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a new direction*

THE PHILOSOPHICAL FOUNDATIONS OF THE CONSERVATIVE MANIFESTO

A NOTE BY LORD BELOFF

In offering itself to the electorate for a second term of office, the Government must clearly distinguish between what has been done and what now remains to be done.

Much of the first term was spent in putting right the economic legacy of the preceding administration and in creating in the public mind a more realistic understanding of the links between the efficiency of the economy's performance and the possibility of improving the condition of the people. The benefits of this policy while themselves considerable, as manifest in the fall in inflation, would have been still more obvious had the economy not had to contend with the effects of the world recession. It is therefore of paramount importance that the country is in a position to take full advantage of the probable upturn in the world economy and to that extent financial austerity cannot sensibly be relaxed.

The presentation of the basic economic strategy which must be continuous from the first to the second term must take account of the dual challenge from Labour and the Alliance of which the former is likely to be much the more important.

The Labour Party's dual commitment to a massive increase in public spending combined with "free collective bargaining" could only make sense at all in a country prepared to isolate itself from the main current of the world economy. Combined with the threats of further nationalisation, it would mean a flight of financial resources and the ending of Britain's lucrative role as a main centre of international business and financial services.

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The Alliance proposes reflation on a more modest scale and combined with an incomes policy to prevent the increased purchasing power fuelling inflation. But this is to replay the 1976-78 scenario with the same inevitable outcome. No argument has been adduced to show why what has failed once should not fail again.

What both Oppositions will profess to be doing would be to place the struggle against unemployment in the forefront of politics and to appeal to the electorate as the vehicles for policies which would reduce this admitted scourge. The Government must therefore be prepared to argue for its second term policies as effective in dealing with what the public mind regards as the major problem now that the impact of inflation has been neutralised. Nevertheless it is not desirable that the Opposition should dictate the terms of the political debate. It is necessary to create a new perspective or new vision in which the unemployment issue will find its natural resolution.

A Conservative Manifesto should have three key words:  
Peace; Work and Justice.

Peace is the most important of the three. And when Conservatives say peace they mean a condition of affairs within which the country with due attention to its international obligations should exercise a free choice in respect of its way of life and the direction of its national efforts. They do not mean peace which would consist in the country being absorbed into the Soviet Empire, the "peace that now rules in Warsaw or Prague". While there is room for honest differences of opinion over the details of weaponry or strategy, the Government cannot accept the argument that peace in the proper sense would be brought nearer by Britain disarming unilaterally; nor can it accept as either sensible or honourable the Labour and Liberal view that Britain could

*S. W. Clegg  
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opt out of its own defense responsibilities in respect of the nuclear deterrent and still retain the benefits of NATO membership even supposing that NATO could survive a major reduction in Britain's contribution to western defence. The Government must continue to stress both its belief that there is a common East-West interest in the reduction of weapon levels and that the only prospects of turning this into an agreement are that the West should appear as both united and determined. By casting doubt upon Western unity and determination the protagonists of unilateralism are introducing the very risk of war through over confidence which is what they profess to be trying to averts. Never before in British history at a time of international tension has the official Opposition embraced a line which wholly corresponds to the wishes of a potential enemy. It is a point which can be pressed home in a country still broadly receptive to a straight patriotic appeal.

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Peace however consists in more than the maintenance of the deterrence. It has its positive side. The more like-minded countries can find ways of acting together in non-military as well as military matters, the wider the zone of peace in a real sense not like the deceptive nonsense of "nuclear-free zones". For this reason, quite apart from the damage that would be done to the economy by a withdrawal from Europe, or the establishment of a "seige economy", the political harm would be enormous. It would mean turning our backs upon one of the happy outcomes of the suffering of Europe in two world wars, the beginnings of great unity among Europeans themselves and with friends in a wider world. Such a fabric of peace depends upon acceptance of principles of international disputes. The Government must continue to justify the Falklands campaign, and the current costs of preventing its recurrence, on the unimpeachable ground that if aggression is not shown to be something to which successful resistance is possible, territories much larger than the Falkland Islands and peoples much more numerous than the islanders would be themselves at risk.

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Again, an understanding of this basic fact appears to be widespread among the electorate and a constructive attitude to peace which takes into account both our own legitimate interests and those of others can be presented as preferable to the curious combination of woolly internationalism and narrow-minded chauvinism which clearly dominates the minds of Labour policy-makers.

The word work is preferable to the word employment as a definition of the Government's main thrust in domestic policy. Employment is not in itself a goal. It is the principal way in which modern societies deal with the implications of the fact that without work there can be no production, without production no consumption and without consumption no life either individual or social. If the employment provided is not geared to the needs of society, that is to say if it does not produce private or public goods that meet felt needs; it becomes merely a way and not the most efficient way of ensuring a modicum of consumption by everyone. Of course it is possible in a command economy - that of Soviet Russia for instance - to guarantee that everyone has a job, but this is done at the expense both of economic efficiency and hence consumer satisfaction and of personal freedom.

The issue is complicated by the rapidity of technological change. But technological change cannot, as all history shows, have a permanently disadvantageous effect. What it does is to enable given needs to be met with a smaller input of human effort and this must in proper conditions release such effort to meet other needs or to spread fulfilment more widely. The principal reason for preferring an economy without great concentrations of capital whether privately or publicly owned is that the more units of production there are, the more likely it is that fruitful

avenues will be found for the profitable utilization of the human resources released by technological change as well as new uses for the technologies themselves. The Government's continued efforts to assist "small businesses" is not the result of a particular bias in favour of the small as such - but a recognition of the current imperatives if growth is to be resumed.

While the Labour Party's belief that transfers of ownership to Government is itself a solution to the problems of the economy has been disproved by experience over and over again, the Government has recognised that there is a place for the new technology and for investment in it in the publicly owned services as well. It disclaims any prejudice against public enterprise but insists and will continue to insist that public investment is justifiable only when one of two conditions are met. If the service is income producing it must stand a proper test of economic viability. If it is one that is paid for out of public funds, it must be shown to respond to a clearly perceived national need which cannot be otherwise met.

The other rigidities have preoccupied the Government throughout its first term. One is the uniquely hostile approach of the trade unions to technical innovation and their preference for hanging on to uneconomic jobs and unsound working practices in preference to assisting in the re-adaptation of their members to the new conditions. While it is true that management has often sought a quiet life in preference to battling for change and while not all failures in industrial relations are on one side, it has been true that the unions - particularly in the public services - have been placed by earlier legislation in an unwarrantably strong position, the disadvantages of which will become more apparent as the economy recovers. The Government believes

that its efforts to alter this situation must continue in its second term; it notes that on the contrary the Labour Party, now more than ever merely the political agent of the trade unions, is pledged to restore and even enhance their position. The Government recognises the fact that many individual trade unionists are coming to realise that it is their own leadership, whether at national or local level, which has often cost them jobs and the higher rewards that a flourishing economy would enable them to receive. It will not step beyond what they have shown themselves prepared to accept.

An even deeper cause of economic failings and one which menaces Britain's capacity for taking advantage of recovery lies in the educational system and the lack of proper training at all levels for wealth creating skills. The fact that changing the whole stance of the educational system has had to take place at a time when, for quite different reasons, there have had to be cuts in provision, for instance in University admissions, has had the effect of distracting attention from the more positive side of the changes. Because the educational system will produce a more wealth-creating oriented younger generation and one with higher standards of achievement at all levels, it will be possible to resume expansion and indeed necessary to do so if the economic goals are to be achieved. It is an interesting reflection on the general attitude of trade unions that the teachers unions far from welcoming the new opportunities for the profession have only sullenly acquiesced in change and still deny their responsibilities as a group to the nation from whom they derive their incomes. It is hardly necessary to add - but it should be added on every platform - that the Labour Party in this matter has a wholly reactionary stance and that the documents on education produced by the Party take no account of the abundant lessons as to what has gone wrong, particularly in areas where the LEA's have long been under Labour control.

Schools and institutions of higher education are not solely responsible for training and should not be. Industry itself must be prepared to accept the need for new and intensified systems of apprenticeship and for retraining of its work force as technology advances. The Government will assist and encourage such an assumption of responsibilities by individual firms to the economy as a whole. At a different level the same will be true of the increasing co-operation between industry and the Universities on both the technological and the management side.

It is in these ways and only in these ways that unemployment can be brought down - not by the artificial creation of "employment".

The concept of Justice is still a more difficult one than that of Work. It must begin by recognising as the Government has done, the absolute necessity for protecting the individual citizen from molestation and the guarantee to him of the safe enjoyment of his property. It will not be put off by minority clamour from improving the capacity of the police to deal with crime and the protection of the judicial process from interference with the bringing to book and the punishment of criminals. But "law and order" is more than a simple matter of strengthening the instruments of crime protection and crime prevention. It must be set in a wider social context.

The simplistic association of high levels of unemployment with the prevalence of crime is itself unacceptable; it has no warranty in historical statistics and most major crimes are the work of professionals while a good deal of minor crime particularly by juveniles has little to do with economic disadvantage. What is needed is a change of attitude on the part of the young to which no doubt new

opportunities of work will make an important contribution. But the sloppiness into which permissiveness easily degenerates among teachers, some social workers, and above all some sections of the media would have to be tackled before justice in this sense can be done. It is not possible for any Government to change the attitudes of a large section of the public, but it can continue to indicate its preferences for endeavour over lassitude. It can use its position to point out to the electorate at large the folly of Labour local authorities in decrying and where possible hindering the work of bodies such as cadet corps and scouts which endeavour to create sentiments of patriotism and service to the community.

Justice also includes in most people's minds the idea of fairness. We cannot do much except by example to deal with the world wide lack of fairness in the distribution of material goods even of vital necessities. But in the British community itself fairness has been interpreted to mean a general responsibility towards the very young, the sick and disabled, the old, the unwillingly unemployed. The Government's policy has not departed from this principle that there must be provision for those who cannot help themselves. But the extent of provision must be governed by the fact that it must be subtracted from what would otherwise be available for the more fortunate. It will have to continue to point to the abject hypocrisy on this issue of the Labour Party - how can greater provision be made for pensioners if a commitment to "full employment" and "free collective bargaining" means that any additions to the national wealth will be swallowed up in the remuneration of those at work.

The nature of the provision the community should make is another issue that divides the Government from its opponents. The Government's policies assume a continued role in the major services for private and voluntary effort. Its opponents believe in the monopoly of state provision and the channelling

of all services through the paid employees of the State. The Government hold not only that there is a role for instance for private medicine and independent education, but that their existence so far from reducing the resources put into the service must actually increase them since the money people are paying for them is additional to what they are already contributing as taxpayers. Once this is accepted, the Government can use such powers as it has to improve the collaboration on the ground between public and private hospitals, maintained and independent schools and voluntary societies and the social services.

Fairness comes in to another aspect of the Government's policy. There is clearly a distinction between those who own property of various kinds and those wholly dependent upon their immediate employment and whose homes are the property of a public authority. The popularity of the Government's moves towards wider home-ownership shows that there does exist a strong instinct in the British people in favour of "deproletarianisation". The preferential sale of nationalised assets to the workers in the industries is another aspect of policy from which the Government will not be diverted. Socialist obstruction to both processes is well understood. No property owning democracy will vote into power a Party which threatens both its property and the freedoms that the ownership of property confers.

Thus the Government can appeal to the three emotive concepts of peace, work and justice and demonstrate in detail how its programme has been, and will be, directed to these ends. But there is a final reflection. The Government believes that, minor reforms apart, the institutions inherited by this generation, a bi-cameral Parliament owing allegiance to a constitutional monarch, an independent judiciary, a non-political civil service, the subordination of the armed forces to the civil power are priceless assets which command the confidence of the great majority of the British people.

They served equally well for the purposes of some Labour governments of the past. But the total transformation of British society to which the Labour Party is now committed is not seen even by its protagonists as capable of being attained through the traditional instruments of Government. The priority attached to the destruction of the House of Lords which is official party policy is only the visible apex of a set of policies whose ultimate lineaments can easily be seen in the "popular democracies" of Eastern Europe. Of course if foreign and defence policy are to lead to Britain's membership in the Warsaw Pact, one could argue that this transformation would be only logical. More important is the fact that when the majority of the British people are brought fact to face with these possibilities they repudiate them.

The main claim of the Government for a second term is that it alone can mobilize the innate energies of the British people to adding a new and constructive chapter to its history.