

David Wolfson

ALFRED SHERMAN

1. Alfred came to see me last evening.
2. This followed a talk which I had had with him on 28th February.
3. Herewith:-
 - (a) Notes dated 1st March 1983, prepared by Alfred.
 - (b) Letter of the same date from Hugh to Alfred.
4. I have arranged to see Hugh at my room at the House at 3.00 p.m. on Monday, 7th March, in order to see how we can resolve this problem.
5. Would you like to be there?
6. In any event, it would be helpful if you could let me have a copy of the Memorandum and Articles of Association of the Centre for Policy Studies Limited, together with a copy of any Service Agreement or exchange of letters which there may have been governing Alfred's conditions of employment.
7. If you do not have these documents, Tessa will obtain copies for both of us from Nathalie.

3.3.83

IAN GOW

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Alfred Sherman Esq
Director of Studies

March 1st, 1983

My dear Alfred,

There is obviously a good deal of sensitivity about in the Party at the moment because of leakages. Last week's article in the Times by Stodart was an indication of this. As you know very well, the Darlington by-election is just round the corner. May I ask you, therefore, as firmly as I possibly can:

(1) not to appear on television or radio, nor to write lively articles, for the time being, on any aspect of the Party's policy, unless you discuss this with me beforehand;

(2) to restrain your natural ebullience and avoid discussion about all the various matters discussed by the manifesto etc. I know you do not believe that there should be a manifesto. That is a point of view. But it seems that there is going to be one, just as in the same way one would prefer the Soviet Union not to exist.

Yours ever
Hugh

LORD THOMAS

I thought yesterday went very well.

Directors: Lord Thomas (*Chairman*) Lord Cayzer (*Hon Treasurer*) Alfred Sherman (*Director of Studies*)
Simon Webley *Secretary:* Nathalie Brooke

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To secure fuller understanding of the methods available to improve the standard of living, the quality of life and the freedom of choice of the British people, with particular attention to social market policies.

Hugh's panic-letter enclosed.

Self-typed in haste. loosely structured,
slightly repetitive. sorry.

1/3/83

Notes for IG.

a) this has been going on for some time. It has not only been detrimental to the centre's full efficiency, but has been the cause of several failures of my health and is not good for my family life.

The troubles, of which I gave you a glimpse, reflect the interplay between circumstances and personality.

1) The lines of authority in the CPS have ~~been~~ never been clearly drawn. I assume that effective Authority lies with the PM, but I have no way of knowing ^{how}. This means that I have no way of knowing why various initiatives of mine or turned down, or of whether our financial constraints which badly affect work are the cause of positive decisions, apathy or failure to raise and allocate funds.

The Chairman exercises an autocratic position. But unlike the paradigmatic executive chairman who actually sets the tone and commands the ship, he is very much of an absentee chairman, often unavailable for consultation, never initiating ideas and work, at best permitting them, or not, as the case may be, without ever showing the basis of his decisions.

It seems to me that either one needs an executive chairman, or an executive with wide ~~with~~ authority over work, administration, finance, etc. I lack that authority. *So we fall.*

Too often, the decisions are taken behind my back, when ~~they~~ they are taken at all.

The small things epitomise the large.

^{told you} As I have said, if the Chairman refuses to provide a credit card on the grounds that I should spend too much money, his confidence in me is limited.

The decision that my nomination for research assistant should be turned down ~~simply~~ on the alleged grounds that he is a communist (though I had cleared him with Per Shipley, and his work with Ed Luttwak) without consulting me but just handing down a reply while I was away in Berlin, after it had been agreed with Simon that Elizabeth should have the final say (which she did, in favour of my choice) exemplifies what has happened time and time again.

2) I had long since realised that the only solution would be for one of us to leave, since he will not change his attitude and character, and I cannot change mine, even were mine at fault. Since he appears to be set to stay indefinitely, while the work of the centre is beginning to run down for lack of new growth, it is better that I left ~~her~~ while I can still take on other daunting tasks and earn my keep, and while my health is not too badly eroded by frustrations.

2) In theory, the matter might be settled by giving us a written orders book outlining areas of authority. But this would mean ~~a~~ drastically reducing the chairman's, since at present he simply rules the roost. It would need to create my post as chief executive and give me authority over all other staff, and a real say in budgeting.

I cannot see this being done in the present middle-through climate.

3) For you to talk personally with Hugh would only make matters worse. At least, I can envisage no good coming from it but some harm. His most likely reaction would be to ^{who has all the time to accommodate} ~~close~~ closer to Natalie and look around for someone to bring in to play off against me, or to turn closer to friends in CCO to find ways of swallowing us up, which he did not oppose previously.

4) I am not ruling out the approach to him within a wider framework of action. But without assurance that there is a framework of action, my best bet would be to leave quietly, without expressions of rancour, and use my energies where they can earn ^{what they} ~~the~~ resources, recognition and reward they deserve.

I have not yet identified such an alternative. I hope that there is one. If the strain becomes too intolerable, I may have to leave first, look later. I should like to avoid this if possible.

If you wish to know more about the working of the centre, you are welcome to speak to Elizabeth and Nigel Morgan in full confidence. I shall, ~~&~~ if you wish, insist that they speak to you frankly, not sparing my own actions ~~if they~~ insofar as they see things differently from me. Which would not be unlikely.

? You may also speak with John Hoskyns, or David Wolfson, ^{who has been in} ~~Please let me know if you intend to be involved further.~~

But no organisational chart will show one of the main sources of difficulty that Hugh is an old woman prone to panic, and a bit of a Peacock.

5) As I said earlier, my long term aim had been to work towards the position of Chief Executive and Deputy chairman within existing arrangements, ~~so~~ so that in the event of the chairman ~~being~~ being elevated to some official job, or changed for any other reason, I should be able to avoid a repetition of ~~199~~ 1979-198-, ~~but~~ *but all work towards* ~~press~~ for a new structure which would enable me ~~to~~ to realise my potentialities, whether as CE/Deputy chairman with a supportive chairman, or as Executive vice chairman. In the early years, Hugh encouraged this view. Now he has turned his face sharply against it. I do not wish to have to surmise. ~~But~~ Better for me to act sooner.

I shall not forget when, in the early years, Keith *broke his undertaking and* made ~~me~~ me subordinate to a young nonentity, Martin Wassall, protégé of Nigel Vinson, whose only contribution was to ~~me~~ harrass me. Every time I complained, KJ threatened to ~~close~~ close down the CPS and leave Margaret without any outside help. I should like to be in a position to stop history repeating itself. I do not insist on any given way. But without ^{parental consent} help, a quite withdrawal on my part would be the lesser evil. and the most dignified. *2/3/83 letter enclosed.*

You will see from this letter that the difficulties *that matters have come to a head. The* that did not begin with Hugh, or, to be more generous, were not originated by him. He inherited them and tried to ameliorate. One of the excuses put forward by Keith Joseph for keeping any authority and ~~resources~~ resources out of my hand was that I could not administer. When challenged, he saw no reason to adduce any evidence of this, just said that this was his "prior impression". Nor did he answer two other objections: a) that the proteges ~~could~~ patently could not administer, or put in ~~his~~ ideas either. b) that in any organisation, the number one man should set the tone and command the administrators, not be the administrators, otherwise, content-work is subordinated to administration, i.e. bureaucratic rigidity sets in leading to bureaucratic degeneration. *2/3/83* But in any case, the need for action has been precipitated by the enclosed letter from Hugh. He attempts to re-case entirely our ¹ relationship and ~~misstates~~ my role.

It was ~~also~~ agreed, and in writing, that I was free to write as a professional journalist and man of ideas writing in my own name. This is important not only to my credibility beyond the narrow range of party organisation people, but also to my intellectual good heart. People will accept the centre while my integrity, concern for truth and innovativeness maintain my credibility.

"ithout that we should not only degenerate into one more coven of party hacks, but we should be seen to do so and lose our acceptance in part of the media, ~~and public~~ academy, like-minded overseas group and public life generally. There are strong tendencies on the part of Hugh and his friend Beloff in this direction. What they do with themselves in their business,' but I must look after my own integrity and intellectual freedom.

What is to be done.

~~xx~~

At all events, Hugh has precipitated the crisis which I had hoped and tried for years to put off in the hope solutions emerged. I see a ~~xxx~~ the need for a choice between distinct possibilities.

A. ~~Sherman goes quietly~~. SHERMAN GOES QUIETLY

Advantages.

It is within my own power to do so. I can do so without causing rancour, without offending anyone else, without the need to give reasons, for, after all, people do leave jobs after a time. No one's nose will be put out of joint. It could be argued that since the Party has become a source of ideas (viz. David Howell) it does not need its auxiliary.

Disadvantages.

There there are many people competent to take my place, I doubt if any in would do so ~~under~~ the conditions I have to work without someone to give leadership, it would go through the motions, but run down within a year.

B. THOMAS GOES QUIETELY.

I had been hoping that he would go on to higher things, and that I could then unite executive authority in my hands. To that end I pressed since 1979 for reorganisation to make me chief executive, with oversight over all work and finance, ready for the change, whether I remained CE with a chairman who simply acted as general liaison with the powers that be and guarantee of probability and commonsense, or as ~~Chair~~ Executive Chairman (or Executive Vice-Chairman.) Hugh at first agreed and promised to arrange this ~~The latest Mark letter following xxx~~ in the course of time, then reversed his stand a few weeks ago and said no.

What lies behind this stand, and a recent renewed spate of pinpricks and frustrations I do not know, nor do I wish to speculate.

But together with ~~the~~ today's letter, they precipitate the decision.

C THIRD WAY

If there is a third way out, I cannot see it. In any organisation, someone has to set the tone and make the decisions, and others to work along side. This is not