Comment on the following document

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<th>Margaret Thatcher, “Her Majesty’s Government” (Opposition Motion), House of Commons Debate, 28 March 1979, Hansard, vol. 965, cc. 467-468</th>
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Part of the reason for our decline is that Britain now shows every sign of a destruction of individual and productive energy, which is wholly exceptional on any comparison with those European States most like ourselves. Those are the first two reasons for our decline—insufficient attention to the creation of wealth and too much concentration on increasing State control.

The third reason for our problems is that the balance between power and responsibility in the trade union movement needs to be restored. So does the balance of obligations between the employer and the employee. I have dealt with the immediate measures needed on those matters on previous occasions; I shall not enlarge upon them today.

However, because of the ties of the Labour Party with the trade union movement, because the trade union movement effectively controls the conferences and executive of the Labour Party, and because it provides about 90 per cent of the finance of the Labour Party, I do not believe that a Labour Government will ever make the necessary changes.

The Prime Minister could have taken action with our support. He chose not to do so. He is the prisoner of his own history in this matter. The unions were his stepping-stones to power, and they know it. So be it. Changes will have to be made by another Government, and I believe that they will have the overwhelming support of the people, including the majority of trade union members.

On the economic side, we have to break through the prosperity barrier in manufacturing industry. We can do so only if, through good management, proper incentives and co-operation, we are able to cut restrictive practices and raise output per person. If half as much time had been spent on policies to raise output as had been spent on policies to increase pay, we should have achieved a higher standard of work and hence a higher standard of living today. The truth is that in the countries of our main industrial competitors, union and Government policies have combined to do far better for union members than is the case in Britain.

The fourth reason for our decline—this pervades the whole life of the community—is the Government’s position on the rule of law. They have shown insufficient support for the rule of law in this country. The most cogent example of that proposition came from the Lord President in 1977. He said: “It does so happen to be the case that if the freedom of the people of this country—and especially the rights of trade unionists—if those precious things in the past had been left to the good sense and fairmindedness of judges, we would have precious few freedoms in this country”. Some of us were so appalled by what the Lord President said that we tackled the Prime Minister about it in the House of Commons.

He said: “Frankly, I do not think that he went far enough.” The Government set the tone. The events of the winter produced a new phrase from the Attorney-General—“lawful intimidation”. If the Prime Minister and his Ministers take that view of the law, it is not surprising that others will follow.
I have referred to the speeches which we have heard during the debate. What appalls me is their utter defeatism and their utter loss of any confidence in Britain and the British people. The impression I have increasingly gained this week is that Ministers, who knew all the answers, in May and June, 1970—on prices, on unemployment, the lot—are now desperately staking their all on entry into Europe, not as a coherent policy but as an escape from the realities they find themselves powerless to deal with. The Secretary of State for Social Services, for example, is reported as having said in Macclesfield, “I have to tell you that jobs in this country depend on joining Europe.” That is not what they said in June, 1970—and all this regardless of the warnings of his colleagues from trade and industry, who had fairly warned of the worsening in the situation in the early years.

The most pathetic intervention was that of the right hon. misnomer, the Secretary of State for Employment, who talked unhappily about the unemployment situation. Each month we have him expressing his amazement at the increase in the unemployment figures, and now he is even blaming his officials for getting their forecasts wrong. He must know that he is only in his office because enough people believed the right hon. Gentleman when he promised to reduce unemployment at a stroke. The right hon. Gentleman must bear the responsibility. If he misled the people then, no one will believe him now when in his vague way he says that jobs depend on getting into Europe.

He must carry the responsibility, as the Prime Minister must carry the full responsibility for his clear commitments about Europe to the British people before and during the General Election. His claim to a mandate, which he did not seek and did not obtain, is shown to be false by his manifesto: “Our sole commitment is to negotiate; no more, no less”, a sentence the Foreign and Commonwealth Secretary forgot to read last week.

Further, the right hon. Gentleman said in May last year: “It would not be in the interests of the Community that its enlargement should take place except with the full-hearted consent of the Parliaments and peoples of the new member countries…” On B.B.C. television, on “Election Forum”, he said: “… no British Government could possibly take this country into the Common Market against the wish of the British people…” He must tell us tonight whether he believes he has secured the full-hearted consent of the British people. I hope for his sake, because I wish him well, that he will do better than he did on “Panorama” a week or two ago, when he confirmed that it was still his view that “No British Government could possibly take this country into the Common Market against the wish of the British people.” Asked about that, he said that he had had “…a lot of letters from official organisations… I would have said that the organisations have become more and more strongly in support of our entry into the Community.” The C.B.I., no doubt, the Chambers of Commerce, the employers, the merchant banks—oh yes! But not the trade union movement, not the pensioners, not the unemployed, not the housewife […].
In the wartime army, they used to tell the story, apocryphal I am sure, about the regular army officer at the end of the first world war saying, ‘thank goodness now the war is over we can get back to real soldiering’.

In the same way, some of us will be tempted to say, ‘now the election’s over, we can get back to real politics, Tory politics’.

Perhaps I should explain. I mean ‘politics’ instead of an exclusive diet of economics, and I mean Tory politics, all the things we Tories stand for, and have stood for long before Socialists came on the scene. Yes, we have to get economics back into proportion, as one aspect of politics, important but never really the main thing. This may be unfashionable, indeed anti-fashionable, because it is the current intellectual fashions which have wrought so much havoc in this country.

During the elections, discussion focussed almost exclusively on economics; and we lost the election. Were these two facts unconnected? I don’t think so. The voter has faced three parties all of who claimed that they alone had the secret of fighting inflation, of achieving economic growth, of keeping down prices and providing benefits. This was the kind of auction in which Labour was bound to outbid us, because they are quite uninhibited, in promising the earth.

Over the years, this auction has raised expectations which cannot be satisfied, generated grievances and discontents. Far from bringing wellbeing, this economics-first approach has aggravated unhappiness and social conflict, as well as over-straining the whole economic system to a point where it is beginning to seize up.

Would it not now be better to approach the public, who know that economics is not everything, as whole men rather than economic men? Should we not deal with matters which concern the nation; respect for other people and for law, the welfare of young people, the state of family life, the moral welfare of all the people, cultural values, public-spiritedness or its lack, national defence, the tone of national life? These are at the centre of the public’s concern. The economic situation is not an independent variable; it reflects the state of political life, the degree to which people are aware of realities, and the climate of opinion. You will only have a healthy economy in a sound body politic.

In the same way, our Tory approach to economics as party, as a tradition reflects our total approach to life and society. Our approach emphasises liberties, decentralised power, individual responsibility and interdependence. It differs substantially from that of Socialists. I am not talking about people who happen to vote socialist, but the active Socialist members and the socialist intellectuals, those who have shaped current fashions regarding the economy, education, the arts, social welfare, the family.

And the opposite of socialist is not capitalist. Our party is older than capitalism, and wider than any class. It grew up in the first place out of concern for liberties, traditions and morals. It has evolved a good deal in the past three centuries yet it has retained its essential character; its area of concern is the whole of public life and all matters which should be of public interest down to the treatment of every man, woman and child.
In Britain itself the changes since February 1974 are confused. The actual condition of the country, if measured by economic comparisons with other industrial countries, has further deteriorated. The North Sea oil is producing its good effect on the balance of payments, but despite fluctuations we still have a rate of inflation sharply higher than that of our competitors, and this is the single most powerful fact about the British economy today. For it has led to a reluctance to invest, an inability to increase production, a savage increase in internal and external debt, and a rate of unemployment likely to remain high at a time when our competitors with lower rates of inflation are able to create a larger number of new real (i.e. profitable) jobs. The next effort to revive Britain will have to begin from a much less favourable starting point.

In addition there is now less confidence in the British political system. As one government after another fails to meet expectations, confidence withers further. While individual Members of Parliament are often respected and even liked, they find that the reputation of Parliament itself has declined. There is less interest in the comings and goings of party politics, less belief that the result of any particular general election is crucial. There is a much greater resentment now among practical people at the instability which our system imposes on their lives. They see in Germany and the United States democratic political systems which give the voter a real choice, but which do not involve abrupt and destructive changes of domestic policy every four or five years. France and Italy have the enormous disadvantage of large Communist Parties built into their political system. We do not have this penalty, but increasingly our own politics in their effect on ordinary people seem more like the politics of France and Italy, and less like those of the more successful democracies, which once looked to us as a model.

It follows that, next time, part of the revival of Britain must be a revival of Parliament, as the centre of our political system. This was not something to which Mr Heath and his colleagues paid much attention. It is not true that they deliberately neglected Parliament, but they were not particularly concerned with its reform. Indeed one of the damaging paradoxes of recent British politics is that politicians have been eager to reform every institution except their own. The smallest change in the procedures of the House of Commons is harder to carry through than the nationalization of a greater industry. The constructive reform of the second chamber, as opposed to the trimming of its powers, has hung fire for most of this century. Parliament has become less and less concerned with the intelligent discussion of real issues. The party manoeuvres which are its daily concern seem less and less important to its electors. Parliament has moved or been moved some distance away from the centre of the nation’s life.

This is bad for democracy, but it is also bad for governments. The experience of Mr Heath and his colleagues illustrates the point. The Labour Opposition played the parliamentary game to the utmost. They paid little regard either to consistency or to the needs of the country as recently defined by themselves. For example they knew and had said that Britain needed to enter the EEC, to overhaul her trade union system, and to hold back excessive wage claims.

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1 Douglas Hurd was Heath’s private secretary in the early 1970s. He became a prominent figure of the Conservative Party.
Whichever party wins the election will face a particularly difficult challenge to contain wage inflation, as both party manifestos agree. There must be few people who do not expect a serious collision between Government worried about good housekeeping and militant trade unions asking what they can get for a demanding membership. The Opposition has given some idea of what it would do, while leaving much doubt about what it can achieve. The Government – certainly some of the Government’s advisers – know by now what unexpected and disturbing results have developed from previous policies, but what they propose to do in the short term to deal with the situation is not at all clear.

A statutory pause for all wages and salaries can hardly be repeated by Labour, and the Conservatives do not want one. The past nine months have shown the costs in inflationary demands of the sense of grievance the pause engendered – grievance in fact disproportionate to the hardship the policy caused. It has been budgetary rather than direct wage restraint which has hurt most.

During recent months Government voices have increasingly favoured throwing the problem back to the employers. How often has Mrs. Castle said to management audiences something like: “You come to us to ask us to solve your problems…”? When the Conservatives propose obligations for large companies and a code of good industrial practice, union leaders like Mr. Jack Jones point out that the real failures in management are not in big companies but in little ones. Of course, there is something in all this, but it is less than half the story. Managements accustomed to industrial unrest are finding their workers more aggressive – and more unanimous – than usual. Companies that have never had trouble are running into it for the first time, often with great bitterness on both sides.

At present we have sharply increasing wage rates and slightly increasing unemployment, which is a pathological state of affairs calling for a most sensitive remedy.

Conservatives’ intentions are fairly clear. As employers, they will not allow their staffs easy and unproductive wage increases.

What Labour will do is still vague. Every government has to have an incomes policy, but so far what Labour’s experiments have proved is that they have not developed enough criteria for such a policy to match all the elements involved – good work, fair shares, self-respect, for example, and disturbance of habit. The Conservative answers are probably inadequate. Standing back and taking the long view, like the Liberals, it is possible to theorize about these things. Yet the Labour Party’s claim to be the next Government depends on their ability to master a wages crisis which is already here. The manifesto carefully avoids saying how they will do it.
Question au programme :
Le Royaume-Uni à l'épreuve de la crise, 1970-1979

Sujet de leçon :
Discuss:
The crisis of the two-party model in the UK in the 1970s
**Question au programme :**

Le Royaume-Uni à l’épreuve de la crise, 1970-1979

**Sujet de leçon :**

Discuss the following statement:

“I make one final point. It is still sometimes said that the British people are not living within their means and need to be taught a sharp lesson about the reality of our condition. But on present policies we shall be living within our means by late 1977 or early 1978. Meanwhile the British people are enduring 1.5 million unemployed, a loss of potential production on an enormous scale, and an actual fall in their real standard of living. There is no canon of morality or economics of social democracy which demands from them a further and needless sacrifice.”

**Question au programme:**

Le Royaume-Uni à l'épreuve de la crise, 1970-1979

**Sujet de leçon:**

Discuss:

Radicals and moderates in 1970s Britain
Question au programme :
Le Royaume-Uni à l’épreuve de la crise, 1970-1979

Sujet de leçon :
Discuss the following statement:

“The Winter of Discontent does, indeed, represent and constitute a genuine crisis of the British state and of Keynesianism as an economic paradigm, but, perhaps like all state crises, it was a manufactured or constructed crisis. [...] That it was seen as a crisis – and a crisis of Keynesianism and an overextended state held to ransom by the unions specifically – gives the Winter of Discontent its enduring significance”.

### Question au programme :

| Le Royaume-Uni à l’épreuve de la crise, 1970-1979 |

### Sujet de leçon :

Discuss the following statement:

“The bitter and intense industrial disputes of the autumn and winter of 1978/9 helped change the course of British politics.”

http://news.bbc.co.uk/2/hi/business/7598647.stm
**Question au programme :**

Le Royaume-Uni à l’épreuve de la crise, 1970-1979

**Sujet de leçon :**

Discuss the following statement:

“[T]he Scotland and Wales Acts were born, not out of a principled belief in the dispersal of power from Whitehall, but from expediency. [...] Nor did Labour ever seek to secure the wider degree of political support necessary for a constitutional scheme of such magnitude. [...] The scheme itself was an impossible one to defend, and indeed few attempted to defend it.”


Question au programme :

Le Royaume-Uni à l’épreuve de la crise, 1970-1979

Sujet de leçon :

Discuss the following statement:

“[W]e must push ahead and develop plans for further participation, freely negotiated, and have greater mutual understanding from the start across the negotiating table, which should improve the climate for negotiations. This means better communications and constant effort by trade unions and managements alike, in explaining to employees the true facts of economic life on which responsible negotiations will be undertaken on their behalf. This process of explanation must be carried on not merely in times of crisis, when we are on the edge of a precipice, but in good times, in bad times and continuously. To my mind, this is the first absolute essential.”

**Question au programme :**

Le Royaume-Uni à l'épreuve de la crise, 1970-1979

**Sujet de leçon :**

Discuss the following statement:

“For just as the moral reforms of the 1960s were closely associated with a particular political approach, so the moral conservatism represented by Mrs Whitehouse, while eschewing overt political commitment, was fully complicit with a political approach which by the end of the 1970s had achieved a precarious hegemony. Sir Keith Joseph, representing the new conservatism, could, without any sense of incongruity, advise his supporters to ‘take inspiration from that remarkable woman’”.

**Question au programme :**

Le Royaume-Uni à l’épreuve de la crise, 1970-1979

**Sujet de leçon :**

Discuss the following statement:

“[...] May 1979 was less of a boundary between two political worlds than is commonly accepted. General elections, like the beginnings and ends of decades, are rarely as decisive as they seem.”

**Question au programme**:

Le Royaume-Uni à l’épreuve de la crise, 1970-1979

**Sujet de leçon**:

Discuss the following statement:

“The collapse of the Heath Government, and the failure of the Conservatives in the first 1974 election, gave a great stimulus to radical right criticisms of the policies of all governments since 1945, including the Heath one.”