PRIME MINISTER

GERMAN SUMMIT - MEDIA

I shall prepare a brief for your press conference tomorrow afternoon, as is usual, when we have seen tomorrow morning's newspapers and know how the media's mind is moving.

In the meantime, I would like to clear with you the following points:

- I will introduce you and the Chancellor at the press conference and select the questions:
- the time set aside for the press conference is 1-hour; this is considerably longer than is ever allowed in Bonn where, as we shall have on this occasion, there is consecutive translation.

 Moreover, the room will get pretty hot and stuffy; I would therefore propose to allow 45 minutes as an absolute maximum; this would then allow Dr Kohl time for any German radio and to he wishes to do;
- we shall set aside a room here for any such interviews with Chancellor Kohl;
- I do not recommend you to give radio and tv interviews afterwards; they would concentrate on silly questions about the election; they will be able to film the press conference.

I attach for your consideration a draft speaking note for the press conference. It is important, I believe, to give a good, sharp line on the three major points of the Summit:

- Williamsburgh;
- Stuttgart;
- INF.

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B. INGHAM

21 April 1983

This is the 4th time that Chancellor Kohl and I have met in bilateral discussions since he took office last year but my first duty - and what a happy one it is - is to congratulate him publicly on his election victory.

I look forward to working closely with him for a long time to come.

This has been a most useful, enjoyable and wide-ranging Summit.

Quite apart from Chancellor Kohl and myself, five German Ministers and

7 British Ministers have participated in the talks.

Our relations are warm and close and we have had a valuable exchange of views covering a great deal of ground. There are really no bilateral issues, as such, between us. But the breadth and depth of our contacts is striking and so we have agreed that officials should prepare a progress report on them for our autumn meeting.

The last review of our bilateral relations was in November 1981 and we think it would be useful to take stock again.

Could I just add that 25 years ago this week saw the inauguration of the Anglo-German Cultural Convention? That Convention has contributed a great deal to Anglo-German relations over the last quarter of a century.

Turning now to the work of the Summit, we have concentrated on 3 major issues:

- the approach to Williamsburg at the end of next month;
- the European Council in Stuttgart early in June over which Chancellor Kohl will preside; and
- the INF disarmament talks.

We are in close accord on all three.

First Williamsburg.

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We hope that the Economic Summit will be able to sound a note of optimism and confidence. The prospects for its doing so are good because the recovery is beginning to stir.

The important thing, we believe, is to nurture and establish this recovery. If we are to make the world economy hum again the watchword must be prudence.

We must make absolutely sure that the recovery is not put at risk by inflation. Our prime objective must be to maintain the attack on rising prices - never to let go - if we are to create the conditions in which new jobs will take root and grow.

There is no magic formula for getting the world economy off the floor. So don't expect magic from Williamsburg. Consistency is what is required and consistency of purpose is what Chancellor Kohl and I intend to pursue, believing that to be the key to economic resurgence.

Then <u>Stuttgart</u>. We had a good exchange of views on the forthcoming European Council. We want it to be a success for Dr Kohl as president - a Council which takes the Community forward.

There is a lot of work building up for what will clearly be a busy Council.

On youth employment, on the strengthening of the international market, on enlargement, and on atmospheric pollution.

And, of course, I want it to be a success because we want to see finally dispatched the issue which overshadows the European Community - namely its financial structure.

Our priority, which Dr Kohl appreciates and understands, is to clear out of the way a lasting solution to the Budget problem and agreement on our refunds, pending the eventual solution, for 1983.

Finally, the other major topic was the INF negotiations.

Chancellor Kohl has of course just returned from a visit to President Reagan in Washington and he was able to give me a most useful account of his talks with the President.

We have both welcomed President Reagan's initiative at the end of March. We share his desire for urgent progress in disarmament. But the ball is not in the Americans' court. It is very clearly in the Russians'.

We look to the Soviet Union in Geneva to demonstrate its genuine desire for a balance at a lower level of armaments.

We are perfectly ready to get rid of a class of weapon entirely if the Russians are. We are, as a second best option, perfectly prepared to reduce the level of nuclear weaponry on a balanced and verifiable basis.

But Chancellor Kohl and I wish it to be absolutely clear: if the Russians do not agree to eliminate intermediate land-based nuclear missiles before the end of the year we shall - repeat shall - then start deploying our modernised deterrent.

Well that sets out the essentials of what, as I said, has been a most useful and enjoyable Summit.

I would like to invite Chancellor Kohl to say a few words.