

PRIME MINISTER

SCOTLAND

The past few weeks have seen a steady stream of press stories about the deteriorating state of the Party in Scotland. Most of them speculate that Michael Forsyth will soon be forced to resign. I attach just a selection to give you a general picture. There is no doubt that this is doing us incalculable damage.

At the same time, you (and I) have been receiving letters from almost everyone with the slightest connection with the Conservative Party in Scotland. All of these have either said Michael Forsyth is a disaster and should be sacked or Michael is our only hope and (usually) Malcolm should be sacked.

The table below gives you a rough indication, but is by no means exhaustive:

In favour of Michael Forsyth

Bill Hughes
Jim Goold
David Mitchell
Albert McQuarrie
Bill Walker
Allan Stewart

Nicholas Fairbairn

Against Michael Forsyth

George Younger
Lord Glenarthur
Hector Laing
Iain McCrone
Russell Fairgrieve
Chairman, Roxburgh and
Berwickshire Con. Assoc.
Scottish Tory Reform Group

Chairman, Tweedale, Etterick
& Lauderdale Con. Assoc.
Chairman, Eastwood Con. Assoc.
16 letters from businessmen.

Obviously, it is the fact that Scottish Party members are prepared to supply the media with quotes (both attributably and non-attributably) which is feeding the row. In general, it is those against Michael who are most to blame and Michael and his supporters are showing commendable restraint. Arthur Bell, the Chairman of the Scottish Tory Reform Group is by far the worst offender.

If we are to stand any chance in Scotland at the next election, this in-fighting must stop. Most important of all, everyone should shut up and stop supplying the media with ammunition to fire at us. Bill Hughes came to see me to suggest a way of achieving this and David Mitchell makes almost identical recommendations in his letter (attached to my note on Scottish Party Finances). I entirely support their suggestion.

1. You should see Michael Forsyth and express your confidence in him. However, you should also make clear that Malcolm Rifkind is Secretary of State and he must work with him. Malcolm should be consulted on Party matters in Scotland. In addition, those supporters of Michael Forsyth who have attacked Malcolm Rifkind should be told to shut up (Bill Walker especially).

2. You should see Malcolm Rifkind and tell him that there is no question of Michael being replaced as Chairman of the Party in Scotland. All those calling for Michael's replacement should be told that it is not going to happen and that they too must shut up. In particular, Malcolm should call in Arthur Bell and make it clear that he will not tolerate a continuation of the campaign he is waging.

3. You should let it be known that you are not going to replace either Malcolm Rifkind or Michael Forsyth, that both have your total confidence and that the current battle raging in the Scottish Party must cease. Michael and Malcolm should make a joint statement saying that they are working shoulder to shoulder with one aim: to achieve a Conservative victory in Scotland at the next election.

My only fear is that the position may have already deteriorated too far. But something must be done otherwise we face annihilation in Scotland. The above strategy seems to me to be the only hope, if we are to avoid losing either Michael or Malcolm.

JAW
7

JOHN WHITTINGDALE

9 August 1990

Tories fear Rifkind-Forsyth feud will worsen

SCOTTISH Conservative leaders were yesterday expressing fears that party infighting between supporters of the Scottish Secretary, Malcolm Rifkind, and the chairman, Michael Forsyth, may increase in coming months.

There had been hopes of a respite with the parliamentary recess starting tomorrow and the divisive Scottish law reform bill ending its committee stage.

Instead, it has emerged that Mrs Thatcher's decision to make no change in the Scottish Office ministerial team was made against a welter of personality battles and ideological conflicts.

The left-right conflict will

focus initially on the future of Bill Walker, Conservative MP for Tayside North and vice-chairman of the Scottish Conservative Party.

Supporters of Mr Rifkind, still furious over Mr Walker's revolt over the Scottish law reform bill and an alleged coup, are insistent that Mr Walker will be forced to resign his vice-chairmanship soon, while supporters of Mr Forsyth are equally determined that he will not.

"Rifkind's achilles heel is that he wants revenge," one Tory said last night.

The final outcome is seen by many as the litmus test of who really runs the Scottish party. MPs and other senior party figures believe that Mr

Walker's dismissal would be seen as a victory for Mr Rifkind, and a failure to take action against him would imply victory for Mr Forsyth.

That and other deepening divisions within the party's upper hierarchies, it is believed, led Mrs Thatcher to conclude that she could make no changes in the Scottish Office ministerial team without causing more uproar in party ranks.

One senior Government source, asked why Mr Forsyth had not been promoted, reflected the view that Scotland had experienced enough turbulence of late. "There is a need to pause for breath," he said.

Yesterday it emerged that

By **PETER JONES**
and **EWEN MacASKILL**

in recent weeks Mrs Thatcher has received a number of letters from experienced party members in Scotland who were extremely critical of the job Mr Forsyth is doing as Scottish party chairman.

At the same time, she was anxiously following the acrimony surrounding the ill-fated law reform bill and the criticism which has been targeted at Mr Rifkind's handling of the bill.

While Downing Street sources have been attempting to shrug off the law reform fiasco as a little local difficulty, Mrs Thatcher was con-

sulting widely, including Mr Rifkind, as to whether there were any changes in the Scottish Office ministerial team she could make which would solve the problems.

One party insider said yesterday: "It became pretty apparent that maintaining the status quo was the only option she had."

Mr Forsyth's lack of promotion has itself become an issue. While supporters of Mr Forsyth say he turned down the chance of promotion, opponents insist he was not offered a job by Mrs Thatcher. They pour scorn on the suggestion that anyone would have refused promotion and tie Mr Forsyth's lack of promotion to the turmoil

One Scottish Tory MP said the relationship between Mr Rifkind and Mr Forsyth was poor and he believed there would be further difficulties ahead.

The identity of those who wrote letters critical of Mr Forsyth to Mrs Thatcher and to other key party leaders at Smith Square, London, was not clear last night. But it is understood that they were claiming that Mr Forsyth's failure to give clear public backing to Mr Rifkind over his law reform bill troubles was divisive and that his chairmanship of the party was proving equally divisive.

A party veteran commented: "I think certain people were hoping that if

Forsyth was promoted to a UK department like energy, he would have found it impossible to do the chairmanship."

One effect of such a move would have been that Mr Forsyth would have been cut off from access to all Scottish Office papers, a privilege he enjoys courtesy of the controversial note circulated by Mr Rifkind's private office to all Scottish Office departments when Mr Forsyth was appointed chairman.

Meanwhile, the new Scottish whip to replace Michael Fallon, who was promoted to the department of education, is expected to be announced today.

SCOTSMAN

25/7/90

3/8/90

HERALD

Appeals by Conservative leadership to close party ranks fall on deaf ears

By WILLIAM CLARK, Scottish Political Correspondent
FRANTIC appeals by the Scottish Tory leadership yesterday to the warring factions in the party to close ranks appeared to fall on deaf ears.

Elder statesman Sir Russell Fairgrieve, former Scottish chairman, Scottish Office Minister, and president of the Scottish Conservative and Unionist Association, said that any truce was a waste of time until the air was cleared.

The Scottish Tory Reform Group virtually made a declaration of war on the hard right camp of Michael Forsyth. It issued a list of eight new honorary officials, including the Lord Advocate, Lord Fraser of Carmyllie, as president, and seven vice-presidents that included MP Alick Buchanan-Smith and four former presidents of SCUA, the voluntary wing.

And from the other wing Sir Nicholas Fairbairn weighed in with an attack on the reform group and Lord Fraser.

The latest crisis to hit the Scottish Tories came with the resignation of right-wing businessman Mr Douglas Young only nine months after being headhunted by his friend, Scottish chairman Mr Forsyth, at £50,000 a year to head the Central Office in Edinburgh.

Sir Russell said: "It is no good beating about the bush that the leadership at the very top in the United Kingdom has to accept that the Scottish question has to be thrashed out. It is not just about personalities but policies."

"You cannot buy wins in politics. Quite frankly you have to create an atmosphere where people will vote for you. The air has to be cleared in a situation where we have a Central Office in Scotland cut off from organisational strength in the south but pushing UK policies."

Sir Russell, arguing yet again for the party to have a further look at devolution, said that Mr Neil Kinnock was attempting to make Labour policies accept-

able by watering down socialism and accepting the market economy.

He added: "When we are sitting in Scotland with 80% of the electorate dissatisfied with the status quo then I really think we should take a leaf out of Kinnock's book."

"Scottish government has been made a dirty word in the party by the right wing with ritual motions at annual conference. I think we really have to look at this again."

"There must be a radical reappraisal because we cannot go on letting our supporters see obvious disagreement between the right and the centre left. We cannot go on like this, it has to be gripped. There is no point issuing calls for a closing of the ranks until this is sorted out."

Mr Arthur Bell, who as chairman of STRG had asked if Mr Forsyth had lost control of events with Mr Young's departure, made it clear that he regarded his moderate group as representing the mainstream of Toryism in Scotland.

His statement showed no mood for any compromise with Mr Forsyth's right-wing leadership or his supporters. It showed them ready to battle for the party's soul through ideas and policy in the run up to the General Election, confronting head-on the libertarian ideals of the Adam Smith Institute.

He said: "We are not fighting anyone but just want to create a modern Conservative Party. We are not being disloyal to anyone, we are loyal to the Tory Party. The message we are getting from ordinary members in letters and telephone calls is 'thank goodness someone is saying what we believe.'"

Mr Young, the third head of Central Office to quit in a year, had bitterly criticised Mr Bell and the STRG, accusing them of sniping at Central Office and of washing the party's dirty linen in public.

As well as Lord Fraser, the STRG have seven new vice-presidents including Sir Russell, Mr Buchanan-Smith, Councillor Brian Meek, Dr Alistair

Smith, Mrs Susan Bell, Mr Iain McCrone, and Professor Ross Harper.

Mr Bell predicted that "further leading personalities" were ready to declare for the group and he added: "There is great consensus in the Scottish Conservative Party. Loyalty and unity are required if we are to win back all the seats we need at the next election."

"Scottish Conservatives now want to get on with the job of promoting our traditional values through imaginative policy solutions to Scotland's great challenges and opportunities."

They would produce two papers on constitutional developments in Europe and "the route to the death of liberty through the new libertarianism".

He added: "If Scotland is to flourish it is essential that the Conservatives flourish. Democracy and freedom demand it. STRG as the mainstream of traditional Toryism will contin-

ue to look at the policies that Scotland needs — and can only get from a strong Conservative government."

Sir Nicholas, MP for Perth and Kinross, attacked the reform group and its members saying: "What on earth the Lord Advocate, who is one of the great officers of state, and is intended to be impartial, is doing presiding over this motley collection of revolutionaries in drag, I cannot think. For him to lend his name to such a new model army demeans his office and merely gives false authority to what is a rebel group."

"If they want unity let them support the party as a whole and not the snipers' division."

Mr Adrian Shinwell, the vice-chairman of SCUA, called in Glasgow for an end to the infighting, stating: "Like a fight between children, there is no merit in asking who started it. Heads, if necessary, should be knocked together. The warring factions must be made aware that there are wider and more urgent issues at stake."

Scottish party blames resignations turmoil on chairman

Tory knives out for Forsyth as aide quits

3

Peter Hetherington
Scottish Correspondent

SPECULATION about the position of Michael Forsyth, the Scottish Tory chairman, intensified yesterday with the surprise resignation of Douglas Young, his director of campaigns and operations, after only eight months.

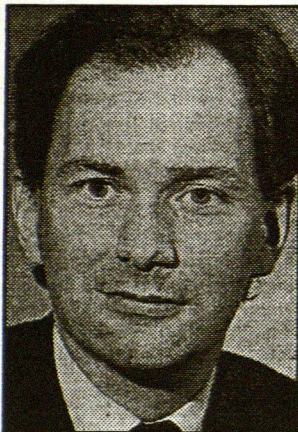
The departure of Mr Young, an accountant, former executive with the Jardine trading empire in Hong Kong and London, and contemporary of Mr Forsyth in the old, hard right Federation of Conservative Students, comes two months after the resignation of the Scottish Tories' chief executive, John MacKay, a former MP and junior minister.

Three senior executives departed abruptly to be replaced by Mr Young and others soon after Mr Forsyth's appointment by the Prime Minister last year.

Mr Young warned last night that Scottish Tories faced electoral disaster at the next election unless they stopped squabbling. Mr Young, believed to have been employed at £50,000 a year, added: "I am a very expensive animal to have up here and the job that requires to be done has been done. A lot of people who cost a lot less can pick up the ball now."

With the Scottish Tories experiencing a form of factionalism more often associated with the hard left, and business backers becoming alarmed by the divisions, moderate forces loyal to Malcolm Rifkind, the Scottish Secretary, are asking how long the rightwing Mr Forsyth can remain as chairman.

In a statement last night expressing alarm at the latest departure, Arthur Bell, chairman of the Scottish Tory Reform Group, said: "It makes one wonder if Michael Forsyth has lost



Michael Forsyth . . . high turnover of personnel

control over events. This is the third departure from that position in a year, on top of all the other hirings and firings. No major business could run successfully with such a turnover of personnel."

Mr Forsyth, MP for marginal Stirling and a junior Scottish Office minister, has had a turbulent and expensive year, with little to show for a sweeping reorganisation which Mr Young — more of a mainstream Tory — was meant to mastermind.

Eight months ago he is said to have clashed with one of Mr Forsyth's first appointments, Russell Walters, who came as the chairman's chief of staff from the rightwing Economic League. Mr Walters was soon paid off.

Support for the party — with only 10 of Scotland's 72 MPs — is languishing at around 20 per cent in the polls, behind the Scottish Nationalists.

Mr Forsyth, a former professional privatisation lobbyist, has had an uneasy relationship with the urbane Mr Rifkind, whose own position was

brought into question at the Scottish Tory conference in Aberdeen last May.

Friends of Mr Rifkind in the Scottish Tory Reform Group warned openly of a rightwing, ie, Forsyth-led, conspiracy against Mr Rifkind.

He is said to have laughed off the suggestion with the words: "Show me the evidence." But a political associate conceded yesterday: "Gradually Malcolm came to realise that there might be something in this after all."

With the Scottish press reporting that Forsyth appeared destined for promotion to minister of state rank in last month's reshuffle — he has a burning ambition to be Scottish Secretary — opponents began lobbying intensively in London.

But Mr Forsyth got no promotion, and the initiative has again passed to Mr Rifkind.

Moderate Tories were furious when Mr Forsyth became the only minister to support publicly the former trade and industry secretary, Nicholas Ridley, on the day of his resignation.

Mainstream Scottish Tories hope the leadership, and the party machine in Smith Square, Westminster, will use Mr Young's departure to bring a touch of moderation to the beleaguered party. A leading moderate said yesterday: "We've become like a squabbling Labour Party over the past year."

2

Tories' Scottish campaigns director quits after eight months

TIMES

By KERRY GILL

THE most highly paid official in the Scottish Conservative party yesterday announced that he was to leave his post as director of campaigns and operations after just eight months in the job.

Douglas Young, aged 36, said his task of re-organising the party's resources was over and that he was returning to a job in the City. "I am an expensive animal to have," he said. "Other people who cost a lot less can pick up the ball now." He would not disclose his salary, but is thought to have been paid around £50,000 a year.

In spite of the reason he has given for leaving, it is believed that Mr Young has become tired of the recent in-fighting

and slanging matches between supporters of Michael Forsyth, the Scottish party chairman, and Malcolm Rifkind, the Scottish secretary. Matters came to a head at the party conference in May when some of Mr Forsyth's supporters openly stated that Mr Rifkind should be moved to a new post, thus allowing the chairman to take over as secretary of state.

Mr Young said: "We had a very successful campaign at the time of the regional elections; we have killed Labour's roof tax; we had a very successful party conference; and, going forward, all the bits have been put into place for the party to gear itself up for the general election." He said there was a very active debate going on within the

party, but that it was not for him to comment on any suggestion that there was internal strife.

"The party has to address the issues facing it. Going forward, they have to make their mind to unite and support the party chairman, who has taken on a daunting task. He inherited a very difficult situation. He didn't create the mess we are in. A lot of the people who snipe at him are the biggest contributors to the mess," he said.

Mr Young added that Mr Forsyth now needed the wholehearted support of the Scottish Conservative party. Mr Forsyth's critics had to realize that they had to stop washing their dirty linen in public and start behaving like grown men if the Tories were to succeed in the general

election. Mr Young's resignation will be a blow to Mr Forsyth, who will have to find someone else to take on the job of directing the central office in Scotland. Mr Young will continue to work for the Tories in Scotland in an unpaid, advisory capacity. "I am very proud at what has been achieved," he said yesterday. "Time will show how much progress has been made."

Mr Young's announcement has done nothing to halt the squabbles between the moderate and right wings of the party. Arthur Bell, chairman of the Scottish Tory Reform Group and a supporter of Mr Rifkind, said Mr Young's resignation made him wonder whether Mr Forsyth had lost control of events. "Party members are rightly

eight months

becoming very concerned. They fear their hard efforts in fundraising and canvassing are being frittered away by bickering and in-fighting. What is the matter, who is running the ship and when will the crisis end?" he said.

Mr Forsyth said Mr Young had introduced an effective modern management for the party. "We set out to create a campaigning unit in central office and I believe we now have the talent in place to take us forward to the next general election," he said.

Brian Wilson, Labour MP for Cunninghame North, said Mr Young's decision to go was evidence that he had been unable to work under Mr Forsyth. "I suggest that Mr Rifkind should take this opportunity to move him out of

sensitive policy areas," Mr Wilson said. Last night, Margaret Ewing, the Scottish National Party's parliamentary leader, said Mr Young's resignation was evidence that the Tories' Scottish revival was in tatters.

"Even the team of hard right yes-men assembled by Michael Forsyth has not been able to disguise the fact that the strategy of ramming Thatcherism down Scots' throats has been an abject failure," she said. "The resignation of Douglas Young, the latest in a series of sudden departures, means that the Tories have learned a hard and costly lesson. No amount of propaganda or organisational resources will persuade Scots to start supporting a selfish political philosophy which is completely alien to our beliefs."

2 AUGUST 1990

Tories move nearer devolution

By PETER JONES
Scottish Political Editor

A NUMBER of leading Scottish Tories now believe that the party is heading for such a disaster at the next general election that a Scottish Assembly or parliament will have to be set up even if Mrs Thatcher wins a fourth term.

They think that irrespective of who is running the party in Scotland, Conservative standing has become so low that the Tories will probably retain just five seats.

Unless Labour wins the election, they feel that it will be impossible for a Tory administration to run the Scottish Office in the usual way, and a legislature in Edinburgh would be the only way of resolving the ensuing constitutional crisis.

That view has come a little closer to the surface in recent days, with party members being generally appalled at the continued ructions at the top, culminating in the

surprising resignation of Douglas Young as director of campaigns and operations.

Few, if any, who hold that view are willing to be quoted. But the former party chairman and minister Sir Russell Fairgrieve, asked if he agreed with that scenario, said: "On the record, yes."

Sir Russell said that after the 1979 referendum, the Conservatives had gone into the subsequent general election pledged to repeal the Scotland Act because it was a bad act which did not address many important questions.

"But we did say that we would open up all-party negotiations on the future government of Scotland. We did not do it, we should have done it, and we should do it

now. We should carry out that pledge and I have never changed from that view.

"The 1979 result incidentally was the biggest net gain in seats for the Tory Party in Scotland in any general election since the war. It is beyond reasonable doubt that 80 per cent of Scots are not happy with the status quo and what we should be doing about it is going back to what we said in '79."

The Scotsman has spoken to a number of experienced party members the past few days and confirmed that Sir Russell is not alone. One, opposed to devolution since the 1970s, said: "I may not like it (devolution), I may not think it will do much good, but I think it is inevitable. It is democracy after all."

Another who accepted the scenario said: "You don't get that view among party workers, but you get it among

party voters, and you may certainly get it among senior party members who understand politics. The greatest concern is that we stumble into something by accident rather than by design."

At the same time, the party chairman, Michael Forsyth, remained silent on the brouhaha surrounding Mr Young's resignation. "He is officially on holiday and does not plan to give any interviews," said a spokesman.

Instead, the SCUA vice-president, Adrian Shinwell, went in to bat for him, saying: "Heads, if necessary, should be knocked together". The candidates' training co-ordinator, Sir Albert McQuarrie, said: "Our party believes in freedom of speech, but all this washing of dirty linen in public has to stop."

Reformers boosted — Page 4

SCOTSMAN

3/8/90

ust 3, 1990

SC

TOP **TORIES PLOT AGAINST SCOTS BOSS FORSYTH**

Moderates win support

By ANDREW COLLIER

**TORIES last night rallied
AGAINST Scottish Party boss
Michael Forsyth.**

Eight top men, including the Lord Advocate Peter Fraser, have joined the moderate Scottish Tory Reform Group.

Their supporters want to oust Mr Forsyth from his job as chairman.

The move came just hours after the Scottish party's election mastermind Douglas Young resigned.

The group, which backs Scots Secretary Malcolm Rifkind, includes former ministers Alick Buchanan-Smith and Sir Russell Fairgrieve plus high-profile councillor Brian Meek.

Reform Group chairman Arthur Bell said: "Loyalty and unity are required if we are to win back seats."

"Scotland desperately needs a strong Conservative party."

A party source said: "The mainstream in the party wants Forsyth out."

"There's a gut feeling that, under him, we will lose heavily at the next General Election."

Rumours also broke yesterday that national chief Kenneth Baker is unhappy with Forsyth.

Mr Forsyth refused to comment.

The Sun Says - Page Six

3/8/90

SUN

Disquiet threatens Scottish Tory chief

By KERRY GILL

THE future of Michael Forsyth as chairman of the Scottish Conservative Party appeared to be in jeopardy last night as senior party members privately said that he must be ousted by the autumn.

Discontent has been growing among mainstream Tories over Mr Forsyth's hard-line style of leadership. This came to a head on Wednesday when Douglas Young, the Scottish party's most senior official, announced his resignation. Publicly, he said that his job as director of campaigns had finished, but it is believed that he became tired of slanging matches between supporters of Mr Forsyth and those of Malcolm Rifkind, Scottish secretary. A senior Tory last night said: "He was fed up. I heard he wanted 'out' as soon as he could find another job."

Mr Young's decision to

leave after only eight months in the job increased dismay over the Tories' fortunes under Mr Forsyth, who appointed Mr Young. Recent opinion polls have shown the Tories at only 18 per cent in Scotland, compared to 24 per cent at the general election.

The source said: "The mainstream in the party wants Forsyth to go. It is a gut feeling among many people in the party who feel that under his leadership we would lose heavily at the next general election. He has spent the last year trying to destroy Mr Rifkind's career, orchestrating revolts and supporting Nicholas Ridley [while Mr Ridley was trade secretary]."

Noting a call by Bill Walker, vice-chairman of the Scottish Conservatives, for the Scottish secretary to stand aside for Mr Forsyth, the source said: "If that had not been a set-up, Walker would have been sacked."

Last night, the Scottish Tory Reform Group, sympathetic to the Rifkind camp, announced that it was to reinforce its position as a think-tank on Tory policies. Arthur Bell, its chairman, said that it would identify issues that concerned voters, such as job creation and housing. It was time to forget "loony, libertarian" distractions such as privatising prisons.

Battle fatigue in Tory civil war

SCOTLAND ON SUNDAY 5/8/90

DONALD MACLEOD

With the loss of the Scots Tories' third chief of staff in under a year Tom Condon, Westminster Editor, looks at the consequences for Michael Forsyth

DOUGLAS Young may have been used to dealing with the ruthless operators who inhabit the international money markets in his old job as an insurance broker in Hong Kong.

But nothing he learned during a four-year stint in the Far East and Copenhagen, and then two years in the City, prepared him for the bitter civil war now being fought for the soul of the Scottish Conservative Party.

Handpicked just nine months ago by party chairman Michael Forsyth to lead the party into the next election, he quit his £50,000-a-year job last week demoralised and exhausted man. He is returning to the relative tranquillity of the City of London with his old employers, Jardine Mathieson, and a reputed salary of between £75,000 and £100,000 a year.

Hired to consolidate the Forsyth revolution at Tory Central Office in Chester Steet, he found himself completely out of his depth with a party in turmoil.

He was meant by Forsyth, a soul mate from their student days when they both held leading positions in the Federation of Conservative Students in Scotland, to take the Thatcher message out to the constituencies as director of campaigns and operations.

But as one Chester Street insider explained: "He just was not a political animal. He was a good chartered accountant who could not comprehend the infighting he found himself involved in."

Another said, more tersely: "The only thing he changed in his time at Chester Street was the design on the letterheads." Instead of going out beating the campaign drum, Young sat in his office and reorganised the finance and administration — not the job he had been hired to do.

Baffled and bemused by the hostility to Forsyth's "cultural revolution" right across the party, he went to the chairman last month and announced he had had enough.

Forsyth, faced with losing his third chief of staff in less than a year, was hoping to delay the official announcement until after he started a month-long holiday in Italy this weekend.

But his plan to be out of the country when the latest bombshell landed went astray on Tuesday when a Chester Street insider leaked the story

Tuesday evening confirmed that Young was on his way and the story ran on the radio breakfast news on Wednesday morning, spoiling Forsyth's holiday packing.

He awoke to headlines on Thursday morning like "Tories in Turmoil" and "Tory squabbles mount" and his own position as party chairman being seriously questioned.

Malcolm Rifkind's supporters in the Tory Reform Group could not hide their glee at Forsyth's discomfort. Arthur Bell, chairman of the group, issued a hurried statement wondering if the party chairman had lost control of Chester Steet and raising doubts about his long-term future.

"This is the third departure from the position in the last year on top of all the other firings and hirings," he said. "Certainly no major business could run successfully with such a turnover of personnel."

Young, at a hurriedly convened and bad-tempered press conference in Glasgow, claimed he was going back to London because he had completed his job of transforming the party's machine and wanted his £50,000 a year salary to go to more deserving and important causes.

Forsyth, in retreat at his home in Aberfoyle and only receiving messages via his fax machine, issued a letter to all constituency chairmen saying that Young had "professionalised our operations and established effective modern management systems".

But neither statements carried conviction. Forsyth had personally picked his old student chum to complete his transformation of Central Office and his judgment was now being openly challenged right across the party.

The departure meant that after six months of the right challenging Malcolm Rifkind's position as Scottish Secretary, the moderates could now openly challenge Forsyth.

In just over a year of his chairmanship, eight people have gone from Chester Steet as he replaced the old guard with his cadre of the young new right with recruits from the now discredited Federation of Conservative Students.

In the constant game of musical chairs started by the chairman, Young replaced another 'Young Turk', Russell Walters, who only lasted two months after pushing aside



In retreat: Michael Forsyth, under fire after the departures of (from top) John Mackay, Russell Walters and Douglas Young

Peter Smith, campaigns director, and Bob Balfour, director of organisation, both decided to move south rather than deal with the abrasive Forsyth.

Chief agent Walter Ross moved out to the Grampian region while Glasgow agent Douglas Robinson moved south to become Peter Walker's agent in Worcester.

With the departures of Young and Walters, the revolution is starting to consume its own children. But what is annoying the Scots Tory traditionalists is that the party is still bumping along with 20% in the polls and facing the loss of even more seats in the next election.

Although Young is going without a pay-off, redundancy payments over the past 12

months are estimated at over £150,000. This has come on top of Bill Walker's bungled attempt to boost Forsyth as a replacement for Malcolm Rifkind in the Scottish Office.

The result is that moderate Tories have turned to Central Office in London and to Downing Street in a bid to remove Forsyth from the chairmanship before the next election.

They believe discreet lobbying, with the assistance of Lord Whitelaw prevented a much touted promotion for Forsyth going ahead in the recent reshuffle.

They were in touch with party chairman Kenneth Baker again last week. A file containing damaging headlines and stories about the latest bout of Scottish infighting was discussed at a Smith Square meeting on Thursday evening.

Despite active lobbying by some members of the Tory Reform Group to replace Forsyth as party chairman, there is no sign from Baker, or more importantly Thatcher, that he will be moved this side of the election.

The emollient Baker is likely to indulge in a private session of banging a few heads together rather than any public dressing downs for the beleaguered party chairman.

Thatcher, for her part, will not remove the man she appointed to the job just over a year ago. The Scots may find Thatcherism a difficult medicine to swallow but the Prime Minister shows no signs of changing the local doctor she has appointed to make sure the patient stands firmly on its own feet.

RIFKIND'S PUBLIC ALLIES

- | | | | | | | | | | | | | | |
|---------------------------------|------------------------------------|---|---|---|--|--|---|--|---|---|---|---|--|
| Peter Fraser, the Lord Advocate | Ian Lang, Scottish Office minister | Lord James Douglas-Hamilton, Scottish Office minister | Sir Russell Fairgrieve, former Scottish Office minister | Brian Meek, vice-chairman of the Scottish Conservative and Unionist Party | Arthur Bell, chairman of the Tory Reform Group | Ross Harper, vice-president of the Tory Reform Group | Sir Hector Laing, ex-chairman United Biscuits, Conservative Business Group member | Sir Norman McIarlana, chairman United Distillers and McIarlana Group, CBG member | Peter Runciman, chairman of Shanks and McEwan, CBG member | James Gulliver, founder of Argyll supermarket chain, CBG member | Wallace Mercer, property company and Hearts' chairman, CBG member | Peter de Vink, director, Edinburgh Financial Holdings, CBG member | John Mackay, former Scottish Conservatives' chairman |
|---------------------------------|------------------------------------|---|---|---|--|--|---|--|---|---|---|---|--|

FORYSTH'S PUBLIC ALLIES

- | | | | | |
|-----------------------------------|--|--|--|---|
| Bill Walker, MP for Tayside North | Sir Nicholas Fairbairn, MP for Perth and Kinross | Allan Stewart, MP for Glasgow Eastwood | Bill Hughes, Scottish Conservatives' vice-chairman | David Mitchell, Scottish Conservatives' group finance officer |
|-----------------------------------|--|--|--|---|

Conscience and concord

DESPITE the modern whipping system which presumes that MPs will be pawns to their bidding, there are still some of us who undertake the duties for which we were elected, namely to debate on conscience and principle and vote accordingly.

Dissent from government legislation by government supporters is neither dishonourable or faithless. It is proper. Otherwise parliament would become a charade with the result of every discussion a foregone conclusion.

I opposed the Scottish law reform bill, occasionally supported by some of my colleagues. I opposed it because I believed that the majority of the provisions were harmful to the people of Scotland and to the law of Scotland. I have warned the Secretary of State in the starkest of terms for 18 months of my opposition and my reasons for it.

Whether by manipulation of the media or by the media, this issue has been twisted into an alleged war within the Conservative and Unionist party in Scotland. It is claimed to be

Sir Nicholas Fairbairn puts the case for voting by conscience

the manifestation of a fight between the chairman Michael Forsyth, appointed by the Prime Minister, and Malcolm Rifkind, the Secretary of State, also appointed by the Prime Minister.

Both these assertions are rotten and false. I am the firm friend and admirer of both and they are, I trust and believe, loyal to one another and devoted to the furtherance of the Tory cause in Scotland.

But to the joy of the media, who like jackals, thrive on what they hope is moribund flesh, the vulture arrives to stir the feast in the form of the Tory Reform Group.

Under the tiny person of Arthur Bell they venture forth to take what they see as sides, allegedly to promote unity in the party. How does a splinter group create unity by announcing a batch of recruits to their side — and with this a so-called summer initiative for unity? The Lord Advocate, who

is politically neutral and should be impartial within the community, has agreed to be president over a plethora of first officers of the party including Ross Harper, Sir Russell Fairgrieve and others.

Under the Prime Minister's nominated chairman, Michael Forsyth, central office has been transformed from a rest camp into a force of courage and capability. Under the steely and sophisticated inspiration of Malcolm Rifkind, the political battle has been taken to the enemy.

Together, and they are together, they are a winning team. I am dismayed that has-beens, might-have-beens and never-weres are trying to undermine that central strength and set person against person. The Scottish Tory Reform Group must shut up and close up. They are the Malvolios and the Cassius of the scene.

The Scottish Conservative and Unionist Party is united and determined to win Scotland back, each behind one another because we alone can save Scotland

Divided we will fall

5/8/90

IT WAS in 1947 while still in uniform that I joined my local Young Conservatives' branch. Until recently these have been years of pleasure and satisfaction working in the cut and thrust of political debate.

But today all that has changed. The current bitter disagreements are being aired in public — with the devastating electoral consequences of such unless the matter is resolved, and quickly.

Normally, political unity is restored without overmuch bloodshed. This row has gone nastier and deeper. There has been an orchestrated attempt to denigrate the Scottish Secretary, and by action and inaction it appears that the chairman of the party in Scotland has been the conductor.

We must turn to resolution, for if we don't the outlook is bleak.

Take devolution. There was a time when this could be discussed rationally.

Today, it is a dirty word to the hard right, and yet it was only some ten years ago at Perth that we passed a motion: "That this conference confirms

Sir Russell Fairgrieve condemns the public arguments

the Conservative Party commitment to a directly-elected Assembly for Scotland consistent with the political and economic integrity of the United Kingdom."

If Scotland returns a pitiful number of Tory MPs at the next election, then we have a constitutional crisis on our hands. Apart from the virtual demise of the Scottish Conservative Party, it could lead to the break-up of the United Kingdom. We cannot blame Labour, the SNP or the Liberal Democrats. We will have caused it by our hard-faced opposition to any gesture towards any form of political forum for the Scottish people.

When the party decided to oppose the Scotland Bill, the Prime Minister was very careful to keep a balanced shadow team. After all, the party had been cut in half. I know, I was chairman, and had to pick up the pieces. Although a devolutionist, I was asked to

stay, and we went on to have the famous 1979 result. We promised also to hold all-party talks on the government of Scotland, a pledge unfortunately not honoured.

The next hurdle was that last year's appointment to central office cut the half in half, and now the recent antics from Chester Street have cut the half-half in half. Not exactly a broad, sound base for electoral expansion.

Central office must return to its correct role of servicing constituencies by experienced party agents, and cease being an operation in its own right. Experience, knowledge, Scottish acceptability and, above all, tolerance must be returned to the top. We must cleanse our stable and, somewhat regretfully, this will involve the Prime Minister.

"Trust the people," said Disraeli. The electorate will always accept honesty, admission of mistakes, genuine efforts to work with the grain of human aspirations within our party principles and, as our real policies are sound and right, the Scottish electorate would reward us at the polls.

SCOTLAND ON SUNDAY

Crisis talks over Tory infighting

THE Scottish Conservative Party plunged even deeper into its internecine war as a senior supporter of Michael Forsyth called on the Lord Advocate to resign. The move comes as the party's business backers prepare for an emergency meeting tomorrow to discuss the possible withholding of financial support "until its house is put in order".

Allan Stewart, the right-wing MP for Eastwood, called for the resignation of the Lord Advocate, Lord Fraser of Carmyllie, following his appointment as president of the Scottish Tory Reform Group.

Stewart said: "I do not see how the Prime Minister can continue to tolerate Scotland's senior law officer lending his personal name to the pronouncements of the Scottish Tory Reform Group which is simply a vehicle to attack the Conservative Party, its chairman and its policies. The Lord Advocate's position is no longer tenable."

The Lord Advocate last night slapped down the resignation call saying: "The chairman of the Tory party in the UK, Kenneth Baker, is a patron of the Tory Reform Group, as are four other cabinet ministers. Are they too to resign?"

Sir Russell Fairgrieve, a former party chairman, rejoined the fray on hearing of Stewart's call: "The TRG is a respected organisation and I totally disagree with his gross exaggerations. It is an appalling situation — I don't know where this is going to end. It is not going to end without any blood-letting."

Forsyth, also commenting on the resignation call, said: "I have every confidence in the Lord Advocate and I am sure he will be able to answer the criticisms that have been made of him."

Stewart's intervention will cause further disquiet at tomorrow's emergency meeting of the party's Business Group at the Caledonian Hotel in Edinburgh which has been called by some members following a crisis of confidence in the management of the party's Chester Street headquarters in Edinburgh following the surprise resignation last week of its campaigns director, Douglas Young.

Any scaling down of support from the group, which provides nearly half of the party's annual income of £600,000,

By Tom Condon
Westminster Editor
and Kenny Farquharson

could prove politically damaging to Forsyth, the party chairman.

The business group has raised £1m since its inception three years ago and was expected to raise another £1m in the run-up to the next election.

One prominent member of the group has already warned that he will not raise any more funds until Conservative Central Office "gets its act together".

The meeting will discuss the £100,000 so far paid out in golden handshakes.

However, official party

sources claimed yesterday that Chester Street was not suffering any financial problems and that the business group would close ranks around Forsyth.

He added that Forsyth still commanded mainstream support in the party. That would seem to be borne out by a Scotland on Sunday poll of the constituency party chairmen. Of the 52 contacted, 46 said they retained confidence in Forsyth, four were against with two declining to comment.

Commenting on the result, Forsyth said last night: "It underlines the feeling in the

Turn to Page 2 ▶

porters to put their differences behind them and work together in the run-up to the election. But the Scottish Tory Reform Group has already launched a lobbying campaign in Downing Street, and Tory Central Office to persuade Thatcher to sack Forsyth after just one year as party chairman.

A senior member of the Tory Reform Group said: "Chester Street has been run like a students union with a bunch of inexperienced laddies brought in by Michael Forsyth. The only way to restore morale is to bring in a new chairman."

But Allan Stewart said yesterday that "ordinary Scottish Conservative supporters" are appalled at Arthur Bell and the so-called Scottish Tory Reform Group. "They want the real Conservatives in Scotland to lose, so that they can take over."

Unionist Association, the voluntary wing of the party, and a supporter of Scottish Secretary Malcolm Rifkind, admitted that the party was in turmoil after the past week. He is believed to be anxious to meet the Prime Minister and brief her on the problems facing the party.

Moderate supporters of Malcolm Rifkind are hoping they can persuade the Tory Party chairman in London, Kenneth Baker, who is also patron of the reform group, to back their case that Forsyth should go. They have sent him a file containing the damaging publicity caused last week by the resignation of Douglas Young.

But senior sources at Chester Street are hopeful that the party chairman will refuse to back the moves. Instead, they are hopeful he will make a joint appeal to Rifkind and Forsyth and ask their sup-

porters include close personal friends of the Prime Minister, such as Sir Hector Laing and Sir David Nickson as well as other pillars of the business establishment such as Sir Norman Macfarlane, Alistair Mair, James Miller, Alick Rankin and Scottish Party vice chairman Bill Hughes.

The summit of business leaders comes as senior party figures spend the weekend assessing the level of constituency support for Forsyth as party chairman.

Michael Hirst, president of the Scottish Conservative and

TORIES

▶ From Page 1

party that the task should be to get on with fighting our political opponents. Those elements which have sought to air their grievances in public are a source of irritation in the party."

But if tomorrow's business group meeting comes to the conclusion that under Forsyth the party's finances look shaky, and could not be expected to improve, they could well recommend to the Prime Minister that there be a change of chairmanship. It is felt that these might be the only grounds on which Thatcher might sacrifice her chairman; she certainly would not bow to any arguments about the political performance of Forsyth.

Some members of the busi-

5/8/90

SCOTLAND ON SUNDAY

Scots Tory row worries backers

Peter Hetherington

BUSINESS backers of the deeply divided Scottish Conservatives will meet in emergency session today to discuss the crisis in the party as conflict between left and right-wingers continues.

With the Scottish Tory chairman, Michael Forsyth, looking increasingly vulnerable, several prominent industrialists are said to be questioning their contributions to the party, which has made severance payments of about £100,000 to departing employees in the past year.

The Scottish Tory Party's business forum, chaired by the former head of the Argyll Food group, James Gulliver, will discuss the in-fighting that followed last week's resignation of its most senior official, Douglas Young, who warned of electoral disaster unless the party patched up its divisions.

But there was little sign at the weekend of MPs, or activists, heeding his warning.

The former solicitor general for Scotland, Sir Nicholas Fairbairn, came close to accusing the Scottish Tory Reform Group of subversion after its bitter criticism of Mr Forsyth, MP for Stirling and the junior Scottish Office minister.

Allan Stewart, the rightwing MP for Eastwood, near Glasgow, called on Scotland's chief law officer, the Lord Advocate, Lord Fraser of Carmyllie, to resign after his decision to become honorary president of the

reform group. But writing in the Scotland on Sunday, Lord Fraser — the former Angus MP Peter Fraser — defended his decision.

Referring to the party's parlous state, Lord Fraser added — in an obvious swipe at Mr Forsyth — that "I do not believe there will be any improvement [in party fortunes] if we offer only a narrow view of the way forward."

A former Scottish Conservative chairman, Sir Russell Fairgrieve, also a former MP, who advocates that the party should change course to support political devolution, spoke of the divisions becoming nastier and deeper.

He referred to an allegedly orchestrated attempt to denigrate the Scottish Secretary, Malcolm Rifkind — pointing the finger at Mr Forsyth.

Several prominent members of the reform group say they intend lobbying "in the highest places" for a change at the top. They believe this to be the only way the party can recover ground — it has only 10 of Scotland's 72 MPs — although it is unlikely that Mrs Thatcher will move to replace Mr Forsyth as chairman.

The party is behind the Scottish National Party in most opinion polls, with around 20 per cent of the vote.

But critics of Mr Forsyth argue that more ground will be lost at the next general election unless the Scottish Tories embraces mainstream conservatism, rejecting his radical, free-market policies.

Defiant Forsyth issues plea for end to Tory party infighting

THE CHAIRMAN of the Scottish Conservative Party, Michael Forsyth, last night dismissed suggestions that he might resign or that he did not have the full confidence of the Tory Party in Scotland.

His call came as Conservative in-fighting reached new levels of bitterness yesterday as Sir Nicholas Fairbairn branded leading Tory Reform Group members as quislings and Allan Stewart accused them of deliberately trying to undermine the party's election prospects for their own political ends.

Appealing for an end to the Left/Right infighting and personality attacks which have raged over the past few weeks, Mr Forsyth made clear that he will continue leading the party's organisational strategy into the next general election. He described the infighting as

By PETER JONES
and BRIAN PENDREIGH

"midsummer madness generated by the summer heat".

He said: "It is perfectly clear from all the messages I have received that there is strong support from the constituency associations for what we are doing and that they believe the party has made considerable progress."

Editorial — Page 8

I have the clearest possible brief from the Prime Minister and I intend to fulfil it to the letter."

Asked about the latest attacks on the Lord Advocate, Lord Fraser of Carmyllie, criticising the ex-East Angus MP for being the honorary president of the Scottish Tory Reform Group

which has become the focus of opposition to his chairmanship, Mr Forsyth said: "All these attacks on public and party figures have to cease. The whole party has had quite enough of them."

"Those people claiming to be acting in the name of the Secretary of State [Malcolm Rifkind] have chosen to do so while he is out of the country. They are causing as much embarrassment to him as they are to me. They are fringe elements which are going against the general will and direction of the party."

"It is also becoming apparent that the intention of some of these fringe elements is to raise the devolution issue once again within the party when it has been firmly rejected by the party conference in Perth."

Mr Stewart, MP for Eastwood and a former

Minister, said yesterday that there was a small group within the party bent on "total disruption" and that the Conservatives must take similar action to root them out as Labour had taken against the Militants.

Mr Stewart singled out Sir Russell Fairgrieve, a former Scottish party chairman and vice-president of the Scottish Tory Reform Group; Arthur Bell, chairman of the Tory Reform Group, and Brian Meek, another of the group's vice-presidents and vice-president of the Scottish Conservative and Unionist Association.

In an article for *Scotland on Sunday*, sister paper of *The Scotsman*, Sir Russell Fairgrieve said: "We must cleanse our stable and, somewhat regretfully, this will involve the Prime Minister."

Continued on Page 2, Col 6

SCOTSMAN
CONT OVER

6/8/90

Fairbairn hits at 'quislings'

Continued from Page 1

She appoints the party chairman. "Read into the article what you want," Sir Russell said yesterday.

Sir Russell has also suggested that the Conservatives will fare so badly in Scotland at the next general election that they will be forced into devolution to ward off constitutional crisis.

Mr Stewart said yesterday: "Russell Fairgrieve has blown the game, in my view, on the front page of Friday's Scotsman. I am in absolutely no doubt that what Arthur Bell, Russell Fairgrieve and Brian Meek are about is continuing internal criticism of the party, whatever happens, to create a situation in which we lose seats.

"They would like to see the Tory Party lose seats in Scotland... There is this small sliver group in the party which is determined on total disruption, and it is about devolution. That is the issue." Action should be taken against them along the lines of the action Labour took against Militant, he said.

Sir Nicholas Fairbairn, the former Solicitor General and MP for Perth and Kinross, said of Sir Russell, Mr Meek

and Mr Bell: "They have been set up... as the quislings of the Secretary of State."

Asked if he meant they were acting like quislings, he said they were. "Let me put it this way, the Secretary of State has allowed it to be said that there is a war against him, and all these people have been recruited to corroborate that there is a war against the Secretary of State. And there is not a war against the Secretary of State.

"The Tory Reform Group should be disbanded immediately. They are the trouble-makers."

Sir Russell rejected any suggestion of conspiracy, saying that it was months since he had last spoken to either Mr Meek or the Scottish Secretary, Malcolm Rifkind. He had simply stated his views.

He had been in the Conservatives for 43 years and served as Scottish party chairman, MP and Minister. To suggest he wanted them to lose seats was ridiculous. "He (Mr Stewart) must have taken leave of his senses... If that is what he thinks you had better get the wee chap a white coat."

Another former chairman, Lord Gould, said that the

"public sniping" by the Tory Reform Group would damage election prospects and urged them to rally behind the current leadership.

Other senior figures are deeply concerned at the way disagreements have turned into a deeply personal slanging match, but they fear that making their own views public may make the situation worse.

Asked about the calls by the Tory Reform Group for vice-chairman, Bill Walker to be sacked following his rebellion against the Government during the Law Reform Bill committee stages last month Mr Forsyth said: "There will be no resignations.

"We are going to go forward into the next election with the Secretary of State providing the political leadership while I will ensure that we have the best campaign resources.

Meanwhile the Conservatives' Scottish Business Group meets in Edinburgh tonight to discuss the crisis, though both sides were playing down suggestions that the group could put the brakes on fund-raising until the party's internal problems are resolved.

SCOTSMAN

CONT FROM PREU PAGE

6/8/90

TORY CHIEF RAPS CRITICS

By SUN REPORTER
TORY bigwig Lord Goold yesterday blasted party colleagues for their "public sniping" at chairman Michael Forsyth.

The former Scottish Conservative leader said the attacks could RUIN the Tories' chances of winning the next General Election.

Lord Goold said: "I find it extremely unfortunate that some past and present Conservative office bearers are indulging in public criticism of our party."

"There can be no excuse for sniping at our party leaders."

Sun

6/8/90

Stop the sniping, top Tories are told

TOP Scottish Tories must stop sniping at the party's leaders and put their energy into beating the opposition, former Scottish party chairman Lord Goold has said.

"I find it extremely unfortunate that some past and present office-bearers of the SCUA are indulging in such public criticism of our party," he said. "These people should reflect upon the electoral damage their words could cause."

"And they should reflect upon the fact that we all presided over 20 years of Tory decline in Scotland."

There was no excuse for "sniping" at the party and their leaders. Conservatives could not build a modern party on the failed and rejected policies of the 1970s.

"Under Margaret Thatcher, the advances made in Scotland have been clear for all to see. Scots now enjoy a higher standard of living than ever before — higher even than most parts of the UK."

"Conservatives at every level must now rally behind the party, be loyal to their leaders and tackle the vulnerable opposition parties."

PdJ