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PERSONAL AND CONFIDENTIAL

6th June 1985

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Long-term themes for speeches

I said when we met last Tuesday that I would try to come up with a cockshy of themes for long-term speech planning which we could discuss when we meet after the Lord President's next Liaison Committee meeting. I attach a short note for that purpose.

Con,

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RH/JLS

SUGGESTED THEMES FOR SPEECHES

1. Wider Ownership

Home ownership; private pensions; shares (including privatisation, worker-shareholding and other schemes). These can be treated individually or together. Geoffrey Howe's attached speech gives a variant. Whatever we decide about the timing of gas privatisation, wider ownership (as opposed to competition, deregulation etc.) is a much more important and fertile source of support for the next election than in 1979 and 1983. Moreover, it is 'soft' rather than 'hard' as an issue and so should attract potential Alliance support. The difficulty is not to make such speeches bland and so unreportable.

2. Competition and the Customer

Again, a range of combinations of subjects: telecommunications, buses, airways, etc. But the theme I find more attractive is bringing competition to bear in middle class professional areas too. We must claim credit not just for changes we have directly inspired but for those with which we thoroughly go along, e.g. the City and solicitors. This fits in with the 'classless society' idea, and with the notion that history, change, progress - call it what you will is on our side rather than the side of our opponents.

3. Individual Freedom

The other side to our success in standing for unity, solidarity and order is that the influential though far from numerous 'libertarians' - intellectuals, journalists, immoral but wealthy middle-class professionals - believe that we are reactionary. We should stress to these people: the connection between economic and personal freedom (as we have done), our commitment to privacy (Data Protection Act, Interception of Communications Bill, Special Branch and Surveillance guidance, etc.); more information publicly available (exam results, stop and search figures, anything else?).

4. The New Consensus

Our opponents have already been getting away with the idea that they form a new consensus. We must remind people that we over the last six years have changed the nature of the argument in British politics: we allowed the Alliance to be formed, both by beating Labour and by persuading people that enterprise not the State was the source of prosperity and progress: <u>and</u> our ideas have become the international consensus too.

5. Public Spending and Public Services

We should realise the dangers of continuing to allow what the public reads about our attitude towards public spending to be dominated by the timetable and interests of the public spending round. We should say that we are not aiming for overall cuts in public spending: nor have such cuts been achieved. The aim is to do precisely what we <u>promised</u> in the run-up to 1979 - namely to create the policy framework in which the nation's wealth could grow so that proper services and the nation's defences could be sustained. <u>Within</u> public spending, we have pursued priorities: although there is concern about defence, broadly those priorities command

- 2 -



public support. We need to stress in speeches our view of the overall level of public spending and services - which is, broadly, that we want what the nation can afford; we are not against public spending and public services as such. The non-Treasury Ministers need to be enlisted for such purposes: we must not keep on talking about what we <u>are</u> spending through gritted teeth.

6. Inflation

This is dealt with separately. But most people <u>do</u> agree that inflation is bad for jobs, not good for them - though of course, at the same time they think that we are too preoccupied with inflation at the expense of unemployment. The aim must be to explain in different language to different audiences why there <u>is</u> no trade-off between inflation and unemployment, both by reference to the past and by reference to what has happened since the trough of the recession in 1981 and in the USA.

7. Environmental Issues

I do not know much about these: but I sense unease about our view of the value of non-material things - the countryside, the 'heritage' and the 'arts'. Is there more we could say to show that even to-day's Conservatives are prepared to conserve ...

8. Education

Not only to we have a good record of achievement in changing the direction of education policy; more importantly

- 3 -

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still our Conservative objectives for education are profoundly popular with the general public. We have to focus attention away from arguments about resources and on to arguments about the kind of education we want our children to have. Standards: discipline: parental choice: practical experience for teachers: rewarding good and sacking bad ones: educating children for jobs rather than the dole queue: basics not social engineering: imbuing young people with moral responsibility and an appreciation of good citizenship - if the argument focusses on these objectives then we will turn round the hitherto disastrous erosion of our support on educational matters. The Green Paper on Higher Education confirmed the perception that we are barbarous in our instincts. Our middle class supporters care more about education - because it is the way in which their children like them can ascend the social and economic ladder - than they do about most other social services. We must show them that we care.

9. Trade Unions

This government has stood up to and defeated violent and intimidatory unionism: but people will remember the miners' strike in the run-up to the general election and the Labour Party's attitude towards it with only a limited though judicious reminder from us. Individual choice and democratic rights for trade unionists: these are the main themes to stress.

- 4 -

10. Employment and Unemployment

We are <u>still</u> talking too much about unemployment: we should keep talking about jobs. We should not be afraid to ask how people think that new jobs which last can be created - by state spending, borrowing or printing, or by satisfying customers ? And we should deliberately avoid talking about the headline total, whether we say it is 'disappointing' or the trend is 'encouraging' or whatever: we should keep on saying how good it is that many more people have jobs - jobs under arrangements for hours and pay which <u>they</u> want - than in 1983.

11. Unemployment and the Black Economy

The Black Economy must soon become the subject of a Bateman cartoon. Everyone you speak to knows about it: most people are directly or indirectly making use of it. We need to open the subject up in order to puncture the moral hypocrisy of those who pretend that the headline unemployment total represents a sum of solid misery. It will be a delicate business. But one or two key speeches, perhaps genuinely asking whether it is a good or bad thing; discussing various estimates of its size; and pointing to the fact that the only way to deal with it in the long term is through lower taxes on income, would be invaluable.

12. Morals and the Family

The Prime Minister's moral seriousness and femininity gives us a real opportunity to pose - and, of course, rightly

- 5 -

and justifiably pose - as the Party which stands for what is natural, orderly and right. We do not have much on the statute book to show for is: though we should not forget the Video Recordings Act. The main themes to stress are essentially negative: we stand equally against the wild weirdness of the far left and the smug liberalism of the Alliance architects and proponents of yesterday's permissive society which has gone far towards poisoning a generation.

13. Defence

Kinnock's unilateralism and the Liberal/SDP division on the deterrent and American bases will be very important at the next election. They must be exploited to show that in a dangerous world the British people can alone trust in their safety under a Conservative government.

14. Law and Order

We are being put on the defensive in what is traditionally - and remains - an area in which our policies and leadership command strong support. I believe that the tactic should be to play down crime and play up the threat to order. Crime policy must be seen to involve communities: unlike the Labour Party we are trying to mobilise the whole of society to prevent and detect crime. But the deep unease which exists about disorder the scenes of the miners' strike, football hooliganism, peace convoy, animal liberation freaks, a general trend towards civil disobedience, a slight smell of anarchy in the air - all this requires a rather different response. We should return to stating our philosophical position: we refuse to condone violence or disorder or law-breaking :

- 6 -



we want to prevent it not explain it: for us privacy, security and property count: our mission is not just to back the forces of order but to set an example to the whole of society - a society which, for reasons outside government's control, is more fragile and fissiparous than ever before.

RH/JLS 6.6.85.

PRESS RELEASE

EXTRACTS FROM SPEECH BY SIR GEOFFREY HOWE, SECRETARY OF STATE FOR FOREIGN AND COMMONWEALTH AFFAIRS TO BRIDGEND BUSINESS CLUB, AT SEABANK HOTEL, PORTHCAWL: 31 MAY 1985

REDUCING STATE POWER

This Government has done more than any other British Government since the war to reduce the amount of State control over the lives of individual citizens. Conservatives believe that liberty and responsibility go together.

When we were elected in 1979 a larger number of the key industries of Britain were State controlled than in any other major Western country. Since then industries with a turnover of over £14 billion have been taken out of the hands of politicians and bureaucrats and sold to millions of new share owners, employees, and businessmen.

In 1979 there were fewer than 12 employee profitsharing schemes. Today there are over 450. There are also over 400 Save-As-You-Earn share option schemes first introduced in 1980. The empty Socialist slogan of public ownership has become a living reality in Britain under the Conservatives.

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- 1 -

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When we came into office one third of the houses in Britain were controlled by local authorities, their occupants often political hostages to municipal socialism, with little chance of ever owning their own homes. Today 1.5 million more families have the freedom which comes with owning their homes, a liberty which even the Labour party feels no longer able to threaten.

When we came into power trade unions in this country were above the law, largely out of the control of their members, and dominated by self-perpetuating cliques with political motivations often far removed from the interests of the industries and employees concerned. Today, slowly but surely, and largely as a result of the measures introduced by this Government to give unions back to their members, we are seeing the new ability of ordinary workers to ensure that their views and interests are taken into account.

When we came into office businesses large and small laboured under a maze of rules, regulations, restrictions, and Government controls through which the Labour Government sought to direct and dominate the economic life of Britain. Today many of those controls have been swept away - controls on exchange, pay, prices, dfwidends and many petty planning restrictions. Economic decision-making is now more decentralised and more in the hands of thousands of individuals.

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Through these and many other measures, Conservatives have sought to give effect to their objective of a society where liberty is underpinned by economic choice, a property-owning democracy where responsibility is devolved to an ever greater number of individual citizens.

There is still much to do. Such changes, given the extent to which power to direct and control our lives had been accumulating in the hands of politically-motivated interest groups over the years, take time to achieve.

But we have moved towards a significantly freer society. And that is something which even the British Labour Party would find difficulty taking away from British citizens ever again.