

12/8/82



CONFIDENTIAL

10 DOWNING STREET

Prime Minister

1. Neville Sandelson lunched with me today.
2. His Constituency has an electorate of 56,000, and is not affected by boundary changes. At the last Election, Sandelson polled 20,350; we polled 17,048; the Liberals polled 3,900. Sandelson's majority fell from 9,420 to 3,302.
3. Sandelson says that his Constituency Party has been taken over by Trotskyists. His present intention is to resign his seat sometime this year, probably in the summer, because he no longer supports the policy of the Labour Party. He sees Roy Jenkins regularly, and it is possible that he will make way for Jenkins, who would fight the seat with Liberal support. If that was to happen, Sandelson would do all in his power to secure the election of Jenkins.
4. Sandelson says that his remaining political purpose is to ensure the re-election of the Conservative Party at the next Election, because only by another Conservative victory will there come about that split in the Labour Party, which he considers to be an essential pre-condition for a real purge of the Labour Left.
5. He will not join our Party.
6. He says that Shirley Williams does not want to return to the House of Commons so long as the Labour Party follows policies similar to those which it is now advocating. He thinks that Callaghan will gain a perceived victory over the Left at the Labour Party Conference but that this will have little effect on policy. He says that Callaghan is wearying of the struggle and he believes that if Callaghan does succeed in defeating the Left at Blackpool in October, Callaghan will probably then retire, to be succeeded by Healey. In Sandelson's view, Healey will continue to make those concessions to the Left so far as policy is concerned, which have been a characteristic of the Labour Party over the past fifteen years.
7. Rodgers sees a great deal of Jenkins. The prize for Jenkins would be to detach Shirley Williams, David Owen and Bill Rodgers from the Labour Party, and then to start a new party, which would have an electoral pact with the Liberals.
8. Sandelson believes that Britain needs shock treatment at the present time and that only the Conservative Party can administer this with the necessary resolution.

12th August, 1980

Ian Gow