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PRIME MINISTER

SUMMIT PRESS CONFERENCE

This press conference will take place immediately after the main press conference in the Debating Chamber of the Bundestag. It will be held on the 25th Floor of the Lange Eugen nearby.

I shall be waiting for you at the entrance to the Lange Eugen. We shall have a place available for any last-minute briefing.

After your press conference you have agreed to give the usual short news interviews to BBC Radio (Dominic Harrod); TV (either John Simpson or James Long); IRN: and ITV (Michael Brunson). I propose you go down the corridor to a very small radio studio to do the radio interviews first. We shall then clear the main room where the press conference is to be held for your television interviews.

You have also agreed to say a few words separately at the end of your interviews for use on 8 May of your reminiscences of VE day. Your note of your recollections is at Annex 2.

Substance

Attached is Annex 1 is a draft opening statement.

This has been a peculiar Summit.

First Bitburg which has played relatively little part in our briefing (but

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on which the press may try to get you to comment).

Second, the dogs which have not really barked - SDI (much as the press have tried to provoke it); and French pre-Summit insistence on an international monetary conference (which has faded).

Third, the dog which has unexpectedly barked - drugs for which you can claim a great deal of credit, though the press are looking for the kind of detailed follow-up which by definition you cannot give.

Fourth, domestic events, County Council elections, Peter Walker's speech (which we have dismissed as a non-event), and unemployment figures.

Finally, the significant big row: GATT (on which in our briefing we have put the French firmly in the minority of one against the background of the virtual certainty of an early new round). The media are very fully briefed on the background to the whole issue.

As a consequence reporters are likely to be all over the show at the Press Conference. Their main interest will be your assessment of where the wrangle over GATT leaves Atlantic relations and protectionism, and leading on from that to the value or liability of summits.

The Americans seem less interested in protectionism than what the lack of any reference to SDI in the Political Declaration means. We have pointed out that support for the US stance on Geneva takes in space.

It would be interesting to see whether the Europeans try to get you to put the blame on the French for the GATT.

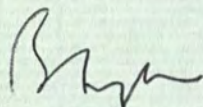
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blame on the French for the GATT.

There will be three broad strands to British interest:

- the pops: drugs and attempts to get you to comment on your 6th anniversary, the County Council elections and Peter Walker's speech.
  
- the economic statement: the extent to which it supports your policies and what in political terms it means for the unemployed.
  
- the GATT round. I shall try to get the media to concentrate their minds and to get them to identify priorities by saying that I propose to let questions run for 30 minutes.

The Foreign Secretary and the Chancellor will support you at the top table.



4 May, 1985

*I Crowther*

*by Publishing Committee*

*S.D.L. / D. M. M. 1*

DRAFT OPENING STATEMENT

*in Proceeding - 1 MS. / D. M. M. - Committee on Effort*

Today is the sixth Anniversary of my taking office as Prime Minister and I think I am entitled to draw considerable satisfaction from this Summit's economic Declaration.

Much of it was readily approved not surprisingly because there is broad agreement throughout the seven nations, whatever our political complexion, on how to manage our economies.

All of us are seeking to build on the progress already made - sustainable non-inflationary growth <sup>leading to a higher standard of living</sup> and the creation of more jobs.

Paragraph 5 of the Communique sets out what we need to do to achieve this. The list of measures very closely reflects what we are trying to do in Britain.

We shall persevere because we believe these are the policies which will create more soundly-based employment.

The Communique perhaps brings out three things:

- The United States' determination to reduce its budget deficit, which President Reagan is getting on with;
- the need for Japan to open its market more - and at a faster pace. I shall be having a bilateral meeting with Mr. Nakasone this evening and I shall of course be reinforcing my anxieties, which I expressed yesterday in the economic debate, about how Japan's failure to act <sup>would</sup> ~~will~~ intensify protectionist forces;
- Europe's need - and in that I include the United Kingdom - to introduce much greater flexibility into our economies in order to make them much more enterprising and job-creating.

*reduce inflation - public spending within strict limits - small business - research - D. M. M. or job opportunities*

/Viewed

Viewed against this background our long argument this morning over when the next GATT round should begin should be kept in perspective.

All of us believe we must stem the tide of protectionism and roll it back. All of us believe the need to do so is urgent. All of us, including France, see the need to get on with the preparatory work. And six of us reckon it should be possible to get a new round under way early next year.

This anti-protectionist work is going ahead. It must go ahead. It is vital that it should.

For the rest, we have acknowledged as May 8th approaches our duty to the memory of those who fell in the second world war to uphold peace, freedom and justice in our countries and in the rest of the world.

We have committed ourselves to work with the developing countries to help them fight hunger and disease and we have recognised the need for continuing action, both short and longer term to relieve famine in Africa and to help put these sorely afflicted countries in a better position to feed themselves.

Finally, I am very pleased we discussed the drugs *Drugs* menace in the world. All of us are deeply worried about the threat which drugs - and especially heroin and cocaine - present to our countries and especially to young people.

They could, if not checked and defeated, undermine our societies and I believe the result of this weekend's discussion will be a <sup>farther</sup> ~~resolute~~ drive by all <sup>our</sup> nations, along with others, against the traffickers.

We must wage a ceaseless war against the people who ply this evil and corrupting trade and this Summit has greatly encouraged me to believe that this war will be waged more effectively and vigorously in the future.

MEMORIES OF VE-DAY

I was at Oxford University (reading for a Chemistry Degree) and while I remember some of the day's events well my most vivid memories are of feelings - and of talks of the new world that lay ahead.

The day was bright - students gathered together in groups, everyone seemed to be in the streets talking and laughing.

There was an overwhelming sense of relief that in Europe the killing had stopped but great awareness that the terrible atrocities of the Far East had yet to be dealt with. Unless you have lived through a war I do not think you can fully appreciate the transition that comes in a day from war to peace. A great fear was lifted - joy and thanksgiving were everywhere.

There was of course no television but we listened avidly to radio to hear reports of the great crowds outside the Palace, news from the front, news and inspiration from Winston, and of course always a telephone call home whether in times of joy or sorrow.

We were serious as well as joyous; we were entering a new scientific age, a science which played such a great part in the closing stages of the war, although it was some three months before the atom bomb which ended the war in Japan.

I remember at a party that evening, amid the jollifications after a great bonfire, quietly talking with friends - what now?

The immediate objective - the end of the war in Europe - had been achieved. The war in Japan had to be won, then how would we build the world of the future? But we had no doubt that we could tackle that after all we had the greatest gift of all - peace. Nothing could compare with that. And we had health and strength. The world was before us.