14/6/83

MEMO

Early thoughts on post-election strategies.

Election victory, even a landslide in seats, is only a reprieve so long as underlying social and political structures and the climate of opinion, particularly among the political classes, remain as they have become in recent decades. Election victory must be seen as the opportunity to bring about changes which will fundamentally alter the socio-political infrastructure, so that 1983 does not become another 1959.

In the short term, we must prepare to meet the threat of violence, non-cooperation and sabotage which the Left has been brandishing and will certainly try on.

But we also need a strategy for change. I suggest that it should consist of three major components: the creation of "agents of change", "resource economics" and "politics of economics".

Perhaps I should explain these terms. The first means that as far as possible we should find ways of re-aligning vested interests so that they themselves, following their own self-interest - as realigned - work towards desired changes instead of resisting them.

THE LEFT WILL RAISE THE ANTE

It could happen here. Scargill and their like will not take Labour's election defeat lying down, but will be spurred towards more violent and illegal confrontation. In the past, they have got away with it. We need to be better prepared.

Sections of the civil service unions and NALGO are preparing to use the the control over the workings of the government machine to thwart the decisions of the ballot-box. The government will be judged by its resolution and success in putting them down.

In the long term, we must prise their grubby hands of the many economic and political power bases they have built for themselves at the public's expense.

1) The Unions are being used blatantly as political instruments, violating the laws and conventions. Do you know how many full-time union employees were working for the Labour Party in the elections? If you were to price them reasonably, they would far outweigh our election expenditure.

We know little about union finances. Their returns have serious built-in ommissions. Union members do not know what salaries and other emoluments their officers receive. They do not know how much is really spent on political activities, or in feathering nests. There is no reason why we should not use our power to ensure that the relevant facts as provided. I know that the civil servants in the D o E will argue against, but I could shoot down their arguments easily enough.

2) The unions are heavily financed by employers, state and private, as a result of the TULRA. The non-manual civil service of roughly half a million employees, i.e. two per cent of the labour force, funds full and part-time officials to the tune of nearly fifteen million pounds annually. There are several thousand full time shop-stewards in manufacturing industry paid for by employers, mostly working against management.

In industry and civil service alike, the paid trade union network is very often dominated by Marxist revolutionaries of one kind or another. They use their power to intimidate the labour force, and to further their own political ends against management, or government, as the case may be. Civil service leaks are only one example. They also exercise considerable influence over postings.

- 3) The so-called "voluntary organisations" now have an income of several hundred million pounds annually, almost entirely from central and local government. They use a good deal of this money to pay salaries, full or part time, mainly to committed leftwingers, who are able to act as professional (though unelected) politicians, indeed professional revolutionaries.
- 4) Local government is an important leftwing power base. Owing to zany legislation by the Heath Government, they now have thousands of full-time councillors living wholly or mainly off attendance allowances, padded expenses and other perks, and local quangoes. They give each other jobs, and employ vast numbers of agitators in non-jobs, e.g. "community workers".

They are also a serious cause of unemployment by crowding out.

When you consider that they have heavy capital requirements

(fixed and working capital) per job, this can only be at the

expense of several times that number of jobs which could spring

up. (Have you considered that we know a great deal about the

parasitic firms and industries, state or private, which we have

to support, but very little about the healthy ones which support

them.) A propos the nationalised industries are a major cause

of regional unemployment. They pay such high wages in return for

so little effort, that private employers cannot compete, and

local workers would rather be unemployed than accept what they

consider unreasonable low private—sector wages. Private firms go

elsehwere, not always in Britain.

I hear that in Belfast, when they reduced the labour force in Harland and Woolf substantially, and made it clear that the old levels would never be reached again, large numbers of smaller engineering enterprises sprang up using former H & W workers, now reconciled to working harder for lower wages.

6) Privatisation in itself must be treated warily. It could, if blindly handled, simply produce new equivalents of the BL suppliers, who are a lobby for BL subidisation, and actually corrupt employers organisations and Tory associations in the West Midlands, spreading the nationalisation blight. The aim of reducing the number of people with their hands in the public purse, must be combined with the objective of inducing more rational allocation of resources, irrespective of sectorality. I have some ideas on this in case you are interested. I have had discussions in a purely individual capacity with NBC, BR and BA, dealing with better resource use without touching on ownership.

(I personally, should not mind if the public really owned industry. What I object to, to use your own words, is that at present the nationalised industries own us.)

7) There are organisations dishing out vast sums of money, almost entirely to leftwing propagandists and agitators. They include the CRE, EOC (where Tories string along with the anti-family anti-male lesbian-leftie lobby so long as they get their share of perks) the so-called Social science research council, UNESCO steering committee, etc. They have no justification for existing. I know that the clever-clever tory view was that we were bribing the enemy into reasonableness. In fact, we have done the opposite, giving them the resouces and making them bolder. You cannot placate the implacable.

The rational thing to do , good stewardship, would also make good political sense.

8) We ought to do some thinking about th role of the Party, other than as an electoral organisation, or link between government and people. Should not the Party, as a social organisation, have views on matters like the Church, the organisation of industry, including the CBI, the media, academe?

There is a great deal known on many of these matters, which has never been brought together. The Centre could, of course, do much of this, given the resources and removal of constraints. But I think we are best as trail-blazer, initiator and middleman, with the Party moving into positions as we vacate them to move on.

What do you think?

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