LOCAL GOVERNMENT: COUNTERING THE FAR LEFT

From Olin 15/1/85

THE PROBLEM

-

Local authorities spend some £30 billion annually. As part of its efforts to control this vast bill, the Government has 'rate-capped' the eighteen highest-spenders. These authorities are now legally bound to set rates below the limit prescribed by Patrick Jenkin, and to budget accordingly. Two of them are Conservative-controlled and will obey the law; several more will probably come to heel between now and April (when the rates are set). But there is a severe risk that half a dozen will refuse to comply, and they are likely to be joined by Liverpool which (though not rate-capped) has a history of financial irresponsibility.

The authorities that decide to break the law have three options:

either they can refuse to set a rate;

- or they can set a rate within the legal limit, but budget to spend more than that rate will raise;
- or they can set an illegally high rate that the Secretary of State is obliged to quash.

Any of these options could lead to the financial collapse of the authority, with the following results:

- i. failure to meet interest charges;
- ii. calling-in of debts by creditors;
- iii. lack of funds to pay for services;

iv. breakdown of services.

-1 -

The timing of these stages is uncertain because the councils have many different sources of funds; but there are likely to be financial difficulties by mid-summer, and the first service breakdowns may well occur in early autumn.

The aims of the far-Left councillors who run these authorities are clear, (and in many cases openly announced in the far-Left press). They want:

- to cause disruption in the financial markets;
- to cause dislocation in local services;
- to make the Government appear responsible for such disruption and dislocation.
- to corner the Government, so that it <u>either</u> loses face by repealing the Rates Act, <u>or</u> loses popular support by imposing 'dictatorial' Commissioners.

In pursuit of these aims, the far-Left Councillors have developed a sophisticated system of campaigning. They meet regularly to coordinate their activities, (as we see from the minutes that are occasionally leaked). They fund professional 'Campaign Units' in London and Sheffield, who are paid to foster all forms of opposition to Patrick Jenkin's local Government policies. They spend millions of pounds of public money, (legitimised by various sections of the 1972 Local Government Act), on widespread advertising campaigns. They ensure that all publicity represents them as eminently reasonable, entirely non-revolutionary, fundamentally non-political proponents of 'local democracy': hence, the Campaign Unit is classed as a 'non-political' organisation, and their advertisements remind the public of opposition to rate-capping, not from the Labour Party but from Conservative figures such as Heath and Pym. Above all, they make use of the institutions run by the Council to

carry endless repetitions of their message: town halls, schools, colleges, libraries, public baths etc. are stocked with posters and leaflets; officials are hired on the basis of political affiliation; 'voluntary groups' are given funds to carry on the good work.

The Government has not made any significant response to this campaign. Nor is it in a position to do so. The Department of Environment is prevented by its own probity from spending public funds on anything approaching political propaganda. The Conservative party has insufficient resources. Conservative Opposition Councillors are mainly part-timers (unlike their far-Left counterparts), and do not have access to the money, information, or advice from officials available to councillors from the majority party.

The effects of this one-sided disarmament are predictable: the far-Left will persuade the public that rate-capping is an attack on sensible local democracy; when financial collapse and service breakdown occurs, the public may well conclude that it is the Government's fault; the Government will be forced either to give way or to impose commissioners to run the councils in the face of popular hostility. By themselves, these results will not, of course, generate anything remotely approximating to a revolution. But they will increase the chances both of continued far-Left ascendancy in the Labour Party and of a defeat for the Government at the next election.

THE SOLUTION

The only effective method of countering the far-Left's tactics is to set up a campaign group of our own. This would have to be privately funded, and independent from the Government and the Conservative Party: this alone would give it sufficient freedom and a sufficiently 'non-political' tone. The specifications for such a group might be:

- 3 -

- Name: Something memorable and aggressive, but not explicitly Conservative - 'Ratepayers Against Revolution '?
- <u>Aim</u>: To reveal the true motives and activities of the far-Left councillors so that the public is prepared for collapse, sees such collapse as the fault of the far-Left, and is ready for the Government to take strong action.

Methods:

- i. Concentrated advertising between February and October, quoting facts and statements from the far-Left, and stressing their revolutionary intentions;
- ii. Opinion-polls, designed both to guide the advertising campaign and to stimulate public awareness - these, like the advertising and the formation of the group itself, should become news items;
- iii. Work with the media to encourage news stories, documentaries etc., revealing the activities of far-Left councillors - this applies to local and national press;
 - iv. Coordination with Conservative Councillors in the relevant areas, providing them with effective propaganda, and making use of their expertise and local networks for distributions;
 - v. Lobbying of MPs, businessmen etc., to ensure that they are informed about the problem;

- 4 -

vi. Informal communication with Government and Party, so that propaganda can be coordinated with Party political broadcasts, ministerial speeches, Government actions etc.

Personnel:

A group leader, highly energetic and talented, with political and PR experience, and journalistic contacts - possible names include, B. Anderson, (LWT), M. Dobbs (Saatchi), R. Harris (Leon Brittan's special adviser).

The leader will need three assistants, (one from the media, one from local Government, one with central political expertise), as well as efficient secretarial assistance.

The group will also require a good advertising agency and a good lobbyist; the far-Left have already engaged BMP for advertising and GJW for lobbying (who are the best for these purposes). An effort might be made to outbid their present patrons. Otherwise, Saatchi and Saatchi will probably be the most useful for advertising, and the group will have to search quickly for another lobbyist.

Cost:

It is believed that the rate-capped councils are spending fl5 - f30 million (0.5% - 1% of their total budgets) on propaganda either directly or indirectly. Even this may be an under-estimate, given their access to 'free' use of premises etc. An effective counter-attack might, however, be mounted by spending f5 million or less, if the media is skilfully used to provide additional free publicity.

- 5 -