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YOUR MEETING WITH AMERICAN JOURNALISTS: WEDNESDAY, 1100

This will be a 45-minute on the record session with 14 Washington-based journalists (list attached) representing US regional papers. They are visiting Europe under the auspices of the Georgetown University Centre for Strategic Studies. You saw a similar group in November 1981 and the resulting articles were both extensive and very positive. The group is led by Sterling Slappey and Kenneth Myers of Georgetown University.

The group arrived in London on Tuesday evening from Brussels, where they had meetings with NATO and the Commission. They have also visited Rome where they had an audience with the Pope and meetings with the Italian Government, and Bonn where they saw Chancellor Kohl, Genscher and Woerner.

Their session with you will be their first in this country; they will also see Mr Heseltine, Mr Ridley, Mr Pym and Mr Prior. In addition, they expect to see Mr Shore and Mr Jenkins. An appointment was arranged with Mr Foot, but this has fallen through.

I suggest you see them informally in the Pillared Room. (The Large Dining Room will be set up for President Mubarak's dinner.) We will arrange for them to have coffee before you arrive. Unless you would particularly like to be seated, I suggest that, as on the last occasion, the journalists gather around you. This will make it easier to wrap up the session, as you will have to leave sharp at 1145 for OD.

The group have asked if a photographer could be present. Agree?

I suggest you set the scene by making a few opening remarks covering the international and domestic scene. Notes for this are attached.

I expect the group to be particularly interested in:

- Strength of the Alliance —
- East/West Relations —
- Arms control —
- Bush's visit —
- The US economy - Reagan's Budget

/ The UK economy

- The UK economy
- Unemployment
- Election Date.

Briefing on the US budget is attached, together with briefing on foreign and disarmament subjects.

Finally, I would stress the opportunity this session offers to get over to a wide and varied audience your mood and determination. I would not push the Falklands at them; let their interest bring it out.



BERNARD INGHAM

1 February 1983

OPENING REMARKSInternational Scene

Clearly a major issue this year is the disarmament negotiations. All of us in the West are multilateral disarmers on a balanced and verifiable basis. The latest Reagan initiative is both timely and welcome. Zero option remains our objective but we must see what we can achieve. Let us never forget we must negotiate from strength of arms and strength of purpose. We must not be put off or deflected by Soviet propaganda.

Atlantic Alliance

Extremely important in present circumstances that we are more, rather than less, cohesive and that we consult together. All rifts will be exploited. We must not allow our national questioning and independence of mind in the West to damage our essential agreement. Glad we got a number of problems behind us. Must learn the lessons of pipeline, steel etc. In this context you must understand the importance of what is going on in Europe. Britain is politically and economically committed to Europe but striving to achieve a fair financial basis for the Community. If successful, this will tend to ease problems over agriculture.

Domestic Economy/Reagan Budget

Glad to see that the President stressed ~~the~~ need to reduce budget deficits. Essential that budget is put on a declining path if interest rates and inflation are not to rise again as the economy recovers. Very important to us and for breaking out of recession. We probably passed low point last year but recovery is painfully slow. But our achievements at depth of recession are considerable - inflation more than halved in a year and public expenditure, monetary supply and borrowing are all under control. Fundamentally we are a model for the world and well placed to take advantage of an upturn.

Election

Can't say when - don't know myself. Inclination is to serve reasonably full term giving good majority and lots of work to do. Not

considering an election until completed fourth year in May but will keep options open. Have to consider national interest. Meanwhile getting on with the job and lots to do.