PRIME MINISTER

The Labour Party

Peter Brooke has sent you a paper setting out his proposed strategy for tackling the Labour Party. This contains an interesting analysis of likely developments in the Labour Party over the next year and his ideas as to how best we can capitalise on these.

He would like to co-ordinate a programme of Ministerial speeches attacking the Labour Party and suggests a meeting with you to discuss the paper's contents.

I believe that such a meeting would be both interesting and useful and would suggest that it should be attended by Peter Brooke, Robin Harris, Guy Black (who is currently the head of the Political Section at the Research Department) and myself.

Are you content for me to set up this meeting?

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copied to Robin Hairu



Conservative Central Office

32 Smith Square Westminster SW1P 3HH Tel. 01-222 9000 Telex 8814563

From:

THE CHAIRMAN OF THE PARTY
The Rt. Hon. Peter Brooke MP

PB/AM

5 February 1988

CONFIDENTIAL

FROM: The Chairman

TO: The Prime Minister

TACKLING THE LABOUR PARTY

Part of the work of Central Office consists in helping the Government present its positive policies to the Parliamentary Party, to the party in the country and to the electorate. We are continuing to do that - in particular on health, education and Community Charge.

But no less important is the work we do to expose and attack the Opposition Parties. The second complements the first. The more that we can put them on the defensive, the less effective is their criticism of our policies.

Already the 'Alliance' Parties are doing much of our work for us. I plan to mobilise our Constituency Parties, fully briefed and supported from the centre, to take full advantage of the position. And work is already in hand on a briefing pack and publications.

The collapse of the 'Alliance' Parties reinforces the need to pursue now a coherent long-term strategy towards the Labour Party. I attach a paper prepared by the Conservative Research Department which sets out what we believe should be our approach.

I shall adopt this approach in my own speeches: it will also be reflected in Party Political Broadcasts and publications.

However, I consider that we need a properly co-ordinated programme of Ministerial speeches using these same arguments.

I would welcome the chance to discuss the contents of this paper with you. I would also like your authority to co-ordinate such a programme of speeches over the forthcoming months on the basis of briefing from the Conservative Research Department.

1. LABOUR'S WEAKNESSES

Opinion research - ours conducted in the Summer of 1986, updated in Spring 1987, that conducted by Gallup for its monthly 'Political Index', and, apparently, research findings presented to Labour's NEC - reveals the Labour Party's main perceived weaknesses:

- generally Labour have neither the best policies nor the best Leaders;
- people increasingly believe that Labour's policies are confused;
- Labour's economic policies lack credibility;
- Labour's defence policy particularly its policy of unilateral nuclear disarmament - is considered dangerous;
- the improvement in Mr Kinnock's image as an effective Leader, resulting from his television exposure during the General Election Campaign, has largely been reversed;
- Labour is seen as divided even more divided than at the General Election;
- Labour is considered too much under the influence of the trade unions;
- extremism remains a problem for Labour: although Labour is not considered more Left-wing than the Conservatives are Right-wing, a substantially higher proportion of the population as a whole considers <u>itself</u> on the Right than on the Left.

Looking beyond the opinion research data and the image this

^{*} See Appendix A for what follows

reveals, Labour have particular problems from:

- Labour-controlled Councils' activities;
- renewed problems with the Left in the Parliamentary Party: disruption of House of Commons business: Mr Livingstone's outbursts: Mr Benn's attempts to re-unite different hard Left strands of opinion (so far unsuccessful): a possible challenge to Mr Kinnock by one of the Campaign Group of MP's (although this may in fact work to Mr Kinnock's advantage);
- excessively high and incompatible expectations within the Labour Party of the results of their present policy review process.

2 LABOUR'S OBJECTIVES

Mr Kinnock is fully aware of the problems of Labour's image. He is regularly being told that social and economic change, accelerated by our policies, threatens to make Labour unelectable. Time is short for him to make the Labour Party a credible contender for power at the next General Election: he must have learnt the lesson of the Election Campaign itself when his attempt to project Labour as moderate and modern ultimately foundered on the electorate's refusal to forget what had been said and done since 1983. His sights must be set on successful campaigns in the Local Elections and Euro-Elections in 1989, taking advantage of any mid-term disenchantment with the Government, giving him eighteen months or two years to establish a new, improved image for Labour.

Between now and the summer of 1989 his main objectives will be:

- He will exploit the collapse of the SDP/Liberal 'Alliance' to claim that Labour alone can offer an alternative to the Conservatives - while keeping open the possibility of a post-Election pact with the merged Liberal Party in which the Left are likely to be increasingly dominant;

- he will try to ensure that the policies particularly economic policies which emerge from Labour's policy groups and which are due to be presented in outline at the 1988 Labour Party Conference and in full at that of 1989 are moderate and attractive;
- he will seek to alter the terms of the defence debate by claiming that a nuclear-free Europe, indeed a nuclearfree world, could be secured by putting Trident into whatever negotiations may follow the present rounds, something which would be, of course, more credible with a Democrat President of the USA;
- he will continue to fight mainly on the 'social' issues which Labour tried to make the agenda of the General Election Campaign, especially on the NHS;
- he will try to reaffirm his own leadership and make Labour seem less extreme - as he temporarily managed to do in 1985 - by taking action against a range of possible targets; for example, some extremists in local Councils, some hard-Left dominated Constituency Parties and, more problematically but more dramatically, perhaps withdrawing the Whip from the four Militant Labour MPs.

3. OUR STRATEGY

We need a coherent strategy pursued through speeches, Party publications, Party Political Broadcasts, articles and press briefing which will keep Labour on the defensive throughout this Parliament. Such a strategy would focus on five areas - the first two of which relate only indirectly to Labour but are nonetheless crucial. The timing of its implementation would be related to the calendar of Labour's own events.**

i) Our Policies

The record of the last Labour Government is a diminishing asset to us and one whose value will diminish still further: though

^{**} See Appendix B

^{***} See Appendix C

Labour's record on inflation and excessive trade union power can still be invoked with advantage. Above all, however, we have to continue presenting our policies as effectively as possible: we have also to keep up the momentum, both actual and perceived, of policy development throughout this Parliament. We must force Labour to come up with their own proposals on every issue which our radical, reforming policies are tackling: particularly Community Charge/Rates where they still have no policy at all. As each of our policy commitments is fulfilled - on education, housing, Community Charge, income tax cuts - we must challenge the Labour Party to reverse what we will have done, a tactic which has already worked well on wider share and home ownership.****

We need to

ii) Attacking the 'Alliance'

There is no doubt that our standing in the opinion polls in part reflects the present chaos in the SDP and Liberal Parties.

Opinion polls show that many of those who voted 'Alliance' at the General Election have now switched support to us. We have to keep and strengthen that support - and not allow Mr Kinnock to project Labour as a moderate and responsible force in politics, the natural home of former 'Alliance' supporters. In Central

Office we must focus special attention on these people in campaigning in the Constituencies. Nationally, we must seek even more persuasively to explain our policies to them. And, once the present SDP/Liberal debacle reaches some sort of resolution, we must attack the merged Liberal Party as a Left-wing Party whose policies and personnel are little different from those of the Labour Party.

iii) Labour's Policy Review

Between now and the 1988 Labour Party Conference, and before
Labour begins to produce new policy documents, we must vigorously
assert that Labour is fundamentally unable to alter its policies
because it remains subject to the trade union bosses and dominated
in Parliament and in the Constituencies by the hard Left.
The substance of Labour's approach will not and cannot change
- though the rhetoric - concentrating on 'freedom and choice'
rather than Socialism - will.

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Labour's policy review will almost certainly concentrate on three areas - tax, share ownership and defence. Without appearing to pre-judge the results of that review there are several arguments which we must put across on each of these topics.

On tax, we must keep on emphasising the link between Labour's tax and public spending plans. It is no use Labour attempting a review of 'tax policy' without their reviewing - and abandoning - most of their public spending commitments.

On <u>share ownership</u>, we must point out that it is all very well Labour talking about embracing share ownership but that this is meaningless as long as they remain <u>opposed to privatisation</u> which extends it. And we must also emphasise that the sort of share ownership which Mr Gould and others are discussing is simply <u>worker share ownership used as an instrument of workers' - and so trade union - control in industry.</u>

on <u>defence</u>, we must stress that the nuclear deterrent exists to deter not just nuclear war but conventional war as well: our concern is with a war-free not a nuclear-free Europe. The huge imbalance of conventional and chemical weapons must be brought in to all discussion of the nuclear issue.

iv) The Left

Mr Kinnock has to deal with the Left - both inside and outside Parliament. Any action he takes will almost certainly be against a very small number of activists - but ones with a high public profile.

We should therefore begin a concerted campaign to make the electorate more aware of the extent of the Left-wing take-over of the Labour Party. We must:

continue to highlight the <u>strength of Militant</u> in the Constituencies and draw attention to its strength in Parliament; Hun we We fait?

emphasise that it is not just Militant that is the problem, but that there are other hard Left groups active within the Party: in particular, we must draw more attention to the Campaign Group and to the group centred on Labour Briefing;

emphasise the Left-wing infiltration of Constituency Parties by exposing what is happening in those Constituencies where the local Party has been disbanded or investigated e.g. Knowsley, Southwark etc;

attack the proposed 'Electoral College', arguing that it will do nothing to loosen the grip of the hard Left on the Party: all it will do is to tighten <u>further</u> the grip of the <u>trade unions</u>.

If we do these things in advance it will be more persuasive to denounce any limited action by Mr Kinnock as purely cosmetic.

v) Mr Kinnock's Leadership.

Finally, we must not allow Mr Kinnock to be built up again, as he was during the Election, as a credible Leader. We should:

highlight his inability to control the Parliamentary Labour Party in the House;

draw attention to his failure to give a clear lead in the policy review;

taunt him with his failure to deal with the hard Left and highlight his subservience to the trade unions.

Above all, we must show that he cannot come to grips with the serious decisions which any Prime Minister has to take and is therefore unsuitable for high office.

RH/CR 3.2.88

APPENDIX A

1. Taking everything into account, which Party has:

the best policies?	Oct 1987
Conservative	51
Labour	25
Liberal/SDP	12
Other	1
Don't know	10
The best leaders?	
Conservative	62
Labour	20
Liberal/SDP	8
Other	1
Don't know	10
	Conservative Labour Liberal/SDP Other Don't know The best leaders? Conservative Labour Liberal/SDP Other

(Source: Gallup Political Index)

2. I am going to read out some things people are saying about the Labour Party. Could you please tell me for each if you agree or disagree.

'It is not very clear what a vote for Labour means these days'.

<u>(</u>	Oct 1984	Oct 1985	Oct 1986	Oct 1987
Agree	64	63	57	62
Disagree	27	28	33	29
Don't know	9	9	10	8

(Source: Gallup Political Index)

3. 'The economy would be in a better state under Labour'.

	<u>Sept 1987</u>
Agree	27
Disagree	59
Don't know	14

(Source: Gallup Political Index)

4. 'Labour's policy of getting rid of all our nuclear weapons would be dangerous'.

	<u>Sept 1987</u>
Agree	65
Disagree	25
Don't know	9

(Source: Gallup Political Index)

[Also see note 7 below]

5. Do you think Mr Kinnock is a good leader?

7	Is Good Leader	Is not Good	Don't Know	
	IS GOOD LEADER	<u>Leader</u>	DOIL C KHOW	
26-30 March	32	57	11	
24-27 April	30	56	13	
25-29 June	4 4	46	10	
23-28 July	41	51	8	
26-31 August	38	50	12	
23-28 September	40	49	11	
22-26 October	38	51	11	
26-30 November	39	49	12	
15-31 December	36	51	13	
1988				
7-11 January	36	53	11	

(Source: Gallup Tracking Study - suspended between April and June)

6. Do you think the Labour Party is united or divided at the present time?

	Oct 1984	Oct 1985	Oct 1986	Oct 1987
United	19	22	37	19
Divided	74	71	55	75
Don't know	6	7	8	6

(Source: Gallup Political Index)

7. Here are some reasons for not voting for the Labour Party. Which, if any, of these apply to you?

	Oct 1987
Labour's defence policy is dangerous	39
Trade unions have too much control of the Labour Party	35
Labour has moved too far to the Left	34
Labour's too divided	34
The Labour Party can't control the unions	32
I can't see Neil Kinnock as Prime Minister	31
Taxes would go up under a Labour Government	27
Labour Governments can't control inflation	26
Labour's in the hands of extremists	25
I will be personally worse off under Labour	21
I don't know what Labour stands for any more	20
Labour's too concerned about helping minorities	19
I disagree with Labour's stand on privatisation	18
The real interests of the workers aren't what Labour is about today	18
I've never voted Labour and see no reason for changing now	15
I don't know who's in charge of the Labour Party today	13
There's too much secrecy in the Labour Party today	11
None of these	20

(Source: Gallup Political Index)

8 (a) Labour has become too extreme'.

0	ct 1984	Oct 1985	Oct 1986	Oct 1987
Agree	56	59	52	56
Disagree	37	33	40	35
Don't know	8	8	8	9

(Source: Gallup Political Index)

8 (b)
'In political matters people talk of "the Left" and "the Right". How would you place your views on this scale?'.

	<u>Sept 1987</u>
Far Left	2
Substantially Left	3
Moderately Left	11
Slightly Left	12
A11	28
Slightly Right	15
Moderately Right	25
Substantially Right	4
Far Right	3
All	47
Middle of the road	. 10
Don't know	15
'And whereabouts on this scale would you place the Conservative Party?'.	
Far Left	3
Substantially Left	1
Moderately Left	1
Slightly Left	1
All	6

CONFIDENTIAL 8 (b) Cont.

8 (b) Cont.	<u>Sept 1987</u>
Slightly Right	5
Moderately Right	19
Substantially Right	29
Far Right	20
All	73
Middle of the road	1
Don't know	20
'And the Labour Party?'.	
Far Left	17
Substantially Left	23
Moderately Left	22
Slightly Left	8
A11	70
Slightly Right	3
Moderately Right	2
Substantially Right	1
Far Right	3
A11	9
Middle of the road	2
Don't know	18

(Source: Gallup Political Index)

/...12 - APPENDIX B

APPENDIX B

LABOUR'S POLICY REVIEW

Labour's Policy Review is being conducted in two ways:

- Policy Review Groups: Seven policy review groups have been set up, each chaired by a member of the Shadow Cabinet, to 'assess the relevance of existing policy' and to formulate policies for the 1990's (Times, 29th October 1987).
- 2) Labour Listens': Labour is embarking on a series of nationwide events to hear the views of interest groups and the general public on all areas of policy.

Some of the events will be on specific issues and to invited audiences only: the first of these is apparently to be on the National Health Service.

The findings of these events will be relayed to the Policy Review Groups.

Timetable

The Policy Review Groups are to draw up an initial report on their findings for presentation to the 1988 Party Conference.

After that they will investigate detailed policy proposals and submit their recommendations to the 1989 Party Conference.

Labour's aim is to produce a 'new' statement of Party Policy by early 1990 (Times, 15th September 1987).

The 'Labour Listens' events will continue throughout this process.

APPENDIX C

LABOUR CALENDAR 1988

18th January 25th January 29th-31st January

10th February 13th February

23rd February 1st March 5th-6th March

7th March 11th-13th March 14th March 19th-20th March 28th March 12th April 18th April 20th-21st May 18th June 19th June

3rd-7th October

Kinnock launches 'Labour Listens', London

'Labour Listens', Brighton

Labour Local Government Conference, Edinburgh

Party Political Broadcast

Broad Left Organising Committee Conference, Sheffield

'Labour Listens', Plymouth

'Labour Listens', Salford London Labour Party Regional Conference

Yorkshire Labour Party Regional Conference

'Labour Listens', Nottingham

Scottish Labour Party Conference

'Labour Listens', Birmingham

West Midlands Labour Regional Conference

'Labour Listens', Cambridge

'Labour Listens', Leeds

'Labour Listens', London

Welsh Labour Regional Conference

Labour Eastern Region Conference

Militant Rally

Party Conference, Blackpool



APPENDIX D

DATES FOR THE IMPLEMENTATION OF LEGISLATION

Community Charge - Scotland - 1st April 1989

England & Wales - 1st April 1990

*Education - Establishment of first CTC - September 1988

'Opting Out' - September 1990

National Curriculum:

Primary Schools - September 1989 Secondary Schools - September 1990

Abolition of ILEA - 1st April 1990

Financial Delegation - September 1990

*Housing - Autumn 1988

* These dates are provisional at the moment

/...APPENDIX E

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LABOUR SCARE STORIES

UNEMPLOYMENT

RCY HATTERSLEY: "ON PRESENT POLICIES THERE WILL BE NO SIGNIFICANT

FALL IN UNEMPLOYMENT BEFORE THE NEXT ELECTION OR

BEYOND" (19th March 1986, Hansard, col 310)

NEIL KINNOCK: "MASS UNEMPLOYMENT OF SIX MILLION PEOPLE IS

INEVITABLE" (Daily Mirror, 11th May 1983)

TA.XES

RCY HATTERSLEY: "EVEN WERE THE TORIES TO WIN [THE 1987 ELECTION]

THEY WOULD REIMPOSE HIGHER TAXES AND MAKE PUBLIC

EXPENDITURE CUTS SO DEEP THAT EVEN THE CONSERVATIVE

PARTY WOULD BE RELUCTANT TO SUPPORT THEM"

(London, 15th January 1987)

NEIL KINNOCK: "THEY [THE CONSERVATIVES] WOLD INCREASE TAXES

[AFTER THE 1987 ELECTION] AS THEY DID BEFORE,

INCREASE CUTS AND INCREASE DECLINE AND DIVISION"

(Guardian, 2nd May 1987)

BRYAN GOULD: "ONCE AGAIN WE HAVE INCOME TAX CUTS BEFORE THE

ELECTION WHICH THE CONSERVATIVES AIM TO CLAW BACK

AFTER THE ELECTION BY TAXING FOOD AND CHILDREN'S

CLOTHING" (Statement, 6th May 1987)

THE 'REAL' CONSERVATIVE MANIFESTO,
APRIL 1987 (A LABOUR PUBLICATION):

"WHAT'S IN STORE... BIG RISES IN VAT, HITTING
THE POOR AND THE PENSIONERS WHO GAIN NOTHING
FROM TAX CUTS, BUT WILL BE EXPECTED TO PAY FOR
THEM"

HEALTH SERVICE AND SOCIAL SECURITY

ROBIN COOK: "THE GOVERNMENT IS INTENT ON DISMANTLING THE

WELFARE STATE AS A UNIVERSAL SYSTEM OPEN TO

EVERYONE" (Sunday Times, 6th November 1988)

ROBIN COOK: "THE HEALTH SERVICE IS BEING SIZED UP FOR

PRIVATISATION. THIS WHITE PAPER MARKS THE

BEGINNING OF THE END FOR THE NHS"

(The Times, 28th January 1989)

RCY HATTERSLEY: "WHO CAN DOUBT THAT ANOTHER TERM OF THATCHERISM

WOULD PRODUCE THE PRIVATISATION OF BRITAIN'S

HOSPITALS" (Speech, 16th April 1987)

GENERAL

GERALD KAUFMAN: "SHE IS PREPARING TO SCRAP THE NATIONAL HEALTH

SERVICE, TO PUSH UP UNEMPLOYMENT EVEN HIGHER,

TO SWINDLE PENSIONERS OUT OF EVEN MORE IN THE

NEXT PARLIAMENT THAN SHE DID IN THE LAST AND TO

PUT UP TAXES EVEN HIGHER" (FT, 24th May 1983)

GENERAL (CONT)

DENIS HEALEY:

"THE SECRET TORY MANIFESTO WOULD MEAN

IMPLEMENTING THE MOST EXTREME PROPOSALS IN THE

SERPELL REPORT - NO RAILWAYS AT ALL IN CORNWALL,

DEVON AND SOMERSET, NO RAILWAYS AT ALL IN WALES

EXCEPT FOR CARDIFF" (Times, 7th June 1983)

DENIS HEALEY:

"THEY WILL STOP INCREASING OLD AGE PENSIONS IN LINE WITH THE COST OF LIVING AND WILL DE-INDEX THE PAY OF PUBLIC SERVANTS LIKE NURSES AND POLICEMEN" (Times, 31st May 1983)

(18) ON HEALTH

'We shall proceed until the removal of private practice in the name of efficiency, effective resources, social justice and the proper operation of the NHS' (Daily Telegraph, 29th October 1983).

'Of course, efficiency is partly related to costs to the community and unit costs of provision. Of course it is related to patient throughput and capital productivity, to staffing ratios and bed use. But if a definition of the purpose and means of efficiency in the health service does not begin from the objective of providing the best level of care for the individual human being who is ill then it is not a definition of efficiency which is satisfactory for a health service' (Speech to Royal College of Nursing Conference, 22nd April 1985).

'The next Labour Government will stop competitive tendering in the health service. We will restore in full the meaning of ancillary services and we will give proper recognition to jobs whose importance is perhaps only becoming really apparent because they are not being done' (ibid).

'The implication is that nurses are to be deprived of places in the top decision making, strategy setting, resource allocating, priority fixing echelon of health management. That movement must be resisted, not out of matronly vanity but on the purely practical grounds that it will wipe out consensus managment, will give supreme authority to people who have not done and will not do nurses' work and will downgrade the essential role of senior nurses and in the process depress the status of the whole profession' (ibid).

'When the evidence is that nurses' pay has fallen by 20% in real terms since the 1980 Award, the Government should now be setting itself the task of at least restoring pay levels for nurses by negotiation and in systematic and agreed stages' (ibid).

'I do not make a promise of immediate restoration of pay - that would be an undertaking that was absurd to give and impossible to believe. I do say that the justice of the nurses' case is self-evident ... I do say that the pay allocation should not result in the withdrawal of funds from the rest of the Service' (ibid).

'We (Labour) will be working for new and improved provision for education and training of nurses, for greater democracy in the public control of the service, for new arrangements to ensure effective response to patients' needs and complaints, for better use of the special skills of senior nurses at the highest levels of the Service and for commitment of extra resources equivalent to an increase of 3% a year in real terms' (ibid).

LABOUR AND THE UNIONS

FINANCE

- Two THIRDS OF THE LABOUR PARTY'S INCOME COMES FROM
 THE TRADE UNIONS
- IN 1987, THE UNIONS GAVE THE LABOUR PARTY A TOTAL OF £8 MILLION
- 138 LABOUR MPS (MORE THAN HALF) ARE SPONSORED BY TRADE UNIONS, INCLUDING 15 MEMBERS OF THE SHADOW CABINET

POLICY

- AT LABOUR'S CONFERENCE, THE UNIONS HAVE 5.8 MILLION VOTES, 90 PER CENT OF THE TOTAL
- THE TGWU HAS A BLOCK VOTE OF 1.25 MILLION, 1 IN 6 OF THE TOTAL
- LABOUR HAVE CONSISTENTLY BACKED STRIKES: MINERS IN 1984, NURSES IN 1987, SEAMEN IN 1988, AND RAILWAYMEN IN 1989
- LABOUR WOULD:
- * BRING BACK SECONDARY PICKETING
- * END THE RIGHT TO A PRE-STRIKE BALLOT
- * RESTORE TRADE UNION IMMUNITIES