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W. Hawkester

22 December 1980

Policy Unit

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PRIME MINISTER

GOVERNMENT STRATEGY

As promised, I attach a paper reviewing Government strategy to date.

I am copying this minute and the paper to Geoffrey Howe and Keith Joseph.



JOHN HOSKYNS

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10 DOWNING STREET

19 December 1980

Robin Ibbs Esq
CPRS
Cabinet Office
70 Whitehall
LONDON SW1

Dear Robin,

I attach a copy of a revised version of our Strategy Paper which we discussed in the Autumn. We have managed to cut its length by about a third and made some more specific proposals at the end of the paper.

It is going to the Prime Minister, the Chancellor and Sir Keith Joseph on Monday, 22 December.

I am copying this letter and the report to Derek Rayner, Terry Burns, Peter Cropper, David Wolfson, David Young, Peter Middleton and Alan Walters.

Yours ever
John

JOHN HOSKYNs

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GOVERNMENT STRATEGY: PAPER NUMBER 31. INTRODUCTION

- 1.1 This paper reviews progress with the Government's central strategy, noting the main lessons learned to date.
- 1.2 In summary, the Government has barely started to address the strategic problems facing it. Its performance may appear better than its predecessors, in terms of realism and determination. But against the task*it was elected to perform, its performance is inadequate. It will therefore begin to look no different from its predecessors; and will thus be judged on traditional criteria (prices and living standards) unless its perceived competence improves and its strategy is understood.
- 1.3 This is difficult, because the Government does not yet have a coherent and adequate strategy, nor has it organised itself to implement a strategy if it had one.
- 1.4 This is the point at which Ministers and Governments under great pressure can lose touch with reality, eventually hearing only favourable reports and discounting the rest. On Weinstock's dictum, "Lack of frankness is the great management offence"; this paper tries to prevent that happening. If our thinking turns out to be over-pessimistic, then nothing is lost. Certainly, pessimism (ie too much realism) has never been Britain's problem in the past.
- 1.5 The structure of the paper is as follows:

SECTION 2	HOW ARE WE DOING?
SECTION 3	WHY DO GOVERNMENTS FAIL?
SECTION 4	THE CABINET STILL DOESN'T UNDERSTAND THE PROBLEM
SECTION 5	BREAKING OUT
SECTION 6	CONCLUSION

* NB. We are talking about economic strategy, not about defence or foreign affairs.

HOW ARE WE DOING?

- 2.1 We are still shooting behind an accelerating target
- 2.1.1 Our failure has been under-kill, not (as our critics suggest) over-kill. This all stems from the massive underestimate of the size of the problem, which has persisted from 1978 in Opposition, right through into Office. The main result has been the lopsided Keynesian squeeze on the private sector.
- 2.1.2 Present problems - money supply, public spending, PSBR, MLR - are all part of our failure to stabilise. This stems in turn from a failure to organise for the key tasks. The muddle over firemen's pay stems from our reluctance to set up a task force after E on 23 July, to ensure we did as well as possible on public service pay settlements.
- 2.1.3 Despite a year's warning, colleagues never reached the point of understanding the difference between Transition (deceleration of money GDP) and real cuts as per PEWP. The result was a token de-indexation, giving maximum political odium and minimum PSBR impact. The simple insights about Transition and Stable State and thus the meaning of de-indexation could all have been reached by coffee break on the first morning of any sensibly run teach-in.
- 2.1.4 The decline in inflation, the apparent change of attitudes and the level of exports are all deceptive; symptoms of recession, private sector squeeze and a high pound. Private sector management probably has recovered some confidence for good. Workforce attitudes in smaller and non-unionised companies may well have changed profoundly. Union behaviour in large private sector firms has changed, but probably not the underlying attitudes. There is less sign of change in the public sector. The old wage pressures are likely to emerge when the upturn comes. Indeed, a trade union leader recently promised Jim Prior that they "would get their own back" when the recession was over.
- 2.1.5 In short, we have been brutal to our friends - employers, small businesses, the private sector; and gentle with the real problems - trade unions, nationalised industries, lame ducks, public services pay.

(2.

HOW ARE WE DOING? cont.)

2.2

North Sea oil is the Joker

- 2.2.1 North Sea oil is the principal mitigating factor. The increase in oil prices has led to unprecedented recession and rapid appreciation of the pound, putting adjustment strains on the private sector which are not yet widely understood.
- 2.2.2 The view seems to be growing that oil prices and the pound will stay high and that many sound companies which could adjust given the time, will be destroyed before they can do so.

2.3 The "crisis of belief" is here

- 2.3.1 The "crisis of belief", predicted in our paper of 19 June on the Pay Round Debate, has now started. There are growing doubts among our most loyal supporters about both the resolution and the competence of this Government. There is a growing concern that it is a Government of strong words but inadequate action.
- 2.3.2 Loss of confidence and morale is infectious, both inside and outside Government. People stop trying - and this will include Ministers, civil servants, back-benchers - if they sense that the Government has lost its sense of direction. There is a danger that we move into the "recrimination phase", familiar in business, where everyone starts to blame everyone else. Muddle leads to demoralisation and poor performance; leading in turn to further muddle.

2.4 We can still get back on track

- 2.4.1 We have about six months in which to get back on track. This does not mean getting back onto the MTFs in number terms, but rather in terms of regaining control of events, ending dissension in Cabinet, and thus convincing the public that we know what we're doing and where we're going. Leave it much later, and we are getting close to the next Election. Key landmarks will be the Budget, PEWP, trade union reform, BSC decisions. As we said in our first Strategy Paper of 12 June 1979, "If we fail to achieve Stabilisation, as our

first objective, we can forget the rest. We will simply be on the run till we're chucked out". Despite Labour's disarray, there are many Tory supporters who are beginning to think that we may be on the run, defeated, like previous Governments, by problems which are just too big for us.

- 2.4.2 We believe it is quite possible to reverse this situation provided we set about it in the right way. But it will not happen by luck; or by making speeches; or by writing papers; or by conventional Cabinet and committee meetings. Nor will determination be enough. The main reason why Governments fail is that they never ask themselves the question "Why do Governments fail?" Understanding the answer to this question is the first step to success.

3. WHY DO GOVERNMENTS FAIL?

3.1 "The Art of the Possible" is not enough

- 3.1.1 Previous Governments have failed because they practise the politicians' conventional wisdom - the art of the possible. If the only thing that appears to be "politically possible" is failure, they fail. Britain's post-war decline has been caused - or certainly accelerated - by politicians who have never understood what is economically necessary, only what appears to be "possible".

- 3.1.2 All problem-solving must be tackled within constraints. Some of those constraints are recognised, some are simply taken for granted without question. Big problems are only solved when someone has the imagination and the nerve to break enough of those constraints. Few people seem to understand this.

- 3.1.3 Strategy is about breaking constraints. Tactics is about operating within them. Without a strategy for breaking constraints, Government finds itself constantly boxed in by constraints which it lacked the foresight to break, so that it simply cannot do what it knows must be done. We are boxed in today because we have been playing noughts and crosses in a game which demands Grand Master chess, for which the opening

moves should have been designed in about 1978 during Policy Search (which was unfortunately a waste of time because the central problem, pay determination, was being handled by another group).

3.2 We had already boxed ourselves in before the General Election

- 3.2.1 This Government started with three central tasks: the control of public spending, the reduction of the PSBR and the deceleration of monetary growth. By the time we took office, we had already accepted four constraints which stopped us achieving those tasks. We were committed to Clegg and comparability; we had promised tax cuts; and we were pledged to maintain full indexing of social security. In addition, there was a time delay before any new trade union legislation could be effective. We were thus in a "policy box" before we began:

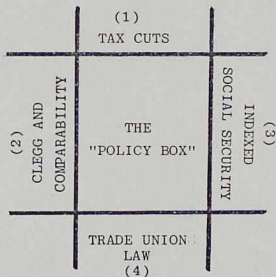


FIGURE 1

- 3.2.2 We created this box because it "wasn't politically possible" to do anything else. We did not, during 1978-9, have the type of strategic discussion which might have led us to a

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WHY DO GOVERNMENTS FAIL? cont.)

different conclusion; although, in our paper of 8 November 1978, we did present the likely outcome of different combinations of trade union law and bargaining systems, the aim being to work towards the bottom right-hand box in which a tighter legal framework, together with monetary and fiscal discipline and greater involvement of employees in the wealth-creating process would start a fundamental change of direction:

UNION POLICY PAY POLICY	Union Status Quo= 'Militants Charter'	Balanced Bargaining Power = 'Moderates Charter'
Monetary and fiscal Discipline + Traditional Collective Bargaining	Economic disintegration	Greater stability but unchanged economic attitudes
Monetary and fiscal Discipline + Output-Related Bargaining (ORB)	Union Activists wreck ORB. Therefore.....	Stability + incentives = <u>New Attitudes</u>

This is what we asked for - & what we got.

FIGURE 2

- 3.2.3 Given these constraints, something had to give. Since it was not the constraints, it had to be the strategy. It was because we could see no solution inside the box that we suggested that a freeze - whether partially-indexed or total, whether in the whole economy or in the public services only - should be at least considered (our paper of 12 June 1979) as one possible way (discussion might have thrown up others) of breaking constraints (2) and (3), and thus reducing inflation with less damage to the economy.

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3.3

A proper strategy is still not enough

3.3.1

Even if we had developed on paper a strategy which broke enough constraints to make our job possible, it is unlikely that we would have been (or will in future be) able to implement it.

3.3.2

This is because the machinery of Government is not suited to achieving change. It is not naturally innovative nor, in organisational terms, is it "task-orientated". There seems to be no systematic process for learning from past mistakes (we saw this as the machine started to tackle the IT project in a conventional way, which was doomed to fail). It lacks the skills, structure - and also the confidence bred by successful achievement. It is imbued with a deep conviction that nothing will really change and that the problems are not really soluble. In our view, this is as much the fault of politicians in past Governments as it is the fault of the Civil Service. The media are also part of this problem.

3.3.3

One thing is certain. There is no possibility of real change in society and in public attitudes - and thus in either economic performance or social behaviour - when the citizen's comment on Whitehall and Westminster is "Plus ça change . . ." We comment further on this problem in Section 5.2 below.

4.

THE CABINET STILL DOESN'T UNDERSTAND THE PROBLEM

4.1

There are three inter-related problems:

- (1) A short-term Stabilisation problem - summed up in the words "You can't get there from here"; needing turn-around measures.
- (2) A North Sea oil/exchange rate problem - forcing on the economy a much faster adjustment than anyone had expected or than some fundamentally viable parts of the private sector may be able to stand; perhaps needing greater fiscal switch.

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THE CABINET STILL DOESN'T UNDERSTAND THE PROBLEM, cont.)

- (3) A long-term problem of secular decline - the multi-causal historical/cultural decline of the UK economy, aggravated by a failure of elementary housekeeping by post-war Governments; needing comprehensive array of "Accelerators" and radical reforms.

Before the Election, we recognised - though rather superficially - Problems (1) and (3). Problem (2) is a more recent arrival which makes the first Problem, Stabilisation, much more difficult.

4.2 What does Stabilisation really mean?

- 4.2.1 In our first paper, "Government Strategy" of 12 June 1979, we suggested that Stabilisation was the main task for the first five years. Unless that was achieved, lasting economic recovery would be impossible " . . . like trying to pitch a tent in the middle of a landslide".
- 4.2.2 We argued that Stabilisation was a massively complex job, requiring the achievement of three inter-related objectives: ending inflation, by monetary policy; rational pay bargaining, by trade union reform and employee involvement; control of Government spending. We suggested that these were the three necessary, but not sufficient, conditions for stability and that they would take a full five years to achieve; and that our communications would therefore have to change, at the electoral margin, the criteria by which our performance was evaluated by the voters. We represented them as a simple diagram (see Figure 3 overleaf).
- 4.2.3 Stabilisation is crucial but difficult for a simple reason. The institutional structure of the economy makes it inherently unstable. This in turn has made the task of successive Governments impossible. Each Government has arrived pledged to rebuild the economic structure only to find that the structure is, as it were, on fire. It is not possible to commence renovation until the fire has been put out. But putting the fire out itself has turned out to be impossible because of

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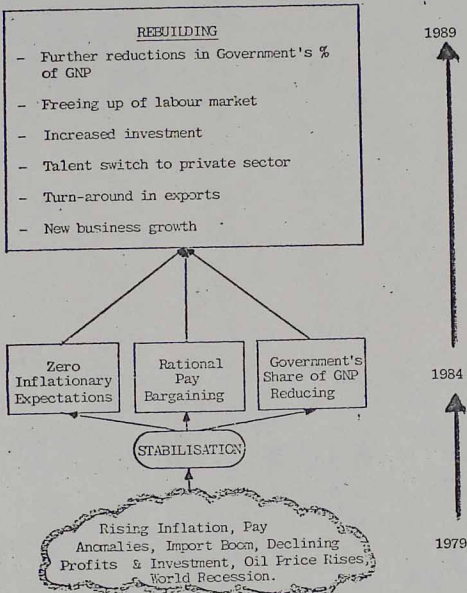


FIGURE 3

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THE CABINET STILL DOESN'T UNDERSTAND THE PROBLEM, (cont.)

its ability to fan its own flames. Whatever analogy you like to use - whether fire-fighting, turn-around, "getting from here to there" - it is this first phase which has defeated every Government since 1964. So far, it is defeating us. It is the high pound which is bringing down inflation, not our policies. The accompanying recession is not a sustainable long-term solution.

- 4.2.4 The structure of the instability problem can be presented as follows:

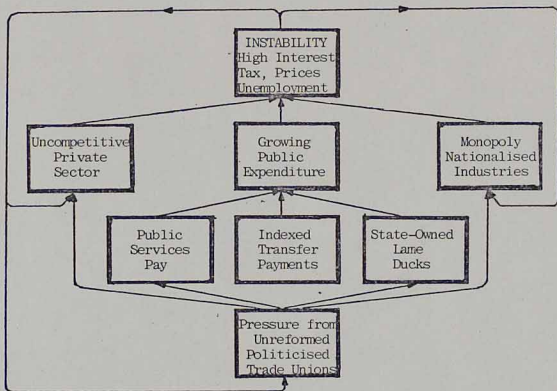


FIGURE 4

It is the interaction between the components of this system which gives the whole process its power and momentum. As a result, it makes mincemeat of successive Governments' economic

THE CABINET STILL DOESN'T UNDERSTAND THE PROBLEM, cont.)

policies. With this central instability, the UK economy simply cannot function properly. In bad times (recession or an external shock like OPEC) it starts to fall apart. In good times, it continues to drop slowly out of the Western industrial world. The system must be redesigned if recovery is to be possible. Improved methods of monetary control are only a small part of the answer, though no doubt an essential one.

4.2.5 Because colleagues never understood this basic problem, it has not been possible to develop a strategy for solving it. The MTFS was not a strategy, but an indispensable public statement of objectives. There was never an explicit programme of action to show how we were going to make MTFS happen, in terms of public services pay, and thus public spending, thus the PSBR. As long as that was (and is) the case, arguments about the best mechanism for monetary control will remain fairly academic. Once spending and borrowing are down, then it will still be important to get the best possible system of monetary control.

4.2.6 In the light of our experience over the past 18 months, we can now break the three Stabilisation objectives, shown in Figure 3 on page 9, into a more comprehensive and structured programme. (See Figure 5 overleaf.) But it is still important to remember that achieving all the tasks on this "Christmas tree" does no more than establish the foundations for recovery. At most, it changes the UK economy from one which can't recover to one which, given other actions, just might.

4.3 Long-term recovery

4.3.1 If we had developed a proper strategy for Stabilisation and were now on target with the MTFS (adjusted to reflect the bottom of the trade cycle) we would now be able to shift our attention to the medium term. For example:

- The need for a substantial and self-sustaining shift from pay/spending to profits/investment.

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STABILITY

WHY?

ZERO INFLATIONARY EXPECTATIONS

PUBLIC EXPENDITURE UNDER CONTROL

RATIONAL PAY BARGAINING IN PRIVATE SECTOR & NAT. IND.

TIGHTER MONETARY CONTROL

REDUCED P.S.B.R.

PUBLIC EXPENDITURE VOLUME CUTS & GREATER EFFICIENCY & VALUE

ENCOURAGE WORKER PARTICIPATION E.G. VALUE-ADDED BARGAINING

MONETARY BASE CONTROL?

PUBLIC EXPENDITURE DECELERATES IN LINE WITH M.T.F.S.

BETTER P.R.V. METHODS, ANALOGUES

PRIVATISATION & CUT UNNECESSARY PROGRAMMES

RAYNER PROGRAMME

REMOVE SPECIAL UNION POWERS IN PUBLIC SERVICES

DE-INDEX OTHER EXPENDITURE WHERE POSSIBLE

DECELERATE PUBLIC SERVICES PAY

- Unilateral Arbitration
- Lay-off pay
- etc

- Scrap Clogs
- Suspend Comparability
- "Implied" 6%
- Amend/Suspend Review Bodies

HOW?

EMPLOYMENT BILL

ENFORCE-ABLE CONTRACTS [UNION FUNDS]

MAKE STRIKING MORE EXPENSIVE [DEEMING ETC]

OUTLINE STABILISATION PROGRAMME FOR YEARS 1 & 2
FIGURE 5

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THE CABINET STILL DOESN'T UNDERSTAND THE PROBLEM, (cont.)

- Developing, and building into the system, the Rayner methodology, together with a further squeeze on public spending when the upturn comes (just the moment when Governments tend to relax; it needs to be sold for 18 months ahead so that the public are ready for it).
- Sustained education in economic reality, so that, at the margin, voters at the next Election judge our performance by more realistic criteria.
- Making sure that the Government gets the real growth industry of the future - information technology - off to a flying start. (We have - perhaps - managed to prevent this running into the sand before it starts.)
- The beginnings of more radical thinking about NHS, education, etc.
- Greater urgency to the "Accelerator" programme (MISC 14/15).
- Constitutional reforms to safeguard the country against extremist politics in the future.

All this should be built into a coherent and impressive forward-looking programme to give weight to the 1983/4 Election Manifesto.

- 4.3.2 In addition, we would still need to introduce further fundamental reforms for the trade unions. Unless we do that, we shall always have to choose between recurring inflation followed by slump; or else an economy running in a state of permanent recession with the public sector as the only growth area (ie what we are doing at the moment). Unless trade union power is reduced, the corporate sector cannot rebuild its profits, public services pay cannot be curbed, nationalised industries will continue to raise their prices faster than inflation. The measure of our immediate problem

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THE CABINET STILL DOESN'T UNDERSTAND THE PROBLEM, cont.)

is that in three years we have not produced a team which really understands what has to be done.

5. BREAKING OUT

5.1 Official papers and Cabinet Committees are not enough

5.1.1 The conventional Westminster-Whitehall practice is inappropriate for a state of economic emergency. It does not distinguish those aspects of policy which are crucial to the turn-around task (eg the tasks on the "Christmas tree" in Figure 5). To overworked Ministers, all issues begin to look equal. (Indeed, given sufficient pressure and stress, all stimuli are eventually equal.)

5.1.2 Westminster-Whitehall conventional wisdom reflects the "art of the possible". It does not recognise that, in crisis, the key to success is to break constraints rather than accommodate to them. Even if it did, constraints cannot be broken around the Cabinet table, where that same conventional wisdom is seen as evidence of the essential experience needed for high office (much as the experience of generals "fighting the last war" is over-valued). There can be no "new data" and therefore no changes of mind, because new ideas, different people and fresh experience never penetrate these discussions.

5.1.3 We have been, and are still being, boxed in by the familiar constraints which have defeated previous Governments. For example:

- (1) "We can't break our commitments on indexing social security."
- (2) "We can't move faster on trade union reform without being thrown out of office by civil uproar."
- (3) "We can't let industry bear the brunt after the personal sector has done so well." But:

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5. BREAKING OUT, cont.)

- (5.1.3 cont.) (4) "We can't raise direct taxes in view of our Manifesto pledges, especially as we've already reduced them."
- (5) "We can't finance even sensible investment by nationalised industries outside the PSBR."
- (6) "We can never win against the miners."
- (7) "We can't bring fresh blood into the top of the Civil Service."
- (8) "We can't liquidate state-owned lame ducks because of the PSBR impact."
- (9) "We can't find the time to work out how to break any of these constraints."

Acceptance of these constraints is tantamount to saying: "On reflection, we've decided we can't succeed". If we were fighting a military, rather than an economic, war of survival, we would find ways of breaking such constraints inside a week. A business facing bankruptcy would do likewise. Constraints are broken quickly enough once the whole management team recognises the alternative.

Each of these constraints is breakable provided we have:

- (a) Convinced all the colleagues that it has to be broken.
- (b) Charged an individual, with the authority and resources, to find a way of breaking it - or else.
- (c) Set up the right political communications to gain public acceptance.
- (d) Set these things in motion in time (because strategic thinking alerted us early enough, to their importance).

5. BREAKING OUT, cont.)

5.2 Organise to achieve tasks, not to run hierarchies

5.2.1 Once the central turn-around problem is understood, then the tasks to be performed become clear. Once the tasks are clear (for example, breaking certain of the constraints in 5.1.3 above might form key tasks, but there will be many others) the traditional Whitehall approach (part-time, non-dedicated committees) is hopeless; good people, whether from within or outside the system, make little difference. The only way to achieve an important strategic task (by definition complicated and trans-departmental) is to give it to a task force, led by someone who is given clear objectives and motivated to succeed. Only task-organisation brings people together on a "results-orientated" basis for long enough to allow them to shelve departmental loyalties and the distractions of other work. (Anyone who reacts to this by saying that Whitehall can't work that way is accepting without question one of the conventional constraints.)

5.2.2 With the proper organisation to achieve the tasks that matter, goes the proper use of time: time in diary terms in order to think, discuss and plan; lead time needed to remove political constraints. (For example, we had a full year in which to prepare colleagues and the public for de-indexing, but never used it.) There will always be a limited amount of time, talent, experience which must be concentrated on the tasks that really matter. Otherwise we go on doing what Governments always tend to do: a little bit of everything, but none of it good enough or sufficiently constraint-breaking to make any difference.

5.3 We must start communicating

5.3.1 A second five-year term is essential for the strategy and thus for the country. We will only get it if voters recognise that this Government is qualitatively different from its predecessors. If they feel that, after all the hopes of 1979, we are really no different, no more

5. BREAKING OUT, cont.)

competent, imaginative or determined than earlier Governments, then we shall be judged on the straight indicators of living standards and inflation, and could well be defeated.

5.3.2 Although great effort goes into speeches etc, all the feedback is that we are not communicating successfully. Everyone we talk to says that the Government does not explain why it is doing what it is doing; that people are unpersuaded that the sacrifices are going to lead anywhere; that the Government shows no signs of an adequate grasp of the problem and what national recovery really entails; that you personally should speak more often on television to educate and explain; that we have no "fast response" system for demolishing Labour's misleading propaganda.

5.3.3. None of this is surprising. Because we have only a sketchy outline of a strategy for turn-around, so we have no strategy at all for communicating that turn-around strategy. Despite all the talking and writing about communications in Opposition, we have not begun to put it into practice. If we go back to the original Stepping Stones paper, we said that any Government which was to have a chance of achieving an economic miracle (for that is what it has to be) will need to develop:

- (1) a shared understanding of the UK problem, as a prerequisite for developing the -
- (2) turn-around policies, which must be assembled into -
- (3) a turn-around strategy for both policy and communications - they cannot be separated. The supporting communications strategy must be based on an understanding of -
- (4) the nature of the communications process.

(5. BREAKING OUT, cont.)

Since we have scarcely achieved (1) above, it is not surprising that we have not yet started on (3) and (4).

5.3.4 We have a great advantage over Labour, because we can develop and present a coherent and convincing strategy, whereas they cannot. But we are not yet exploiting that advantage. It is essential that we do so between now and the next Election.

5.4 Is it worth the effort?

5.4.1 All this is difficult and time-consuming. It is the sort of work whose value cannot be appreciated until it has been done. It is the difference between successful and unsuccessful companies and, we would guess, part of the difference between, say, the French Government machine and our own.

5.4.2 The question is whether colleagues and officials can be persuaded to change. There is no possibility that, without changing their own method of working, Ministers and officials can somehow become superlatively effective, where before their performance was mediocre.

5.4.3 The initial investment of effort, in order to define the Government's position, aims and programme of action was never made by this Government, nor of course by its predecessors. (We attach at Annex A an interesting letter about the Labour Party's experience, much of it relevant to us.) This "strategic investment" is precisely analogous to building any other productive asset like a factory or a power station. You have to invest resources, time and effort, to build it, and further resources to learn how to operate it. Because it takes effort and because it cannot produce instant results, the temptation to put it off and argue that it is unnecessary is very powerful. But it catches up with us in the end. What we are now doing, as a Government, is working overtime to try to get "output" from something we never built in the first place.

6.

CONCLUSION

6.1 This paper poses the following questions:

- (1) Are you satisfied that the Government's central strategy is going well enough?
- (2) If not - is this due to lack of clear objectives, or lack of an adequate strategy, or failure to implement the strategy?
- (3) If strategy or implementation are at fault - do you believe that colleagues and officials can put it right?
- (4) If so - will they do it by trying harder? Or by starting all over again? Or by working in a different way? Or some combination of these?
- (5) If putting it right requires working in a different way - where will this new way come from?

6.2 Out of the 90-odd Ministers and 1,000 officials representing the apex of the Government machine, there can be no more than about ten (the Policy Unit plus a proportion of CPRS' effort) working in a strategic way:

- trying to identify the make-or-break issues
- thinking ahead in time
- thinking across Departments
- trying to integrate policy and political communications.

How can we focus the massive intellectual resources of Whitehall to support and implement this kind of thinking?

6.3 There are scarcely a dozen politically appointed outsiders in the whole of Whitehall. We believe they could be used as

3. CONCLUSION, cont.)

"change agents" (the term used by Norman Strauss in 1976 when he warned you that the existing Westminster-Whitehall system was bound to fail). I am thinking particularly here of political advisers with business experience in getting things done - Derek Rayner, Robin Ibbs, David Young and ourselves. (But the numbers are still miniscule.)

6.4 About every six months since mid-1978, we have come back to you on this central question of the sheer scale of the UK problem and the complete inadequacy of our organisation and our mode of operation for solving it. We have done so, with increasing emphasis since December 1979 on the need for a "shock" approach to get back on track, rather than a gradualist approach, because time is getting short.

6.5 Proposed next step

6.5.1 New insights, understanding, ideas emerge from discussion and argument, not from reading papers. I would like to propose a half-day informal discussion in the New Year, probably over a weekend. This would involve yourself and perhaps a few other colleagues, together with Robin Ibbs, Derek Rayner (if he is still available), David Young, David Wolfson, Norman and myself.

6.5.2 Our aim would be to convince you that colleagues can operate as a more effective and united team, if they can be persuaded to work in a different way. If we cannot persuade you that the effort to change would pay off, then we will drop the subject and revert to our normal role of "doing our best" within the constraints of Whitehall convention and the "art of the possible".