

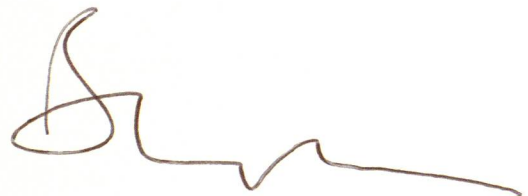
PRIME MINISTER

I am attaching, in connection with the Walden interview, the following documents:

- (i) Sarah Charman's minute of this evening setting out how Brian Walden proposes to conduct the interview
- (ii) my earlier minute of October 25
- (iii) a note from Sarah Charman attaching your and Nigel Lawson's party conference speeches
- (iv) a note from Andrew Dunlop on an interview with Kinnock in the BBC Today programme this morning.

Sarah has requested that there should be flowers on the table and Highland Spring will be available.

I have also spoken personally this evening to Brian Walden to ensure that the media do not get any knowledge of the contents of your interview before its broadcast. He assures me that, quite apart from the normal security arrangements within the building, viewing of the interview within the building itself is restricted to those concerned with the broadcast of the interview and those who accompany you.



BERNARD INGHAM
October 27, 1989

PRIME MINISTER

Note - I just saw
this on Sunday
after the interview
a.a.
!!
mb

THE WALDEN INTERVIEW

I have spoken to Brian Walden this afternoon to discuss how he sees tomorrow's interview developing in the light of yesterday's events. He tells me they will begin, obviously, by asking you about the Chancellor's resignation and putting to you that Nigel Lawson appears to blame you personally for his resignation. He will then develop the argument by asking you about your relations with both Nigel Lawson and Alan Walters.

He will follow this up by saying that you are constantly being charged with trying to dominate your Cabinet and that you cannot get on with the strong doughty figures around you.

There will probably be a commercial break at this point and in the second half he will turn to a general discussion of the Government's economic and monetary policy. He will kick off by asking you where we now stand with regard to the ERM and EMS given that you have been presumed to disagree with Nigel Lawson on the conditions under which we would join the ERM.

This will lead on to a discussion about interest rates and whether the pound is to be allowed to float or whether you will seek to maintain the value of sterling - will you allow the pound to take the strain.

Sarah Charman

SARAH CHARMAN

October 27, 1989

BACKGROUND

On the ERM you will want to draw his attention to what you said in your statement following Madrid - copy attached. The Treasury have told The Walden Programme that as far as the free movement of capital is concerned we would wish to see this in operation in all the major countries of the EC and that it would not be sufficient merely for them to have abolished exchange controls.

On inflation rates Brian Walden is likely to put to you that our inflation - at 7.6% - is much higher than the European average of 4.9%. You can make the point that other countries do not include mortgage interest payments in their calculations and that the underlying inflation rate here excluding mortgage interest is 5.8%.

The producer of the programme is Iain Picton, whom you may recall stood unsuccessfully as a candidate for Sunderland North in the 1987 election. He was also chairman of the YC's in 1981-2 and chairman of the Tory Reform Group from 1983-87. He is shortly to leave The Walden Programme and move to BBC's 'On the Record'.

No change

70.0%	1983
44.9%	(Lab)
34.1%	(C)
20.3%	(SDP/All)
0.8%	(Other)
Lab maj 4,342	10.8%

cmte in 1986; mbr. Select Migration, since 1985; Social mte, 1985-; sec. NW Gp of 1979-83. B Feb 25 1950; ed Mbr, Trafford DC, 1979-84.

n, in 1983. Chmn, NW Area ce gp. B Jan 16 1948; ed St C, 1977-81. Mbr and former

DP; treas, Bolton NE SDP. B n Inst of Tech; Salford Univ. MS.

SUFFOLK COASTAL

No change

Electorate	%Turnout		1987		1983
75,684	77.9%			71,521	75.0%
*Gummer, J.S. (C)	32,834	55.7%	-2.6%	31,240	58.2%
Miller, Mrs J.M. (SDP/All)	17,554	29.8%	+0.6%	15,618	29.1%
Reeves, Mrs S.A. (Lab)	7,534	12.8%	+0.1%	6,780	12.6%
Holloway, J.W. (Grn)	1,049	1.8%			
C to SDP/All swing 1.6%	58,971	C maj 15,280	25.9%	53,638	C maj 15,622 29.1%



Mr John Gummer

Mr John Gummer became Minister of State for Agriculture, Fisheries and Food in 1985; Paymaster General, 1984-85; Minister of State for Employment, 1983-84, being chairman of Conservative Party, 1983-85; Under Secretary of State for Employment, Jan-Oct 1983. Elected for this seat 1983; MP for Eye, 1979-83, and for Lewisham West, 1970-Feb 1974; contested Greenwich, 1964 and 1966. Lord Commissioner of the Treasury (Govt whip), 1981-83; asst Govt whip, 1981. Mbr, General Synod, C of E, since 1979. B Nov 26 1939; ed King's Sch, Rochester; Selwyn Coll, Cambridge (Pres of Union, 1962). Chmn, Fed of Cons Students, 1961. Mbr, ILEA, 1967-70. A vice-chmn, Cons Pty, 1972-74. PPS to Mr James Prior, Minister of Agriculture, 1971, and to Secretary of State for Social Services, 1979-81. Publisher, writer and broadcaster; chmn, Selwyn Shandwick International, 1976-81; Siemssen Hunter, 1979-80, and a director, 1973-80.

Mrs Joan Miller, housewife. Vice-chmn, South Suffolk SDP, 1986-; S Suffolk area sec, 1983-85; Euro election organiser, Suffolk and SE Cambs, 1984. Mbr, East Bergholt PC, 1983-; B Feb 13 1950; ed Rosebery GS, Epsom; Warwick Univ. Vice-chmn, East Bergholt Community Cl, 1981-85.

Mrs Sue Reeves, shop steward and sch governor. B Mar 31 1943. Mbr, CND and Nalگو.

SUFFOLK SOUTH

No change

Electorate	%Turnout		1987		1983
81,954	77.6%			76,209	76.3%
*Yeo, T.S.K. (C)	33,972	53.4%	+2.8%	29,469	50.6%
Bradford, C.M.N. (L/All)	17,729	27.9%	-3.4%	18,200	31.3%
Bavington, A.C. (Lab)	11,876	18.7%	+0.6%	10,516	18.1%
L/All to C swing 3.1%	63,577	C maj 16,243	25.5%	58,185	C maj 11,269 19.4%



Mr Timothy Yeo

Mr Timothy Yeo was director of the Spastics Society, 1980-83, and on its exec cl, 1984-86; director, Worcester Engineering Co Ltd, 1975-86 (now consultant to Worcester Group plc). Elected in 1983; fought Bedwellty, Feb 1974. Mbr, Select Cmte on Social Services, since 1985. B March 20 1945; ed Charterhouse; Emmanuel Coll, Cambridge. Jt sec, Cons back-bench finance cmte, 1984-; Formerly taught agriculture in Tanzania. Treas, International Voluntary Service, 1975-78, now a vice-pres; trustee, Tanzania Development Trust, since 1980. Led campaign to save Tadworth Court Children's Hospital, Surrey; chmn, Tadworth Court Trust, since 1984. Mbr, Independent Development Cl on Mental Handicap. Chmn, Charities VAT Reform Gp, 1982-.

Mr Christopher Bradford is a mbr of the Lib Pty education panel. Mbr, Cambridgeshire CC for 16 years and until recently leader of its Alliance group.

Mr Tony Bavington, secondary teacher of English, presently writing Ph.D in literature at Essex Univ. Mbr, Babergh DC, 1985- (ldr, Lab gp, 1986-); Gt Cornard PC, 1983-; B Jun 20 1948; ed Goldington Sec Mod, Bedford; Stratton GS, Biggleswade; Luton Coll of Tech; Leeds Univ; Doncaster Coll of Ed; Essex Univ. NAS/UWT.

SUNDERLAND NORTH

No change

Electorate	%Turnout		1987		1983
75,674	70.5%			78,520	66.5%
*Clay, R.A. (Lab)	29,767	55.8%	+9.5%	24,179	46.3%
Picton, I.S. (C)	15,095	28.3%	-4.2%	16,983	32.5%
Jenkinson, T. (L/All)	8,518	16.0%	-5.3%	11,090	21.2%
C to Lab swing 6.9%	53,380	Lab maj 14,672	27.5%	52,252	Lab maj 7,196 13.8%



Mr Robert Clay

Mr Robert Clay, a bus driver with Tyne and Wear Passenger Transport Executive, 1975-83, was elected in 1983. Secretary, Campaign Gp of Lab MPs. B Oct 2 1946; ed Bradford Sch; Gonville and Caius Coll, Cambridge. Was sec, Sunderland and District Lab Pty. Branch chmn, GMB, 1977-83.

Mr Iain Picton, parliamentary officer with Building Employers' Confederation, contested Rochdale 1979. Chmn, Tory Reform Gp, 1983-87; personal asst to Mr Michael Heseltine in 1983 election; mbr, nat union exec, 1979-82; nat chmn, YCs, 1981-82. B Aug 31 1951; ed Alleyne's Sch, Stevenage; Liverpool Univ. Mbr, Lambeth BC, 1982-86 (Cons spokesman on race relations and police).

Mr Terence Jenkinson, joint proprietor of sub-Post Office. B 1930; ed Pendower Commercial Sch; Newcastle Municipal Coll of Commerce.

PRIME MINISTER

BRIAN WALDEN INTERVIEW

This is just to give you an early feel for the Brian Walden LWT interview which will be recorded on Saturday morning and broadcast at 1.10pm on Sunday.

You should be at their South Bank studios for 9.30am - I will be in the office for 8.30am - for make-up. The recording will begin at 10.00am. It will be done down to time - approximately 43 minutes with a commercial break at an appropriate point. In short, the familiar pattern.

The set will be pale brown/beige so a plain blue suit would be in order. They counsel against checks or stripes.

LWT are keen to present this as a live broadcast and consequently have assured us that they wish to preserve the confidentiality of the content until broadcast. They will not therefore release texts until after the actual screening of the programme.

I spoke to Brian Walden this afternoon. He sees two broad issues for discussion:

- first, the economy: why is it all going wrong when it should be going right taking in your relations with the Chancellor and Alan Walters
- second, yourself - are you tired?, "going barmy?", as Brian Walden provocatively puts it; do you listen to people?; in short, your own idiosyncratic style of Government.

You should not regard this format as necessarily a disadvantage. I know you think I think only in terms of opportunity, regardless of the context, but you are unlikely to have a more sympathetic interviewer than Brian Walden. And this is an opportunity to put things into context.

I am copying this to Paul Gray so that he can tender his advice tomorrow. We should then discuss the interview on Friday when I shall get a more up to date approach from Brian Walden.

The economic scenario, however, suggests a calm exposition of the Government's economic successes to put the present problems in context; and a persuasive political exposition of the nature of the present problems related to -

- i) the crash of '87
- ii) the propensity for Britain to pay itself more than it earns through output, thereby inducing higher interest rates and higher unemployment than might otherwise be the case
- iii) the changed expectations of the nation based upon much greater confidence in the future leading to a freer spending and a lower saving society.

The difficult bit will be the handling of the EMS/ERM issue without letting down either the Chancellor or Alan Walters who must however be put in his place as an adviser and not as a decider. We shall need to rehearse very carefully the line you might take on this issue.

So far as the personal aspect of the interview is concerned, I think you need to get over the following points:

- your guiding principle, learned from your earliest years, is "to thine own self be true"; you are not a cosmetic, plastic figure like some you could mention
- this means that you have certain fundamental beliefs, speak your mind and refuse to go along with any old idea for the sake of a quiet life
- this means in turn that often you are alone in saying what needs to be said both at home and abroad; indeed, there are probably a lot of people in this world who are secretly grateful that you have absolved them of the responsibility for standing up for what they know to be right

- this again in turn means that you are not a comfortable character, or that you curry favour for the sake of it; but you hope you are respected
- but whatever people think, you are not going to change your ways now; you are going to go on doing what you believe to be right and in the longer term interests of your country and the world
- this may mean that you appear out on your own in such fora as the EC, NATO, or the Commonwealth; but the fact is that your policies have been widely adopted on both sides of the communist/capitalist ideological divide
- you are neither tired nor off your trolley, as Brian Walden alternatively puts it, with his usual charm; you are trying to do what you think is right and which so many people recognise as such
- you would prefer to be judged by your record than by the often calculatedly offensive caricatures peddled by those who have achieved very little, if anything, positive in their lives.

Overall, I think you want to leave the impression of a British Prime Minister who -

- i) recognises the difficulties that tend to come mid term for any successful Government but knows how to get out of them; and
- ii) acknowledges the gossip about you but remains undaunted because you believe in fighting for what you believe to be right and because you are encouraged by the overall success of your administrations.

Done in a suitably restrained way, this can be put out persuasively and indeed inspiringly and evade the trap of appearing manic or defensive.

What I want the viewer to say at the end of the interview is -

- i) you've got to admire her guts and you've got to admit she's right on a lot of things;
- ii) where else is there a leader who stands up for what she believes in and has a track record of success as long as your arm?; and
- iii) whatever anyone may say about you, Britain has in you an international leader whose influence and power is a major asset; we'd better start recognising it.

In short, you must play to your strengths in this interview without appearing cocky, boastful or complacent. You will need to imply a great deal rather than assert it openly. This is why we need to rehearse on Friday.

It will also be necessary to present a vision of the future to overcome any idea that you are on your way out.

You have a formidable programme ahead of you in order to achieve your objectives, at home of a prosperous and caring society (and able to care because it is prosperous), and abroad to assist in developing our destiny in Europe on a practical basis, helping the East to find their way to the alternative to communism, and to assist in resolving the other major issues of the day - South Africa, the Middle East, Cambodia and the tendency towards protectionism.

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BERNARD INGHAM
October 25, 1989