

THE SOCIAL DEMOCRATS

An outline of the policies of the new Party and the views of its leaders as they had been made known by June 1981.

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SOCIAL DEMOCRAT POLICIES

In some areas of policy we are still in the dark as to the Social Democrat line - as, indeed, they clearly are themselves. They share with the Liberals the chance to pose as all things to all men because they have never, as a government, been forced by the constraints of office to offend pressure groups and trample on vested interests. Unlike Liberals, however, leading Social Democrats have as albatrosses their own individual records as ministers and their own guilt by participation in Socialist administrations. They have also contradictions between their individual attitudes to overcome: the Jenkins view of the sanctity of the right to private education, and the necessity of the 'In Place fo Strife', reforms of industrial relations mix oddly with the Williams egalitarian approach to education and enthusiastic participation in the Grunwick picket line.

The following notes summarise what we know, so far, of the new Party's approach, supplemented by what we recall of their record as individuals in government; together with comparisons with Liberal policies where the latter are markedly different, and a summary of the joint statement of principles published by the two Parties on 16th June 1981.

ECONOMIC POLICY - GENERAL

Roy Jenkins set out his current thinking in his speech to the Institute of Fiscal Studies on 23rd February 1981. He criticised the Government's present policies on the grounds that too high a price was being paid in loss of industrial capacity for the reduction of inflation, and the latter was unlikely to be lasting. He (almost) blamed himself for initiating the pursuit of a negative PSBR, when he achieved it (in very different circumstances) in 1969-70. Too little attention had been paid to the money supply up to 1968. "What surely matters, and what is desirable to get it right is total spending or money GDP - 'nominal GDP' in American - or MV . . . it is that which counts and which is broadly the same as 'money GDP' and which can be influenced with varying degrees of success by fiscal or by monetary decisions." He believed the present Government had paid too much attention to the one indicator, M3.

His present prescription:-

- i) Stability of policy - not switches from nationalisation to denationalisation, or switches of demand management policy.
- ii) North Sea Oil - must not be used for consumption, in wages 20 per cent higher than the value of our work, which would lead to rising unemployment. Instead we must use it to shift towards high value-added output and services and advanced technology. It is essential that it should be used for productive public sector investment; railway electrification, public transport, expansion of British Telecom, energy saving and insulation, development of renewable sources, rebuilding of outdated water and sewerage systems; with possibly a special North Sea Oil Revenue Investment Fund.
- iii) Help for the private sector through lower interest and exchange rates - it would be better to bring the latter down now than let them collapse later, and preferable to ad hoc measures such as handouts, energy price cuts and sectional import controls.
- iv) Import Controls - would be bound, within the lifespan of any investment cycle, to invite retaliation: to the extent that they did not they would tend to push the exchange rate up.

Incomes Policy: On this Mr. Jenkins was specific and forthright:

"If we aim to favour employment with lower interest and exchange rates . . . then we have to go back to the pursuit of a stability orientated incomes policy . . . We want something which will serve us for a period of years, improving on the present appallingly bad mix of unemployment, inflation and inefficiency, and yet leaving as much flexibility as possible in pay bargaining."

He commended Professor Meade's proposals . . . "of which the core is an employment orientated Pay Commission, which would not involve itself with any freely agreed bargain but which would be open for business from any party to a disagreed wage settlement. The Commission would, subject to various invitations, judge a settlement at either the employees' last claim or the employer's last offer which ever would be more likely to favour employment in the enterprise."

concerned. Enforcement would be not through the full panoply of the criminal law, but through a weakening of a potential striker's financial position in the realm of tax rebates, supplementary benefits, redundancy conditions. In a setting of high unemployment and weak competition such a system would clearly favour wage moderation. In sectoral or company situations of labour shortage it would also be satisfactorily flexible. I am less sure how it would work in a more generally tight labour market" . . . "I do not pretend to a complete answer, but I think this offers the right direction."

Shirley Williams and David Owen have also advocated incomes policy, stressing that it must be voluntarily negotiated, decentralised and flexible to incorporate bargaining at plant or shop level. Both are doubtful over basing pay awards on productivity - David Owen because he fears that this would widen differentials between workers in capital and labour-intensive industries. He favours a Comparability Commission to replace the numerous such bodies operating at present. Dick Taverne favours German style semi-compulsory arbitration. Liberals by contrast favour a full-scale incomes policy - whether statutory or not is at present not clear.

Public Expenditure: Both Roy Jenkins and Shirley Williams are on record as supporting cuts in public spending. For example:-

Mr. Jenkins: "I do not think that you can push public expenditure significantly above 60 per cent and maintain the values of a plural society with adequate freedom of choice" (The Times, 24th January 1976) (On present day definitions of public expenditure the 60 per cent would be about 45 per cent).

Mrs. Shirley Williams: "On the second requirement for prosperity the Government itself is making room for investment in manufacturing by greater controls over public expenditure . . . I believe a substantial section of public goods and services to be a pre-condition of a responsible, socially just society. But public expenditure has been growing very fast - by nearly 20 per cent in the past three years compared to a 2 per cent growth in GDP. It would be quite unnatural not to consider whether all of it is necessary and whether any of it is inadequately controlled" (Speech, London, reported in Trade and Industry, 26th March 1976).

Yet, as Mr. Jenkins admitted:- "Since we came to power public expenditure has risen nearly four times as fast as the national income" (Labour Party Conference, 30th September 1968).

Taxation: Here Mr. Jenkins' views and his practice as Chancellor differ sharply.

He warned of the dangers of over-high taxes:-

"There is the alleged disincentive effect of high direct taxation. There may be more allegation than reality in this . . . But the mere fact that it is so widely believed is of itself significant and means that further substantial increases in taxation on earned incomes could well have a stultifying effect upon the development of the economy."

"We cannot be indifferent to the disincentive effect which very high taxation on earned income might have" (Labour Party Conference, London, 13th May 1967).

In his 1969 Budget speech Mr. Jenkins spoke of the 'desirability' of 'mitigating slightly the rates of tax on high earned incomes.' (Hansard, 15th April 1969).

Yet as he told the IMF on 2nd October 1968 :-

"I had to impose in this Budget greater tax increases than had ever before been imposed in peace or war. This was necessary in order to ensure the restraint on consumption which was essential if we were to free resources for exports. Third, it was essential to prevent a wage-price spiral from developing as a result of the rise in import prices."

In office, Mr. Jenkins increased taxes by £933 million in March 1968; £250 million in November and by £340 million in April 1969 - and this was after increases already imposed in earlier Budgets by Mr. Callaghan.

Mr. Jenkins was on occasion as wildly optimistic as Sir Harold Wilson. For example, in 'The Labour Case', 1959 he wrote:-

"The commitments of the Labour Party's policy, provided they are not all pushed through in the first year, which nobody has ever suggested - can be carried out comfortably without any question of any increase in the tax burden. On the contrary, they should leave room for substantial tax reductions."

Dividends and Wages: Mr. Jenkins made a strong case against dividend restraint, and drew a clear distinction between the way that wages and dividends had fared when he spoke in a Prices and Incomes debate in 1969. He concluded:

". . . on no basis does the argument that we have treated dividends on capital better than wages begin to stand up" (Hansard, 17th December 1969).

Industrial Relations

Mr. Jenkins was in favour of the strong measures of reform - which included recourse to the criminal law to enforce sanctions against strikers - set out in 'In Place of Strife' in 1969. He said ". . . We need to facilitate the smooth working of the process of collective bargaining in industry and to help to prevent the occurrence of unnecessary and damaging disputes, of which we have seen all too much recently and which are totally incompatible with our economic objectives. The Government have, therefore, decided to implement without delay some of the important provisions incorporated in the White Paper 'In Place of Strife'" (Hansard 15th April 1969).

None of the Social Democrats voted against any of the Trade Union and Employment Protection legislation of 1974-78. Shirley Williams appeared on the Grunwick picket line in May 1978. Dr. Owen and Mr. Rodgers voted against the Employment Bill in December 1979: the Liberals did not. Roy Jenkins met considerable left-wing criticism in 1974-75 for his refusal to release the 'Shrewsbury Three'. Dick Taverne has publicly defended the 1971 Industrial Relations Act.

Shirley Williams points in 'Politics is for People' to an endemic tension between national union leaders and bolshy shop stewards and the historical dedication of unions to confrontation, job protection and higher wages. She says that big business cartels and monopolies are also a form of restrictive practice and suggests that union resistance to cuts in real wages are helpful because they keep domestic demand buoyant. While she attributes part of the responsibility for cost push at inflation to wage demands unmatched by productivity, she criticises emphasis on the substitution of capital for labour as a means of boosting productivity:-

"We have been mesmerised into using the productivity of labour as the most important criteria of economic achievement . . . (but) labour is people with their unpredictability, their moods and their wish to be consulted and informed . . . Over a wide area labour can be substituted for capital and capital for labour without affecting the overall costs of production."

David Owen like Shirley Williams identifies the crucial problem as a conflict between centralised governments and decentralised trade unions. He does not favour industrial relations legislation, but welcomes the encouragement given to balloting in the 1980 Employment Act, and appears to regard further controls of mass and secondary picketing as necessary. His opposition to legislation is based on the hostile reactions to 'In Place of Strife' and the 1971 Act, and upon his belief in the efficacy of industrial democracy (Face the Future, page 116-7). He advocates legislation on industrial democracy, and possibly another TUC-Labour Concordat like that of February 1979.

Training

The Social Democrats are very proud of the Labour Government's achievements in this area in particular the Youth Opportunities Programme, Mrs. Williams in her book, favours 'an ordered transition from school to work for all young people', by traineeships of various lengths, which would provide work preparation, work experience and training in skills. They would be financed from public funds.

She favours the German 'Bennfgundjahr' (full-time work year) and their Training Places Promotion Act, 1978 which included a levy on employers if insufficient additional training places were offered to absorb school leavers. She advocates an 'Open College' to encourage skill, flexibility and retraining; and standard related instead of time-serving apprenticeships.

David Owen in his book expresses interest in job-sharing schemes and reductions in working hours, provided that they do not raise our unit costs uncompetitively.

Industrial Democracy

Mrs. Williams, herself a trade unionist, chaired the Ministerial Committee which produced the 1978 White Paper, in reply to the Bullock Report - a White Paper which advocated rights for unionised employees to the exclusion of everyone else. In this Mrs. Williams differs from Mr. Jenkins and Dr. Owen. She believes that "good industrial relations have to start with winning the support of the great majority of the sensible trade union members for reform". (April 18th 1979 - Ilford) and regards improved consultation procedures as vital to a voluntary incomes policy and to the introduction of new technology.

Dr. Owen writes in his book that industrial democracy should be given 'the highest legislative priority' and be 'introduced in the first session of a new Parliament'. He believes in co-operatives, advocates a two-tier board, because parity of representation on a unitar board is "too radical a change at present". Joint Representation Committees would be established in the first year after legislation for the second year. At the General Election, the Liberals favoured legislation giving employees in unions with more than 50 workers the right to petition for the election of works councils at plant level as a first step. David Steel's 10 points called for 'changes in company law to involve all employees in decisions which affect their future by the establishment of representative supervisory bodies in each company', starting with nationalised industries. "This should be accompanied by a general extension of tax-supported profit-sharing".

INDUSTRY POLICY

Dr. Owen, from the evidence of his book 'Face the Future' and his past record in government and opposition, appears to have changed his views with his Party allegiance. His comments on nationalisation of the aerospace and ship repairs industries, for example are curious coming from a member of the Labour Government which nationalised both:-

"The case for state involvement in the ship repair yards was always dubious: they are probably best left to operate within the private sector, particularly since the government already has four naval dock yards. The argument for the nationalisation of British Aerospace was that the state was a major purchaser . . . In this industry the introduction of mixed finance between public and private investment need not necessarily be a bad policy and there is little justification for the automatic assumption that it must be wholly Government financed and owned" (p. 174).

"If state industries have a mixed source of finance they may become accepted as politically neutral and be given the necessary stability by all governments to concentrate on producing higher standards of service and becoming more efficient" (p. 176)

It is to be hoped that the Social Democrat conversion to privatisation will prove to be enduring. It certainly seems to have occurred since the second reading of the British Aerospace Bill on 20th November 1979 when David Owen and William Rodgers voted against it.

Steel: on this industry too Dr. Owen has changed his tune:-

"Although it is a terrible thing to say, what Mrs. Thatcher is doing in the steel industry would be inevitable under a Labour Government as well. It was quite obvious when we came back to office in 1974 that there would have to be rationalisation of the British steel industry. If it had been done earlier there need have been fewer closures and less unemployment" (David Owen, 14th February 1981 at Holborn, London - as reported in the Sunday Express, 15th February 1981).

This contrasts strangely with his remarks made in the House of Commons on 21st July 1980 (Hansard, Col. 44):-

"Having witnessed what the Government have done to the steel industry, we fear the same sequence of events in many other industries. In retrospect, the steel industry has been a tragic example of mishandling and incompetence. No one can look back over the events of the last year and believe that what was conducted in the name of the Government was anything other than a shambles of industrial policy . . . we have seen the application of cash limits administered with doctrinal spite on the steel industry . . ."

If the Social Democrats are now prepared to back the Government and BSC in the reduction of steel capacity, they should be asked to do so vigorously and publicly.

Industrial policy and intervention: Dr. Owen's comments give no indication of what he believes to be the proper limits of government intervention in industrial policy:-

"Co-operation will not be achieved on the basis of the simplistic polarised dogma of the Conservative Government, with their animus against the public sector and their belief that there is no useful role for the state in stimulating industrial activity" (Owen, op cit, p. 169).

"The Government must learn to judge when to intervene and when not to intervene, on the basis of a disciplined, scientific and thoughtful approach. . ." (ibid, p. 172).

ENERGY POLICY

Nuclear power is the energy issue which obviously divides the SDP from the Liberals. Mrs. Williams is closer than her colleagues to the Liberals in their opposition to its development.

"The unsolved, and perhaps insoluble, problems of nuclear power, which become more serious as the scale of operations mounts, suggest caution at the very least about pressing ahead with a major increase in nuclear power plants." (Politics is for People, p. 59).

This contrasts with views of her colleagues:

Mr. Jenkins as President of the Commission of the EEC, to the European Parliament (12.2.80, col. 60):- "The Commission believes that the delays which have occurred in the development of nuclear energy in different parts of the Community should be made up as soon as possible."

Dr. Owen (Face the Future, p. 196) "A proportion of nuclear-generated electricity is necessary, objectively, under any criteria, even taking account of different forecasts . . . It is . . . inevitable that . . . Britain will have a continuing need for nuclear power stations."

Mr. MacLennan and Mr. Thomas have strong constituency interests in nuclear power (Dounreay and Northern Engineering Industries respectively).

The contrast in attitudes between Mrs. Williams and Dr. Owen is brought out by their comments on the safety of civil nuclear power stations:

Mrs. Williams (ibid. p. 58) ". . . the operation of nuclear power stations carries enormous risks."

Dr. Owen (ibid. p. 198) estimates the worst consequences of an accident at a power station as "a few hundred deaths" and with "an outside chance that it might be 10 times worse". He comments, "Disastrous certainly, but not out of all proportion to what an industrial nation has to face . . ."

He and Mr. MacLennan strongly advocate advancing the commercial fast breed reactor. As Foreign Secretary, he advocated the THORP II development at Windscale in the face of US feeling that it should be delayed until after the International Nuclear Fuel Cycle Evaluation (Hansard, 22.3.78, Col. 1663). He is dismissive of the environmentalist arguments beloved by Liberals. In 'Face the Future, p. 201, he says,

"For those who want low or no economic growth, the case for a ban on nuclear power has at least an inner logic. But for those who want to see economic expansion in Britain, faster economic growth, and whose environmental concerns embrace such issues as overcrowded slum housing conditions, Victorian hospitals and inner city squalor, the issue is not so simple."

The PWR will bring the nuclear issue into focus. As Dr. Owen opposes a British PWR, although he says (ibid, p. 202) "If we had difficulties (in the future) with the AGR we could buy off the shelf a German PWR".

Other Energy Issues

Dr. Owen can argue that he warned, during the debates on the Coal Industry Bill, that recession would force a relaxation in the NCB's cash limit. He has argued consistently for a depletion policy for North Sea oil, and supports the Government's plan to keep production close to the level of UK demand. He vigorously opposes privatisation of BNOC. On 6.9.79, in a speech in Dorking, he suggested that BGC should buy BNOC's gas interests. "It will be a sensible rationalisation of national gas resources".

Dr. Owen is strangely non-communitaire on North Sea oil and gas supply. In Surrey, on 29.11.79, he said that "Our European partners want access to our North Sea oil" but that this should not affect UK depletion policy. "Germany would not dream of depleting their oil supplies, if they had them, against their national interests. Nor would one of them dream of selling a product at below market price. On gas we need to even tougher" (since UK demand is not fully covered by UK production). The SDP might propose a tax on oil imports and production within the Community in order to finance a common energy policy.

TRANSPORT POLICY

Two members of the Social Democratic Party were Transport ministers in the last Government - William Rodgers and John Horam. They were both extremely able and good at their jobs and followed policies which had very little to do with conventional Labour wisdom about Transport integration etc.

David Owen. Includes a short piece about transport in his book. It is pretty meaningless. He states that we must revive a historic commitment to developing an integrated transport policy using taxation, pricing and a good investment strategy to balance the economic, social and environmental costs.

He argues that we need more regionalism in transport planning - under new regional assemblies which he proposes elsewhere.

He dismisses arguments about nationalisation v. denationalisation as just excuses to avoid grappling with the problem of 'integration'.

In relation to Dr. Owen's utterances, it is interesting to note that during William Rodgers' time at the DOT, Labour's commitment to an integrated transport system was dismissed as impractical.

The best indication of Mr. Rodger's attitude to transport was given in the June 1977 White Paper on the subject. The main proposals were:-

- to cut spending on transport from £2,300 million a year to £2,200 million by the end of the decade.
- to abandon the concept of a strategic road network; to make road-building policy more flexible, concentrating more on by-passes a cut of £45 million a year was proposed.
- lorry tax to be based on vehicles' laden weight and number of axles - resulting in higher tax for the heaviest lorries ; legislation on safety, pollution etc. affecting lorries to be tightened up.
- Railways: the Passenger Service Grant to be cut by £20 million a year (from £310 million); rail freight subsidy to end in 1977; a replacement allowance, and 5 year rolling investment programme.

- County Councils to have increased responsibility for transport; to be asked to draw up and maintain five-year plans; and possibly to be asked to support local railway lines.
- rural transport: the bus revenue support grant to be increased by £15 million a year.
- bus licensing laws to be adapted in an attempt to solve rural transport problems.

HOUSING POLICY

None of the main social democrats have been directly involved in housing. However, in both Mrs. Williams' and Dr. Owen's recent books, there are indications of the sort of housing policy they might embrace.

Mrs. Williams discusses housing in her book in relation to education and social segregation. Social division between council estates and private estates has led to socially segregated schools. Different policies are needed.

- Council House Sales. Provided there is an adequate stock of housing for rent, the sale of council houses helps to break down the segregated social structure.
- Public housebuilding and conversion. Council house sales should be associated with local authority infilling of sites and conversion of large old houses into flats for rent in areas of privately owned housing.
- Rehabilitation. The new popularity of rehabilitation may help to create a more varied pattern of residence and help restore life to the inner cities and create more balanced communities in the big overspill estates of the 1950s and 60s.

Dr. Owen. Concentrates on the need to reform housing finance. The favourable treatment of owner occupiers for tax purposes has led to a shift of resources into house purchase and trading up of house prices. Funds in the building societies have reduced the availability of funds to industry. The result has been that companies here increasingly have to borrow from banks - this pushes up interest charges and the money supply. Prices of houses are bid up beyond their real worth; mobility is thereby decreased - all this happens because of government subsidy.

- Reduction of subsidy to owner occupiers. Dr. Owen argues that the policy must be to reduce subsidies to owner occupiers and treat housing and tax reform as part of one package. This means either the reintroduction of a sort of schedule A tax (by phasing) or a phasing out of interest relief. He is rather ambiguous in that he goes on to say that this would mean restricting relief to the basic rate of taxation and maintaining the £25,000 ceiling. This is not quite the same as phasing out interest relief.
- Council Rent. Subsidy to council tenants must be adapted so that there is equality of treatment of both housing sectors. This does not necessarily mean that the general level of rents would rise but some would see sharp increases. Again these would have to be phased in.
- New Unified Benefit. There should be a new social security benefit to take account of housing costs - the sort of unified housing benefit proposed by the Supplementary Benefits Commission. There should also be nationwide rent pooling for council properties.
- First time buyers. There is a need to improve access to credit for young families with low incomes who cannot get a mortgage from a building society.
- Council House Sales. Should be left to local councils to decide whether or not to sell. Sales should not take place if they add to the number of homeless.

SOCIAL SERVICES AND SOCIAL SECURITY

Very little evidence

HEALTH SERVICE

Extracts from Dr. Owen's book 'Face the Future' provide the best evidence we have of the Party's attitudes.

The Chapter on Community Care calls for the Health Service to be handed over to local elected authorities, partly on the grounds that there is greater equality in the distribution of resources in education than there is in a heavily centralised service like health.

As Dr. Owen says:

"This is very important since many socialists justify centralisation on the grounds that it promotes equality." (p. 383)

"It is a sad fact that the Health Service is represented by an amorphous and undemocratic authority, a Quango which should be abolished and replaced by democratically elected bodies." (p. 389)

Dr. Owen is critical of entrenched interests like the consultants and the trade unions. For example:

"The resistance to change is strong, particularly from consultants in the acute illness sector protecting their specialists, and from trade unions unwilling to see any closures among the acute general hospitals, which they see primarily as employers of their members." (p. 393)

On preventive medicine, Dr. Owen calls for legislation to put tobacco products within the scope of the Medicine Act.

"The decision having been taken, sadly no place was found for it in the 1976 legislative programme, and instead another inadequate voluntary agreement was negotiated with the industry . . . the real problem is a lack of Ministerial resolve." (p. 396-7)

On the private medical sector, Dr. Owen writes that "a small private health sector does not seriously damage the health service but if that sector grows the distortion it can introduce in terms of rational allocation of skilled people and specialised facilities can harm the NHS. It is legitimate and right to phase private medicine out from within the NHS and for government to take financial and other measures actively to discourage the growth of the private health sector . . . Legislating to ban private medicine is an issue of human rights discussed in Chapter 17 . . . improving the quality as well as the quantity of provision of the NHS in the best way of curbing the growth of the private sector." (p. 401)

LOCAL GOVERNMENT

Dr. Owen's book provides almost the only evidence on this policy also. The Chapter on Local Government rejects centralism but its prescriptions do not answer the major problems.

i) Neighbourhood Councils. Dr. Owen argues the case for a pattern of neighbourhood councils. "I see it as a democratic right, an opportunity to be taken only by those neighbourhoods who positively want it. I see no merit in imposing a universal pattern." (p. 356)

This does not differ from our own attitude to neighbourhood councils but Dr. Owen seems to see NCs as a way to strengthen local autonomy. He does not explain how this would happen nor does he detail the services which these councils would run, presumably at the expense of district councils.

He does talk about a "more variegated pattern of government" (p. 358) and later makes clear that he favours a variegated pattern of service provision: "Local authorities must have a degree of freedom to determine the range and standard of their services and to increase or decrease the level of expenditure which they devote to those services." (p. 363-4)

ii) Regional Assemblies. "Regional Assemblies would have a scrutinising function that the House of Commons is unlikely to be able to fill, but this function does not reduce the role of local government". They would be responsible for water and health services. They would add another level of administration which with neighbourhood councils would amount to five levels of elected assembly. Alternatively SDP might be tempted to carve up the counties moving some services to districts and others to regions.

iii) Local Income Tax. In his book Mr. Owen discursively discusses the Labour Government's response to the Layfield Report. He has publicly endorsed LIT as reported in (LGC* 15th May 1981). The difficulties of local income tax are the relatively high cost of administration and relatively weak accountability which could be established through the PAYE system. Conservatives cannot support LIT because it is inconsistent with a general policy to reduce income tax.

iv) Local Government Finance. Dr. Owen also argues that we should "accept as an essential first step the Layfield recommendation that government grant should not be above 50 per cent of local authority spending". This can only be achieved by retaining rates and funding an additional local revenue like LIT.

* Local Government Chronicle

LAW AND ORDER

There is no official Social Democrat policy as such on law and order except the indications from their writings. The longest out-pouring on this subject was David Owen's book, which contained a chapter called 'Freedom with Security'.

The following suggestions are drawn from that chapter:

1. There should be no national centrally controlled police force. (Our policy also).
2. The reduction in the number of separate police forces and the increasing use of computers is causing potential problems about a centrally controlled force. Local police authorities should be encouraged to assert their right to certain influence over the operational activities of the police, e.g. the local police authorities might insist that the Special Patrol Group be not established in their police area.
3. Some police forces might be split up into smaller units.
4. A more effective system of police accountability is required in London.
5. A special Select Committee might be set up within Parliament to scrutinise the activity of the Metropolitan police.
6. The right to demonstrate should be upheld, except in the case of racially abusive demonstrations.
7. A 'Credible System' for dealing with complaints against the police is required.
8. Individuals should be given direct access to the European Court of Human Rights and its enforcement machinery should be strengthened.
9. Britain should sign the fourth protocol to the European Human Rights Convention to guarantee freedom of movement.
10. A Bill of Rights should be considered based on international conventions. Such a decision should be preceded by 'careful debate'.
11. The Legal Aid system should be reformed.
12. 'The restrictive practices and remoteness' of the legal profession should be seriously challenged. The Lord Chancellor should sit

in the House of Commons. A Ministry of Justice 'answering for all aspects of law and order' might be established.

13. 'Greater democratic accountability' is required for the security services. A new Committee of Parliament might be established to scrutinise their activities.

Home Office: Roy Jenkins' record as Secretary of State

1. In June 1974, he relaxed the controls imposed by Mr. Callaghan on the admission of husbands and male fiances to this country.
2. He announced, in April 1974, an amnesty for immigrants who had settled illegally in the United Kingdom.
3. He attempted to use his executive power to prevent people buying television licences at the existing rate before their licences expired in order to avoid payment of an announced increase. Mr. Jenkins caused threatening letters to be sent to those people demanding payment at the new rate under pain of having their licences revoked. The Court of Appeal, in the Congreve V Home Office case, ruled that his attempt to revoke peoples licences was "unlawful, invalid and of no effect".
4. Finally it might be worthwhile recording that in the time Mr. Jenkins was Home Secretary between 1974 and 1976 the level of immigration rose from 55,162 persons in 1973 to 82,405 in 1975 and 80,745 in 1976.

EDUCATION

There was no mention of education in the Limehouse statement of 25th January 1981, nor at the Party's launching, apart from a reference to training for school leavers. But at the press conference there was no attempt to disguise the disagreement on independent schools between Shirley Williams and Roy Jenkins. She reaffirmed her view that they were undemocratic; he was reported to have said that it was 'not practical to forbid (private education) by law'.

Shirley Williams in an interview with John Izbicki reported in the Daily Telegraph, 30th March 1981, confirmed her opposition to independent schools; would scrap their charitable status; the assisted places scheme; and the extra allowance for boarding officers' children. "When I put it to her that more people might join the Party if she were to back independent schools, she replied "In that case they will have to join Roy Jenkins' Party, I have not changed my mind and shall not do so" (ibid)

In her speech to the Secondary Heads Association Conference on 30th March 1981 Mrs. Williams admitted she was in a minority of one; proposed a scheme for public schools to 'twin' with comprehensives, pupils from each being 'fostered out' on the other - with the comment that it "might seem rather a wild idea but we have to break down the barriers". Independent schools should be offered the opportunity of integrating with the state system (Press Association tape report).

Politics is for People

Chapter II: "Good Schools and Bad Classes". Even by comparison to other chapters, this one from a former Secretary of State is particularly vague; most key issues are dismissed in a paragraph, plenty of criticisms almost no remedies.

Comprehensives: "The social case for the comprehensive school has always been unanswerable". p. 156. NCD study shows comprehensives do as well as selective schools. Opposes 'creaming' of comprehensive suggests she would reverse 1980 Act and re-impose comprehensive plans on LEA's.

Independent Schools: A paragraph which is remarkably similar to Labour's policy document "Private Schools", argues that public schools cream social background "trading on the snobbery of parents rather than on academic excellence" (152) although she admits they are well ahead in ability tests of comprehensive or secondary modern. "The Maintained system and the economy itself are crippled by this socially segregated system." (p. 158)

"It is with reluctance that I for one conclude that the freedom to send ones child to an independent school is brought at too high a price for the rest of society". The solution: 'imaginative ways

to integrate independent schools' i.e. now 'twinning' and 'fostering'. On her record Mrs. Williams has both defended the reformist view of private education and made use of Godolphin and Latymer for her child.

The most serious question is why Mrs. Williams did not take any action or give any indication of these views in her two years at the Department of Education and Science. However, her latest comments repeat Labour's 1979 Manifesto:

"Labour's aim is to end, as soon as possible, fee-paying in such (independent schools . . . Labour will end as soon as possible the remaining public subsidies and public support to independent schools.")p. 17)

Educational Opportunity: Overstates that achievement is based on family background. "The school cannot on its own outweigh the powerful influences of social background, parental attitudes and racial or sex discrimination."

Argues that nursery schools "have mainly benefitted the middle-classes in Britain partly because their sessions are too short to meet the needs of working mothers". No mention of voluntary role (e.g. playgroups). Argues nursery schools should become centre of all health and social services.

Teachers: Would make in-service training obligatory for promotion. Poor head teachers should be sacked.

Curriculum: Reflects the battle she lost with NUT and LEA's over a core now says the key to reform is via examinations. Would broaden 'A'levels (last government would have replaced them). Supports tertiary colleges as a long-term objective, sixth form colleges and 'community schools' in the meantime.

Further and Higher Education: Chapter 2 notes proportion of university students from manual homes has remained at 25 per cent therefore criticises socialist governments for attempting to expand provision without narrowing class differences Chapter II.

Chapter II: Calls for grants for 16 year olds who stay on at school. admits staff student ratios in higher education have been 'very' high with 'reasonably generous financing' (p. 169). Need to develop a system of continuous education.

Dr. David Owen told Robin Day on 'The World at One' (17th March) that the new party would not ban private education and health by law - "that would be too great an infringement of personal liberty. It would, incidentally, also be against all the international conventions on human rights . . . "

The Rt. Hon. Roy Jenkins was a member of the panel on 'Any Questions' (BBC Radio 4 - 3rd April). he said he was in favour of choice in the education system. When pressed as to whether this extended to the private schools he replied: 'I believe that our life in this country is somewhat too dominated by a small minority of people who go to private schools and in particular, a minority of private schools. It is more dominating than most countries in the world. And I would therefore want to put a great deal of effort into improving the public sector of education and getting that patronised across the class spectrum insofar as there is a class spectrum as widely as you possibly can. But at the same time , I do not believe that it would be either right or practical to ban private education by law, and I would be firmly against that as an infringement of human freedom.'

Past Record - Shirley Williams: Minister of State 1967-69, Secretary of State September 1976-79.

No evidence that her policy followed any Socialist programme, mainly pragmatic, often compromised;

- Hawkish on public expenditure, presided over three rounds of cuts particularly hitting capital spending. Justified them to Labour Conference as safeguard against future debts. But failed to get maintenance awards for 16-19's from Mr. Healey

- More common ground with Conservatives than Labour Party. Core curriculum, quality of teacher intake, monitoring of standards economy in administration of school meals, savings of surplus places etc.
Some controversial views: has always argued that no evidence exists to prove standards have fallen.
- Vigorously pro-comprehensive, took some LEA's to court.
- Disagreement with Centre Left in advocating subject setting of ability ranges and measuring achievement.
- Silent on issues of women's education.
- In general a slightly patrician attitude preoccupied with sixth-forms and universities.
- Independent schools, followed Callaghan line of continued squeezing via LEAs but no concessions on Conference calls for radical abolition, always noted costs as reason.
- Two particular interests, sacking incompetent head teachers, setting up a contract where parents agree to clothe and feed child, school agrees to teach it - (nominated by Times as education joke of the year).

Comparison with the Liberals

Liberal education policy would devolve most responsibility onto LEAs backed up by statutory obligations and a strengthened inspectorate. Mrs Williams would meet them half way on non-selective education and probably on inspection of teacher performance.

Both would agree on community colleges and integration of independent schools. Mrs. Williams would find some difficulty in imposing universal comprehensive education on stronger LEA's. Her experience in the Department of Education and Science might make her wary of full devolved education authorities. Otherwise their agreement is on general improvements which would be welcomed by all parties. Young Liberals would be excluded on all points.

DEVOLUTION AND CONSTITUTIONAL REFORM

The two books by Shirley Williams and David Owen differ considerably in their treatment of the question of devolution (as the term is commonly understood: i.e. the devolving under statute of powers of legislation and executive action in relation to specified matters from Westminster to elected regional assemblies with or without their own executives). Shirley Williams devotes no more than part of one short paragraph to the subject in the course of discussing the need for decentralisation. She supports the case for a devolved Assembly in Scotland: elsewhere an improvement of existing councils and statutory bodies will, in her view, suffice. She is concerned about 'constant upheaval' which 'worsens the quality of administration' (Politics is for People, Penguin ed. p. 187).

David Owen, by contrast, argues at some length in favour of profound and far-reaching constitutional changes without any apparent concern about the consequent upheaval and cost. His detailed blueprint for constitutional reform contains clear proposals for transforming the House of Lords into the keystone of a new constitutional order. Renamed and reconstituted as the 'Westminster Assembly', it would be given 'primary legislative responsibility for Scotland', which it would discharge mainly through its Scottish members sitting separately in a Scottish Assembly. The Westminster Assembly would also contain elected representatives from Wales and the English regions: and they too would form themselves into separate assemblies but would have less power than their Scottish counterparts. (David Owen, Face the Future, p. 331 et seq.). In the first instance at any rate there would be no legislative devolution to Wales or the English regions from the House of Commons where the main responsibility for them would lie. (see also Local Government section above).

POLICY ON DEFENCE AND FOREIGN AFFAIRS

i) Defence: Dr. Owen said in the debate on the Trident project on 3rd March 1981, that "a Social Democratic Government in 1984, were they to be elected, would carry on the Polaris weapon system; would put Cruise missile systems into European theatre nuclear arms limitation negotiations; would commit themselves to strategic arms limitation talks". (Hansard, col. 169). However, he was opposed to going ahead with developing the Trident missile system at this time, primarily on economic grounds.

NB Unlike the Social Democrats, the Liberals do not support the continuation of Polaris.

ii) Poland: Dr. Owen attacked Mrs. Thatcher's 'weak response' over Poland in a speech in Hammersmith on 9th April 1981. He apparently challenged her and other NATO leaders to threaten to freeze existing trade contacts with the Soviet Union. He said that high technology is the one area in which the West can really hurt the Soviet Union" (Times, 10th April 1981). He added that he would be opposed to the West abandoning arms control negotiations in the event of a Soviet invasion of Poland.

iii) Africa and the Middle East: They have no known policy on these areas.

The Social Democrats and the European Community

The record of all the leading members of the SDP has been consistently to support British membership of the EEC. Indeed, Mr. Roy Jenkins, who later became President of the European Commission, resigned as Deputy leader of the Labour Party on this issue in 1972. Mr. John Horam, MP, and Mr. Tom Ellis, MP, are both former chairmen of the Labour Committee for Europe.

It should however be remembered that Dr. Owen, Mrs. Williams and Mr. Rodgers were all senior members of the last Labour Government which through its ambivalence to British membership signally failed to make a constructive political contribution to the development of the EEC and allowed a massive imbalance to occur between the United Kingdom's contributions to and receipts from the Community Budget. Dr. Owen's lacklustre performance during the British Presidency of the Council of Ministers in 1977 was widely criticised both within the United Kingdom and by our Community partners.

An advantage of the Social Democrats establishing themselves as an effective left-wing alternative to the Labour Party would be that through a reassertion of a consensus on the question of membership we would be able to exploit the political opportunities presented by the Community to a greater extent. Speaking on behalf of the SDP Mr. Robert MacLennan, MP, in launching a bitter attack on the policy of the Labour Party said:

"Our membership of the EEC is damaged by constant shifts of position which are undertaken, in particular, by the Labour Party. We shall not secure the full benefits of

membership if our adherence to the Community is constantly debated." (Hansard, 8th April 1981, Col. 998).

One of the first joint public statements made by the "Gang of Three" was on the subject of the European Community. They declared on 8th June 1980:

"What alternatives do those who oppose British membership propose? Where else can peace, jobs and freedom be more effectively safeguarded? ... For the Labour Party to decide now on a manifesto commitment to leave the Community in 1983 or 1984 would be irresponsible, opportunistic and short-sighted ... There are some of us who will not accept a choice between socialism and Europe. We will choose them both."

Despite this veiled threat the Labour Party Conference voted by an overwhelming majority in support of a policy of withdrawal, ignoring a speech by Dr. Owen in which for the sake of Labour Party unity he expressed his willingness to support another Referendum on the subject:

"I will accept another referendum ... Comrades, this issue has divided the Party. I do not want it to continue to divide the Party. If united us in 1974, a commitment to a Referendum. I urge that we unite again on another commitment." (Blackpool, 1st October 1980).

Although there are many sources from which SDP policy can be inferred, including many speeches by Mr. Jenkins as President of the European Commission, there has been no definitive policy statement by the SDP beyond the brief mention accorded to the Community in the '12 Tasks for Social Democrats' which stated that "Britain must play its full part in the European Community". A potential source of conflict with the Liberals may be the issue of federalism. Liberal policy continues to be to work towards a federal European state, whilst Dr. David Owen declared in 'Face the Future': "on the sensitive issue of political union there is unanimity between the French and English in resisting federalism ... this operates as an effective blocking mechanism".

The Social Democrats favour closer European foreign policy co-operation. Not surprisingly, as Mr. Jenkins was one of its architects, the SDP also favour British membership of the European Monetary System at the earliest practicable opportunity.

A divergence of view amongst leading SDP members may arise over the future size of the Community Budget. Dr. Owen seems unenthusiastic about an increase in the Community "own resources" whilst Mr. Jenkins and Professor Marquand are enthusiastic exponents of expanding the present Budget to about $2\frac{1}{2}$ times its present size. As Mr. Jenkins said in his final speech to the European Parliament:

"Clearly our first priority is to get agricultural expenditure under control. But I do not believe that

this by itself can achieve the better balance of the Budget we must have in the future. In my view this can only be achieved by increasing our expenditure on non-agricultural matters. The larger resources we shall need do not have to come from raising the VAT ceiling. Other sources could be envisaged. The total need not mean an actual increase in public expenditure but rather a transfer of resources from Member States to the Community."

The SDP position on quite how to "get agricultural expenditure under control" remains unclear as they had no participants in the major Commons debate on the CAP held on 26th March 1981. However Dr. David Owen stated on 17th March 1979 that "reform of the Common Agricultural Policy is one of the successes of the Labour Government". Mrs. Shirley Williams advocates that reform should be along the following lines:

"Britain would have allies not least amongst Socialists in the continental member countries in supporting a greater emphasis on the structural fund, a fairer distribution of guarantees across the product range and above all a link between price guarantees and income maintenance for farmers, so that guarantees would be gradually phased out for those whose income exceeded a reasonable level" ('Politics is for People' page 197).

It is likely that the Social Democrats will also give enthusiastic support to the European 5th Company Law Directive which attempts to prescribe standard mechanisms for employee participation in company structures.

'A FRESH START FOR BRITAIN'

On 16th June 1981 Mr. David Steel and Mrs. Shirley Williams launched, at a Westminster press conference, a statement of principles agreed by the Liberal and Social Democratic Parties.

After a preamble criticising what it terms "the politics of controversial antagonism" springing from "our class-based party system", and our 'centralised, secretive and rigid' democracy, with 'a constitutional structure no longer suited to our needs' the Party's prescription is, in brief:-

- Electoral and Constitutional reform: "We are committed to obtaining proportional representation at the earliest opportunity, because it is a precondition of the new policies which Britain needs."
- "Our shared priorities for government are to provide more jobs and to secure more stable prices by reversing the decline to our competitiveness and the shrinkage of our industry."
- "A lasting prosperity also demands the conservation of resources and the protection of the environment."
- "We need a more balanced economy which encourages enterprise and innovation in both the private and the public sectors."
- "effective industrial partnership and a spirit of co-operation, which alone can provide the background for an agreed strategy for incomes"
- "We are committed to continued membership of the European Community, which should be reformed from within"
- "We believe in the proper defence of Britain through membership of NATO"
- "We pledge ourselves to work within the wider international community for multilateral disarmament and for a more equitable distribution of the world's resources."

- "We propose to establish joint commissions on major areas of policy, ... one such commission will be concerned with Employment and Industrial Recovery"
- "... another will deal with Constitutional Reform - with the application of proportional representation, the reform of Parliament, the devolution of power to the nations and regions of Britain; the effective operation of local government; freedom of information; and the protection of the rights of the individual citizen."