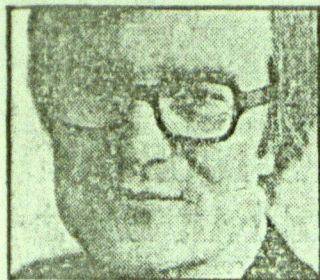


Is Thatcher a secret wet?



The wets are no longer so wet and the dries are no longer so dry—Political Editor HUGO YOUNG analyses the Cabinet reshuffle

BY THE END of the week, the Government's official apologists had come up with their considered rationale of what happened at the beginning: the sacking of Norman St John Stevas, the shifting of Francis Pym, the elevation of John Nott, the appearance of new faces in the Cabinet. It went like this...

□ The reshuffle was almost entirely about management, not politics. Stronger control was needed at the centre on the management of both parliamentary and cabinet business. Pym, who is full of authority, was therefore needed not only as Leader of the House of Commons, in place of Stevas, but as chairman of the cabinet's key legislation committee, to take a load off the ageing Lord Hailsham.

□ Whips and whipping are now the order of the day. Apart from his other shortcomings, Stevas failed to get on with the chief whip, Michael Jopling, and did not run a tight ship. Pym, himself a former chief whip, knows what it is all about. The whips' office, moreover, is the new gateway to power—as several of the latest promotions demonstrate.

□ As for Defence, Nott's arrival has nothing to do with Pym's refusal to make cuts. The budget for 1981-82 is already fixed. Nott's promotion, like that of Leon Brittan (see right) and Norman Fowler, was simply far-sighted career-management by a prime minister thinking about her next ten years in office.

That was the final, approved, ridiculously innocent explanation of an event.

In the Thatcher era, apparently, decided to instigate only on an idle afternoon after New Year's Day, and did so in part because she was tired of being asked when she was going to have her first reshuffle.

Earlier, of course, there were rather more sordid speculations, which also enjoyed some official encouragement. On these accounts, the whole thing happened essentially to reinforce the Treasury against its critics (Stevas) and its victorious enemies (Pym). It was, furthermore, a lesson to the leakers and the snipers (alleged to be identical with each other) that they would pay the ultimate penalty for any further mischief.

Circling round both these explanations—the formal as well as the informal—is language with which we have become excessively familiar. It depicts the Cabinet as be-

ing peopled by warring ideologists, occupying two entrenched camps, one of which has now been taught a lesson, to be rammed home by a reassertion of managerial power. There has been and will be no change of policy. Mrs Thatcher is a politician of indomitable will and unflinching toughness. The team is now united, on her terms. Monetarism rules. Its enemies have been put to flight.

THIS KIND of picture is so deeply rooted in the national consciousness that to challenge it is perhaps a foolish endeavour. Hardly a news bulletin passes without some embellishment of it. Newspaper analysts, including this one, find themselves adopting the code language of "wets" and "dries" about members of the cabinet, as if these terms denoted an unbridgeable gulf of policy between them.

Yet the truth is now rather different—and the events of last week promise to make it still more different.

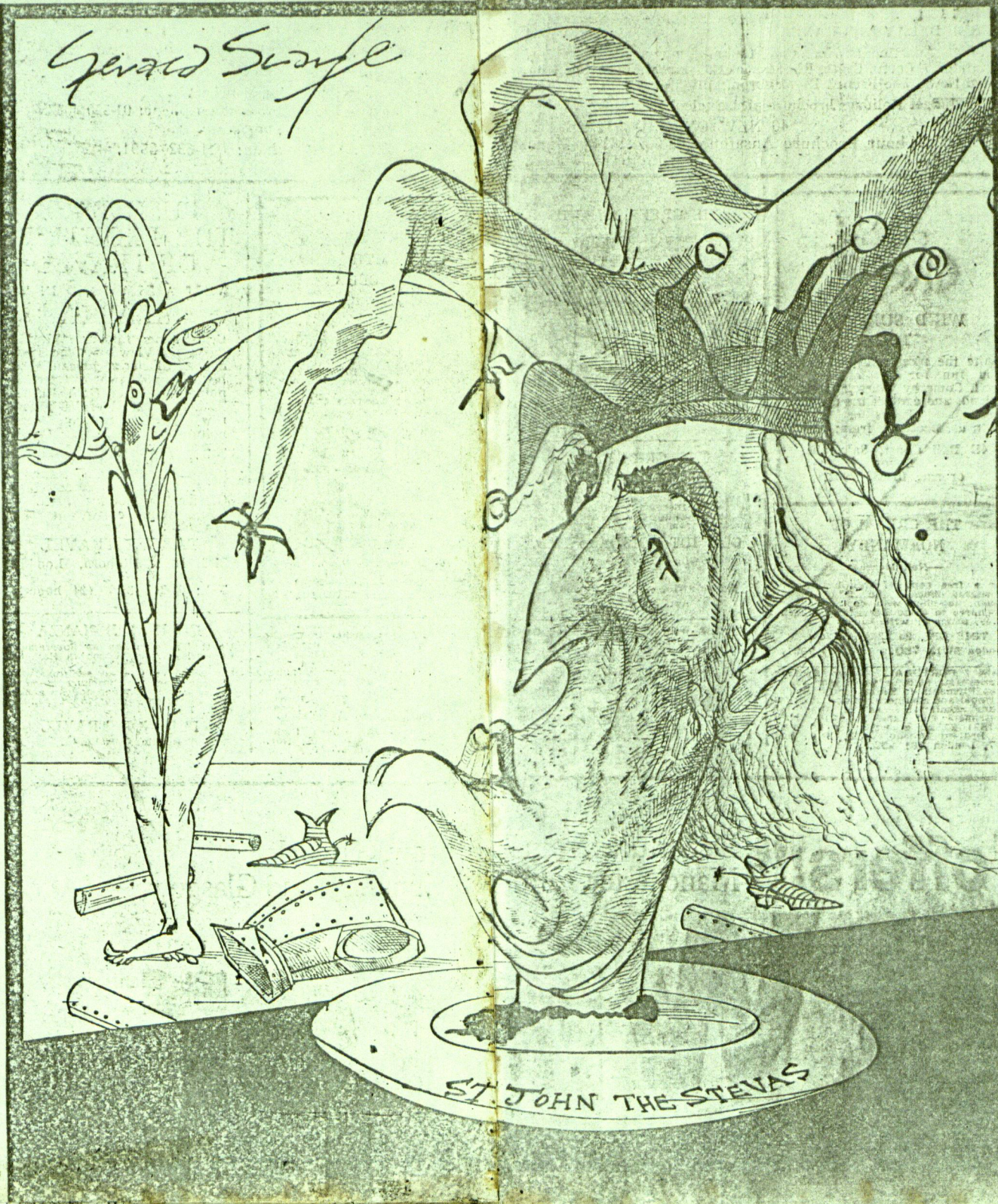
First, take Pym. He has been put in an extremely powerful position, at the very centre of this government's life. In place of a stylish lightweight, albeit a pretty successful one, the Prime Minister has placed alongside her a heavyweight who—having once faced her down by threatening to resign from the Defence Ministry—she will find it difficult to overrule.

But, apart from being a solid party man, Pym is something else. He has been profoundly alarmed by the handling of government, and especially the economy, since

1979. In his whole career he will never crack as many derisive jokes about his colleagues as Stevas reels off in half-an-hour. This very restraint, however, makes him the more menacing. For the first time, Mrs Thatcher will be seeing on most days of the week, not only the Chancellor of the Exchequer, Sir Geoffrey Howe, but a man who, while his loyalty is not in question, has the deep objective of altering the tone of economic policy, and the image the government presents of itself.

Secondly, consider the Treasury itself. What happened there was that Nigel Lawson—monetarist fanatic, dedicated exponent of primitive Thatcherism—was not promoted into the Cabinet from his position as financial Secretary. His humiliation almost equals that of Stevas.

In Leon Brittan, moreover, the Chancellor now has beside



him, not only an intimate friend and a clever fellow, but a much less awkward customer than the man he replaces, John Biffen. When it comes to making further inroads on the monetarist doctrine, Biffen, for all his apparent unorthodoxy, is a resigner. Brittan, having no economic pretensions, will agree with what seems sensible at the time.

Thirdly, look elsewhere in the government, especially in the Department of Industry, once the focus of all Thatcherism's highest expectations. In Kenneth Baker, a quite shameless critic of the faith, the department has at last been given a minister who actually believes in the policy of industrial support which Sir Keith Joseph so piteously apologises for carrying out.

In all these ways, the prime minister, if not quite showing herself to be a secret wet, has performed a reshuffle which, whatever its original motive, has the effect of confirming that her government has retreated from the wilder shores of ideological determinism. That familiar phenomenon—the two-year learning curve which brings new governments down to earth—is beginning to work its clammy logic on yet another cabinet.

With consummate bad timing, the most obvious victim of this process also appeared on the scene last week. For Professor Alan Walters, hired at enormous expense as the sternest monetarist of them all, one of two fates seem plausible: an early return flight to the USA, or the kind of living burial which only Whitehall knows how to perform.

But that is only one side of the picture. In the other are seen the so-called wets themselves, painted as if they stand on the opposite side of the barricades. In fact their position too has become a lot more blurred.

The radical criticisms which people like Sir Ian Gilmour and James Prior have to make of the policies of the government now relate to the past. These men believe the first budget was a disaster. They think that by starting differently we would not be where we are today, although they acknowledge—perhaps more honestly than Mrs Thatcher herself—that external conditions are more responsible than the Cabinet's heroic masochism for Britain's present predicament.

Other critics have particular hobby-horses. Peter Walker thinks there should be a national incomes policy. Michael Heseltine, by far the most dramatically maverick member of the Cabinet, believes in something like a reflationary corporatist programme for national recovery.

But the real policy differences are now on the margin. The average Priorite would

take a bigger risk with interest rates, and worry less about the public sector borrowing requirement. But the trend on both these fronts has already begun to move his way. He has also got his public sector pay policy—a sweet victory after the scorn poured on such a notion in 1979.

To a considerable extent he would therefore now agree with the parrot-cry of Treasury ministers that "there is no alternative." But he would do so because he reckons the Treasury has shifted its ground, while all the time pretending otherwise. The policies which the govern-

ment is in fact carrying out are as much his as Geoffrey Howe's, with public spending up, interest rates down and British Leyland and British Steel being preserved.

SO ARE THERE no important differences? That is not the case. There is a very big one but it relates not so much to the content of the policy as to the style and rhetoric which supports it. Rather like the grin on the face of the Cheshire cat, the main surviving remnant of Thatcherism is not its body but the noise it makes.

What disturbs the more old-fashioned politicians in the Cabinet is Mrs Thatcher's studied determination to make the worst of the case: to apologise rather than take credit for the preservation of temporarily-uneconomic jobs, to take pride in hard-heartedness rather than extend convincing sympathy to her luckless citizens, to convey the impression that her Government's highest objective is to make Britain a land fit for profit-making entrepreneurs.

Her acolytes show an even more brazen style, typified last weekend by David Howell, the Secretary of State for Energy. There will be a recovery, Howell has decided. It is coming this year. But only to certain regions.

"Areas of former prosperity," he added, sweeping a generous arm through most of

Scotland and Wales, "will be bypassed."

Mrs Thatcher also put out New Year messages of hope last week, in somewhat similar vein. Perhaps they should have reassured her colleagues. High-level talk about three years of austerity appears to have vanished with John Biffen to the Department of Trade. Is the hair shirt about to be immolated?

The colleagues do not think so. Prime ministers, even self-consciously tough ones, need to convince people, and especially themselves, that there is light at the end of the tunnel. What does not look like

towards the influence their political stature demands. Around a merger of their position with Howe's, the Cabinet looks like uneasily coalescing.

It will need to. Notwithstanding the New Year messages, the situation has never looked so black for the government. The last Sunday Times opinion poll, just before Christmas, showed Labour 24 per cent ahead—after a period when real disposable incomes continued to rise, for employed people.

This year it is certain that real incomes will decline, perhaps sharply. Large council rent rises coupled with

rate increases of at least 20 per cent face millions of people. Crowning them all will be tax rises announced in the budget. We are already being softened up for these.

Whether the rise is in direct or indirect taxes, it will confer a horrific kind of poetic symmetry on the first two years of Mrs Thatcher's government. Both sides will be proved right in their opinion that these years have been wasted: Geoffrey Howe, in his belief that this is due to a failure to cut public spending, Jim Prior in his epitaph on that first reckless budget.

But against the ensuing onslaught of a disappointed electorate by-elections, after all, cannot be avoided for ever, even if Angus Maude can be fobbed off with a knighthood—the factions have little choice but to huddle together, on the muddy ground of compromise where so many British governments have got stuck.

changing, unless Francis Pym in his thankless extra role as propagandist—in chief can change it, is the narrow vision on which Thatcherism rests, and the narrow appeal which the rhetoric of Thatcherism proclaims.

IN CONTINUING to argue against this, it seems wholly improbable that those who do care about the human face of conservatism will be silenced by the casual execution of Norman St John Stevas.

Whether the expression of past regrets and future hopes constitutes "leaking" is a matter of semantics. If it does, then leaking will continue. By her own style, indeed, the Prime Minister herself encourages it. Adopting so abrasive and personal a stance towards the policy, she invites others to do something similar: just as by her breezy public display of loyalty to colleagues like Prior (unprecedented among recent prime ministers) she has made private criticism an acceptable practice for some of the ministers who want her to change her ways.

As a counterweight, of course, the arrival of Fowler and Brittan in the Cabinet assures her of two votes. They owe everything to her. But what seems more important in the long run about her *coup de théâtre* is that it marks another stage in the slow march of the heavy men

Enter the new Tory breed

Bland ambition is the key to Leon Brittan, says a critic. Is this fair? Andrew Stephen reports on Mrs Thatcher's whizz-kid

WHEN Sir Geoffrey Howe clapped his hands and asked for silence at a party at 11 Downing Street last Monday, it rounded off what Leon Brittan admits was the happiest evening of his life. The 200 guests had gathered to celebrate his wedding just before Christmas, and now Chancellor of the Exchequer Howe was announcing what Mrs Thatcher had told Brittan just a few hours before at 41, he was being promoted to the post of Chief Secretary to the Treasury.

Brittan says he was "absolutely astonished" yet he symbolises a new breed of Thatcher men: clever, pragmatic, politically flexible, unswervingly loyal, absolutely untainted by Heathism—and relentlessly ambitious. Brittan, indeed, was not even an MP in Heath's period as prime minister, having entered the Commons as recently as 1974. Now, after less than 20 months' experience in government (at the Home Office) he is in the Cabinet.

It was a whirlwind week: clearing out his Home Office desk on Monday afternoon, moving into the Treasury on Tuesday, "reading myself in" and meeting ministerial and civil service colleagues on Wednesday, attending his first Cabinet on Thursday morning, and being received by the Queen and sworn in as a privy councillor at Windsor Castle on Thursday afternoon.

He attributes his sudden success partly to "luck, being in the right place at the right time." He rejects the label "pragmatic" because "I have principles—and a pragmatist, as I understand it has no principles at all."

Politically, though, it is hard to place him as Right, Left, or Centre. He refuses to label himself but says "if you ask my views on a particular subject, I will tell you them." Friends say there are few, if any, political issues he feels passionately about—one associate calls him Leon Bland—and he himself will not isolate any: "I remember as a boy going to the continent of Europe feeling that we had been fortunate enough not to be occupied, that we were very much better off than they were—looking at shabby French cars and feeling that they were definitely poorer than we were."

Gradually, as I grew older, they changed and shot ahead of us, and I just feel sufficiently committed to my generation to find that unacceptable." He finally answers the question with a familiar Thatcherite line: "What I feel passionately is that we must take steps, however painful they might be, to end that—and that's what I feel very strongly about."

HE JOINED the party at 18, between public school and Trinity College, Cambridge. He comes from a middle-class north London home, the son of a prosperous GP. During his first two years at Cambridge he read English, specialising in 18th century literature, but finally switched to law. He got a Double First. He is a member of a fast-growing Cambridge mafia in the cabinet: three current members (Norman Fowler, David Howell, John Nott) were all active in student politics with Brittan.

Friends say he is a very private man whose main personal interest is opera. Verdi in particular: "Opera's got everything, hasn't it?" He also has a renowned talent for mimicry and political pastiches.

He was called to the bar after Cambridge and a period in the United States, but became chairman of the Bow Group at 25 and went on to edit its publication Crossbow. He formed various influential political friendships during this period (especially with Howe and his wife Elisabeth).

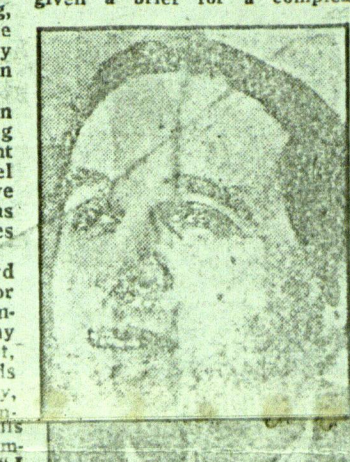
He pursued a parliamentary seat relentlessly, trying for adoption in at least six constituencies.

After losing North Kensington in 1965 and 1970, he won Cleveland and Whitby in 1974. He has already turned a marginal seat into a fairly safe one, though it faces a messy redistribution. Although one in five people in Whitby is unemployed, he is a popular MP. He married in December and acquires a ready-made family of two daughters from his wife's previous marriage.

Why did he enter politics? "I don't think one can often give an honest answer to that question. An interest in politics. Issues. An enjoyment in discussing them. I think people who say they've entered politics out of a sense of service—that's a little pie these days. People who have a burning sense of mission are the most dangerous of all."

He was an assiduous socialist, weekending regularly with the Howes. But he had also cut his national political teeth on Labour's Industrial Relations Bill: six years before becoming an MP, he "cross-examined" Messrs Callaghan and Scanlon on it on TV. Later he became an equally vocal supporter of the Tory Industrial Relations Act.

It was natural that, when he became an MP, he should be given a brief for a complex



Brittan: in Cabinet at 41

issue—devolution—and he readily took the chance to impress his colleagues with quick-thinking on the floor of the Commons and an ability to master a brief.

WHEN Thatcher won power in 1979 she tried to reward him with a junior post at the Department of Employment, but it was resisted by the new Employment Secretary, James Prior, on the grounds that Brittan's image was too unyielding to the unions.

So Thatcher placed him instead in the Home Office, where under William Whitelaw he specialised in civil defence, electoral reforms, and young offenders. A civil servant says his manner was "a curious mixture of intellectual arrogance and personal shyness."

But it is "over-dramatic," Brittan insists, to say there was ever a serious rift with his civil servants. "I don't believe all this rubbish about civil servants' obstructiveness. The trouble is caused when ministers don't understand what they are being advised or are not prepared to make their own minds up." He gained a generally favourable reputation in the Home Office, coming down on the side of individual liberties in private.

He joins the Treasury with his political stock riding high and has no doubt that, as a Thatcher and Howe protégé, he has arrived on the political main stage. "I think that one of the attractions of the job—but also one of the features of it that makes it an awesome responsibility—is that it is at the very centre of the Government's operations, and the success both of the Government and the country depends to a very great extent on what is decided in this building. I think it's going to be fascinating."