



10 DOWNING STREET

From the Press Secretary

Press Digest for Saturday May 1, 1982

FALKLANDS

Treatment: General welcome for USA's "coming off the fence" - at last.

- D/Star says "We're with you - Haig says it at last; Sun - "Yanks a Million - at Last Reagan's backing Britain"; Mail - "America steps in - and how!"
- No direct military involvement featured in most papers, though Mirror headline says US pledges military aid
- D/Star says US help was more than you could have hoped for; delight in London contrasted with anger, stupefaction etc in Buenos Aires; Times says measures largely symbolic and fall far short of EC's.
- Mr Pym to fly to Washington and going on to UN to see Secy General; broadcasts to Falkland Islanders and says war probable.
- Argentina wants UN help; Costa Mendez says they will abide by 502 in its entirety but sovereignty not negotiable - so Argentines don't change their tune
- FT makes point that for the first time Reagan has branded the Argentine as aggressors
- Daughter of Governor Hunt to marry Royal Marine officer with Task Force

In the Argentine:

- Junta still meeting late last night; Foreign Minister sees Russian Ambassador after Haig's announcement
- Country holds its breath for war; whole country seems resigned to having to do battle with British; all foreign credits suspended
- May soon be facing second front - intelligence warns junta that Chile is poised to strike in support of Britain
- Cuba offers military support notwithstanding disappearance of thousands of Left wingers in Argentine
- Telegraph says junta seems to have ameliorated worst excesses of regime but police torture and unexplained disappearances continue
- 17,000 Britons fear internment camps are being set up; growing strength of anti-American feeling

In Falklands:

- Teachers refusing to re-open schools, giving private tuition
- All Telegram and telex services broken at midday yesterday; telephone has been cut off since April 2

Military:

- Jack Anderson, journalist, reports that British force commander authorised to use tactical nuclear weapons (which we deny)
- Guardian says US Galaxy aircraft have airlifted RAF Harriers back to join Atlantic Conveyor
- Cost of task force so far £100m, including that of bringing it back
- 50th birthday today of Admiral Woodward

In Chile :- Express says while Chile is neutral people of Punta Arenas, world's most southerly city, are wholly biased in Britain's favour

In UK : - Buckingham Palace say its nonsense in response to report that Prince Andrew threatened to resign his commission when told he could not go with Task Force

- 17m watched the Sunday evening announcement outside No 10 of the recapture of South Georgia

- £ rose sharply and gold price slumped on news of Argentine climbdown - a glimpse of how the markets are likely to respond to a successful conclusion of the Task Force's mission

- Mr Heath welcomes US decision and calls on Japanese to reconsider its position and join Western solidarity

- Warm personal tribute in feature article on you in D/Mail

Comment : D/Star : Now Argentine knows where it stands; cut off diplomatically and financial from its biggest benefactor; welcome news for Britain; but RN may be only weapon to force Argentines to withdraw

Sun : No better tonic for you than Americans now on your side; Galtieri must be feeling desperately isolated

Express : If a shooting war breaks out the primary responsibility will be on the Argentine; we bear a secondary responsibility because we did not make clear what consequences of invasion would be; and America could have stopped the invasion had it tried with sufficient vigour; but better late than never USA has moved in and it cannot afford UK to lose.

Mail : Argentine next move will be to play for time in UN; we must not lose the impetus we have achieved; in you we have the staunchest leader anyone could wish for; not made a false move; as the decisive moment approaches everything has been done to deserve success

Telegraph : Haig's announcement may have hit Buenos Aires like an earthquake; Mr Pym's decision to fly the Atlantic obviously right.

Guardian : Two leaders - first, says USA's coming off the fence had crashing reverberations, but we must recognise that Argentine's claim to sovereignty will somehow have to be acknowledged; USA's move suggests we shall travel to longer road of a blockade rather than an invasion.

Times : Entirely welcome that USA has thrown its weight on Britain's side; good for Anglo-American relations; will strengthen British resolve steadily to increase pressure; junta must now realise USA can't afford us to lose in Falklands

FT : leader says if crisis is successfully concluded and succeeded by better economic news political momentum could well be maintained; and your chances of two terms look interesting but a strong revival of our economy against a background of world recession would be a miracle; Malcolm Rutherford says it would be a very strange result if force were used only to return to discussion of peace plan which had previously been rejected by both sides.

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Unions/Pay: Sun, commenting on threatened rail strike, asks what purpose will be served by Weighell's shrill trouble-mongering over workshop closures - attitude of workers is greatest threat to future; not much time left to save railway system

Mail, referring to rail and NHS trouble, says agitation is is not likely to conjure up more money or win public support - on the contrary.

Private sector dustmen in Wandsworth equipped with whistles in case pickets attack them

Government has decided to allow a breathing space of two years before industry can hold closed shop ballots

London boroughs face a strike by manual workers on May 10

INDUSTRY: Imports of Japanese video recorders reach record total of 260,000 last month in anticipation of World Cup

Mr Tebbit calls on employers to listen to workforce rather than unrepresentative shop stewards

Vauxhall and BL follow Ford into cutting prices to boost sales

Price of foreign package holidays has fallen 7% since last year

Sunday Telegraph and News of the World colour supplements strike hit

BNOC chairman joins critics of NS taxes

CBI warns employers of danger of higher wage claims at slightest sign of business recovery

Economy: OECD predicts only 0.3% growth compared with earlier forecasts for 1982 of 1.25%; UK growth expected to be 1.5%

More gloomy economic indicators in the USA where leading indicators fell in March for 11th month running

Guardian says Ministers are insisting that youngsters who refuse to join the training scheme should lose supplementary benefit; concern in MSC, CBI and TUC

LOCAL AUTHORITY: Islington Council give 57 year-old widow, fostering 5 children, £21,369 (£400 a week) to keep them

EC Virtual agreement on record farm price settlement of nearly 11% - indeed, qualities say there is agreement in all bar name; MAFF says it will add 1.2p in the £ to prices

Health: Kenneth Clark says that while every effort must be made to involve parents girls under 16 should be prescribed the pill without parental approval if necessary

Education: Government considering plan to cut rates by 25% by introducing direct financing of most of cost of State education

Housing: Leon Brittan says Government is not going to end mortgage tax relief and it may raise the relief ceiling

Defence: 2 RAF bomb experts ^{killed} and two others seriously injured clearing a range in Scotland

Law and Order: Unemployed chemist ~~remanded~~ in custody in Wales on explosives charge

PTO

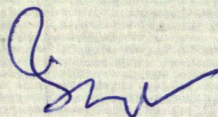
INTERNATIONAL NETWORK OF

Northern Ireland: Soldier killed and colleague injured in Fermanagh bomb blast

INTERNATIONAL: South Africa: Botha and Kaunda have first summit for 7 years on Namibia

Poland: Solidarity leaders call for May Day protest march in Warsaw

Gulf: Iran launches massive counter-attack on Iraq.



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1.5.82