

DRAFT SPEECH NOTES FOR THE PRIME MINISTER

1. SOME ANNIVERSARIES ARE PRIVATE. SOME ARE PUBLIC. THIS IS BOTH.

IT IS A PRIVATE ANNIVERSARY

- FOR ALL OF THOSE WHO WORKED SO HARD TO MAKE IT HAPPEN: IN OPPOSITION AND IN GOVERNMENT; IN PARLIAMENT; IN CONSERVATIVE CENTRAL OFFICE AND THROUGHOUT THE PARTY IN THE COUNTRY.
- WE HAD NO ILLUSIONS AT ANY STAGE ABOUT THE INEVITABILITY OF WHAT THEY NOW CALL THE THATCHER REVOLUTION. WE HAD TO FIGHT EVERY INCH OF THE WAY.
- WE HAD TO FIGHT:

ALL THOSE WHO SAID INFLATION COULDN'T BE BEATEN WITHOUT PRICE AND WAGE CONTROLS;

ALL THOSE WHO SAID THAT THE COUNTRY COULDN'T BE GOVERNED WITHOUT TRADE UNION CONSENT;

ALL THOSE WHO TRIED IN VIOLENT STRIKES TO DEFY THE MANDATE WE HAD BEEN GIVEN BY THE PEOPLE.

IT IS ALSO A PRIVATE ANNIVERSARY BECAUSE WE CAN REMEMBER WITH AFFECTION AND REGRET THOSE NO LONGER WITH US WHO PLAYED SUCH A ROLE IN DIFFICULT TIMES.

Keith Joseph

*Angus Neave
Tommy Burns*

BUT IT IS A PUBLIC ANNIVERSARY TOO:

- FOR EVERYONE IN PUBLIC LIFE WHO HAS SEEN GOVERNMENT, PARLIAMENT AND THE LAW RESTORED TO AUTHORITY IN THE NATION'S AFFAIRS;
- AND FOR PEOPLE IN BUSINESS WHO HAVE SEEN OUR INDUSTRIAL PERFORMANCE AND REPUTATION TRANSFORMED;
- AND FOR FAMILIES WHO NOW HAVE CAPITAL TO PASS ON TO THEIR CHILDREN WHICH THEY NEVER DREAMED OF.

TEN YEARS AGO THE PRESS AND PUNDITS WERE FULL OF TALK OF BRITAIN'S STEADY AND IRREVERSIBLE DECLINE. HOW COULD IT BE MANAGED? WOULD IT BE SLOW OR FAST? WOULD IT BE PEACEFUL OR VIOLENT?

2. NOW THE TALK IS ALL OF BRITAIN'S TRANSFORMATION - THE 'BRITISH DISEASE' HAS BECOME THE 'BRITISH CURE'.

BUSINESS IS THRIVING: WE ARE BREAKING THE RECORDS ON:

- BUSINESS INVESTMENT

- PRODUCTIVITY

- OUTPUT

- EMPLOYMENT.

WE HAVE PROVED ONCE AND FOR ALL THAT FREE ENTERPRISE WORKS AND THAT SOCIALISM DOES NOT.

THE MARXISTS THOUGHT THEY WOULD BURY US: WE HAVE BURIED MARXISM. AND YESTERDAY'S MARXISTS AND SOCIALISTS ARE DISCARDING THEIR POLICIES AS FAR AND AS FAST AS THEY DARE.

OUR NEW FOUND ECONOMIC STRENGTH HAS ALLOWED US TO LET BRITAIN STAND TALL IN THE WORLD AGAIN.

OUR DEFENCES ARE STRONG.

WE ARE TAKING THE LEAD IN NATO IN THE STRATEGY OF PRESERVING PEACE THROUGH STRENGTH.

WE HAVE MORE INFLUENCE WITH BOTH SUPER POWERS THAN AT ANY TIME FOR FORTY YEARS.

3. WE HAVE SET OUT AND STUCK TO FIVE GREAT PRINCIPLES WHICH ARE ETERNALLY TRUE AND EVERYWHERE VALID.

FIRST, WE BELIEVE THAT THE PROPER PURPOSE OF GOVERNMENT IS LIMITED TO DOING - OR HAVING DONE - WHAT INDIVIDUALS AND FAMILIES CANNOT DO WELL FOR THEMSELVES.

SO THE STATE SHOULD NOT OWN INDUSTRIES: YOU HAVE TO ASK NOT 'WHY PRIVATISE' BUT RATHER 'WHY SHOULD THE STATE OWN BUSINESSES'.

THE STATE SHOULD NOT BE A LANDLORD - EXCEPT WHERE THAT IS STRICTLY NECESSARY.

THE STATE SHOULDN'T TAKE AWAY A FAMILY'S EARNINGS THROUGH TAXATION UNLESS THERE IS THE STRONGEST CASE TO BELIEVE THAT THE PUBLIC GOOD IS THEREBY SERVED.

SECOND, THE RULE OF LAW IS CENTRAL TO EVERY KIND OF FREEDOM

SO THE POLICE AND COURTS MUST HAVE THE POWERS THEY NEED TO UPHOLD CIVIL PEACE.

SO NO ONE - UNION, BUSINESS, POLITICIAN, PUBLIC FIGURE - MUST BE TREATED AS ABOVE THE LAW.

AND EVERYONE HAS THE DUTY AS A CITIZEN TO HELP NOT HINDER THE POLICE.

THIRD, THE FAMILY AND FAMILY LIFE ARE THE ROOT OF EVERY-THING GOOD IN THE NATION.

SO WE GIVE FAMILIES FINANCIAL INDEPENDENCE - THROUGH WIDER SHARE OWNERSHIP AND HOME OWNERSHIP, HIGHER INCOMES AND LOWER TAX RATES.

SO WE GIVE PARENTS MORE INFLUENCE AND MORE CHOICE IN THEIR CHILDREN'S EDUCATION.

SO WE DO WHAT WE CAN TO LIMIT THE VIOLENCE CHILDREN FACE - AT HOME, ON THE TELEVISION SCREEN OR IN THE STREETS.

AND WE TARGET MOST HELP THROUGH SOCIAL SECURITY ON FAMILIES WITH CHILDREN.

FOURTH, WE BELIEVE IN STANDING FOUR SQUARE FOR FREEDOM WITH OUR ALLIES.

THAT MEANS KEEPING THE TRUST OF OUR NATO PARTNERS AND GIVING A LEAD WHERE NECESSARY - ALWAYS STAUNCH ALLIES TO THE UNITED STATES.

IT MEANS NEVER BOWING TO TERRORISTS, TO THEIR THREATS OR THEIR OUTRAGES - WHATEVER THE SOURCE AND WHATEVER THE RISK.

IT MEANS WARNING AND IF NECESSARY SHOWING THE

TYRANT THAT AGGRESSION DOES NOT PAY.

FIFTH, LIKE ALL OUR TORY FOREBEARS THIS PAST CENTURY AND A HALF IN WHICH WE HAVE BEEN THE PARTY OF THE NATION AND THE PARTY OF GOVERNMENT - WE BELIEVE IN OUR COUNTRY'S HISTORIC GREATNESS AND DESTINY.

WE WILL NEVER ALLOW THE DISMEMBERMENT OF THE UNITED KINGDOM: THE TERRORIST WILL NOT DRIVE ULSTER FROM THE UNION.

NOR WILL WE ALLOW A SOCIALIST SUPER-STATE IN BRUSSELS TO SNUFF OUT OUR PROSPERITY, FOR WHICH WE HAVE WORKED SO HARD AND LONG, NOR SUBVERT OUR NATIONAL IDENTITY NOR REMOVE OUR NATIONAL SOVEREIGNTY.

4. THE CHALLENGES NOW WILL BE MET, AS WE MET THEM IN THE PAST: THE SAME PRINCIPLES AND THE SAME APPROACH APPLY.

INFLATION: ONLY CONTINUING PRUDENT SPENDING POLICIES AND REFUSAL TO DUCK THE PAINFUL EFFECTS OF HIGH INTEREST RATES CAN BRING INFLATION DOWN: ONLY A CONSERVATIVE GOVERNMENT CAN DO IT.

THE NHS: 40 YEARS WITHOUT REAL REFORM HAVE TAKEN THEIR TOLL - ONLY A CONSERVATIVE GOVERNMENT CAN CUT

THROUGH THE HYPOCRISY AND CHALLENGE THE VESTED INTERESTS WHICH STAND IN THE WAY OF IMPROVING PATIENT CARE AND MODERNISING THE HEALTH SERVICE.

CRIME AND VIOLENCE: ONLY A CONSERVATIVE GOVERNMENT WHICH BELIEVES IN TRADITIONAL STANDARDS, FAMILY VALUES, DISCIPLINE AND ORDER - AND WHICH NEITHER EXCUSES THE CRIMINAL NOR UNDERMINES THE LAW - CAN FACE UP TO THE CHALLENGE.

THE ENVIRONMENT: ONLY A CONSERVATIVE GOVERNMENT, COMMITTED TO CLEAN, SAFE NUCLEAR POWER AND WILLING TO TAKE DECISIONS BASED ON SOUND SCIENCE NOT DEWY-EYED EMOTION CAN PROTECT OUR ENVIRONMENT.

PEACE: ONLY A CONSERVATIVE GOVERNMENT - EXPERIENCED, RESPECTED AND TRUSTED - CAN HELP SEE NATO THROUGH A PERIOD WHICH MAY COVER THE GREATEST REVOLUTION IN ALL OUR LIFETIMES - THE CRUMBLING OF THE SOVIET EMPIRE.

CONCLUSION

ALL IN ALL, I HAVE ENJOYED THIS TENTH ANNIVERSARY. SO MUCH SO THAT I AM INCLINED TO THINK THAT ANNIVERSARIES BECOME HABIT-FORMING. AND - NO - THAT IT NOT A CODED POLITICAL MESSAGE. - *I never learned how to fix them - now come straight out.*

OUR TENTH ANNIVERSARY HAS CERTAINLY ALSO BEEN A SOURCE OF PROFIT TO AUTHORS, PUBLISHERS AND PRODUCERS. EVEN, I AM GLAD TO SAY, TO CENTRAL OFFICE WHO HAVE PRODUCED THEIR OWN COMMEMORATORY VOLUME - WHICH I AM SURE YOU WILL ALL HAVE BOUGHT. IN IT I AM COMPARED TO LORD LIVERPOOL: FOR I'VE SERVED LONGER CONTINUOUSLY IN OFFICE THAN ANY PRIME MINISTER SINCE HIM.

LORD LIVERPOOL WAS DESCRIBED BY DISRAELI AS THE 'ARCH-MEDIOCRITY': SO WHETHER I SHOULD BE ENTIRELY FLATTERED BY THE COMPARISON IS LESS CLEAR.

one of us.

one of the people.

I AM MORE ENTHUSIASTIC ABOUT THE FACT THAT ON 23RD AUGUST I BECOME - ACTS OF GOD PERMITTING - THE LONGEST-SERVING LEADER OF THE CONSERVATIVE PARTY SINCE THE GREAT LORD SALISBURY - WHOM NO ONE WOULD CALL A MEDIOCRITY - OR AT LEAST DO IT TWICE.

SALISBURY AND I HAVE ONE OTHER THING IN COMMON: HE WAS PASSIONATELY INTERESTED IN SCIENCE. INDEED, HE ALMOST BLEW UP HATFIELD HOUSE WITH HIS EXPERIMENTS. NO SUCH ACTIVITY, I ASSURE YOU, WILL OCCUR AT DULWICH.

Th. Whittingdale
COP.

FOREIGN AFFAIRS:
NOTES FOR TENTH ANNIVERSARY SPEECHES

One of our greatest achievements has been to restore Britain's standing in the world. Indeed our influence is probably at a higher point now than at any time since the end of the Second World War. People in this country want Britain to be respected abroad and play an important role. The Government's success on this score is a very important asset, and one which we must make the most of, contrasting it with Labour's lack of experience and the inevitable decline in Britain's world-wide standing if Labour were ever again to be in government.

Good standing
reliable reputation.

The most important single factor in restoring our influence and standing has been our economic recovery. That enabled us to break away from the image of Britain as the sick man of Europe, of a demoralised and unsuccessful country. That is another reason why it is so important to overcome inflation and continue our economic recovery. It is the mainstay of our reputation abroad.

ke.
Recovery

But that reputation also has a broader foundation. We are seen as a government of principle and consistency, always ready to give a lead even on difficult issues, a loyal ally particularly of the United States and a staunch supporter of strong defence including nuclear weapons. Leadership, strength and dependability are the qualities which are once again associated with this country - and image is very important. This is what gives us our ability to play a larger and more influential role in world affairs than our economic strength as measured in statistical terms would justify.

Loyal ally.

The other factor in our reputation is an iron determination to fight for British interests and defend our people, however great the difficulty and however high the cost. Success in the Falklands did more for our national self-respect and the respect in which others hold us than any

Iron determination
Falklands

single act of this government.

We have used our influence very much to Britain's benefit in a whole host of ways.

We have restored Britain's position as the United States' closest and most dependable ally. We were very fortunate in having Ron Reagan who shared so many of our views. On the really basic issues of defence, freedom and human rights, he marked out his ground and stood firmly and unshakeably on it. That we were able to work so closely with him brought us very substantial benefits, for instance over nuclear weapons and the purchase of Trident as well as in the intelligence field. We stood by him in troubled times, as over the bombing of Libya: that is what allies are for, to stand alongside you when there are difficulties. In return we had a very far-reaching influence over American policy, in particular when it came to setting the agenda on arms control. And when Ron Reagan and I stood together, as when we insisted at the NATO Summit in 1988 on the absolute need for NATO to keep its weapons up to date, then we could always prevail. I believe that George Bush wants to work with us in the same way, and that is something which we shall do all we can to encourage.

Then we have made a very great impact in East/West relations. There is no doubt that Gorbachev looks on Britain as the firmest member of the Western Alliance and therefore the one - apart from the United States - most worth talking to. We spotted Gorbachev early on and recognised him as an entirely new phenomena in the Soviet Union. And we have now had five meetings with him and he has invited me to visit the Soviet Union twice next year. But there has never been any misunderstanding in our relationship: he knows that we are inseparable allies of the United States and that we will always stand firm on defence and nuclear weapons. Our position has been that we support him fully in what he is trying to do in the Soviet Union, but only on the basis that we remain absolutely sure in our defence. That position has very wide support in this country. I think he recognises

that, while he can try to erode the resistance of some of the other European members of NATO, he will never succeed with us. The relationship which we have established with him is of great benefit to Britain in practical terms and as well as to us politically.

Another area where we have been successful is in the Commonwealth, and the reason we have been successful is that we have refused to allow the Commonwealth to dictate to us. Most of the countries of the Commonwealth are not exactly noted for their standards of democracy or their racial tolerance. But under our predecessors, there was a feeling that the Commonwealth was in some way morally superior and could tell Britain what to do. Well, we started by demonstrating our good faith and commitment to respect the outcome of elections with the settlement in Zimbabwe at Lancaster House. And we have refused to be pushed into sanctions against South Africa because we know them to be wrong and destructive. You do not achieve progress by condemning families - above all black South African families - to poverty and starvation. Our views on this have won increasingly wide acceptance: and the fact is that the other Commonwealth countries have not in practice imposed additional sanctions. But the even more important lesson is that the Commonwealth cannot be used as a means of bringing pressure on us to act against our interests or in ways that we know to be wrong. Now that lesson has been learned, the way is open for the Commonwealth to be a more useful and influential body. We are getting back, too, into a much better and less niggling relationship with the white Commonwealth countries, particularly Australia. It does undoubtedly give us extra standing in the world to have such a geographically extensive group of English-speaking countries which continue to look to Britain for a lead: and on my travels I have found a general desire to maintain the Commonwealth link.

When it comes to Europe, we had important successes in reducing our net budgetary contribution - although it still

remains far too high for what we get out of the Community - and also in reforming the CAP and in getting the Community to concentrate on completing the Single Market. These are not inconsiderable achievements. But there is no point in concealing that fact that our vision of the European Community is different from that of some of our European partners. We are not against Europe, of course we are not. We want to be part of a strong Europe based on willing cooperation between independent sovereign states, but not of a federal Europe which strips national governments and Parliaments of their powers. That is why we do not accept the Delors' Committee's recommendations on economic and monetary union. The message which we have to get across is that proposals which are all too often presented as European are in practice and in purpose not European but socialist. There is a vision of Europe very prevalent in the Community, which would have Europe run on dirigiste lines by ever more regulation from the centre. This goes flatly counter to all that we have achieved in this country over the last ten years and we must not make any concessions to it. Our Europe, the one we want to see, is based on economic liberty, on free markets, on wider choice, on reducing government intervention, not on planning and control from the centre. It is we who stand for the best traditions of Europe and we must get that message across, both in this country and in Europe itself.

There are many other areas where Britain has increasingly been able to give an effective lead:

- in Southern Africa, where there are now better prospects for political reform in South Africa itself because we stood firm against sanctions. Britain is probably the only country whose voice carries significant weight with South Africa - America has lost hers by disinvestment and Congressional support for sanctions - and we must try to use our influence to bring about the peaceful change which is so necessary, while protecting our very considerable economic interests. We have had considerable influence, too, over the Namibia settlement

and our help is being sought in Mozambique. With the more pragmatic attitude taken by the Soviet Union, which was very clear in my recent talks with Gorbachev, I think we now have a prospect of solving one of the most difficult and persistent world problems peacefully and honourably - with Britain very much in the lead.

- in the Middle East, I believe that we have achieved a much better balance in British policy than at any time in the last 40 years, and our voice is listened to by both sides: by Israel and by the moderate Arab governments. That has enabled us to be very successful in pursuing our trade interests - which depend so much in the Middle East on personal contact and confidence at the highest level. It is because countries like Saudi Arabia see Britain as a model of stability and of resistance to Communism that they have been ready to place large orders such as Tornado with us.

- we have also been in the lead against international terrorism, pressing for ever stronger commitments by Governments not to bargain with terrorists and in taking action against states like Syria, Libya and Iran which operate state terrorism. We are very widely perceived as being the strongest government in the world when it comes to standing up to terrorism.

- and it's Britain which has been the strongest champion of open markets and genuine free trade, within Europe and more widely, constantly having to put pressure on the other European countries to reduce subsidies to agriculture and to dismantle trade barriers, so that there is no question of a Fortress Europe after 1992.

All this is a very remarkable record when you compare it with the low point to which Britain's influence and standing had sunk in 1979. You know, I did a count the other day and in the first half of this year, I shall have met thirty Heads of State and Government either here in London or abroad. And

the reason they all want to come here and have meetings is because they want our support, they want our views, they want our advice.

There will be plenty of problems ahead, there always are:

- we are facing potential perils as the Soviet Empire in Eastern Europe, and perhaps within the borders of the Soviet Union itself, begins to crumble. We want to see more and more of these nations enjoy freedom and greater prosperity, but without provoking the violent counter reaction which could increase the risk of East/West conflict.
- while we do not have to match the feverish initiatives of Mr. Gorbachev, which are actually a product of weakness, we must constantly explain our policies to our people and be ready to come forward with well-founded proposals of our own, within the limits imposed by our security.
- we are going to have to work very hard with some of our European partners to convince them of the need to continue to keep our defences strong in the face of Mr. Gorbachev's attempts to divide Europe from the US and get nuclear weapons out of Europe. The message we have constantly to get across is that we are not interested in a nuclear-free Europe but a war-free Europe, and the best way to ensure this is by nuclear weapons and by keeping them up to date.
- we shall have to cope with more and more new issues on the international agenda, in particular the environment, where we shall need to establish a new level of international cooperation to deal with problems such as the depletion of the ozone layer and the greenhouse effect. We have been one of the first in the field in dealing with these problems, and we must make sure that our views continue to be prominent, so that we do not get

saddled with some of the more impractical and expensive solutions which are floating around.

- and we need to be able to demonstrate, when it comes to the next elections, that the Government has a clear vision of the world into the next century and Britain's role in it, a vision which in particular will inspire younger people. Steady as she goes will not be enough. We need to show that the same principles on which we have stood so far - strong defence, our special relationship with the United States, our vision of a free enterprise Europe, our attachment to the Commonwealth - remain valid and that we have the imagination and the originality to deal with new problems, to respond to new needs and to confront a period of change which will be greater than any which we have hitherto known.

That is the challenge: but there is no doubt who is best placed to meet it - we are.