

~~SECRET~~ AT

Prime Minister ①

Could you indicate whether you prefer X or Y?
(The idea of a mediator now looks pretty daft)

AT
19/7

PRIME MINISTER

JACK PEEL'S VIEWS ON THE COAL STRIKE

Jack Peel has now written, as promised, offering his services as a mediator in the coal dispute and setting out his views on how it should be handled.

On the first, I do not think you should encourage him. After Wednesday it is likely to be clear that a mediator has little to contribute. To bring in someone else at this stage, in a public way, particularly if it were known that he had your backing, would be quite inconsistent with the Government objective of detaching ordinary miners from their leadership. There is nothing to stop Mr. Peel from offering his services privately but what I think he is angling for is your endorsement.

On handling, he argues that the Government and the NCB have missed a trick by not invoking the civil law. With hindsight he might be right. If we had known how solid the working miners would be, how much coal could be moved by road and how long the striking miners would hold out we might have come to a different judgement some weeks ago. But that is water under the bridge and the likelihood of civil action is now much greater, particularly if the dock strike is not settled soon. Do you think Mr. Peel's ideas are sufficiently distinctive to merit a meeting with you?

X |

Or do you wish to write thanking him for his ideas but discouraging the offer of mediation?

Y

AT

17 July, 1984

~~SECRET~~ AT

Timberleigh
39, Old Newbridge Hill,
BATH BA1 3LU, Avon.

16th July 1984.

R17
no pps

Dear Prime Minister,

My message to Tim Flesher last Friday, that I would be prepared to mediate in the miner's dispute, now seems a little naive in the light of subsequent speeches by Mr. Scargill. Nevertheless, as one of your staunch supporters and a lifelong industrial relations man, may I offer some frank comments and some thoughts on forward strategy.

There are two areas where miscalculations have been made by the NCB. First, it was a mistake to think that the miners would be given facilities for a national ballot - and so not pressing the injunction given by the Court. Scargill knew this was his vulnerable area and so ruthlessly exploited the rule book to avoid a national vote. The Board's caution was understandable, but it has given the NUM a virtual licence to intimidate. It is true that processing the injunction would have risked pushing the miners still working into the Scargill camp. But it would have been a calculated risk and public opinion would have been overwhelmingly behind the Board and the Government. Moreover, the rent-amob crowd in the dispute would not have been as well organised as they are now. I was a part-time Director on the NCB for four years. Had I still been a member of the Board I would have been arguing the above points at this time.

Secondly, the belief that the miners will return to work in large numbers and so break the strike, is wishful thinking. It will need more than police protection, even on the present scale, to induce miners to work. Apart from the gauntlet of the picket line, there are the personal and domestic threats and intimidation to consider. Miners wishing to work would be supermen to brave these difficulties. It is too much to expect. The fierce loyalties of the miners to their Union have been twisted by the bully boys on the picket lines into hatred towards those who have broken ranks, though history will show that those who have worked are far braver than their striking colleagues and have the real interests of their union and industry at heart.

Now the strategic thoughts. The NUM leaders will eventually lose, given the issues at stake. But if the dispute drags on into the autumn or beyond, the Board and the Government will lose prestige on a substantial

scale by having seemed passive during a serious industrial crisis. Scargill's eventual defeat will be blurred by this lost confidence. You and I understand the permissive nature of the legislation which can be used to stop secondary picketing, but the public simply see the law being broken daily with apparent impunity. They are confused - especially after the decisive application of the same legislation in the recent printing dispute.

Assuming that the National Dock Strike is settled soon - and it may not be - the NCB's waiting game involves the risks of other groups of workers striking and tying their cause to the miners. This bandwagon of disruption is highly dangerous and the TUC Conference (only six weeks away) poses further problems. The NUM has an ambivalent attitude to the TUC. It has kept its distance from Congress House, as it knows the TUC would organise a compromise - and (rightly) denounce mass picketing and violence. On the other hand, the TUC could be a godsend to the NUM. With a sick General Secretary retiring from office and the new man unlikely to grasp nettles of this kind (remember the T&GWU were the first to nominate Mr. Willis), the NUM could mobilise the left wing unions and dominate the debates in Congress, which receive national coverage.

It was with these thoughts in mind that I offered to help with mediation as a way of moving things along. Remember, I have been doing this in Europe for nine years. In fact I chaired the European Joint Committee for the Coal Industry as one of my duties in the European Commission and I referred earlier to my service on the National Coal Board. I believe it is crucial that a settlement is reached, or is within sight, before the TUC, not on the basis of the Board capitulating, but on the acceptance of the closure programme with flexible timing and suitably negotiated fringes. If you wish I could talk to you about this. Assuming this tactic was tried in the next two or three weeks and failed - then the hard line would be for the Board to indicate that unless the Num discontinued secondary picketing and controlled violence and intimidation then the injunction already granted would be processed.

I am aware of the risks involved here, but it would get the legal issues in perspective at the right time. If the NUM had faced and forfeited heavy fines for breaking the law, it would be unlikely to win TUC support for its illegal actions. Even the TUC carthorse would stop snoring at that stage. The debates would clearly show the NUM challenging the laws of the land. The TUC would not stand for this, moribund though it may seem.

Moreover, the following Labour Party Conference would be in a dilemma. Should it support the NUM and condone law-breaking? - or uphold the laws of the land and chide the NUM. Either way, the Labour Party leader would be in a spot.

I apologise for the lengthy letter, but it is an alternative to one of our normal meetings, knowing how crowded your diary must be. If, however, I can help you in this dispute - or in any other way, as mentioned in my last letter, please let me know.

with warmest regards

Jack Paul
Yours sincerely