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V. rep.

PRIME MINISTER

GETTING THE GOVERNMENT'S ECONOMIC MESSAGE ACROSS

You are to have a discussion tomorrow at 9.30 am with the Chancellor, Chief Secretary, Lord President and Paymaster General on the above subject. Michael Scholar and myself will be in attendance.

The notes below bring together comments upon the Chancellor's original minute of December 23 (Annex I); Sir Robert Armstrong's note of December 24 (Annex II); and my response to the Chancellor's minute. (Annex III).

← First, the basic responsibility for the presentation of economic policy must rest with the Treasury. The in-house improvements recorded in Paras 2-4 of the Chancellor's minute are therefore to be welcomed, but I am bound to say that I regard the Treasury Information Division as one of the less effective and desperately in need of some dynamic professionalism. Too much emphasis is apparently put upon economic expertise and far too little on a robust ability - and enthusiasm - to communicate simply.

Second, the Government Information Service, under my leadership, meets regularly as a whole on Monday and in a more select group on Tuesday to co-ordinate, respectively the presentation of overall policy and economic policy. I report recommendations or decisions as necessary to the Lord President and your Private Office. A recent innovation is good news summaries (Annex IV) put out by D/Industry (and the Scottish, Welsh and Northern Ireland offices).

In addition the Lord President has established machinery for issuing Ministerial speaking notes on Government policy as a whole. He is however sceptical about their value, though there is some evidence they are appreciated, and the system has run down since Sir Angus Maude left. Mr Pym clearly signalled to Michael today that he intends to underline his scepticism tomorrow; doubts the value of the speaking note put out by the Chancellor on January 15 (Annex V); and believes we need a more positive and saleable policy.

Francis Pym had a talk with me. I suspect that

his disenchantment is more with the policy than with its presentation. MGS 19/1



Third, the Chancellor (Para 5 of Annex I) makes an entirely valid point in calling for a wider Cabinet effort to put over Government economic policy. He suggests you urge non-economic Ministers in Cabinet to set their interests in the framework of wider economic policy. But this ducks the real issue - namely the propensity of Cabinet Ministers up to now to savage their own policies, if not often in speeches certainly in talking unattributably to the Press. All the slick presentation in the world counts for little or nothing if the Government is seen to be divided among itself or unhappy with its own policies.

Fourth. Sir Robert Armstrong has a point in emphasising the impact of broadcasting, and especially TV. He stresses the desirability of Ministers being more ready to argue the Government's case on current affairs programmes, and comment on economic events and to relate them to the Government's message day by day. I agree, provided of course we get a satisfactory format. There are great dangers in simply accepting each and every invitation regardless of other considerations.

But again Sir Robert Armstrong's comments evade the real issue: the failure of Government up to now to pull together.

Fifth. Sir Robert suggests the Secretaries of State of Employment and Energy and the Economic Secretary, Treasury, should be ready to respond to appear on radio or TV whenever invited. In my experience, we do not have problems in getting "loyalist" Ministers to appear; the problem is to get the Cabinet orchestra to sing in tune. But we really need non-economic Ministers to underline not merely the united nature of the Government but also its essential humanity. As, we hope, the economy improves and the improvement tells its own story we need also to convince people of the Government's "compassion", for want of a better word.

Sixth, links between Government and party (essentially Paras 8 & 9 of Annex I). This is now a basic problem because the departure of Sir Angus removed a bridge. But the problem is compounded by the fact that the Lord President, as the Minister responsible for co-ordinating the presentation of policy, is as uninterested in co-ordination or presentation as he is disenchanted with Government economic policy.



Para 9 of Annex I puts the finger on this aspect of the problem, without suggesting a solution. Given the representation at tomorrow's meeting, you will not wish to take decisions on this. But I do not think we can go on like this for much longer. The difficulties are:

- lack of Ministerial drive;
- lack of a bridge with defined responsibility for presentational liaison, between Government and party;
- the arguments against solving the problem simply by transferring responsibility from the Lord President to the Paymaster General as chairman of the party (which in other circumstances would be the ideal solution);

You will not wish to come to a conclusion immediately but the possibilities are:

- appointment of an additional Parliamentary Private Secretary to yourself with specific responsibility for presentational liaison with the Chairman of the Party in co-operation with me; Clive does not encourage this idea;
- appointment of a Junior Minister with a similar specific responsibility located either in No. 10 or Cabinet Office and with whom I would work closely; in the past junior Ministers have not been notably effective, especially when located outside No. 10;
- your devolving specific responsibility for co-ordination on me, charged as an official for reporting jointly to you and the Chairman of the Party as a member of the Cabinet; here the problem is to persuade people that you are not effectively putting the Chairman of the Party in charge of co-ordinating presentation;
- leave things as they are for the time being, with myself effectively co-ordinating but quietly liaising closely with the Party and at the same time reporting to the Lord President. This may well in practice happen because I am forging a good working relationship with David Boddy, as one half of the CCO. operation, and Cecil Parkinson is anxious to have an early meeting with me.