

10 July 1981

Policy Unit

PRIME MINISTER

A MINISTER FOR URBAN RENEWAL ETC

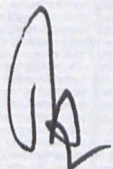
You are considering asking a Cabinet Minister to take charge of a concerted programme to address the problems whose symptoms we have seen in Liverpool etc.

Could we just leave a few thoughts with you on this:

1. The urban unrest/renewal problem has to be approached in two parts. The first must be firm reimposition of order; the second is proper analysis of the problem and then plans for a solution. There is no conflict between a pretty tough - and swift - response to the first part of the task, and a more sophisticated "systems analysis" type of response to the second.
2. As regards the second part of the task, it is obviously important that the Government should be seen to be responding to the problem. Such an appointment must therefore merit serious consideration.
3. However, the automatic assumption within Whitehall and in the country will be that such a Minister, if he is to be seen taking action - which is, after all, his political raison d'etre - must be seen to spend money.
4. This money is likely to be money wasted. Neither the chosen Minister, nor Whitehall as a whole, will have much idea of how to tackle the real problem-solving task, as distinct from the (important) political gesture. Commonsense and political convictions will not be adequate. It will be a task for (forgive the jargon, which I know you hate) a team with the right mixture of skills and disciplines and enough time to think. What those skills and disciplines should be does itself require some careful preliminary thought; for example, the law, local government, small business, intelligent sociology (ie Andrew Sykes at Strathclyde rather than the Sussex University school), psychology, operations research/systems analysis. (Perhaps also a proper regard for the lessons of history: eg Peter Cropper's paper on Merseyside, which suggests that we are about to embark on a doomed mission when we could choose an achievable one.) It should also be possible to draw on practical experience in Northern Ireland and also the

United States, where they must at least have discovered some of the (expensive) ideas that don't work.

5. The problem may still not yield up its secrets to such a team. But it certainly won't yield up its secrets to a team of administrators. All the big problems facing Government tend to be of this "socio-economic systems" kind, which is why past Governments have produced such inadequate responses. For example, I believe the North-East is still full of superfluous roads built during the Hailsham ministry of the early sixties, just as Liverpool is full of empty tower blocks and half-used schools. The reason was the same in each case - aid was seen as providing immediate jobs doing something, however useless, rather than trying to repair the local economy and get it working again.
6. Such an approach does not affect the need for a very firm law and order response as the first priority.



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