

THE TROUBLED RANKS OF TUSCANY

Changing gear is something the advanced motorist will do preparatory to executing a U-turn. It is also something you do in Carnaby Street. But in choosing the metaphor for the title of their tract the junior Tory wets seek to convey the impression of changing neither clothes nor direction, only adjusting to the gradient. So in the first section of the tract, which sets the tone for the rest, the authors associate themselves with the record and policies of the Government and broadly commend them, reserving their criticism for the manner in which they have been presented. The trouble has been "our own skill as propagandists for a sort of ideology which we have not carried out in practice and which is profoundly antipathetic both to the nation and to our own traditions".

They are much more canny than Mr Heath who announced that Zero hour had come and propelled himself over the top to meet a hail of bullets and canisters of poison gas. In fact they were anxious yesterday to distance themselves from the former leader's suicide mission. But inside the wrapping of their discretion the message and warning they convey is similar to his — though less up to date, since interest rates were still gently subsiding when they went to press. They too see unemployment as having replaced inflation as the chief

bugbear. "The task for the Conservative Party is to be quick enough on its feet to move the emphasis of policy, as inflation moderates, to a recognition of the fact that the nation is likely to see unemployment as the primary problem."

The next task is to show how "without a rapid reversal of inflationary expectations... there will be sufficient demand... for business to begin to plan again for a slowly but steadily improving future". A number of practical proposals follow in economic management, industrial and labour policy, education and training, social policy and constitutional reform, amounting, as the authors readily admit, to "a more activist approach to the economy and to industrial affairs". This is defended, or rather advocated, on the high Tory ground that the first job of government is to maintain a national community from which no citizen is excluded; that the order on which that rests is under threat in part because of loss of trust in the Government's commitment to lead the nation through slump to prosperity, a trust that has to be reasserted by more visible action.

The argument is weakest at some of the crucial places. A key proposal is a stimulus of £6-7 billion over the next two years in public capital projects and reduced national insurance surcharge. The

authors acknowledge that this might simply be blown in inflation unless consumption was governed by pay restraint. Pay restraint to the point of a fall in living standards is the quid pro quo of reflation. And the sanction? In the private sector it is income taxes, which is unlikely to be effective and is hardly fair, since it would be members of powerful unions who got the inflationary wage while all and sundry would be made to suffer for it in higher income tax. On the public investment side, £4 or 5 billion's worth, the sanction would be cancellation of the project. That is not very realistic. Imagine the Channel tunnel given the green light. Who is going to cancel it nine months later because the hole-borers union extorts a wage rise 5 per cent higher than the inflation rate?

These are the sort of points beleaguered Treasury ministers may notice. But the junior wets' main thrust — a distrust of doctrine, the pursuit of politics as the art of the even keel and the practical sense to meet problems as they come, Tories as the party of all the nation and as protectors of the weak, the emphasis on order based not on truncheons but on consent — this, reinforced by lone but multiplying voices of party elders, will make its mark on a party in the early stages of demoralization as it meets its ministers in conference.