

21 July 1986

PRIME MINISTER

MAIN EVENTS

Prime Minister attends Finchley Westminster Forum dinner, HoC
EC Foreign Affairs Council, Brussels (to July 22)
EC Budget Council, Brussels (to July 22)
EC Political Co-operation meeting, Brussels (to July 22)
US/Soviet Expert level meeting on nuclear testing due to begin, Geneva
(this week)
Schools Curriculum Development Committee conference on economic
awareness, High Wycombe
Burnham Management Panel meets
Association of Civil Defence and Emergency Planning Officers annual
conference, Brighton (to July 23)
Museums Association annual conference, Aberdeen (to July 25)
Royal Welsh Show (to July 24)

STATISTICS

DTI: Retail sales (June-prov) (11.30)

PUBLICATIONS

HOC: 42nd Report Public Accounts Committee 1985/86 - Report on
Dockyards (Noon)
HOC: 3rd Special Report Environment Select Committee - Government's
response
HOC/HOL 29th Report Joint Committee on SI's (11.00)
HOC/HOL 28th Report Joint Committee on SI's (11.00)
DTI: Post Office annual report (11.00)

SOUTH AFRICAPRESS DIGEST

- Andrew Neil, Editor of Sunday Times, says his source was within the Palace.
- Some MPs want an inquiry into the allegations made by "Sources close to the Queen".
- John Stokes MP says it just shows the lengths to which people will go to undermine your position-"deplorable"; John Carlisle MP: dismayed and disgusted. Peter Bruinvels: "malicious". Enoch Powell blames "dirty dog"
- D/Star says you and Queen will stage a display of unity to crush rumours; Palace says there will be no investigation; leader says if the Queen's advisers did talk they must be sacked immediately because they have no right to interfere with politics; if the Sunday Times story is mostly fiction heads must roll there, too.
- Sun says MI5 is looking for the Palace mole. Growing conviction among MPs the Queen herself may have been behind the disclosures. Tony Beaumont-Dark MP wants Queen to issue personal denial. In another story Royal Correspondent says Royal advisers told him yesterday that the Queen is appalled by your apparent uncaring attitude.
- Sun feature headed "Stop your meddling Ma'am" says there is a widening difference between Monarch and Prime Minister but the disclosures have caused a constitutional crisis on a scale unmatched since abdication 50 years ago. Queen should make a gesture like making herself available for dinner at No 10.
- Mirror: Crisis for Queen over her "rift" with Thatcher - she faces a constitutional crisis; leader headed "The Queen betrayed" says if the story about the Queen's opinions of your policies is true the Palace advisers who leaked it should be sacked. If it is untrue, the Sunday Times deserves the severest censure. But it doesn't look untrue. In the case the advisers have betrayed the Queen.
- Joe Haines, in separate Mirror feature, says the Queen, through the incredible stupidity of a few of her officials, has been set on a dangerous collision course with you. It is potentially disastrous - the worst constitutional crisis since the Abdication. In a battle between Palace and Downing Street the Prime Minister must always win.
- Today's front page says you will tell the Queen tomorrow that you will impose sanctions against South Africa as a last resort to save Commonwealth; leader says Palace sources have subtly and unofficially plugged the line that the Queen is concerned about the threat to the Commonwealth posed by your stand against sanctions, but now the matter has gone a stage further. There should be nothing to stop her expressing her concern about Government policies which could destroy her beloved Commonwealth but it is better on other issues for her advisers not to reveal her views.
- Express: Plot to use the Queen to wound the PM. Thatcher loyalists convinced there is a plot to bounce you into sanctions and even to challenge your leadership; leader says a constitutional crisis is not facing Britain. The Queen is totally committed to her role as constitutional monarch. Politicians should not confuse gossip with reality.
- Paul Potts, in Express, says you are trying to counter a vicious dirty tricks campaign involving the Queen, senior politicians and Commonwealth leaders - a plot worthy of a Jeffrey Archer novel. It reports one Thatcher ally as saying the traitor is in the Cabinet.

WESTLAND

- Telegraph says Labour MPs may try to force the Government to make a statement before the Recess.
- Guardian leads its front page with a story saying MPs became aware of serious damage the Select Committee report could do to you; it is sceptical of your answers to questions in Parliament. Several undisclosed bombshells.
- "Thatcher faces onslaught over Westland report". The Labour Party plans a concerted effort to exploit the embarrassing and potentially damaging report (FT).

ECONOMY

- Michael Heseltine, in speech to MPs, says it is necessary to spend money on creating jobs, particularly in inner city and regional urban areas.
- Heseltine launches new assault on Government (Guardian).

EDUCATION

- Oxfordshire Left wing councillors want Biggles and Enid Blyton books banned for being racist and sexist.

HOUSING

- Editor of Investors' Bulletin claims that house prices could slump by as much as 80% over next 10 years.
- The Government plans to remove restrictions on the fixing of rents in shared home ownership schemes in order to stimulate home buying (FT).

POLITICS

- Higher paid face a Labour double attack, according to Sun - first from higher income tax and then by a wealth tax.
- Telegraph says hard Left has reorganised and intends to push for stricter Socialist line in party's manifesto.

NORTHERN IRELAND

- Up to 40 Ulster police officers could face charges as a result of Stalker inquiry.
- Telegraph leader finds good news in the failure of Paisley to bring the Province to a halt in the way he once could. A policy of restricting marches, if possible by consent, is the proper way to minimise violence and this deserves the support of all serious Ulster politicians.
- Protestant Action force claims responsibility for murder of a North Belfast taxi driver.

ITALY

- Attempts to form a government appear to have failed, deepening Italy's political crisis.

RUSSIA

- People responsible for Chernobyl disaster to be put on trial.

TURKS AND CAICOS

- Telegraph says troops are standing by to fly to Islands because of looming revolt; Chief Minister won't accept dissolution.

BERNARD INGHAM