

10 DOWNING STREET

THE PRIME MINISTER

29 Day 1979.

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HOUSE OF COMMONS LONDON SWIA OAA Dan Prima Minister, 21st May, 1979 For someone in my position, I imagine there should be at least three rules. First, when you have left a job, don't offer advice to your successors from the touchline; second, don't bother the Prime Minister with your views on party organisation when there are so many other pressing issues; and third, don't risk the wrath of the gods by disagreeing with a Party Chairman who has just helped to win an election. I hope you will forgive me if I break all three rules just once, but in doing so I will try to be as brief as possible. Last week I heard rumours that a new Director of the Research Department was to be appointed and that following this appointment the Department was to be moved to Central Office and that its previous constitutional independence from Central Office was to be scrapped. There is no reason why anyone should have felt it worthwhile to ask for my opinion on these questions though the fact that I have worked in the Research Department for nine years, directed it for five years and worked also in Central Office for two years has provided me with some reasonably well-informed prejudices on these questions. Michael Fraser has had more experience than me of both institutions, but otherwise I can't think off-hand of anyone who has worked for so long in both. This experience emboldened me to ask for an interview with the Chairman last Wednesday at which I set out my thoughts, probably not very well. I think that it may be excusable to let you have them in shorthand as well, since the matters raised will affect the service you and the Party receive in the years ahead. A new Director of the Department has been appointed and I would not wish to do anything other than wish him well and offer any help he might want. He will be the first director since the war who has not served in the Department and learned its ways before his appointment and this entitles him to even greater support than a new Director would normally deserve. I hope he will be the Director of a constitutionally and physically independent institution. Of course, there are arguments - there always have been - for merging the Department and Central Office. These do not include economic arguments as the Party Chairman conceded last week; the financial case for a merger - when one looks at the Old Queen Street leases, "opportunity cost", and the cost of decanting .../

From: Chris Patten, MP

CONFIDENTIAL

1. For fifty years, Leaders have insisted on the constitutional separation of control of policy making and control of the Party organisation. It has clearly been felt that if the Research Department were to become just another department of the Central Office, and thus wholly under the control of the Party Chairman, this would - at least theoretically - make the Chairman of the Party in terms of power, a political rival to the Leader and could also lead (in the case of weak Party chairmen) to undue influence and interference by the National Union, the Chairman of the National Executive etc. These have been arguments that weighed heavily with Stanley Baldwin when he set up the Department, Neville Chamberlain when he strengthened it, Winston Churchill when he re-constituted it after the war (when Lord Woolton was pressing for control) and with other leaders of the Party.

among others:-

- 2. CRD has had a more distinguished record than the Labour Party's Research Department precisely because of its independence and tradition of detachment from National Union affairs. It has been primarily the servant of the Party leadership and the Parliamentary Party. doubt whether in time a merged Department would or could act in the same way.
- 3. CRD has been a happy and effective organisation for most of its history; it is difficult to say, hand on heart, the same of Central Office. CRD has that sense of identity and responsibility engendered in any reasonably small unit. This is particularly important because of the very considerable load which is put on all the officers, often at an early age and usually at a low salary. "Small" really has meant "beautiful". I do not believe the atmosphere or the team spirit (which have helped us to recruit good staff despite the salaries) would survive a merger with Central Office - the people are different in background and interests and do different jobs. I can only speak for myself in saying that I would never have agreed to become Director of CRD if it had been just another Central Office department, even though I had worked at Smith Square for two years before. Having recruited over twenty graduates for CRD myself, I am bound to say that I think recruitment and retention of good staff would suffer from a merger.
- 4. To put it no higher, it is hazardous to change something that really does work for the nebulous prospect of "better co-ordination" or whatever the argument is. Are we really to believe that the occasional failings of the Publicity and Organisation Departments have been caused by the fact that the CRD is sited in Old Queen Street?
 What sort of contribution will it make after a stretch in Smith Square? Can we expect all the vim and brio of the present day CPC?

There are many more arguments which I could adduce, but the only thing that I wish to leave with you is the thought that if this step is to be taken after fifty years it should only be after the widest consultation and discussion. It occurs to me that it might be

worthwhile asking the views of your predecessors as Party leader, of Lord Butler, of the other previous chairmen Ian Gilmour and Angus Maude, of past Directors like David Clarke, of the 1922 Committee who use CRD's services, of your colleagues in government, and of some of the 25 members of today's House of Commons who once worked in the Department. Since there isn't a pressing financial case for change, I hope that the arguments for it can be treated with the care and deliberation which the issue merits.

Once again, I hope you will excuse this intrusion. I've worked for CRD for nine of the thirteen years since I left university. I don't have anything financial to show for it but I do have something more important in a host of happy memories and the conviction that I've been working for an institution which has served our Party pretty well.

In view of my changed circumstances, I am copying this letter to the Chief Whip.

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The Rt. Hon. Mrs. Margaret Thatcher, MP Prime Minister 10 Downing Street LONDON SWl