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From **SIR HORACE CUTLER, O.B.E.**
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26 March 1981.

Rt. Hon. Mrs. Margaret Thatcher, M.P.,
Prime Minister,
10 Downing Street,
London, S.W.1.

Dear Margaret,

THE CITY CORPORATION

You will know of the London Labour Party's commitment to the abolition of the City Corporation as a local government unit, and doubtless this will become enshrined as national Labour policy, too.

Undoubtedly the retention of the City Corporation is hard to justify in local government terms; the case rests on tradition, heritage, practicality and the pre-eminence of the City's position in the international business community, all of which would be threatened if the institutions of the City Corporation were to disappear.

On the ILEA issue we lost the chance of a lifetime and in order not to lose again I think we must take the initiative. I add in passing that given a Labour GLC in 1981 and quite possibly a Labour LBA in 1982 it may become impossible to resist the pressure; were there a change of Government too, before 1985 the pass would be sold completely.

We have two cards up our sleeve. The first is the possible re-enfranchisement of the business community in local elections - and a thoroughgoing enfranchisement of the whole City workforce, although hard to achieve in practice, would take much of the sting out of the "democracy" argument; the second is the need after twenty years' or so of operation, for a review of London government into which, conveniently, a reform of the electoral and other procedures of the City could be incorporated.

Our own manifesto for the May election will include a by-line on the generality of a review without specific reference to the City. I had in mind to publish what in effect will be a consultation paper.

However, this is a matter where top-level support is essential. A statement of intent would pre-empt the Marxists on this issue. Having put feelers round the City lately I know that they are neither capable of nor organised for resistance; they need a helping hand and if they do not get it from this Government and this GLC I fear they will never get it. I would hate to see seven hundred years of history go by the board for want of, almost literally, a few judicious words. Before very long, therefore, I intend to make a public pronouncement for which I hope to have your support.

*With every good wish
Yours sincerely
Horace.*