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confidential filing

Prime Minister's meeting with Rupert Murdoch

PRIME MINISTER

August 1993

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19.8.93							

Series closed

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PERSONAL

Alex: to see — esp. attachment.
Rupert
7/X

PRIME MINISTER

cc Mr O'Donnell (on return)
(less attachments)

NOT GR

RUPERT MURDOCH

You decided that we should discourage Cabinet Ministers from attending Rupert Murdoch's 1 September jamboree. When I had a quiet word with the Home Secretary's office, they told me that he had already accepted the invitation. I suggested that he might catch a diplomatic chill. He evidently decided otherwise, and has written you the attached personal letter suggesting that "some harmless, costless gesture" might help to soften the line of the Murdoch press. Michael Howard would also like to have a word about this at some time.

Far be it from me to judge. His attendance at the dinner was noted (see the attached front page article from The Times), but not hugely exploited. However, Murdoch's campaign to drive the other tabloids down, and The Independent out of business, by cutting the cover price of The Sun and The Times to sub-economic levels (funded by the huge profits of his empire by satellite television etc) has become very controversial. The Labour Party is taking the opportunity to attack (Ann Clwyd's article from today's Daily Mirror attached).

Roderic

RODERIC LYNE
3 September 1993
foreign\murdoch.kw

p.s. Murdoch has had the nerve to invite you again — for 23 Sept. Separate note by Jonathan Haslam below!

PERSONAL

FOR THE PRIME MINISTER'S EYES ONLY

HOME SECRETARY

QUEEN ANNE'S GATE
LONDON SWIH 9AT

31st August 1993

Dear John,

I had a message from your Private Office about the Murdoch dinner tomorrow evening and wanted to explain why I have not thought it practicable to say NO.

On Thursday morning I am due to give a press conference on prison privatisation. So any "chill" would be very conspicuously "diplomatic." There would be an obvious risk of comment, speculation etc.

More fundamentally, though, this does raise the question of what tactics we should adopt towards the Murdoch press. I hope I need hardly

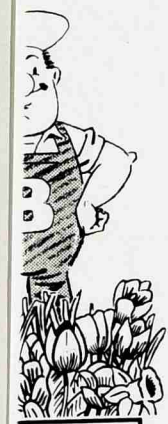
say that I fully share your dismay at their behaviour since the election. But we shall need them at the next election. And given the unpredictable (& stern) nature of some of the things we are likely to be doing quite soon — Calcutt (VAT?) — the case for some humbler, earthier gesture such as attending the dinner seems to me quite strong.

I have no idea whether politicians from other parties have been invited but I don't think it would do us any much good if e.g. Blair was there and no Ministers.

I hope you understand and would endorse the opportunity of a word on all this when you get back from your holiday — which I hope — & I hope you are very much enjoying.

Yours ever

Michael



nday 9am-6pm

Murdoch unveils his global vision

Continued from page 1

the media and makes a nonsense of our anti-monopoly laws. No one person and no single company should have this degree of influence," she said.

Will Wyatt, managing director of BBC Television, said that the development could lead to even more American imports on British television: "The package changes the TV landscape. It also throws into relief the value of the licence fee in guaranteeing British-made programmes, made for British audiences."

Mr Murdoch said the new developments he was pioneering would create more consumer choice and new jobs. "You can see a mighty industry is emerging ... As old industries and large companies contract, new jobs are coming from industries such as ours." The revolution in telecommunications technology meant more consumer choice, he added.

"This technology has also, I must add — with maybe a tiny hint of regret — liberated people from the once powerful media barons ... news and entertainment sources are proliferating at such a rate, that the media mogul has been replaced by a bevy of harassed and sometimes confused media executives, trying to guess at what the public wants. The consumer is in the saddle, driving the telecommunications industry."

He said that when Sky was launched, there were predictions that a golden age of broadcasting was ending, "Instead, we have had an expansion of consumer choice ... that for many marks the start of a real golden age."

The speech coincided with the launch yesterday of nine new satellite television stations as part of a pay-per-view multi-channel package offered by BSkyB.

Under the new package viewers will have to pay for some of Sky's television channels that were previously free. Sky News, MTV Europe and Ted Turner's pan-European channels, CNN, The Cartoon Network and TNT Entertainment, will remain free to view.

Mr Murdoch also announced the introduction of a second Sky sports channel in the new year, in time for the English cricket tour of the West Indies.

Sky comes of age, page 5
Murdoch's highway, page 14
Global strategy, page 23

Murdoch unveils global vision

BY ALEXANDRA FREAN, MEDIA CORRESPONDENT

RUPERT Murdoch, chairman and chief executive of The News Corporation, last night unveiled his blueprint for a global television and communications empire in a keynote address at Banqueting House, Whitehall.

His vision of a world in which national and class barriers are broken down by technological advances includes an ambitious plan to create a new range of worldwide educational television channels, including an open university and an arts service.

Addressing an audience drawn from British industry and politics which included Michael Howard, the home secretary, Rocco Forte, head of the Forte hotels group, Sir Mark Weinberg, the financier, and Maurice Saatchi, the advertising guru, Mr Murdoch also announced a groundbreaking partnership with British Telecom to develop new ways of sending information, pictures and sound along telephone cables. Mr Murdoch, whose company controls News International, the owner of *The Times*, was at pains to emphasise that his blueprint for the future of the telecommunications industry in Britain would lead to economic expansion and "jobs, jobs, jobs".

However, the tie-up with BT attracted criticism from those in politics and industry who fear that Mr Murdoch will use the partnership to develop a cable television system.

Mr Murdoch said last night the partnership would enable the two companies to examine ways of using BT's cable network to deliver word-based news and financial information services into every household with a telephone. They would not be developing a cable television service as BT's licence currently prevented it from operating an entertainment service.

Even without a television service the potential benefits for the two companies are huge. BSkyB will benefit from BT's considerable marketing muscle, while BT will get arguably its biggest avenue for diversification to date to help it make up for some of the ground it is losing to cable, telephone and television companies. Crucially, both companies will gain access to each other's client base.

Mr Murdoch also announced a number of further projects, including a partnership between News Datacom, News Corporation's encryption company, NTL, the British telecommunications organisation and Comstream, an American high technology company, to develop what he hopes will become a common standard for digital television when it is introduced on a wide scale in Europe — probably by the end of the century.

"We won't sell the hardware ourselves, but we should be able to recoup our investment from the royalties if everybody adopts it as a common system and buys it from us," he said.

Ann Clwyd, shadow heritage secretary, last night called for a Monopoly Commission investigation. She said: "The unregulated growth of Mr Murdoch's empire is an affront to a democratic society. Behind this beguiling and seemingly visionary libertarian rhetoric lies a dangerous and monopolistic expansionism.

"Rupert Murdoch's ownership of five national newspapers as well as a 50 per cent stake in the satellite broadcaster BSkyB strikes at the very heart of the Broadcasting Act's control of cross-ownership of

Continued on page 2, col 4

Sky comes of age, page 5
Murdoch's highway, page 14
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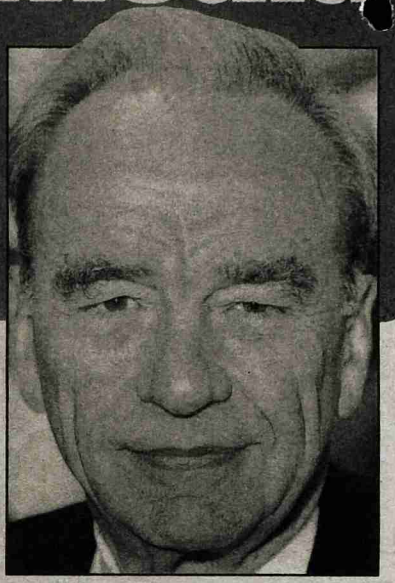
cuts price

THE TIMES has announced t
it is to cut its cover price ind
nitely from 45p to 30p on we
days, and from 50p to 40p on S
urdays, after an experimental
duction in Kent.

The editor, Peter Stothard, s
in a statement last night that
move had been a success in K
and that the cut nationally, to ta

From yesterday's Independent

The multi-media monopoly machine



TOMORROW THE WORLD: No stopping Murdoch

MEDIA mogul Rupert Murdoch has launched a huge expansion of his already giant empire.

The most powerful individual in the British media, his plans threaten to put him in an even stronger position over this country's newspapers and television.

With the launch of the new BSkyB package this week, he controls one in three of Britain's TV stations. But his most savage attack is aimed at strengthening the position of his five newspapers.

Following the drop in the price of *The Sun*, he is now slashing the cost of *The Times* from 45p to 30p.

This will threaten the survival of the struggling Independent.

Murdoch's plans also include:

- Talks with BT and Cellnet to link up with satellite technology to provide pay-per-view television.
- Linking with Teledirekt of Germany to set up pay TV, targeted at 100 million German-speaking viewers in Europe.
- A venture between his Fox Broadcasting and Televisa of Medico, the world's largest Spanish-language broadcaster, to produce 500 hours of programmes.
- To expand Sky News, already seen in 33 European countries, to South Africa – and to all other continents.
- The launch of a second Sky Sports channel.
- A sweeping plan to develop a common digital satellite system throughout Europe, Asia and the Americas.

Mr Murdoch says: "As old industries and large companies contract, new jobs are coming from industries such as ours.

"The technology has liberated people from the once-powerful media barons.

"News and entertainment sources are proliferating at such a rate that the media mogul has been replaced by confused media executives, trying to guess what the public wants."

But Mr Murdoch's aggressive expansion plans have been bitterly attacked.

Here Labour's Shadow Heritage Secretary, Ann Clwyd, explains the dangers she foresees.

CHOICE: Ann Clwyd

TWO days ago, with all the glitz worthy of a mighty media machine, Rupert Murdoch launched his new satellite TV multi-channels.

Later he told an audience of the rich and powerful of his plans to expand his global empire. Soon his News Corporation will be able to reach people in every continent on earth.

How has Mr Murdoch managed to achieve such a dominance of the world's media?

He has used his power to evade any controls that governments might place on him.

'He's used his power to evade controls that governments might place on him'

By ANN CLWYD, MP

He wooed Mrs Thatcher to prevent his takeover of British Satellite Broadcasting being referred to the Monopolies and Mergers Commission.

He took US citizenship to get access to the American media circus.

And he courted politicians in his native Australia to allow him control of 70 per cent of the country's Press.

Today in Britain, Murdoch owns five national papers and a 50 per cent stake in BSkyB.

He claims to offer the public greater choice. But where is the choice when all his papers support the Tory Party?

And where is the choice in a satellite TV service that doesn't have to meet any obligations to provide quality TV?

Where is the justice when ITV companies have to pay money to the Government for the right to broadcast while Sky pays none and uses its money to buy exclusive rights to televise Premier League football and then charges the public to watch it?

When one company owns so much of our media, it gives that company so much power over what we read and watch that it undermines free expression of the different points of view in society.

Yesterday I repeated Labour's call for Mr Murdoch's media interests to be examined by the Monopolies Commission.

I make that call again today after learning that *The Times* is to cut its price to 30p to boost its sales and weaken its rivals.

Why is that a problem? Because *The Times* is owned by Murdoch and he can afford to run a loss on the paper by supporting it with his profits from BSkyB and bank loans.

Free competition and greater choice? I'm afraid not.

J. Heywood
D. Stagg
J. Macnaughton

3 August 1993

PRIME MINISTER

Alex / Gus o.r.

For Sec + Cllr. still away. Home Sec., alas, has accepted. I have hinted that he might contract a diplomatic illness. We'll see.

RMyL. 23/iii

sent to PM again with amended ltr.

Gus / See amended letter. 4/5.8.

RUPERT MURDOCH

I attach alternative draft replies, together with the invitation and the earlier papers relating to Rupert Murdoch's invitation to the "special celebration" on 1 September.

I have discovered that the celebration is to do with launching new Sky TV channels.

One draft reply contains an extra sentence suggesting a meeting at some future occasion to discuss the editorial lines taken by his newspapers. You can be fairly sure that Mr Murdoch spends very little time reading his own papers and would be quite dismayed by some of their contents.

Do you want me to discourage other Cabinet members from attending the launch? /X

Yes

Gus

Rod o/r
Grateful if you could ring Stephen Smith + Owen Barder or whoever in Chancellor's Office. Then please would whichever of you, William or Mark know Joan MacNaughton best please ring her. No need to do other Cabinet Ministers

Alex 20/8

A T O'DONNELL

Alex
Re 'X' r
I think Gus mentioned this to you, and you were going to pass the word around.

Nina. 11/8.

Mr. Rupert Murdoch,
Chairman & Chief Executive of The News Corporation
requests the pleasure of the company of

Prime Minister & Mrs Major

at a special celebration
on Wednesday, September 1, 1993.
The Banqueting House, Whitehall Palace, London.

R S V P:
By reply card

Dinner 8.00 for 8.30 pm.
Black Tie
Carriages at midnight

Please bring this invitation with you.

DEPARTMENT OF NATIONAL HERITAGE

2-4 Cockspur Street
London SW1Y 5DH
Telephone: 071-211 6239
Facsimile: 071-211 6249

From the Private Secretary

C93/4597

Alex Allan Esq – By Fax
Principal Private Secretary
10 Downing Street
London
SW1A 2AA

19 August 1993

Dear Alex,

RUPERT MURDOCH

I attach some briefing on the performance and ambitions of BSkyB for today's meeting. I also attach a brief note on News International's Press Interests. I am copying this letter to Peter Smith at DTI.

Yours ever,

ALAN DAVEY
Private Secretary

BROADCASTING: BSKYB

Present financial position

1. In February 1993, BSkyB announced losses of £188m before tax for the year ending June 1992. Turnover was £233m. 70% of the revenue came from subscriptions and 20% from advertising. At that time, its operating profit was £1.7m a week; in May 1992, it was breaking even. Weekly revenues were £7m in the nine months to 31 March 1993.

Market share

2. BSkyB's weekly share of viewing in homes with cable and satellite services is about 20%. This represents only about 3% of all television viewing in the UK.

3. Although 85% of homes cannot yet receive satellite television, the ITV companies are becoming restive about the growth of BSkyB and want satellite services to be regulated more closely. BSkyB does not have the same requirements on the range and quality of programmes as the ITV companies. However, it is bound by the EC Directive on Broadcasting, which requires most programmes to be of European origin, where practicable. BSkyB imports much of its programming, except for Sky News. It plans to commission more original programmes, but this is not one of its priorities.

Plans for expansion

4. BSkyB was formed in November 1990 by the merger of News International's Sky TV and British Satellite Broadcasting. Since then, it has increased its channels and moved towards 'encryption' so channels can be received only by people who pay a subscription.

5. In September, BSkyB will launch a UK subscription package of 16 channels; six will be BSkyB channels and only Sky News will not be encrypted. BSkyB is organising the

package, marketing it and managing the subscribers, who will pay between £3.99 and £19.99 a month, depending on the number and type of channels they want to receive. BSkyB will then pay a small sum to the other channels for each subscriber. The package includes QVC, a home shopping channel in which BSkyB has acquired a 50% share and represents BSkyB's first venture into interactive television.

6. For the future, BSkyB is looking to the development of digital technologies. This could allow up to 150 channels for pay-per-view television. For example, BSkyB could allocate a film to several channels, starting at regular intervals. Viewers would pay to watch each film or programme, and not for a channel.

7. News Corporation is developing a global network of media interests, which can support each other. They include film studios and broadcasting stations in the USA, as well as broadcasting interests in the UK, Australia and Spain. News Corporation's latest acquisition is a 63% holding in Star Television, a satellite service based in Hong Kong, which broadcasts widely to South East Asia. A summary of News Corporation's international interests is annexed.

(a:\jmg334)

ANNEX A

NEWS CORPORATION'S INTERESTS (wholly owned, or shares)

	U.K.	EUROPE	USA	AUSTRALIA	HONG KONG/ NEW GUINEA
NEWSPAPERS	The Times The Sunday Times The Sun News of the World Today	Hungary: Mai Nap Reform Tallazo	New York Post Boston Herald	The Australian (national paper) & 108 other titles	Fiji: The Fiji Times Papua New Guinea The Post Courier Hong Kong South China Morning Post (50%) Sunday Morning Post (50%) Wah Kiu Yat Po (50%)
MAGAZINES	Times Supplement Shoppers Friend		Mirabella TV Guide FSI Division	7 titles including: New Idea TV Week Australian Post	
BOOKS	Harper Collins (Fontana, Grafton, Thorsons & Tolkien)		Harper Collins (Harper Collins, Perennial & Zondervan)	Harper Collins	
TELEVISION	BSkyB (6 channels) 50% Nickelodeon, QVC	Spain Antenna 3	Fox Broadcasting Co (+ Fox affiliated stations) 20th Century Fox	Seven Network (15%)	Star Television (63%)

NEWS INTERNATIONAL : PRESS INTERESTS

1. There have been no enquiries into concentration of newspaper ownership by News International, and only three into other newspaper mergers. Under the Fair Trading Act 1973, newspapers with a combined circulation of more than half a million cannot be merged without the consent of the Secretary of State for Trade and Industry and, unless the case is one of financial urgency, the Secretary of State may not give consent without a report from the Monopolies and Mergers Commission (MMC) who are required to take into account whether the merger will operate against the public interest, with special reference to the need for accurate news reporting and free expression of opinion.

2. In fact, in the takeovers by News International both of the Times and the Sunday Times in 1981, and Today in 1987, Mr Murdoch indicated that he would withdraw his offer if the matter was referred to the MMC, and the reference was waived on the grounds of financial urgency as the papers subject to takeover were ailing. The power to waive the reference has been subject to some criticism by those who consider that News International is too powerful, but by the end of 1991 the combined circulations of its national daily and of its national Sunday papers were only a third of the total. On the other hand, the Newspaper Society (which represents regional and local newspapers) considers that the circumstances in which the Secretary of State is compelled to make a reference should be reduced, and recently wrote to No 10 to make this point. We do not know if the view is shared by the national newspapers.

Cc DIG
Press

The Rt. Hon. Michael Heseltine MP
President of the Board of Trade

Secretary of State
Department of Trade and Industry

Ashdown House
123 Victoria Street
London SW1E 6RB

Direct line
071-215 4440

DTI Enquiries
071-215 5000

Alex Allan Esq
Principal Private Secretary to
the Prime Minister
10 Downing Street
LONDON
SW1A 2AA

19 August 1993

Dear Alex

RUPERT MURDOCH

As requested, I attach a short briefing note on the Murdoch Companies for briefing for the Prime Minister's meeting later this week. Please do not hesitate to contact me if you need anything further.

I am copying this letter to Alan Davey (DNH).

Yours
Elizabeth

ELIZABETH JONES
Private Secretary

PE8044

888-888

Recycled Paper

BRIEFING FOR PRIME MINISTER'S MEETING WITH MR RUPERT MURDOCH

Background

Mr Murdoch is the Chairman and Chief Executive of News Corporation, the Australian based media group.

Its principal activities include printing and publishing of newspapers, magazines and books; commercial printing; television broadcasting; film production and distribution; and motion picture studio operations.

Principal activities of associated companies include airline passenger and freight services; hotels and resorts; newsprint manufacture; newspaper publishing; and satellite television broadcasting.

Estimated turnover is £7 billion.

Performance

News Corporation has grown dramatically in the last 6 years. In his last Chief Executive Statement Mr Murdoch said that total assets had increased from A$8.5 billion to a$26.2 billion through acquisitions and through starting new businesses. This growth was financed principally with short-term bank debt and retained profits.

News Corporation has also been engaged in a continuing programme of investment in its primary businesses amounting to more than A$4 billion. They built two new printing facilities in the UK and are building four in Australia; launched Sky TV, expanded Fox TV and increased production at Twentieth Century Fox Film.

News Corporation currently derives over 60% of its revenues and over 55% of its income from the US and expects results there and in the UK to increase proportionally. They expect growth from all geographic areas in the future. By industry, operating profit is broadly spread, but newspapers continue to contribute the largest proportion of earnings. Magazines' contribution has been reduced with the sale of the US and Australian operations. Television and filmed entertainment are expected to grow disproportionately.

Strategic planning

News Corporation intends to continue to invest in multimedia and examine opportunities for owning and operating media and entertainment ventures around the world. Most recently it regained a presence in the Australian television industry when it acquired a 15% stake in Seven Network.

TR2c
18.8.93

SUBSIDIARIES

AUSTRALIA

Access Securities Pty Ltd; News US Holdings Pty Ltd; News Ltd (Nationwide News Pty Ltd); Newscorp Securities Ltd; News Publishers Holdings Pty Ltd; The News Investments (Australia) Pty Ltd.

UK

Newscorp Investments Ltd (News International plc; News Group Newspapers Ltd; 'News of the World' Ltd; Sky Television plc; The Sunday Times Ltd; The Sun Ltd); Harper and Collins (UK) Ltd.

USA

Harper and Collins US Inc; News Publishing Australia Ltd (includes in its subsidiaries Fox Television Stations Inc; Twentieth Century Fox Inc USA).

NETHERLANDS

News Securities BV.

HONG KONG

Star Television (63.6% acquired 27 July 1993)

ASSOCIATED COMPANIES

Principal associated companies are: Ansett Transport Industries Ltd (50%); ANM Investments Pty Ltd (50%); Australian Newsprint Mills Holdings Ltd (50%); British Sky Broadcasting Ltd (50%); Independent Newspapers Ltd (50%); Pacific Magazines and Printing Ltd (45%); Morael Pty Ltd (50%); Queensland Press Ltd (46%).

MG
TR2c
18.8.93

NEWS CORPORATION: SOME CURRENT CONCERNS

NEWSPAPER TRANSFERS

The Fair Trading Act 1973 provides that the transfer of a UK newspaper to an existingnewspaper owner (like Rupert Murdoch) whose newspapers after the transfer would have a daily circulation of 500,000 or more copies, may not be made without the consent of the Secretary of State for Trade and Industry. Except in certain limited circumstances, such consent may not be given without there first being a report from the MMC on whether such a transfer may be expected to operate against the public interest.

JOHN SADLER'S REPORT ON CROSS MEDIA PROMOTION

John Sadler's recommendations were directed at the newspaper industry and they have been invited to develop a code of practice. DTI officials are in discussion with the Newspaper Publishers Association, Newspaper Society and Scottish interests about such a code.

Background

Partly in response to concern about promotion of Sky Television in News International Newspapers, John Sadler was asked by the Secretary of State for Trade and Industry in 1989 to conduct an enquiry into standards of cross media promotion. He concluded that as far as cross media promotion in the newspaper industry was concerned, a code of practice should be introduced. At a meeting with the DTI Minister for Corporate Affairs (Mr Hamilton) on 4 March the industry agreed to develop a modified code. This is being prepared by the industry in consultation with DTI.

VAT ON PUBLICATIONS

Publishers are campaigning against the possible imposition in the Budget of VAT on currently zero rated products. It is customary for DTI ministers to refrain from commenting on tax policy in the run-up to the Budget. Nevertheless the DTI takes an active interest in these issues and notes the industry's concerns.

18 August 1993

Alex
As requested by the PM, I faxed this thro' to him on Wednesday evening. Tina. 18/8.

PRIME MINISTER

cc: Mr Allan

RUPERT MURDOCH

Rupert Murdoch has large business interests in the US, the UK, Australia and the Far East. Annex A lists his UK media interests. He is therefore very interested in what is happening to the world economy. He will be particularly keen to hear your views on the prospects for the UK economy. Given Murdoch's high level of debt, he is very keen to see interest rates as low as possible.

Overall, Murdoch's views are very much anti-union, pro-free markets and floating exchange rates. I was surprised to learn, given the worldwide scale of his business, that he 'phones Kelvin MacKenzie most days to keep up to date on the British scene. God alone knows what Kelvin tells him, as he is often very poorly informed. This explains why Murdoch frequently obtains very biased views of what is happening here. It is also clear that Murdoch is aware, in outline terms at least, of the line taken by his papers. However, I very much doubt whether he reads them regularly.

I would suggest that you use the opportunity to deliver the following messages:

a. UK economy recovering well. Will be the fastest growing European economy this year and next.

b. Recovery started in middle of last year, just after election. Period in ERM invaluable in squeezing inflation out of the system. German reluctance to lower rates made it impossible for us to stay in ERM. German attitudes haven't changed and no surprise that ERM has now broken down. EMU timetable unrealistic. But many Europeans will try to revive the corpse.

c. We have got inflation under control, hence lowest interest rates for 15 years. Now tackling public sector deficit. Will need tough decisions to keep to announced public expenditure levels.

d. Government's ability to take tough decisions is constrained by size of majority and behaviour of some rebels.

e. Your papers have made matters worse. They have ceased to make rational criticisms of policy. They are now simply anti everthing and anti me in particular. (see attached cuttings.) This is bad for economic confidence and hence, bad for business. Longer term political repercussions difficult to assess. Conservative MPs now see no reason to be helpful to media. [Pressure growing over privacy rules, VAT on newspapers, cross-ownership. I am not keen to move on any of these areas but MPs from all parties becoming increasingly attracted to them.]

Greg

A T O'DONNELL

Annex A

Murdoch's UK media interests

Newspaper Circulation

	Jan-Jul 93	% change on Jan-Jul 92
Sun	3,527,000	-2.0%
Today	537,770	+8.6%
Times	365,876	-6.3%
News of the World	4,619,596	-2.2%
Sunday Times	1,224,317	-1.8%

The decline in circulation of most of these papers has taken place despite big spending on promotion, eg the Sun spent £5.4 million during the past year. This is one reason why the Sun decided to lower its cover price to 20p from 25p, while its main rival, the Daily Mirror, increased its price to 27p. I am told that the Sun has gained readers as a result of the price cut, but it would be interesting to know if their total revenue has gone up.

The Times is the paper that should be worrying Murdoch the most. The July figures show a further drop in circulation. They have toyed with the idea of cutting its price (and have done so in Kent as a trial) but the real problem is that the Times keeps changing its strategy. It has had five editors in the last 10 years. Rupert Murdoch must be wondering whether he should have held out for his first choice, Paul Dacre, who has increased the Daily Mail's circulation by 5%, instead of Stothard. The only good news for the Times is that the Independent is doing even worse, down 9%.

Murdoch also owns BSkyB which is now doing rather well. They are planning a launch of a new subscription package from 1 September. (You will remember he invited you to the 'celebration'.)

16.7.93

TIMES PAST — THE TIMES — FUTURE

CHAPTER OF ACCIDENTS

The prime minister faces a fateful summer's end

A week ago it seemed that John Major might measure out his summer without too much fear. Parliamentary tempers, which had flared from terrace to tearoom under the hot June sun, were exhausted. The Tory party had already made up its mind on the key issue and did not want to unmake it so soon: the prime minister was on 12 months' probation and no amount of Maastricht social chapters, Christchurch by-elections or babies-for-sale scares would distract it from the serious business of winding down for the holidays and waiting for prosperity's return.

Today the view from Westminster is more troubled. The prime minister faces a vote next Thursday on an issue which he has made his own, and which he may lose. The threat from Labour's motion on the social chapter is twofold, to undermine one of the last pillars of Mr Major's authority and to put in doubt the ratification of the Maastricht treaty. The first is more likely than the second. But one outcome is now wholly certain: the enervating atmosphere of Wimbledon fortnight has gone with the sun. Like the sun, its reappearance cannot be guaranteed, even in August.

To many Tory MPs today, even those desperate for peace, the dominant prospect is of security collapsing with the polls. Tales of the prime minister's edgy demeanour after the Tokyo summit have vied with correspondingly brightened assessments of Kenneth Clarke. Tory constituency agents, as *The Times* has discovered this week, are depressed, enraged and, in some cases, sharing the same dole queues to which their masters have condemned so many others. Tory voters — if they are led to think about politics at all — are damning. Tory managers, who like to see politics as a pendulum by which popularity inevitably returns to those who wait, are beginning to think that a different metaphor is in order, a knitted square of unravelling wool.

The Labour leader, John Smith, scents blood that for once is not his own. Mr Smith has had a rough week from his union "allies" but at least he has at last joined personal battle against them. Against Mr Major he has been belatedly emboldened too. On Thursday he will oppose the government's "opt-out" from the chapter with a three-line whip. He will lead the debate himself. Mr Major himself must answer.

Depending on the outcomes, the Maastricht treaty could be passed through forever, pitched into limbo or brought back time and time again until a version finally acceptable to Parliament is found. Mr Major plans to put himself on the line at the beginning of the process and hurl himself against all obstacles until the end. The government remains absolutely determined to ratify the treaty. But some of the prices — such as ignoring altogether the most recently expressed will of Parliament — would be high. At the end of this chapter of accidents it can only be guessed where Mr Major's authority will lie.

By the close of next week the Christchurch by-election will be itself only a week away. With good governmental luck the House will have risen early and MPs will be long scattered; but with ill luck the House will have barely risen before the voters speak. In either case the obliteration of the Tory vote will take place without the general indifference that seemed possible a week ago. The holiday period before the party conference season may be so short this year as hardly to be a holiday at all.

Mr Major's central aim of the next few days must be quickly to win the vote on the social chapter, avoid the need for confidence votes of any kind and present the collapse of Christchurch as one of those regrettable things that happen from time to time while the world's serious men are at play. He has properly set about the task as though his political life depended upon it. The best way to win the social chapter vote is to persuade enough of the Tories' Maastricht rebels that the government might, if defeated, embrace the chapter rather than lose the treaty. Many opponents of Maastricht would baulk at rebellion if they both had to vote for a Labour amendment and be later accused of forcing German welfare costs upon innocent British employers.

That is the overt theme of the government whips; it will be the underlying theme of the prime minister himself who is due this weekend to give a lengthy television interview. It is hard to see, however, why all those Tory MPs who have fought so fiercely for their beliefs this year should fade before such a threat. A few may do so, fearing Mr Major's demise because of the worse men that may follow. But it is simply not credible that Mr Major would accept the chapter — or that the cabinet would allow him to do so without revolt and resignations. It is an empty threat, as empty as this week's threat to the Tory voters of Christchurch that their disloyalty would lead to a general election. Any election that does take place this autumn will be for the leadership of the governing party, not for the occupancy of seats in Parliament. The unravelling of power which began last September has since then quickened and slowed but never stopped; it is quickening again now.

OPENING WHITEHALL'S DOOR

Reducing official secrecy will be a daunting task

Implications

From Professor Michael Z

Sir, Much of the press c
the report of the Royal C
on Criminal Justice, o
served, has been based or
mental misapprehension:

The first relates to the is
excited most criticism — o
about trial by jury in rega
way" offences where the
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on our view that the pres
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magistrates' court (52 pe

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guilty. Thus there is n
resulting waste of time
in preparation of the cas
of witnesses coming to
and considerable additi
Crown Court cases. For
who plead guilty the iss
becomes irrelevant.

The proposal ther
only affects the remain
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cannot agree, magi
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Moreover, we u
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that defendants shou
jury trial simply bec
gives them a better

Mighty chan

From the Right Rev
John Bickersteth, K

Sir, "Judges will fig
jury" runs your fr
(July 6). Yet in the C
there is no jury to
does not exist at al
rival legal system

OUT OF THE HOUSE

The prime minister's strength and authority remain in doubt

Gratefully, like children chastened by the mere threat of a beating, the Tory party at Westminster dispersed yesterday. After the public disorder of Thursday night, Friday was quieter. On Thursday the prime minister had taken his true gamble; he had decided that a general election would follow defeat in the confidence vote. The practical enacting of that decision, the winning of the vote, was much less dramatic. Only the hardiest Tory opponents of John Major and the Maastricht treaty were likely to vote for an election which they would lose: and eventually none was hardy enough to do so.

On Thursday the story was of a fine prime ministerial speech, whose virtues were undone behind the scenes. The humiliating price that he paid was not for that day's performance but for all the mistakes of policy, personnel and principle he has made since September. Yesterday it was the opposite story. Mr Major was tired and dull — and could be forgiven for that. But in corridors and offices the mood was of unity, a peculiarly sullen and defensive form of unity but unity nonetheless. The party bosses want to draw a line under the past.

That will not be easy. Can a prime minister, whose authority has been brought so low, ever rise again to command the respect necessary to lead? At a time when good economic news has so little impact upon his personal standing, can he even stop his fall? Will the Conservative party, famously ruthless in pursuit of its ends once roused, endure a leader whose problems have appeared so endless?

The answers were not clear yesterday. The general drift of the verdicts, however, was not encouraging for Mr Major. Douglas Hurd made a spirited appeal for a fresh start but enhanced his own reputation more than the prime minister's. The power of Kenneth Clarke's interventions was contrasted favourably with that of the prime minister — not just by John Smith, who greatly enhanced his leadership of the Labour party this week, but on the Tory benches too. Mr Clarke should perhaps not have given his supporters that opportunity. But he did. The point was made.

Nor will the right-wing candidates be quiet in the face of such new possibilities. On Thursday senior cabinet members agreed that only a dissolution threat would stem the anti-Maastricht tide. But part of the national tide is against Mr Major himself — and that may be stemmed without a general election.

Meanwhile the Treaty on European Union remains as federalist as its title originally proclaimed. The only difference is that more people are more aware now of the gambles that the prime minister originally took; also of the extent to which the success of those gambles — in keeping Britain free of monetary union and intrusive social legislation — depended on Mr Major's own strength and authority.

That authority remains in doubt. Mr Hurd tried hard in his speech to be generous to the rebels. But they do not want the generosity of the victor; they want increased determination to fight for their concerns in the next three years of negotiations. More blood will be spilt during this process — on both sides. "The political mood in the country begins in the House of Commons," Mr Hurd said. The country will remember Thursday's mood rather longer than that of yesterday.

END OF AN ERA

Changing of the old guard in Italy

Under the dyspeptic eye of its leader Mino Martinazzoli, dubbed "the gravedigger" for his tendency to draw on funereal metaphors to characterise his party's plight, Italy's once formidable Christian Democrat party is meeting in Rome this weekend. The DC is still the largest party in Italy, but its legendary ability to garner 35-40 per cent of the vote through a cunning fusion of appeals to family, church and state has evaporated in

find minor consolation in the near-dismemberment of the socialists in the wake of the scandalous parliamentary vote last April not to lift the immunity from prosecution of its former leader, Bettino Craxi. But there is none in last month's relatively solid performance of the Democratic Party of the Left (PDS), the renamed ex-communists, which hung on to its own central "red belt". As the old political system disintegrates, the PDS

Dentists' of HIV ch

From the Chief Exe the British Dental

Sir, The headline gold's article (July tists won't follow r patients' lives", see rate and misleadi patients' fears and unjustified attack fession. Your read in general must b the safety of dental

The Acer case i incident anywhere patient becoming after seeing a healt

Mr Mangold ad 99.994 per cent ce Acer's virus that in The Centre for (CDC), the world spread of Aids, gav option that "Ace somehow entered patients". In othe the infection wa to patient, not another.

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There remains sibility that han source of cross-in reason the Briti ation's guidelines should be sterili after each use. D lem in adhering not "for reasons because they don guidelines" but f that many hand by the process.

Guidelines are Tom Mangold s tions exist and a incorrect in statir been struck off b Council (GDC) f the guidelines: off, although

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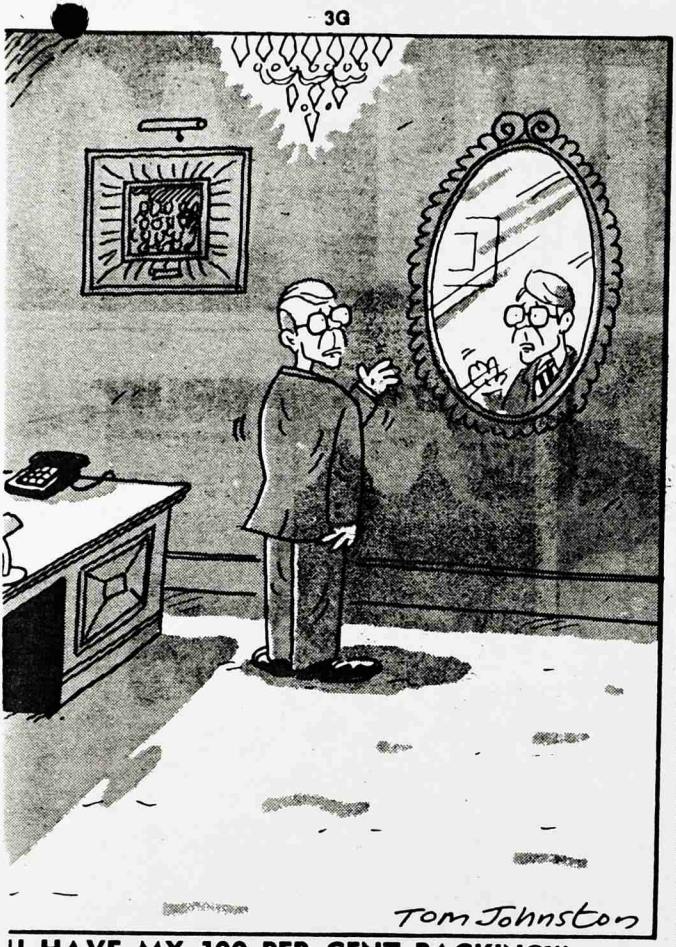

U HAVE MY 100 PER CENT BACKING!"

Kevin . . . yesterday

Maxwells charged over lost £303m

FRAUD charges surrounding the collapse of the late Robert Maxwell's empire have risen to £303million.

Original allegations against the tycoon's sons Kevin and Ian and four other men ran to £130million.

But London Magistrate's Court yesterday heard of alleged fraud totalling

JUDGE BACKS PROBATION FOR KILLER

A JUDGE said yesterday he was right to give a mugger three years' probation for killing a pensioner — and apologised for bringing him to court.

Judge Henry Pownall caused a storm on Friday by sentencing schizophrenic Paul Gordon for the manslaughter of William Horsley, 83. Yesterday he re-listed the case to explain his decision.

He told the Old Bailey: "This was not in normal circumstances a very serious assault. Mr Horsley was frail and could have collapsed at any time."

Gordon, 28, was free on the care in the community programme when he pushed Mr Horsley over a wall in New Cross, South London. The old man had a heart attack.

The judge said he had raised the case again to make sure he knew all the facts.

Iraq oil will make petrol

THE SUN SAYS

The sleaziest con trick of all

"POLITICS has been pretty silly. It's been a sleazy period."

With those words, John Major dismisses the past 12 months.

You'd almost think the mess the Prime Minister is in has nothing to do with the Tories.

Mr Major seems to think it's mostly the fault of the Press.

So who was sleazy?

David Mellor was caught with his shorts down and took a freebie holiday.

And who was silly?

Michael Mates sent bail bandit Asil Nadir an engraved watch.

Unpopular

Mr Lamont went over his Access credit limit and forgot to pay the bill.

Between them, the Cabinet managed six U-turns in 10 months.

That's why Mr Major is the most unpopular Premier ever.

But he's about to pull off the sleaziest, silliest trick of all.

If he loses Thursday's vote on the social chapter, he'll just ignore it.

The people have been denied a voice on Maastricht in a referendum.

Even the will of Parliament will not prevail.

So much for democracy.

Or is that just another silly idea?

Banking spies

YOUR friendly bank manager isn't just interested in how much you earn.

He could be anxious to find out your politics and religion, too.

The NatWest has admitted compiling secret computer files on customers' personal lives.

It reeks of Big Brother to us. But the bank insists there's nothing sinister about the files.

Well in that case, they won't mind sending customers a copy, will they?

Ask your NatWest manager today what he's got on you.

What an insult

17.7.93

IAVING NIGHTMARES AGAIN, MUM?"

PASS GAY GENE
S SAY DOCTORS

On the march. . .homosexuals at a Gay Pride demo in London last month

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y that grow

iscover doctors r than

COE WATSON

geneticist Dr Dean Hamer said | engineering." Dr Richard Nich-

THE SUN SAYS

Dithering Major

IT'S a wonder the Cabinet don't feel dizzy.

John Major has done his second U-turn in 24 hours.

That makes it six in 10 months: over the ERM, the pits, unit fines, school tests, adoption charges and now unmarried mothers' benefits.

That's why the Prime Minister's popularity is at a record low.

He floats ideas then retreats when they prove to be unpopular.

A strong government is supposed to stick with what it honestly believes in.

Mr Major gives the impression of not knowing if he's coming or going.

If he's not careful, someone will make a big decision for him . . .

And then he'll be going.

Brave Stella

THE boss of our Secret Service isn't a secret any more.

Stella Rimington, the head of MI5, boldly steps out into the limelight.

It is the first time one of Britain's spy chiefs has spoken publicly and gone on TV.

Stella, who spearheads the successful campaign against the IRA, bravely shrugs off the obvious dangers.

She also reveals that more spies are women than men.

Who says women can't keep a secret?

Cooked books

IT'S not just meat and two veg being prepared in the canteens at Whitehall.

They've been cooking the books as well.

The taxpayers — that's YOU — have been cheated out of £1million.

Even the Inland Revenue is owed £450,000.

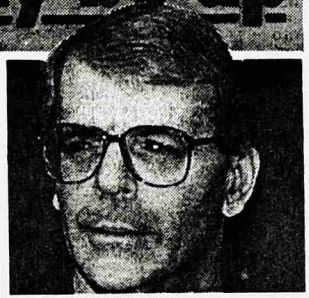
Incredibly, the blame lies with the Treasury.

What hope is there for the country when the keeper of its purse strings can't be trusted to run a tuck shop?

"WE'VE INSTALLED A CAT-FLAP FOR HIM!"

Major is astute enough to know the game may be up

RUTHLESS TORIES COULD BE SET TO DUMP HIM SOON



JOHN MAJOR . . .prime target

By TREVOR KAVANAGH, Political Editor

FOR a few days last month John Major thought he was back on a winning streak.

Unemployment was falling, inflation was low, Maastricht was out of the way and Margaret Thatcher had called off the dogs.

It turned out to be what City slickers who watch the rise and fall of the Stock Market call "dead cat bounce".

"It looked good, but it couldn't last," said one senior minister last night—and yesterday's Gallup opinion polls seemed to prove him right.

The survey findings are devastating for the Tories who are now in third place behind the Liberals. But for Mr Major they may be terminal.

Brutal

Only 18 out of every 100 voters think he is any good as Prime Minister—the lowest rating ever recorded.

Already, brutal comparisons are being drawn with Canada's embattled Conservative Government before Premier Brian Mulroney threw in the towel.

"Mulroney saw the writing was on the wall and made way for a new leader," said a Tory MP pointedly.

Fragile signs of recovery have failed to stem the haemorrhage of Tory support. If anything, they seem to have reinforced anger in Tory shires where recovery is slowest.

And for all his bravado before leaving Japan, John Major himself is astute enough to know the game may already be up.

He is deeply depressed by the relentless tide of bad news, bad publicity and bad luck which has dogged his premiership.

He is fed up with carrying the can for a bickering, divided party which ignores the reality of a tiny 17-seat majority in Parliament.

And he has signalled he is not prepared to stay forever to be kicked around by MPs who are ungrateful for his 1992 election victory.

Rumour

There is even a rumour he has made a private deal with leadership rival Ken Clarke to back him now in return for a clear run later.

That rumour is being vigorously denied by friends of the Prime Minister, but it is running hot among Tory MPs who want to believe it.

"The Tory Party is intensely green talking about raising loyal," said one minister last night. "But it is also quite ruthless. John is a decent man who has had more than his fair share of misfortune.

"That won't save him if the party decides he will cost us the next election."

Another crisis is looming as the party faces up to near certain defeat in the Christchurch by-election on July 29.

The date deliberately coincides with the start of the long summer recess in the hope that the bitterness of defeat will fade by the time MPs return in the Autumn.

It will be a brief respite.

The Government is taking heavy fire over its vital but unpopular battle to control spending and slash the soaring cost of the welfare state.

Labour's decision to duck the issue and cash in on the backlash against John Major may be cowardly and despicable, but it will be effective.

Chancellor Ken Clarke is taxes. That would be suicidal.

Even a slow and steady economic recovery, plus a cut in interest rates would not bail the Government out.

It is now hard to see any circumstances in which Mr Major's ratings are likely to recover. Indeed they could fall still further.

They may even drop to the 12 per cent point which triggered Mr Mulroney's decision to step aside.

Effort

"If that happens there will be a collective nervous breakdown," said an old Tory hand.

"It has happened before when leaders have lost their authority. If John's rating continues to fall, it will not be a question of whether he goes, but when.

"If that happens, there will be no leadership challenge. He will be thanked enthusiastically for his effort and told to pack his bags."

Have you ever heard such nonsense?

Welfare

It's like telling a couple they can't adopt a handicapped baby because they haven't lost a leg and don't understand what it's like to limp.

The only thing that matters in an adoption is the future welfare of the child.

Not some airy-fairy social worker's political manifesto.

Taken in hand

A GENTLE smack now and then does a child no harm.

Every parent knows that.

But childminder Anne Davis had to go to court to win the right to discipline the kids she looks after.

We congratulate her on a victory for common sense.

It's a shame some of today's louts didn't get a clip round the ear when they were young.

Price of idiocy

A GIRL of 14 is turned off a bus at 9.45pm.

The reason: She is 2p short of her fare.

As she walks home, two youths drag her into a park and rape her three times.

The driver of Sunday night's 171 bus in Peckham, South London, has a lot to answer for.

Does he lack compassion? Does he lack an understanding of the dangers to women at night?

Or does he just lack brains?

10-7-93 Sun

4X

THE SUN SAYS

A SPITEFUL ATTACK BY PIGMY PM

JOHN MAJOR has one talent at which he succeeds like few Prime Ministers in history.

The ability to shoot himself in the foot.

In an unguarded moment, he brands three of his Cabinet Ministers "bastards."

It is a spiteful, vindictive attack of the kind only a small-minded man would make.

Worse, it comes as the party is promising "no recriminations" after the Maastricht debacle.

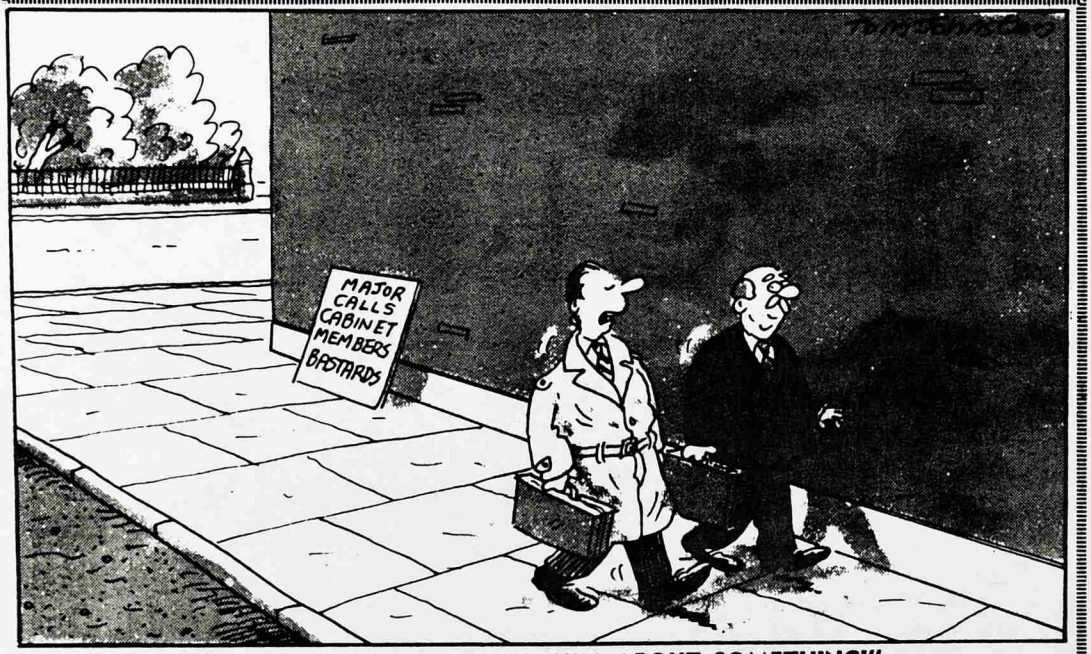
If Mr Major wanted to reunite his party, this was not the way.

It is no surprise that the three "bastards," as the Prime Minister so uncouthly puts it, are the champions of the Right, which has given him so much aggro.

MICHAEL HOWARD: The Home Secretary shows a gut instinct for the way ordinary people think. If The Sun could choose the next Prime Minister — which sadly we can't — Michael Howard might well be the man.

PETER LILLEY: The Social Security Secretary has quietly got on with one of the most difficult jobs in Cabinet. But the wimps are afraid to listen to his sound, but unpopular, advice.

MICHAEL PORTILLO: The Chief Secretary at the Treasury staunchly believes in lower taxes and lower public spending. But he must sometimes wonder about his boss, Chancellor Ken Clarke.



"AT LEAST I AGREE WITH HIM ABOUT SOMETHING!"

Leadership

Mr Major damns himself with his remark about the Thatcher years being "the golden era that never was."

When Maggie was at No 10 we had firm leadership. We had low unemployment and high growth. We felt proud to be British.

John Major was happy enough to hang on to her coat-tails on his meteoric rise from nowhere.

Compared to Lady Thatcher, Major is a political pigmy.

What colour era has he presided over? A grey one.

CONFIDENCE TRICKSTERS

Richard

★*IT was only a matter of time before Lady Di picked up the lurgy. You can't spend your life snogging with lepers, cuddling cholera patients and stroking AIDS victims without*

FRANKLIN

It's worse than that you're dead, John

By TREVOR KAVANAGH, Political Editor

JOHN Major won and lost yesterday. He WON a back-me-or-sack-me showdown with his MPs—and finally cleared Maastricht off the Commons timetable.

He LOST by revealing to his troops that under his leadership they will crash to defeat when a general election is called.

In the words of a senior minister yesterday: "He's had it. Having been forced to stare in the face of certain election defeat, people realised they cannot risk keeping him as leader."

Quit

It is hard to find anyone at Westminster who believes John Major will survive to celebrate his third anniversary as Prime Minister on November 28.

Some would like him to do the "decent thing" and quit this weekend.

Others want the men in grey suits to carry out a mercy killing to put him and themselves out of their misery.

Sixteen months after an heroic general election triumph, John Major is mortally wounded and is unlikely to lead the party into the next one. But he could survive another year—which will be a long, unhappy one for a sensitive, insecure man who hates personal criticism.

ON THE FLOOR . . . troubled John Major in the Commons

Behind the lightning-quick professional smile, John Major rages against what he sees as the injustice of his position.

He does not see it as his fault that the Pound crashed out of the Euro-money system last year, or that it took so long to sack Norman Lamont, Michael Mates and David Mellor.

Or that he had to order U-turns over the pits closure fiasco, armed services cuts or income-linked fines.

In the aftermath of his surprise election victory last year, a jubilant Mr Major boasted: "I have never knowingly made a political mistake." He still clings innocently to that view.

One former admirer said: "Even today, he believes that if he gets a feeling about something, it is certain to prove right. He is so charming about it that you fall into line and accept his vision.

"It has led to some extremely embarrassing Government decisions."

The taste of this week's defeat will stick in the throats of Tory MPs as they face up to angry and bewildered voters in their constituencies. It will be bitterly reinforced on Thursday when the party faces an historic hammering in the Christchurch by election.

It will linger on through the summer to the party conference in Blackpool, where grass-roots Tories will seize the chance to have their say.

It will simmer until the local elections in the Spring, when flagship councils like Wandsworth in South London—symbol of Toryism—fall to the Liberals.

But it will burst into life again in June as Lefties sweep into power in elections for the European Parliament.

The mood from the Cabinet down to the most humble fundraiser trying to stop the Tories going bankrupt is that Major is a busted flush.

Angry

Downing Street was yesterday pushing the line that the worst is now over, with Major drawing a line under the European issue which has split the party. They claim the Prime Minister will bounce back, strengthened after brandishing an iron fist in the face of 23 rebel hardliners.

But they saw the faces of panic-stricken Tory MPs sitting behind Mr Major as he made his back-me-or-sack-me ultimatum yesterday.

And they know this is a weapon the Prime Minister can use only once.

What the country has lacked — at a time when it needed it most — is leadership.

Instead we have had a dithering Government that has lurched from crisis to crisis, most of them self-made.

John Major is an honest, decent, likeable man.

He has done his best but, sadly, it just doesn't seem good enough.

Wicked lies

THERE are lies, damned lies and Daily Mirror exclusives.

Today we expose the wicked way the Daily Mirror manipulated the tragic death of an old lady.

They used her to make a political point. The truth, and the hurt it caused her husband, did not matter a damn to them.

The holier-than-thou Mirror is a disgrace.

And that's no lie.

It's a bowls up

OUR cricketers are pathetic. Just like their excuses.

As we kiss goodbye to the Ashes, they whine that the wrong pitch has been dug up at Headingley.

That's almost as daft as British Rail's excuses about the wrong kind of snow blocking the lines.

We'll see how bad the Test pitch is . . .

When the Aussies start bowling.

24/7/93 The Sun.

247.93

se than that dead, John

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The mood from the Cabinet

THE SUN SAYS

A nice guy but not up to job

THE rebels came to heel. Tory MPs rallied round their humiliated Prime Minister.

But they would, wouldn't they?

Every Tory MP knew that a General Election would spell suicide.

It would have been the first recorded instance of turkeys voting for Christmas.

John Major may have won the bloody battle over Maastricht.

But has he lost the war?

His authority is in tatters, his credibility in pieces.

To many at Westminster the question is not can he survive, but when will he go?

Humiliation

Next Thursday the Tories face further humiliation when the voters of Christchurch, among the most true-blue in the country, deliver a by-election verdict.

When a Prime Minister cannot inspire victory in a constituency like that, when he can only get a crucial vote through the Commons by threats and deals, the time has surely come for a change.

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TRICKSTERS

THE real vote of confidence comes at Christchurch on Thursday. This time John Major won't be able to twist arms, throw wobblies, do shabby deals or cajole a bunch of men in bowler hats and Rangers football shirts to march to his rescue.

(The antics of the Ulster Unionists deserve to be rewarded with direct rule from Dublin tomorrow.)

He won't be able to hide behind the sham of parliamentary "democracy." With any luck, he will be annihilated.

The cynical leaking this weekend of rumours that plans to impose VAT on domestic heating may be scrapped in an attempt to buy off the hypothermia vote won't work.

The beneficiaries will be the Liberals. But they shouldn't interpret it as an endorsement of their policies.

People aren't only sick of the sight of John Major, they are sick of the sight of *all* politicians.

The best possible result at Christchurch would be for everyone to stay at home to register their disgust. But we'll have to settle for a Tory humiliation as the next best thing.

Desperate

I have never known a time when the gulf between the political classes and those they were elected to represent—and who pay their wages—has been so wide.

We're stuck with a federal Europe, without a referendum, without any choice, despite Major's blatant lies about the Maastricht Treaty now being meaningless. (If that's the case why was Jacques Delors so desperate for us to sign it?) We will just have to make the best of it.

Do you trust John Major or any of his ministers to fight our corner within the EC? You can't rely on our MEPs either. They've all gone native. So would you on their money and perks.

We need a strong Minister for Europe who will represent British interests. If Major is serious about making peace with the Tory rebels, there is only one candidate for the job. Step forward Bill Cash.

Richard Littlejohn

IRRITANT OF THE YEAR

time before Lady Di picke
up the lurgy. You can't spen
your life mopping with leper
cuddling cholera patients an
stroking AIDS victims withou
contracting something unpleas
ant. You wouldn't catch m
shaking hands with her unless
was clad from head to foot in
surgical rubber. It's not that
you don't know where she's
been, it's that you know exactly
where she's been. Perhaps she
now realises why Her Maj al-
ways wears gloves.

Major's secret life as a traffic warden

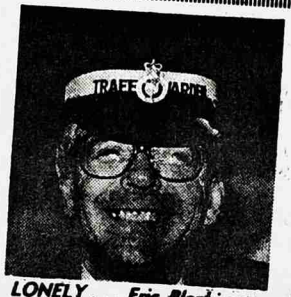
WHENEVER anyone mentions the Tory MP Rupert Allason—who went missing last week—it is always considered necessary to point out that he is also known as Nigel West, the spy writer.

But Mr Allason is by no means the only Member of Parliament leading a double life.

Investigations by this column have revealed that few of our leading politicians are who or what they appear to be.

John Major is, in fact, a traffic warden called Eric Blenkinsop, living a lonely existence in a bed-sit in Scunthorpe, with only his three cats and his subscription to Health and Efficiency for company.

John Smith is a pox doctor's clerk from Kilmarnock whose real name is Hamish Glenfiddich. A promising footballer, he once had trials in goal with a number of Scottish clubs but was rejected for being too good.



LONELY . . . Eric Blenkinsop

Paddy Ashdown is a mild-mannered driving instructor christened Michael Schmiechel by his German parents. He is a pacifist whose hobbies include flower arranging and embroidery. He lives with his partner, Justin, in Swindon.

Virginia Bottomley is a shop assistant called Tracey Stacey, who supplements her income by working part-time as a strip-o-gram girl in the pubs and clubs of Oldham.

Margaret Beckett is an estate agent called Rodney Froggatt and—when not at Westminster wearing a pink frock—smokes a pipe and lives with his wife and four children on a new estate in Peterborough, where he is a prominent member of the Rotary Club.

Surgery

Douglas Hurd is a space alien from the Planet Zog. Every evening when he leaves the Foreign Office he beams up to his spaceship, hovering in geo-stationary orbit over Maastricht.

Michael Portillo was born Cecil Jagger in Dartford, Kent. He changed his name after his brother became a successful pop star and once considered having plastic surgery on his lips to eliminate all family resemblance. At weekends he works as a waiter in a trattoria in West Bromwich.

But the most amazing double life is led by Dennis Skinner, the left-wing Labour MP.

Away from the Commons, Dennis assumes his true identity of the Right Hon Tarquin Farquarson, Eton-educated heir to the Duchy of Bolsover and a multi-million pound estate which controls a number of privately-owned coal mines in South Africa. He has homes in Kensington, Gstaad and Barbados.

There are many others. Tony Blair is a member of Take That and his colleague Robin Cook used to be the lead singer in the Bay City Rollers.

Michael Heseltine was the third Chippendale from the left until his recent illness forced him to hang up his wank jockstrap for good.

David Mellor MP is a freeloading, philandering minor television and radio celebrity called David Mellor MP.

And it's not only politicians who lead mysterious double lives. At this point I feel I must make a confession.

When I'm not writing this column under the name of Richard Littlejohn, I am in real life a black cab driver from Ilford called Monty Schnozzer.

But then you'd always suspected that, hadn't you?

DON'T MISS RICHARD LITTLEJOHN'S SHOW ON LBC NEWSTALK 97.3FM BETWEEN 9am AND NOON MONDAY TO FRIDAY

26-7-93

...denies debts

THERE'S MISSING FORTUNE BANK?

NG promoter Frank ren is being sued £830,000 he is said have spent on a g of limos and a onal loan.

iers issued a High rt writ claiming ren failed to meet thly payments.

n vigorously denies owes the money.

based firm idhurst Leasing ms Warren and his panies entered into series of leasing ts for the cars.

motors included a ntley Turbo, a ls-Royce Corniche nvertible, two cedes, and a Ford nderbird.

£86,000 Bentley fea- d in the trial of er Terry Marsh, ared of shooting rren in the street.

Writ

nished on November 1990 — a year after rren was shot in ndon's East End.

dhurst Leasing also ims it loaned War- 1 £180,000.

Warren's lawyers rk Nelson said in a tement: "Mr Warren rongly denies he ves monies to ndhurst Leasing. His ligations have been led.

writ has not been ved because a meet- is to be held ch we believe will the receivers of dhurst Leasing ac- t no sums are due."

UN

SECT expert avid Bellamy, of Seaford, Sussex, ims his lights and plays roman- tic music to help his giant Carib- bean ants breed.

SPOT

£7m stolen gems found

A Trullion jewel haul stolen from tycoon Marvin Davis and his wife was found under oaks beside a road.

vis, 58, ex-boss of 20th Century Fox, was ambushed by four gun- men as he and wife Barbara were being driven to Nice airport in the South of France.

e of two men arrested told police where the ewels were dumped.

LADY'S DAY

50-year ban on women at a drinking club near Swansea was lifted for a girl to film a TV show there on feminism.

Richard Littlejohn

IRRITANT OF THE YEAR

1001 reasons why you are such a plonker, John

NO one ever seriously believed the wholly unfounded rumours of an affair between John Major and caterer Clare Latimer.

To be perfectly honest, I fell about laughing when I first heard them from a Tory MP.

I assumed it had all been dreamed up by Central Office to make the Prime Minister seem a bit more exciting.

John Major in flexible rogering horror? Do leave off. Even if he could find the time, we are talking about a man who tucks his shirt in his underpants and probably wears his socks in bed.

What would an attractive and intelligent single girl like Clare Latimer ever see in him?

I've always found it difficult to imagine him sleeping with his own wife. As I remarked at the time, it's a bit like finding out your parents are still at it.

It was clear from the very start that these scurrilous allegations were completely untrue.

That's why Fleet Street refused to print them, even though some of the posher prints dropped a few cryptic hints—like The Sunday Times mischievously profiling an unknown caterer, linking her with senior politicians and explaining that she got her experience "on the job". Nudge, nudge.

THE Sun didn't stoop to that level. But if the story had been true, you can bet you would have read it here first.

That didn't stop MPs repeating the rumours to anyone who would listen.

Politicians gossip like fishwives. And it is worth pointing out that all these disgraceful allegations originated from politicians, not from the newspapers.

Eventually the Left-wing New Statesman magazine became convinced that there was a conspiracy afoot to smear the Prime Minister. They like their conspiracy theories down the Statesman.

So the magazine published the rumours, dressed up as investigation, while at the same time bending over backwards to point out that they contained not a scintilla of evidence.

Back at the ranch, we all looked at the New Statesman article and decided to ignore it.

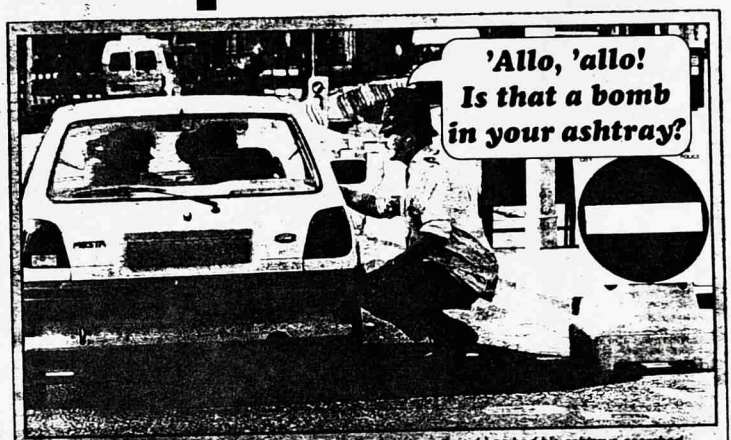
And that's how it would have remained had not Major—either through panic or stupidity—issued an official denial and a writ for libel.

Even then it became a legitimate story. Prime Minister Denies Affair With Caterer. No one had actually suggested in print that he was having it off with anyone. Nor would they have done.

But once Downing Street and Mr Rumpole were on the case, the story was elevated from a small circulation magazine to the front pages of the national dailies.

Why was the woman that John Major isn't having an affair with? And so on.

By the time this nonsense had run and run for a few days, there was not a single person in Britain who believed he was having an affair—even those who would never have heard about the rumours in the first place if it hadn't been for the denial.



Police in Essex...one commuter's vouchy check but another driver had his ashtrays searched

CAUGHT BY BLOCK-HEADS

But Major persisted with his vindictive action against the New Statesman—suing the magazine's printers and distributors, too.

THE Statesman maintained that there had been no libel, although it apologised for any distress which may have been caused to the two parties involved.

The printers and distributors lost their nerve and coughed up pronto, lumbering the Statesman with a bill for at least £150,000.

Now, five months down the line, Major has accepted derisory £1001 damages for the distress the original article caused.

He waited until the very last moment to take the settlement, which he could have had months ago. And a story which we had all forgotten about has been resurrected, right in the middle of an economic summit which was supposed to take our mind off domestic affairs. Such judgment, such timing, such a plonker.

Now that Major has received his damages for "distress" perhaps he would like to compensate the hundreds of thousands of homeless, jobless and bankrupt people who voted for him for the distress they have suffered at the hands of his government.

Mob need a sharp shock

THE Dykes For Peace who invaded Buckingham Palace to protest about nuclear testing in Nevada, which isn't taking place anyway, can consider themselves lucky to be alive.

Apparently, the military are allowed to defend the royal palaces with armed force.

The Grenadier and Coldstream Guards would have been entirely within their rights to shoot on sight. The harridans were eventually rounded up by sniffer dogs. That can't have taken long.

It would have been more effective—and much more fun—to have fixed bayonets and given them a taste of cold steel.

I think I can say, without fear of contradiction, that these are not the kind of women who like it up 'em.

LET'S HAVE JURIES TO FOX RACISTS

UNTIL this week, my instinct would have been to oppose leading juries with representatives of ethnic minorities. Then I read the story of Kenny Fox, turned away on his honeymoon night by hotelier Edward Mackavyah because of the colour of his skin.

This may well have been an isolated incident, though I doubt it. Were I Mr Fox and found myself facing a trumped-up charge in court, I'd feel much happier if there were a few black faces on the jury.

And stood less of a chance of being tried by an odious racist like Edward Mackavyah.

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TODAY
COMMENT
1 Virginia Street, London E1 9BS
Telephone: 071 782 4600

Major faces his folly

JOHN Major has nowhere left to run. Today is D-Day for the Prime Minister who may be out of a job tomorrow, and has no one but himself to blame.

HIS desperate patch-and-mend methods - relying on a last minute deal with the Ulster Unionists and the casting vote of a former Labour MP, Speaker Betty Boothroyd, failed.

The man who has already lost control of running the country is now on the horns of a constitutional dilemma from which there seems only a slim chance of escape.

Mr Major has now played his final card – putting his job on the line. It remains to be seen whether his own backbenchers, who hold all the aces, will back him or sack him.

The brutal fact is that the Premier's gamble failed. He staked his future on a shabby compromise with the Unionists, who espouse a sectarian creed with which Mr Major would normally have no truck.

But this is typical of John Major's premiership. Wherever there is a political bananaskin to be found, you can be sure he will step on it.

So many people already see him as a leader incapable of leading. Last night's outcome was devastating proof of that.

He has a majority in the House, but cannot deliver on it.

The Premier and Tory chairman Sir Norman Fowler immediately sought to make the issue a matter of confidence in the Government. Yet there can be little doubt that if a General Election were held tomorrow, John Major and his Government would be out.

Nothing is certain. As Harold Wilson once said, the one thing you can be sure about of a Tory rebellion is that it will fall one vote short. Today we shall see.

Baby threat

THE alarming survey findings into the survival rates of ill newborn babies, should stop Virginia Bottomley in her tracks.

While the Health Secretary is busily planning to shut big teaching hospitals, research shows that their intensive care units are twice as likely to save sick infants as their smaller district counterparts.

These are only preliminary results, and the inquiry needs to be extended. But the disparity is shocking.

The report concludes that a national programme for quality monitoring of all such units must be instigated. Worried parents will demand that Mrs Bottomley act upon this recommendation.

The district general hospitals do a magnificent job, and should not be regarded - or funded - as second-class facilities. But they do not provide a substitute for the teaching hospitals, which offer unmatched levels of expertise, the most up to date equipment, and staff trained to the highest possible standard.

It is sad that it takes this sort of survey to prove their value.

It is even sadder that Mrs Bottomley doesn't see it.

Dry run

George Nicholson, of Teddington, Middlesex, reveals that a 40-year study of his rain gauge proves Thursday is the wettest day of the week, and the least rain falls on Sunday. It sounds like the best reason yet to change the law on Sunday opening.

A broken man

Failure has followed on failure. And now time is running out for Major

The knives are out for a downcast leader

by Political Editor
PAUL WILENIUS

JOHN MAJOR faces a huge test today, but he is heading for the backbenches whatever happens. His political career has been broken by Maastricht, a treaty few people understand or care about. After his humiliation last night he is destined soon to become a former Prime Minister.

After two-and-a-half years, his tenuous grip on power has effectively been shattered. The main question now is: Will he go, or will he have to be pushed?

The honourable and obvious option is for him to resign.

Surely, he would not risk the fate of his entire party by calling a General Election?

There are those asking: how much agony do the Tory Party and the country have to endure before he finally accepts the inevitable?

Even before the fatal vote last night, there were almost no Tory MPs who would openly declare that they would fight to the bitter end for John Major. No Tory MPs who would knock on his door and say: "Don't go, John. We will fight all the way with you."

Lady Thatcher, even in her darkest hour, had a hard core of total loyalists who would go to the ends of the earth for her.

They even went to see her on the night before she went, some in tears, pleading with her to fight on.

But, even if he survives the vote of confidence today, Mr Major will have no knock on the door from a cadre of ultra-loyalists tomorrow pleading with him to keep on battling. Instead an inner circle of colleagues will try to pretend that nothing is wrong.

Yet others will be whispering behind his back that the game is up, that he will have to go, and who will take over?

If he refuses to quit, he will need a backbone of steel to remain in office for very long. The knives will be out, and at least one is likely to strike home.

If not, further degradations would lie ahead.

He would face the nightmare of Lady Thatcher's autobiography coming out in the autumn, which will hardly be flattering about his troubled term of office.

There is also the appalling prospect of a Tory Party conference torn apart by the dreadful county council election results in the spring.

Even if he is still Prime Minister tonight he could well face a challenge to his leadership in October or November, when the new Parliamentary session starts.

The Government's record has turned into a litany of failure

If he refuses to quit, will the Tories really call a General Election?

THERE is no doubt that a stalking horse would be put up to challenge him – plunging his party into a damaging and bitter party leadership battle.

One Minister told me that he thought Mr Major would indeed "walk" before he was shoved along on his way.

It would be typical of Mr Major to go with a whimper, not a bang.

There is strong feeling that the PM's troubles are even affecting the country as a whole, and this can only get worse.

The country is in the first stages of recovery – but with Mr Major staggering from to crisis to crisi consumer optimism is being pushed down.

Mr Major will face intense pressure finally to accept that the only way to lift the spirits of his party, and the country, is to go to the backbenches willingly. And when he does, there is no doubt that he will have been the author of his own misfortune.

Some pundits wrote recently that Mr Major's was a "jinxed Government". They could not have been more wrong. It is just an incompetent Government. A Government now without a mandate.

Mr Major and his Ministers were too inflexible about the Exchange Rate Mechanism.

If he had worked more closely with the Germans and been willing to trim the rate between the Pound and the German Mark, he could have avoided the humiliation of Black Wednesday last September.

If he had let his chum, National Heritage Secretary David Mellor, go swiftly, he would have avoided the allegations of dithering and of a Government of cronies. If he had allowed Chancellor Norman Lamont to quit straight after Black Wednesday, he would have lanced the irritating boil much earlier.

If he had told Ulster Minister Michael Mates it WAS a hanging offence to give a watch with the inscription "Don't Let The Buggers Get You Down" to a tycoon accused of being a crook, he might have avoided the appalling allegations of sleaze which swept over the Tory Party.

If he had not put his neck on the line last November in the unnecessary Maastricht paving debate, which he only won by three votes, then he would not have shown so dramatically that he had lost control of his hopelessly split party.

But the cemetery of broken political careers is littered with "ifs". If Mr Major had not been so thin-skinned, he might have had the inner strength to carry on that Lady Thatcher had when all seemed lost. Underlying all Mr Major's problems, of course, has been the long and bleak recession and the weak and sluggish recovery.

This has sapped support for a Prime Minister who once enjoyed enormous popularity, with opinion poll ratings as high as Winston Churchill. Now he has slumped to become the most unpopular leader Britain has ever had.

Millions of families have seen their wealth shattered with the collapse of house prices. Millions have faced the nightmare of losing their jobs. Millions of pensioners have seen their income from savings slashed in two by the drop in interest rates.

And many have felt betraye because Mr Major said before th election that he had no plans to pu up taxes or extend VAT.

Now Britain is braced for th imposition of VAT on gas and ele tricity bills, and a rise in nation insurance contributions. The could be even worse to come, wi the prospect of VAT on food anc even a tax on learning with VAT on books and newspapers.

The spread of VAT is the equivalent, for Mr Major, of President Bush's "read my lips – no more taxes".

JOHN Major's U-turn on taxes combined with the U-turn on the ERM, the U-turn on coal, the U-turn on court fines, the U-turn on school tests and the U-turn on single mothers revealed a Prime Minister buffeted by events, no in charge of them.

Heir apparent Mr Kenneth Clarke is licking his lips at the prospect of the ultimate prize.

Many Ministers and Tory activists now admit they would like M Clarke to take over from Mr Major.

The Social Chapter opt-out wo by Mr Major in Maastricht was h greatest achievement. He said it wa "game, set and match".

The problem is that now, aft last night's vote, it looks more li game, set and oblivion.

A DISCREDITED PRIME MINISTER

JOHN MAJOR'S hollow victory yesterday may have brought the Commons' Maastricht marathon to an end. But it has not saved his political skin.

The Prime Minister is living on borrowed time, a leader incapable of leading, whose only means of forcing his querulous and divided party to back him is to threaten a General Election.

He has effectively polluted his backbenchers with his own incompetence, because if the country went to the polls tomorrow, the Government would be routed. And the blame for such a comprehensive defeat would be entirely down to Mr Major and his Government. The Prime Minister is now reduced to pleading on television for an end to the bitter in-fighting which has riven his party asunder and brought the Government to its knees.

But the situation will not change. The Euro-rebels have only been temporarily tamed, and their deep-seated mistrust and lack of confidence in Mr Major's leadership will rear up in the future time and time again.

The air may have been full of platitudes from Tory MPs last night, pledging their support for the Prime Minister. But this sounded suspiciously like a football club chairman expressing full confidence in his manager shortly before sacking him.

TODAY COMMENT

The truth is that the atmosphere within the Parliamentary Conservative Party is full of poison and sulphur.

For members of Mr Major's Cabinet there is also a problem. How long will those with aspirations to do his job put up with being tarred by the same brush as their hapless leader? No doubt Kenneth Clarke and Michael Howard will be pondering just that question this weekend.

A change in leadership cannot come a moment too soon for party workers burdened with the thankless task of trying to sell Mr Major's Government on the doorsteps of Christchurch. A disastrous result there next Thursday will be another nail in the Premier's coffin.

The plain facts are that the Government is clapped out, bereft of ideas, unable to defuse the tiniest political bombshell, and patently without any coherent strategy or philosophy to guide their actions.

Never was this more evident than in Mr Major's insistence on staking his career on a treaty most of the country could not give a damn about.

There is a smell of decomposition surrounding this Government. The fragile economic recovery is still being held back because the vast majority of the country lacks confidence in the Prime Minister.

Yesterday be won a temporary reprieve; but the bell is still tolling. And it's tolling for John Major.

Why Norma could soon have her way

At the next crisis, she'll beg the PM to come home

by PENNY WARK

NORMA MAJOR loathes the bitchy gossip that swarms through Westminster. She has her own friends and has trained them to talk about the children. But never about her husband's job.

They understand her motives. Talking about her latest meeting with world leaders would only put a barrier between them. And far from wanting to flaunt her husband's position she is both embarrassed by success and wounded by the criticism that dogs his premiership.

It is no accident that Norma gets her own way with her friends. They know only too well that she has always craved a proper family life with her husband. That she resents the intrusive demands of politics which have denied her a normal life.

And that if her husband's precarious grip on power does crumble she will not object. Indeed she would find it difficult not to show she was pleased.

Yet when she quivered under the TV lights in Downing Street and clutched the new Prime Minister's hand, few people guessed the calibre of the backbone beneath her desperately ordinary blue suit.

Confident

Her body language shrieked of a woman who was shy, awkward and plain scared. It was known she had never shared her husband's ambition for high office, and she quickly made it plain she would not spend much time in Downing Street.

She didn't. But slowly she did look more confident. She posed for Tatler, and strode around the country at her husband's side when they both knew he could lose the election.

Her hair lost its home-set look and she learned to hide whatever she really felt behind the kind of professional poise cameras respect.

And when her husband's darkest hours (so far) came this week, she was there at his side, gliding through the Number Ten door where she is so rarely seen.

She wore an elegant jacket and carried a Chanel handbag. If she wasn't exactly a fierce tigress, she certainly wasn't a frightened rabbit. She was standing by her man, just as she did when his name was unfairly attached to the caterer Clare Latimer.

Throughout her husband's premiership she has always done her duty. But she has spent much more time in the family's home in Great Stukely.

And the truth is that Norma has not really changed at all.

She may have been sensible enough to invest in sleek suits and silk shirts. But her priorities have not changed, nor her determination to live the domestic life she relishes ("I am fulfilled by domesticity," she once said) rather than the one convention dictates for first ladies.

So when there is no imminent election she disappears. She still shops at Tesco, still waits her turn at the hairdresser, still does the ironing and still gets on with good works in Huntingdon.

When her husband dashed off to Tokyo or Washington, she stayed at home writing her book on the history of Chequers. She genuinely preferred that to making small talk, or being bussed round tourist attractions. She could not see the point of spending taxpayers' money on sending her along too, she said. Her place was at home.

Of course she has been pilloried for her suburban preferences and her staunch anti-feminism, not least by Spitting Image where her role was to serve peas to her husband.

But the real Norma Major is not at all submissive. She is a woman who hates showing off yet who is actually capable of being on first name terms with 500 people at a function in her constituency.

She is not timid. She is someone who has defined the territory where she feels comfortable and stays there.

Precious

She has never sought public approval because she never saw herself as having an important public role.

She is not a woman who naturally exudes in public. She would rather retreat to her home, where she is in control and beyond the reach of Press or Party.

That order and routine is her security, and it is all the more valuable as her husband's fragile hold on the premiership ebbs away.

It takes guts to follow your instincts and reject the role the public and Party expects of you. Norma has plenty.

Yesterday morning she gave photographers a rare sight of the Prime Minister and his wife leaving Downing Street together. She smiled easily for the camera.

But when John Major meets his next crisis she will not persuade him to stay on. She will know that his time has gone and hers is about to begin.

She always wanted a proper family life. At last she might actually get one.

Norma and John at home, living the domestic life she craves

'We say, we say'

TODAY took a trip to Mr Major's Huntingdon constituency to find out what the locals think about him. This is what they said:

David Fendley

"I wasn't overjoyed when he became PM but anything seemed better than Mrs Thatcher. Whatever happens now, he's got a hell of a job restoring things to an even keel."

– David Fendley

Julie Maddocks

"I think he's made a bit of a mess of this Maastricht thing."

– Julie Maddocks

"He's had a rough ride. I think he suffered all the time from all the disgruntled Thatcherites. If he stays in power I think the Tory rebels will stand on their heads and they'll end up with Maastricht AND the Social Charter."

– Michael Alexander

Jane McPherson

"His major problem is to sort out unemployment and not to relax. He's got to sing it out and be more of a strategist and take more notice of what people say."

– David Sinfield

"He's not a good leader. He comes across as weak."

– Jenny Muiry

David Sinfield

"He's got a hard job to follow Mrs Thatcher. She was a very strong person. The whole thing is mixed up now and MPs seem to be all against each other."

– Jane McPherson

The Lazarus option

THE Tory party came to heel in the end. But it was a grudging act of obedience that still leaves John Major in a parlous position, his future the dominant item on the political agenda. To ensure the survival of his government he was forced to take the desperate expedient of threatening his own party with mass destruction in an election. Such a terrifying prospect cowed the rebels into submission on Friday; but as a formula for maintaining Tory party discipline during the rest of this parliament it only serves to underline the prime minister's continued weakness. The fact that Mr Major had to wheel out his nuclear deterrent to keep his job shows how diminished his authority and prestige have become. The Westminster consensus is that, despite Friday's victory, Mr Major is holed below the water line and likely to sink during the next 12 months. There is much evidence to support this prediction, above all Mr Major's predilection for shooting himself in the foot. But it need not come true.

Maastricht was supposed to be the foundation stone for a European edifice that is unlikely ever to be built. The arguments throughout the European Community are now going Mr Major's way; his vision of Europe is the one that matters. At the same time he presides over an economy that is recovering well and could be in Europe's premier division by the end of this decade. Last week's events proved he has resilience and determination in adversity. What he must now muster, as this newspaper has argued before, is the strategic vision to drive Britain forward and the single-mindedness not to be diverted from the pursuit of that vision. With Maastricht out of the way and the economy recovering, the conditions exist for a revival in Mr Major's fortunes. He could yet become the Lazarus of British politics. The stock-market of politics is not an investment for widows or orphans. But the shrewd investor with cash to spare could do worse than buy a few Majors, especially when the price is so low.

As ever, Mr Major's salvation is in his own hands. He should get away for a complete break during the recess, top up his batteries and make sure, on his return, that his government has a sharper focus and a more concentrated agenda. His first priority is clear: the economy, stupid. Britain's prospects have been transformed by the breakaway from the dead hand of the European exchange-rate mechanism (ERM). British products are world-beaters once more and the British labour market properly reflects market conditions for the first time in living memory. The economy has grown so strongly in the first half of this year that the Treasury's budget forecast of 1.25% growth for the whole of 1993 is already being achieved barely halfway through. Manufacturing productivity has jumped 10.5% over the past year while unit wage costs have fallen by 5.3%. All we need to complete the recovery is a return of confidence in the government. Given that, Britain could achieve 3%-4% growth rates for the rest of this decade. That must now be Mr Major's overriding strategic goal.

That means clearing away the Treasury's remaining cobwebs. Kenneth Clarke, the chancellor, must stop regretting Britain's exclusion from the ERM. This is no time to look back. This weekend finds the whole ERM system in crisis. The French franc could fall at any moment while the Belgian franc, the Danish krone and the Spanish peseta are all under pressure. The ERM is the gold standard of the 1990s, as destructive of jobs and prosperity as its predecessor was in the 1930s. Its demise will be a further sign that European events are going the British way.

The danger to the Tory party is that while the electorate has grown weary of it all, the government has yet to shed its disaster-prone image and realise that John Smith's Labour party has learned the value of unity and discipline, which used to be the Tories' secret weapon. Some Tory MPs no longer care overmuch. The Euro-sceptics have organised an opposition within a governing party, without any remorse about what they did last week. Infuriated by their bravado, government loyalists talk of revenge and deselections. That way lies ruin. The rebels have served notice that one inch further towards Euro-federalism and they will revolt again, election threat or no. Mr Major's managerial task in the coming session will be to show that after 14 years and four general election victories, the Tory party is not crumbling through metal fatigue.

Is John Major the man to turn his party's fortunes round? This week's Christchurch by-election result will cast fresh doubt on that but, in truth, nothing can be done to prevent the seat's loss. Christchurch, along with Maastricht, the ERM and past disasters is part of a gruesome legacy from the last general election that Mr Major must hope has finally run out. Christchurch will be a serious loss, all the same. Ministers may scoff at the Liberal Democrats snatching a normally ultra-safe Tory seat; but Mr Major's government has a diminishing majority to rely on and excuses about mid-term reverses are wearing thin. He must pull the Tories round by spring at the latest if they are to stand a chance in next year's local and European parliament elections. Heavy reverses then would spell the end of his time in No 10.

As parliament rises for its long summer recess this week, Mr Major must hope no more time-bombs are ticking away in Whitehall, that the party will make do and mend at its annual conference in October, that Michael Heseltine will make a speedy return from convalescence, that Mr Clarke will make a political success (as well as economic sense) of his first budget in November and, above all, that the economy will continue to recover, blurring the pain of 30 months of recession, the horror of negative equity for nearly 2m households and a rising young generation for whom unemployment is the norm.

Some hard lessons have been learned since the general election. Europe, which continental leaders thought destined for ever-rising prosperity, has fallen back in its fight to compete with North America and East Asia's tiger economies. Twenty years ago, Europe's unemployment rate was 60% of the United States's; today it is 60% higher. The federalist urge has left most of the European Community suffering from a severe attack of economic sclerosis, complicated by an obsession with social welfare regardless of cost. As the ERM heads further into crisis, Britain must ensure that sounder foundations for European co-operation are laid in its place.

Mr Major has been battered by setbacks since the general election. After Christchurch he must mount the biggest comeback of any prime minister — or go under.

While police huff and puff, crime blows the house down

The force must be honest in the face of the critical Sheehy report — and it must account for itself to the public, says **Alastair Burnet**

THE next chance for Tory high blood pressure is coming along nicely. The police and their critics in the Sheehy committee are trading hefty punches. Plain people are worried enough about mugging and vandalism in their everyday lives (a bigger fear than unemployment or ill health) without imprecations of disaster and officers sick with

still treats the police with sympathy.

But people are growing up. They have seen through civil servants, they are suspicious of teachers, they see the faults in doctors' and nurses' unions. There are no heroes left, and precious few angels. Now it is the police's turn.

File

10 DOWNING STREET
LONDON SW1A 2AA

From the Principal Private Secretary

17 August 1993

Dear Peter,

RUPERT MURDOCH

Not being able to raise anyone in your office, I spoke to Mr Sainsbury's office to pass on a request from the Prime Minister for briefing for a short meeting he is having with Mr Rupert Murdoch later this week. The Prime Minister would be grateful for a very short note on how Mr Murdoch's various companies are doing around the world - financial performance, market share, plans for expansion or divestment etc.

Please could I have this by lunchtime on Thursday. If I have misdirected the request, please could you make sure it gets redirected appropriately.

I am copying this letter to Alan Davey (Department of National Heritage).

Yours

Mark

pp **ALEX ALLAN**

Peter Smith
Department of Trade and Industry