

NEWS SERVICE

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Extract from a speech by Nigel Lawson MP (Blaby) Financial Secretary to the Treasury, speaking to the Oxford University Conservative Association on Wednesday, 15th October, 1980.

The Labour Party's lurch towards anti-parliamentary Left-wing extremism did not occur at Blackpool.

No great political party can be transformed overnight. Change is a much more gradual process. The degeneration of the Labour Party has been taking place gradually, both inside and - even more - outside Parliament, over a period of years. As such it is all the more deep-rooted.

Blackpool merely brought to the surface a transformation that has already occurred.

As the Prime Minister said at Brighton, this places an even heavier burden of national responsibility on the shoulders of the Conservative Party and on the present Government.

This is particularly true in the field of economic policy.

The argument between the Government and its critics over economic policy is that the Government is determined to give overriding priority to the battle against inflation, whereas our critics - whether or not they admit as much - wish to let inflation rip, because they are not prepared to pay the price of defeating it.

That price is indeed, in the short term, a heavy one; but it is one that we must be prepared to pay. We must be prepared to pay it not only as the only means of achieving a healthy economy, but for wider reasons too. For there is no more fertile breeding ground of extremism, in all its ugliness, than rampant inflation, as history has time and time again borne witness.

The Conservative Party is this country's bulwark against extremism. And the centrepiece of that bulwark at the present time is the firm and unswerving anti-inflationary policy of Her Majesty's Government. ENDS.