

Press

Conservative and Unionist Central Office

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THE BARONESS YOUNG

The Rt. Hon. Margaret Thatcher, MP

cc: The Rt. Hon. Sir Keith Joseph, Bt., MP
The Chairman
Mr. John Lindsey
Mr. Gordon Reece

2nd February, 1977

Party Political Broadcast - Filming on Friday 4th February

We agreed in a recent Co-ordination Committee meeting that it was desirable to establish a strategy for each of our future broadcasts. I attach the programme strategy which seems to be most appropriate for this broadcast. It is based on our evaluation of the Opinion Research survey at Stechford, which showed that the main concerns of the voters were all economic problems, above all rising prices.

I also attach a longer text prepared by Martin Wassell and his colleagues of which it is substantially an abbreviation.

For Keith's information, I think our experiment of working with the Centre for Policy Studies team has been a success. One of them will be spending some time with the discussion group prior to your arrival in order to stimulate the group's thinking with some concrete ideas that fit into this strategy.

We expect to use about seven minutes of the filmed discussion, but of course we will be filming considerably more in order to have the opportunity to edit the best sections.

The introductory two or three minutes will incorporate several other experiments which we hope will help us to develop a style that is effective in the General Election Campaign. In view of the objective of learning all we can from these innovations, we intend to conduct a day-after recall survey and also possibly a group discussion with the sort of people who will be our target audience in the General Election - typically, traditional Labour voters who are uneasy about where Socialism and the Labour Party are heading.

We will have completed the preliminary discussion by the time you arrive at Central Office at 12.30. We intend to serve a light lunch at Central Office, during which you will get an opportunity to put the group at ease.

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We have made the decision that they will only be told on Friday morning that you are participating in the discussion as we believe that some of them might become unnecessarily tense. One of the attached sheets provides biographical material on the five people who will join you for the discussion.

We plan to leave by car at 13.40 for a studio at 87a St. John's Wood Terrace, NW8 and we certainly will complete the filming by not later than 17.00, and possibly earlier.

We are assuming that the closing remarks in the discussion section will be a minute or ninety seconds from you, broadly along the lines of the Joseph and Patten "tone of voice" statements.

Two documents which may provide an idea or two have been prepared by Gerry Frost and by an advertising copywriter, Don Michel, who has been working with us on ideas for this programme.

Please let me know if we can provide any further briefing material.



Tom Hooson

PROGRAMME STRATEGY

1. To establish in the opening section (prior to the group discussion) that there are fundamental things that are wrong with the economy. Evidence will include the rising inflation rate and record unemployment

We will challenge the illusion that our economic problems have been solved by the IMF loan, etc.

These points will be made forcefully but briefly. They will reinforce the public's awareness that these are the greatest of our political problems (all three of the greatest anxieties of the public are at present economic).

2. To convey through the Group discussion that the Conservative approach is the only way in which wealth is created. The central ideas will be that (a) Government is making a mess of things by trying to do too much, and failing. (b) Government prevents ordinary individuals, the only creators of wealth, from doing so.

3. The positive approach of the Conservatives will be emphasized: we admire achievement, we encourage hard work, we recognise that inflation has put everyone in the same boat and that we cannot divide people into conflicting groups. (This may be the basis of the Leader's closing one-minute reply).

Notes for Tom Hooson and John Lindsay discussed at luncheon on

Thursday, 20th January 1977

Current economic situation

Is the current self-satisfied optimism of Healey and Callaghan justified? No; claims of recovery are groundless except only by reference to the dire condition of autumn 1976. There are bright spots - they are : exports and the balance of payments outlook; the sterling exchange rate; level of foreign currency reserves; North Sea oil. But they are swamped by the gloomy aspects which are : rising unemployment; inflation on at best a plateau of around 14% throughout 1977; falling living standards; virtually no growth; continuing high taxation.

Growth is what the game is essentially about and this will be virtually nil in 1977. Meanwhile living standards will fall as what little growth there is plus other resources are switched into investment and the balance of payments.

General points to convey

How does a nation as a whole grow richer? Is it through government activity? Answer is no. Governments do not create wealth; it is the enterprise and hard work of individuals that create wealth. Governments only spend wealth. Unfortunately, governments in UK have thought they can create wealth - by printing new money, by expanding demand, by interfering in the running of industry (lame-duck subsidies, nationalisation, controls). Result has been low growth, high inflation, and high unemployment. Basis of government expansion has not been its success but its continuous and unremitting failure! Reaction of Left to every failure of government intervention is to say that failure arose because the intervention was insufficient - thus more of the same is needed, or 'patches on patches'.

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Government in UK is making a mess of things because it is trying to do too much. In so trying, it is not doing properly the things which are legitimately its responsibility, like law and order, external defence, a stable currency. Like all busybodies, government is so busy interfering in everybody's affairs on so grand a scale that it is failing to do its own job.

But not only is government failing to meet its own legitimate responsibilities, it has created huge obstacles in the way of wealth creation by ordinary individuals. The main ones are :

- 1) High taxation - especially on earnings and savings.
- 2) A morass of controls - on pay, prices, dividends, profits, imports, overseas capital investment, housing, etc. You name it, governments impose controls on it.
- 3) Indiscriminate and wasteful subsidies throughout the economy.
- 4) Nationalisation for solely ideological purposes.
- 5) Bureaucracy.
- 6) High interest rates which are deterring private investment. Government debt is so huge it can only borrow what it needs by forcing up interest rates beyond what private industry can afford. Thus low investment and fewer jobs.
- 7) Magnitude of government borrowing at very high interest rates is mortgaging the future of our children. Government is borrowing as if there were no tomorrow.

Mrs Irene C. COLES of Bridport, Dorset. Aged 70. Recommended by Jim Spicer, MP, who wrote:-

"She came to talk to me about Social Security Payments to non-deserving cases. She struck me as a very forceful character; she made it quite clear that as far as she was concerned, although she had very little of her own in terms of cash or worldly goods, she would be quite Prepared to see all support withdrawn providing everyone could be treated sensibly and equally, and the scroungers not allowed to get away with it in future. She started life working on a farm, and gave me a long account of milking cows a Penny a time."

Mr. Cameron MUNRO of Paisley, Glasgow. Aged 23. Single, Primary school teacher, after qualifying at Jordanhill College of Education. After leaving school did one year in commercial training scheme with J. & P. Coats Ltd. Co-author of CPC Discussion Pamphlet on devolution. Adopted in 1975 as Pros. candidate for West Dunbartonshire. Special interests: devolution, housing, social services. Member of Disablement Income Group, Scotland. (Recommended by Graham Macmillan, Scotland.)

Mr. David AMESS of Newham, London. Aged 25. Pros. GLC candidate for Newham North West. Chairman of Ward committee of Newham C.A. Leader of Shadow Council (there are no Conservative councillors on Newham Council, but there is a shadow council with committees which keep a watch on local issues.) Born and educated in Newham. B.Sc(Econs), Bournemouth College of Technology. Was employed in insurance, now training for a new job in accountancy. Special interests: housing, education, environmental matters. (Recommended by Angela Hooper, GLA.)

Mr. John PHILLIPS of Cambridge. Middle aged. Owns a taxi firm. Met Mrs Thatcher when she visited Cambridge last year. Cambridge City Councillor. Serves on public health, recreational amenities and development control committees. Very active member of Conservative Clubs and the Association. Interests: voluntary work with the aged, boxing.

Miss Carolyn JONES of Manchester. Aged 20. Studying Law at Manchester University. Ex-Chairman of Manchester University FCS. At Present sits on Executive of North West YCs. (Recommended by Andrew Rowe, CCO.)

Gerry Frost's ideas.

One of the great myths of our time is the belief that government creates wealth for the benefit of the people. In fact the reverse is true. It is individuals who create wealth through their daily enterprise in providing goods and services; and it is that great over-bearing spendthrift - government - which disposes of it. Not only does it spend even faster than it can appropriate through taxes, it hinders and obstructs you from creating it in the first place.

In order that we can all contribute to national prosperity, there must be incentives to encourage people to work hard, there must be competition and there must be profits. These are three essentials for a prosperous society. By punitive taxation, government has destroyed incentives; by nationalisation it has reduced competition; and by controls and the creation of vast bureaucracy to enforce them, it has virtually wiped out profits.

To patch up the situation, this government has borrowed massively and repeatedly, mortgaging our children's and our grandchildren's futures in the process. To add to our sense of national humiliation, it has even bickered about the terms upon which it would accept economic salvation from abroad - like a drowning man quarrelling with his rescuer over the conditions upon which he will board the life-raft.

Basing its claim on a record of unmitigated failure, it demands new powers and fresh areas of responsibility. Meanwhile, it continues to neglect its own legitimate responsibilities, to provide those things which individuals cannot provide for themselves: for example law and order, defence, a stable economic environment and a strong pound.

Fortunately, there is an alternative to the bleak regulated world in which the government's fumbling hand meddles at every point. It is a society which cherishes and harnesses the positive achievements of free, responsible individuals, and a government with humbler aspirations for itself but bigger aspirations for ordinary people. Churchill said, "Trust the people". It is the best approach to political life that I know.

GF/SP

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Don Michel's suggested pereration:

Let me end by saying that on one point we support the leaders of the Government. They know they have made mistakes, and in many of the things they say and do, they are trying to admit to the country that they have made mistakes.

Education has gone wrong. Nationalisation has gone wrong. The Health Service is in ruins. At last, they are admitting that Government spending must be cut way back. Because Governments do not create wealth. Governments can only spend. It is individuals working in conditions of freedom who create wealth and employment.

So now that the leaders of the Government are finally looking at the real problems, we support them in their struggle to clean up the Labour Party. Those people on the left who look for new ways to invent class warfare must be told to get out. There is no class struggle. Inflation has made everyone equal.

Tom Hooson Comment:

There are some good words here and the slightly national tone is appropriate. However, this overdoes the flavour of approving the Government's present actions.

Don Michel suggestion (1) for comment by Mrs Thatcher during the discussion.

Inflation affects every single shopper in the country. From the pensioner wondering if she can afford an egg for her breakfast to the manufacturer wondering how he can afford the raw materials necessary to keep his workforce employed. The shop steward's wife can't believe how much the price of children's clothing has risen. The local authority cannot begin to guess how much petrol prices will rise and how this will affect the buses.

And yet there is a section of the Labour Party which goes on and on and on about the need to widen the class struggle. There is no struggle over class. We're all in it together. And the people who talk so much about class are the same people who got us in this mess. We say to them, "Stop trying to stir up trouble. The enemy of the people is inflation. On that, the people of Britain are undivided. On that, the people of Britain are agreed."

Don Michel suggestion (2) for comment by Mrs Thatcher during the discussion.

One of our most precious freedoms is the freedom to vote. And we expect our members of parliament to maintain our other freedoms. The freedom to be ourselves, to spend our hard-earned money the way we want, not the way the government wants. The freedom to run our own businesses, and not to be taxed out of existence because we choose to be self-employed. The freedom to have a say in how our children are educated, and which doctor to go to when we are ill.

But perhaps above all, the freedom to know what sort of m.p. we're voting for. Is he for freedom, or against? The Labour party has been infiltrated by people who believe in one thing only...class struggle. Their only solution to the problem created by Government over-spending is to spend more. There is no class struggle. Inflation has made us all equal. Until that problem is solved, we shall never be free.

Conservative and Unionist Central Office

Mr. Thatcher box
with Co-ordinating 25.1.
Committee Papers 77
PPB.

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Memorandum from: Tom Hooson
Date: 21st January, 1977

To: Mr. John Stanley, MP
cc The Chairman
Mr. John Lindsey
Mr. Gordon Reece
Mr. Martin Wassall

PPB - February 16th

We have now developed our ideas for this PPB, which we agreed should include some experiments in developing our style of presentation.

1. Copy Strategy. We intend to illustrate the positive approach of Conservatives to some of the country's key problems, compared with the negative approach of Socialists.

This objective was decided by the Co-ordinating Committee. We have worked out some examples with the help of Martin Wassall and his colleagues at the Centre for Policy Studies.

2. Stechford Survey. It was agreed at the Co-ordinating Committee that the main issues revealed by the Stechford Survey should be featured in these programmes as in much of the Party's activities in the next few weeks. We now know the main issues at Stechford. The main three are all economic, but our strategy enables us to discuss these in the broader context of Conservative attitudes. The main issues are:

	<u>Per Cent</u>
1) Cost of Living	40 →
2) Economic Situation	15
3) Unemployment	14
4) Education	10
5) Housing	9
6) } Unions and Strikes } Immigration	8 .

3. "Ordinary People". We will continue to feature a small representative group of supporters, including a Scot. But we are experimenting with three variations to overcome weaknesses of the earlier programmes:-

- a) "News At Ten" - type opening and continuity by Marcus Fox and Hugh Dykes.
- b) Presence of a leading Shadow Spokesman to provide more authority on policy.
- c) An Advertising Copywriter will be in attendance at the filming to suggest means of tighter discussion and to help with more vivid language.

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4. Choice of Spokesman. Our first choice is Mrs Thatcher both because we would like to start at the top and because Mrs Thatcher is good in such conversation. Caroline Stephens is checking whether Mrs Thatcher could be available for half a day during the period Thursday 3rd February - Monday 7th February. If she is not available, we will then approach John Biffen.
5. Producer. Unfortunately Bryan Forbes has to be abroad at this time so that we will use another Producer. Sooner or later, we need to let another Producer gain experience with this type of programme, so that we feel we can take Bryan's absence in our stride. If Mrs Thatcher is featured our first thought is to approach Terence Donovan.

As you see the main remaining step is to get a decision on Mrs Thatcher's participation.

Jm