

October 16, 1990

PRIME MINISTER

MAIN EVENTS

- Report of AAIB into Kegworth air crash
  - Production index (Aug)
  - PSBR (Sept)
  - EC Political co-operation meeting, Rome (to Wed)
  - RSCPA judicial review case on export of live animals
  - US/UK/Canada chief medical officers meet on AIDS (to Oct 18)
  - Woolf Inquiry Seminar at Lincoln Prison
  - ? Interview with Francis Maude by FT's Bonn correspondent
  - Ministerial Group for Women's Issues
  - Annual report on agricultural marketing schemes 1988-89
  - Launch of disability symbol
  - Treasury minute on PAC report
  - Commons: Questions: Health; Prime Minister
  - Debates: Rmng Stages, Law Reform (Scotland)
  - Bill; Health Authorities regs
  - Lords: Debate: Broadcasting Bill, Report (D3)
  - Lord Chancellor re-opens London Law Centre
  - John MacGregor opens Sleaford school; tours Lincs
  - Cecil Parkinson visits Heathrow Scheduling Cttee
  - John Wakeham visits offshore companies, Newcastle upon Tyne;  
later speaks on oil/Gulf etc
  - Peter Lilley addresses Oxford Union
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PRESS DIGESTGULF

Foreign Secy gets a frosty welcome in Israel as Shamir rejects UN resolution condemning last week's killings in Jerusalem.

Tom King says Britain is prepared to send more troops to Gulf.

US Defence Secy says armed forces could be in region for a long time.

US Defence Secy Cheney and Mr King stress that the US and British Govts were of one mind on the solution to the Gulf crisis. They emphasise, after meeting you, that if military action were necessary they know it would be a protracted and bloody affair Independent.

Times says US and British Defence Secys keep Saddam Hussain guessing by emphasising that the allied forces in Saudi Arabia were settling in for a long haul.

President Bush accuses Saddam Hussain of war crimes and Nazi-type atrocities against the Kuwaiti people, but stops short of supporting your suggestion of a UN Security Council resolution which would call for Nuremberg-style trials and war reparations Independent.

Iraq has begun creating a new defensive line about 50 miles south of its pre-invasion border with Kuwait. The line conforms with Iraq's redrawn map of Kuwait, which extended Iraq's southern border province of Basra Independent.

Independent editorial concludes that Heath's mercy mission to Iraq is ill-advised, with the precedents discouraging. While his primarily humanitarian motives are not in doubt, simply by talking (however critically) to Saddam Hussain he would seem to be giving comfort to the enemy. There are many humanitarian causes to which a former Prime Minister can usefully devote himself without being misinterpreted or used. This is not one of them.

Telegraph says the most damaging aspect of Heath's proposed mission is that it may convey an impression of irresolution in the Western camp. He is a man incapable of retiring from public life with dignity. The events of the past week have merely brought Heath's personal tragedy once more on to the national stage.



PRESS DIGEST

Peter Jenkins, in INdependent, says that there must be no linkage between the substance of the two Middle East issues - Iraq's occupation of Kuwait and Israel's occupation of the Arab territories acquired in the 1967 war, but rather sequential: first Saddam out of Kuwait; then a renewed and more strenuous attempt to do justice to the Palestinians. The massacre on Temple Mount has made it even harder to draw the distinction between undoing the one aggression and remedying the other.

Mitterrand says protection of General Aoun is a "question of honour" for France, and expresses hope the general would be "able to come to France as soon as possible" Independent.

Jordan angers Egypt by threatening to expel 70,000 Egyptians Times.

Four CIA officers, including the head of the Beirut station, may have died in the Lockerbie air crash Independent.

GORBACHEV

Gorbachev wins Nobel Peace Prize - an award received more warmly in West than at home. You lead the cheers - Today. Nobel prizes won't buy us food - Moscow reaction.

Star - Just reward - one of the greatest figures of the century.

Sun - Richly deserved.

Express says few will begrudge Gorbachev the award but it regrets Reagan was overlooked; future historians will no doubt make good the omission.

Mail - pl lead - a grateful world hailed the award. Leader agrees with Express that it can be argued Reagan finally broke the Soviet empire. Gorbachev's outstanding contribution is that he moved with the tide.

Independent says prize illustrates the gulf between the foreign and domestic standing of the Soviet leader.

Guardian - The easy bit was winning the Nobel Prize, Gorbachev might have murmured. The harder part is to get enough potatoes in the shops.

Times leader says the judgement will be hotly disputed. It should not be. This battered warrior for peace should be permitted his accolade.



PRESS DIGEST

Today - Never has the Peace Prize been so justly awarded. A real peacemaker. But the statesman who can get him out of his present economic mess should be front runner for next year's award.

Soviet MPs meet today to scrutinise Gorbachev's plans for market reform before a decisive debate on the subject at the end of the week, following a broad concensus reached with representatives from the country's 15 republics over the weekend Independent.

Times says that food shortages are so bad in Leningrad that the city fathers are considering selling ships to enable them to import vital supplies.

Hungary's Conservative govt faces its most severe crisis as results from nationwide local elections showing a heavy defeat for the 3 parties which make up the coalition Independent.

POLITICS

Tories accused of 'emotional blackmail' in Eastbourne by-election campaign Independent.

ECONOMY

Chancellor warns against high pay demands - he won't devalue to bail out industry.

Karl Otto Poehl says sterling's entry into ERM could destabilise EMS and lead to high unemployment in Britain unless British firms and unions agree low wage settlements.

Sun says joining ERM has killed any idea of raising home loans tax relief to £40,000; Chancellor aims to hold down house prices.

Times says John MacGregor has failed to reach agreement with the Treasury over his demand for £1 billion extra spending but Kenneth Clarke has settled.

Abbey National cuts mortgage rate from 15.4% to 14.65%.

Dale Campbell-Savours MP claims that City made a killing out of leak of Britain's entry into ERM.

Express says there's no satisfying some people. After loudly calling for entry into ERM Labour now assail Govt for doing so.



PRESS DIGEST

Kinnock condemns you for refusing to join the debate on ERM, accusing you of jeopardising Govt credibility on the issue Independent.

Mail says Labour is considering taxing quick share deals and obstructing company mergers.

Rover workers demand 13%.

Express says Jaguar is ready for a showdown with unions over claim for 11%. Big changes demanded in working practices.

British Rail offers 25% rise to signals staff FT.

British Telecom staff reject 10%.

Pay rises for senior executives start to fall.

Bank for International Settlements chief warns of international credit crunch in which some borrowers may cease to have access to credit at any price FT.

UNIONS

UCATT, construction union, hit by "ghost" ballot scandal; hundreds of postal votes sent to people who do not exist.

INDUSTRY

Tyneside firm wins £8million order for 30,000 uniforms for British Airways.

Sun welcomes Pentos' efforts to break book trade price fixing: Pentos claims net book agreement may be against EC law.

Independent editorial describes the agreement as an anachronistic restrictive practice. There is no reason why the book trade should be insulated from the laws of the market-place. American experience suggests that book supermarkets and cut-price chains lead to increased sales.

ENVIRONMENT

Labour Party environment policy described as "a cynical package" by Chris Patten - more taxes, controls and renationalisation. David Trippier says Kinnock is living in cloud cuckoo land.



PRESS DIGEST

Guardian leader says Labour's verbs in its programme are not active enough. Too many commitments have too vague a timetable.

Independent points out Labour admits that the cost of carrying out its programme was not included, but Bryan Gould insists costs would be "very small beer".

Times leader asks whether the world would have been worse off if neither the Govt nor Labour had published their environment policy papers. The Labour document is as much electoral window-dressing as Chris Patten's. Its proposals are more positive than the Govt's. Unfortunately, it is disfigured by Labour's old bugbears, bureaucracy and union power. Enacted in its entirety, Labour's policy would do little for the environment at a great cost.

In an extraordinary outburst Cecil Parkinson denounces English Heritage for publishing an "entirely speculative assessment" of the likely damage to archaeological sites from new road schemes Times.

EDUCATION

Case of Stafford primary school where headmaster has asked parents to donate pens, rulers, towels and toilet rolls to save £500 a year. Mirror - The sooner the Cabinet is expelled the sooner schools and Britain will have a chance.

The Govt yesterday toughened its line on teacher appraisal with a warning to the unions, with Mr Fallon saying it is an opportunity for teachers to assert their professionalism Independent.

Express says Thatcher country - Lincolnshire - is the best place to educate children; it leads on value for money and choice.

Southwark schools likely to face severe cuts after faulty accounting has led to a deficit of at least £5.6million Times.

Stuart Maclure, former editor of TES, writing in the Times, says the arguments for vouchers turn on how much value you put on competition between schools, and on how well you think 25,000 schools operating individually would fare.

FT leader on education says vouchers may have a role to play as part of a broader strategy of reform but nobody should imagine they will provide a painless solution for current education ills.



PRESS DIGESTHEALTH/FOOD

AIDS arising from heterosexual relations almost doubles within a year.

Govt declines to settle claims of haemophiliacs who caught AIDS from contaminated blood but they might get more help on a no-liability basis.

Mirror claims that a £1.5million hospital unit in Enfield is staying shut because there is no cash to build a road to it.

New Govt inquiry to be held into claims that people who drank contaminated water after Camelford accident have suffered brain damage.

MEDIA

ITV companies pledge £6.5million to keep ITN going.

Lord Chalfont, deputy Chairman of the IBA, criticised for saying impartiality code should strictly control drama documentaries such as "Shoot to Kill" Independent.

A survey of 700 editors found that most advocate rejection of proposals to bring in legislation to control the press Independent.

LAW & ORDER

NUPE attacks private security system at Carshalton hospital where 11 year old girl patient was raped.

Mail says concern over security is wide of the mark; overriding need is for tougher action against rapists.

Star says you feel Britain's policemen are too rude and grumpy.

British Rail takes out of service single compartment train carriages, described as a trap for women passengers - ironically after 2 men were sexually assaulted.

Four UDR men to sue the RUC Chief Constable for alleged unlawful detention Independent.

Missing books cost libraries £100million a year.



PRESS DIGESTFOREIGN

British lorries attacked on Franco-Spanish border by Spanish drivers angry over their Govt's refusal to subsidise fuel prices.

The Separate Amenities Act, whereby public facilities in South Africa have been racially segregated since 1953, was repealed yesterday. But Mirror says whites in some areas frustrated this by raising charge beyond pocket of blacks.

ROYAL

Analysis, from Royal Trustees report, of how the Royal Family spends its £56million - their current annual cost.