### PRIME MINISTER

## MAIN EVENTS

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- Prime Minister moves Loyal Address
- Retail Prices Index (June)
- ? Access to Health Records: Royal Assent
- Lords: Question: Report on HM Prison, Birmingham
  - Debate: Policing in London
- Lord Chancellor visits Birmingham
- Lord President speaks to Adam Smith Institute
- Michael Howard launches Somerset TEC
- Chris Patten in North West
- BBC Radio 4 "Any Questions?" Bruce Anderson, Angela Browning, James Lovelock and John Prescott

#### Main News

The press is near unanimous in saying Mr Ridley should go, though there is evidence that, stripped of his extravagant language, there are those who think he has a legitimate point.

Only the <u>Sun</u>, <u>Express</u> and <u>Times</u> appear ready to contemplate his staying on in some other capacity.

Telegraph says the outburst brings out Tory divisions on Europe.

Kohl's office describes Ridley remarks as "scandalous and insulting". But some Tory MPs rally round Minister - Jonathan Aitken says he should be praised not pilloried; and Teddy Taylor explains what is worrying some Tory MPs about Europe.

Bank of England Governor found the remarks "astonishing and intemperate".

Pound recovers after early fall on news of Mr Ridley's interview.

<u>Times</u> leader says nothing better illustrates the blinkered mentality bred by the Common Agriculture Policy than Delors reaction to the Houston Summit's progress towards a new deal to free agricultural trade by insisting that he would not stand for reductions in agricultural subsidies.

The Italian Govt calls for a maximum transfer of sovereignty by national govts in order to bring about the creation of a federal Europe Times.

Yeltsin leaves Communist Party to form a breakaway party. 100 Democratic Platform group members also leave.

And Ligachev, defeated by Gorbachev's cadidate for deputy leader's post, suggests he will leave Politburo.

Delors will visit Moscow next week to discuss how EC can help with Soviet reforms. The West has launched two studies, one co-ordinated by IMF, the other by the EC but the latter is working to a tighter deadline  $\underline{FT}$ .

Japan rejoicing in its new-found diplomatic effectiveness at the Houston Summit Times.

 $\underline{\mathtt{FT}}$  analyses responses to Houston summit across the world. Summit was remarkable for consensus displayed by G7 countries on how modern economies should be run and on the links between economic prosperity and democracy. In marked contrast to crisis management meetings and early 1970s.

FT leader says Houston summit has been remarkable for its failure to mask disagreements among the participants.

Guardian says the Chancellor's strategy of talking up the pound with a view to entering the ERM has become the centrepiece of the Tory Party's plans for winning the next general election, expected in October or November 1991.

US Govt agrees to fund technical and business advice to help Soviets set up free markets Independent.

Europe urged to adopt unified telephone numbering system like North America FT.

British hauliers say controversial proposals to regulate the road haulage industry will create the EC's first "lorry mountain" Times.

Institute of Directors' bi-monthly survey of business opinion shows Govt's anti-inflation strategy is beginning to work.

OECD says employment growth in Britain will slow sharply this year to 0.5% from 3.1% last year, with a small decline in 1991 Times.

Airlines dismayed over decision not to allow extra night flights at Gatwick Times.

HSE has found weak and unco-ordinated safety management in the Channel Tunnel. TML have been advised to tighten safety FT.

Labour spokesman, Frank Dobson, tells NUM conference to put union's house in order.

British beef is safe, according to Select Cttee which says Professor Lacey has lost touch with the real world.

Lord Rayner to retire as chairman of Marks & Spencer FT.

Texaco plan £450million gas power station for Wales (FT).

Labour Party says it will scrap community charge and bring back rates Mirror.

Commons approves charge capping of 21 councils.

Another oil spill in Mersey - leaks from tanker at Shell terminal.

£5million care plan for mentally ill living rough in London Times.

Study by Broadcasting Standards Council blames lack of discipline at home for rising violence <u>Times</u>.

Sunday Correspondent seriously considering adopting tabloid size FT.

European Football Union to contest Belgian court decision to impose a suspended jail sentence on UEFA Secy General for gross negligence at the 1985 Heysel stadium disaster <u>FT</u>.

<u>Times</u> leader says English justice went ever more wrong in its handling of the Maguire Seven than it did in the related case of the Guildford Four. The right steps have at last been taken, albeit with maddening slowness to rectify the particular injustice.

Crown Prosecution Service annual report says the poor quality and lateness of police files are causing delays in court and a serious waste of CPS resources <u>Times</u>.

5 ships going to Albania to pick up 4-5,000 sheltering in Western embassies.

Albania makes first modest privatisation moves, allowing traders and craft workers to own businesses <a href="Independent">Independent</a>.

Dissident Fang Lizhi tells <u>Independent</u> that Britain should not allow concern over Hong Kong to prevent it speaking out clearly against human rights abuses in China. "The British Govt is not critical enough" he says.

Swedish ambassador recalled from Iraq after appeals for clemency failed to stop execution of Swedish citizen who had allegedly been spying for Israel  $\underline{FT}$ .

Tension in Kenya ahead of rally for Mandela  $\overline{\text{FT}}$ .

#### NICHOLAS RIDLEY

<u>Star</u> pl - Fury over Ridley's Hitler blast at Krauts - with cartoons to go with it. It asks its readers to ring in to say if they agree with Mr Ridley.

Star leader: Mr Ridley spelled out rather more bluntly than was good for him the fears of millions of Britons when we all become Europeans in 1992. He talked a lot of sense. The Krauts are the Rottweilers of European politics. And Teddy Taylor weighs in with an article on "What worries Nicholas Ridley - and me" in which he says his comments represent a rising tide of concern in the Tory Party.

<u>Sun</u> pl claims an exclusive with "It's him or You! Fire Ridley or face a challenge, Tory chief tells Maggie". <u>Sun</u> leader says "Ridley's right but wrong" - you know that the real tragedy of the affair is that in many ways Mr Ridley is right. But he should present his thoughts in more moderate language.

<u>Sun</u> also has a 4 page pull-out on "Why Germans are wealthier and smarter than us".

<u>Mirror</u> pl - "Ridley must go - everyone agrees - except her" - ie you. <u>Leader</u> headed "A talking disaster" says that while Mr Ridley regrets that he said it publicly, privately he means what he said. While he remains in Cabinet Britain will not be trusted in Europe.

Today p1 - Ridley ready to go today for Hitler jibes at Germany.

Leader headed "If he doesn't quit, sack him" says it is not enough

Mr Ridley has withdrawn and apologised. He cannot be credible in
any other Govt job. You were right to protect him in the Commons
but you cannot prop him up for ever.

Today feature, concentrating on Euro Commission, says the interview will be remembered for the abuse heaped on the Germans. But that should not obscure the nugget of sense in what he said about Commission.

Express pl - German row sinks Ridley. You are under enormous pressure to abandon your closest Cabinet ally. But inside a report says majority of Britons it interviewed echoed Mr Ridley's sentiments about "arrogant" Germans. Express too invites its readers to tell it what they think on this issue. Leader headed "A penalty for speaking the unspeakable" says many will think his real sin has been to say the right thing at the wrong time (and in the wrong language). You would be wise to move him to a less sensitive post.

<u>Mail</u> pl - "Tories insist: sack Ridley". Gordon Greig's feature "Yobbo Nick, Maggie's Euro hooligan", says that in unwittingly exposing the great Thatcher double speak act on Europe he may have come close to closing the door on a Tory victory in the next election.

<u>Mail leader</u> headed "Ridley speaks out of turn" says his extravagance of expression obliterated any merit his arguments may have possessed. His outburst has done a disservice to the party, Govt and himself. The net effect has been to undermine your credibility and to extinguish his own.

Times pl - Nicholas Ridley's future in the Cabinet cast into doubt as he comes under strong pressure from Tory MPs to resign. It devotes a page to the issue with headlines such as "Euro Parliament unites in chorus of condemnation" and "Poltical circles in London and Bonn outraged by attack". Leader says anti-German sentiment will exist in Britain as long as Britons can read history and the fears which Nicholas Ridley raised in his "saying the unsayable" interview are felt across Europe. But public figures are supposed to keep their cruder and more tactless thoughts to themselves. It is hard to see how Mr Ridley can remain as Trade Secy. It adds that if you wish to keep him in your Cabinet the best you can do is move him to agriculture, where his fierce anti-protectionism and love of the countryside could be beneficial.

Tim Congdon in the <u>Times</u> commends Mr Ridley for focussing the nation's attention on the march of federalism. He says that his outburst was necessary. It has alerted the British public to the scale of the hijack now intended by the "reject politicians" of Brussels.

<u>Times</u> Business Comment says that at a stroke the attempts of John Major and Douglas Hurd to present a more co-operative face to Europe have been undermined.

Telegraph pl lead - Ridley under pressure to resign. Tory MPs urge Thatcher to bring forward reshuffle. Report says that if Mr Ridley resigns the divide within the Tory Party over Europe could develop into a damaging split. Leader says even his resignation cannot wholly repair the damage done. Speaking from the heart but apparently from the top of his head, Mr Ridley has made your task of holding the Tory Party together on Europe more difficult.

<u>Independent</u> pl - Beleagured Ridley expected to quit. Senior Ministers say Mr Ridley's position is untenable as 1922 Meeting reveals deep Party split. Reshuffle speculation starts with Tom King named as possible replacement.

Peter Jenkins, on <u>Independent</u> front page, says a morbid stench of decomposing politician rose from the Commons yesterday. The man the cartoonists loved to depict as a corpse had become one. It will be flown home from Hungary and buried quitely over the weekend. You go through the motions of supporting Mr Ridley but the word was that his fate would be for the party to decide. You have avoided Mr Ridley's language but your opinions and sentiments are not far from his. that is what makes his resignation unavoidable, for if you keep him you condone him.

Anthony Bevins, in the <u>Independent</u>, says bitter memories prejudice your views on Germany. A Tory MP claims you said "We must not forget. We have had two world wars, haven't we". And a source close to you is said to have warned "Never forget, Hitler was elected".

Independent editorial says it is difficult to believe that such a farrago of misconceptions, factual errors and vulgar prjudices can come from one of Her Majesty's Cabinet Ministers. Even in the average pub such inane ramblings would tend to clear a space at the bar. To your credit you have been making an effort to improve your standing in Europe. In Houston you played a notably constructive role. The only way you can build on this progress and maintain some credibility for your European policy is to put as much distance as possible between yourself and Mr Ridley. You were wrong to hesitate. You should have sacked him immediately rather leaving his fate for Tory MPs to decide.

German journalist Thomas Kielinger, in <u>Independent</u>, calls Mr Ridley's remarks unpardonable. Germany has been a valuable partner in all forms of Western collective leadership for 40 years — and still there comes Mr Ridley as if he's just stepped out of 1945 and blithely wishes to overlook history's great strides since. It is a slap in the face for modern Germany.

 $\underline{FT}$  - Mr Ridley under pressure to resign. 1922 Committee meeting underlined the view among govt supporters.

FT leader says Ridley should resign for damaging the Govt.

Guardian pl lead - "Ridley may have to go" with p2 devoted to the issue. The main leader, headed "Ridley is the great divide", says that in his bumbling, endearing way, Mr Ridley may have performed a national service - if Strasbourg is less than a vibrant democracy, make it one; if Brussels are reject politicans, elect someone else etc.