### PRESS DIGEST

#### Main News

Bush throws his weight behind UN Secy General's peace mission though he warns against any compromise on Iraqi's withdrawal from Kuwait.

He expels 36 Iraqi diplomats and staff, cutting embassy in Washington by two-thirds.

<u>Guardian</u> finds evidence Saddam Hussein is beginning to bend under weight of international condemnation - ordering Iraqi tankers to submit to UN blockade.

Gorbachev says Saddam Hussein has reached a dead end.

Eight more British hostages rounded up in Iraq.

Hussein's propaganda machine parades more British hostages on TV.

Oil prices fall \$4 a barrel to \$26.95. Dow Jones index soars on hopes of peaceful settlement.

<u>Star</u> says 72 Britons, including children, are held hostage at Iraq chemical weapons plant.

Yemen backs down over expulsion of our Consul General in Aden for watching tanker traffic.

Japan to send civilian aid for multinational force in Gulf.

<u>Mirror</u> says you talk dangerous nonsense when you say there can be no negotiations with Hussein. Firmness is one thing; warmongering another. It is a serious mistake for Kinnock not to insist on Parliament's recall.

<u>Mail</u> says it is embarrassing Parliament has not been recalled, given your willingness to lecture other European countries about their democracies.

<u>Today</u> says writing is on the wall for Saddam Hussein but he will only understand that when the pressure of force amassed against him is overwhelming.

Speculation that Terry Waite will be next hostage to be released from Lebanon, according to Beirut's Voice of the People.

Five permanent members of UN Security Council agree framework for a peace plan in Cambodia.

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<u>Express</u> criticises Mandela for embarking on another world tour; it raises the gravest doubts, it says, about his capacity for leading his people towards a new and freer South Africa.

### Economy

CBI reports order books at their weakest since April 1983, with small firms particularly hard hit by squeeze. But it forecasts inflation down to 5% at the end of next year and 12% interest rates.

Ten times as many new companies being set up as failing, <u>Sun</u> notes.

Privatised water companies helped to push pay increases for managers above 10% for last 3 months.

## Crime

All four defendants in Guinness trial found guilty.

Greed on a grand scale, says <u>Sun</u>. Many see jury system vindicated.

2,500 youths fight running battles with police in Bournemouth after their acid house party was stopped.

### Politics

<u>Guardian</u> says you have ordered a root and branch review of local govt to curb functions and services of local authorities.

 $\underline{\underline{Sun}}$  is not surprised Heseltine is not going to challenge you this autumn. He will never have the guts to face you in the open.

## Housing

Labour plans to curb council house sales - they would be stopped unless councils could replace every home they sold.

### Education

Head of Professional Assn of Teachers wants child benefit stopped to parents whose children play truant and parents charged for damage at school.

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## Media

Radio 5 launched.

Labour Party promises free TV licences for pensioners but <u>Express</u> says it does not disclose who will pay for them.

<u>Independent</u> thought Labour had grown out of offering election bribes. It seems to assume all pensioners are poor.

# Sport

Gooch beats Bradman's record for runs in Tests in a single summer.