

10 DOWNING STREET

PRIME MINISTER

PRESS DIGEST FOR SATURDAY May 15, 1982

FALKLANDS

Main newspoints: Final hours of the crisis - invasion near if peace talks fail

- You repeat that there is no question of a sell out
- Task Force commander says he has enough men and materials to take Islands without unacceptable casualties
- New British bombing of Port Stanley by Harriers
- Parsons and Henderson recalled from the USA for consultations with you and other Ministers
- EC likely to renew sanctions
- Robert Kee said to face sack for disloyalty in writing to Times criticising Panorama programme

Military: Argentine scouring world for Exocet missiles without success so far; Arms dealers in Britain find export licences to South America suspended

- Russians say exclusion zones unlawful
- Warship shot through by bomb back on station after repairs.

Diplomatic: Mail says FCO is prepared to go a lot further to get a settlement than NO 10

- Cheysson alleged to have described Britain's handling of crisis as incompetent; speaks of London's contempt for Latins and the presumption of a former great power - all in a leaked document

In Argentine: One of the returning South Georgia prisoners detained as a traitor; barely 1000 people turn up for homecoming in spite of Galtieri's plea

- Davidoff admits war is all his fault
- Mirror feature on the 3 women who have come out of the past to haunt Astiz; Express feature says Astiz is guilty of some of the vilest crimes since Auschwitz - hundreds and perhaps thousands believed to have perished at hands of his squads; France starts legal proceedings against him
- Narwal survivors say they have received nothing but kindness from Invincible crew

In USA: D/Star writer says Reagan was a great deal braver as a movie cowboy than as a President - hedging over sanctions, loan of aerial tankers; Time writer in same paper says crisis has become a seminar on geopolitics and war for Reagan

Economy: British companies who suffer loss of firm orders with Argentine may be able to claim compensation through ECGD

EC: Mirror says EC is demanding a high price for sanctions support - we are expected to remove farm price settlement veto and to settle for a further one year's rebate on Budget

Times says Government would be right to go for a one year arrangement, but insisting on more money, and accept a one year agreement; work for a better arrangement next year

Telegraph says Ministers may have to be called in to resolve an impasse on renewal of sanctions since Irish are opposed and Italy and Denmark have considerable reservations.

Pope: Cardinal Hume says Pope should come to UK and hopes he will

Media: Prince Charles joins BBC row and apparently comes out on their side - at least that's how press sees it - an extraordinary step for a member of the Royal Family.

Kee not to appear in next Monday's Panorama - disciplined for disloyalty

Sir Ian Trethowan agrees to meet all-Party media group on Tuesday

Lord Trenchard attacks BBC Today programme for making no effort to check with MoD why Sea Wolf was not installed in Type 42 destroyers

ACTT abandon industrial action over processing war film after talks with COI

Cindy Buxton's pictures of South Georgia Union Jack and sinking Argentine submarine

Ian McDonald says he will speed things up when he returns on Monday

Thames TV withdraw film crew from Buenos Aires for their own safety

Interesting article from Guardian's man with Task Force on good media relations with captain and crew but problems of different instructions on board and in London.

COMMENT: D/Star - there is a new mood in the country of quiet determination and unity; no one should underestimate it; significant BBC news reports over last 2 days have contained more of British activities; refreshing to hear Robert Kee say Panorama programme could not be justified

Express: front page comment on Astiz says he must stand trial and must not be allowed to disappear again into ranks of Galtieri's killer squads; leader says it is not surprising there is talk of a sell out since we are still negotiating; there are wobblers in the Cabinet who would welcome a sell out, especially if it could be dressed up, but the country would recognise a sell out for what it was; anything less than restoration of British rule would be Argentinian triumph

Mail: under heading BBC bias revealed, it says Mr Kee's comments have reinforced the widely held impression that many BBC programmes are run by liberal trendies who assume as a matter of course that any ordinary, honest patriot is a jingoistic fool; its reputation rests on its highly objective Overseas Service

Telegraph: built in anti-British bias at UN will be reinforced by USA even-handedness; Pym prepared to meet all the junta's basic demands; Galtieri's face would be saved but would Government's and Britain's? It is now a matter of honour and the outcome will be reflected in world's treatment of Britain.

OTHER NEWS

Unions/Pay: Guardian claims that among your achievements must now be counted the radicalisation of the Civil Service of which the latest manifestation is the move left of the GPSA

Sogat want automatic expulsion from TUC of any union which takes advantage of the Employment Bill

Call for a 3-day strike in London Health Service by NUPE

Times believes power workers have voted against accepting 7%

Economy: Housing market on the move again - first significant price increases for 12 months



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From the Press Secretary

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Chancellor tells Perth conference we shall not change our economic policies
US economy continued decline last month but depression may help to keep inflation down
Treasury rejects TUC allegations that it has been rigging its computerised forecasting mechanism
FT says that while the Cats away....serious signs that the single-minded expansion of the banking system is in danger of undermining monetary control

Industry: New attempt to rescue Woodrow Wyatt's printing firm
Laker refunds start for 160,000 customers
North Sea oil to be denationalised this year; Chancellor says high taxes are not hindering the development of the North Sea - it is the uncertainty about price
Winding up orders laid before House for around half ITBs

Local Authorities: Labour to fly red flag over Islington Town Hall to celebrate victory over SDP and to instal Lenin's bust in Town Hall foyer
Only slight increase in number of coloured councillors after local elections, though more coloured candidates stood

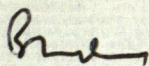
Education: Rhodes Boyson accuses unions and Labour Party of playing politics with school governorships

Defence: SPCS backs multilateral disarmament
USA to resume production of chemical weapons after 13 years
High Court orders women anti-nuclear campaigners to leave Greenham Common

Law and Order: Home Office considering giving priority to recruitment of coloured policemen
RSPCA business affairs being investigated

International: Israel - troops massing on Northern border to strike at PLO
Poland: 569 ARRESTED AFTER DEMO IN CRACOW

Politics: Shirley Williams to leave a straight fight between Jenkins and Owen for SDP leadership; result expected July 2.


B Ingham
15.5.82