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10th January 1982

Dear Margaret,

I was sorry the Westwell weekend distressed you, and can assure you there was no intention on our part to misinform you or upset you in any way.

As regards my own position, I have now thought further ([redacted]) about whether there is any work-able solution which excludes the C.P.R.S idea, but [redacted] ^{I can see none.} This note sets out the position as I see it, to ensure no misunderstandings. I would like to talk when you've had a chance to read it. (I have copied it to Keith).

Why I am leaving

My original letter of resignation ^{*} [redacted] stands. I believe that "Phase I" (from the start of Stepping Stones to the completion of the major part of our strategic work for the first Parliament) is now over. "Phase II" should now begin. But here you and I agree to differ.

I believe we need a carefully worked out strategy if we are to have the best possible chance of winning the election and getting things done thereafter; and the right organisation to make it happen.

As I understood you on Tuesday, you believe that the priority is tactics, not strategy; that you can "write the strategy down" on a sheet and a half of paper"; and that we can win the next election on (a) an explanation of why the world recession prevented us achieving what we expected at the time of the 1979 election, and (b) the philosophy of individual freedom.

You may be right. It is perfectly possible that you will win a substantial majority on that basis. But if that is so, I should not be wasting your time on a more elaborate approach. (Though I still doubt if ^{on your approach,} a Tory Government would then achieve enough in 1984 - 6).

* 26 12 November.

I think you ought to do so, for the colleagues, especially those, like Francis, who say they don't understand it.

I also believe that a proper strategy will not be developed, or implemented, without organisational change. This was why, when you asked me to consider on what basis I would stay, I proposed a Prime Minister's department (something I know you want also). This was then modified into "C.P.R.S playing a clandestine P.M.D role". I became very enthusiastic about this because I was convinced (as Norman Strauss pointed out to you and me almost 7 years ago) that (a) the key to national recovery is change; (b) the country won't change if the Tories and the Civil Service don't change; (c) that they won't change without a 'change agent'. The P.M.D (or, failing that, the C.P.R.S under new management) could have been such a change agent. You know that I have consistently taken this view over the past two years at least.

This seemed a unique opportunity to introduce change and I did my best, through Keith, to persuade you that the C.P.R.S option was possible. I was therefore very disappointed indeed when, after all, you concluded that it was not.

John Hunt advised you against Christopher Foster for C.P.R.S because he wasn't sufficiently Tory. Now Robert Armstrong advises you against Hoskyns because, inter alia, he is too Tory. (I know Geoffrey took the same view but he is a prisoner of conventional thinking on such matters).

Robert will shed no tears over my departure. The Civil Service cannot afford outsiders whom they cannot be sure of controlling. "Dissidents" are as uncomfortable to the Civil Service as Solidarity is to the Polish Government ! What would Robert have done if the 5-year strategy developed by C.P.R.S had proposed radical reforms (eg more senior outsiders) for the Civil Service itself ? There is little risk of that with another industrialist who, however senior, will be used to conforming within a bureaucracy; unfamiliar with the mechanics of Whitehall; over-awed (at least for the first 6 - 9 months) by the trappings and ritual of Office; and probably over-deferential to Ministers and Mandarins alike. Robert and Co may get a nasty surprise. But they'll certainly try to avoid it. *They will want someone who is acceptable to the S.D.P. (see next page).*

How to proceed

We discussed this briefly on Tuesday. Can I suggest:

- (I) I continue to work on the Westwell report and its development into a fuller strategy document, even though this may ^{now} be ~~academic~~ academic.

- (2) I suggested I should stay two months. You suggested till about Easter. I now propose that I stay until the end of March so that my departure coincides with that of Robin Ibbs and will thus go unremarked.
- (3) If you agree, I will discuss with Bernard Ingham the timing and content of the announcement. I should like to tell Andrew Duguid, John Vereker and my secretary, Linda Rust, as soon as possible (not least because concentration on Westwell/Strategy will leave me less time for other work).

Finally, may I stress again that nothing divides ^{us} on objectives. But I am an adviser, not an aide. An aide helps the Leader to do whatever the Leader wants to do. An adviser must have a mind of his own, so that he can try to persuade the Leader to do one thing rather than another. If the Leader and adviser disagree on major strategy, then the honourable course for the adviser (as for the dissenting colleague) is to leave, otherwise he remains as a half-hearted passenger.

We do differ, on the relative importance of strategy and the priority given to breaking the paralysing grip of the Civil Service. I believe these two issues could prove decisive for you and the Government and thus for the country. I may be wrong, and I hope I am. I shall certainly do whatever I can to help, from outside.

I would welcome the chance to talk briefly, to ensure no ^{further} crossed wires.

First Division chooses SDP man

Yours ever,
Robin



Mr John Grant

The First Division Association, which represents about 7,000 senior civil servants, has appointed Mr John Grant, Social Democrat MP for Islington Central, as its parliamentary advisory, writes Richard Norton-Taylor.

It is the first link the Social Democrats have made with a union—the FDA is affiliated to the TUC.

Mr Grant, who is a former Labour Minister at the Department of Employment and at the now defunct Civil Service Department, is being offered a nominal allowance of £200 a year by the FDA.

Most of the other Civil Service unions sponsor Labour MPs. None has had any formal links with Conservative backbenchers.

The FDA's decision reflects widespread support among senior ranks of the Civil Service for the Liberal-Social Democratic Alliance which, they believe, will pursue a policy based on consensus—something which has traditionally formed the basis of Whitehall ideology.

Many senior civil servants also support some sort of incomes policy.

UNIONS

DISSENT BUT AN EMPLOYER - EMPLOYMENT
NO JURY...

1979 MAY // 14 A BARREL.

// 34 A BARREL .. LESS
THAN 2 FEET.

4 : 22

22 : 14