



Foreign and Commonwealth Office

London SW1A 2AH

13 February 1984

Mr Stephen Sherbourne
Political Secretary
10 Downing Street

Dear Stephen,

I attach some papers I have drafted for Geoffrey Howe for Thursday's Cabinet meeting. I thought it might help to focus our discussion tomorrow morning (and to give me an opportunity to take on board your ideas) if I let you see these before we meet.

Yours
gh

J Houston

* 'no press ed.
2 more than on 6
minutes

3 briefy 9 minutes
concl.

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From: J Houston
Date: 13 February 1984
cc: Mr Rifkind

Secretary of State

CABINET MEETING ON EUROPEAN ELECTIONS

1. I attach a draft paper on election policy which takes account of comments from Mr Rifkind, Adam Ridley and Andrew Tyrie. Mr Tyrie has, as you know, within the last week been asked by the Chairman to draft such a paper and will present it to him before the meeting.

* 2. The objectives of the meeting might include the following:

- (a) To remind Cabinet colleagues of the importance of these elections and to alert them to the key dates
- (b) To start everyone thinking in election terms from now on within their own departments
- (c) To clear the ground on any fundamental problems of approach which might exist
- (d) To clear the ground on basic questions of organization and campaigning
- (e) To start the process of undermining opposition platforms for the elections and getting across our basic themes.

3. The following are some points you may wish to raise:

- (a) New Policies: There is a lot to be said for doing more than simply packaging existing policy. There may well be new proposals emerging in departments which with a little coordination and management could be timed for announcement either in the manifesto or during the campaign. Without this our platform risks seeming stale and predictable by comparison with the interest there will be in new Labour gimmicks.
- (b) Basic Posture: Need to establish correct balance between nationalist stance (Conservatives' fight best for Britain) and Community stance (Conservatives committed to realizing Community potential); and between reformist approach (Conservatives will not accept status quo); and defence of Community (Community is good for Britain).

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- (c) Backbenchers: You have been taking temperature of backbenchers on the elections. You met 1922 Committee Executive and Malcolm Rifkind met the European Affairs Committee for this purpose. The 1922 Committee thought their key theme was essentially that being used in the (non-political?) information campaign: "Conservatives fight best for Britain in Europe". They were concerned that we get the farmers/consumers balance right. The European Affairs Committee also wanted a fundamentally nationalist posture, rallying support behind the Government's EC policy. They also wanted a simple manifesto, not distracting too much attention from the need to get out the Conservative vote.
- (d) Co-ordination: There is a clear need from here on to ensure that:
- (i) Government decisions, eg milk prices, steel, infraction proceedings, etc,
 - (ii) EDG activities in the European Parliament,
 - (iii) Party activities on campaign preparations
- are viewed in an election context and properly co-ordinated. No machinery for this at present. Case for Lord Whitelaw extending his operation on banana skins and establishing parallel, more long-term one for European elections (with additional personnel, eg Mr Rifkind, Prout, Ridley, Houston?) requiring Departments regularly to review and report on potential Euro-publicity issues (as Nigel Lawson has recently very helpfully done on VAT infraction problems).
- (e) Questions of Policy: Lord Whitelaw has agreed to chair this exercise. Very useful, given complications of keeping EDG on board, Government and Parliamentary business continuing, and possible need to consult Cabinet or group of ministers (OD?) at short notice.
- (f) Monitoring Opposition: Colleagues to monitor Opposition proposals in all fields and have costings and assessments done early before campaign (the FCO has done preliminary analysis of Kinnock line on deficiency payments system).
- (g) Manifesto: Work in hand; will shortly be discussing first draft (23rd). Most colleagues have made useful contributions, but in some cases will be coming back for supplementary information. Hope colleagues can alert their Special Advisers to respond rapidly to requests.

/Bringing

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Bringing in colleagues for informal drafting sessions at later stage, aware of need for everyone to be happy. Manifesto approved initially by Howe Group (joint with EDG - Leader of House a Member) then by PM, acceptable to Cabinet.

(h) Campaign and Money: Should see campaign in 3 sections:

- (i) Now to Brussels Summit
- (ii) Brussels Summit to start of campaign (17 May)
- (iii) Campaign proper.

(i) and (ii): need for mutually consistent and effective activities in all three periods. Information Campaign now under way - some millions of pounds available. Cut-off date of 14 April. £750,000 for newspaper advertising - vital this complements and strengthens what Ministers are saying and doing in European affairs, and is properly timed to be adaptable, eg advertisements in national dailies should start long enough after Brussels to be able to take results into account. You have arranged to see advertisements and leaflets. Co-ordination vital. Party and EDG must not operate in isolation from Government timetables. Need for people who know what Government is doing to be involved, and for CRD to perform its usual crucial liaison functions on policy. Need for two-way flow of views on publicity - Saatchi's to be kept under control (who is responsible from a policy point of view?).

(iii): Is money a problem? Concern in constituencies at use to which large central funds being put - need to convince workers that major advertising two months before elections not a total waste of money. Will we have funds to ensure a proper campaign? Understood that cut-off date agreement involved party commitment to fund campaign adequately. Need to make a real effort. Understand problem of party commitment to no state funding - but 1979 principle breached and no problems. Apparently all other parties spending up to polling day. EDG would have a right to feel let down if we have a second-rate campaign, badly-funded.

- (i) Opinion Polls: Need much more information on public attitudes to party positions. Nothing of substance since last summer. Understand research under way - useful to see soon.
- (j) Ministerial Involvement in Campaign: Need to get dates established quickly. Understand proposal to change manifesto launch to Thursday, 17 May (better press day than Friday) and to have final Candidates Conference that day. Essential for you to be there, and you may have problems with that day (OECD Ministerial, Paris).


J Houston

PAPERS IN THE FILE

- A Letter to Prime Minister
- B Draft Themes Paper
- C Chairman's Campaign Paper
- D Papers on election scenarios and Euro-boundaries
- E Information Campaign material
- F Notes on meetings with 1922 Executive and European Affairs Backbench Committee
- G Cook Paper
- H Note on Campaign availability
- I Treasury note on Albert/Ball Report (Mr Ridley is revising) (to be debated in March session of EP)
- J Mr Ridley's notes on organization

THE EUROPEAN ELECTIONS: THE CONSERVATIVE APPROACH

1. Objectives

- * To elect as many Conservative candidates as possible
- * To reinforce our General Election success and safeguard the authority of the Government
- * To show public support for our European policies
- * To show that the Labour Party under Neil Kinnock has not changed or improved
- * To ensure that the SDP and Liberal Parties make no progress in these elections.

2. The context for these elections will be established by:

- (a) The European negotiations: The Brussels Summit, and our posture after it, will establish the basic framework of our position on EC matters in the election. Any decision on withholding if the Parliament refused to release our 1983 refunds would have an important effect on election presentation - we would be attacking a decision of the Parliament to which we were seeking to elect MEPs.
- (b) Domestic Issues: Domestic issues are likely to play an important part in the elections since it will be treated as a verdict on the first year of this Government. The Labour Party will have the advantage that there is no risk they may have to deliver on their promises on this occasion; the Government will be required by the responsibilities of office, which it will exercise throughout the campaign and subsequently, to proceed cautiously.

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3. Themes

European and domestic issues will therefore be confused in the campaign. It will be in our interests to emphasise the European aspect, give Labour weaknesses and divisions, even on matters such as the NHS where comparisons with economy measures in other member states provide a useful perspective.

(i) Conservatives have Commitment, Experience and Achievements

We are the party with a consistent record of commitment to the Community. The Community has benefited Britain (door-step fighting facts on trade, jobs, grants, loans food prices, etc, will be necessary). Conservatives represent Britain's interests best (our achievements on refunds, negotiations, Fisheries).

(ii) Strength through Unity

Together with our Community partners we have greater influence in world (Political Co-operation, trade). Europe is bastion of democracy and stability in a dangerous world.

(iii) A Common Market

Potential of the Community not yet fully realized. Need to set European industry free and sweep away unnecessary frontier controls and paperwork, internal barriers to trade, liberalize transport and financial services. This will help create new jobs by reducing costs to industry and making us competitive on a world scale.

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4. Other Parties

Labour will be seeking to combine European/^{and}domestic issues in order to mount a major attack on Government policies and record. They will also be anxious to avoid being portrayed as insular (as in the last election) and will therefore stress their connections with other European Socialist parties. We will therefore have to watch in particular the policies and ideas on recovery/ industry put forward by President Mitterrand to avoid being wrong-footed by the Labour Party, though French foreign policies in general offer Labour little comfort. We will also need to exploit our connections with other parties to show we have friends and that the EDG are not an isolated friendless group in the European Parliament. Labour will also attack us ~~as~~ not being tough enough on the budget and on "root and branch" reform of the CAP. They will exploit difficulties about new own resources. The results of Brussels will largely determine how we respond to this - increasing criticisms of British farmers will make their attempt to portray us as the "party of the farmer" more difficult.

The SDP and Liberals seem likely to want to make a major issue out of Proportional Representation, since the "unfairness" of the present system can be claimed to be greater for European elections. This would also have the advantage for them of diverting attention from their many difficulties: the unpopular semi-federalist approach, and related differences of emphasis between the two parties;

the right-wing nature of the Liberal Group in the EP; the difficulties over sharing out seats. They (like Labour) are likely also to want to raise Euro-missiles as an issue, and possibly Euro-protectionism.

5. Conservative Approach

We will need to concentrate on our achievements and our well understood policy, while also conducting a sustained campaign to expose the divisions and weaknesses in the opposition:

Labour's disgraceful record of IN/OUT/IN/OUT/? no achievements on the Budget; lack of credibility abroad; papering over the cracks.

Alliance willingness to abandon veto and promote federal Europe. Divisions on fundamental defence issues. Foolish ideas like Community troops in Northern Ireland.

6. Particular Issues

(a) Defence/Security: As CND plans to organize a Europe-wide poll on missiles on election day, and as this will be an issue which Labour and the Alliance parties are likely to raise, we shall have to expect this to feature large in the debate and plan accordingly. We will need positions prepared in depth on various European initiatives and ideas on joint arms procurement, on the security aspect of Community activity, etc.

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(b) Farmers V Consumers: it will be very important to get this right given the conflicting pressures from a concerned farming community and the Labour attack on a "party of the farmers". We need to stress our commitment to reform of the CAP, while highlighting our record of helping the British farming industry. We shall have to emphasise the need for all member states, and all industries, to share economies. A detailed analysis of critical seats and the attitudes of challenging candidates to farming issues will be helpful in refining our presentation.

JH 13.2.84