



10 DOWNING STREET

Prime Minister

1922 Committee - Thursday 15th May, 1980

1. I have given you a verbal report of this extremely well attended meeting, which was address by Quintin, but you may like to have this Note as well.
2. The following were the principal points which he made:-
 - (a) "I am now nearing the end of my career and this may be the last occasion on which I address you".
 - (b) Our economic policies will be unpopular in the short term. But there is no other way. We will not see any real benefits for at least two years.
 - (c) The Government is engaged on a long term strategy to halt and then to reverse the trend towards collectivism which has been going on for the last thirty years.
 - (d) The autumn of 1983 is the most likely date for the next Election. We must now be preparing ourselves to win that Election, because it is vital that we should have a second term.
 - (e) The world scene has been deteriorating in recent years and if anything the deterioration is accelerating. The march of events has been to the disadvantage of the West, and to the accelerating advantage of the Soviet Union.
 - (f) We were living in an increasingly destabilised world, whose institutions, currencies and moral values were everywhere under assault.

(g) Hence the special responsibility of a strong united and determined Conservative party and Government under your leadership as a stabilizing force in the UK, in the E.E.C., and in the Western World.

(h) Among the major destabilising factors in our country is the Labour Party. Many of the changes which the Labour Party has wrought upon the United Kingdom have, in practice, turned out to be irreversible - trades union power, monopolies, grossly inflated beurocracy, nationalisation. We ought to take steps now to minimise any future irreversible damage that a Labour Government might do. Hence the importance of securing a Second Chamber with more effective powers, which would mean an elected Second Chamber. (The Labour Party is now a totally different political animal. It is, literally, a subsidiary company of the trades unions. Indeed, it is a poodle of the unions.)

3. Why We Won.

(a) Because of the winter of discontent.

(b) Because we won the battle of ideas. We must go on winning that battle. We must win the intellectual battle, because that was a crucial factor (the crucial factor?) of the people's verdict on 3rd May, 1979.

4. The International Field.

(a) Regrettably, the leadership of the United States Government was weak, and was likely to remain so.

(b) The Western Alliance would only hold together if the United Kingdom was strong. If the United Kingdom weakened, the

Western Alliance would fall apart.

5. The Critics of Conservatism.

(a) We always used to pride ourselves on being a pragmatic party. We still are. But the ~~values~~ ^{POLICIES} which we are following are being mis-represented as meaning that we have now become an ideological party.

(b) The truth is that centralisation, state control and state monopoly, coupled with unbelievable profligacy in public expenditure, all require radical and determined remedies of precisely the kind which our Party, under your Leadership, ~~is~~ ^{are} being represented as a kind of new found theology. It is nothing of the sort. It is simply commonsense which has been abandoned for too long.

6. "The Cuts".

In 1930, the total Budget was £800 million. In 1980 it is £70,000 million. Even after making due allowance for inflation, it is crazy to attack a political party which asserts that the present level of public spending ought to be curtailed. Some of the critics of "the cuts" are the very employees in the public sector whose demands for excessive wages are bringing precisely these "cuts" about which they are protesting.

19th May, 1980

Ian Gow.