PERSONAL AND CONFIDENTIAL

PRIME MINISTER

There follows: 1) "Lines to take" following the announcement of the result and

2) A Question and Answer brief in the event of your victory.

This morning, I called a meeting of senior colleagues. Those present included, George Younger, John Wakeham, Kenneth Baker, Norman Tebbit, John Moore, Gerry Neale and for part of it, Tim Renton and Cranley Onslow. While Tim and Cranley were there, we discussed the position which might arise should we be forced to a 2nd ballot. We agreed that unless you have had a change of heart, you should immediately issue a short statement confirming your position, as you have on many occasions, namely that you intend to enter the 2nd ballot. Any delay on this could be interpreted as doubt in your mind and might damage your vote in the 2nd ballot.

In the event of an outright win, which we <u>all</u> expect, we agreed that the tone that needed to be set was one of magnanimity and unity.

Provided you approve the "Lines to take" and pass a message back to me, I will see that they are in the right hands before I leave for Paris.

PETER MORRISON

19 November 1990

Political

PETER MORRISON

I have shown the Prime Minister the Lines to Take and the Question and Answer brief. She is in general content subject to:

- deleting the first sentence of the proposed answer to Question 7.
- deleting the second sentence of the answer to Question
 14.

C D?

(C. D. POWELL)
20 November 1990

I AM VERY PLEASED TO HAVE WON THE ELECTION FOR THE LEADERSHIP OF THE PARTY. NOW THAT IT IS IN THE PAST, I WANT TO MAKE TWO POINTS QUITE CLEAR.

FIRST OF ALL, I WISH TO THANK ALL THOSE WHO BOTH

SUPPORTED ME IN THE BALLOT AND WORKED ON MY BEHALF

DURING THE CAMPAIGN. AND, SECOND, I HOPE THAT NOW

THE LEADERSHIP CONTEST IS BEHIND US, WE WILL UNITE AND

WORK FLAT OUT FOR A CONSERVATIVE VICTORY AT THE NEXT

GENERAL ELECTION. THAT IS THE TASK UPON WHICH I NOW

INTEND TO CONCENTRATE.

I AM PLEASED THAT MORE THAN HALF THE PARLIAMENTARY

PARTY VOTED FOR ME AND I WOULD LIKE TO THANK ALL MY

SUPPORTERS. NEVERTHELESS, I AM DISAPPOINTED THAT IT

IS NECESSARY TO HAVE A SECOND BALLOT.

ACCORDING TO THE RULES LAID DOWN BY THE 1922 COMMITTEE,

NOMINATIONS ARE NOW OPEN FOR THE NEXT ROUND. I CAN CONFIRM

THAT IT IS MY INTENTION TO LET MY NAME GO FORWARD FOR THE

SECOND BALLOT.

LINES TO TAKE FOLLOWING THE ANNOUNCEMENT OF THE RESULT

1. SUBSTANTIAL THATCHER VICTORY

The Prime Minister has been re-elected Leader of the Party and the important thing now is for the whole Party to unite behind her leadership. That is the most important task and I know that it is one which the Prime Minister intends to concentrate on. Michael has made it clear from the beginning that if the Prime Minister won, he would work flat out for a Conservative victory at the next election. That is what we all want to achieve. What we have in common is far and away the more important thing now. There should be no recriminations. We can and must draw a line under this issue and concentrate on the real task which is ensuring that a Conservative Government is re-elected.

2. NARROW THATCHER VICTORY (much as above)

The Prime Minister has been re-elected Leader of the Party under the rules laid down. Of course it has been a serious contest and the important thing now is for the whole Party to unite behind her leadership. I know the Prime Minister and all her colleagues will be concentrating on the essential task of uniting the Party. We can now draw a line under the leadership issue, but I have no doubt that the Prime Minister will continue to listen carefully to the views expressed from every wing of the Party. But what we have in common is far and away the more important thing now. Chief among those is an absolute determination to achieve a Conservative victory at the next election. Michael has made it clear from the beginning that he will be working flat out for that from now on. I have no doubt that every Conservative MP will do the same and that when the time comes we shall win.

3. SECOND BALLOT

The Prime Minister has made clear that she intends to stand in the second round. She has already received the support of a clear majority of the Parliamentary Party and I am confident that she will win on the second ballot.

- 1. Can the Conservative Party win an election now?

 No doubt that we can and will. We have the right policies and we have the right leader too.
- 2. Is the Conservative Party not split down the middle?
 No quite the contrary. The Conservative Party will now unite behind its Leader. There is no doubt about that.
 Support for our policies has always been solid. Support for the Prime Minister is now reaffirmed. Our determination to unite and beat Labour the ultimate disaster is clear.
- 3. Is the Prime Minister not fatally undermined by this vote?

The Prime Minister has again received the majority support of her Parliamentary Party. She has overwhelming support from the Party in the country. Far from her position being undermined, it is now clear that she will lead our Party into the next election and win.

- 4. Is it now clear that a majority in the House of Commons have no confidence in the Prime Minister?
 Confidence in the Prime Minister among our Party has been reaffirmed. If Labour believe otherwise, let them call a vote of confidence and see the result.
- 5. Does this not just delay the evil day? Is the wrangling over the leadership not just going to drag on?
 The leadership question is now settled. We will all draw a line under this episode. There is no doubt that this has been a distraction from the task of Government, from preparing for a further term and from turning the heat on the Labour Party.
 We'll all now get back to those tasks and set the leadership episode behind us.

6. Are the men in grey suits not going to have to come in six months time?

No-one should think so. Support for the Prime Minister's leadership is now assured and there is no reason for it to be called into question. We're all now uniting to win the next election under her leadership.

7. How are you going to heal the wounds in the Party that this contest has caused?

It is often darkest before dawn. As we turn towards the next election and with the fruits of our policies coming through, in lower inflation, lower interest rates, and from our education and health service reforms, this episode will be put behind us. Carrying our policies forward to a fourth term and attacking Labour's bogus prospectus will unite our Party.

8. Are there not going to be great recriminations in the Parliamentary Party?

I very much hope not. What unites us as Party is very much more important now. We must stop being inward-looking and become forward-looking.

9. Are constituency associations not going to move to deselect Heselteenies?

Some constituency associations have felt very strongly on this matter. But I hope that they, too, will now draw a line under this episode and will not take moves towards deselection any further.

10. Was this whole campaign not characterised by dirty tricks and personal abuse?

There is no evidence for such an assertion. Strongly held views on the right approach were openly and robustly expressed. No-one would have expected any less from either side in this leadership contest. But it did not - rightly - go beyond that.

11. Is the Prime Minister going to change her style as a result of this contest?

The Prime Minister is the Prime Minister. She has secured again the support of her Party precisely because of who she is. But we must not mistake her character. Nothing will be more important to her now than to unite the Party, with the support of all her colleagues, and to lead the Conservative Party to a fourth General Election victory.

12. Will George Younger be reporting to the Prime Minister on what lessons have been learnt?

The views of the Parliamentary Party have always been, and will continue to be, of the greatest importance to the Prime Minister. Backbench MPs have described how much more accessible she has been to their views than past Leaders. If there are further views which arise from the leadership election, they will be listened to most carefully.

13. Is there going to be a change in the rules to ensure this does not happen again?

That is a matter for the Executive of the 1922 Committee. Its Chairman has already said that the rules would be looked at again.

14. Would the Prime Minister give Mr Heseltine a position in a spirit of magnanimity?

The Prime Minister has made it perfectly clear that she is very happy with her Cabinet team. In any case, there is no suggestion that this is what Michael Heseltine is seeking.

Michael has said that he will now commit himself to the return of a Conservative Government at the next election under the Prime Minister's leadership.

15. Has this challenge not undermined the Government's position at the IGCs and the Rome Council?

No. All sides in the debate made it clear that the overwhelming majority in the Party support the Government's expressed position.

16. Has this contest not shown up the extent of the split on Europe?

No. From the start it has been all a matter of the approach to the negotiations. The substance of our policy towards Europe has overwhelming support in the Party. The question of a single currency is, as all recognise, a matter for Parliament and people to decide in time. but the present objectives in negotiations are clear; to secure the acceptance of our practical proposals for the way forward on monetary cooperation in Europe.

17. Is the Government going to make further changes to the Community Charge in the light of the concerns expressed?

The Prime Minister has made clear that some changes to the Community Charge still have to work through to the Chargepayer. She has also made clear that further changes are not ruled out and this will be kept under review.

18. How much longer will the Prime Minister go on?

The Prime Minister will go into the next election and she will win.

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