SHERMAN.

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Personal and Confidential

Rt. Hon. Margaret Thatcher MP, The Prime Minister, 10 Downing Street, London SW1

Dear Margaret,

Your letter (October 13) was most generous.

It was, as ever, a privilege to work with you at Brighton. I have learned to regard those passages which are excluded from the final speech as equivalent to those parts of the marble block which the sculptress cuts away in the course of producing her final masterpiece. I anticipate that some will have got into your "handbag".

I gathered, though you put it very kindly, that I had been less than circumspect in my comment or relations with party colleagues. I apologise, and will be circumspect until it hurts. (I had not heard of any specific cases from Richard, whom I regard as a two-way channel. It would help if I knew where I had gone wrong and where the danger points are.)

I know that you are very busy, but I should welcome the chance of a brief exchange with you, measured in minutes, at your convenience.

In the meantime, I enclose a memo and am preparing more. Please let me know if the memos I have been sending you until now are excessive and repetitive.

Alfred Sherman

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MEMORANDM

The Labour Party - Opportunity, Mutual Lack of Knowledge, Lack of Channels

Labour's crisis is a challenge to us as a party. I briefly outlined aspects of it in conference-speech fragments. But to the best of my knowledge we are prevented from reacting fully to it by three factors: insufficient knowledge of the Labour movement; inadequate channels; their stereotypes of us.

Knowledge - A Study Unit Needed

An army would have far better intelligence arrangements, to assess the strength, weaknesses, order of battle and intentions of enemies - actual and potential. It would put high-powered and experienced commanders in charge. We, by contrast, have relied on the press, and taken it for granted that we know the secause we live cheek by jowl with them.

The Labour Party and Trade Union movement are integral parts of one whole, and are misunderstood if considered separately. (Whether they should be accepted as permanently inseparable is another matter.)

We need a unit to organise such knowledge, strategic and tactical. It would need to combine academic respectability with keen political sense. I am thinking of an independent body, parallel to the CPS, though it could have charitable status, or at least draw in charitable funds for much of its work. It would need to have two or three years of life assured. (It is not the same as the Institute for Labour Studies which I proposed some years ago, which would be more scholarly and longer-term in its work.)

Though the proposed unit could, in theory, be part of the CPS, I do not see that as a likelihood. Nor do I see it fitting into any part of the Party Organisation as it is at present organised or likely to be in the forseeable future. The CRD has enough to do within its routine. If it has energies to spare, it will use them in creating its own research capacity (At the moment, its job is current intelligence and secretaryship; and research would do well to grow out of its current activities.) In any case there are limits to the readiness of creative intellectuals to join existing bureaucratic structures.

Two-way Channels - An Organisational Question

Each of us has his own channels, but they are specific. We need someone, somewhere in the party, to be responsible for thinking of relations with Labour dissidents, drop-outs, "freedom fighters", (i.e. those seriously concerned in giving it a democratic and sane character) and associated intellectuals, giving guidance and coordination, not only in the Metropolis, but in the provinces, too, the councillors and local academics as well as the "stars".

Stereotypes and Dialogue

Socialists, even disillusioned ones, are kept away by their a sterotyped picture of us. Some of it is out-of-date, much simply imaginary, springing from the socialist utopian belief that only bad will by the rulers could possibly stand in the way of utopia and world peace, hence that we must be moved by ill will. We need to study the stereotypes of us, not hesitating to use psychological techniques, including those made use of in advertising, marketing, educational psychology, psychological warfare, in working out ways of understanding them to overcome them.

Meetings and Publications could Help

Not all leading Conservatives are necessarily fitted to undertake the dialogue, however personable they might be. Nor does "leftness" in the Tory Spectrum necessarily faciliate dialogue, if anything the contrary holds good.

You personally, David Howell, Norman Fowler, Keith Joseph, Rhodes Boyson, Ray Whitney are among those who could speak to Labour "defectors" and "freedom fighters". I still nurture the hope that you will not merely address such a group and exchange ideas with its members, but also allow us to publish the results.

I cannot stress too much that it is precisely the former Labour men whom we need to carry forward the fight for change. They are political animals, they have the fire, the ideals, the knowledge of what they are fighting against. They carry conviction.

There will, of course, be the problem of assimilating them once we get them, and I think I should also initiate discussions on this with the Chairman of the Party. What do you think? Disillusion inside Labour gives us an opportunity comparable in nature, if not scope, with the Chamberlain split inside the Liberals a hundred years ago.