

PRIME MINISTER

PRESS CONFERENCE

You are to hold a Press Conference in the Media Centre at 8 a.m. for a maximum of 45 minutes. You will then go immediately to the Airport en route for Mexico City.

After your radio and TV interviews last evening, which were covered by Press Association for British Newspapers, the occasion will be very much one for the foreign journalists. As a result, it may well be difficult to keep it on Cancun rails, especially in view of the weight of Middle East journalists who have descended on this place.

I hope you will agree that I should preside and select questions and close the Conference promptly at 8.40 a.m. It is easier for me to stop silly questions and to apply the axe than it is for you.

Objective

This minute is being written without knowledge of the way the conclusion of the Conference has been received back home. But what is significant is that the Conference has ended on a positive, upbeat note in spite of predictions, whether implicit, in the British Press of today (Saturday) - see Annex I.

This means, I fear, that journalists will try to explore why the USA suddenly came on board and the extent to which you had a hand in it.

In these circumstances, I think it important that you underline your positive, practical approach to Cancun and how that has been rewarded because those taking part - notwithstanding all sorts of speculation - genuinely wanted it to succeed.

I attach a draft speaking note (Annex II) which I hope you will use by way of opening. It is deliberately brief and to the point: it is this which will be used by most journalists.

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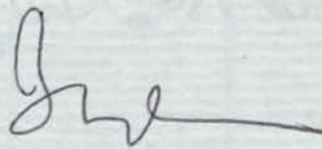
I also attach for reference the following Annexes:

Annex III - the draft statement by the co-chairmen,  
opening at Page 4 with the insertion on global  
negotiations;

Annex IV - your contribution to the opening Cancun  
discussion, marked up in your own hand;

Annex V - your 1980 Lord Mayor's Banquet speech (open  
at a passage dealing with relations with the developing  
world) to demonstrate your consistency;

Annex VI - a rough note on the Sicartsa II platemill  
contract which has been written specifically to  
meet the sort of questions we have been getting  
from the Press.



BERNARD INGHAM

23 October 1981

ANNEX I

The leading page one story in The Times is headlined "Third World Dismayed at Reagan's Hardline". This says leaders at the [redacted] North/South Summit at Cancun met for the second and final day amid murmurings of dismay among third world countries over the refusal of the United States to compromise on global negotiations. It adds that the American stance is taken as a sign that the Reagan Administration does not intend to make any far-reaching gestures to third world countries demanding a better deal from the North. The story says that Mrs. Thatcher, in her statement, added little to the known British position, adding that, under pressure from other European Community States, Britain has become more flexible towards the developing world. It says Mrs. Thatcher said again Britain would support the global negotiations, and although her Government attached some conditions to this, they are less tough than those of the US. The story concludes with Mrs. Thatcher extending her visit to Mexico by one day to fly to the capital for the signing of a steel mill contract won by Davy International. The Daily Mail has a long page seven piece by Andrew Alexander headlined "Why The Rich Get All The Aid And the Poor Sell T-shirts". The tone of the story is perhaps caught in the third paragraph: "For those who are cynical about the whole 'overseas aid' industry the Cancun Conference has been rich with ironical symbolism." "Reagan odd man out as Thatcher says aid continues" is the headline on a page five story in the Daily Telegraph, which is similar to that in The Times. A photo of Mrs. Thatcher appears alongside the story.

DRAFT SPEAKING NOTE

This has been a very successful conference - more successful, I think, than many of you expected it would be, but not significantly more successful than I expected.

I fully expected Cancun to be a success because I believe each and every one of the nations attending wanted it to succeed, whatever their approach to problems. They came determined to make it a success and to demonstrate that North and South, rich and poor, developed and developing or more developed and less developed could talk and plan constructively together.

That leads me to suggest that the two watchwords for this Conference were, as it happens, exactly those which were in my mind on my way to Cancun: positive, practical.

I believe that all of us here have been positive and we have been practical - that is we have demonstrated a will to advance co-operation between different countries of widely differing circumstances and resources while, at the same time, looking for practical ways of doing so and keeping our feet firmly on the ground.

I think we have achieved at least three things:

- we have greatly extended our understanding of each other's problems - a very healthy thing to have done;

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- second, I think as a result of this meeting we have actually come to know and like each other, notwithstanding our different points of view; that in itself is a major step forward;
  
- third, we have found a way of regenerating the concept of global negotiations and finding a way of moving them forward; we think we have found a way, through an energy affiliate of the World Bank, of making more resources available to help those countries which have few or undiscovered energy resources to improve their position - a way through that will tap additional funds in the form of income from the oil producers.

That, by any standards, is not a bad two days' work.

But we must be wary of expecting too much too quickly. What this Conference has done is to generate a greater political will to tackle the problems confronting the people of developing countries.

That in itself is enormously important - especially as I believe the developing countries recognise the very difficult political and economic circumstances now confronting the major industrialised nations. They know, for example, that they too stand to gain enormously from the industrialised countries getting - and keeping - inflation under control.

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I would therefore like to conclude my opening remarks before I take questions by paying due tribute to the co-chairmen:

Pierre Trudeau, who stepped into the breach at the last minute because of Chancellor Kreisky's unfortunate illness; his very skilled chairmanship contributed enormously to the success of the Conference and the quality of its debate; and not least to

President Lopez Portillo who has done a magnificent job in organising and leading a most successful Conference. I very much admire the way in which he and his Mexican people have hosted the Conference. And I must take this public opportunity of thanking him for all that he has done to bring a wide cross-section of nations much closer together, of course, to generate a greater sense of urgency about poverty and hunger in the world.

Thank you for coming along at this early hour. I will now try to answer your questions.