10th June 1983.

King Lear's weaknesses had a terrible effect upon his kingdom. The moment he abdicated, the state had no central authority and morality broke down. Then, amongst other things, Gloucester's eyes were put out by a Prince, a legitimate ruler.

Lear's vanity and irresponsibility destroyed the fabric of his kingdom. Turning the argument around, your humility and your willingness to take responsibility together provide an unique opportunity for you to remake our kingdom.

It isn't going to be easy.

People see you as an invincible leader. Very much is going to be expected of you and much, oh, so very much, depends upon you.

First, the Soul Politic. People, even more than heretofore, will look to your and your government's moral example. As I said in a previous paper, rebellion at the top inevitably leads to rebellion at the bottom, including riots, street crime etc. Conversly, moral rectitude in government will, slowly, as people sense the change, lead to a recrudescence of morality at the bottom.

Second, the Body Politic. The tone and direction of the first few months of the new government will dictate, very largely, what you are able to do - legislation, executive decisions - during the rest of your period of office.

Many of the fundamental problems still have to be tackled. The State is still far too large. The financing of the Welfare State will present increasingly intractable problems. Unemployment will remain a major issue. Union leaders are not yet ready to work for their members rather than their own political power. Consider the strikes at Halewoood and Cowley. As soon as there was a whiff of an up-turn in the air the Communist shop stewards went to work. A large majority could be hard to manage; there could well be a recrudescence of wettery in and out of Parliament.

Startle the world with the speed and freshness of your new Cabinet. You have no debts to repay. This victory is yours and yours alone. Go for Libertarians. There is no point in appointing Ministers who do not share your fundamental approach. Libertarians can be relied on to support you when the going gets rough because they have principles. They can also be relied on to oppose you on those few occasions when, perhaps, you should be opposed. It will be far easier for you to put a brake on the radical zeal of such a Cabinet than to inspire any other Cabinet to radicalism.

Even with a large majority it will be impossible to govern without the broad consent of the street. This has been obtained. To keep it, it is vital that you tackle the fundamentals, at once.

Wherever policy or legislation is out of step with ordinary aspirations and the vision of ordinary men and women, either their vision has to be changed through inspired leadership of the national debate, or government policy and legislation has to respond to the will of the people.

I was not one of those who wanted you to rush things after your victory in 1979. The changes you intended were so profound your gradual strategy was correct and has worked. Such caution is unnecessary this time. People know what to expect and will be dissappointed if they don't get it, quickly.

On the following pages I set out some thoughts on the issues that are most important to the street.

A PROGRAMME FOR THE STREET.

Unemployment.

Unemployment will continue to dominate the national debate. You have carefully avoided rash promises. The electorate has accepted your fudamental argument that there is no right to a job, that the world does not owe us a living.

In order to keep in step with the perceptions of the street you could begin to articulate what the street knows - that full employment is unlikely in the forseeable future. Coupled with this should be a declaration and an action.

Declaration first. It is very important to change the terms of the social debate. Many who are unemployed feel inadequate. This is something that can and should be changed. The street needs to be educated into accepting that to be unemployed is not by any means to be inadequate. Over and over again it must be declared that there is nothing wrong with a person simply because they are unemployed. This will go a long way to taking the sting out of the debate.

Action. Government should begin to give a great deal of thought to ways in which people can be usefully or happily occupied whilst unemployed. This has already begun with such things as the Armed Forces scheme for young unemployed volunteers. With imagination, this could go very much further into voluntary work, charitable work, useful work guided and financed by public and private purses in partnership.

Welfare State.

There is going to be an increasing problem financing the Welfare State. An impression has been created during the campaign that Conservatives hold the Welfare State absolutely sacrosanct. The principle, yes. The practice and scope, no.

Here are two part solutions:

1. Why should the rich, reasonably rich and comfortably off receive free health care, free schooling, free this and that? Make us pay, we won't mind - after all, our taxes have been greatly reduced.

2. Insist, as a condition of appointment to the spending Ministries, that Ministers undertake to introduce private enterprise wherever possible for any task companies are willing to perform throughout the state sector as a matter of principle.

Trade Unions.

Ordinary people want Trade Union reform. They've voted for it. Do not be afraid to go further than the Manifesto if you feel occasion demands. You will have no difficulty with the street.

The relationship between the unions and society needs to be continually debated. If we drop the subject there is a danger, because your leadership together with unemployment have tamed the unions, that relics of older legislation will be left behind, like unexploded bombs, to cause trouble in the future.

Why not repeal the Trade Disputes Act and start again with legislation that more accurately reflects the relationships of the times?

It is the employers that are today's Tolpuddle Martyrs and the union leaders that most nearly characterise the grim faced mill-owners, the product of the industrial revolution.

Housing.

Much of the legislation governing relationships between property owners and property users infringes fundamental freedoms because it prevents people moving from one part of the country to another. The very people it was intended to protect have been the worst hit. Cheap, private rented accomodation is almost unobtainable. Since 1961 the supply of private rented accomodation has declined from thirty four to about ten per cent of the total housing stock. It is vital, if people are going to move to where the work is, that they can get somewhere to live when they get there.

Introduce legislation freezing existing relationships and removing all rules on security of tenure and rent controls on new lettings freely entered into whatever the rateable value, whether the property is furnished or unfurnished. Common law and the law of contract are guite adequate to protect both parties.

In the same way that you are restoring the right to manage to management, restore normal property rights to landlords - at least for new letttings.

There is plenty of money available for construction of residential property. Such decontrol would do more than any other single act to get the economy moving.

Agricultural Policy.

Farmers in the United Kingdom are far too cosseted. Their much vaunted increase in efficiency - largely through the purchase of capital equipment - has been bought dear by the taxpayer. In 1982 their incomes soared by 35 per cent. This year their incomes are forecast to rise by 45 per cent.

And whilst we are giving them these huge hand outs they are destroying the countryside. The street needs its wilderness. It does not like paying to have it destroyed. (Laurens Van Der Post is very good on the fundamental human need for Wilderness.)

The effectiveness of the powerful farm lobby is out of all proportion to its numerical strength or political muscle.

The EEC spends vast sums on supplementing farmers' incomes. The Community's farm surpluses are costly to store and expensive to export. Everybody knows that it is idiotic to go on building up the surpluses to sell them to the Russians.

Institute a major review of agricultural policy. Its main aims should be:

1. To cut the level of subsidy and support to the farming community.

2. To reduce the level of food prices in the United Kingdom.

3. To prevent the continuation of the environmental damage caused by farmers to the countryside, not by regulation, but by making it uneconomic.

Education.

The street is very dissatisfied with state schooling. Comprehensive reorganisation has not been a success. Sloppiness, illiteracy, vandalism and a decline in moral standards are, far too often, the norm. Not the qualities to tempt wary employers.

There is no reason why the state should dominate the education system. Until this century it was never conceived that the state had any special competence in education. This is not to say that it shouldn't finance it.

A nation cannot for long survive unless its best pupils get the best possible education. The street knows we need an elite - as long as they remain subject to the rule of law. The street knows that we, like every other human society, have an elite. They want a well educated elite to which their children have access, if good enough.

Selection goes on - not by merit, but by the ability of parents to move to expensive residential areas where comprehensives tend to be better. The qualities of the Holland Park Comprehensive in the late seventies led to a property boom in North Kensington. This sort of thing leaves the schools in the poorer, urban areas worse than ever.

At the moment many parents are unable to vote with their feet: choice is suppressed by the vested interests of teachers, local authority officials and public employees' unions. They hold that parents are ill equipped to decide on their children's education.

A voucher scheme would sweep away the away social divisiveness. All schools would be independent. The old public versus private argument would not apply. Competition, the only true guarantor of excellence, would be restored.

Vouchers would mean that unpopular schools would have to improve if they were to survive. Boards of Governors and headteachers would be given real responsibilities.

The status of the education portfolio is too lowly. Demonstrate your concern for our children's future by appointing a very able and senior Minister to undertake the necessary revolution to enable our children to face the future.

David Hart.