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DRAFT ALPHA

You will see that this is a highly provisional and very skeletal skeleton.

Each chapter has a brief introduction to establish the theme which justifies grouping the various things in the chapter.

Each Minister's forward look has been given a slot where his miscellaneous ideas could be put. The same slot might be suitable for his response to the Chancellor's request for manifesto thoughts.

The suggested plan at present is:

Prime Minister's Foreword

Chapter One: Towards a Steady Society: what we inherited - the recovery of stability - a foundation for advance.

Chapter Two: Rebirth and Recovery - the end of controls and the reduction of taxation - responsible finance - deregulation - a smaller state sector.

Chapter Three: Jobs in the Mid-80s - employment - training - trade union reform - public sector pay and responsible pay bargaining regional policy.

Chapter Four: Responsibility and the Family - housing, education, health and elderly.

Chapter Five: Law, Liberty and the Citizen - A better police force - law reform, immigration.

Chapter Six: Better Government - Value for money - local government reform - Scotland - Wales - Northern Ireland.

Chapter Seven: A Country Worth Living In - Inner cities - countryside farming - fishing.

Chapter Eight: Patriotism and Patience - Foreign policy - trade - defence.

Chapter Nine: The Resolute Approach.

CHAPTER ONE: TOWARDS THE STEADY SOCIETY

When the Conservatives came to office in May 1979, we found:

a nation which was up to its ears in debt;

a nation which was overtaxed, over-regulated and disastrously inefficient;

a nation which was losing both its customers and its friends because of its recurring weaknesses;

a nation plagued by inflation which had already reached one peak and, after only a brief and artificial intermission, was on its way up again;

a nation divided, doubting, and on the verge of despair.

Those who knew Britain at her confident peaks - when we stood alone for liberty in the Second World War or in the heyday of British Imperial responsibilities - would not have recognised her.

We were on the skids.

The Situation Now

Britain is a sound and stable country again.

Our finances are sound. The world banking difficulties have scarcely affected us.

We have brought public expenditure and public borrowing under control. Inflation is at its lowest level for ten years. And we mean to keep it this way.

Interest rates are coming down fast. Productivity is improving all the time.

We have a strong Government which knows where it is going.

We are a reliable ally. We deliver our promises.

And we did it by the old and simple method: by paying our debts and not spending our money till we'd earned it.

When we embarked on our Medium-Term Financial Strategy and began to reduce the Government's borrowing, our critics were divided into two schools: those who believed that we would not stick to our targets because no British Government ever did; and those who were opposed to any strategy at all. Yet we stuck to our guns and we have shown that principle in politics does pay.

Only a Beginning

But all this is only the beginning. Stability and steadiness provide the platform for achievement. They are the necessary precondition for our efforts to improve the condition of all the people.

Even during the depths of the worst recession since the Thirties, we have achieved a great deal. But the first and greatest achievement was a stable foundation.

CHAPTER TWO: REBIRTH AND RECOVERY

Our first move was to cut people loose from the crippling burdens of the state and to give both businesses and individuals the room to breathe.

- We cut income tax rates to encourage hard work and enterprise at all levels.
- We swept away controls on prices and incomes to let the customer, not the bureaucrat, dictate supply and demand.
- We removed exchange controls to free British business to build up their operations across the world and to free British savers to renew the stake in the world's economy, which was the foundation of Britain's old strength.
- We began to reduce the size of the state sector which had grown so large as to threaten to squash us all. We sold off to private investors, in whole or in part, British Aerospace, Cable & Wireless, BNOC, Associated British Ports, the National Freight Corporation, the motorway service stations.
- We removed a multitude of regulations which were strangling existing businesses and deterring people from starting new businesses.

That is how recovery always begins in a free society - by reducing the size of government and setting people free. That is how the Economic Miracle began in post-War Germany. That is the secret of the success of Taiwan and Singapore.

That is what is happening in Britain now.

A Really Free Economy

We want to see further cuts in direct taxation. We want to raise not only the starting-rates of tax - as we have done by raising the income tax allowances.

We also want to bring down the standard rate of tax too, so that each extra pound earned is more worth earning.

[Standard rate down to 25p in next Parliament?]

Simplify taxes on business.

Reduce capital taxes to encourage business, savings and family independence. Encourage personal savings.

But none of this would be worth doing if it meant printing money or irresponsible and excessive borrowing. For the past five years, we have put financial prudence first. We shall put financial prudence first in the next five years too. We shall finance our expenditure honestly.

[Balanced Budget?]

Geoffrey Howe's forward look

Less Regulation, More Competition

We shall continue to de-regulate, to reduce interference, to simplify.

We shall promote competition:

British Telecom/Mercury

Urban transport - coaches, buses, trains

Contracting-out - dustbins, hospital cleaning, other parts
of the NHS etc.

Patrick Jenkin)
Nigel Lawson) forward looks
David Howell)
Arthur Cockfield)

Making the State Sector Smaller

We have only just started returning businesses to businessmen and denationalising great industries which should never have been nationalised.

In the next five years we intend to privatise British Telecom and Rolls Royce, we shall progressively sell off British Steel, British Shipbuilders and British Leyland.

We shall take further steps to break the monopoly of the British Gas Corporation. We plan to make it possible to introduce private capital in both the gas and the electricity industries. And we intend to sell 49% of British Nuclear Fuels.

We shall sell off British Rail's hotels [and see how best to introduce private capital into BR] we shall introduce private capital into the National Bus Company .

CHAPTER THREE: JOBS IN THE MID-EIGHTIES

The last five years all over the world have seen the greatest rise in unemployment since the 1930s. This country has been among the worst sufferers, because we are among the least efficient and the most overmanned of industrial nations. The last five years have also seen the most rapid acceleration of the shift from jobs in the old industries - mostly heavy manufacturing - to the new industries, concentrated on services and the new technologies. Again, we were among the worst sufferers because we were among the furthest behind.

The Conservative approach to these gigantic and startlingly rapid changes in work and society has four parts.

First, the Government has done and will do all it can to relieve the pain and bewilderment of large-scale unemployment and the inescapable reduction or closure of many long-established businesses.

The MSC has a £1½bn programme.

Youth Training Scheme.

Job-Splitting.

Community Enterprise.

Short-time working compensation.

Norman Tebbit's forward look.

Second, encouraging the new technologies, and so midwiving the new jobs.

British Telecom, Mercury, Cable, Alvey, Biotechnology etc.

Third, making labour markets work better. We want workers to price themselves into new jobs, not out of old ones.

Wages Councils, Young Workers' Scheme.

And we want trade unions to help create employment, not destroy it.

Trade union reform to make trade unions more democratic, less able to damage other trade unions. We have introduced two major Employment Acts.

Spell out Prior and Tebbit Acts.

We shall introduce another Employment Bill to make trade unions more democratic. We want to ensure that trade union leadership is fully representative of the union members. And we want to see that trade union funds are spent in accordance with the wishes of their members.

No-strike agreements in the public sector?

Fourth, we must keep the growth in public sector wages down. That the only way to preserve jobs in the public sector and to lower taxes - which means more shopping money in the private sector and so more jobs.

Fifth, Regional Policy to be aimed at jobs, not at large capital projects which produce work for only a skilled few.

CHAPTER FOUR: TRULY RESPONSIBLE SOCIETY

We believe that a society dominated by the state is irresponsible in the true sense, in that no individual will take the responsibility for anything that goes wrong.

By returning more responsibility to individuals and their families, we believe that standards will tend to rise, often without the intervention of politicians or Parliament.

Housing: We have already seen how the sale of council houses has improved the look of many council estates. Half a million council houses were sold in the last Parliament, against stout and prolonged resistance from the Labour Party.

We shall carry on. Further measures to encourage the sale of council estates.

Council Estate Management: bringing in private enterprise, tenants' co-operatives.

Homes built for sale - shared ownership.

Assured tenancies.

Michael Heseltine's forward look (see also Chapter Seven).

Education: Parental choice and control.

Publication of reports.

Parent governors.

Voucher experiments.

Keith Joseph's forward look.

/Health:

Health: What "the NHS is safe with us" really means.

But encouragement for private insurance.

Encouragement for volunteers.

The Elderly: We shall continue care for the elderly, the sick, frail and the disabled. And we shall do everything possible to make it easy for older people who are still able-bodied to lead an active and independent life; housing for the elderly.

Norman Fowler's forward look.

CHAPTER FIVE: LAW LIBERTY AND THE CITIZEN

A Better Police Force

The choice and freedom which we want to extend can only be made into realities if the rule of law is maintained. The preservation of the Queen's peace is the first condition of liberty.

When we came to power there was undoubtedly a sense that law and order was slipping in some of the larger cities. The police were being given an increasingly difficult task without the manpower or the equipment to carry it out. In some areas, there were fears that the traditional relationship of trust between the police and the public was beginning to erode. The riots in Brixton, Toxteth and other places in the Summer of 1981 provided one more piece of evidence of this erosion.

As soon as the Conservative Government was elected, we took swift action to remedy the situation.

We improved police pay and conditions. As a result, recruitment improved dramatically and police forces everywhere rapidly rose to full strength. The Home Secretary also encouraged police forces to modernise their equipment and their training methods. Here too the response was rapid.

But the most difficult part of the task was to restore the relations between the police and the public in some of the cities. The reappearance of the policeman on the beat has been the first step.

Campaign against burglary and street crime. Commitments on police pay and training.

Crime and Justice

Speeding up criminal justice.

Improving the prisons.

Lord Chancellor's forward look

Reforming the Law: we want to sweep away the clutter of unnecessary laws which impede the citizen from carrying out sensible and harmless activities. At the same time, we want to modernise the protection which the law gives to the young and the helpless.

Video cassettes, kerb crawling, Obscene Publications Act.

Licensing hours.

Sunday trading.

Willie Whitelaw's forward look

Immigration and the Law

This Government has gradually and effectively tightened control of immigration into Britain. In the most recent year, immigration fell to a new low. We shall maintain those controls and take great care to ensure that they are firmly but fairly administered. Any attempts at evasion will be immediately dealt with.

The Conservative Party is and always has been passionately opposed to cruelty, unfairness and discrimination, whether inspired by racial, religious or ideological motives.

The Government as an employer will not countenance unfair discrimina

We have accepted the code of conduct drafted by the CRE. And we

have carried out those recommendations of the Scarman Report which are designed to ensure equality of treatment for all citizens in this country.

But we do not believe that there is any future in systematic discrimination in favour of ethnic minorities. This is more likely to stir up friction and ill-feeling than to remove it.

We believe that there should be one law and one standard of treatment for all citizens in this country.

CHAPTER SIX: BETTER GOVERNMENT

We believe in securing value for money in every department of government. The first step is to reduce or privatise those functions which are not necessary for good government. The second step is to make sure that the functions which are necessary are carried out cheaply and to the highest desirable standard.

Rayner - Management Audits - MINIS

Janet Young's forward look.

Reforming the system

But there are whole branches of our system of government which are overloaded or rotten; there more radical surgery is inevitable.

GLC and Met Counties?

Rating reform?

Scotland - George Younger's forward look.

Wales - Nick Owen's forward look.

Northern Ireland - Jim Prior's forward look.

CHAPTER SEVEN: A COUNTRY WORTH LIVING IN

Over the last few years, there has been a growing anxiety about the quality of life, both in the town and in the country. Much of the deterioration stems from the policies of governments, both local and national: the demolition of attractive old terraced housing which could well have been restored, high-rise flats with vandalised lifts urban wasteland. In the countryside, insensitive building development, excessive use of pesticides - often encouraged by government - dubious policies of afforestation on mountain and moorland have all raised voices of protest.

This government has begun to bring a decent quality of life back to the cities.

Michael Heseltine's forward look:

In the countryside:

Wild Life and Countryside Act.

A second agricultural revolution.

But we believe in a working landscape. And we want to keep the right balance between the protection of nature and our highly efficient farming industry.

The achievements of this industry under the Conservatives are really worth shouting about.

Progress to self-sufficiency.

Peter Walker's forward look.

The Fishing deal.

CHAPTER EIGHT: PATRIOTISM AND PATIENCE

Our foreign policy/^{is}based on true principles of co-operation and determination. We cooperate readily and wholeheartedly with our allies. We resist our adversaries with patience and determination. The benefits of the European connection. What we achieved for our fishermen and farmers inside the Community is only one of the ways in which membership has helped us through the recession.

The steel quotas.

The VRAs with Japan.

These arrangements are only to help our industries adapt and modernise. If we were outside the Community, we would find the world a much less friendly place.

Defending ourselves.

But in the last resort it is our ability and willingness to defend ourselves and our own territory which makes our voice heard.

The Falklands.

NATO

John Nott's forward look .

The world we are working for.

Arms control and nuclear disarmament.

Greater freedom in Eastern Europe.

The growth of prosperity and of political freedom in the Third World.

Francis Pym's forward look.

CHAPTER NINE: THE RESOLUTE APPROACH

This Government's approach is all of a piece, wholehearted. We start as we mean to carry on. And we mean what we say.

Most decisions worth taking are difficult. Cutting a path through the jungle of a bureaucratic modern state is hard going. The world recession of the past three years has made the going harder still. It had meant difficulty and uncertainty for many of our people.

We believe that we have made a worthwhile beginning and that the rewards of those difficult years are starting to show through.

The job is half-done. We mean to finish it.