

PRIME MINISTER

INTERVIEW WITH "TIME MAGAZINE"

We are preparing a brief for your Friday evening box for the Walden interview. There are two issues on which what you say to "Time" require careful thought, and consistent treatment if they come up with Brian Walden. The first is monetary policy and the prospects for inflation and interest rates. You will be discussing this with ~~Nigel Lawson~~ ^{Leon Brittan}, Terry Burns, Alan and others tomorrow afternoon. The other is the potential "Centre Party".

This note summarises what we say in our Walden brief (because we think that you should raise the Centre Party issue, whether Walden is keen to or not), for use in the "Time" interview.

While you will not want to sneer at the new grouping (this would be a mistake as long as a lot of people favour it, at least in the opinion polls) you should take the opportunity with Walden and with "Time" to put it in perspective.

Here are some possible words:

"The break-up of the Labour Party has been coming for many years. Some of its members, like Dick Taverne and Reg Prentice, decided to leave years ago and urged others to do the same.

"They were vilified by many of those who are now following them out of the Labour Party.

"Before the last Election, the Conservatives warned the country of what was happening in the Labour Movement - both in Parliament and in the trade unions - as the Left increased their control. We were accused ^{by labour ministers} of scaremongering about Reds under the bed.

"It is sad to see the trade union movement -- already so unpopular in this country and even amongst their own

members - increasingly concerned with political power and control of the Labour Party. But that too is part of a pattern we have been warning the country about for a long time.

"No-one can tell what this new group will amount to. The real question is whether they have new and realistic proposals for tackling the country's problems. This is not a matter of sudden brain waves. It is a matter of doing what everyone in this country has known for the last decade would one day have to be done: to stop overspending, ^{discourage} ~~stop~~ striking, ~~start~~ ^{encourage} working and producing and competing.

those who are

← "So my question is 'Is this new group really new?' Its leaders have all been members of unsuccessful Labour Governments - Governments which have raised public spending, massively increased taxes, given the trade unions more power. If they now reject all these policies and seek to reverse them, then their aims are the same as ours. If they don't, then they are simply refugees from the old Labour Party, seeking to rebuild it in its old image and repeat its ^{old} failures. ^{anew}.

"If that is what they eventually come to stand for, then I cannot see that they are either new or relevant. It would simply be a re-run of the Lib-Lab pact. Not the New Left, but the Same-Again Left."

Dealing with the potential Centre Party is not so important, with "Time", as it is with Brian Walden. With Walden, we believe it is essential. We should remember that the general tendency in all the media is confused Left-of-centre. Those who are not themselves extreme Left-wingers, all hanker for a Crosland-style Party. They now have, through newspapers, television etc, considerable power to give such a movement a flying start. That is why we believe that they have to be cut down to size immediately.



JOHN HOSKYNS