

June 1, 1989

PRIME MINISTER

MAIN EVENTS

The Queen and Duke of Edinburgh inspect the Yeomen of the Queen's Body Guard at Buckingham Palace

President Bush visits No 10 for talks (photocall) in the morning and dinner in the evening (photocall); Lunches with The Queen at Buckingham Palace

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PUBLICATIONS

HO: Ministerial Group on Crime Prevention annual report

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PRESS DIGESTMain News

Extensive coverage of Mr Bush's "tear down the walls" speech in Mainz. Sun identifies your NATO initiatives behind Bush's aims.

Some analysis - with mixed results - over your relationship with Bush on the eve of his visit.

Shevardnadze said the presence of 100,000 British and French troops in Europe was an obstacle to moves to reduce conventional forces. He wants talks on SNF to run parallel with talks on conventional forces (Independent).

Jim Wright, Speaker of the US House of Representatives, resigns amid allegations of financial impropriety.

British businessmen top investors in USA - spent £13billion last year on US firms.

More speculation about a rise in interest rates. Independent notes that sterling index closed below the level when the interest rates were increased last week. City awash with speculation, including a rumour that the Chancellor had resigned.

Today follows BBC in claiming Government is considering credit controls.

Andrew Alexander, in Mail, says that the Lawson strategy has flopped. Letting him have his way on interest rates was costly last year and the same thing is in danger of happening now. It is time for No 10 to reassert itself.

Telegraph, previewing Chancellor's visit to OECD, says the strength of the dollar is having an inflationary effect on rest of world and it is to be hoped that the big guns meeting in Paris will realise the danger of manipulating interest rates.

OECD report warns member states they must improve functioning of markets and efficiency of their public sector if they wish to sustain recent strong growth rates and further reduce unemployment (FT).

More trouble on the Tube today.

2 ambulance drivers' unions have rejected a 6.5% pay offer.

BBC management and unions to meet at ACAS today on pay dispute.

PRESS DIGEST

Guardian journalists suspend strike for today.

Today says striking passport clerks deal with only 10 applications each per day yet complain they are overworked. Meanwhile rules on issue of British visitor passports eased.

Management of the Passport Department was criticised yesterday in a report by the Comptroller & Auditor General (Independent).

Ted Heath apologises to Peter Brooke for calling him a liar, according to Sun and tones down his remarks in speeches.

Independent leader claims that, despite his shortcomings, he remains a healthy corrective to you.

Barry Seal, leader fo the Labour Group in Euro Parliament, challenges all 78 Tory Euro candidates to declare whether they support you or Ted Heath on EC (Times).

Times reports that in your interview with the Glasgow Herald you say Britain will continue to do business with the Soviet Union but that "we are not going to tolerate the intolerable".

Blacks pick a rival candidate for Vauxhall after Labour imposes white one on constituency party - he is a Methodist minister.

Plan to end block vote by unions in Labour Party policy making; GMBU supporting it (Times).

Row over freeing by West German police of an Arab suspected of Lockerbie bombing - German press allegations that he was released because he was an informer to the West German Intelligence Service.

Mail says EC is soft pedalling a European company statute, requiring workers on boards, until after Euro elections so that you can't knock it during the campaign.

FT leader on European Commission's social charter says your valid objections to specific proposals are obscured by a tirade based more on ideology than analysis. To dismiss the social dimension either as hot air or as socialism will widen the gulf between Britain and the rest of Europe to the ultimate detriment of British interests. We should offer constructive suggestions for a better balanced and more total document.

London is again Britain's No 1 port - it handled 54million tonnes of cargo last year.

PRESS DIGEST

European Commission is to talk with Japan and Europe's main car producers on conditions for opening the EC car market in 1992. Abolition of British, French, Italian and Spanish import quotas to protect car producers against Japanese competition is proposed (FT).

Nissan sharpens up car market competition by putting two new models on market undercutting competition by £1300.

GEC/Siemens agree to buy no further Plessey shares as a condition for continuing negotiations on the terms of a further bid (FT).

Government announces privatised water companies will not be allowed to make excessive profits from sales of land - they will have to share proceeds with consumers.

North Sea seminar told water authorities are facing a crippling financial burden in the struggle to meet agreed purity levels (Times).

Which? says extortionate prices are being charged for soft drinks in pubs and restaurants.

Consumers' Association is pressing for a standard system of labelling to give shoppers an accurate method of assessing the environmental safety of products (FT).

Consumers' Association has urged the Government to resist pressure from the brewers over the MMC report (FT).

Hounslow Council finds two out of three shops store cook-chill meals at temperatures high enough to cause listeria to flourish.

Lung cancer has overtaken breast cancer as main cause of death among women in parts of the North West as the number of young women who smoke continues to rise (Times).

Ten Salisbury GPs have taken up challenge by Kenneth Clarke and drawn up an alternative White Paper on NHS reform (Times).

Government said to be considering setting up a Ministry of the Family; Sun thinks it is a rotten idea - Tories are supposed to be taking Government out of life.

Paul Channon warns of the dangers of badly fitted child safety seats in cars - one in three found to be potential death traps in survey.

PRESS DIGEST

Head Teachers call for perks like a car and clothing allowance because of demands of job. But their president tells them to stop moaning and to face up to their new responsibilities. Mail does not however like his negative approach to publication of HMI reports on individual schools.

Kenneth Baker gets his way, insisting that grammar and spelling have a major role in English for 5-7s.

College lecturers drop exam threat (times).

Housing charity Shelter condemns Church of England for buying a bishop a £500,000 country house with swimming pool and tennis court.

Telegraph, referring to your letter to Kinnock on poverty, says you vigorously defended John Moore's speech on the subject.

Chief Inspector of Prisons severely criticises the alarming and dangerous deterioration of kitchen and dining room at Standford Hill Open Prison which are infested with vermin, cockroaches and birds (Times).

Leicester woman, 75, latest victim of Rottweiler dog attack along with man in Liverpool who needed 5 stitches after patting one.

Sun says Government is going to introduce new laws to curb dogs.

Express wants dog licence reintroduced - £10, with exemption for pensioners, and a registration scheme.

Media Monitoring Unit says Granada's World in Action is "the most consistently biased series on any channel".

IBA has been accused of consistently failing to control the excesses of its more extreme programme makers and failing to curb political bias by the Media Monitoring Unit (FT).

50 MPs have enrolled for "charm school" training prior to televising of the House.

In his last speech as Chief Constable, Sir John Hermon attacked the Government's line on the Anglo/Irish agreement. He took issue with Government's inferring that the Irish Governemnt had had a substantial input into RUC decisions - Independent, whose leader claims the Agreement has been 'oversold'.

PRESS DIGEST

Barry McGuigan, former world boxing champion, retires.

Britain is expected to ask China to amend proposals which would allow Peking to declare martial law in Hong Kong after 1997. Britain will argue that demonstrations such as have occurred in Peking should not be expected to lead to the imposition of martial law in Hong Kong (FT).

An ailing Den Xiaoping has failed to secure clear backing for purging Zhao Ziyang (FT).

Bush to seek Congressional support for supplying rifles and other light arms to the non-Communist resistance in Cambodia (FT).

Yeltsin suggests Gorbachev is in danger of becoming a dictator.

BBC stands by its news report alleging that Labour MPs were targets for blackmail by some of the Soviets expelled last week (Independent).

Armed guards are protecting some foodstores to prevent further looting in Argentina (Independent).

A key statement by a senior Spanish police officer was never relayed to the inquest of Gibraltar shootings. However, the statement supported the British version of events (Independent).

US has asked for the extradition from Switzerland of Adnan Khashoggi (FT).

Norman Fowler says Labour is committed to lethal combination of extending trade union power and introducing statutory regulations on employee rights, exploding the myth it had moved to the centre (Times).

BUSH

Star page 2 - Bush's push on the wall - a reference to his speech in Mainz.

Sun page 2 - Bush joins Maggie in Iron Curtain crusade. He uses her freedom call.

Mirror page 2 - Tear down wall and unite Europe. Leader suggests Bush's Mainz speech is of even greater historic importance than Kennedy's declaration at the Berlin Wall. He captured the yearning of Eastern Europe for the freedoms of the West.

PRESS DIGEST

Today page 4 - Maggie's guarded welcome for Bush - he receives a cool reception; no hint of special relationship which you enjoyed with Reagan. Feature inside suggests "Bush, the lone ranger, goes cold on Maggie". Your days as a giant in world affairs could be numbered with departure of Reagan.

Express page 2 - Don't rush, Mr Bush, is Thatcher's advice. You gave him a warm welcome on arrival. Feature suggests you will have to start all over again brainwashing an American president because Bush has shown himself to be a bit of a wimp.

Mail page 1 - Bush flies into London amid growing concern on interest rates. 0.5% cut in US interest rates would help. Paul Johnson feature headed "Suddenly Bush looks like a real leader", says you have good reason to be pleased with his strong performance at NATO, for what we fear above all is a weak man in White House.

Telegraph leads with "Bush sets target of tearing down Iron Curtain". Inside report says President Bush's aides are saying that Anglo-American relations have never been better. But you may gradually find yourself sharing the spotlight of US approbation with Mitterrand, Kohl and possibly others.

FT - President Bush has called for an end to divisions within Europe starting with the destruction of the Berlin Wall.

Independent - Your ultra cautious approach to disarmament and East/West relations has begun to look a little old fashioned, Independent claims. Talks behind closed doors with you will dominate Bush's visit to the UK, in contrast to his appearance in Brussels and Mainz.

Guardian page 1 - Let Europe be united and free, declares Bush. Russia may urge UK and French troop cuts.

Times - Front page has a picture of you meeting Bush at Heathrow and carries a story about his West German speech where he called for the Berlin Wall to be torn down and pledged Western co-operation with the East to combat pollution and clean-up the European environment. Inside NATO begins work on Bush initiative.

PRESS DIGEST

Times leader says that Bush has proved an important point this week - that he can change up a gear when the international going demands it. The main reassurance for you and for Britain must be that, at a time of approaching crisis, the "drifting presidency" became a "directed presidency". Bush has a penchant for the small print which corresponds to yours. That shared attention to detail might speed progress towards understanding - but it could more likely provide grounds for dispute.

TUBE STRIKE

Sun wonders why London Transport does not sack the striking drivers. Let them spend their next pay day on the dole queue.

Express on public sector strikes in general says private firms have prospered because of the Government's union reforms and workers have realised their jobs depend on satisfying customers. By contrast the public sector seems to have been barely touched by the new climate. Government must cut it down to size.

POLITICS

Ronald Butt, in the Times, looks at the Government's recent record, the consequences of soaring interest rates, and asks how the Tories can stem the potential loss of their new working class voters. The general election is only two years away, the dangers are real and the Tories cannot afford to rely on Labour's tripping itself up.



MINISTERS (UK VISITS, SPEECHES ETC)

- SO: Mr Rifkind visits North-East Scotland, centering on Aberdeen (to 2 June)
- DES: Mr Jackson visits Durham University
- DH: Mr Freeman addresses GP's at Postgraduate Medical Centre, Eastbourne
- DSS: Lord Skelmersdale meets the Duchess of Norfolk to discuss Attendance Allowances
- FCO: Mrs Chalker addresses CBI Initiative 1992, Manchester
- FCO: Mr Waldegrave addresses Medical Aid for Palestinian Children's Appeal dinner, Park Lane Hotel, on the "Middle East", London
- MAFF: Mr Ryder visits Suffolk Show
- WO: Mr Grist visits hospitals in Aberystwyth
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MINISTERS (OVERSEAS VISITS)

- HMT: Mr Lawson attends OECD Ministerial Council, Paris
- DTI: Mr Clarke attends OECD Ministerial Council, Paris
- DTI: Mr Forth attends Consumer Council, Luxembourg
- WO: Mr Roberts visits Nuremberg, West Germany (to 3 June)
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TV AND RADIO

- "Analysis": BBC Radio 4 (20.00). The doctors dilemma - the health service reforms
- "Hard News": Channel 4 (20.00). Investigates the British press
- "This Week": ITV (20.30)
- "Question Time": BBC 1 (20.00) with guests Elizabeth Symons, Shirley Williams, Tony Benn and Kenneth Clarke
- "The City Programme": ITN (22.35)
- "Propaganda": Channel 4 (22.55). The history of propoganda in Europe and the Soviet Union from the 1st World War to the advent of satellites
- "Hypotheticals - Hard Lessons": ITN (23.35). Discusses race problems in schools
- "What the Papers Say": ITN (01.00) with Ed Vuilliamy of the Guardian
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