PRIME MINISTER YOUR PRESS CONFERENCE This will be a tricky press conference for three reasons: the media are struggling for a story; (ii) they still really don't know whether to write that you capitulated, were crushed, are biding your time or are marginalised. (iii) They are on the look out for any sign of softening in the light of the leadership vote. The media questioning is accordingly likely to concentrate on: do you still regard German reunification as not being on the (i) agenda-10 - 15 years away-and whether you were among those who had difficulty with the German unity text; your attitude to any strengthening of the European Parliament (ii) the strength of your commitment to joining the ERM at the (iii) appropriate time (NB - the media felt that in making the point that any IGC would have to take into account the effect of many things, including full membership of ERM, we were softening). (iv) Why you didn't fight on Eastern European Development Bank. and do you think you can move its concept your way?

I believe your interests would best be served by making clear what we have consistently stated in briefing this week: namely, that you came to Strasbourg to concentrate on the major issues of the Community's response to events in Eastern Europe and the completion of the internal market. Circumstances require a demonstration of EC unity and stability at this time. You quite deliberately chose not to make an issue of an IGC or the Social Charter when at this stage they are symbolic and the real argument and work has yet to come.

A Speaking Note is attached at Annex I.

Mechanics

I propose that the press conference should last the usual 30 minutes.

Afterwards there is a queue of radio and TV interviews - the ausual six plus a special request from Channel 4 which I hope you will be able to do.

The proposed order is:

BBC Radio - Graham Leach (who has been unhelpful)

IRN - Peter Spencer (who is your best interviewer)

BBC TV - John Simpson

ITN - Michael Brunson

Sky TV - Adam Boulton

TV AM - Maya Even

Channel 4 - Nik Gowing

Shannel