

November 1, 1990

PRIME MINISTER

MAIN EVENTS

- Prime Minister buys poppy from Royal British Legion; hosts
Lords Taverners reception
 - Parliament Prorogued
 - Law Commission Report on divorce
 - DES funding for dyslexia research
 - Open conf. telecommunications duopoly review (to Sat)
 - Health Visitors' Assn conference, Harrogate
 - Royal Assent: Courts & Legal Services Act
 - Cecil Parkinson addresses Int. Union of Public Transport
(railways)
 - Chris Patten lunches with AMEC
 - John MacGregor speaks at Salters' Inst. of Industrial
Chemistry
 - Michael Howard speaks at IPA luncheon
 - Tom King at REME guest night, Wokingham
 - BBC TV Question Time with Ted Heath, John Harvey Jones, David
Blunkett and Brenda Dean
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PRESS DIGESTMain News

Bush says he has run out of patience with Saddam Hussain because of their treatment of American diplomats. He says you feel the same. Foreign Secy says there is no weakening of US/UK resolve.

This ratchets up expectations of war. Express pl lead - "On the brink of war". Its leader says it is time to send in the troops.

Britain rejects as a "disgraceful and cynical" propaganda move Saddam Hussain's offer to allow hostages families to visit them over Christmas.

Guardian reports indications that Syria is considering pulling out of coalition against Hussain because of unhappiness with US approach.

Chris Patten moves to limit average community charge increase next year to £23.

Labour says average will be nearer £435.

Businessmen forecast bankruptcies.

3,000 council workers in Liverpool strike against redundancies to avoid £10million deficit.

Speculation about a cut in interest rate boosts shares £3billion.

Unions get cold shoulder from Govt and employers at Neddy yesterday over proposals for deals on pay restraint.

Haughey sacks his deputy Lenihan to survive vote of confidence.

Times leader says Ireland's reputation for political eccentricity was only partly salvaged by Haughey's dismissal of Lenihan. He should now distance himself completely from his best friend.

Lords' revolt over dog registration ends - in a whimper; and a row over cost of bringing Ministers back from abroad to vote.

Sir Geoffrey Howe has vowed he will never leave the Govt, according to Sun.

Independent discovering signs of a Whitehall-inspired whispering campaign against Sir Geoffrey Howe as Daily Mail says Cabinet colleagues are urging you to sack him over Europe.

PRESS DIGEST

Express says the evidence is that the British public back you against giving up sterling.

Esso raises diesel price by 9p because of oil price rises.

GULF

Today says there can be no certainty of peace until Hussain retreats unconditionally. Then real negotiations on compensation and dismantling of Iraq's armoury of chemical, nerve and nuclear weaponry can begin.

Express - We all know in our hearts that in the end Hussain will have to be dealt with by force. The troops are now in place. They can do the job. They should now be asked to get on with it.

Times leader says Saddam has a two-fold strategy calibrated with bravura and cunning. The first is to destroy the infrastructure and identity of Kuwait and the second to play on his opponents' horror of war. Diplomacy has made no progress. The last remaining chance of avoiding war is to convince Saddam that war there will be. That chance must now be rated slender indeed.

Western intelligence says Iraq has turned Kuwait into a fortress in preparation for a US assault. Potential beachheads defended with minefields and 15-mile deep trench systems Independent.

Iraq could survive sanctions until the end of 1991 by boosting farm output, selling gold and smuggling, Washington economic institute says. Independent.

Jordan has been brought economically to its knees by the Gulf confrontation as so far it has not received a penny in aid Times.

US pushing for a new UN resolution which would implement Britain's proposal that frozen Iraqi assets abroad be used to pay compensation for the pillage of Kuwait Times.

Egypt, clearly suspicious of Soviet motives, rejects a call by Gorbchev for an emergency Arab summit on the Gulf, which it says would only lead to a showdown between Arab leaders Times.

ECONOMY

Sun says all the people want for Christmas is a further 1% cut in interest rates.

PRESS DIGEST

Today leader says the case for another cut in interest rates has become unanswerable.

Reuter to shed 300 jobs, 200 of them in Britain.

Guardian feature on breath of fresh life blowing into Tyneside.

EC

Foreign Secy sought last night to heal rifts among Conservatives over Europe - telling Backbenchers that the defence of British interests should be combined with a "constructive and positive" approach to the EC. Last weekend's summit should not be regarded as an unsurmountable setback. Italy's insistence on setting a date for the next stage of EMU was "ill-considered" but there was no tragedy about it. The dust would settle FT.

Mirror alleges Foreign Secy told a Backbench cttee that they should ignore your Commons outburst on EC and Rome and concentrate on prepared Statement.

Sun calls on its patriotic family of readers to face France at noon tomorrow and yell "Up yours, Delors" - to wake him up to the idea that he will never run this country.

Mail features Sir Leon Brittan urging you to change your stance over single currency. Britain's prosperity is at stake.

Sarah Hogg, in Telegraph, says there is a curious irony in the British debate - an impassioned defence of freedom to inflate from the Right. If we are to drape ourselves in the pound, let us first swear to defend it from our own depredations.

Hugo Young, in Guardian, says your assault on the EC was one of the most manic in a long record. He says your style now seems less like conviction leadership than the blinkered tyranny of the desperado. There is a growing concern also about your judgment - eg crypto-Communist.

EC officials have intervened in the row over the Govt's M3 route through Hampshire by asking the scheme's opponents to explain their case in Brussels Times.

Mr Heseltine challenges your view that a single currency would lead to the end of democracy, and warns that an election fought on the sovereignty issue would split the Tory Party Independent.

PRESS DIGEST

Peter Jenkins, in the Independent, says it is a fallacy to suppose that a single currency implies political union and loss of national identity. It would be a convenience, removing transaction costs and generating economic growth within the open internal market. You might expect that to have attraction for a government that sets so much store by monetary discipline. Yet the fear of backdoor federalism, and your obsession with sovereignty, override these considerations.

Independent editorial says a Tory manifesto hostile to closer integration with the EC would be a death wish. By saying No! to Brussels, the Conservatives would lose many votes from potential young supporters. You know well enough that no election can be fought, referendum-like, on a single issue such as sovereignty. Your Cabinet colleagues would seek to divert you from any such intention. If you ignore their advice your remarkable career is likely to come to an ignoble end.

Times - In an effort to soothe you and restore Britain's relations with Europe in the wake of the Rome Summit, Sir Leon Brittan, your ideological ally, has urged you to accept the logic of a single European currency.

Karl Otto Poehl sharply criticises the communique on Stage 2 of monetary union from the Rome Summit saying it is "nearly incomprehensible" Times.

Nordic countries fail to agree on whether they should apply to join EC FT.

INDUSTRY

FT writer, in book just published, attacks Govt's privatisation programme for shortchanging taxpayers.

Dairy Trades Fedn say price of milk could be cut 2p a pint if dairies were allowed to buy milk direct from farmers instead of through MMB.

Times says Britain's engineering workers are well on their way to winning a 35 hour week. But the loss of a morning tea-break could deny their union complete success.

Legislation aimed at breaking up the TV listings duopoly could be undermined by plans to force national and regional newspapers to pay for the one-day and weekend TV schedules they now receive free Times.

PRESS DIGEST

Shadow health & safety minister calls on Director General of HSE to resign after Ombudsman's report strongly criticises the organisation's work Times.

UK-Iran trade links set to grow with opening of Embassy in Tehran FT.

British Gas planning to move into power generation in order to take advantage of increased competition in electricity industry FT.

Britvic to stop distributing Perrier. In future it will distribute Irish water FT.

POLITICS

Long Guardian leader on preparing for a Labour Govt: how will it run the Civil Service and ensure its policies are implemented? It says the Civil Service has not been politicised.

Times says the battle to win the moral high ground for the Conservative Party seemed to take a turn for the worse yesterday when Peter Lilley addressed senior clergy in a debate at Southwark Cathedral. After his defence of Conservative policies he sat down to a resounding silence. By contrast John Smith was given rapturous applause.

Robin Oakley in the Times says the Liberal Democrats can live with the joke about dead and now twitching parrots. When your opponents feel the need to insult you, you are back in the game, and Paddy Ashdown's band of 20 are ending the parliamentary session with grins on their faces.

Weak Tory candidate fighting disastrous campaign in Bradford North. Latest campaign literature features her grinning among tombstones Independent.

COMMUNITY CHARGE

Star says community charge revolt could lead to 3-4million people being hauled before courts; 10% yet to pay.

Sun - £23 limit on poll tax rise.

PRESS DIGEST

Express says the thinking behind Chris Patten's assagements for community charge and council spending next year is logically sound. Yet one cannot entirely suppress the fear that the Govt and not councils will bear the brunt of public anger. Govt must ceaselessly ram home the point that the ball is now in the councils' court.

Mail - A stringent package to prevent high spending town halls creating another crisis in election year. Leader says the figuring is distinctly funny and the real damage limitation exercise is in the hands not of the Govt but Tory councils up and down the land. They must show they can manage people's money more efficiently than Socialist town halls.

Telegraph regrets that the public is not thought to be ready for the pure accountability of the community charge. The Govt is probably right that theory must give way to practice. But it should be recognised that this intervention makes it more difficult to let the charge come of age and establish local accountability.

Times stringent capping powers designed to keep next year's community charge increases below the rate of inflation, unveiled by Govt, immediately provoked predictions of big cuts in council services Times.

FT says that Chris Patten, in imposing severe new curbs on local authorities, marks the abandonment of one of the central principles behind the replacement of the rates - the need to increase local accountability. Move reflects the severe political damage the govt fears the charge could inflict in run up to the next Election.

DOGS

Star says the Lords in voting out registration have missed a chance to do a real public service.

IMMIGRATION

Commenting on crackdown on those seeking asylum, Star says Govt should tell the world Britain is now closed to immigration.

HEALTH

Hospitals cannot afford to prescribe new kidney drug which could help hundreds of dialysis patients Independent.

PRESS DIGESTLAW & ORDER

Mirror claims that a pub gaming machine racket in England which has raised £3million so far for IRA was smashed yesterday by Customs and police.

Express claims British arm of terrorist organisation, Tamil Tigers, is operating from a Camden council flat with the knowledge of the council.

Mail, commenting on proven case of racial discrimination against a Notts Asian policeman, says if they are to break down the barrier of mistrust between themselves and coloured communities, the police need such men. The question is whether they deserve them.

The biggest reform in divorce laws for more than 20 years, introducing a concept of "divorce over time" and abolishing the role of fault or misbehaviour, will be published today Times.

Deaths on roads rose 6.4% in 1989, at 5,373 the highest for 3 years FT.

FOREIGN

31 killed in religious violence in India after Hindus raid Muslim Mosque.

Romanian prices double overnight as first step in market reform programme Independent.

China's leading dissident leaves prison after 13 months' sentence for his part in 1989 student revolt Independent.

Poland agrees border treaty with Germany Times.

PEOPLE

Lord Caccia dies, 84.