

AR CPS/AS 0/2/7
Box 1
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MEMORANDUM

TO : Sir Keith Joseph

FROM : Alfred Sherman

DATE : 22 April 1975.

No. 10

Note on the Functions and Financing of the Centre

When we (KJ - AS) began discussions which led to the formation of the Centre, just before and after the February 1974 election, we spoke in terms of a sustained operation to "change the climate of opinion to make possible policies not now feasible." - in the words of our appeal sheet. We did not regard the Centre as a temporary operation designed to replace the party leadership in office at that time. On the contrary, we set out from the assumption that even the best of Conservative Governments was obliged to act within constraints which included the climate of opinion, and that even if subsequent Conservative Governments - and oppositions - did their best within existing constraints, they would need bodies like ours, working with the party-in-the-country and through all other media of persuasion to mould the climate of opinion in order to extend the government's freedom of manoeuvre. By definition, this is a medium and long-term activity. "Since the task . . . will be a continuing one, it is hoped that the Centre will exist for the foreseeable future." - our appeal sheet wrote.

The fact that Heath has been replaced as leader of the Party changes nothing which we said and wrote then; if anything, it makes our job more urgent, more necessary, since our new leadership is more likely to press against constraints than its predecessors.

There is much which may possibly be done to improve the Party's stance over the next few years. But little is likely to happen unless we, in the Centre, initiate it and see it through.

.../...

There is no need for me to tell you that the CRD has not changed substantially for the better; it is still staffed by a group of low calibre opportunists whose ideas are fundamentally at variance with our own. Barring a great re-shuffle of the whole of Central Office, with the induction of high-grade intellectually-courageous staff into the CRD and CPC, with a generous budget for outside work, we shall need the Centre as much as ever, with the added inducement of additional channels in CO and CPC through which to distribute our product, and probably more committees to service.

In mid 1974, we asked for £90,000 p.a., for three years, adding that roughly half of our budget would be spent on studies, publications and graphics. The value of money has been falling by 20% p.a., our budget should rise by a corresponding amount.

Two questions need to be answered.

1) Is there any over-riding new reason, nova causa interveniens, why we should not carry on taking the funds promised, and where necessary appealing in order to "top them up" to meet inflation, backsliding and extra activities?

What does Margaret say? Do we really need anyone else's opinion, if Margaret is for us?

2) What valid reasons are there for anticipating difficulties? True, some donors gave more readily for disenchantment with Heath. But it is equally true to say that widespread hope that the Party under Margaret will be amenable to new ideas would surely encourage some to give generously to a Centre of which she is President.

I certainly see no reason for assuming either that Margaret will wish us to cut down her fund-raising, or that we should be unable to raise the money.

I do not believe that this is a zero-sum operation: the more for us, the less for the Party, and vice versa.

I helped form the Centre on the understanding that I should help in all its activities, with special reference to publications. We agreed that in the transition period, when we had little to publish, I should concentrate on speech (and article) writing, to keep the pot boiling and help attract funds. It was never intended that I should be solely (or even mainly) a speech-writer.

I bring some strategic thinking about the areas we must explore and the way we must explain our material. As I see it, our work will form a continuum from current speeches, to more basic talks, to papers and studies, through to deep original research. Very often the need for research will be indicated by the need felt as we write day-to-day speeches.

Were the Centre to confine itself to providing a private secretariat for KJ together with current pamphlets at Aims level, we should soon find ourselves moving in/^{ever-}decreasing circles, to wither and die. If, on the contrary, we have a good balance between current, background and original research, all parts will benefit.

MEMORANDUM

TO: Sir Keith Joseph

FROM: Alfred Sherman

DATE: 17 April 1975

NUMBER: 9

I think the time has come to discuss the function of our Centre and means of financing it basically instead of peripherally. I have said it before of course that we did agree that we would have a proper one day conference on it. We have put it off and put it off; the result is that decisions get pre-empted. Let me set it down as I see it.

First when we began our discussions last February and March which led to the decision to create the Centre, I did not have in mind that the Centre would play a major part in the internal party struggle nor that its existence was in any way contingent on the party having the wrong leadership. On the contrary, my thesis was one on "concentric circles": that the best of Conservative governments would be constrained by the climate of opinion and that the government must continuously work on the climate of opinion using its party in one form or another as the means. I further argued that since the party is a large bureaucratic apparatus one needed organisations in on the edge of and outside the party to catalyse this. In other words even with the best possible conservative government in the best of all possible conservative parties we should need something like the Centre.

In practice, leaving aside for a moment the Shadow Cabinet, we do not have the best of all possible conservative parties and are not likely to have one for a long time to come. The parliamentary party is with us for years to come. Whether the Research Department will be improved is anybody's guess; but I certainly do not envisage this improvement to a level where it could perform the functions that I would like us to perform, for years to come. At present its influence is wholly harmful; at present the most I could hope for would be to neutralise the effect of the Research Department.

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This leaves us with the job of the Centre, - to do long term thinking and thinking in depth and active efforts to shake the climate of opinion by studies, polemics and other active means in hand. It is no use saying the CPC will do this, because it will not. It is under too many constraints.

There are a whole range of questions which we must raise. We must not only look to matters in dispute but matters which ought to be in dispute:

- the number of foreign workers here and their rationale;
- the so called environmental argument for subsidising rail and the basic theory of welfare, the moral justifications for many welfare policies;
- policy towards trade unionism;
- the social nature of trade unionism in theory and practice;
- socialism and the function of the labour movement, and so on.

If we do not think about them no one will.

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