

18 September 1986

PRIME MINISTER

PRESS DICEST

SDP

- Owen 'gambles' with a war on poverty which will require the better off to pay more tax; predicts hung Parliament. But it isn't front page pop news.
- Chancellor says that if Owen is pretending that millions more won't have to pay more income tax, he is guilty of sheer hypocrisy.
- D/Star leader says the odds are that the SDP would pass away without Owen. The party remains very much a one-man band. On form Owen is one of the most persuasive politicians in Britain.
- Sun: Cost of voting SDP - by Owen. A vote by supporters will cost them cash.
- Mirror: Owen plans a grab at power.
- Express: Owen's gamble on tax battle. He challenges you to fight the next election on tax; leader says the overall effect of Owen's tax plan will be to increase the amount most middle class taxpayers hand over. Precisely the same effect is threatened by Labour. This leaves the Tories the only party with any enthusiasm for tax cutting. The choice for the country will be clear and unmistakable.
- Mail: Owen's gamble - he won't raise taxes but juggling the figures will hit some; leader - an impressive closing speech by Owen who is a politician hungry for power and with a definite idea of how to get it. But his dilemma over relations with the Liberals is one even his towering personality cannot resolve.
- Telegraph: Owen launched the SDP on the high risk course of making tax reform the central issue of its general election campaign; leader on the questions which lead on from SDP conference says it is one thing for tax and defence issues to force themselves on to the election agenda by merit but another for SDP ideas to stand up to scrutiny and to stay on the agenda.
- Guardian: Owen gambles on a tax reform ticket and has a separate piece on an independent report which shows that the redistribution programme would push up taxes for thousands of families whose income is just below the national average: leader says Owen's speech could become one of the more important political tests of the present Parliament by making anti-poverty the centre piece.
- Hugo Young, in Guardian, says the SDP/Lib Alliance has many clear policies but no clear message.
- Geoffrey Smith, in Times, says to observe Alliance conference these days is like watching a panto horse - after watching the SDP front legs in action it is not until the Liberal hind legs move that we know whether the animal will step forwards, sideways or fall down.

SDP (Cont'd)

- Ronald Butt, in Times, says the more he examines what has been on display this week the plainer it seems there is no new political idea for changing society. The truth is the SDP is an ordinary party like any other and needs a new idea more substantial than its appeal against the extremism of the other parties. Far from breaking the mould, its policies are the mould - the old mould of the late '60s.
- Times leader says Owen's speech was a mini masterpiece of tactics if not of strategy. But he has much persuading to do if voters are not to suspect that it is really something of a confidence trick.
- FT leader on the conscience of the SDP says if Owen's calculations, in sticking his neck out on tax reform are wrong, he would be in trouble. The challenge lies with the other parties to do some arithmetic.

VISIT TO GERMANY

- Lots of pictures to go with "bull's eye" shooting.
- Popular West German paper describes Summit as "a late honeymoon".
- Telegraph says you looked like a cross between Lawrence of Arabia and Isadora Duncan.
- D/Star: Picture of you wearing goggles on the tank. You hit the target dead on.
- Sun: Picture with you with your goggles on your forehead over heading "Maggie shoots Panzers off 'em". And Chancellor Kohl also scores bull's eye.
- No coverage in Mirror, but Express pictures both you and Chancellor Kohl in the turrets of the tanks with the heading "Bullseye Maggie. Premier on tank parade".
- Mail: Picture of you with goggles under heading "Maggie gets her gun".
- Telegraph: Picture of you wearing goggles in turret over heading "Thatcher and Kohl on target".
- Times: Big pictures on back page of both you and Kohl standing at tank turrets under heading "Thatcher and Kohl on target".
- Guardian: Under picture of you in turret of tank, report headed "Thatcher triumphs in German tank battle".

POLITICS

- Gallup gives Labour a 5.5% lead - 38/Con 32.5/SDP-Lib 27.5. Your popularity rises.
- Convicted IRA bomber to speak at fringe meeting of Labour Party conference, sharing a platform with Stuart Eell, front bench spokesman. Sun leader says while Kinnock has friends of terrorists around him he hasn't a hope in hell of creating a new Labour image. Telegraph says the party is in disarray over Eell's readiness to speak on same platform Kinnock is furious.
- Ian Percival MP to retire at next election.

ECONOMY

- Reward Regional Surveys claim that the cost of living has actually fallen in Scotland (by 2.6%); Wales (1.4%); and Northern Ireland (1.3%).
- £ falls below 3 - to 2.9916 - against Mark for first time. Telegraph says manufacturing output appears to be picking up smoothly on the back of the fall in the £.
- Express leader says the local government pay deal is manifestly irresponsible. At the very least it will delay any significant easing of unemployment and more likely it will make the problem worse. It is a further reminder that in Labour's hands the economy would soon be in ruins.

INDUSTRY

- Australian Elders seek to buy Courage, brewers.
- Austin Rover white collar workers reject £17 a week rise over 2 years.
- Norman Fowler urges NHS to buy British.
- Kenneth Baker wants to see more business leaders become school governors - instead of griping about school standards they should make them better.
- Royal Yacht, Britannia, to act as a saleroom for British industry in China during Queen's visit.
- TUC claims that coloured workers do not get a fair deal from some unions.
- General Accident to spend £2m a year for five years to promote road safety.
- CEEB savages Greenpeace's nuclear free plan for Britain.

MEDIA

- Sogat to recommend acceptance of Murdoch's improved offer to end dispute at Wapping; NGA still to decide.
- Guardian accuses Mirror of racialism and today Mirror calls the Guardian "self elected conscience of middle-class social workers", pompous, patronising and prissy. At the root of big row is the Guardian's claim that the Mirror would never have said a white man who said he hoped a black man would die was a disgrace to his colour. Oh yes we would, Mirror says to the "Goody Two Shoes of public life".

LAW AND ORDER

- Express revives a campaign to end abuse of diplomatic privilege by organising a petition.

NORTHERN IRELAND

- Roman Catholic man gunned down and killed in amusement arcade in Belfast. Dr Paisley says the killers' "use of the word Protestant reeks of hypocrisy".

CND

- Mail records the virtual passing of Greenham Common "peace" women and the relief this has brought to those living there.

EAST-WEST

- USA expels 25 Russian diplomats from UN mission accused of spying. Will this affect Shultz's talks with Shevardnadze tomorrow?

PARIS

- Fifth blast in 10 days kills 5, injures 44.

SOUTH AFRICA

- Inquiry ordered at gold mine where at least 177 were killed by fire.

SPORT

- The Amateur Athletic Association to ban for life anyone found guilty of using drugs and competition with any nation which refuses random testing.

BERNARD INGHAM