

## RANDOM THOUGHTS FOR THE CONFERENCE SPEECH

These are just some first thoughts on the speech.

### 1. GENERAL POINTS

- 1.1 The speech should be pointing to the future, like Normans' closing Section to the Bournemouth speech. What 1984 has got to look like.
- 1.2 It will have to deal with the "high pay loses jobs" in a fresh way. That message will be needed for months to come.
- 1.3 How to be a good member of the Labour Party. A check list of do's and don't's. Listen to what the sensible men propose and do the opposite. Use the Jo Grimond article, Daily Telegraph, 16 June 1980.
- 1.4 The moral aspect of public services and public sector unions. Right back to essentials. What would we do if brain surgeons went on strike?
- 1.5 Put the break-up of the Labour Party into perspective - what is best for Britain etc.
- 1.6 A fresh piece on why the British must stop being afraid of patriotism embarrassed or guilty about it. (Peter Utley's article, 13 July Sunday Telegraph relevant. Perhaps also Hugh Thomas.)
- 1.7 The Tories will provide the absolutely hard framework on which people can take hold, make their plans. Whether they like us or not, they must know where they stand with us. Straight talking, straight dealing.
- 1.8 Must give the lie to the Labour argument that the use of industrial muscle is "market forces at work". It's the opposite, it's the conflict of labour monopolies. That's the whole point. It is the exact reason why we favour commercial competition rather than knuckle dusters.
- 1.9 A moderate is all too often simply a man who tolerates immoderation.
- 1.10 Quote Harold Macmillan in his stunning attack on appeasement at his talk to the Young Conservatives a year or so ago.

1.11 Any Government which is trying to change things will always look extreme, beside the status quo. We are the Party of change. Labour are the reactionaries.

## 2. OUTLOOK FOR 1984

- 2.1 The future of work, breaking down the divide between work and leisure. Is education work or leisure? The Open University for example.
- 2.2 We'll be back at the foot of the inflationary ladder again, getting ready to climb it, unless the unions can help work out bargaining systems which don't simply force higher prices or bankrupt companies. Payment by results. Shareholders don't strike for higher dividends. The dividend reflects what actually happened, not the use of muscle to pre-empt next year's bank notes.
- 2.3 A Japanese research worker (article in the Times, 24 July): "In the West, only the elite understand the importance of high productivity. In Japan, everyone is attempting to increase productivity".
- 2.4 Face the question of whether the Government can use North Sea revenues to catalyse tomorrow's businesses, to help Britain catch up - biotechnology, microelectronic applications, etc.
- 2.5 Look at the article about the Irish or inward industrial investment, Guardian, 22 July. Look at Sam Brittan, 3 July 1980 "De-industrialisation is good for the UK". See page 12 of the Spectator of 7 June.
- 2.6 The development of a North Sea Oil Fund for infrastructure renewal.
- 2.7 Fundamental reform of the Civil Service?
- 2.8 Constitutional reform, which doesn't interest the Prime Minister. Read Ronnie Butt on 24 July and his next article next week. Safeguards against extreme Left-wing Government.
- 2.9 New ideas for worker participation? But real interest. The fundamental question is this. In non-unionised industry, there are simply

rates for particular jobs depending on supply and demand in the market. Where unions apply, those rates do not reflect this free flow of resources. Two ways forward: either you reduce the power of unions, or encourage economic progress to erode them as has happened in the States (read the paper by Beenstock of the London Business School); or, where unions exist, you confront the fact that they must begin to get paid by results at the enterprise level. Important to realise that in a proper market that does not happen, and our whole line of argument about higher pay depending on higher productivity is quite fallacious. We slip into that argument because of an unwitting recognition that the market can't work where trade unions operate, whether or not there are closed shops etc. Okay, then think of a different arrangement in which the unions' membership begins to take some of the risk - not the total exposure of a shareholder, but something a little less - implicit in enterprise.

- 2.10 Perhaps float a few radical ideas from the leading edge work of some of Alfred's groups - eg Health and Education, but this may still be under wraps. Or its Manifesto 1984 material.
- 2.11 Spell out as clearly as possible the difference between Transition '80 - getting through the J-curve of inflation and unemployment - and Transition '84, which is getting all the bits and pieces together for recovery.
- 2.12 Have to say something about public spending. Simon Webley (on one of Alfred's teams) said the other day to me that there would definitely be more people in the public sector than now by 1990. I'm not quite sure whether this is related to working population, total population, or what. This seemed to be a considered forecast, rather than mere conversation.