

Margaret Thatcher, Speech to Conservative Party Conference 10 October 1980

Mr chairman, ladies and gentlemen, most of my Cabinet colleagues have started their speeches of reply by paying very well deserved tributes to their junior Ministers. At Number 10 I have no junior Ministers. There is just [Denis Thatcher] Denis and me, and I could not do without him.

I am, however, very fortunate in having a marvellous deputy who is wonderful in all places at all times in all things— Willie Whitelaw .

At our party conference last year I said that the task in which the Government were engaged—to change the national attitude of mind—was the most challenging to face any British Administration since the war. Challenge is exhilarating. This week we Conservatives have been taking stock, discussing the achievements, the set-backs and the work that lies ahead as we enter our second parliamentary year. As you said Mr Chairman our debates have been stimulating and our debates have been constructive. This week has demonstrated that we are a party united in purpose, strategy and resolve. And we actually like one another.

When I am asked for a detailed forecast of what will happen in the coming months or years I remember Sam Goldwyn 's advice: “Never prophesy, especially about the future.” (Interruption from the floor) Never mind, it is wet outside. I expect that they wanted to come in. You cannot blame them; it is always better where the Tories are. And you—and perhaps they—will be looking to me this afternoon for an indication of how the Government see the task before us and why we are tackling it the way we are. Before I begin let me get one thing out of the way.

This week at Brighton we have heard a good deal about last week at Blackpool. I will have a little more to say about that strange assembly later, but for the moment I want to say just this.

Because of what happened at that conference, there has been, behind all our deliberations this week, a heightened awareness that now, more than ever, our Conservative Government must succeed. We just must, because now there is even more at stake than some had realised.

There are many things to be done to set this nation on the road to recovery, and I do not mean economic recovery alone, but a new independence of spirit and zest for achievement.

It is sometimes said that because of our past we, as a people, expect too much and set our sights too high. That is not the way I see it. Rather it seems to me that throughout my life in politics our ambitions have steadily shrunk. Our response to disappointment has not been to lengthen our stride but to shorten the distance to be covered. But with confidence in ourselves and in our future what a nation we could be!

In its first seventeen months this Government have laid the foundations for recovery. We have undertaken a heavy load of legislation, a load we do not intend to repeat because we do not share the Socialist fantasy that achievement is measured by the number of laws you pass. But there was a formidable barricade of obstacles that we had to sweep aside. For a

start, in his first Budget Geoffrey Howe began to rest incentives to stimulate the abilities and inventive genius of our people. Prosperity comes not from grand conferences of economists but by countless acts of personal self-confidence and self-reliance.

Under Geoffrey 's stewardship, Britain has repaid \$3,600 million of international debt, debt which had been run up by our predecessors. And we paid quite a lot of it before it was due. In the past twelve months Geoffrey has abolished exchange controls over which British Governments have dithered for decades. Our great enterprises are now free to seek opportunities overseas. This will help to secure our living standards long after North Sea oil has run out. This Government thinks about the future. We have made the first crucial changes in trade union law to remove the worst abuses of the closed shop, to restrict picketing to the place of work of the parties in dispute, and to encourage secret ballots.

Jim Prior has carried all these measures through with the support of the vast majority of trade union members. Keith Joseph , David Howell , John Nott and Norman Fowler have begun to break down the monopoly powers of nationalisation. Thanks to them British Aerospace will soon be open to private investment. The monopoly of the Post Office and British Telecommunications is being diminished. The barriers to private generation of electricity for sale have been lifted. For the first time nationalised industries and public utilities can be investigated by the Monopolies Commission—a long overdue reform.

Free competition in road passenger transport promises travellers a better deal. Michael Heseltine has given to millions—yes, millions—of council tenants the right to buy their own homes.

It was Anthony Eden who chose for us the goal of “a property-owning democracy”. But for all the time that I have been in public affairs that has been beyond the reach of so many, who were denied the right to the most basic ownership of all—the homes in which they live.

They wanted to buy. Many could afford to buy. But they happened to live under the jurisdiction of a Socialist council, which would not sell and did not believe in the independence that comes with ownership. Now Michael Heseltine has given them the chance to turn a dream into reality. And all this and a lot more in seventeen months.

The Left continues to refer with relish to the death of capitalism. Well, if this is the death of capitalism, I must say that it is quite a way to go.

But all this will avail us little unless we achieve our prime economic objective—the defeat of inflation. Inflation destroys nations and societies as surely as invading armies do. Inflation is the parent of unemployment. It is the unseen robber of those who have saved.

No policy which puts at risk the defeat of inflation—however great its short-term attraction—can be right. Our policy for the defeat of inflation is, in fact, traditional. It existed long before Sterling M3 embellished the Bank of England Quarterly Bulletin, or “monetarism” became a convenient term of political invective.

But some people talk as if control of the money supply was a revolutionary policy. Yet it was an essential condition for the recovery of much of continental Europe.

Those countries knew what was required for economic stability. Previously, they had lived through rampant inflation; they knew that it led to suitcase money, massive unemployment and the breakdown of society itself. They determined never to go that way again.

Today, after many years of monetary self-discipline, they have stable, prosperous economies better able than ours to withstand the buffeting of world recession.

So at international conferences to discuss economic affairs many of my fellow Heads of Government find our policies not strange, unusual or revolutionary, but normal, sound and honest. And that is what they are.

Their only question is: "Has Britain the courage and resolve to sustain the discipline for long enough to break through to success?"

Yes, Mr. Chairman, we have, and we shall. This Government are determined to stay with the policy and see it through to its conclusion. That is what marks this administration as one of the truly radical ministries of post-war Britain. Inflation is falling and should continue to fall.

Meanwhile we are not heedless of the hardships and worries that accompany the conquest of inflation.

Foremost among these is unemployment. Today our country has more than 2 million unemployed.

Now you can try to soften that figure in a dozen ways. You can point out—and it is quite legitimate to do so—that 2 million today does not mean what it meant in the 1930s; that the percentage of unemployment is much less now than it was then.

You can add that today many more married women go out to work.

You can stress that, because of the high birthrate in the early 1960s, there is an unusually large number of school leavers this year looking for work and that the same will be true for the next two years.

You can emphasise that about a quarter of a million people find new jobs each month and therefore go off the employment register.

And you can recall that there are nearly 25 million people in jobs compared with only about 18 million in the 1930s. You can point out that the Labour party conveniently overlooks the fact that of the 2 million unemployed for which they blame us, nearly a million and a half were bequeathed by their Government.

But when all that has been said the fact remains that the level of unemployment in our country today is a human tragedy. Let me make it clear beyond doubt. I am profoundly concerned about unemployment. Human dignity and self respect are undermined when men and women are condemned to idleness. The waste of a country's most precious assets—the talent and energy of its people— makes it the bounden duty of Government to seek a real and lasting cure.

If I could press a button and genuinely solve the unemployment problem, do you think that I would not press that button this instant? Does anyone imagine that there is the smallest political gain in letting this unemployment continue, or that there is some obscure economic religion which demands this unemployment as part of its ritual? This Government are pursuing the only policy which gives any hope of bringing our people back to real and lasting employment. It is no coincidence that those countries, of which I spoke

earlier, which have had lower rates of inflation have also had lower levels of unemployment.

I know that there is another real worry affecting many of our people. Although they accept that our policies are right, they feel deeply that the burden of carrying them out is falling much more heavily on the private than on the public sector. They say that the public sector is enjoying advantages but the private sector is taking the knocks and at the same time maintaining those in the public sector with better pay and pensions than they enjoy.

I must tell you that I share this concern and understand the resentment. That is why I and my colleagues say that to add to public spending takes away the very money and resources that industry needs to stay in business let alone to expand. Higher public spending, far from curing unemployment, can be the very vehicle that loses jobs and causes bankruptcies in trade and commerce. That is why we warned local authorities that since rates are frequently the biggest tax that industry now faces, increases in them can cripple local businesses. Councils must, therefore, learn to cut costs in the same way that companies have to.

That is why I stress that if those who work in public authorities take for themselves large pay increases they leave less to be spent on equipment and new buildings. That in turn deprives the private sector of the orders it needs, especially some of those industries in the hard pressed regions. Those in the public sector have a duty to those in the private sector not to take out so much in pay that they cause others unemployment. That is why we point out that every time high wage settlements in nationalised monopolies lead to higher charges for telephones, electricity, coal and water, they can drive companies out of business and cost other people their jobs.

If spending money like water was the answer to our country's problems, we would have no problems now. If ever a nation has spent, spent, spent and spent again, ours has. Today that dream is over. All of that money has got us nowhere but it still has to come from somewhere. Those who urge us to relax the squeeze, to spend yet more money indiscriminately in the belief that it will help the unemployed and the small businessman are not being kind or compassionate or caring.

They are not the friends of the unemployed or the small business. They are asking us to do again the very thing that caused the problems in the first place. We have made this point repeatedly.

I am accused of lecturing or preaching about this. I suppose it is a critic's way of saying "Well, we know it is true, but we have to carp at something." I do not care about that. But I do care about the future of free enterprise, the jobs and exports it provides and the independence it brings to our people. Independence? Yes, but let us be clear what we mean by that. Independence does not mean contracting out of all relationships with others. A nation can be free but it will not stay free for long if it has no friends and no alliances. Above all, it will not stay free if it cannot pay its own way in the world. By the same token, an individual needs to be part of a community and to feel that he is part of it. There is more to this than the chance to earn a living for himself and his family, essential though that is.

Of course, our vision and our aims go far beyond the complex arguments of economics, but unless we get the economy right we shall deny our people the opportunity to share that vision and to see beyond the narrow horizons of economic necessity. Without a healthy economy we cannot have a healthy society. Without a healthy society the economy will not stay healthy for long.

But it is not the State that creates a healthy society. When the State grows too powerful people feel that they count for less and less. The State drains society, not only of its wealth but of initiative, of energy, the will to improve and innovate as well as to preserve what is best. Our aim is to let people feel that they count for more and more. If we cannot trust the deepest instincts of our people we should not be in politics at all. Some aspects of our present society really do offend those instincts.

Decent people do want to do a proper job at work, not to be restrained or intimidated from giving value for money. They believe that honesty should be respected, not derided. They see crime and violence as a threat not just to society but to their own orderly way of life. They want to be allowed to bring up their children in these beliefs, without the fear that their efforts will be daily frustrated in the name of progress or free expression.^[fo 11] Indeed, that is what family life is all about.

There is not a generation gap in a happy and united family. People yearn to be able to rely on some generally accepted standards. Without them you have not got a society at all, you have purposeless anarchy. A healthy society is not created by its institutions, either. Great schools and universities do not make a great nation any more than great armies do. Only a great nation can create and involve great institutions—of learning, of healing, of scientific advance. And a great nation is the voluntary creation of its people—a people composed of men and women whose pride in themselves is founded on the knowledge of what they can give to a community of which they in turn can be proud.

If our people feel that they are part of a great nation and they are prepared to will the means to keep it great, a great nation we shall be, and shall remain. So, what can stop us from achieving this? What then stands in our way? The prospect of another winter of discontent? I suppose it might.

But I prefer to believe that certain lessons have been learnt from experience, that we are coming, slowly, painfully, to an autumn of understanding. And I hope that it will be followed by a winter of common sense. If it is not, we shall not be—diverted from our course.

To those waiting with bated breath for that favourite media catchphrase, the “U” turn, I have only one thing to say. “You turn if you want to. The lady's not for turning.” I say that not only to you but to our friends overseas and also to those who are not our friends.

In foreign affairs we have pursued our national interest robustly while remaining alive to the needs and interests of others. We have acted where our predecessors dithered and here I pay tribute to Lord Carrington . When I think of our much-travelled Foreign Secretary I am reminded of the advert, you know the one I mean, about “The peer that reaches those foreign parts that other peers cannot reach.”

Long before we came into office, and therefore long before the invasion of Afghanistan I was pointing to the threat from the East. I was accused of scaremongering. But events have more than justified my words.

Soviet marxism is ideologically, politically and morally bankrupt. But militarily the Soviet Union is a powerful and growing threat.

Yet it was Mr. Kosygin who said “No peace loving country, no person of integrity, should remain indifferent when an aggressor holds human life and world opinion in insolent contempt.” We agree. The British Government are not indifferent to the occupation of

Afghanistan. We shall not allow it to be forgotten. Unless and until the Soviet troops are withdrawn other nations are bound to wonder which of them may be next. Of course there are those who say that by speaking out we are complicating East-West relations, that we are endangering detente. But the real danger would lie in keeping silent. Detente is indivisible and it is a two-way process.

The Soviet Union cannot conduct wars by proxy in South-East Asia and Africa, foment trouble in the Middle East and Caribbean and invade neighbouring countries and still expect to conduct business as usual. Unless detente is pursued by both sides it can be pursued by neither, and it is a delusion to suppose otherwise. That is the message we shall be delivering loud and clear at the meeting of the European Security Conference in Madrid in the weeks immediately ahead.

But we shall also be reminding the other parties in Madrid that the Helsinki Accord was supposed to promote the freer movement of people and ideas. The Soviet Government's response so far has been a campaign of repression worse than any since Stalin 's day. It had been hoped that Helsinki would open gates across Europe. In fact, the guards today are better armed and the walls are no lower. But behind those walls the human spirit is unvanquished.[fo 13]

The workers of Poland in their millions have signalled their determination to participate in the shaping of their destiny. We salute them.

Marxists claim that the capitalist system is in crisis. But the Polish workers have shown that it is the Communist system that is in crisis. The Polish people should be left to work out their own future without external interference.

At every Party Conference, and every November in Parliament, we used to face difficult decisions over Rhodesia and over sanctions. But no longer. Since we last met the success at Lancaster House, and thereafter in Salisbury—a success won in the face of all the odds—has created new respect for Britain. It has given fresh hope to those grappling with the terrible problems of Southern Africa. It has given the Commonwealth new strength and unity. Now it is for the new nation, Zimbabwe, to build her own future with the support of all those who believe that democracy has a place in Africa, and we wish her well.

We showed over Rhodesia that the hallmarks of Tory policy are, as they have always been, realism and resolve. Not for us the disastrous fantasies of unilateral disarmament, of withdrawal from NATO, of abandoning Northern Ireland.

The irresponsibility of the Left on defence increases as the dangers which we face loom larger. We for our part, under Francis Pym 's brilliant leadership, have chosen a defence policy which potential foes will respect.

We are acquiring, with the co-operation of the United States Government, the Trident missile system. This will ensure the credibility of our strategic deterrent until the end of the century and beyond, and it was very important for the reputation of Britain abroad that we should keep our independent nuclear deterrent as well as for our citizens here.

We have agreed to the stationing of Cruise missiles in this country. The unilateralists object, but the recent willingness of the Soviet Government to open a new round of arms control negotiations shows the wisdom of our firmness.

We intend to maintain and, where possible, to improve our conventional forces so as to pull our weight in the Alliance. We have no wish to seek a free ride at the expense of our Allies. We will play our full part.

In Europe we have shown that it is possible to combine a vigorous defence of our own interests with a deep commitment to the idea and to the ideals of the Community.

The last Government were well aware that Britain's budget contribution was grossly unfair. They failed to do anything about it. We negotiated a satisfactory arrangement which will give us and our partners time to tackle the underlying issues. We have resolved the difficulties of New Zealand's lamb trade with the Community in a way which protects the interests of the farmers in New Zealand while giving our own farmers and our own housewives an excellent deal, and Peter Walker deserves to be congratulated on his success. Now he is two-thirds on his way to success in making important progress towards agreement on a common fisheries policy. That is very important to our people. There are many, many people whose livelihoods depend on it.

We face many other problems in the Community, but I am confident that they too will yield to the firm yet fair approach which has already proved so much more effective than the previous Government's five years of procrastination.

With each day it becomes clearer that in the wider world we face darkening horizons, and the war between Iran and Iraq is the latest symptom of a deeper malady. Europe and North America are centres of stability in an increasingly anxious world. The Community and the Alliance are the guarantee to other countries that democracy and freedom of choice are still possible. They stand for order and the rule of law in an age when disorder and lawlessness are ever more widespread.

The British Government intend to stand by both these great institutions, the Community and NATO. We will not betray them.

The restoration of Britain's place in the world and of the West's confidence in its own destiny are two aspects of the same process. No doubt there will be unexpected twists in the road, but with wisdom and resolution we can reach our goal. I believe we will show the wisdom and you may be certain that we will show the resolution.

In his warm hearted and generous speech, Peter Thorneycroft said that, when people are called upon to lead great nations they must look into the hearts and minds of the people whom they seek to govern. I would add that those who seek to govern must in turn be willing to allow their hearts and minds to lie open to the people.

This afternoon I have tried to set before you some of my most deeply held convictions and beliefs. This Party, which I am privileged to serve, and this Government, which I am proud to lead, are engaged in the massive task of restoring confidence and stability to our people.

I have always known that that task was vital. Since last week it has become even more vital than ever. We close our Conference in the aftermath of that sinister Utopia unveiled at Blackpool. Let Labour's Orwellian nightmare of the Left be the spur for us to dedicate with a new urgency our every ounce of energy and moral strength to rebuild the fortunes of this free nation.

If we were to fail, that freedom could be imperilled. So let us resist the blandishments of the faint hearts; let us ignore the howls and threats of the extremists; let us stand together and do our duty, and we shall not fail.