

10 DOWNING STREET

9 July 1981

The Rt Hon Sir Geoffrey Howe QC MP Chancellor of the Exchequer HM Treasury Parliament Street LONDON SW1

10/7

Dear Gesvery

I had hoped to come back to you sooner with some further thoughts about the pay round debate. Unfortunately I have been a bit tied up on other things.

I was about to drop you a line, however, on one particular possibility. This is that we should try - implicitly and subtly, not very obviously - to link in people's minds the moral similarity between high pay claims demanded with menaces and other forms of anti-social behaviour, including rioting and looting.

As so often happens, a cartoonist has made the connection already and the attached makes the point for us. This means that we can perhaps be gradually more explicit in linking the two.

There is another associated point to make. If we are to spend anything more on training and extension of youth employment special measures, we can only do so to the extent that organised labour - especially in the monopoly nationalised industries and the public services - do not pre-empt those resources. So we should say, as and when we are ready to say anything about spending to help youth employment (and of course I am not talking about the very large sums that have recently been mooted) that the more the miners or the railwaymen etc get, for their members who are in jobs, the less the Government can spend - and it's got little enough to play with as it is - on helping the young who have not yet got jobs.

I am copying this letter to the Prime Minister.

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JOHN HOSKYNS

the Something in an emotionally depress way.



"MAGGIE! THEY'RE ON THE RAMPAGE AGAIN!"

THE BIG NAMES ARE ALWAYS IN THE NOT SUN

IF I were a black community leader, I would

Whutha



Britain, announced that, in London, Liverpool and Glasgow, home-content premiums would be