## PRIME MINISTER

## MAIN EVENTS

Prime Minister meets President Chissano of Mozambique+ later presents Better Environment Awards for Industry, RSA

The Princess Royal attends the World Cup Final Dressage, Nashra, S'Hertogenbosch, Holland

Douglas Hurd visits Muscat

### **STATISTICS**

British Steel plc/BISPA: Usable steel production (Feb)

CSO: Gross domestic product (4th Qtr-prov)

CSO: Index of output of the production industries (Jan)

HMT/ Public sector borrowing requirement (Feb)

CSO:

## **PARLIAMENT**

#### Commons

**Business:** 

PRIVATE MEMBERS' MOTIONS

Rt Hon Timothy Raison: Family Policy

Mr William Hague: Agriculture

Mr Phillip Oppenheim: Abolition of County Councils

Adjournment Debates:

Provision of clothing for disabled people

(Mr A Meale)

#### Main News

Farzad Bazoft, Observer journalist executed yesterday for spying in Iraq, had a criminal past. Donald Trelford says he knew nothing of conviction. Colleagues say Bazoft had been over-zealous in pursuit of story. Trelford says Bazoft was invited to Iraq to cover Kurdistan elections.

Iraqis say "Thatcher wanted him alive ... we sent him in a box".

Outrage over execution in Britain; outrage in Iraq over British reaction.

Calls on Hussein to free Mrs Parish, convicted with Bazoft, and Richter.

Some papers says Bazoft's conviction was a factor in Govt's measured response. Newspaper generally think the Govt has been too soft with Iraq, and especially the pops, apart from Mail.

British Council envoy to check on safety of British teachers and other workers in Iraq (Independent).

<u>Independent</u> claims Britain has had secret agreement with Iraq over terrorism for several years whereby Iraq will not mount terrorist operations on British soil, a sign of the pragmatic working relationship between London and Baghdad (Independent).

British companies trading with Iraq call for business as usual.

Gallup gives Labour 19.5% lead in Mid-Staffs (53.5/34).

Charles Moore, in <u>Express</u> says Labour candidate in Mid-Staffs is typical of the Labour Party in having nothing to say for herself.

Heseltine attacks "areas of shame" after 11 years of Tory rule - condemns unfettered free markets, underclass of single parent families.

<u>Mail</u> says Heseltine proposed a funding-by-results scheme for local govt with American-style elected chief executives instead of mayors.

Chris Patten calls on Kinnock to expel 31 Labour MPs who won't pay community charge.

Joe Haines, in Mirror, says Kinnock should worry about the 31 MPs.

Ferdy Mount, in <u>Telegraph</u>, says the only way he can think for the Govt to rescue any moral credit from community charge is to recast it so that demand is automatically rebated on basis of income tax coding.

Lord Provost of Edinburgh has her bank account frozen over non-payment of the community charge (Independent).

<u>Sun</u> asks where, when great events are shaking the country, is Kinnock - paying homage to Mandela in Stockholm. Kinnock promises to reinforce sanctions.

James Baker will meet de Klerk in Cape Town on March 22 (FT).

Joe Rogaly writes in <u>FT</u> with the prospect of the end of the Thatcher years now being taken seriously, at least in the City, a number of people are contacting him, and presumably other journalists, saying they are preparing a report for such and such a bank/stockbroker or analyst and would like to swap ideas on the opinion poll results. His reading is that the Tories are losing to high morgage rates combined with the poll tax which is not to say that Labour is gaining. The mortgage vote is still the key factor and places Conservatives' fate in the Chancellor's hands.

Peter Kellner, writing in the <u>Independent</u>, looks at Labour's attempts to reassure business in light of signs that Labour really could win the next election. He reports on John Smith's attempts to sell Labour's policy of "stability, consensus and partnership" to business, and on Smith's visit to West Germany. He concludes that Germany's approach to this issue might not travel easily to this country, and that these words Labour promote sound reassuring, but they are a call to a new industrial revolution - and that may not be what today's Labour Party wants at all.

Michael Morris MP says Govt "crazy" to press ahead with untested plans to restructure the NHS in the face of grave public disquiet (Independent).

John Browne MP announces he is to leave Commons at next election.

Ron Brown MP wins reprieve against moves to deselect him - gets a court order banning constituency meeting called for that purpose.

Michael Howard warns that high wage settlements will put more people on the dole as fall in unemployment slows.

NHS clerical workers reject 7.25%; want 12%.

Libyans claim a team of commandos entering Libya from Tunisia destroyed Rabta chemical plant. <u>Independent</u> says Libya blames West Germany for the fire at the Rabta plant. US deny responsibility.

Libya has warned of economic retaliation against West German interests if German intelligence is found to have had a hand in Wednesday's fire as chmicals plant near Tripoli in which 2 people died (FT).

Soviet Parliament rejects Lithuanian's declaration of independence.

Gorbachev promises radical reforms of Red Army as he is confirmed as President.

<u>Independent</u> says Gorbachev promises to use his broad powers to combat nationalist extremism and radical action to secure a breakthrough in tackling the country's economic problems.

Govt says that Britain and its NATO allies will have to destroy far more equipment under a conventional arms treaty with the Warsaw Pact than had previously been estimated (<u>Times</u>).

Czech President Havel gives the warmest of welcomes to his West German counterpart (Independent).

East Germans seized by "angst" on eve of polling - fearing loss of social protection in a united Germany (FT).

Mongolia's new leaders promised first free elections in 69 years of communism.

# Budget 7

You appeared to rule out in the Commons yesterday increases in income tax rates in next week's Budget (Times).

SLD call for big increases in cigarette, drink and petrol taxes.

<u>Sun</u> says Chancellor is expected to allow married couples to claim community charge rebate if joint savings below £16,000.

<u>Independent</u> adds that Govt hints at poll tax concessions with senior Conservatives believing the Chancellor is preparing to ease the impact of the tax in his Budget in an attempt to revive the party's morale and close Labour's 21 point lead in the opinion polls.

Today says Chancellor is to slash mortgage rates to 10% within a year.

Energy conservation campaigners urge Chancellor to give mortgage tax relief to double glazing.

MPs urge Mr Major not to rely solely on monetary policy (Independent).

Opposition parties united in backing early membership fo ERM (Independent).

FT leader says come what may the central question remains monetary policy. Entry into the EMS is the right policy though no panacea. John Major's dilemma remains inescapable - somehow he must deprive voters of the joys of spending and while restricting them, persuading them not to deprive themselves of the Government.

You appeared to signal a tough rather than draconian budget yesterday when you insisted the Govt would not respond to the latest slump in support by cutting interest rates (FT).

Chancellor says there will be "no premature move" to cut interest rates (FT).

Labour Party claims council house rents are to rise by up to 54% from April 1 when community charge comes in.

Rolls Royce profits at a record of £233million - up nearly 40%.

Mail says a sharper, more competitive spirit has developed in industry during Thatcher years.

Scargill sells off city centre site - next to NUM's HQ in Sheffield - for £1million.

John Ashcroft, Coloroll, quits as chairman "in the interests of the business".

Billions of pounds of MOD stores at risk from fire, NAO report says (Independent).

Another 14 policemen, charged in connection with Wapping riots, cleared. Only 4 face prosecution out of 25 originally charged.

National curriculum working group urges that every pupil from the age of 11 be required to study a modern foreign language (Independent).

Chairman of the modern foreign languages working group says nearly 1,800 extra teachers will be needed to ensure every pupil aged 11-16 is taught a foreign language under the National Curriculum (Times).

SERC says Britain has an education system of "cumulative failure" which puts too much emphasis on the very highly qualified to the detriment of the rest of the population (Independent).

Nine local education authorities to defy Govt by implementing banned schemes for delegating control of school budget to governing bodies (Times).

Four big polytechnics - Central London, Middlesex, Portsmouth and Manchester - have received cuts to their funds (Times).

Welcome by <u>Today</u> for Lord Chancellor's plans to make divorce more difficult; parents bring children into the world; they must be made wholly responsible for their future.

<u>Times</u> leader supports the Lord Chancellor in questioning the divorce laws, saying the moral of his message is the right one. He speaks for all of us.

Glasgow and Edinburgh Universities have won substantial damages from the Economist for an article describing their business schools wrongly, as the worst in Europe (FT).

Fate of about 500 immigrants facing deportation thrown into doubt after Court of Appeal supports Govt's policy of delegating deportation decision to the immigration service (<u>Times</u>).

David Trippier names dirtiest and most improved streets in Britain.

Govt launches £400,000 advertising campaign aimed at persuading industry to save energy and join the fight against global warming (Independent).

Assn of London Authorities report says disasters in Britain show similarities with the Third World, and calls for a national safety inspectorate (Independent).

Writing in the <u>Times</u> under the heading "Life and the way to moral death", Cardinal Basil Hume argues that in the movement to allow embryo experimentation lie the seeds of the self-destruction of society.

Kenyan troops have killed more than 100 ivory hunters in last 12 months.

Granada TV to name five men responsible for the Birmingham bombing during their programme "Who Bombed Birmingham", to be broadcast on March 28. Programme certain to increase pressure on Home Secy to re-open case (Independent).

Church of England to employ advertising agents to try to win people back to church.

Bank of Ireland employees warned to be on the alert after an apparent IRA attempt to extort £2million from the Bank (FT).

Mandela accepts invitation to speak at Labour Party conference in October. Mirror describes it as a slap in the face for you.

Pope agrees to establish diplomatic contact with Soviet Union.

Israeli Govt collapses as Shamir loses vote of confidence by 5 votes.

<u>Independent</u> says Shamir becomes first Prime Minister in Israeli history to lose a vote of confidence in the Knesset, giving Labour its greatest victory in more than a decade.

President Chissano of Mozambique, confident that an end to the country's 15 year war is near, has been lobbying in Washington for a new aid programme, and calls on you today (Independent).

#### BAZOFT

<u>Sun</u> pl lead claims exclusive for "Hanged man was a robber. Jailed over £500 raid". <u>Leader</u> prints picture of "evil man" - Saddam Hussein; execution betrays him as a coward and brute without a trace of decency. Britain should break trade links with Iraq immediately.

Star pl lead - Set her (Mrs Parish) free now. Plea to evil Iraq killers. Inside "The Butcher of Baghdad - terror rule of monster who loves to murder". Leader says they do not know whether Bazoft was a spy or not. We do know Observer was very foolish to send an Iranian to Iraq in the first place and Bazoft was very foolish to go snooping round a sensitive site. But he did not deserve to hang. There is absolutely no justification of Mrs Parish's imprisonment and Britain must persuade EC to back a plea for mercy with a trade ban.

<u>Mirror</u> pl lead - Barbarian gets away with murder. Storm as Iraq hangs newsman. British Government allows him to get away with it.

<u>Leader</u> says Commons failed the nation. It was a craven climbdown. Foreign Secy's performance smacked of the arch appeaser, Chamberlain.

Today pl lead - Hanged for this handful of dirt - two sample bottles filled with Iraqi soil taken from missile base which convinced Iraqis Bazoft was a spy. Leader says Bazoft may have taken a huge risk but no evidence has been produced in open court to justify his conviction as a spy, let alone his brutal hanging. Britain's response must seem no more than a slap on the wrist. Either we cease trading with every corrupt and brutal dictator or we put up with the consequences.

Express pl lead - Shady past of hanged man. Outrage at reporter's execution. Secret murky past of Bazoft begins to emerge. Leader headed "Brutality of a tinpot dictator" says execution and taunts from Iraq that followed are unspeakable. But the deplorable behaviour of Iraq should come as no surprise. Foreign Secy's measures scarcely seem adequate. It is not in Britain's interests to allow the impression that tinpot dictators, even those sitting on oil wealth, can treat us with contempt and go unpunished.

<u>Mail</u> pl lead - Hanged man was a robber. Revealed - Shadowy past of Observer reporter. Criminal past factor in Govt's measured response. <u>Leader</u> headed "A calculated act of cruelty" says that whatever we may think about the judgment of Bazoft and the Observer the barbarous killing reminds us that in the Middle East there are some of the most ruthless dictatorships of our time - Syria, Libya and Iraq. The temptation to respond further by breaking off diplomatic relations should be resisted. What we need is a common Western policy towards Iraq and similar regimes.

<u>Independent</u> editorial questions the view that nothing much can be done about atrocities committed by the Iraqi regime, and argues that the most important contribution the British Govt can make to the downfall of the regime is to tell the truth about it. In failing to do that we betray the many Iraqis who are disgusted by the regime under which they suffer, and we betray the memory of the tyrant's (Saddam Hussein) victims, including Mr Bazoft.

<u>Independent</u> pl lead - Iraqi barbarism denounced. Govt backs away from full-scale retaliatory sanctions but recalls Ambassador as you denounce execution as an "act of barbarism". Ministers said to have been "driven wild with anger" at Iraqi minister's statement that you wanted Bazoft alive, we gave you the body. Extensive coverage of Bazoft case with articles on: Bazoft - affable reporter who yearned for a scoop.

Times pl lead - Iraq hanging is condemned as barbarism. Shock and anger, but Britain refrains from cutting links. Iraq's ambassador to Paris blames Britain for not saying "please" and for threatening blackmail and pressure. Leader asks whether the doctor who examined Bazoft's body wrote down - judicial murder or xenophobia. It supports diplomatic relations being kept because of the 2,000 UK citizens living and working there and the other two in prison concluding that the regime of Hussein seems as impervious to outside opinion today as it was through the horrors of the Gulf War. The civilised world must for all that cry out against this latest act of barbarism.

Telegraph pl lead - British outrage over barbaric hanging by Iraq.

Leader - a despicable act by a vile regime. A descent one step
further into barbarism. But there is no easy answer to our
reaction. Iraq should not be left with the impression the matter
will rest.

<u>Guardian</u> pl lead - Hurd rejects Iraq sanctions. Another article says Bazoft had been arrested in another Arab country allegedly for taking photographs of sensitive military sites. And held and questioned by Tunisian authorities outside PLO HQ. <u>Leader</u> says the Govt's initial response was too cautious in deeds.

FT - Bazoft execution an act of barbarism, you say (FT).

<u>FT</u> - Article on Saddam Hussein says while yesterday's execution has caused international outrage it will hardly have raised an eyebrow in Iraq which has by far the most repressive regime in an area not noted for its liberal values.

# MINISTERS (UK VISITS, SPEECHES ETC)

DES: Mr MacGregor visits Kenilworth, West Midlands Local Education Authority

CO: Mr Luce addresses Childcare Seminar, QE II Conference Centre, London

DEM: Lord Strathclyde meets NACED association for the disabled, London

DEM: Mr Eggar addresses Finance Seminar on Human Resource Development,

DH: Mr Freeman chairs Cochlear Implants seminar London

DH: Mrs Bottomley visits Wiltshire Community Trust; later meets Gloucestershire Social Services Committee, Gloucester

DOE: Mr Spicer visits Pendle

HO: Mr Lloyd visits Hong Kong

DTp: Mr McLoughlin opens Air Data offices

MAFF: Baroness Trumpington addresses Produce Packaging and Marketing conference, Stratford Upon Avon

WO: Mr Grist opens mixed housing complex, Cardiff

## MINISTERS (OVERSEAS VISITS)

FCO: Mr Hurd visits Muscat (to 18 March)

MAFF: Mr Gummer visits Bulgaria (to 17 March)

# MINISTERS (PRESS INTERVIEWS)

DH: Mr Clarke interviewed for Radio Nottingham, "Nottinghamshire Lives" programme

## TV AND RADIO

"Public Eye" BBC 2 (8.00pm) Examines the case for increased funding of the Arts

"Any Questions" BBC Radio 4 (8.05pm) With Sebastian Coe, Joan Lester, Ann Leslie and Andrew Puddephat (General Secretary of Liberty)

"Crime Monthly" ITV (10.50pm)