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CABINET

CONCLUSIONS of a Meeting of the Cabinet  
held at 10 Downing Street on  
THURSDAY 23 OCTOBER 1986  
at 9.30 am

P R E S E N T

The Rt Hon Margaret Thatcher MP  
Prime Minister

The Rt Hon Viscount Whitelaw  
Lord President of the Council

The Rt Hon Lord Hailsham of St Marylebone  
Lord Chancellor

The Rt Hon Sir Geoffrey Howe QC MP  
Secretary of State for Foreign and  
Commonwealth Affairs

The Rt Hon Nigel Lawson MP  
Chancellor of the Exchequer

The Rt Hon Douglas Hurd MP  
Secretary of State for the Home Department

The Rt Hon Peter Walker MP  
Secretary of State for Energy

The Rt Hon George Younger MP  
Secretary of State for Defence

The Rt Hon Nicholas Edwards MP  
Secretary of State for Wales

The Rt Hon John Biffen MP  
Lord Privy Seal

The Rt Hon Norman Fowler MP  
Secretary of State for Social Services

The Rt Hon Norman Tebbit MP  
Chancellor of the Duchy of Lancaster

The Rt Hon Tom King MP  
Secretary of State for Northern Ireland

The Rt Hon Nicholas Ridley MP  
Secretary of State for the Environment

The Rt Hon Lord Young of Graffham  
Secretary of State for Employment

The Rt Hon Kenneth Baker MP  
Secretary of State for Education and Science

The Rt Hon Kenneth Clarke QC MP  
Paymaster General

The Rt Hon John MacGregor MP  
Chief Secretary, Treasury

The Rt Hon Malcolm Rifkind QC MP  
Secretary of State for Scotland

The Rt Hon Paul Channon MP  
Secretary of State for Trade and Industry

The Rt Hon John Moore MP  
Secretary of State for Transport

ALSO PRESENT

The Rt Hon John Wakeham MP  
Parliamentary Secretary, Treasury

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CC(86) 34th  
Conclusions

SECRETARIAT

Sir Robert Armstrong  
Mr D F Williamson (Items 3 and 4)  
Mr C L G Mallaby (Items 3 and 4)  
Mr A J Langdon (Items 1 and 2)  
Mr M J Eland (Items 1 and 2)

C O N T E N T S

| Item | Subject  | Page |
|------|--|------|
| 1.   | PARLIAMENTARY AFFAIRS  | 1    |
| 2.   | HOME AFFAIRS   |      |
|      | Publication of Evidence in Support of an Application to the European Regional Development Fund | 1    |
|      | The McGoldrick Case  | 2    |
| 3.   | FOREIGN AFFAIRS  |      |
|      | Syria  | 2    |
|      | Mozambique   | 3    |
|      | The People's Republic of China   | 3    |
|      | Saudi Arabia   | 4    |
|      | Arms Control   | 4    |
| 4.   | COMMUNITY AFFAIRS  |      |
|      | Relations with South East Asian Countries  | 5    |
|      | Meeting of Interior Ministers  | 5    |

PARLIAMENTARY  
AFFAIRS

1. The Cabinet were informed of the business to be taken in the House of Commons in the following week.

HOME AFFAIRS

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Publication  
of Evidence in  
Support of an  
Application to  
the European  
Regional  
Development  
Fund

2. THE PRIME MINISTER said that much political capital had been made by the Opposition out of evidence submitted in support an application for a grant from the European Regional Development Fund (ERDF). The evidence, in 17 volumes, had been compiled from submissions from local and other public authorities to the Government Departments concerned and had been co-ordinated by the Department of Trade and Industry. In furtherance of the application for funds, the evidence had been drawn up so as to paint a vivid picture of need. Despite this background, the documents were being represented by the opposition and media as a balanced official assessment, endorsed by the Government, of the industrial and economic situation in the regions. The volumes of evidence had been deposited in the Library of the House of Commons and a copy sent to an official Opposition spokesman on regional policy, but she understood that they had not been considered beforehand by any Minister. She had set in hand the preparation of a rebuttal, region by region.

In discussion the following points were made -

- a. The accusation that the evidence contained a gloomy prognostication on future trends in unemployment could readily be rebutted, as it had simply followed the usual practice in this area of making the planning assumption that there would be no change in existing levels.
- b. Although Opposition and media attention had focussed on particular phrases and sections of the evidence, other parts gave a very different picture: the figures for expenditure on infrastructure, for example, showed that the Government had a very good record.
- c. Although, it was important that the United Kingdom as a large contributor should seek to maximise its receipts from the ERDF, it was questionable, given the way in which such funds were normally allocated, whether the evidence in support of applications had to be presented in such a highly coloured fashion, or indeed in that form at all.
- d. It was suggested that the documents had not been cleared with the Treasury even at official level.

THE PRIME MINISTER, summing up the discussion, said that it was clear that the current handling arrangements for such documents were defective. Documents which could be interpreted as setting out Government policies or views, and which were to be sent to international organisations, or to the Libraries of the Houses of Parliament, or were

intended or likely to be made public, should be scrutinised and approved by a Minister before issue. Ministers would need to scrutinise any such documents submitted to them with careful attention. As far as the immediate matter was concerned, it was important that all Ministers took every opportunity to counter the damage that had been done. To that end she would arrange for the circulation of a fact sheet setting out the Government's record of expenditure on infrastructure.

The Cabinet -

1. Took note, with approval, of the Prime Minister's summing up of their discussion.

2. Invited Ministers in charge of Departments to ensure that documents which set out Government policies or views on a matter and which were to be sent to international organisations or to the Libraries of the Houses of Parliament, or were intended and likely to be made public, should be scrutinised and approved by a Minister before issue.

The McGoldrick Case

THE SECRETARY OF STATE FOR EDUCATION AND SCIENCE, said that on the previous day, Miss Maureen McGoldrick, the Headmistress of Sudbury Infants School, had secured a ruling in the High Court that the London Borough of Brent had no legal right to continue disciplinary hearings against her concerning allegations of racism of which she had been acquitted by the governors of the school. The Council had subsequently lodged notice of appeal and the matter was therefore sub judice. It was clear, however, that the case was a further illustration of the deep malaise into which some Labour-controlled education authorities had sunk.

The Cabinet -

3. Took note.

FOREIGN AFFAIRS

Syria

Previous Reference: CC(86) 20.3

3. THE FOREIGN AND COMMONWEALTH SECRETARY said that a Jordanian citizen, Mr Nezar Hindawi, was on trial in the High Court charged with attempting to introduce explosives on to an El Al flight from Heathrow Airport to Tel Aviv in order to destroy the aircraft in flight. The trial was expected to end later that day. There was conclusive evidence, not all of which had come out in the trial, of involvement of the Syrian authorities with Mr Hindawi. The Ministers most closely concerned had decided on the action that should be taken towards Syria if the trial ended in a conviction. He might make an immediate statement in the House of Commons. The introduction of stringent security measures on Syrian Arab Airlines at Heathrow Airport would be among the measures. The United Kingdom would seek the widest possible

support in its actions from the other members of the European Community. There would also be representations to Arab countries, which would tend too easily to accept Syria's version of events. The threat from

terrorism against United Kingdom interests worldwide would increase. The threat to British people in Lebanon would be particularly severe and the staff of the British Embassy had already been reduced.

In discussion, it was noted that the Government's decisions would have to be reconsidered if the trial ended in acquittal. If it ended in conviction and the defence sought leave to appeal, the Government's actions should go ahead, subject to confirmation that the Attorney General agreed.

Mozambique

THE FOREIGN AND COMMONWEALTH SECRETARY said that the cause of the air crash on South Africa's borders on 20 October in which the President of Mozambique, Mr Samora Machel, had been killed, was not known. There seemed to be no evidence of foul play and an error by the pilot was the likely explanation. The loss of President Machel was a serious development for Mozambique; it would also add to the risk of instability in Southern Africa generally. The Government was urging the Republic of South Africa not to take advantage of the situation in order to encourage the Renamo guerrilla opposition movement in Mozambique, since the consequences of such encouragement were unpredictable and could include greater Soviet and Cuban involvement in Mozambique. The likely successor to President Machel was not yet known. From the point of view of the West, the Foreign Minister, Mr Joaquim Chissano, would be a welcome choice. President Machel's funeral was scheduled for 28 October. Subject to the choice of representatives by other Western countries, the Minister of State, Foreign and Commonwealth Office (Mrs Chalker), who was well known in the region, would probably represent the Government at the funeral. Messages of condolence had been sent by The Queen, Princess Anne, the Prime Minister and himself among others.

The People's Republic of China

Previous Reference: CC(86) 33.3

THE FOREIGN AND COMMONWEALTH SECRETARY said that the State Visit to the People's Republic of China, during which he had accompanied The Queen, had been outstandingly successful. The Chinese authorities had done everything possible to show the importance they attached to the visit. It had been interesting to see how Chinese onlookers had become increasingly demonstrative towards The Queen as the visit progressed. The Queen and the Duke of Edinburgh had been very appreciative of their reception in China. The visit had underlined the value to British interests in China of the British-Chinese Agreement on the future of Hong Kong of 1984 and the extent of the opportunities for British exports in China. It was important that British exporters should

follow-up the efforts that had been made during the State Visit to promote their interests. The representatives of the British media, who had been in China to cover the State Visit, had irresponsibly played up certain private remarks by the Duke of Edinburgh.

Saudi Arabia

Previous

Reference:

CC(86) 30.2

THE FOREIGN AND COMMONWEALTH SECRETARY said that another example of the irresponsibility of the British media with regard to the national interest had been the attempt by the New Statesman and the Glasgow Herald to publish despatches written in 1982 by the then British Ambassador to Saudi Arabia, Sir James Craig. Action in the courts by the Foreign and Commonwealth Office to prevent publication of the despatches seemed to have limited the damage to this country's relations with Saudi Arabia.

Arms Control

Previous

Reference:

CC(86) 24.2

THE FOREIGN AND COMMONWEALTH SECRETARY said that contacts between the United States and the Soviet Union on arms control remained in flux and it was not yet clear how the situation following the meeting in Reykjavik on 11 and 12 October between the Soviet and United States leaders would settle down. The continued expulsions by the United States and the Soviet Union of each other's diplomats were a complicating factor, the effect of which on the prospects for arms control was not clear. The Government should avoid criticism of the United States Government's handling of these expulsions; the United Kingdom itself had experience of the difficulties that were involved.

THE SECRETARY OF STATE FOR DEFENCE said that he had chaired a Ministerial meeting of the Nuclear Planning Group (NPG) of the North Atlantic Treaty Organisation the previous weekend. His first objective had been to maintain the solidarity of the Allies in support of the position taken by the United States President on the strategic defence initiative at the meeting Reykjavik. That objective had been achieved. His second objective had been to impress upon the United States delegation the concern of the European members of the Alliance at the idea that all nuclear weapons, or all strategic nuclear weapons, should be eliminated within ten years. In this, he had achieved limited success. During the discussions of the NPG, he had received support in this matter only from the Federal Republic of Germany. The communiqué on the meeting had stopped short of endorsing all the positions taken by the United States at the meeting in Reykjavik. After the meeting of the NPG, he had spoken to the United States Secretary of Defense, Mr Caspar Weinberger, to impress upon him the United Kingdom's doubts about the proposal for the elimination of nuclear weapons. Mr Weinberger had understood the British arguments. In a press conference after the NPG meeting, Mr Weinberger had taken the more helpful position that, if major reductions were achieved in strategic nuclear weapons, it would be all the more important to bring conventional weapons into the negotiations on arms control.

In discussion, it was pointed out that the Soviet Union would be most unlikely to destroy all its nuclear weapons, even if there was a treaty to this effect. It would be impossible to devise verification measures which would enable the West to be sure that the Soviet Union had complied with such a treaty. In the United States, the difficulties about seeking to eliminate nuclear weapons within ten years were beginning to be expressed in serious articles in the media.

The Cabinet -

Took note.

COMMUNITY AFFAIRS  
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Relations With South East Asian Countries

4. THE FOREIGN AND COMMONWEALTH SECRETARY said that the meeting between Community Ministers and Ministers of the group of South East Asian countries (ASEAN) on 20-21 October had shown the value of this link. The ASEAN Ministers, in particular the Foreign Minister of Singapore, Mr Dhanabalan, had been impressive. In many respects the ASEAN countries had a view of world affairs similar to that of the Western European nations. They took a robust line on issues such as the Soviet invasion of Afghanistan and on Cambodia and were not easily hoodwinked by Communist propaganda. Furthermore, the United Kingdom itself had a major role in investment in the region and important commercial interests.

Meeting of Interior Ministers

THE HOME SECRETARY said that the meeting of Interior Ministers which he had chaired on 20 October had made useful progress. For the first time there as a serious attempt by Community Ministers to look at stronger checks at the Community's external frontiers, while preserving the objective of freer movement for bona fide travellers within the Community. In particular, there was a willingness to work together on the abuse of passports, the abuse of the right of asylum, mutual enforcement of confiscation orders relating to drug traffickers' assets and co-operative use of drug liaison officers. Lord Cockfield, Vice-President of the Commission, despite the prime importance which he attached to free movement of people within the Community, had been helpful.

In discussion it was said that the meeting had clearly been successful in making practical progress on the strengthening of external frontiers without prejudicing the objectives of the internal market. The Home Secretary was to be congratulated on his handling of the meeting and on the resulting good publicity for Government policies on these issues.

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The Cabinet -

Took note.

Cabinet Office

24 October 1986

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