

LOWE BELL COMMUNICATIONS LIMITED

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16th March, 1990

Rt. Hon. Mrs. Margaret Thatcher, MP,
The Prime Minister,
No 10 Downing Street,
London, S. W. 1.

Dear Prime Minister

I write this letter as someone who has always supported and worked for you for the last twelve years. My loyalty has never been in question and my support never will be. I am convinced you must go on leading Britain for as long as you are prepared to and I am certain you must lead the Party into the next Election.

When the mood gets as bad as it is now your friends, if I may presume to be one, have a duty to tell you their thoughts and try to help. I know you are resolute and so you should be. However, it must be worth seeing if there are some things that should be done.

In order to know what to do (if anything) we have to correctly identify why so many voters are no longer supportive of the Conservatives and the Prime Minister.

The first thing to establish is that the Prime Minister's popularity is higher than the Party when we are perceived to be successful and lower than the Party when we are perceived to be failing. This is because you are such a strong figure and so clearly thought to determine the course of Government policy.

I am concentrating on the economic issues because they are central to everything else.

What are the voters' key criticisms?

.../2

1. Don't like the economic restraint - Interest rates/Mortgage rates.
2. Don't understand why it is necessary if there has been an economic miracle.
3. Have no evidence that the policies are working - inflation continues to go up and for the better informed the balance of trade gets worse.
4. Believe the economic problems are of the Government's own making - the Lawson factor.
5. The Prime Ministers economic credibility is not yet damaged but is undermined.
6. They hate the community charge in very large numbers:
 - they blame the Government
 - they blame the Prime Minister
 - they think it is unfair
 - they don't understand the reason for it
 - they see no benefit in it
 - they see a Conservative Government increasing taxes - something that contradicts everything they believe about Conservative policy
 - they do not blame the local authorities - no matter what colour
 - they have enough trouble coping with interest and mortgage repayments. This extra bill imposed by the Conservative Government, sometimes as high as £1500 to £2000, is the last straw - some of them just cannot afford it - particularly C2s who bought their own council houses.

Their perception of the community charge makes it foreign to the values they perceive in Conservative/Thatcherite policies:

- not fair
- worse for people of modest income trying to be a homeowner
- not giving people more say over their money but less - because their tax bill has gone up.

These may be wrong perceptions but they are what very many people think.

These economic worries and fears are, on the one hand, exacerbated by perceived discontent and splits amongst Conservative MPs and, on the other hand, overwhelm any benefit from the perception of past achievements at home and abroad - they take the past for granted as has always been the case and reminding them of it simply exaggerates their current disillusionment. Constant difficulties with other policy areas - health, environment, Europe, etc. - make the disillusionment worse. Our successes are taken for granted. Our perceived failures dominate the news.

Overall the effect is dramatic.

In 1979/83/87 they needed Mrs. T to slay dragons -

- fight the Unions
- undo Labour economic failure
- create the environment for prosperity
- wipe out socialism
- strengthen our defences
- expand choice/opportunity/freedom.

Now in 1990, many of the dragons are perceived to be slain, i.e. Trade Unions, Communism/Socialism, unemployment. The economic dragon was slain. It has re-emerged, but only because of the Government's perceived errors.

The new dragons are perceived to be of the Government's own making, i.e. the community charge, the trade gap, interest rates, the mortgage rate, Tory splits, Europe. The result of this is that people no longer know what they need Mrs. T for other than to correct the Government's own errors.

Telling them they need the Prime Minister to sort out the economy may be believed but there are no votes in it because people believe it's the Government's fault that it has gone wrong.

All this means they are prepared to contemplate seriously a change of direction.

Of course we should not change direction but what we must do is reassure our supporters and lapsed supporters, think and act politically and be seen to have a vision for the future. What should we do specifically?

1. Sell the benefits of the community charge with confidence - much more than we are doing now.
2. Address some of the perceived difficulties with the community charge either by words or actions - particularly address our lost voters - old people and C2s.
3. Restate the underlying strengths and long term gains in the British economy - more frequently but in a forward looking way.
4. Constantly restate our determination to conquer inflation and why this is important.

And, most importantly:

5. Set some new targets that the people will see they need Mrs. T to achieve because only she can make it happen.

How do we do all this?

Form two groups of ministers and political friends. One to address the present political problems with the objective of stopping the haemorrhaging and regaining some ground, particularly amongst our lapsed supporters. This group should be led by the Chairman.

The second group's objective is to show that Thatcherite values have just as much relevance to the Nineties as they have had to the Eighties.

The second group must be exclusively concerned with new ideas steeped in Thatcherite values - i. e. more

opportunity, more choice, more freedom, rolling back socialism, giving people more say over their money and pride in Britain.

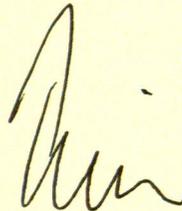
It is important that this group is publicised so that people know we are thinking ahead and the results should be launched at the Party Conference in the Autumn as the start of an eighteen month campaign to enable us to win the next General Election.

Only by setting a new agenda will the people be able to recognise why they need the Prime Minister and the Conservative Government. In other words, the Government must stop thinking about its past achievements and start creating the platform for some new ones.

This may all be very unhelpful or not contain any new thinking. If so, I am sorry to have wasted your time. If it is at all helpful, I am always available to try to carry the thoughts further.

yours ever

TIM BELL

A handwritten signature in cursive script, appearing to read 'Tim', positioned below the phrase 'yours ever'.

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