

M E M O R A N D U M

TO : Margaret Thatcher

FROM.: Alfred Sherman

DATE : 24th January
1977

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Insurance and Pension Funds - Our Reserve Army

Our battle against the Bullock would gain enormously if we were able to mobilise even part of the millions of people who are indirect shareholders, in that through their life insurance and pension funds they own half or more of industrial equity. It is estimated that up to 75% of British families hold a stake in quoted shares other than by direct ownership. This means approximately twice as many families as the TUC members and theirs. They represent a majority of voters, wage and salary earners, and probably of trade unionists too.

These funds, which represent true industrial democracy, have seen their assets wasted as a result of Government inflation, high inflation-blind taxation, price control, dividend control and cut-price nationalisation and by Trade Union squeeze, restrictive practices and over-manning. They resent what has happened; many have expressed their readiness to fight back if only the organisational framework and leadership were provided. There are problems to be overcome and work to be invested in achievement of this, but no more than ordinary. For such a potential force, no effort would be excessive.

They are equally in danger from trade unions and left wing pressures to plunder the pension and insurance funds to finance lame ducks and to keep shop stewards in the manner to which they have been accustomed.

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The tide is going that way in default of sufficient determined opposition.

For the past two and a half years I have been endeavouring to initiate such activity on our part - as the enclosed notes show - but without success, for reasons I need not go into here.

Could I propose that the party devote to this work someone of high calibre and initiative and armed with the necessary authority?

~~I should be only too glad to help.~~

As you will see from the enclosed documents, some meetings were held and it was agreed that David Howell should make the running with help from me. However, he moved to other work last Spring and there has been no one responsible since then.

Enc: