

## Margaret Thatcher's speech, **Brighton 1976**

**Margaret Thatcher (Conservative)** 

**Location: Brighton** 

**Commentary:** The focus of this speech was Britain's economic crisis, which Thatcher claimed was caused by excessive government spending, over-regulation of industry and the Labour party's failure to agree about the future of free enterprise. She described the Conservatives' solution as a common sense approach, the fundamentals of which were that the government should stop spending beyond its means and enact policies to promote expansion.

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NOTE EXCELLENT EXAMPLES OF REPETITION!



I want to speak to you today about the rebirth of a nation. Our nation. The British nation.

It is customary at Conferences to talk mainly about winning elections, to concentrate on the Party interest. There is nothing dishonourable about that. I am not against winning elections. On the contrary, I think that one of the problems facing this country is that our Party has not won enough of them lately. A situation we propose to remedy.

But for the Conservative Party politics has always been about something more than gaining power. It has been about serving the nation. We are above all a patriotic party, a national party; and so it is not we who have been obsessed this week with how to take party advantage of the present crisis. What's good for General Motors may be good for the USA. But nothing that's bad for Britain can ever be good for Conservatives. What we have been concerned with is how we car tackle this crisis, how we can ensure the prosperity, the freedom - yes - and the honour of Britain. The very survival of our laws, our institutions, our national character - that is what is at stake today.

**Economically, Britain is on its knees.** It is not unpatriotic to say this. It is no secret. It is known by people of all ages. By those old enough to remember the sacrifices of the war and who now ask what ever happened to the fruits of victory; by the young, born since the war, who have seen too much national failure; by those who leave this country in increasing numbers for other lands. For them, hope has withered and faith gone sour. And for we who remain it is close to midnight. As Ted Heath said with such force on Wednesday, Britain is at the end of the road. As we all know, he is a man who never sold the truth to serve the hour. I am indeed grateful for what he said. Let us all have his courage.

The situation of our country grows daily, almost hourly, worse. As the bailiffs approach, can nothing be done? If the Labour Government is no longer able to act in the national interest, is there no alternative to the ruin of Britain? Yes, indeed there is - and that alternative is here at Brighton today.

But if **we in the Conservative Party** are to shoulder the responsibility of government, to chart a fresh course for our country, then we must first understand what has happened to us - where things have **gone wrong** - and why I believe there are several reasons for what is known as '<u>the</u>

<u>British sickness</u>' - and they are not a criticism of the people of this country. They are a criticism of the Government of this country.

**First,** we have become the *big spenders* of Europe - spenders of other countries' money. The Labour Governments¹ of Harold Wilson and James Callaghan have spent and spent again with unbridled extravagance. And they have exhausted the means to pay for it. They have nearly exhausted the patience and tolerance and respect of our friends. Under Labour² *the land of hope and glory* has become *the land of beg and borrow*. Today, the Government are back once more at the money lenders for what may well be their last chance - and ours. For this time they are about to pledge the nation's credit to the hilt.

<u>Secondly</u>, increasing interference and direction of industry<sup>3</sup> have stopped it doing its job properly. The Government have chopped and changed policies; they have created confusion and uncertainty. They have <u>added countless burdens</u>. They have <u>destroyed profits</u>. They have raised the cost of borrowing to intolerable heights. And they have demoralised management, and they have sapped the will to work. No wonder investment in industry has slowed to a crawl.

The third reason - and it goes hand-in-glove with the second reason - is political rather than economic. It's the Labour Party's chronic schizophrenia about the future of free enterprise - although the world over, free enterprise has proved itself more efficient, and better able to produce a good standard of living than either Socialism or Communism; and although wherever free enterprise is strangled, freedom is strangled too. Even so, even against all that background, the Labour Party has remained confused and divided over whether free enterprise should be allowed to survive. Yet, in spite of everything, it has survived - so far. Not only that, but, taxed to the limit, it has been the prop and stay of the public sector. Today that survival is in danger...

...The **Labour Party** is now committed to a programme which is frankly and **unashamedly Marxist**, a programme initiated by its National Executive and now firmly endorsed by its official Party Conference...

... Let's not mince words. The dividing line between the Labour Party programme and Communism is becoming harder and harder to detect. Indeed, in many respects Labour's programme is more extreme than those of many Communist parties of Western Europe. So I hope that anyone who votes Labour in future will be aware both of the people and the ideas they are in fact supporting. It is not surprising that after the events of last week Mr. Callaghan should speak about a totalitarian threat. He should know all about that. He faces it in his own party...

<sup>&</sup>lt;sup>1</sup> The Liberal Socialist Labour (Labor) Party

<sup>&</sup>lt;sup>2</sup> The Liberal Socialist Labour (Labor) Party

<sup>&</sup>lt;sup>3</sup> Regulation of industry

... Ours is one of the oldest democracies in the world. **Our citizens have a passion for liberty**. They have fought for it, and died for it. *Provided they know what is happening, they will never surrender to the extremists, whether of the Left or Right*. We are made of sterner stuff than the Labour Party...

...This brings us, not for the first time, to the question: 'Which comes first with the Labour leaders - party or country?' Don't tell me. It's too depressing. With their approach it's hardly surprising that Labour's record over the last 2 years has been so disastrous... [T]heir wretched Governments have **impoverished** and all but bankrupted Britain. *Socialism has failed our nation*. Away with it, before it does the final damage....

... It is no part of Conservative philosophy to help build a **Socialist Britain**. I have already said that the Conservative Party puts the national interest before short-term party advantage. But the national interest now requires not only that the Government should *cut back their expenditure to reduce their borrowing*, but also that they should drop the divisive legislation which they are steamrollering through Parliament: Bills like the Dockwork Regulation Bill; like the nationalisation of aircraft and shipbuilding; like the controversial Education and Health Bills. These Bills have nothing to do with saving the British economy. Indeed, they can only make that task much more difficult....

... We can overcome our doubts, we can rediscover our confidence, we can regain the respect of the rest of the world. The policies which are needed are dictated by **common sense**. That is the right approach. We have set out the broad lines in our strategy statement and we have shown how they stem from a clear, coherent political philosophy.

<u>We</u> have first to put our finances in order. <u>We</u> must live within our means The Government must do so. And <u>we</u> must do so as a country. <u>We</u> can't go on like this. <u>We</u> are paying ourselves more than the value of what we produce. <u>We</u> are spending more than we earn.... The only way to safety is to stop borrowing, and stop borrowing soon; and, moreover, to show that we can and will repay our debts in a strong currency and on time. That is usually the task of a Conservative government. To do that, the country must consume less than it produces. That means a drastic change in policies and in attitudes...

... Once we have taken the immediate emergency measures which are needed, we must chart the course for years ahead. There, the country faces a choice. Who is to spend less? At one extreme the Treasury can try to make us, the people, economise by putting up taxes. At the other it can concentrate all its economies on the Government's own spending. There is not much doubt about the right decision. The *Government is spending about £200 a year more than it is raising in taxes, for each man, woman and child in the country*. Surely no one, (that is no one outside the National Executive Committee of the Labour Party), can believe in the long term that taxes should go up still more.

So the only common-sense answer is to reduce government spending. That is our answer. Economies started as a matter of urgency must be sustained deliberately, carefully and humanely over the period of a full Parliament. They won't be easy. They will not be popular, and we shall have to defer some of our hopes.

We have indicated in The Right Approach those areas where cuts must be made. **By** getting rid of Socialist programmes. **By** removing indiscriminate subsidies. **By** rooting out waste and extravagance. **By** applying cash limits. **By** economies in most major spending programmes other than defence, the police and those on which the needy must depend...

...Let us realise that their almost total commitment to extravagant government expenditure is <u>not</u> borne solely of compassion. Not a bit of it! It reflects a stubborn desire to regulate the day-to-day lives of rich and poor alike. The more a family has of its own money to spend, the more independent it is of the State. The more that is taken away from that family by taxation, the more that family are under the heel of the State; and that is where Socialism wants them.

The **Socialists' battle cry** is always the same; we hear it in Parliament, 'The Conservatives,' they say 'want unemployment. Conservative cuts,' they claim, 'would double or treble those out of work.' Now this is nonsense. And we must recognise it as **nonsense**. No party deliberately seeks the misery and waste of unemployment. But what is the history of the last two-and-a-half years? It is a *Labour* government that has doubled the numbers out of work and set a shameful post-war record. And however well intentioned, it is *Labour's policies* that have brought this about.

Yet curiously enough they have neither the wit to acknowledge it nor the courage to change those policies. They doubled public spending. That led to a doubling of unemployment, because they bled productive industry white of the resources it needed to provide jobs. Today their policies threaten the ultimate disaster. An economic earthquake that would ruin the livelihood of thousands of families.

Of course we're not going to solve our problems just by cuts, just by restraint. Sometimes I think I have had enough of hearing of restraint. *It was not restraint* that brought us the achievements of Elizabethan England; *it was not restraint* that started the Industrial Revolution; *it was not restraint* that led Lord Nuffield to start building cars in a bicycle shop in Oxford. *It wasn't restraint* that inspired us to explore for oil in the North Sea and bring it ashore. *It was incentive*. **Positive**, **vital**, **driving**, **individual incentive**. The incentive that was once the dynamo of this country but which today our youth are denied. *Incentive that has been snuffed out by the Socialist State*.

We Conservatives have to **recreate the conditions** cited by that wise French philosopher **de Tocqueville** - conditions which 'give men the courage to seek prosperity, the freedom to follow it up, the sense and habits to find it, and the assurance of reaping the benefits.' That says it all; everything that is not being done now but which we must do. We must break out of restraint if we are to have a prosperous and successful future. We shall do this by providing a stable economic background so that expansion and growth will pay and be seen to pay. We shall do it by letting

profits rise to a level which offers a real **incentive** to expand. We shall do it by ensuring that men and women who invest their savings in their own business, or in someone else's business, can once more earn a reasonable return. We shall do it by following the example of other Conservative governments and **cutting taxes** as soon as we can. We shall encourage the production of wealth by spreading a share in its growth among those who have helped to create it.

That is the programme which will lead to expansion - picking up speed over the years. **Expansion** - *leading to more jobs*. **Expansion** - *leading to higher wages*. **Expansion** - *leading eventually to more resources for the nation*, so that we can have the same standards of social services as our more successful competitors enjoy. That is a realistic strategy, and it is one which offers hope to our nation.

These, then, are some of the guidelines of our strategy - **prudent financial management** and **soundly based expansion**. But there are many who will say: 'We agree, broadly, with what you want to do. But we are frightened that the trade unions won't let you do it.' This does less than justice both to us and to the trade unions....

... We want to restore the right of unions and management to make the best bargain they can in circumstances they both know... But Labour's social contract is not like that. It apparently allows a handful of trade union leaders to dictate to the Government the level of public spending, the number of industries to be nationalised, what the tax system should be, the terms on which we can borrow from the IMF - and so on and so on. I am bound to say to them: 'With great respect, that is not your job. It is Parliament's.' Parliament is the only body which represents all the people. The most famous definition of democracy is government of the people, by the people, for the people. Not government of a section of the people, by a section of the people, for a section of the people...

... And those who share our common-sense views are not a small, beleaguered minority. We are a party of <u>ordinary</u> people with <u>ordinary</u> hopes and beliefs, but with <u>extraordinary</u> qualities of tenacity and purpose. Not for nothing are we privileged to belong to probably the oldest and certainly the most successful democratic party over the world.

But in recent years we have had more than our share of disappointments at the polls. We have all too often won the argument, but lost in the ballot box. We have won minds - but we must now win hearts. This I believe we can do. Because today the Conservative Party is the truly national Party. On matters that concern ordinary men and women, it is we who represent the majority view, and the Socialists the minority. People are increasingly concerned about the quality of their children's education, but we are the Party that puts standards as our first priority. People want to buy rather than rent their homes. It is we, *not* the Socialists, who want to offer the opportunity of home ownership to everyone. People want protection from crime and vandalism in particular and it is we who are the Party that will emphatically not economise on the Police Force.

People are becoming increasingly frustrated by the crushing weight of personal taxation in Britain, where we now have the highest starting rate of income tax in the world. We are the Party that wants to reduce taxation while the Socialists never stop trying to raise it.

... But what a distortion, what a **travesty of the truth** it is for the Socialists to call themselves the party of working people. Today we are all working people. Today it is the Conservatives and not the Socialists who represent the true interests and hopes and aspirations of the working people...

... I call the Conservative Party now to a **crusade**. Not only the Conservative Party. I appeal to all those men and women of goodwill who do not want a Marxist future for themselves or their children or their children's children. This is not just a fight about national solvency. It is a fight about the very foundations of the social order. It is a crusade not merely to put a temporary brake on Socialism, but to stop its onward march once and for all. To do that we must reach out not only to the minds but to the hearts and feelings and to the deepest instincts of our people.

Let us be clear in our thinking. Let us be confident in our approach. But above all, let us be generous in our understanding. If, as has been said and I believe, the Conservative Party is the last bastion between Britain and disaster, then let that bastion be broad enough and large enough to accommodate all our people, Conservative and non-Conservative, trade unionists and non-trade unionists, those who have always been with us and those who have never been with us but who are prepared to support us now because they put country before Party. Let no one be excluded from our crusade and let no one exclude himself. We are one nation. We may not know it with our brains, but we know it with our roots.

I am deeply conscious of the challenge to our Party and of the responsibility I face as its Leader, but I believe we shall be sustained by millions who are hoping and praying today that we shall rise to the level of events. We must not fail them, and we will not fail them. As I look to our great history and then at our dismal present, I draw strength from the great and brave things this nation has achieved. I seem to see clearly, as a bright new day, the future that we can and must win back. As was said before another famous battle: 'It is true that we are in great danger; the greater therefore should our courage be.'

So let us be in good heart. We are not alone. Across the world, from Australia to Sweden, from New Zealand to West Germany, Socialism is on the way out. The tide is turning. Be in good heart and we will give this nation back a sense of pride and purpose. Be in good heart and we will give our people back their self respect. Let nothing narrow or vindictive or self-righteous be any part of our crusade. Rather let us say with humility: 'We offer you hope and a new beginning. Together we shall meet the crisis of this country - and tomorrow the day will be ours.' (Prolonged applause.)