

FROM: Bill Davis

24th August 1986

THE "CARING" THEME

I care about the freedom of the individual to run his own life - instead of having it done for him by the state.

I care about the pursuit of excellence in every field, from science to agriculture.

I care about people being able to buy their own homes and to have shares in the business they work for; I believe in popular capitalism.

I Care about the principle I was taught when I was young - an honest day's pay for an honest day's work.

I care about all the people who saw their savings devastated by runaway inflation under a Labour Government; we have reduced the inflation rate to its lowest level in 20 years.

I care about law and order - the right of decent people to be protected by a strong police force.

I care about the unemployed, who have been caught up in the biggest period of change in the whole developed world, including Britain, since the Industrial Revolution. We have made great efforts to soften the blow.

I care about the sick, which is why spending on the health services under this Government is higher than ever.

I care about parliamentary democracy and free speech: I don't want to see Britain run by militants who have no time for either.

I care about making sure that Britain's best brains and brightest talents are not driven away by excessive taxation.

M/F

The "caring" theme /2

I care about the spirit of enterprise - which has made this country great in the past and can do so again.

I care about people who take pride in their work and strive to make the most of their lives.

I care about our friendship with the United States - a country which has done so much to uphold freedom in the democratic world, and which has fought so valiantly against tyranny of every kind.

I care about Britain's role: I want to see us respected, not pitied; strong, not feeble; positive, not defeatist.

I care about Britain's future - which is why I believe that, in the challenging years ahead, this country will continue to need a Conservative Government.

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POPULAR CAPITALISM

This phrase has made some impact, but not enough. It needs to be used more often, and it has to be made clearer what is meant by it.

Popular capitalism is, above all, identified with you - this is, indisputably, a Thatcher concept, copied by other countries. One would like to think that it will, in future years, be regarded as one of your great achievements.

But I think it needs to be brought into sharper focus. People still tend to interpret the phrase in different ways. Many people think it simply means selling shares in nationalised industries to the City, with some participation by employees. What is missing is the kind of emotional support which a good political concept ought to be able to command.

In the broadest sense, popular capitalism should mean:

1) Enthusiasm for running one's own business.

This certainly exists; under your Government, more people are running their own businesses than ever before and the idea is very popular - which poses a problem for the Labour party.

2) Enthusiasm for employee shareholdings.

This also exists, and is being talked about at all levels. The British Telecom experience has been much quoted. But there has been little attempt, to date, to co-ordinate all the publicity. No real effort has been made to show the extent to which the idea has caught on in British business. We don't know how many people are running employee share schemes, including share option schemes.

M/F

Some practical suggestions:

a) It would clearly be helpful to conduct some research, and to publicise the result. I am sure that companies would willingly provide the information.

b) It would also be helpful to have an independent opinion poll which highlights the enormous, widespread support for the idea. If Central Office could commission a poll of this kind, it would attract a lot of attention - and give you and your Ministers a lot of useful ammunition.

c) There is a case for establishing a new body, with the help of leading personalities in Industry, which would unify the various efforts to promote wider shareownership.

In Harold MacMillan's day, the Wider Shareownership Council got quite a lot of publicity. It promoted some good ideas - like share shops on the factory floor. (Companies like ICI and Rugby Cement took them up). But the Wider Shareownership Council has been forgotten; few people have heard of it. A new body (under a different name) could make quite an impact, especially if it were to issue regular press releases, brief journalists, and persuade more companies to join the crusade. Representatives of national organisations like the CBI and the TUC could be invited to serve on it. The chairman (who would have to be a good communicator) could do much to promote the concept of wider shareownership on radio, on TV, and in the press. He could also highlight the Labour party's seeming determination to turn the clock back - ie, to deprive people in all walks of life of their participation - if and when it regains power.

3) Enthusiasm for "windfall" gains.

For many people, popular capitalism also means the opportunity to make windfall gains - it shouldn't be confined to the City. The enormous popularity of football pools shows how strong this urge has always been. The best effort ever made by a Conservative Government to exploit this urge was the introduction of Premium Bonds. But this was way back in Harold MacMillan's day: what is badly needed, I suggest, is another idea with the same popular appeal. Surely the National Savings Movement could come up with something?

It is a great pity that Nigel Lawson's initiative, in the last Budget, turned out to be so complex that not even financial journalists could understand it - let alone the public. It has totally failed to make an impact, which means that a great opportunity has been missed. One assumes that the Treasury and the Inland Revenue are jointly to blame; all one can say is that Nigel, as a politician and former journalist, ought to have recognised the need for a simple, eye-catching formula - one that would have captured the public's imagination. Is it too late to make amends?

4) Enthusiasm for home ownership.

Selling council houses to their owners has been one of the single most popular moves made by your Government; even the Labour party has been forced to recognise this. To most ordinary people, this is very much part of the concept of popular capitalism - though it is seldom promoted as part of the Tory crusade. More people now own homes than ever before. You have every reason to take pride and pleasure in this, and I suggest that much more vigorous efforts should be made to highlight this achievement.

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I would be glad to work on all this with your new director of communications. I think it would also be very useful if you were to make a strong speech on the subject of popular capitalism which included all the aforementioned points. If it could end with some announcement - such as the setting up of a new body - so much the better.