

October 24, 1990

PRIME MINISTER

MAIN EVENTS

- Social Security Uprating Statement
  - Pakistan general election
  - Prime Minister's talks with Cossiga and Attali
  - Prime Minister meets Women's National Commission who are celebrating 21st anniversary
  - 10th anniversary, Armilla patrol
  - Institute of Personnel Management conference - Michael Howard
  - Channel Tunnel contractors on construction death charge
  - CRE inquiry on London Underground selection
  - TUC General Council
  - Labour Party NEC
  - Texaco road safety initiative
  - Launch of Keep Warm, Keep Well campaign
  - New construction orders (Aug)
  - Foreign Affairs Cttee - Foreign Secy & assn for Free Kuwait
  - Foreign Secy Commons statement on Gulf
  - Commons: Questions: FCO
  - Debate: EC issues
  - Select Cttee: Wales - David Hunt on public expend.
  - FCO - Foreign Secy on Iraq/Kuwait
  - Lords: Debate: Courts and Legal Services Bill,  
                                  Commons Amdnts
  - Chancellor addresses Sun Life seminar
  - Kenneth Clark meets Health Reform Group
  - Cecil Parkinson addresses "How Green is your Transport" conf
  - Building construction industry awards
  - John MacGregor opens Kingshurst CTC, Birmingham
  - Peter Lilley addresses Stock Exchange
  - Chris Patten speaks at Small Business Bureau dinner
  - Virginia Bottomley gives evidence to Nurses' Pay Review Body
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PRESS DIGESTGULF

38 sick and elderly Britons arrive home with Ted Heath but Saddam Hussain takes another 26 hiding in Kuwait.

Hussain says he will free all 330 French hostages as well as 14 sick Americans and 85 Finns.

Times says that a freed British captive from Iraq recounted last night how Western hostages were kept in such appalling conditions and so abused by their guards that they rioted against their captors at a strategic site outside Baghdad late last month.

Times says that Iraqi families are suffering growing hardship from UN sanctions.

You reassure Amir of Kuwait Britain will make no deals with Iraq over his occupied country.

Some fears expressed that the Saudis are prepared to deal after remarks by their Defence Minister.

And Express says there is a growing suspicion in Whitehall that the rest of the world may not be so determined as you. Even President Bush is coming under pressure to drop his hard line. But Mail says Bush, in an extraordinary display of emotion yesterday, said "There can never be any compromise with this aggressor".

Telegraph says Fahd said yesterday that Hussain could pull out of Kuwait without losing face.

Petrol prices tumble further. Tesco takes another 13p off a gallon to reduce 4-star to below £2. Mail expresses satisfaction at the pace at which prices are falling.

Container ship on which MOD has spent £10million to make it available for military use, is not being used to take troops and equipment to the Gulf because it is too easy a target Times.

French trade deeply in red as a result of Gulf crisis FT.

Israel has sealed off West Bank and Gaza Strip after continuing violence.



PRESS DIGESTCOMMENT

Sun, commenting on Hussain's reported dream, says next time he has a dream let's hope he comes up with a more realistic vision. And it criticises Saudi Defence Minister for apparently suggesting a deal with Hussain.

TED HEATH

Star - "Conned! Ted falls for Saddam's cruel trick"; it says Hussain hoodwinked Heath by seizing 26 Britons hiding in Kuwait while releasing 33 sick and elderly at Ted Heath's request. Leader, while praising Heath's efforts, says Hussain is just playing a sick game. If Saudis think they can trust Saddam to do a deal they must be mad.

Mail is sickened over the protracted haggling to get the hostages out. Heath's humanitarian impulses are not in question. But Hussain plays cat and mouse with innocent people.

Independent - Heath trip widely seen as significant success, but caused consternation in Govt circles. Ministerial source says "To come back with only 33 must be disappointing for Ted".

Times leader says Saddam Hussain has been given every opportunity, by Western supplicants from Kurt Waldheim to Edward Heath, to play cat and mouse with Western hostages, Western emotions and Western anti-war sentiment. These men must know what a dangerous game they play. They lend strength to Arab suspicion that the West is losing its nerve in the Gulf, leaving them with no alternative but to engage in constant talk of compromise.

ECONOMY

Chamber of Commerce say the economy is in deep recession. North-East only area to escape. Of 6,000 business 46% reported decrease in orders FT.

Times says Treasury officials are understood to believe that a brief technical recession in the economy is now almost inevitable.

Midland Montagu say economy on course for low inflation in 1990s FT.



PRESS DIGESTEC

Lawson puts the boot in - Thatcher to blame for ERM tragedy, he tells House - severe embarrassment for Govt Express. Mail says he virtually accused you of bungling ERM entry.

11 Tories rebel in vote on entry into ERM last night.

Guardian says Lawson's speech weakened your already uneasy hold over Govt.

Edwina Currie, in Today, says much of the argument about sovereignty of the British Parliament looks irrelevant. We have nowhere else to go but into Europe.

Express leader on Nigel Lawson says that in his 2 years as Chancellor he made gross mistakes from which we are now suffering but political life would be poorer without him.

Times leader, discussing Nigel Lawson's planned departure from the Commons, says that in some ways he cannot be criticised yet his decision is symptomatic of aspects of current politics which are regrettable. The professionalisation of politics is at the heart of the matter.

Guardian says Kinnock as well as yourself has a party problem about EMU.

Delors proposes majority voting on tax, employment and environment from next year.

Times says Delors unveils the EC Commission's vision of a future federal Europe, with the European Parliament as its legislature, the Commission as its executive and the Council of Ministers as its senate.

FT leads with your rejecting without qualification a single currency for Europe yesterday, presaging a clash with other EC leaders in Rome at the weekend. Your comments appeared to undercut the Chancellor's attempts to present the hard ECU as a possible long term route to a single currency.

FT leader on GATT says too little has been done to persuade Americans of overall benefits of trade liberalisation. Too much attention has been paid to forestalling potential opposition of those who would pay the price.



PRESS DIGESTENVIRONMENT

Govt to announce today inclusion of warnings about pollution in weather forecasts.

Similar virus to that which killed our seals killing dolphins in Mediterranean.

Telegraph says Japan has taken lead by promising to stabilise CO2 emissions at 1990 levels by 2000AD.

Sellafield threatened by plans to store nuclear fuel rather than reprocess it Independent.

Under the heading "Keep cool and spurn the scientists", Wilfred Beckerman, Fellow of Balliol College, Oxford, writes in the Times that the world will suffer if we heed the global-warming doomsters.

EDUCATION

Labour could stop public school pupils from going to their chosen universities, Tories warn.

Times says John MacGregor says bad teachers should lose their regular pay grade increases and salary rises above the basic rate should be earned.

You rule out A-level reforms Times.

HEALTH

Edwina Currie, writing in Today, says she is amazed her colleagues can sleep easily over lack of further help for haemophiliacs.

SOCIAL SERVICES

Commons Social Services Cttee says disabled people have to undergo degrading assessment procedures to gain benefits that are sometimes abruptly withdrawn Times.

Mothers who refuse to name absent fathers to lose benefit under White Paper plan. National Council of One-Parent Families calls idea "counter-productive" and "damaging".



PRESS DIGESTCHILD BENEFIT

Times - Child benefit is to be increased by £1 a week for the first child at a cost of about £250million. It adds that the announcement is bound to be widely welcomed by Tory MPs badly in need of good news after Eastbourne. Leader says that despite all the reasons for child benefit it doubts whether it would be invented now as you dislike it because its universality wastes money on those who do not need it.

Star says you did a U-turn by increasing payments. Leader says: Thanks goodness you listened to Angela Rumbold.

Mirror - Eastbourne defeat means good news for mums.

Express - £100million to help mothers care for babies.

Mail - More cash for mothers who need help most.

FT - Extra benefit will be announced today for a first child as a direct result of your personal intervention in the growing political row about the government's 3 year freeze FT.

Independent - Some Tories applaud child benefit move. "When the PM gets involved, things go right" says Peter Bottomley. But others call it "illogical", "cobbled together" and "untargeted".

Independent adds - Govt sources insist you did not overturn a decision to freeze child benefit. But Tory MPs remain convinced that you intervened because of the Eastbourne defeat.

FT leader says family policy is in disarray and the Govt cannot muddle on for much longer without a coherent family policy.

LAW & ORDER

Mirror says police are likely to interview Cecil Parkinson about two Swiss men who, it is alleged, told him they could "arrange a contract" to get rid of Sara Keays.

Home Secy argues that politer policemen would catch more criminals, in launching a new code of behaviour.

Senior Tories reject idea, arising in Woolf inquiry into jails, that prison officers should dispense with uniforms to reduce authoritarian atmosphere.



PRESS DIGESTSPORT

Arsenal fine manager £10,000 and five players £5,000 each after brawl with Manchester United who also discipline players.

A new crackdown on soccer hooliganism is being prepared by Govt with offences against missile throwing, chanting obscene and racial abuse, running on to the pitch and ticket touting.

INDUSTRY

Guardian says Chancellor was absolutely right to lay it on the line: excessive wage increases within the ERM will mean more unemployment. But this exhortation might just as well have been made in Patagonia for all the effect it will have. It is looking suspiciously like wage bargaining business as usual.

100% electricity sell off expected FT.

2 British Midland Kegworth air crash pilots to lose jobs after disaster report's criticism of them. Today says they are scapegoats for whole catalogue of mistakes. Express however says it must be right they should be held responsible for their mistakes. Mail: "It's sad and hard but just".

UNIONS

NUM and 2 officials pay out £100,000 in libel damages and costs to UDM. Total bill likely to be £250,000 according to Mirror. Union admits letter used to smear UDM official was a forgery.

LOCAL GOVERNMENT

Liverpool Council heading for £12million deficit as it considers compulsory redundancies Independent.

PEOPLE

Norman Buchan MP dies, 67.

US Labour Secretary Elizabeth Dole leaving Bush Cabinet to head American Red Cross FT.

Pat Eddery first jockey to ride 200 winners on flat since Sir Gordon Richards in 1952.



PRESS DIGESTRELIGION

Bishop of Liverpool has "grave misgivings" over new rules allowing "American-style evangelists" to broadcast on TV Independent.

DEFENCE

Ambassador Henry Cooper reaffirms your support for the star wars project after meeting you in Downing Street Times.

France could phase out ground-based long-range nuclear missiles in defence modernisation Independent.

FOREIGN

Estonia has voted to set up permanent customs barriers with the rest of Soviet Union FT.