

PRIME MINISTER

The attached paper reflects the thinking of John Redwood and Oliver Letwin on local government and the far Left.

If we want Central Office to get something going along these lines it will need your personal backing. It would be helpful therefore to know:

1. Do you agree with the thrust of the paper?
2. Do you want me to now pass it to the Chairman for him to follow up, or
3. Do you want to discuss it with the Chairman at some stage?

Stephen

STEPHEN SHERBOURNE

5.7.84

MR. SHERBOURNE

Local Government: Dealing with the Far Left

The Government has already experienced some of the problems that can be generated by members of the Far Left who infiltrate local authorities. Ken Livingstone and Derek Hatton have been able to cause considerable commotions.

These commotions are the superficial expression of a fundamental shift in the structure of local politics. The Far Left have decided that local government offers more opportunity for fomenting revolution than does Westminster. Indeed, local government fulfils all the conditions for successful trouble-making. Local elections are won on low turnouts; many Labour voters cannot or do not distinguish between traditional Labour candidates and Militant fanatics; poor attendances at low membership ward and branch meetings facilitate Militant victories at important candidate selection meetings; the Labour Right in local government is less organised and less used to the tactics of the Left than in the unions; because most councillors of all Parties are part-timers, it is easy for the dedicated full-time Leftists (who survive on supplementary benefit, council expenses, and fake jobs with neighbouring councils) to take charge of the important committee work.

These conditions have been ruthlessly exploited. The Far Left are now thought to be in control of:

<u>GLC</u>	<u>Greenwich</u>
<u>Liverpool</u>	<u>Hackney</u>
<u>Manchester</u>	<u>Islington</u>
<u>Glasgow</u>	<u>Lambeth</u>
<u>Sheffield</u>	<u>Lewisham</u>
	<u>Southwark</u>

And they have an effective presence in: Camden, Haringey, Merseyside and Southampton.

The signs are that the problem will get worse if nothing is done about it. As you will see from the attached press cutting (Annex 1), the leaders of Greenwich, Lambeth, Lewisham and Southwark are planning to copy Liverpool's budget tactics next year. (Indeed, it seems altogether likely that their decision to do so is the clue to Liverpool's apparent change of heart this year: Mr. Hatton has probably decided that he stands a better chance of winning the struggle when he is joined by his London comrades than when he stands alone.) The Government should therefore expect widespread, prolonged and effective action to delay levying rates in 1985.

Tackling the long-term problem

To deal with the long-term problem, the Government and the Conservative Party must start taking the far Left and local elections seriously.

The first step is to publicise the facts. Most people do not know what is going on. They need to be told, clearly and simply:

- the names of the leaders of the far Left in the localities;
- how they operate;
- what they have taken over;
- what their ultimate aims are.

This publicity has to be skillfully handled. There is absolutely no point in issuing naive polemical denunciations: that would merely put the Government on the same footing as the people it is attacking. What we need is a dispassionate, academically sound explanation in terms that ordinary people can understand. The explanation needs to stress the far Left's antagonism not so much to the present Government, as to the whole system of parliamentary democracy; and it needs to show that the

threat is worth taking seriously. Without doubt, television is the proper medium to convey this message - and Saatchis are the proper people to design the programmes, preferably with the help of a real expert like Gordon Reece. This implies funding by the Party rather than the Government.

The best way to make the publicity effective is to focus it on one or two individuals. This tactic has been used with notable success by the Leftists themselves: they have made Patrick Jenkin their "hit-man". As a result, the Government is put in the unfortunate position of having either to defend him (which looks apologetic) or failing to defend him (which leaves the public thinking that both he and his colleagues are incompetent or worse).

If we, on our side, adopted the same method, we might have equivalent success. Obvious candidates to act as the focus of the campaign include:

- Derek Hatton, Deputy leader of Liverpool;
- Ted Knight, Leader of Lambeth;
- Ron Stockbridge, Leader of Lewisham
- John Walker, Leader of Greenwich.

Any of these might well, with justice, be turned into a public anti-hero.

I suggest that the Prime Minister should talk soon with John Selwyn Gummer and Gordon Reece about the possibility of:

1. Mourning a general information campaign about the tactics and dangers of the far Left's activities in local politics; and
2. Consciously selecting one or two figures of the hard Left upon whom publicity could be focused.

Winning local elections

Publicity and propoganda will not, however, be enough to solve the problem during the lifetime of this Government. We also need to do much better than we traditionally do in the mid-term local elections.

Local Party associations are, of course, ultimately responsible for fighting such elections. But they could benefit from - and in many cases are calling for - more help from the Centre. This could take the form of:

- i. Mounting a high profile national campaign before and during each set of local elections, with press conferences at Central Office, as during a General Election;
- ii. Orchestrating a series of co-ordinated speeches from senior Ministers in marginal areas - especially the Secretaries of State for Environment, Education, Social Services, Wales and Scotland, who are directly involved with local government;
- iii. Encouraging local MPs to take part far more energetically - especially in the inner cities, where we sometimes have one Conservative parliamentary constituency despite the Council being strongly Labour-controlled;
- iv. Asking the Research Department to provide a full handbook for all candidates on the lines of the excellent "Campaign Guide" and "European Guide", and also a set of ready-reference "Speakers Notes";
- v. Stressing throughout the campaign that the choice is between Conservatives and a Labour Party controlled by the local far Left (in particular by figures such as Ted Knight or Derek Hatton, or whoever has been chosen as the anti-hero).

If we fail rapidly, to plan and execute these (or some set of equivalent) steps, we shall have only ourselves to blame for a gradual crescendo of far Left dominance in local politics.

Lab Ulls

Fight the Tories to defend services X

THE Thatcher government's ratecapping legislation completes the establishment of a Whitehall dictatorship over every local authority.

Together with cuts and manipulation of grants, it means that councils can no longer carry out their mandates from the community to provide much needed services and protect jobs.

All Labour local councillors are being told they must become agents of government policy, which is designed to put the burdens of the economic crisis on the backs of our communities.

We are not prepared to go down this road and urge all Labour councillors to stand firm on this principle.

Councillors like ourselves are not alone in resisting Tory attacks on working people and their rights. Trade unionists now find themselves outside of the law for carrying out their every day activities, while the miners are engaged in a bitter struggle to resist decimation of their communities.

Abolition of the GLC and the metropolitan counties is being fought all the way with the active support of the unions and communities.

The local government union Nalgo at its annual conference endorsed a policy of non co-operation with abolition and support for all councils which refuse to implement cuts or comply with the rates legislation.

John Austin Walker, Ted Knight, Tony Ritchie, Ron Stockbridge and John McDonnell put forward their strategy for defending local democracy

Liverpool's defiance of Tory policies has shown that a broad fight can be mobilised around the struggles of a local Labour council. The point at which every Labour-controlled authority can be united is the end of one financial year and the beginning of the next. The common action to each is the levying of a rate or precept.

A refusal to levy a rate or precept will unite each council in the same action, at the same time. In the face of such a challenge, the Tory government will have to evict every Labour councillor from town and county halls, or deal with a breakdown of local government.

The City of London, too, will face a crisis of confidence in the money market.

It is not that we are setting out to become law breakers. The fact is that under the legislation it is no longer lawful for councils to carry out the policies on which they were elected.

Other tactics have been considered. Designation of an authority as ratecapped under the legislation cuts off the option of protecting

services and jobs by increasing rates to compensate for grant losses. For other hard-pressed authorities, the prospect of levying further major rate increases will no longer be politically acceptable or even practical.

No Labour authority, ratecapped or not, is asking for the right to levy high rates.

Our common argument is against the withholding of central government funds raised through taxation from services to meet local needs. The call for deficit budgeting, while levying a modest or "capped" rate does not provide the basis for unity because of differences in each authority's financial position.

The point at which each authority would run out of funds — if at all — would differ. Confusion as to when this would happen would weaken the united action of workforces and the local community.

Similarly, calls for mass resignations of Labour councillors pose the dangers of temporary Tory control. Even successful re-election, does not alter the reality facing councillors, trade unionists or working class communities.

Majority opposition is an attempt to relieve Labour councillors of direct responsibility, leaving council workers and those in need of the services to fight Tories in control of the bureaucratic machine.

Refusal to levy a rate or a precept in order to confront the Tory government can only succeed with the support of the trade unions

and the local communities.

Council workers know that a failure to fight will result in tens of thousands of jobs being lost.

Labour councillors must declare now that they will defend services and jobs and demonstrate a willingness to challenge the government at one and the same time. Then trade unionists can be rallied to that platform.

The community knows that its services are under threat. On seeing a determination on the part of councillors and workers to defend services and democratic rights it will respond to a common fight.

The Labour Party leadership — the national executive and the Parliamentary Labour Party — must give full support to an agreed initiative by Labour-controlled authorities.

The Labour Party local government conference in Sheffield in early July provides the opportunity to develop a common strategy which can unite Labour authorities at risk whether ratecapped or not.

Labour councillors, local government workers and the communities we serve cannot wait for the outcome of a future general election. The time for action is now.

■ *John Austin Walker is leader Greenwich, Ted Knight, leader Lambeth, Tony Ritchie, leader Southwark, Ron Stockbridge, leader Lewisham, John McDonnell, deputy leader GLC.*

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LABOUR COUNCILS THOUGHT TO BE CONTROLLED BY FAR LEFT

<u>LIVERPOOL</u>	(Con-14, Soc-57, Lib-28)	(Leader - John Hamilton) (Deputy Leader - Derek Hatton, Militant)
<u>MANCHESTER</u>	(Con-14, Soc-79, Lib-6)	(Left estimated to have 41 to 38 majority, two Militant supporters)
<u>GLASGOW</u>		(election fought on no rent or rate rises and no cuts, 5 Militant supporters)
<u>SHEFFIELD</u>	(Con-18, Soc-61, Lib-8)	(Leader - David Blunkett)
<u>GREENWICH</u>	(Con-16, Soc-43, All-3)	(Leader - John Austin Walker)
<u>LAMBETH</u>	(Con-27, Soc-34, Lib-3)	(Leader - Ted Knight) (Deputy Leader - Matthew Warburton)
<u>SOUTHWARK</u>	(Con-8, Soc-51, Lib-2 Ind-3)	(Leader - Tony Ritchie)
<u>LEWISHAM</u>	(Con-26, Soc-41)	(Leader - Ron Stockbridge, London Labour Briefing Activist)
<u>ISLINGTON</u>	(Con-0, Soc-49, SDP-3)	(Leader - Margaret Hodge, Labour Group elected on extreme left manifesto)
<u>HACKNEY</u>	(Con-3, Soc-50, Lib-7)	(Leader - Hilda Kean, replaced Anthony Kendall by 70 to 50 at borough Conference although supported by only 14 councillors)
<u>GLC</u>	(Con-41, Soc-48, SDP-2)	(Leader - Ken Livingstone) (Deputy Leader - John McDonnell)

COUNCILS WHICH MAY BE CONTROLLED BY OR ARE UNDER ATTACK BY THE FAR LEFT.

<u>HARINGEY</u>	(Con-22, Soc-36, Ind-1)	(Leader - George Meehan)
<u>CAMDEN</u>	(Con-26, Soc-33)	(Leader - Phil Turner)
<u>SOUTHAMPTON</u>	(Con-20, Soc-23, Lib-2)	
<u>MERSEYSIDE CC</u>	(Con-27, Soc-56, Lib-15, Ind-1)	(Leader - Keva Coombes)