

Please find enclosed the document by Professor Sykes titled 'Free Enterprise V Marxism'.

We both found it interesting and do, of course, agree with its thrust. When he says that the attack on socialism must be systematic and unceasing and that the key word is repetition, he is moving in the realms of propaganda and communication strategy which is, as you know, my particular area of expertise. He even uses the word 'campaign'.

I also found resonance with my views on British values being moderate, when he says that 'one can be moderate or socialist but it is impossible to be both'.

He says a systematic and continuous flow of propd~~g~~anda should attack socialism and create new myths.

This is the real problem - everybody can work out what is wrong and can start attacking our 'socialist history'. You rightly alighted on my phrase 'the balance sheet of socialism' ~~is~~ a most compelling one. I hope that you will use it as a means to help to structure a section of your conference speech, as I believe it links in graphically with the decline of the pound and our country's fortunes.

But when we spoke to you on the evening of Sunday, 26th September, you had expected us to tell you specifically what the changes were that the Tory party could announce to the Nation for a new Britain based on stable values. You cannot just attack socialism without linking the attack to this alternative solution. But this solution has barely begun to be generated in terms of values, or in terms of a definition of the linkages between freedom, responsibility, human dignity, prosperity, equality of opportunity, welfare, innovation, efficiency and a sense of national dynamism and resolve. You are asking us to tell you the answers when we were trying to point out to you - and I got the impression failing to put it logically and clearly enough - that you cannot answer these questions without a massive amount of work based on change agent philosophies <sup>having</sup> ~~been~~ applied to key decision points in society and its institutions.



This is a massive managerial and creative task and it will demand re-structuring <sup>Ho</sup> ~~and~~ style and ethos of many British institutions, not the least the Civil Service, the Treasury, the City and even politicians and ministers themselves. It was for this reason that I was most disappointed when you did not feel able to announce the small beginning along this road which changing the Tory party machinery in this way would have implied.

I think you will see that events at the Labour Party Conference have indicated that it is possible to make speeches which are not designed for Conference applause, and few journalists were silly enough to comment on the applause aspect.

May I reiterate the underlying strategy and structure that we were suggesting for your speech? It is all in the document I left you that defined target audience and went on to outline communication strategy, but the sub point is that unless you can persuade the Nation that you have a better grasp of the problem than Labour they will not give you more of their votes than they give Labour and you will therefore, even if crisis brings you to power, almost certainly be forced by events into a coalition position. My colleagues and I passionately believe that such an outcome would be the worst possible for both country and party - that is why I have been trying so hard to indicate to you a means of increasing your opinion poll share to land-slide proportions. However, it seems that we have been trying to set aside existing conventions (or brit-traps) too quickly for our mutual comprehension of the approach. May I express the hope that you can find time to come back to this issue after Brighton!

In the meantime, should you wish us to improve any of the sections we suggested <sup>could</sup> ~~and~~ comprise the structure of your speech, we are prepared to do so. Indeed I have kept next week entirely free for this purpose should this be required.

It became clear to us that there were elements of the content which only you could write, which is why we presented you with a structure not a speech. Unfortunately you thought we had given you a speech



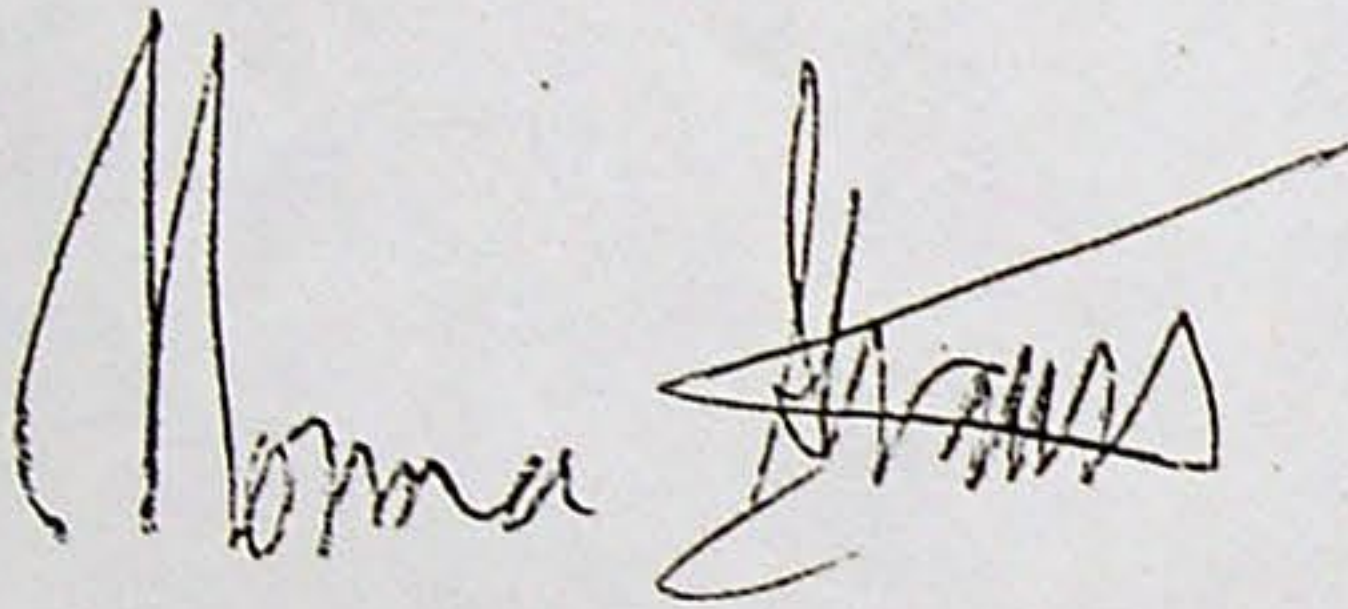
which led us to spend a lot of time discussing sentences rather than strategy. I hope that the time was not wasted. We, certainly found it helpful to hear more of your thoughts and philosophy.

As a result of that may I make the following comment to you: you rightly say that there can only be progress based on stability of shared values derived from our history and traditions. You point out that this provides the security, certainty and assurance necessary to create the firm foundation on which change for the future can be built. I think there is a dichotomy here which it is vital to point out to you. Social stability <sup>discipline</sup> and order must be based on personal freedom for those who ~~would~~ seek to improve society, respect for human dignity, ~~and~~ appreciation of the finer qualities of life, ~~and~~ opportunities for increasing personal and family growth, and self-awareness. All of this does indeed require firm ground as described above. Now comes the split and it is a vital one for our country's success. Innovation in technology, in engineering and in industry and in some Institutions, e.g. Civil Service, Unions, can not respect those same traditions in its terms; because if ~~it did~~ <sup>it did</sup> so, the ~~current~~ <sup>never</sup> current state can ~~change~~ <sup>never</sup> change for the better. You see, industry etc. has essentially now built up a back-log of bad operational <sup>habits</sup> traditions as well as Worker, Manager, Shareholder <sup>relationships</sup>, so the values <sup>values</sup> that these people apply to industry, cannot be the same values that they apply to their personal life, or nothing will change for the better. Putting it another way, the values on which their personal lives are based are good, the <sup>habits</sup> values on which industrial and institutional life is based - in so far as this has proved inefficient and stagnating - are bad. Specifically the manners and tolerance that are shown in our personal life, and that you rightly say Jim Callaghan shows to you, must not be confused with the lack of tolerance necessary to challenge bad <sup>habits</sup> traditions and badly functioning institutions and industries.

But of course, inevitably, the Conservative tradition finds it difficult to realise that the same value which is held dear in one area of life e.g. respect for others and an unwillingness to upset them - and which has made that area of life so pleasant over the years can be counter-productive not to say unpatriotic, if allowed to intrude into work in industry and institutions.



This is so important that I would like to have the opportunity to discuss it with you when the rush of Conference has subsided.

A handwritten signature in black ink, appearing to read "Norma Evans". The signature is stylized and somewhat cursive, with a long horizontal stroke extending to the right.

30th September 1976



"Maggie spells it out"

Vision / Managerial Problems.

National level.

Show me you recognize the problem  
Display means not ends.

Individuals

Sense of Isolation

Loyalty  
Comradeship

Norman Strauss  
6 August 1976

30 Sep 76

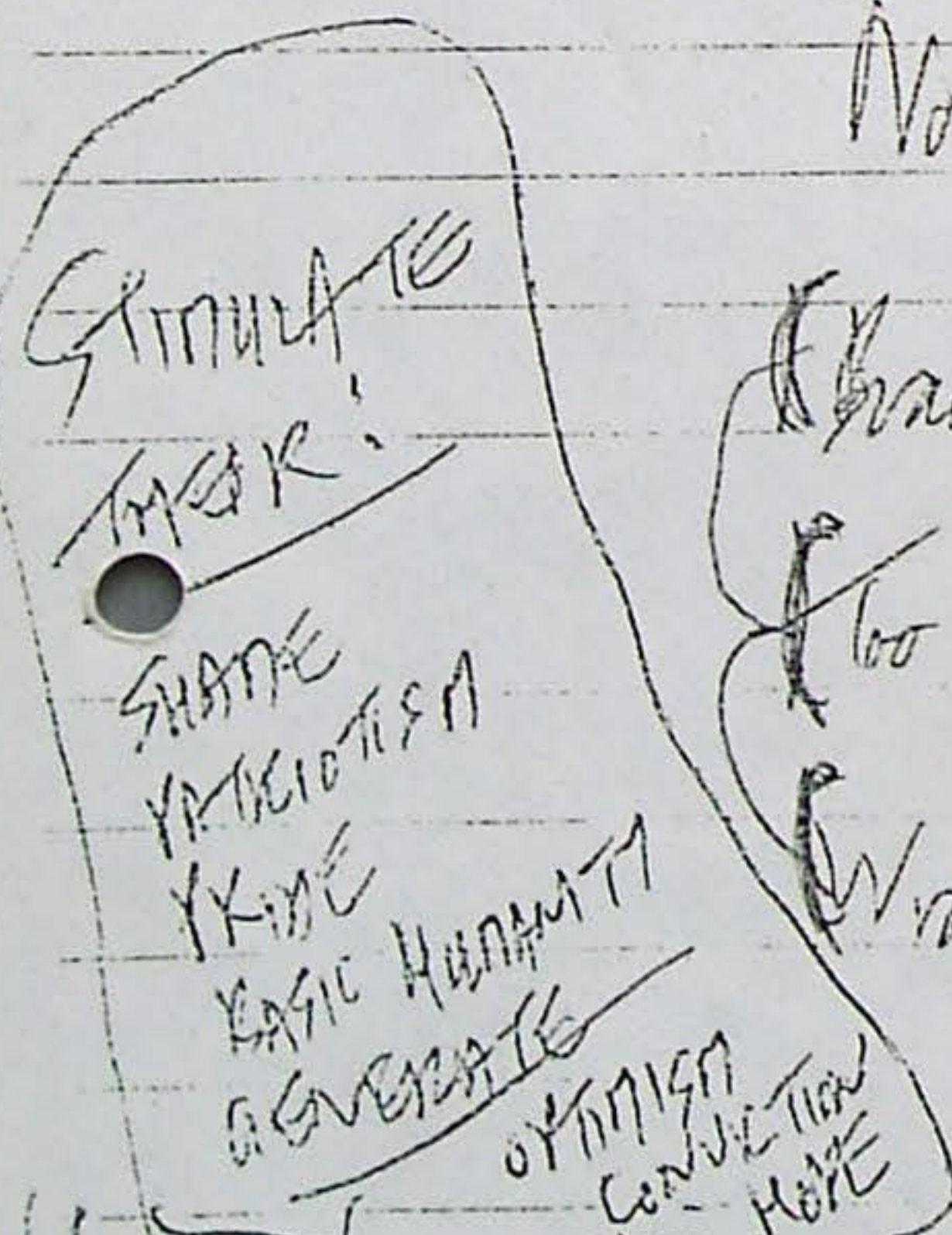
Fear of job future

Dislike of change mobility

Lack of self respect, self confidence.

Feeling of Helplessness

No ability to control/influence events.



Brain overload - Inability to understand  
 Too complex environment  
 Wrong stimuli (Always bad news)  
 No explanation

How to motivate change:  
 Earn their trust and respect

Provide encouragement, explanation  
 understanding, hope

The way to try the qualities of the people



You are probably aware of the view of some Journalists that the media generally, and T.V. in particular, are perpetuating a bias against understanding.

If ~~When~~ one sets out to make a speech, one wishes to say what one considers important; but <sup>if one</sup> then feels unable to say it, because the media will not regard it as news, then it can truly be said that the media have prevented the understanding of that speech from being communicated to the public who need (and probably want desperately) to hear this kind of information rather than "Maggie's speech wins great applause at Conference".

If the speech opens by putting this situation fairly and squarely to the press and challenging them to report the content fairly analytically and dispassionately, before they talk about the News of ~~and~~ how the speech was received, they the press will then have done their duty of helping the public to understand the content of your speech as being rather more important than its effect on the Conference audience.

I fear that not to face up to the reality of the above is to be trapped by the media and conference conventions.

One more thought, what Heath says will be reported as Statesman-like understanding of the national problem, and there is a danger that what you say will be reported as speaking to the Tory Tea-ladies.

Can you really afford not to face up to the media problem, and pull the rug from under them by challenging them to break through <sup>the</sup> conventions of how they report conferences because you are breaking your conventions of the content of the conference speech?

This is new data that is News. If the content is good they will forgive the challenge and indeed welcome it. If not you can see the risks as well as I. I do not believe you have any real alternative in opinion poll terms other than to take the risk.

Tom Stace

27th September 1976

P.S. How you considered a 2 part speech?

- 1. Conference Applause-seeking
- 2. Dealing seriously with problem  
Developing change arguments.