

July 4, 1990

PRIME MINISTER

MAIN EVENTS

- Cabinet
 - Prime Minister meets Mandela
 - Prime Minister meets German SPD leader
 - Govt considers aid to Eastern Europe
 - British Rail annual report
 - Tourism statistics
 - Director-General of Fair Trading annual report 1989
 - NEDC (Chancellor presides)
 - Second Report of water metering trials
 - World Cup semi-final
 - Advance Energy statistics
 - US Independence Day
 - Commons: Questions: Scotland
 - Debates: Arts and Heritage; Merchant Seamen's Redundancy Payments Order
Scottish Grand Cttee on Fisheries
 - Select Cttee: Soc. Services: Kenneth Clarke
 - Home: Home Secy on police co-operation in EC
 - Home: David Mellor on prison damage
 - Lords: Debates: Environmental Protection Bill, Cttee (Day 6); 3rd Rdg, Access to Health Records Bill; 3rd Rdg, Consumer Guarantees Bill
 - Question: Powers of Euro Court of Justice
 - Chancellor addresses 92 Group
 - Michael Howard at NEDC and meets Assoc of District Councils
 - Foreign Secy meets US Secy for Housing; and later Foreign Minister of Venezuela
 - John Gummer tours Eastern Region
 - Nicholas Ridley visits MMC
 - John MacGregor at parents' evening, primary school
 - David Hunt at Water Companies' Assn annual lunch; meets Welsh local authorities
 - Chris Patten meets Arthur Sandford, British Coal & Jim Lester MP; later at Michael Portillo's Patron Club dinner
 - Lynda Chalker meets Benazir Bhutto
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PRESS DIGESTMain News

Britain forecast to grind to a halt today as England face West Germany in semi-final of World Cup.

Mandela carries out only 3 of his six engagements - visibly worn and exhausted.

Foreign Secy gave Mandela a lecture in democracy after his blunder over IRA Sun.

ANC officials in Johannesburg interpret Mandela's comments on the IRA as a pre-emptive strike before his meeting with you, not as a gaffe Independent.

Telegraph says Mandela last night held out prospect of an end to the armed struggle - ceasefire likely before end of year.

Sun uncovers "10 year old connection between IRA and ANC" and claims a member of the IRA went to Zimbabwe before your visit last year.

East and West Germany to hold joint election on December 2.

Traditionalists in Soviet Union hit back at Party Congress and tell Gorbachev five years of perestroika have yielded little.

Independent says threat of a decisive break between reformists and conservatives loomed larger than ever at the Party Congress yesterday, despite an important victory for Gorbachev when he was elected head of the Key Statutes Commission. This success pales beside the virtually unbridgeable divide in the senior leadership.

FT says Gorbachev was driven to using his personal authority yesterday to prevent a serious defeat at the Soviet CP congress. In the face of several revolts by Ligachev, Gorbachev stepped in to take direct control of a key commission drafting new party rules.

Labour Party sets out its own defence review echoing NATO and Conservative plans for large cuts in the Army, and a move towards smaller, more flexible forces Independent.

West Germany proposes national troop limits in central Europe which would restrict a new, united German army to less than 400,000.

PRESS DIGEST

One issue no leader will want to raise at NATO is TASM, with talk of 'modernising' nuclear weapons not in tune with the times and not the message NATO wants to be sending the Soviet Union.

Peter Jenkins, in Independent, says NATO's dilemma is how to signal to the Soviet Union that the Cold war is truly over without signalling to their own peoples that the time has come to slash defence budgets. It must also ask whether it sees itself as remaining a viable system for collective security or becoming a wider pan-European system. In order to survive it needs radical reform.

France signals a shift in policy to bring them into line with their EC partners over its stance on nuclear weapons with its decision to attend the next round of international talks on curbing the spread of nuclear weapons Times.

Bush shifts his rhetoric, not his policy, with his comments on "last resort" use of nuclear weapons Independent.

Independent says Sir Geoffrey Howe's rift with you on the European Bank widens. He stresses importance of closer monetary co-operation in privately circulated speech.

You are puzzled by Mr Poehl's view on ERM agreeing to agree or disagree with him depending on the definition of the word "soon", during Questions yesterday Independent.

Independent editorial previews the Italian Presidency of the EC commenting that while they are eloquent advocates of European integration there are bottom of the league in passing EC directives into national legislation (- the opposite to Britain). Their poor record may have the opposite effect to that expected, but much remains to be done in the 18 months to complete the barrier-free market which has given the EC its new dynamism. All Prime Minister Andreotti's skills will be needed to ensure Italian deeds match Italian words.

Bill Deedes, in Telegraph, says it is disturbing to feel that we may have passed the point of no return in Europe on a journey for which no final destination has been announced and on which the passengers have virtually no say.

Telegraph leader says that to present EC matters as a stark choice between financial efficiency and national sovereignty is misleading. But you are right to stand out for an unhurried advance into extensively mined and uncharted territory. We need more public awareness of what is at stake.

PRESS DIGEST

Radical Euro Commission plan to be put to G24 calls for the West to give European countries an ECU 10billion (£7billion) safety net to encourage them on the high wire of radical reform FT.

EC and Soviet diplomats have also endorsed idea of a Euro wide energy community which would help Soviet Union exploit its resources, as suggested by Lubbers in Dublin FT.

Sir Leon Brittan sends a tart letter to East Berlin reminding them that from now on, they must consult the Commission before approving big mergers Times.

Survey finds that 47% (to 39%) of people still prefer mainly socialist society in which public interest and a more controlled economy are most important (Times).

First-time buyers moving back into housing market after further 5% fall in prices. Express says it is an ill wind that blows no good.

Influential group of right-wing Conservatives (the No turning Back Group) to press you to include a pledge to cut top rate of income tax to 25p, and the basic rate 15p in the pound, in manifesto Times.

Scargill claims he and Heathfield have been cleared of misusing NUM funds.

Times leads with QC's report clearing Scargill of personal gain, but says he ran illegal accounts until last year and sought political and financial aid from Libya, and arranged personal loans from overseas organisations for officials without the union's permission.

Sun says he was rapped for not telling his executive about a £100,000 bridging loan he obtained from union funds during 1984-85 strike and for misappropriations of funds and breaches of duty.

Sun, commenting on effect of abolition of dock labour scheme, says freedom not only works; it pays.

Conservation groups attack what is taken as your hint in Commons yesterday that Forestry Commission will be privatised.

PRESS DIGEST

Cabinet ministers have privately conceded there is little hope of selling the coal industry to the private sector, although British Coal privatisation will be included in the election manifesto Independent.

Ex-Chairman of SEEBBoard says electricity privatisation will leave customers facing huge rises in power prices to produce rate of return needed to satisfy institutional investors.

ICI to invest £110million in new plastics plant in Teesside ending dumping of waste by-products in North Sea.

Sun expresses pleasure at 20% drop in membership of NUJ - National Union of Jerks - and reports it is £400,000 in debt and losing £20,000 annually.

A1 to be upgraded to motorway standard with 3 lanes each way.

Lord Donaldson tells councils to stop trying to challenge effects of Govt legislation in courts.

Timeshare companies accused by OFT of misleading public and putting people under pressure. "Wholly unacceptable" techniques used.

Express says this area of the property market is ripe for a clean up. Mail agrees and, like Express, wants action immediately.

"Sweeping" powers over Social Fund attacked by Court of Appeal Independent.

Thousands of family doctors are having to take out overdrafts because they have not been paid fully under their new contracts Independent.

D/Health alleged to be trying to stop district health authorities publishing information on the cost of treatment and operations Independent.

Commons adjourned for 10 minutes following uproar as Kenneth Clarke tried to make what was in effect a statement on self-governing hospitals Independent.

Mail says educational establishment is embracing Govt's reforms only to smother them. Socialist passion for levelling down is still rampant in classrooms, teacher training colleges and LEAs. For Labour now to blame Govt for "crisis in our schools" is the ripest of humbug.

PRESS DIGEST

Parents at a Southwark primary school have taken control of a classroom after being told their children must break 3 weeks early for summer because of teacher shortages Independent.

Malcolm Rifkind appears ready to use "guillotine" to secure plans to break solicitors' monopoly over home conveyancing in a trade-off which forces the Govt to shelve major legal changes in Scotland Independent.

In an apparent U-turn the Govt is preparing the way for privatisation within the prison service in the Criminal Justice Bill this autumn Independent.

Independent editorial looks at airport security in light of Dr Swire's smuggling of a replica bomb on board an aircraft, saying there are hard truths to be digested: no flight, no airline can be made utterly secure. However, it is appropriate to insist on minimum standards and procedures which are strict but acceptable to passengers and staff. If it is possible to sell an airline on the basis of a stewardess's smile, it should be possible to sell it on the basis of security.

Chairman of Press Council distances himself from Council's decision to fight Calcutt's proposal that it be wound up.

Judge Pickles challenges Lord Hailsham to a TV debate.

Judge Pickles taking legal advice on whether to sue Lord Hailsham over comments in the latter's book "A Sparrow's Flight" Times.

BBC held in contempt of court for refusing to allow an employee to serve on a jury after he had been selected Times.

Law Lords to press for changes in Govt's war crimes legislation that would prevent witnesses giving evidence from abroad on video links Times.

Molyneaux rules out any meaningful relationship with Dublin while the Republic's constitution claims territorial jurisdiction over the province, putting a brake on Mr Brooke's plans for talks - Times.

Police open fire in Tirana on Albanians trying to escape into foreign embassies; 200 in 10 different Embassies seeking asylum.

Guardian says those sheltering in embassies will be allowed to leave.

PRESS DIGEST

1,426 pilgrims to Mecca die in stampede in subway.

Liberian president, Doe, agrees to resign as rebels attack capital, Monrovia.

Two years after the Gulf war ceasefire, Iraq and Iran's foreign ministers meet for the first time at the UN Independent.

MANDELA

Today - You will tell Mandela publicly to renounce violence.

Independent - Mandela will meet you this morning confident that he can narrow the gap between you over sanctions and use of armed force by the ANC. Yesterday he said he hoped he might even be able to change your mind, adding that there was sufficient common ground which is what he intended to exploit.

Express - You are to confront Mandela in showdown over terrorist support.

Mail - The Hurd lecture. Mandela given the facts after his blunder on IRA talks. South Africa correspondent says Mandela should get back to real life. If de Klerk has found the courage to renounce the racism that led to violence, let Mandela now renounce the violence.

Times - Mandela goes into talks with you today knowing he and the British Govt are as far apart as ever on sanctions and with the controversy over his IRA remarks refusing to subside. Mandela said last night it was likely there would be a ceasefire this year, although he had earlier not relented when Mr Hurd repeated Govt's hope that the ANC would drop its armed struggle.

Times editorial says Mandela's bad stumble over Irish politics does not signify much. As for South Africa, the best help the rest of the world can offer is to leave them to sort out their salvation alone. To win through, the country needs no sanctions, no aid, no persecution, no favouritism, no interference, no weapons, no propaganda, no attention, no fuss. The patient must be left in peace.