

October 29, 1990

PRIME MINISTER

MAIN EVENTS

- Gorbachev visits Paris
 - Parliamentary elections, Georgia
 - Follow up to Special European Council
 - Channel Tunnel breakthrough
 - World Climate Conference, Geneva (to Nov 8)
 - World Bank meeting, Washington (to Nov 2)
 - Commonwealth Education conference, Barbados (to Nov 3)
 - EC Energy Council }
 - EC Environment Council } Luxembourg
 - CBI meet Michael Howard
 - TUC conference on transport safety
 - Employment Training Conference, Glasgow
 - Monetary stats (Sept - final)
 - Quarterly transport statistics
 - Betting licensing stats 1989-90 (to May)
 - Chartered Inst. of Transport conf on road & public transport
 - Customs & Excise - concessions on imported insurance services
 - Ethnic benefit information system launched
 - Aquatic environment radioactive monitoring report
 - MAFF Society of consumer attitudes to labelling
 - Tidy Britain schools competition prizes
 - South West Water charged with polluting rivers
 - Red Routes pilot scheme announced
 - HSE news conference on Peterborough explosives blast, 1989
 - Social Services Select Cttee report on work in progress
 - White Paper on lone parents/child support
 - Commons: Questions: Wales; Arts; Civil Service
 - Debate: Environment Protection Bill,
 - Lords` Amendments (DOGS)
 - Lords: Debate: Air traffic control on EC report
 - Chancellor addresses Nat Assn of Women's Organisations
 - Malcolm Rifkind hosts reception for Scots NHS managers
 - John MacGregor addresses Spastics Society on special ed. needs
 - Michael Howard opens Springboard Centre, London - hotel
 recruiting
 - Peter Lilley opens Cannon Wharf
 - Virginia Bottomley gives evidence to Doctors` Pay Review Body
 - BBC TV Panorama on divorce and child support (Lord Chancellor)
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PRESS DIGESTEC

Kaufman says your performance was "pathetic" and Ashdown claims you have "betrayed Britain".

Delors says: believe me, we'll have a single currency by year 2000.

But behind the scenes evidence of a feeling that Britain has been pushed too far and will block all progress. Danes say Italian presidency pressed for far too much.

Sir Geoffrey Howe felt to have signalled differences over EC in Govt.

Support from Star, Sun, Today, Times, Express, Mail (on GATT), Telegraph.

FT not unhelpful over CAP/GATT. Even Independent says you were bounced.

TREATMENT

Star p2 - Thatcher on warpath to rescue the pound; Maggie will use veto trump card.

Sun p2 - Angry Maggie gives Europe a pounding. She lashes bid to kill off pound by 2000.

Mirror leads, predictably, with "Maggie Muggins - Thatcher spoils the Euro party". You were at your most stubborn and obstructive Leader says you are a disaster at home and a liability abroad. In Rome you betrayed Britain's best interests and insulted our truest friends. It describes you as the old crone in the corner who can see only the past and has no vision of the future.

Today p1 - Gambling all on the pound. You stake your entire political future on keeping Queen's head on our own currency. Delors gloats at Britain's agony. Leader says you have every right to feel angry with Euro leaders for rushing headlong into a programme for EMU that could rob Britain of much of its independence. And even as Europe's leaders gloat over this they cannot agree on cuts in farm subsidies which would slash food bills. But there is a danger in your stance in making Britain the permanent outsider.

Express leads with "Lone Maggie fights for pound".

PRESS DIGEST

Mail p1 lead - Maggie all alone again. All the old antagonisms came roaring back with Franco-German block on GATT position.

Telegraph p1 lead - Thatcher done as EC votes for single currency.

Guardian p1 lead - Defiant Thatcher left in cold. Rift grows as Howe calls for progress on monetary union. Sovereignty could emerge as UK election issue.

Times p1 lead - Britain alone as date is set for monetary union. Britain's isolation was starkly recorded in a note of dissent. You accuse Italian Summit hosts of incompetence in refusing to tackle the mess over agriculture. But some of Britain's partners no longer seem perturbed by your views.

Independent p1 lead - Summit ends in isolation for Thatcher. You are outmanoeuvred and isolated as the 11 disregard British reservations on a single currency Summit declaration opens deepest gulf yet between Britain and her European partners. Sir Geoffrey Howe brings Cabinet rift to the surface. He denies that you oppose the principle of a single currency but that contrasts starkly with your own words in the Commons.

A long-standing disagreement between Britain and its EC partners over how to counter global warming will come to a head in Luxembourg today, as officials from more than 100 countries gather in Geneva to discuss a world treaty to protect the atmosphere
Times.

London Business School forecast that lower output growth and rising unemployment will be the price of Britain's entry into the ERM FT.

New EC directive barring bird shooting will cost millions in lost crops, farmers say - Independent.

EC could cut CO2 emissions by 20% at minimal cost by 2005, research shows. Evidence will embarrass Britain at start of global warming talks.

"Dublingate" scandal may force Irish General Election Times.

COMMENT

Star - No-one can blame you for telling EC where to get off on our currency and CAP.

Sun - You are right to challenge lunatic CAP.

PRESS DIGEST

FT pl lead - "Thatcher left trailing as Summit fixes EMU date". After making unexpected progress towards political and monetary union, you accuse EC leaders of living in "cloud cuckoo land". Meanwhile, EC ends summit in disarray over world trade negotiations remaining divided on what reductions on EC farm support to offer and when. Leader criticises the EC's mistaken priorities, concluding that if the Community does not change them soon the Uruguay Round will unravel. The EC will then be able to examine its economic, monetary and political navels, all the while watching the international trading system disintegrate around it.

Times leader under the heading "A Cassandra in Rome?", says in one respect you were absolutely right. This summit was a disgrace. It is critical about their refusal to debate GATT. Such procedural anarchy is a measure of the shambles of the current Italian presidency of the EC. It doubts whether at the end of the day other countries will agree to economic union. Only you voice the concerns privately shared by many other leaders. They too have their sovereignty agendas.

Michael Binyon, in Times, says Britain was a double loser at the Rome Summit. On issues where you wanted action, such as farm prices, little was said. On matters London wanted left until the December inter-governmental conferences, plans were agreed that virtually pre-empted all discussion.

Mail leader headed "An isolation is not so splendid" says it was a vintage effort by you. And it is with you on agricultural protectionism. But sadly the abiding impression from Rome is of a lady all alone. Sooner rather than later there will be a central bank and a single currency. Both make financial and commercial sense. There is a danger that your performance, though magnificent in its way, is in danger of becoming dated.

Paul Johnson feature on why you are right to dig in over nonsense of EC farming subsidies. You deserve all-party support.

Express says the recent behaviour of EC partners shows your scepticism about the pace and direction of European unity is entirely justified. After the GATT sabotage do people wonder why you refuse to join the mad rush. Mypocrisy is not the worst aspect of last week's sabotage by French and Germans. Their reckless and selfish action has at least destroyed the myth that British reluctance alone is preventing Europe's transformation into never never land.

PRESS DIGEST

An Independent editorial says you were entitled to be angry at being bounced by the Italians at an unnecessarily urgent EC Summit. You had reason to condemn the deplorable opposition of France and Germany to cuts in farm subsidies. But your remarks about "cloud cuckoo land" were profoundly inappropriate. Your arguments are dismissed casually, and you are now being labelled as a lame duck. Even when you have a persuasive case, it can, apparently, be ignored. You are punching below the country's international weight where once, by sheer force of personality, you were able to punch well above it. You are in imminent danger of becoming a threat to the national interest that you claim with such ferocity to defend.

Peter Jenkins, in Independent, says Andreotti could not resist an early triumph for his presidency and, with all the guile of a Renaissance cardinal, pushed the issue to a precipitate conclusion. But what happened at Rome would have happened in the end anyway. Among European leaders there is a strong sense of "now or never" concerning the European project. Each twist of the screw makes it more difficult for you to find a way of participating in the process without subscribing to the end.

Telegraph - You were rightly furious that the Rome Summit ducked agriculture subsidies. Over-protection of European farms is a scandal. The EC's long term commitment to EMU rings somewhat hollow when seen against the inertia as such matters of immediate importance. You also have considerable justification for feeling you have been forced prematurely on a starting date. It is not in the Community's interest to drive too deep a wedge between Britain and rest.

Guardian editorial says the test of every prime ministerial performance at every summit is not the easy headline-mongering of defiance, but the extent to which British interests are truly advanced. There is absolutely nothing in the 11-1 defeat over EMU, nor is our subsequent warnings of vetoes and trench warfare. We have trodden the same barren path for three decades. We should know by now where it leads.

POLITICS

Norman Tebbit urges you to start fighting the next election now and to trust your own instincts after weekend polls giving Labour a 15-16% lead.

PRESS DIGEST

Tory Whips say there is no sign of a leadership challenge but Times says the latest opinion poll evidence could revive the previously remote threat of a leadership challenge to you this winter.

Express says Sir Geoffrey Howe warned off dissidents sounding out candidates to challenge your leadership - don't even try it.

Tony Marlow however says he does not want to go down with a sinking ship.

Sun leader headed "Maggie is the Tories "only hope" asks whom would readers prefer as leader - Sir Geoffrey Howe, Anthony Meyer or Marlow. The Tories are in big electoral trouble of their own making. But under you they at least have a chance of victory; under a new boy they would have no chance.

Today says you are today to start a series of "crisis summits" to bring the Tory Party back from the abyss.

FT - Fresh outbreak of nervous jitters sweeps the Conservative Party amid signs of worsening divisions over Europe and a marked deterioration in the party's showing in the opinion polls.

ECONOMY

President Bush reluctantly agrees to sign \$492billion, 5 year budget deficit reduction package, and appeals for the Federal Reserve to respond by lowering US interest rates FT.

International banks' retreat from corporate lending sparks worldwide credit squeeze fear FT.

GULF

US Secy of State Baker to visit Saudi Arabia this week as part of a fresh US attempt to bolster the coalition against Iraq. His trip reflects US concern at drift in the anti-Iraq drive, and comes amid growing uncertainty about a resolution of the Gulf crisis FT.

Primakov's mission to Baghdad ends without agreement.

Diplomats predict that Soviets in Iraq may become hostages after Primakov talks with Saddam end with no sign of change Independent.

EC ban all talks with Saddam Hussain.

PRESS DIGEST

Hussain sacks his oil Minister and scraps petrol rationing in emergency U-turn within 5 days. His son in law takes over.

Kuwaiti Secy General of Gulf Co-operation Council says there will be war within a week if Saddam Hussain doesn't leave Kuwait.

Nearly a third of Democratic congressmen send a letter to President Bush declaring emphatic opposition to American military action in the Gulf Times.

European leaders call for UN chief to undertake hostage-rescue mission.

Star says driving could be banned in Britain on certain days of the week if a Gulf war broke out under EC plans. Some MPs describe it as lunacy. Star - Next EC stop is nuthouse.

Independent feature shows that Saudi Arabian human rights abuses have worsened over last 10 years, with growing numbers of amputations, floggings and executions. Last year, 65 executions took place - three times the number in 1988.

Kilroy-Silk, in Express, accuses Kinnock of adolescent political opportunism, unable last week to resist trying to make cheap political capital of Heath's appeasement of Saddam Hussain.

Times leader says the evolution of Soviet policy in the Middle East since Iraqi invasion of Kuwait has offered connoisseurs of diplomacy a curious sideshow. It concludes that since the Soviet Union remains the only superpower to which Saddam might conceivably listen, this Soviet diplomatic offensive may serve Western interests.

Mubarak offers full support to Saudis, pledging to send fighter bombers and tanks to Gulf Guardian.

SOVIET UNION

France, hosts to Gorbachev, offers £520 million in loans and export credits.

Moscow sends in troops to Moldavia to try to prevent clashes between nationalist volunteers and ethnic Turks who want independence FT.

PRESS DIGESTINDUSTRY

Govt facing a potentially embarrassing row with National Power over the levels of debt Govt is insisting the bigger of the country's two main electricity generators carries before its privatisation in february Times.

George Walker's Brent-Walker group owes £1.2billion.

West Midlands Passenger Transit Authority refuses to back rail fare increases of up to 35% for fear it will drive people from trains.

Domestic coal prices to rise average of 6% this week.

Today wants Britain to line up with Euro time.

Polly Peck's administrators to set up informal steering committee to outline a rescue plan. Meeting comes when Polly Peck affair expected to be raised by Swiss Foreign Minister during talks with Mr Lilley today Guardian.

LOCAL GOVERNMENT

Govt faces defeat over dog registration.

You over-rule attempts by Chris Patten to defuse today's expected Conservative backbench revolt over dog registration Guardian.

Chris Patten desperately trying to stop community charge bills averaging more than £400 next year.

Leaders of metropolitan councils are expected to send a formal letter to Chris Patten pressing him to be more generous to capped councils Times.

Wimpey manager among 22 questioned in Liverpool building/land corruption inquiry. Sun says Wimpey admits paying Derek Hatton, Militant, to act as consultant for them in land deals.

Express says the Liverpool inquiry is expected to arrest another 50.

Newcastle upon Tyne Council bows to row and will not allow any more homosexual couples to become adoptive parents of children in its care.

PRESS DIGEST

85-90% of people have "paid something" towards community charge. Audit Commission to report; councils say collection problems are still getting worse Independent.

SOCIAL SECURITY

Runaway mothers will be treated the same as runaway fathers under Govt's maintenance plans; they will be forced to pay for their children's upbringing.

Old people "face eviction" as income support increases fail to ease residential home crisis Guardian.

HEALTH

Today claims doctors are putting thousands of patients at risk because they are terrified to operate them lest they be sued.

Two cases of suspected mad cow disease have struck London Zoo Guardian.

EDUCATION

Today says students are jumping at the chance of taking out loans under the Govt's scheme.

Sweeping overhaul of the national schools inspectorate is planned by Labour to raise educational standards. It is also considering attempting to trump the Govt's scheme for standardised assessment of children aged 7-11 by introducing more frequent and more easily administered tests, says Jack Straw in a Times interview.

Ronald Butt in the Times says that education has now taken the centre of the political stage. You have picked up the glove Kinnock threw down at the Labour Party conference, and have hurled your own challenge: education vouchers. He goes on to describe vouchers as yesterday's theory concluding that talking about vouchers is a reflex action and a substitute for deeper thought. This is now the prevailing fault of your Govt, and you should urgently acknowledge the need for something better. Education is a good issue on which to start.

Study by Association of University Teachers shows that fewer women fill senior university posts than in 1980 Times.

PRESS DIGEST

FT editorial argues it is time to reform A-levels. What Britain needs is a broad baccalaureate-style exam, offering a range of academic and vocational courses. It concludes that anachronisms in higher education must not be allowed to obstruct essential restructuring of education for 16 to 19 year olds. It is time to address the educational needs of the average, as well as the exceptional, sixth form pupils.

Survey shows that at least 70% of state schools are planning to cut sports lessons Times.

Express says head teachers are to be required by the Govt to publish attendance figures - ie truancy rates - in annual brochures.

SPORT

Govt's line on football hooliganism attacked by two specialists ahead of the publication of a report on the World Cup by soccer supporters Times.

FOREIGN

Benazir Bhutto loses local as well as general elections.

New Zealand conservative national party leader says country will return to "common sense policies", after winning landslide general election victory FT.