good time for their early evening bulletins. There will inevitably be some slippage, but it is important you finish around 5.00pm so that you can have a good break before your Audience.

I shall have COI sitting in on the TV interviews for recording and rapid transcription so that we can get maximum spin off in the press and abroad.

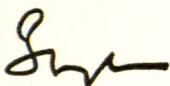
If you could face it at the end of all this, COI would very much like to get a 5-6 minute interview with you for the Latin-American market. The questions and dubbing would be entirely in our control.

Agree to give:

- Len Downie his interview in your study
- the TV interviews in my room? While my room is relatively small and stuffy it is much more convenient for wires etc, and I shall try to persuade the various channels to use one set of cameras, keeping the numbers in the room down to a minimum.

Each of the interviews/events is dealt with separately in the Annexes.

Content?



B. INGHAM

1 June 1982

LEN DOWNIE, WASHINGTON POST

Background

You agreed to give Mr Downie an interview on your first 3 years on April 21, but this had to be postponed because of the Falklands. Earlier you had seen his chairman, Mrs Katharine Graham.

Mr Downie is to return to Washington in the middle of this month after 3 years which he has clearly enjoyed. He is a sound, perceptive and well-balanced journalist who is clearly doing good work since I have never heard any complaint about his coverage of Britain.

It would of course be valuable in itself to send him home having had the benefit of an hour's briefing from you. But the interview also offers you an opportunity to get your views on the record in advance of the various Summits (Economic, Nato), the UN Special Session on Disarmament and, of course, President Reagan's visit.

Mr Downie's prime objective is to review with you your first 3 years in office and to look ahead to the rest of this Administration and see how you propose to build on those 3 years an election-winning platform.

The interview will of course range more widely, and touch especially on the Falklands, but the core remains:

- the achievements which, after 3 years, you consider already stand to your credit (Mr Downie believes you have a number of 'negative' achievements); and
- how you are to transform these 'negative' achievements into a positive election-winning appeal to the voters.

Put another way: How would you like your first 3 years to be viewed?; how do you propose to put your hard won successes in terms of changing habits, attitudes and performance?; and what is your vision of the Britain of the future?

Mr Downie will not look narrowly at the economy, important though it is; he will be anxious to hear you develop your view on the quality of life and society. He wants to get a real feel for how you plan to build your Britain of the future on the foundations he feels have been laid.

This interview gives you a real opportunity to put over:

- the kind of self reliant, responsible and entrepreneurial society you are trying to build;
- the size of the task when you took office with:
 - endemic inflation;
 - rising unemployment as a consequence of repeated failure to treat the economic diseases afflicting us;
 - the increasingly debilitating corporatist approach to life, discouraging personal responsibility and entrepreneurs;
 - the defeatism and demoralisation that comes with continuing failure.
- achievements so far in bringing down inflation but not yet unemployment; encouraging people to face facts rather than fall/^{for} assiduously cultivated myths; and promoting a new sense of individual responsibility and determination, notwithstanding the set-back of last year's riots.

I think it will be important to distinguish between the national response to the Falklands and the longer term response (which has begun to appear) if we are to generate a new Britain which seeks to stand individually as well as nationally on its own two feet.

I attach some additional briefing:

- 1a - a letter from the Chief Information Officer, Treasury, on a briefing given to Mr Downie by the Chancellor, mid-April;
- 1b - your 1982 New Year Message to readers of Conservative News as a reminder of achievements, resolution, etc;
- 1c - the latest bull-points on the economy.



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M A Hall MVO
Press Secretary and
Head of Information Division

19 April 1982

Bernard Ingham Esq
10 Downing Street

Dear Bernard,

THE WASHINGTON POST

I understand that Leonard Downie, the London correspondent of the Washington Post, has been granted an interview by the Prime Minister. Since Mr Downie saw the Chancellor only last Thursday, you may like to have a short note of what happened.

The occasion was a courtesy call by Mrs Katharine Graham, proprietor of the Washington Post. She took the opportunity of bringing along Leonard Downie and Tony Clifton, the London Bureau Chief of Newsweek, for which the Washington Post have a substantial interest. The three of them had an hour with the Chancellor, which took the form of a wide ranging off-the-record chat.

Clearly the Falklands crisis predominated, or at least came first. The Newsweek correspondent - not Downie - pressed the suggestion that because of indebtedness to our Community partners, we should be in a weaker position of Community issues, especially the Budget. The Chancellor was also pressed, again by the Newsweek correspondent, to acknowledge that the Government had some sort of target for the exchange rate, to which the Government was committed despite any pressures resulting from the Falklands crisis. But neither correspondent appeared to have a particular "angle" on the Falklands.

There was some discussion on familiar lines about the status of industry in British society, the comparatively low pay and low status of industrial managers, and the need for reform. Downie showed particular interest in the high levels of unemployment due to both cyclical and structural causes, and in the capacity of new businesses to provide alternative jobs.

The contrast was drawn in discussion between the financial framework on the UK, within which there was increasing confidence that public borrowing would be kept under control, and to the uncertainties in the United States. The Chancellor emphasised the critical importance to the world economy of getting inflation in the United States under control, and creating confidence that it remains so in the future.

Mr Downie showed interest in the strong showings of the Alliance in British politics and may well press the Prime Minister on what she thinks the impact will be.

The Prime Minister may also come under some pressure on Trident. Mrs Graham suggested that there was a growing body of opinion in the United States that future defence strategy should be based on total abandonment of first strike capability. If this became accepted wisdom, the need for Trident would disappear, but much stronger conventional forces, at considerably greater cost, would be required. Would not the need for the UK to have Trident be reduced in those circumstances? Were there other reasons than "distrust of the United States" which led the UK to retain an independent strategic nuclear capacity?

In conclusion, I would expect Downie to concentrate on the domestic front on whether real and permanent improvements to competitiveness have been achieved, and whether the price paid in unemployment has been worth it; and whether the Prime Minister is confident that inflation will stay at greatly reduced levels. He is also clearly interested in medium and longer term prospects for unemployment.

He will obviously be concerned about the Falklands, and may press questions about the economic effects both of the costs and influence on the exchange rate and confidence generally. Trident might come up, and Downie may well try to extract some comment on US economic management and the effect of US economic decisions on other industrialised countries.

I am sorry I did not take a record, but in fact nothing out of the ordinary arose. I enclose a few recent cuttings of articles by Downie.

J J Monaghan

pp: M A HALL