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CABINET

CONCLUSIONS of a Meeting of the Cabinet
held at 10 Downing Street on
THURSDAY 5 MARCH 1987
at 10.00 am

P R E S E N T

The Rt Hon Margaret Thatcher MP
Prime Minister

The Rt Hon Viscount Whitelaw
Lord President of the Council

The Rt Hon Lord Hailsham of St Marylebone
Lord Chancellor

The Rt Hon Sir Geoffrey Howe QC MP
Secretary of State for Foreign and
Commonwealth Affairs

The Rt Hon Nigel Lawson MP
Chancellor of the Exchequer

The Rt Hon Douglas Hurd MP
Secretary of State for the Home Department

The Rt Hon Peter Walker MP
Secretary of State for Energy

The Rt Hon George Younger MP
Secretary of State for Defence

The Rt Hon Nicholas Edwards MP
Secretary of State for Wales

The Rt Hon John Biffen MP
Lord Privy Seal

The Rt Hon Norman Fowler MP
Secretary of State for Social Services

The Rt Hon Norman Tebbit MP
Chancellor of the Duchy of Lancaster

The Rt Hon Tom King MP
Secretary of State for Northern Ireland

The Rt Hon Michael Jopling MP
Minister of Agriculture, Fisheries and Food

The Rt Hon Nicholas Ridley MP
Secretary of State for the Environment

The Rt Hon Lord Young of Graffham
Secretary of State for Employment

The Rt Hon Kenneth Baker MP
Secretary of State for Education and Science

The Rt Hon Kenneth Clarke QC MP
Paymaster General

The Rt Hon John MacGregor MP
Chief Secretary, Treasury

The Rt Hon Malcolm Rifkind QC MP
Secretary of State for Scotland

The Rt Hon Paul Channon MP
Secretary of State for Trade and Industry

The Rt Hon John Moore MP
Secretary of State for Transport

ALSO PRESENT

The Rt Hon John Wakeham MP
Parliamentary Secretary, Treasury

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SECRETARIAT

Sir Robert Armstrong
Mr C L G Mallaby (Items 3 and 4)
Mr A J Langdon (Items 1 and 2)
Mr J H Holroyd (Items 3 and 4)
Mr M J Eland (Items 1 and 2)

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PARLIAMENTARY
AFFAIRS

1. The Cabinet were informed of the business to be taken in the House of Commons in the following week.

Rate Support
Grant: Legal
Challenge by
Greenwich
Borough
Council

THE LORD PRESIDENT OF THE COUNCIL said that the Sub-Committee on Local Authority Expenditure of the Ministerial Steering Committee on Economic Strategy (E(LA)) had that morning considered the action that should be taken in response to the ruling in the High Court the previous week on a legal challenge brought by Greenwich Borough Council. The effect of the ruling was that the Secretary of State for the Environment was prevented from proceeding with the main Rate Support Grant Report for 1987-88 and the First Supplementary Report for 1986-87 in a way that corrected, as he had intended, an error in the apportionment of road maintenance expenditure between London boroughs after the abolition of the Greater London Council. Until the error was corrected, Greenwich and other boroughs that the Government would not especially wish to help would continue to receive money that was unfairly gained at the expense of other London boroughs that had made greater efforts to control their expenditure. This inequity would certainly have to be put right, and the choice before E(LA) was whether immediately to introduce yet another piece of validating legislation or whether in the first place the Government should appeal against the previous week's High Court ruling. Even if the appeal were successful, legislation would be necessary before the situation could be finally rectified. The statutory provision on which the Government's interpretation had been ruled against had been drafted with especial care in the previous year and an opinion on its effectiveness had been obtained at the time from Mr Robert Alexander QC. For these and other reasons E(LA) had decided that the right course on this occasion would be to appeal against the High Court ruling, and they were minded that if necessary the appeal should be pursued to the House of Lords. The Secretary of State for the Environment would that afternoon announce the decision to appeal, together with the fact that he had no immediate choice but to lay Rate Support Grant Reports prepared in accordance with the law as the High Court had stated it to be in the previous week's case.

Claimants of
Political
Asylum

Previous
References:

CC(87) 6.2 and
CC(87) 7.2

THE HOME SECRETARY said that it had become apparent at the end of the previous week that the Government were likely to lose the judicial review proceedings brought against them by a number of Tamils claiming refugee status. The point of vulnerability had not been the original point on which proceedings had been brought, namely the question of access to independent advice from the United Kingdom Immigrants Advisory Service (UKIAS), but a separate point about the validity under the Immigration Rules of the way in which the cases had been processed. In the light of this development he had decided to refer the 64 disputed cases to UKIAS and thus ensure that the judicial review proceedings would not take place. At the same time he had made a statement removing from future applicants for political asylum any legitimate expectation

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they might otherwise have of a right to have their cases referred to UKIAS. He had also announced the introduction of the Immigration (Carriers' Liability) Bill which would enable the imposition of a penalty on carriers of entrants lacking valid documents, on the lines of his proposals discussed and approved by Cabinet in the previous week. This Bill had had a good reception amongst the Government's supporters in the House of Commons but was likely to have a difficult passage in the House of Lords. Part of the problem was that there was insufficient perception of the fact that the United Kingdom's traditional welcome of refugees from political persecution was now being exploited by people from Third World countries as a loophole in immigration controls: in the previous week alone there had been 48 claims for political asylum. It was important to ensure that the facts were more widely appreciated, so that the robust controls that were needed could rapidly be got into full working order.

Judicial
Review of
Ministerial
Decisions

Previous
Reference:
CC(87) 6.2

THE PRIME MINISTER, summing up a brief discussion of the general issues raised by these matters, said that both the Greenwich challenge and the Tamils' case were further illustrations of the way in which Ministers' proper exercise of their responsibilities was being endangered by the expansion of judicial review. It was clear that the utmost vigilance was needed, both in the formulation of legislation and in the exercise of powers under it, to ensure that the risks of successful challenge were minimised. The Law Officers had already been asked for their advice on what might be done to protect the legitimate interests of the Government in this field. A further question that needed exploration was whether the resources available to the Law Officers were sufficient to enable them to carry out their proper functions in this context.

The Cabinet -

Took Note.

HOME AFFAIRS

Allegations
that War

Criminals were
Resident in
the United
Kingdom

Previous
Reference:
CC(87) 7.2

2. THE HOME SECRETARY said that, as foreshadowed at the previous meeting of the Cabinet, he had met the head of the Simon Wiesenthal Centre, Rabbi Hier, at the beginning of that week. Rabbi Hier had shown somewhat greater realism than he had expected and, all in all, the meeting had passed off reasonably well.

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Referral of
Allegedly
Wrongful
Convictions
to the Court
of Appeal

THE HOME SECRETARY said that there had been recent reports in the media that he was intending to refer to the Court of Appeal an allegedly wrongful conviction in the Guildford bomb case. In adherence to the practice established by his predecessors, the yardstick he used for deciding whether to refer allegedly wrongful convictions to the Court of Appeal was whether any new and substantial consideration had come to light which had not been available to the court of trial. A television programme earlier that week had produced what it claimed was new evidence of an alibi in respect of one of those convicted in the Guildford case. He would be considering this to see whether it met the test he had outlined.

The Cabinet -

Took note.

FOREIGN
AFFAIRS

Nuclear Arms
Control

3. THE FOREIGN AND COMMONWEALTH SECRETARY said that the statement the previous weekend by the General Secretary of the Communist Party of the Soviet Union, Mr Mikhail Gorbachev, changing the Soviet position concerning reductions in Intermediate Range Nuclear Forces (INF) had been a response to long standing proposals of the Western Alliance and should not be described as an offer initiated by the Soviet Union. Mr Gorbachev's statement, which had provided for the elimination of INF in Europe, had improved the atmosphere in the negotiations on INF between the Soviet Union and the United States in Geneva. The positive aspects of the statement included the setting aside of the link between an agreement on INF and curbs on the United States Strategic Defence Initiative; and confirmation that the Soviet Union was no longer seeking the inclusion of British and French nuclear weapons in negotiations on INF. Important points remained for negotiation. The first was verification of a treaty on INF. Work on this was well advanced among the Western allies, but there was a need for further consultation before definite proposals could be advanced by the United States in Geneva. The position being considered by the Western countries would provide for rigorous measures of verification, including inspection of sites where INF were declared to be deployed and challenge inspection of possible undeclared sites. This would involve the possibility of Soviet inspectors visiting Greenham Common and Molesworth and possibly other military sites in Britain. The second important aspect where more work was needed in negotiations was constraints on shorter range INF. North Atlantic Treaty Organisation (NATO) communiqués following the Prime Minister's meeting with the United States President at Camp David in November 1986 had made clear that the West sought constraints on the longer range systems within this category and a provision that NATO could match Soviet levels, as well as agreement to hold further negotiations on shorter range INF.

Some 316 of the 572 INF warheads which NATO had decided to deploy were in place. A treaty eliminating INF in Europe would be a significant success for NATO and a worthwhile consequence of the defence and arms

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control policies of the Government. In the next stage, the Government should put the emphasis in its arms control policies on the elimination of chemical weapons and on negotiation towards a balance in conventional forces in Europe.

In discussion, it was stressed that the SS-20 missiles which the Soviet Union would be allowed under an agreement to hold outside Europe should be stationed well beyond the Urals, since otherwise they could be moved rapidly within range of Western Europe. It was also pointed out that, although an arms control agreement on INF would be between the Soviet Union and the United States, there had been close consultation between the United States and its allies, notably those countries including the United Kingdom where INF were based, on the positions taken in the negotiations. It would take some time, perhaps a number of months, to negotiate the provisions about shorter range INF for a treaty. A treaty text would need to be agreed in 1987 if it was to be ratified while Mr Ronald Reagan remained President of the United States.

It was pointed out that some spokesmen of the Opposition were publicly stating that Mr Gorbachev's move was a success for the Campaign for Nuclear Disarmament and a setback for the Government. The truth was that, if the opponents of the stationing of INF in Western Europe had had their way, there would have been no chance of removing through negotiations the large numbers of Soviet SS-20 missiles threatening this country and thus no prospect of a "zero-zero solution" eliminating INF in Europe. It was important that the Government should stress this and also all the various elements in the statement issued after the Prime Minister's meeting with the United States President at Camp David in November 1986. There would otherwise be a danger that Soviet attempts to advocate a nuclear weapons free zone in Europe as a development of a zero-zero agreement on INF would gain currency and the importance of achieving a balance in conventional forces would receive insufficient attention. The presentation of the Government's position on the INF negotiations and related matters should be considered collectively by Ministers.

The Cabinet -

1. Invited the Foreign and Commonwealth Secretary and the Secretary of State for Defence to circulate a joint memorandum to members of the Defence and Oversea Policy Committee about presentation of the Government's position on the INF negotiations and related matters.

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United States

Previous

Reference:

CC(87) 7.4

THE FOREIGN AND COMMONWEALTH SECRETARY said that, following publication of the Tower Commission's Report on United States sales of arms to Iran, the President, had made three important appointments of - Mr Frank Carlucci as National Security Adviser, Mr Howard Baker as White House Chief of Staff and Mr William Webster as Director of the Central Intelligence Agency. All three appointments were good ones, especially that of Mr Baker, whose good relations with Congress would be an asset to the Administration. In a speech on television the previous evening, the President had gone further than many people had expected in accepting responsibility for what had happened. It was hard to see how he could have made a more effective broadcast in the circumstances. But the situation would remain difficult, not least because more reports would be made on the question of arms sales to Iran and the diversion of funds to the Contra rebels in Nicaragua.

Italy

THE FOREIGN AND COMMONWEALTH SECRETARY said that the Italian Coalition Government led by Mr Bettino Craxi had resigned on 3 March. It had served longer than any other Italian Government since 1945. Contrary to earlier expectations, it was not certain that the Christian Democratic Party would wish to provide a new Prime Minister. It was therefore possible that elections would be held quite soon.

Court Cases

Involving

Members of

Foreign

Embassies in

London

THE FOREIGN AND COMMONWEALTH SECRETARY said that the two current court cases in London demonstrated the difficulty of countering the interest of the media in running stories about alleged abuse of diplomatic immunity. The first concerned the Mexican Embassy in London. An attaché at that Embassy had seen a television programme about murder of prostitutes in London and had subsequently approached the police. The Mexican Government and their Ambassador had made it clear that they would waive diplomatic immunity if police enquiries made it appropriate for charges to be brought against this attaché. He had undertaken that he would be available to help the police in their enquiries. The second case concerned a chef at the Jordanian Embassy, who had been arrested on suspicion of committing a series of indecent assaults on women and had later been released. The Jordanian Embassy were co-operating fully with the police and had said that they were not claiming diplomatic immunity for the person concerned. These two cases demonstrated the Government's success in making clear to Foreign Missions in London that they should not seek to misuse diplomatic immunity.

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Malaysia

Previous

Reference:

CC(86) 27.2

THE FOREIGN AND COMMONWEALTH SECRETARY said that the trial was taking place in Malaysia of Mr Derrick Gregory, a British citizen accused of possessing heroin. In Malaysia the death sentence was mandatory in such cases, but Mr Gregory had been arrested before it had been made mandatory. If the death sentence was imposed, legal appeals could take a considerable time. The British High Commission in Kuala Lumpur were helping Mr Gregory. It would not be appropriate for the Government to comment on the substance of the case.

The Cabinet -

2 Took note.

COMMUNITY

AFFAIRS

Agriculture

Previous

Reference:

CC(87) 7.5

4. THE MINISTER OF AGRICULTURE, FISHERIES AND FOOD said that at the Agriculture Council on 2-4 March decisions had been taken which had finally endorsed the cuts in support for milk production agreed at its meeting in December 1986. In particular the new decisions meant that from the beginning of the 1987 milk marketing year butter intervention could be suspended if offers to intervention exceeded a specified level. The Council also completed its work on the package of socio-structural measures which had been agreed in outline the previous December. The Council had agreed not to include within the package a potentially costly scheme for paying farmers to retire early; whereas it had retained two particular features of importance to the United Kingdom: a scheme to encourage a more extensive type of farming which linked directly with British ideas for cereal land diversion; and a scheme which would allow for Community funding for environmentally sensitive areas, a concept which the United Kingdom strongly supported.

Energy

THE SECRETARY OF STATE FOR ENERGY said that on a number of occasions the Commission had wanted to open talks between the Community and the Organisation of Petroleum Exporting Countries (OPEC). In view of the United Kingdom's general antipathy to a dialogue between producers and consumers it had opposed such ideas. The Commission had then suggested that talks could be at a technical level, about which the United Kingdom had again shown its concern. At the end of 1986 the Commissioner responsible for energy matters, Commissioner Mosar, had publicised in the Luxembourg press the idea of technical talks between the Community and OPEC which could lead to political talks. Within the Community the United Kingdom had made clear its dislike not only of the process proposed but also of the action of the Commissioner in pursuing initiatives favoured by only a minority of member states. He hoped that the United Kingdom would take advantage of any further opportunities to make its views known to the Commission.

The Cabinet -

Took note.

Cabinet Office

5 March 1987

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