

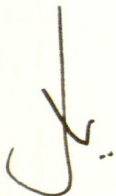
MR SCHOLAR

cc Mr Mount  
cc Mr Monckton

PRIME MINISTER'S SPEECH TO THE INSTITUTE OF DIRECTORS

Chris Monckton and I had lunch on Friday with Graham Mather at the Institute of Directors: he is now the Head of the IoD "Policy Unit" and is drafting Walter Goldsmith's speech.

We had a general discussion, which covered the same sort of ground as recorded in your note of 27 January after your discussion with Tucker, and Mather made one or two suggestions as to what would go down well with the audience. In general, of course, the Directors are about the most supportive audience the Prime Minister could have, and will be very ready to give her a warm reception. Mather thought that as well as the obvious economic themes, and the necessary references to the Institute's own theme ("Britain's Future - Free Trade and Free Enterprise") it would be useful for the Prime Minister to range into a certain amount of analysis of the Government's policy towards the Public Sector, especially the nationalised industries and the Civil Service. I was of course non-committal. He also made it clear that references to trade union reform (especially immunities and no-strike arrangements), the Metropolitan Counties (abolition of) and personal taxation (reduction) would be guaranteed applause lines. He gave me the attached first draft he had prepared for Walter Goldsmith's speech: it is quite useful as an indication of the flavour, but it should not of course be taken as anywhere near the final text.



14 February 1983

Michael,  
I've reminded Treasury  
today Kay  
15/2

c.c. Alan Walters



15/2

10 DOWNING STREET

*From the Private Secretary*

4 February, 1983.

The Prime Minister is making a speech, of about 25 minutes duration, to the Institute of Directors at the Albert Hall on Wednesday, 23 February. The slogan for this conference is "Britain's Future - Free Trade and Free Enterprise".

I would be grateful if you could let me have a draft, by Tuesday, 15 February. The Prime Minister has suggested that the speech might draw on some of the themes in Walter Goldsmith's notes for the Back Bench Finance Committee (copy attached). The Prime Minister would like the speech to set in a historical context the fall and rise of the free enterprise economy, beginning with the negative influences which took a grip in recent decades (taxation, regulation, anti-enterprise attitudes, nationalisation, subsidy and so on); and then to end by identifying the revival of enterprise attitudes and the emerging achievements.

I am sending a copy of this letter and its enclosure to Terry Burns (HM Treasury), who is assisting with the speech.

ILL. SCHOLAR

Miss Margaret O'Mara,  
HM Treasury.

JS

31 January 1982

INSTITUTE OF DIRECTORS SPEECH - WEDNESDAY, 23 FEBRUARY 1983

1. Prime Minister would like background notes from Walter Goldsmith (already to hand).
2. She would also like a contribution from Alan, and possibly also from Terry Burns.
3. The speech could well form one of the half-dozen solid, major speeches designed to establish the Government's case in the run-up to the General Election.

Themes

(a) What Government can do

Walter Goldsmith's notes for Backbench Finance Committee (not the same as notes referred to in 1. above), the PM believes, put rather vividly the contribution of this Government to the revival of the free enterprise economy.

(b) How business should respond and is now responding

Here the idea is to take a historical sweep and describe the resourceful, adaptive, energetic attitudes which used to characterise British business.

We could then describe, briefly I think on this occasion, the negative influences which have taken a grip in the last few decades - taxation, regulation, anti-enterprise attitudes, nationalisation, subsidy etc.

And then end by identifying the revival of enterprise attitudes and the emerging achievements: exports, trading up into higher-quality goods, cutting costs etc, readiness to accept change; ie do what we did for the new Scottish economy, but on a British scale.

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NOTE FOR THE RECORD

Mr. Tucker of the Institute of Directors telephoned yesterday about the Prime Minister's Albert Hall speech on 23 February.

The slogan above the dais will be "Britain's Future - Free Trade and Free Enterprise". It will be an all-day rally, as in past years. They expect an audience of around 3,000 (although the capacity of the Hall is 5,000 and sales are going well). There will be TV coverage. The Chairman of the Convention will be Lord Erroll, who is the President of the Institute of Directors. He is also Chairman of the Bowater Corporation.

The other speakers in order of appearance will be: Mr. Peter Walters of BP (he will argue, among other things, that PRT should not be payable in respect of new exploration, but this should be subject simply to the Corporation Tax regime. He will also attempt to deal with the issue as to why the media regard it as bad news when oil prices fall).

Mr. Giordano of BOC.

Mr. Abba Eban, former Minister of Foreign Affairs in Israel. Mr. Eban will speak about Israel's international position, as well as Israel as an exemplar to us all by pulling itself up by its bootstraps.

Lunch.

Mr. Walter Goldsmith.

Dr. Reuben Mettler, Chairman, TRB Inc., and of the Business Round Table of America - an allegedly elite group of Chief Executive/Presidents of the top 250 U.S. companies.

The Prime Minister will then speak, for about 25 minutes. They have been led to believe that she will be prepared to answer 10-15 minutes' worth of questions afterwards.

Throughout the proceedings a new BL LM10 ("Maestro") will be visible right behind each speaker.

Mr. Tucker will let us have advance copies of all the speeches as and when they appear.

*MCS*

cc: Mr. Butler  
Mr. Coles  
Mr. Ingham  
Mr. Vereker  
Miss Stephens

27 January 1983