

CONFIDENTIAL

1. OL - 6200

2. CF

AA 19/6

Prime Minister (2)

Agree?

AT 18/6

Yes!

MR. BARCLAY

ILEA : DIRECT ELECTIONS

The Prime Minister mentioned, at today's meeting on Liverpool, that Ministers should be making more political capital out of the decision to hold direct elections for ILEA.

Although we opposed direct elections, we do recognise that they should help the Government to rebut accusations that it is undemocratic. But there are three strong caveats on timing and presentation:

i) It is possible - indeed, reasonably likely - that the Government will be forced to amend the Paving Bill in the Lords, to provide direct elections for the interim ILEA. If Ministers make too much fuss now about the virtues of direct elections, they will be giving ammunition to those Peers who are pressing for the amendment.

ii) Given the swings in London during the European elections, and the effective propaganda issued by the GLC, there is a considerable risk that Conservatives will do badly in ILEA elections. If Ministers are vociferous in support of the principle of elections, their remarks may be thrown back at them by opponents who first win the election and then use this "mandate" to propose outrageous policies.

iii) If too much is made of elections to ILEA, the Government will be asked why a similar elective principle should not apply to other Boards. This argument is not easy to refute in a brief, convincing manner.

We recommend that Ministers should:

- wait until the Paving Bill is enacted before speaking strongly about direct elections, and
- be careful to avoid any hostages to fortune in speeches that are made thereafter.

Oliver Letwin

OLIVER LETWIN

18 June 1984.

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