

B.R.
PRIME MINISTER

YOUR PRESS CONFERENCE

We have arranged for you to give a Press Conference after your meeting with Mr. Haughey. It will be held at the Press Centre, a short drive away from the Castle.

The accommodation is extremely cramped and to accommodate all those who will wish to attend we may have to remove the chairs and force the media to stand. It will be rather hot.

Afterwards it will be necessary to give your usual short news interviews to BBC Radio and TV, ITN, IRN and TV AM in the same room. I will clear it as quickly as possible.

The main interest in your press conference will be your meeting with Haughey, and the Ryan affair, rather than the Council itself since you will be giving the media your first news of your Haughey meeting. Nevertheless you should give some brief report on the Council and the attached speaking note seeks to do that.

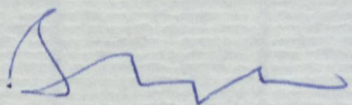
I think the important thing about this press conference is how to play the Haughey meeting. The media will be looking for differences in your treatment of him and Martens, especially as they think the Irish are a somewhat different case since Ryan was dumped on them.

They will almost certainly explore with you the effect of this case upon Anglo-Belgian and Anglo-Irish relations and also on the Anglo-Irish Agreement.

Judging from the other questions which have come my way, the points they are most likely to pursue are:

- VAT and tax on savings;
- Social market (beware using the terms social Europe, social space; if you do the media will think you are going soft on the idea);
- frontier controls;
- Middle East (especially after last night's dinner);
- Mrs. Liani (there has been considerable speculation about your attitude to her and even the Greeks report that you have tried to get your colleagues to ostracize her. I am afraid it has been that kind of Council. I have told the media that Mrs. Liani is not a matter for us - or them.

I will preside at the Press Conference and conclude it pretty smartly in view of the bad working conditions.



(B. INGHAM)

3 December 1988

DRAFT OPENING STATEMENT - PRESS CONFERENCE

Pl. file
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THIS EUROPEAN COUNCIL IN RHODES HAS BEEN ABLE TO REVERT MORE TO THE TYPE OF COUNCIL ORIGINALLY ENVISAGED - NAMELY, A STOCK-TAKING BY HEADS OF STATE AND GOVERNMENT OF THE DEVELOPMENT OF THE COMMUNITY AND WORLD ISSUES. ~~IT IS NONE THE WORSE FOR THIS - AND FOR NOT HAVING TO TAKE ANY SPECIFIC DECISIONS.~~

FIRST I WOULD LIKE TO THANK MR. PAPANDREOU FOR HIS CHAIRMANSHIP AND HOSPITALITY AND SAY HOW PLEASED WE ARE TO SEE HIS HEALTH IMPROVING.

SECOND, I THINK WE HAVE PUT IN SOME USEFUL WORK AND A NUMBER OF POSITIVE POINTS HAVE EMERGED:

1. AT THE HALF-WAY STAGE TOWARDS 1992 WE SHALL BY THE END OF THIS YEAR HAVE CONCLUDED VIRTUALLY HALF THE LEGISLATIVE PROGRAMME NEEDED TO COMPLETE THE SINGLE INTERNAL MARKET. THAT IS SOME CAUSE FOR SATISFACTION BUT THERE IS A LOT STILL TO DO AND WE NEED TO ^{go full-steam ahead} ~~CROWD ON FULL SAIL~~. I AM PLEASED THAT WE HAVE REAFFIRMED OUR PRIORITIES FOR FURTHER WORK IN LINE WITH DECISIONS AT HANOVER.

2. THIS WORK IS GOING AHEAD IN THE MIDST OF WHAT M. DELORS DESCRIBED LAST NIGHT AS ^{short} ~~AN INVESTMENT-LED BOOM. A BOOM,~~ ^{growth} ~~I MAY SAY, RESULTING FROM THE KIND OF FINANCIAL AND ECONOMIC POLICIES WE IN THE UK HAVE LONG ADVOCATED AND PURSUED.~~

Throughout the Community
Growth

3. THERE ARE ALSO CLEAR SIGNS THAT WE ARE GETTING AGRICULTURAL SPENDING AND PRODUCTION UNDER CONTROL AND ^{therefore} EC FINANCES IN A HEALTHIER STATE.

4. THE COMMUNITY HAS EXPLICITLY SET ITS FACE ~~IN TODAY'S IMPORTANT DECLARATION ON ITS INTERNATIONAL ROLE~~ AGAINST THE CONCEPT OF "FORTRESS EUROPE" AND FOR STRENGTHENING THE MULTILATERAL TRADING SYSTEM THROUGH GATT. *That is a good message for Montreal*

5. WE HAVE ISSUED A VALUABLE STATEMENT ON THE NEED FOR MEMBER STATES TO TAKE THE LEAD IN PROTECTING THE WORLD'S ENVIRONMENT, FOR, AS YOU KNOW, IT IS A PARTICULAR CONCERN OF MINE. I AM PLEASED THAT THE COMMUNITY HAS SPECIFICALLY RECOGNISED THE PROBLEMS OF THE OZONE LAYER AND THE GREENHOUSE EFFECT. AS YOU KNOW, THE UK GOVERNMENT IS CONVENING AN INTERNATIONAL CONFERENCE IN LONDON IN MARCH ON THE DEPLETION OF THE OZONE LAYER.

Returning
~~GOING BACK~~ TO THE SINGLE INTERNAL MARKET, I WOULD LIKE TO MENTION THREE ADDITIONAL POINTS FROM WHICH I DRAW SOME ENCOURAGEMENT:

1. I THINK THERE IS A GROWING RECOGNITION OF THE DIFFICULTIES CONTAINED IN THE TAX ~~APPROXIMATION~~ PROPOSALS OF THE COMMISSION. *Community decision on tax rules*
 I DO NOT REGARD ~~HARMONISATION OF TAXES~~ AS NECESSARY TO COMPLETE THE INTERNAL MARKET.

2. IT HAS AGAIN BEEN RECOGNISED, AS AT HANOVER, THAT THE EXTRA GROWTH RESULTING FROM THE SINGLE MARKET IS THE BEST

WAY TO DEAL WITH UNEMPLOYMENT AND TO ADVANCE THE LIVING STANDARDS OF ALL THE PEOPLE. SIMILARLY, THE CRUCIAL IMPORTANCE OF TRAINING IN HELPING TO SECURE GREATER BENEFIT FROM GROWTH IS ALSO RECOGNISED.

3. THE COMMUNIQUE ACKNOWLEDGES THAT THE QUESTION OF OPEN FRONTIERS WITHIN THE COMMUNITY IS LINKED TO COMBATTING CRIME, DRUG TRAFFICKING AND TERRORISM.

MENTION OF TERRORISM LEADS ME FINALLY TO HAVE SADLY TO RECALL MY MEETINGS WITH MR. MARTENS YESTERDAY AND MR. HAUGHEY A SHORT TIME AGO ON THE RYAN AFFAIR. I HAVE TAKEN BOTH MY COLLEAGUES THROUGH THE FACTS OF THE CASE AND LET THEM KNOW THE UTTER DISMAY NOT MERELY OF THE BRITISH GOVERNMENT BUT OF THE BRITISH PEOPLE AT ^{being so badly let down} ~~THE TURN OF EVENTS~~. I CAN ONLY

REITERATE THAT IT IS NOT ENOUGH TO SIGN RINGING DECLARATIONS AGAINST TERRORISM. WHAT MATTERS IS ^{effective action to bring before the} ~~DECISIVE ACTION~~ AGAINST

~~TERRORISTS. I HOPE THAT RYAN WILL BE EXTRADITED TO STAND~~

~~FAIR TRIAL ON THE SERIOUS CHARGES WHICH HAVE BEEN MADE AGAINST HIM.~~

*Effective action to bring before the courts
Charged with terrorist offences.*

*Europe
Balance
Gordon*

[Signature]

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