



'Governing in hard times': the Heath government and civil emergencies – the 1972 and the 1974 miners' strikes.

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‘Governing in Hard Times’: The Heath Government and Civil Emergencies – the 1972 and the 1974 Miners’ Strikes.

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Abstract

This thesis examines how the government of Edward Heath (Prime Minister 1970-74) managed the two most significant domestic political and economic crises which determined both its fate and its long term reputation; first, the 1972 miners' strike and secondly, the 1973-4 miners' dispute and the three-day week.

Its defeat by the miners in 1972 was an enormous humiliation from which the Heath government never fully recovered. The violent mass picketing which accompanied the strike shook both the government's and the public's confidence in the ability of the state to maintain law and order. Their victory boosted the miners' confidence to take industrial action again in the autumn of 1973 when their position was strengthened by the oil price rise in the wake of the Yom Kippur war. This led to the imposition of a three-day week on industry which ended in the general election of February 1974 and the fall of the Heath Government.

This thesis uses the new material in the National Archives to examine the interplay between these events and the government machinery for handling civil emergencies. It reveals the manner in which Heath's first attempt to reform the system was defeated by Whitehall resistance. The incompetent handling of the 1972 miners strike then strengthened the case for reform and led to the thorough overhaul of contingency planning which laid the foundations for the system which exists to the present day.

It examines the factors which influenced the handling of the crises, including the relationship between the Prime Minister and his colleagues, between ministers and officials, the problems posed by external events and the cumulative exhaustion which placed ministers and officials as well as the machinery of government under increasing strain.

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Introduction

General Aims

The 1970s have been perceived, both at the time and in retrospect, as a ‘benighted decade’ in British politics.¹ Near contemporary commentators described it as ‘a decade of gloom and fitful despair’² and contrasted the successes of the earlier postwar period with the ‘discontented, quarrelsome, unsteady, ineffective, self-defeating seventies’.³ Politicians of both the left and right have castigated the era,⁴ and one former senior Whitehall official has described it as ‘the nadir of British government’.⁵

Recent historians have adopted a more revisionist approach to the decade and attempted to redress what they see as an imbalance in previous accounts and emphasised such positive aspects of the era as relatively low unemployment, compared to the 1980s and after, rising living standards, the renaissance of the women’s movement and the vibrancy of popular culture.⁶ Black and Pemberton have also argued that memories of the decade have to some extent been constructed by politicians of left and right so that, ‘What might be dubbed “false memory syndrome” is therefore powerfully reinforced by present-day political rhetoric and “spin”’.⁷ But the predominant memory of the era is still one of strikes and power cuts, the national humiliation of the International Monetary Fund (IMF) dictating the terms of a loan to the British government and the bitter confrontations on the picket line during the public sector strikes in the winter of discontent of 1978-9.

¹ Lawrence Black and Hugh Pemberton, ‘Reassessing the seventies: the benighted decade’, *British Academy Review*, no. 14, 2009, p. 15.

² Phillip Whitehead, *The Writing on the Wall: Britain in the Seventies* (London: Michael Joseph, 1985), p. xiii.

³ Samuel H Beer, *Britain Against Itself: The Political Contradictions of Collectivism* (London: Faber, 1982), p. 1.

⁴ Andy Beckett, *When the Lights Went Out: Britain in the Seventies* (London: Faber, 2009), p. 1.

⁵ Sir John Gieve (Permanent Secretary, Home Office, 2001-05, Deputy Governor Bank of England 2006-9) interviewed on *Peston and the Money Men*, BBC Radio 4, 17 August 2009.

⁶ Beckett, *When the Lights Went Out*.

⁷ Lawrence Black and Hugh Pemberton, ‘The benighted decade’, paper presented at the Centre for Contemporary British History conference on ‘Reassessing the 1970s’, London, July 2010.

The overall purpose of this thesis is to contribute to the reassessment of this reputation for poor government in the light of the recent releases of the government papers in the National Archives. Its methodological aim is to achieve this by examining how the government of Edward Heath (Prime Minister 1970-74) managed two episodes which constituted major crises. The term ‘crisis’ has been defined as having two meanings; first, ‘an unstable situation of extreme danger or difficulty’, and secondly, ‘a crucial stage or turning point’.⁸ The events which have been selected for examination conform to both senses of the term; they placed the government under immense strain and they left an indelible mark on the political landscape.

The defeat by the National Union of Mineworkers (NUM) in the 1972 strike was an enormous humiliation for the Heath government from which it never fully recovered. The violent mass picketing which accompanied the strike shook both the government’s and the public’s confidence in the ability of the state to maintain law and order and became a familiar feature of strikes and demonstrations throughout the decade. Their victory in 1972 boosted the miners’ confidence to take industrial action again in the autumn of 1973 when their position was strengthened by the oil shock in the wake of the Yom Kippur war, which marked the end of the era of cheap energy. This led to the imposition of a three-day week on industry which ended in the general election of February 1974 and the fall of the Heath Government.⁹

Two main arguments underpin this thesis and justify a study of the early 1970s. First, it was an era when the government faced an acute series of economic, social and political problems, often in conjunction with each other, which placed greater strain on ministers, officials and the machinery of government than at any time since the Second World War. It was also a period of transition during which many of the assumptions which had underpinned economic policy making since the late 1940s

⁸ <http://wordnet.princeton.edu/perl/webwn?s=crisis>, online thesaurus, accessed 12.3.2012.

⁹ The overtime ban which preceded the 1972 strike began on 1 November 1971 and that which preceded the 1974 strike on 12 November 1973 but, for the sake of brevity, they will be referred to throughout as the 1972 and the 1974 disputes or crises.

were eroded. Ministers and officials thus struggled to deal with a changed political and economic landscape with inadequate policy instruments.

Secondly, the two main political parties drew different lessons from the conflicts of 1972 and 1974 which determined the course of British politics for the remainder of the decade and beyond. Their two defeats by the NUM left a legacy of bitterness in the Conservative Party which informed its view of industrial relations into the 1980s. After Margaret Thatcher replaced Heath as Party Leader in 1975 it determined that never again would it allow itself to be beaten by the trade unions. The role which the trade unions played in the fall of the Heath government in 1974 convinced the Labour Party that it could only govern with the consent of the unions. This lay behind the policies of high public expenditure and the absence of wage restraint followed by the government of Harold Wilson (Prime Minister 1974-76), which resulted in the soaring inflation of 27% in the autumn of 1975 and led to the IMF crisis in the autumn of 1976.

Themes

A number of inter-related and overlapping themes run through the history of the early 1970s and will be examined in the context of the crises. While this thesis is not an economic history the issue of relative economic decline played a dominant role in the politics of the 1960s and 1970s. The long-standing and controversial debate over the causes of relative British economic decline began in the late 1950s. One view linked poor economic performance to global overstretch: the retention of unsustainable international military and political ambitions, coupled with the defence of the sterling area and the international role of the pound as a world reserve currency, led to low domestic investment, which was the key cause of Britain's decline.¹⁰ Another perspective emphasised attitudinal conservatism on the part of both management and unions, which led to commercial, technological and managerial weakness and restrictive practices by workers, as the key factors behind economic stagnation.¹¹

¹⁰ Andrew Shonfield, *British Economic Policy since the War* (Harmondsworth: Penguin, 1958).

¹¹ Michael Shanks, *The Stagnant Society: A Warning* (Harmondsworth: Penguin, 1961).

The UK's relative economic decline has generated a heated academic debate and an extensive body of literature, of which the most controversial was the work of Correlli Barnett, who argued that economic weakness stemmed from over-expenditure on the welfare state.¹² More recently one economic historian has argued that perceptions of relative economic decline were greatly exaggerated and that much of the literature was not based on persuasive economic evidence.¹³ But although the British economy continued to grow in absolute terms it lagged behind its competitors and its international ranking (in terms of GDP) dropped from second, behind the USA, in 1950 to fifth, behind US, Japan, Germany and France, in 1973.¹⁴ Ministers and officials struggled to grapple with the underlying weaknesses of the British economy: low growth and poor productivity, outdated and declining industries, coupled with rising inflation, increasing unemployment and a problematic balance of payments, which was exacerbated by the end of the Bretton Woods postwar regime of fixed exchange rates in the early 1970s.

The example of Western European economies, particularly the West German model, which appeared to combine high levels of growth and low unemployment and extensive co-operation between government, industry and trade unions, exerted a powerful influence on ministers and officials through influential commentators such as David Watt (Political Editor, *Financial Times*) and Peter Jenkins (Political Commentator and Policy Editor, *Guardian*). While an evaluation of the possible causes of relative economic decline is outside the scope of this thesis it was an important element in the mindset of the participants of the two crises. The ambition to reverse decline lay behind Heath's twin major goals of entry into the European Economic Community (EEC) and reform of the trade unions. While for the NUM the resentment at being at the sharp end of a declining industry, coal, which had contracted substantially during the 1960s, was a significant factor behind its intransigent stance during the disputes of 1972 and 1974.

¹² Correlli Barnett, *The Collapse of British Power*, (London: Sutton, 1972); *The Audit of War*, (London: Macmillan, 1986); *The Lost Victory*, (London: Macmillan, 1995).

¹³ Jim Tomlinson, 'Economic 'Decline' in Post-War Britain', in *A Companion to Contemporary Britain, 1939-2000*, ed. Paul Addison and Harriet Jones (Oxford: Blackwell, 2005).

¹⁴ Hugh Pemberton, 'The Transformation of the Economy', *Ibid.*, p. 198.

The second theme is the perception of rising trade union power. The fraught relationship between the government and the unions was a feature of the political, social and economic landscape of the 1970s and a significant element in both crises. By the end of the 1960s the Trades Union Congress (TUC) had been described by Harold Wilson as an estate of the realm.¹⁵ A decade later the power and influence of trade unions was one of the major issues in British politics.¹⁶ Writing in 1980 Barnes¹⁷ and Reid claimed that three successive prime ministers had been prevented by their industrial and political power from pursuing policies they declared essential to the national interest.¹⁸

Trade union participation in the wartime Coalition Government 1940-45 had marked the start of a sometimes close, but frequently uneasy, relationship with both Conservative and Labour governments which had, to a greater or lesser extent, sought their co-operation in support of incomes policies to control inflation. Governments had also engaged in some measure of consultation on general economic issues and a number of tripartite bodies, such as the National Economic Development Council (NEDC) where government, industry and the unions were represented, had been established during the 1960s. This tripartite relationship, particularly that between government and unions, came under increasing strain from the late 1960s for a number of reasons, one of which was the growing prevalence of strikes, particularly unofficial ones, which were not sanctioned by the official union leadership.¹⁹

Heath perceived the obstructive power of trade unions and particularly the prevalence of unofficial strikes as one of the elements of economic decline and a

¹⁵ Robert Taylor, *The Fifth Estate: Britain's Unions in the Seventies*, revised ed. (London: Routledge & Kegan Paul, 1980), p. 71.

¹⁶ *Ibid.*, p. 449.

¹⁷ Sir Denis Barnes was Permanent Secretary, Department of Employment 1968-73 so one can assume that this perspective was one he developed through experience.

¹⁸ Denis Barnes and Eileen Reid, *Governments and Trade Unions: The British Experience, 1964-79* (London: Heinemann, 1980), p. x.

¹⁹ Gerald A Dorfman, *Government versus Trade Unionism in British Politics since 1968* (London: Macmillan, 1979), pp. 1-7; Eric Wigham, *Strikes and the Government 1893-1981*, 2nd ed. (London: Macmillan, 1982), pp. 133-5.

serious obstacle to achieving growth. The 1970 Conservative manifesto *A Better Tomorrow* had pledged to introduce a legal framework which would strengthen the official leadership of trade unions against action by irresponsible minorities so that, 'strikes become the means of last resort, not of first resort'.²⁰ The government argued that the Industrial Relations Act 1972 gave trade unions both positive rights as well as setting clear limits to their powers, but it met with bitter and effective resistance from the union movement.²¹ The Heath Government then made an unsuccessful attempt to draw the TUC into a tripartite attempt to manage prices and incomes. Although this failed and Heath resorted to a statutory incomes policy he continued to strive for union co-operation and held lengthy meetings with both the TUC and the miners' leaders throughout the 1973-4 dispute.²²

The economic, social and political role of the trade union movement and the reasons for its zenith during the 1970s is a wide subject beyond the range of this thesis. Therefore, it does not examine in detail issues such as the origins and implementation of the Industrial Relations Act, whether or not the trade unions were the causes or the victims of inflation, the nature of the relationship between individual unions and the TUC and between the union leadership and the rank and file of the membership. These issues are touched on but discussed only in so far as they were directly relevant to the management of the crises. The main focus is on the way in which ministers and officials saw trade unions simultaneously as adversaries and necessary partners in the battle to contain inflation and on the role played by NUM in the crises of 1972 and 1974. The original contribution of this thesis lies in its exposition of the way in which fear of the ability of strikes to paralyse a modern industrial economy proved the catalyst for major developments in the machinery of government to manage civil emergencies.

Overload on both the machinery of government and on ministers and officials who operated it is the third major theme. This was perceptively analysed by Anthony

²⁰ F W S Craig, ed., *British General Election Manifestos 1959-1987*, 3rd ed. (Aldershot: Dartmouth, 1990), pp. 119-20.

²¹ Peter Jenkins, *Battle of Downing Street* (London: C. Knight, 1970); Michael Moran, *Politics of Industrial Relations: The Origins, Life and Death of the 1971 Industrial Relations Act* (London: Macmillan, 1977).

²² Barnes and Reid, *Governments and Trade Unions*, pp. 163-70.

King, in the mid-1970s, who argued that Britain had become harder to govern because the range of problems for which the government had become responsible had increased at the same time as its ability to manage them had decreased. The economic problems of the modern state had become increasingly intractable because of the increased inter-dependency of economic relationships, both domestic and international. Governments now felt responsible for every area of national life but could not possibly fulfil all the expectations held of them: ‘Politicians used to decide, or at least believe that they were deciding. In the 1970s they merely grope.’²³

Heath was fully alive to the problems of overload on the Cabinet before he came into office and was determined to address it through reforms to the machinery of government: by creating fewer and larger Whitehall departments and strengthening the centre of government. This thesis will examine the manner in which, despite these reforms, the crises of 1972 and 1974 placed enormous strains on the structures of Cabinet Committees and the Cabinet. During the 1972 miners’ strike the long established Ministerial (E) and Official Emergencies Committees (EO), under the aegis of the Home Office, virtually collapsed under pressure. This was followed by a major secret review of contingency planning and the establishment of the new Civil Contingencies Unit (CCU), a mixed committee of ministers and officials based in the Cabinet Office and serviced by its Overseas and Defence Secretariat, which also had responsibility for oversight of the plans for transition to nuclear war.²⁴ This thesis will analyse how well the CCU prepared for a second miners’ dispute and the extent to which its effectiveness and its limits were demonstrated during the three-day week.

A sense of powerlessness in the face of insuperable problems was a recurring theme of the ministerial memoirs and diaries.²⁵ The diaries of Sir Ronald McIntosh (Deputy Secretary, Department of Employment 1970-72, Deputy Secretary Treasury 1972-3, Director General National Economic Development Office (NEDO) 1973-7) show

²³ Anthony King, ‘Overload: Problems of Governing in the 1970s’, *Political Studies* vol. 22, no. 2-3, 1975, p. 288.

²⁴ Peter Hennessy, *The Prime Minister: The Office and its Holders since 1945*, revised ed. (London: Penguin, 2001), p. 84.

²⁵ One example is Jim Prior, *A Balance of Power* (London: Hamish Hamilton, 1986), p. 72.

that the same sentiment was shared by officials at critical junctures such as after the oil price rise of October 1973 and the three-day week in 1974.²⁶ The recently released files in the National Archives have added to knowledge of the inter-action between ministers and advisers as they grappled with multiple problems and the intolerable burdens it placed on some such as Sir William Armstrong (Head of the Home Civil Service 1968-74) and Lord Rothschild (Director General of the Central Policy Review Staff and First Permanent Under Secretary Cabinet Office 1971-4).

A further theme is the general sense of anxiety about whether Britain was becoming ungovernable, which pervaded the decade and is reflected in the titles of numerous contemporary and retrospective accounts.²⁷ This anxiety was multi-faceted and focussed on different phenomena, often determined by the political standpoint of the individual. A detailed examination of its multiple causes and some of its cultural manifestations, such as punk rock, have been covered elsewhere but are manifestly outside the scope of this thesis.²⁸ But there was a growing anxiety among the governing classes, which was reflected and intensified by commentators in the media, about whether Britain was becoming increasingly ungovernable.

Physical violence, largely absent since the end of the second world war, became an element in British politics after the anti-Vietnam War and student demonstrations of the late 1960s, which persisted into the 1970s. The troubles in Northern Ireland led to acts of terrorism, mainly by the Provisional IRA, on mainland Britain and politicians were also the targets of bombing campaigns by the anarchists of the Angry Brigade.²⁹ This led one contemporary author to view the years from 1971 to 1977 as 'by British standards exceptionally violent years'.³⁰ The fear that democratic society might break apart in chaos was a significant theme in the diaries of Cecil King

²⁶ Ronald McIntosh, *Challenge to Democracy: Politics, Trade Union Power and Economic Failure in the 1970s* (London: Politico's, 2006), pp. 5-24.

²⁷ Richard Clutterbuck, *Britain in Agony: The Growth of Political Violence* (London: Faber, 1978); Beer, *Britain Against Itself*; Whitehead, *The Writing on the Wall*; Beckett, *When the Lights Went Out*.

²⁸ Howard Sounes, *Seventies: The Sights, Sounds and Ideas of a Brilliant Decade* (London: Simon and Schuster, 2006); Alwyn W Turner, *Crisis? What Crisis? Britain in the 1970s?* (London: Aurum, 2008).

²⁹ Clutterbuck, *Britain in Agony*, pp. 146-151.

³⁰ *Ibid.*, p. 19.

(Proprietor of Mirror Group Newspapers) and Ronald McIntosh written from two very different perspectives. They both recorded predictions of ‘authoritarian rule’ prevalent among the lunching clubs of Pall Mall.³¹

Academic writers on ungovernability attributed its causes to various aspects of the political system. Finer argued that the ‘first past the post’ electoral system produced a system of adversary politics, which magnified the differences between political parties, which engaged in opposition for its own sake, rather than reinforced the centre ground.³² Beer echoed the theme of powerlessness and argued that the stable democracy based on the two-party system had disintegrated in the late 1960s to give way to the ‘self-defeating politics of the 1970s’, which had resulted in an absence of any clear sense of direction.³³

This theme elucidates the mindset of ministers and officials in the management of the crises, but this thesis has examined only those specific aspects of it which relate to the two crises studied here. For Heath and his Cabinet, fears of ungovernability focussed on what they regarded as subversive elements in the trade unions, whom they suspected, particularly after the mass secondary picketing during the first miners’ strike, were bent on using industrial disputes to bring down the government. The files in the National Archives are heavily redacted in this area but are complemented by Andrew’s official history of the Security Service (MI5), based on access to its files. Andrew’s main contention is that anxiety about subversion in industry originated mostly from ministers and that officials and the Security Service attempted to exercise a restraining influence on politicians.³⁴

Anxiety about ungovernability and the state of the economy reinforced the fifth theme: a growing sense of apprehension that a ‘postwar consensus’ was under increasing strain. The view that the Second World War had forged a new agenda for

³¹ Cecil King, *The Cecil King Diary, 1970-1974* (London: Cape, 1975), pp. 315, 325, 344; McIntosh, *Challenge to Democracy*, p. 24.

³² Samuel E Finer, *Adversary Politics and Electoral Reform* (London: Anthony Wigram, 1975), pp. 3-32.

³³ Beer, *Britain Against Itself*, p. 2.

³⁴ Christopher Andrew, *The Defence of the Realm: The Authorized History of MI5* (London: Allen Lane, 2009), pp. 587-599.

domestic reform, and that the Beveridge Report of 1942³⁵ and the Employment White Paper of 1944³⁶ marked the origins of a new consensus at the top of British politics in favour of the expansion of the role of the state in order to prevent a return to the social and economic conditions of the 1930s, was first articulated by Addison in 1975.³⁷ When Addison first elaborated the thesis there was a growing sense of polarisation in British politics and a strong, felt contrast between the 1970s political context of strikes, inflation and laments of decline and ungovernability compared to the relatively high degree of political consensus and social stability of the 1940s and 1950s. This view was later challenged by Pimlott who argued that the 'postwar consensus' was a mirage which faded the more closely it was inspected and that there were substantial differences between the political parties throughout the 1940s and 1950s.³⁸ This ignited a frequently polemical debate and a substantial body of literature during the 1980s and 1990s.³⁹

The period 1970-74 also saw the beginnings of the progressive breakdown of the consensus view of economic policy-making which had prevailed since the 1950s. A high and stable level of employment was the primary goal of economic policy and the general view was that this could be maintained by a combination of public expenditure, fiscal policy (often termed 'Keynesian demand management') and some form of incomes policy. The assumption that there was a trade-off between growth in earnings and the level of employment had been expressed in economic theory by the Phillips curve.⁴⁰ This was extremely influential during the 1960s but towards the end

³⁵ *Report of the Inter-Departmental Committee on Social Insurance and Allied Services*, Cmd 6404 (London: HMSO 1942).

³⁶ *Employment Policy*, Cmd 6537 (London: HMSO, 1944).

³⁷ Paul Addison, *The Road to 1945: British Politics and the Second World War*, revised ed. (London: Pimlico, 1994).

³⁸ Ben Pimlott, 'The myth of consensus', in *The Making of Britain: echoes of greatness*, ed. Lesley M Smith (Basingstoke: Macmillan Education, 1988).

³⁹ Dennis Kavanagh and Peter Morris, *Consensus Politics from Attlee to Major*, second ed. (Oxford: Blackwell, 1994); Paul Addison, 'British historians and the debate over the "post-war consensus"', *British Studies*, University of Austin at Texas, 1996; Harriet Jones and Michael Kandiah, eds., *The Myth of Consensus: New Views on British History, 1945-64* (Basingstoke: Macmillan and Institute of Contemporary British History, 1996).

⁴⁰ A W Phillips, 'The Relation between Unemployment and the Rate of Change of Money Wages in the United Kingdom 1861-1957', *Economica*, November 1958.

of the decade the relationship began to break down.⁴¹ As Heath ruefully noted later in his memoirs, ‘inflation and unemployment continued to defy the textbooks by rising together’.⁴² While this thesis recognises that the notion of the ‘postwar consensus’ has been a vigorously contested one among historians it will examine the manner in which its values influenced the responses of ministers and officials to the crises and draw out the implications of these for our understanding of the debate around its fracture.

Secondary Published Sources

This thesis has drawn on the wide range of secondary literature on the period. The general tenor of the works on the Heath Government is that it tried valiantly to address Britain’s long-standing economic problems but was fatally undermined domestically by its complicated industrial relations legislation and a rigid statutory incomes policy, and internationally by the quadrupling of the oil price rise in 1973. With the exception of the achievement of entry into the EEC and perhaps power-sharing in Northern Ireland, it has been viewed as an honourable failure. Heath has been perceived as a managerial figure who, while he had a vision of Britain’s future, lacked sufficient political and communication skills.

Ramsden analysed the detailed work of policy revision in the Conservative Party in opposition between 1964 and 1970 and argued that while the policy on trade union reform was worked out in detail, the wider issue of general economic management, particularly on incomes policy, was fudged. The shift in policy in 1972, the so-called U-turn, towards intervention in industry and a statutory incomes policy, strained party loyalties.⁴³ He maintained that the programme in 1970 was over-ambitious for one parliament, over-burdened ministers and resulted in exhaustion.⁴⁴ Ramsden’s view was that there was a fundamental tension in the approach to economic policy

⁴¹ William Keegan and Rupert Pennant-Rea, *Who Runs the Economy? Control and Influence in British Economic Policy* (London: Temple Smith, 1979), p. 188; Chris Wrigley, *British Trade Unions since 1933* (Cambridge: Cambridge University Press, 2002), pp. 61-2.

⁴² Edward Heath, *The Course of my Life: The Autobiography of Edward Heath* (London: Hodder and Stoughton, 1998), p. 343.

⁴³ John Ramsden, *The Making of Conservative Party Policy: The Conservative Research Department Since 1929* (London: Longman, 1980), pp. 233-85.

⁴⁴ *Ibid.*, p. 290.

between supporters of the free market and a more dirigiste tendency, and that to a large extent the seeds of Tory disarray between 1970 and 1974 and Heath's own downfall were sown by 1970, although Heath's own character and personal dominance over his cabinet also contributed to the government's eventual defeat.⁴⁵

In one of the first general accounts Whitehead perceived the decade as one of pessimism and anxiety shared by both the left and the right, against an economic background of retrenchment.⁴⁶ He saw Heath as a problem solver determined above all to achieve economic growth; his two main goals of membership of the EEC and reform of the trade union movement were the twin aspects of his desire to modernise Britain.⁴⁷ This work was based on extensive interviews with former ministers, civil servants and trade unionists carried out for the Channel 4 television series of the same name, on which I was one of the researchers and conducted many of the interviews. Many of the participants spoke frankly, with the freshness of recent memory, and these interviews have been cited widely in all subsequent accounts.⁴⁸

The same pessimism also permeated Morgan's perspective which saw Heath's as unambiguously a government of failure so that after 1979, even more than Labour under Wilson, it became the yardstick to avoid.⁴⁹ The chapter title 'The Heath Experiment' indicated that he saw it as a radical break with the Wilson Government and he laid great emphasis on the change in policy direction in 1972.⁵⁰ Marquand, by contrast, saw Heath 'as a nearly great and wholly tragic figure, whose downfall testified to his virtues rather than his faults' whose defeat in 1974 was a disaster not only for himself but for the nation and for the values of democratic accommodation and inclusion.⁵¹

⁴⁵ John Ramsden, *The Winds of Change: Macmillan to Heath, 1957-1975* (London: Longman, 1996), pp. 319-82.

⁴⁶ Whitehead, *The Writing on the Wall*, p. xiii.

⁴⁷ *Ibid.*, pp. 70-98.

⁴⁸ *The Writing on the Wall*, Channel 4 Television, October - November 1985.

⁴⁹ Kenneth O Morgan, *Britain Since 1945: The People's Peace*, 3rd ed. (Oxford: Oxford University Press, 2001), p. 318.

⁵⁰ *Ibid.*, pp. 317-57.

⁵¹ David Marquand, *Britain Since 1918: The Strange Career of British Democracy* (London: Phoenix, 2009), pp. xii, 256.

In his biography Campbell maintained that Heath tried to find a middle way between the tradition of interventionism, inherited from Macmillan, and the emerging free market doctrines which would be implemented by Thatcher. But the strain of one-nation Toryism was dominant and he never fully believed in the anti-statist rhetoric of the 1970 manifesto and Selsdon Park. He argued that Heath was exceptionally unlucky in that both international and domestic factors conspired to derail his government, but his own personality also played a major part in failing to persuade the electorate in 1974.⁵² Clarke saw Heath as Tweedledee to Wilson's Tweedledum: men with a similar class and educational background but of very different character and outlook, who disliked and despised each other.⁵³ The Heath Government promised a break with the interventionist policies of the 1960s, particularly incomes policy, but Heath was less troubled by accusations of U-turns than by the economic problems he faced.⁵⁴ Hennessy argued that although Heath wanted to modernise Britain he believed in the mixed economy and the welfare state and never intended a break with the postwar settlement.⁵⁵

Beckett's account focussed on the lived experience of ordinary citizens and argued that while the dominant perspective was one of economic failure unemployment was relatively low, compared to the 1980s and after, and living standards improved.⁵⁶ Sandbrook saw the Heath Government as an honourable failure, derailed by circumstances, which was eventually vindicated on many issues: Europe, power-sharing in Northern Ireland, the need to reform industrial relations, tackle wage inflation and modernise industry.⁵⁷ In his authorised biography, with access to Heath's papers, Ziegler emphasised Heath's distance from his party and the extent to which his characteristic dismissal of all criticism antagonised his own

⁵² John Campbell, *Edward Heath: A Biography* (London: Cape, 1993), pp. 266-7, 410.

⁵³ Peter Clarke, *Hope and Glory: Britain 1900-2000*, 2nd ed. (London: Penguin, 2004), p. 329.

⁵⁴ *Ibid.*, pp. 331-335.

⁵⁵ Hennessy, *The Prime Minister*, pp. 331-56.

⁵⁶ Beckett, *When the Lights Went Out*.

⁵⁷ Dominic Sandbrook, *State of Emergency - The Way We Were: Britain, 1970-1974* (London: Allen Lane, 2010), pp. 641-2.

backbenchers.⁵⁸ Subsequent histories of the Heath Government have drawn heavily on the oral testimony of former ministers, officials and trade unionists in two extremely valuable witness seminars conducted by the Institute for Contemporary British History, which, among other issues, examined in detail the relationship with the trade unions.⁵⁹ Ball and Seldon have also edited a useful collection of essays.⁶⁰

The extent to which Heath was inclined to favour bureaucratic solutions to problems and was too reliant on the civil service at the expense of political advice is a constant theme in all studies of his government.⁶¹ Heath's major Whitehall reforms have been covered in a number of works. There is an early analysis of their effectiveness in Heclo and Wildavsky.⁶² Pollitt conducted a range of interviews with officials and ministers and concluded that the autumn of 1970 was the high watermark of Heath's interest in the machinery of government.⁶³

The broadest studies of Heath's reforms to the machinery of government, which have been heavily drawn on by all subsequent authors, were by Hennessy. He stressed Heath's belief in a rational and strategic approach to the business of government and his desire to strengthen the central capability of the machine, but argued that the effectiveness of his reforms were undermined by successive crises.⁶⁴ He wanted a sharper and more focussed system of Cabinet government and his machinery of

⁵⁸ Philip Ziegler, *Edward Heath: The Authorised Biography* (London: HarperPress, 2010), pp. 354-73.

⁵⁹ 'Symposium: The Trade Unions and the Fall of the Heath Government', *Contemporary Record* vol. 2, no. 1, 1988; 'Witness Seminar: The Heath Government', *Contemporary Record* vol. 9, no. 1, 1995.

⁶⁰ Stuart Ball and Anthony Seldon, *The Heath Government 1970-74: A Reappraisal* (London: Longman, 1996).

⁶¹ Stephen Fay and Hugo Young, *The Fall of Heath* (London: Sunday Times, 1976), p. 22; Whitehead, *The Writing on the Wall*, p. 52; Kevin Theakston, 'The Heath government, Whitehall and the civil service', in *The Heath Government 1970-74: A Reappraisal* (London: Longman, 1996), p. 94; Peter Hennessy, *Whitehall*, revised ed. (London: Pimlico, 2001), p. 210.

⁶² Hugh Heclo and Aaron Wildavsky, *The Private Government of Public Money: Community and Politics inside British Politics*, 2nd edition ed. (London: Macmillan, 1981), pp. 264-339.

⁶³ Christopher Pollitt, *Manipulating the Machine: Changing the Pattern of Ministerial Departments, 1960-83* (London: Allen and Unwin, 1984), pp. 82-106.

⁶⁴ Hennessy, *Whitehall*, pp. 209-43.

government reforms were intrinsically important to his vision of modernisation and reform.⁶⁵

The Central Policy Review Staff (CPRS) is the aspect of Heath's reforms which has attracted the most attention. Blackstone and Plowden charted its history from its inception to its demise in 1983 and judged that its work on energy and forecast of the rise in the oil price in the autumn of 1973 established its credibility in Whitehall.⁶⁶ Historians have generally agreed on the importance of the CPRS work in this area and laid great emphasis on Rothschild's foresight and judged it to be the most effective of Heath's reforms.⁶⁷ Davis has drawn on the files in the National Archives to provide a detailed account of the plans for machinery of government reform drawn up by the Conservatives in opposition. He has analysed the effectiveness of the CPRS's role in policy analysis as well as its attempt to foresee crises through the Early Warning System (EWS) and argued that Rothschild's advice could have provided Heath with a solution to the crisis of 1974.⁶⁸

This thesis has drawn on the recently released papers which add to the extent of our knowledge in this area and shed interesting new light on the roles of Sir Burke Trend (Cabinet Secretary 1963-73), John Hunt (Second Permanent Secretary Cabinet Office 1972-3, Cabinet Secretary 1973-79) and Robert Armstrong (Prime Minister's Principal Private Secretary 1970-75). This thesis will argue that Rothschild and the CPRS were not as uniquely prescient in foreseeing the oil price rise as has often been supposed. The files in the National Archives also throw an interesting light on Rothschild's contributions to possible solutions to the crisis in the winter of 1973-4 and demonstrate that by the early months of January 1974 the strain of events had clearly taken a toll on his judgement.

Lack of access to the official records has meant that previous accounts of the Whitehall machinery for emergency planning have been incomplete. The existence

⁶⁵ Hennessy, *The Prime Minister*, pp. 336-7.

⁶⁶ Tessa Blackstone and William Plowden, *Inside the Think Tank: Advising the Cabinet 1971-1983* (London: Heinemann, 1988), p. 77.

⁶⁷ Campbell, *Edward Heath*, pp. 314-27; Hennessy, *Whitehall*, p. 231.

⁶⁸ Jon Davis, *Prime Ministers and Whitehall, 1960-74* (London: Hambledon Continuum, 2007), pp. 83-157.

of the Civil Contingencies Unit (CCU) was kept extremely secret and was first revealed in 1976 in the *Sunday Times*.⁶⁹ The first account of its origins, structure and methods of operation was in Jeffery and Hennessy's detailed account of the history of contingency planning and the management of major industrial disputes. This also contained the first mention of Hunt's secret review of emergency planning and the first account of any substance of the role of the CCU during the three-day week, which emphasised its success in prolonging the endurance of essential services.⁷⁰ All subsequent accounts have been largely based on this work. Davis has a compressed account of the CCU but does not discuss the reform of the system in any detail.⁷¹ In his official history of the Civil Service Lowe does not mention the CCU.⁷²

This thesis has drawn on the recently released papers in the archives to provide a more comprehensive and detailed picture of the origins and operation of the CCU. Jeffery and Hennessy analysed the role of the Emergencies Committee in handling the 1972 strike and raised the question of whether the main problem was the inadequacy of the machinery or the relationship between Heath and Maudling. This thesis will argue that that it was the former and that Heath was well aware of its flaws *before* the 1972 strike. It will argue that Heath's first abortive attempt to reform the system of contingency planning before 1972, hitherto undocumented, was significant in that it laid the foundations for the subsequent reforms. It will evaluate its role and effectiveness during the 1974 crisis and argue that its experience demonstrated that contingency planning was not a substitute for a political strategy.

There is a vast historiography on the trade unions, ranging from general histories to specialised economic studies. Many of these cover a wide time span and do not treat the crises of 1972 and 1974 in any detail. In many of the works which do cover the Heath Government and its relationship with the trade unions the main focus is on the Industrial Relations Act. The factors behind the increased militancy of trade unions

⁶⁹ Fay and Young, *The Fall of Heath*, pp. 5-6, 28. This was based on articles first published in the *Sunday Times* on 22 February, 29 February and 7 March 1976.

⁷⁰ Keith Jeffery and Peter Hennessy, *States of Emergency: British Governments and Strikebreaking since 1919* (London: Routledge, 1983), pp. 237-40.

⁷¹ Davis, *Prime Ministers and Whitehall*, pp. 140-3.

⁷² Rodney Lowe, *The Official History of the British Civil Service. Reforming the Civil Service, volume 1: The Fulton Years, 1966-1981* (London: Routledge, 2011).

and the higher incidence of strikes in the late 1960s are examined in a number of works. Jackson et al maintained that the increased incidence of taxation on lower incomes undermined money wage increases during the mid-1960s and so stimulated higher wage claims and a greater incidence of strikes. Workers were forced into disputes simply to keep up their real after-tax earnings.⁷³ Cronin argued that the rise in prices which followed the devaluation of 1967 was a major cause of the strike wave of 1968-72.⁷⁴ Phelps Brown viewed the outbreak of trade union militancy and strikes across all countries in the western world as a manifestation of the impatience of a new and younger generation brought up in an era of full employment.⁷⁵

The collapse of the Wilson Government's 1968 attempt to reform the trade unions through legislation and its defeat by a combination of the TUC and the Parliamentary Labour Party have generally been perceived as an ignominious failure, with adverse consequences for both Wilson and Heath. Several writers have taken the view that this failure enhanced the power of the trade unions and made them determined to oppose Heath's legislation, which was in turn defeated by, and also increased, union intransigence.⁷⁶ Wigham viewed Wilson as surrendering to, and Heath as being vanquished by, the trade union movement. He depicted the Heath Government as at war with the unions for three and a half years over both industrial relations and incomes policy, with the latter ultimately the more destructive.⁷⁷ Several authors have stressed that Heath essentially misunderstood the nature of the trade unions and that his attempts to draw them into co-operation in the running of the economy were fundamentally misguided.⁷⁸

⁷³ Dudley Jackson, H A Turner, and Frank Wilkinson, *Do Trade Unions Cause Inflation?*, 2nd ed. (Cambridge: Cambridge University Press, 1974), pp. 63-103.

⁷⁴ James Cronin, *Industrial Conflict in Modern Britain* (London: Croom Helm, 1979), p. 141.

⁷⁵ Henry Phelps Brown, *The Origins of Trade Union Power* (Oxford: Oxford University Press, 1986), pp. 163-71.

⁷⁶ Dorfman, *Government versus Trade Unionism*, pp. 1-5; Barnes and Reid, *Governments and Trade Unions*, pp. 127-8, 133-4.

⁷⁷ Wigham, *Strikes and the Government*, pp. 133-80.

⁷⁸ Colin Crouch, *The Politics of Industrial Relations* (Manchester: Manchester University Press, 1979); Robert Currie, *Industrial Politics* (Oxford: Clarendon Press, 1979), pp. 208-250; Dorfman, *Government versus Trade Unionism*, pp. 79-86; Wigham, *Strikes and the Government*; Gerald A Dorfman, *British Trade Unionism Against the Trades Union Congress* (London: Macmillan, 1983), pp. 1-21.

In analysing the relationship between the government and the trade unions some commentators have stressed the power of the latter. Barnes and Reid criticised the trade unions non-co-operation with the Industrial Relations Act and insistence on inflationary wage increases but also acknowledged that aspects of the legislation and the inflexibility of the government's incomes policies played a considerable part in the poor relations with the unions.⁷⁹ Robert Taylor put the contrary view that trade unions were not truly powerful in that they possessed only the negative power to obstruct and were unable to achieve their central goal of long-term full employment.⁸⁰ Recent studies of Heath's relationship with the trade unions have tended to stress his attempts to reach agreements with them rather than his conflicts. Most notably Robert Taylor has argued that Heath was essentially a conciliator but a combination of naivety and inflexibility meant that he failed to recognise that the trade unions were neither structurally nor ideologically capable of delivering the kind of agreement he wanted, which would help transform UK into a European social market economy.⁸¹

Although recent historians such as Sandbrook have emphasised Heath's efforts to reach an agreement with the unions after 1972 it is important not to lose sight of the fact that the government was convinced that it had to do something radical about unofficial strikes and the anarchy of industrial relations, with or without union co-operation.⁸² From the perspective of thirty years later, after the Thatcher reforms and the decline of manufacturing industry, it is understandable that more weight should be given to the view that trade unions were not really as powerful as they once appeared. But the papers in the National Archives underline ministerial and official apprehension at the tremendous negative power of the unions in the early 1970s and their fear of the threat posed by industrial action to essential services and the normal life of the nation. This thesis will argue that from the autumn of 1970 there was a definite sense among ministers and officials that they needed to win a major battle on

⁷⁹ Barnes and Reid, *Governments and Trade Unions*, pp. 131-191.

⁸⁰ Taylor, *The Fifth Estate*, p. 16.

⁸¹ Robert Taylor, *The Trade Union Question in British Politics: Government and the Unions since 1945* (Oxford: Blackwell, 1993), p. 218; Robert Taylor, 'The Heath Government and industrial relations: myth and reality', in *The Heath Government 1970-74: A Reappraisal*, ed. Stuart Ball and Anthony Seldon (London: Longman, 1996), pp. 163-190.

⁸² Sandbrook, *State of Emergency*, pp. 641-2.

public sector pay and a distinct element of anticipation of a confrontation fed into the preparations for contingency planning.

Most histories of the 1972 strike have given great prominence to the dramatic confrontation between massed pickets and the police at the Saltley Road gates to the coke storage depot at the headquarters of the Midlands Regional Gas Board in Birmingham.⁸³ In this they have followed one of the earliest accounts by Clutterbuck, which was dominated by a long description of the 'Battle of Saltley'. But although Saltley was undeniably significant *politically*, as will be explained, it did not directly affect the outcome the strike and the focus on Saltley has tended to deflect attention from other aspects of the crisis.

There is some disagreement between those historians who have seen the 1972 strike as a mainly industrial dispute and those who emphasised the political element of defeat for an elected government by the force of mass pickets. Phillips, in a case study of the picketing of the Longannet power station on the Firth of Forth in Scotland, where a number of pickets were arrested, argued strongly that it was a straightforward industrial dispute and that too much emphasis has been placed by historians on violence and disorder.⁸⁴ While Morgan argued that the 1972 strike was a powerful impetus to militant direct action for trade unionists and for those on the left who advocated potentially violent extra parliamentary action and judged that it 'gravely weakened what was left of the post-war social consensus'.⁸⁵ This thesis will argue that the political and the industrial elements were inextricably linked.

All historians have agreed that the main determining factor in the course of the strike was the effectiveness of the secondary picketing by the NUM at the power stations, which took the government by surprise. Robert Taylor argued that the NUM leadership was far from confident of victory and Heath could have won if he had

⁸³ Clutterbuck, *Britain in Agony*, pp. 64-74; Whitehead, *The Writing on the Wall*, pp. 75-76; Beckett, *When the Lights Went Out*, pp. 66-86; Sandbrook, *State of Emergency*, pp. 121-26.

⁸⁴ Jim Phillips, 'The 1972 Miners' Strike: Popular Agency and Industrial Politics in Britain', *Contemporary British History* vol. 20, no. 2, 2006.

⁸⁵ Morgan, *Britain Since 1945*, pp. 328-9.

used troops to force through convoys of lorries into the power stations.⁸⁶ This thesis has found that this judgement is not substantiated by the evidence in the government files. Taylor also argued that the support of public opinion and assistance from other unions was crucial to the success of the picketing and the miners' leaders were surprised at the government's delay in declaring a state of emergency. He judged that the strike, 'dealt a devastating blow to Heath's government, from which many believe it never really recovered'.⁸⁷

Whitehead's account was significant for a number of interviews on which later historians have drawn extensively.⁸⁸ In particular the admission by Robert Carr (Employment Secretary 1970-72, Home Secretary 1972-74) that the government did not know the miners and fatally underestimated them has been emphasised by all subsequent historians.⁸⁹ The files in the National Archives show that the government's disarray in the face of the picketing was as great, if not greater, than has been supposed. But while it was undoubtedly true that the mass picketing was a shock for the government, the emphasis on surprise has to be qualified in the light of new evidence that there were several warnings that a miners' strike was a real possibility. All accounts of the 1972 strike have cited the assertion by Brendon Sewill (Special Assistant to the Chancellor of the Exchequer 1970-4) that there was panic in the corridors of Whitehall.⁹⁰ While his hyperbolic language is somewhat exaggerated the recently released files have revealed in full just how near the country was to the end of coal-fired electricity generation and the deployment of troops to deliver coal into the power stations.

A number of recent histories have had access to the files in the National Archives but the use made of them has been limited and has left a number of gaps. Andrew Taylor's history of the NUM, which contained a detailed narrative of the 1972 strike, was based extensively on the NUM records and the first to be able to make use of the

⁸⁶ Taylor, *The Fifth Estate*, p. 367.

⁸⁷ Taylor, *Trade Union Question*, pp. 196-9; Taylor, 'The Heath Government and industrial relations', p. 177.

⁸⁸ Whitehead, *The Writing on the Wall*, pp. 73-7.

⁸⁹ *Ibid.*, p. 74.

⁹⁰ Brendon Sewill, 'A View from the Inside: In Place of Strikes', in *British Economic Policy 1970-74: Two Views*, ed. Ralph Harris and Brendon Sewill (London: Institute of Economic Affairs, 1975), p. 50.

papers in the National Archives.⁹¹ He argued, correctly, that the crucial factor in the NUM's victory was the support from other unions, which made the picketing of the power stations so effective, and that a number of myths have gathered around Saltley, which was not typical of the strike and did not affect the outcome, but he did not discuss the role of the Emergencies Committee in detail or the implications of the end of coal-fired electricity.⁹²

Neither Beckett nor Sandbrook have made great use of the files in the National Archives. Beckett's long and vivid description of the picketing at Saltley dominated his account.⁹³ Sandbrook's largely narrative account emphasised the complacency of the government and the press, who thought the miners would lose.⁹⁴ It has not drawn on the archives to any great extent and did not discuss either the reasons for the delay in the state of emergency or the role of the Emergencies Committee. The government's handling of the strike, particularly the delay over declaring a state of emergency and the hesitation in setting up a court of inquiry, has been generally criticised by historians.⁹⁵ This thesis has drawn on the files in the National Archives to shed new light on the way in which the government's decision-taking at key moments was determined by its overwhelming determination to hold down pay, not just in the coal industry, but in other contemporaneous disputes, as well as the manner in which its handling of the strike was affected by the structure of the civil service machinery for managing emergencies.

The first detailed account of the Heath government's handling of the 1974 crisis was by Fay and Young. They emphasised ministers' exhaustion at the end of the government and considered that Heath was too close to his civil service advisers, insufficiently political and badly misjudged the timing of the election.⁹⁶ Serious misjudgements in the handling of the crisis has been the line followed by all

⁹¹ Andrew Taylor, *The NUM and British Politics*, vol. 2 (Aldershot: Ashgate, 2005), pp. 50-73.

⁹² *Ibid.*, pp. 58-63.

⁹³ Beckett, *When the Lights Went Out*, pp. 63-87.

⁹⁴ Sandbrook, *State of Emergency*, pp. 113-33.

⁹⁵ Campbell, *Edward Heath*, pp. 412-21; Frank Ledger and Howard Sallis, *Crisis Management in the Power Industry: An Inside Story* (London: Routledge, 1995), p. 56; Ramsden, *Winds of Change*, pp. 353-4.

⁹⁶ Fay and Young, *The Fall of Heath*.

subsequent historians. Dorfman criticised Heath for perceiving the miners' strike as a political challenge rather than an industrial dispute and judged that Heath missed crucial opportunities to settle the dispute.⁹⁷ The general thrust of Whitehead's argument, based extensively on interviews with many of the participants, was that Heath fatally over-estimated the ability of Joe Gormley (President NUM 1971-82) to deliver a settlement and then proved to be too inflexible and made a series of serious miscalculations.⁹⁸ Morgan also judged that Heath made a series of blunders and missed opportunities to settle the dispute and mistakenly believed that extremists were trying to overthrow the elected government for purely political purposes.⁹⁹

Robert Taylor stressed that Heath was wrong to rely on Gormley and had poor intelligence about the NUM.¹⁰⁰ While he disagreed that the brutal exercise of trade union power broke the Heath government he also recognised that this view haunted senior Conservatives until the defeat of the NUM in the 1984-5 miners' strike.¹⁰¹ In his detailed analysis of the handling of the miners' pay claim, the three-day week and the election campaign Campbell argued that Stage 3 might have been successful had not the oil crisis strengthened the miners' hand and formed a lethal combination which wrecked the government. He also criticised Heath for becoming too involved in the miners' dispute and an over-rigid adherence to the incomes policy.¹⁰² Andrew Taylor judged that after 1972 both Heath and Gormley wanted to avoid another strike but the combination of the internal politics of the NUM and the oil crisis led to the confrontation.¹⁰³ Sandbrook's verdict was that there was a basic inconsistency in that Heath refused to listen to advice either to give in to the miners or to whip up national outrage at their selfishness.¹⁰⁴

⁹⁷ Dorfman, *Government versus Trade Unionism*, pp. 94-103.

⁹⁸ Whitehead, *The Writing on the Wall*, pp. 100-10.

⁹⁹ Morgan, *Britain Since 1945*, pp. 347-51.

¹⁰⁰ Taylor, *Trade Union Question*, pp. 208-214.

¹⁰¹ Robert Taylor, 'The trade union 'problem' in the Age of Consensus, 1960-1979', in *Trade Unions in British Politics: The First 250 Years*, ed. Ben Pimlott and Chris Cook (London: Longman, 1991), pp. 175-6; Taylor, 'The Heath Government and industrial relations', pp. 189-90.

¹⁰² Campbell, *Edward Heath*, pp. 561-619.

¹⁰³ Taylor, *The NUM and British Politics*, pp. 49-50.

¹⁰⁴ Sandbrook, *State of Emergency*, p. 586.

Historians have condemned Heath's long hesitation over whether or not to call an early election and speculated that he might well have won had he chosen a slightly earlier date.¹⁰⁵ Campbell discussed it in detail but was uncertain whether or not he could have won.¹⁰⁶ Ramsden judged that the government adopted a confused stance which was neither sufficiently confrontational nor conciliatory, he was strongly critical of the delay and thought that the election defeat was the product of an absence of a clear strategy, effective tactics and communication throughout the period of government not just the campaign.¹⁰⁷ Fay and Young's account of the detailed handling of the crisis has influenced strongly all subsequent authors. They identified the secret meeting in July 1973 in the garden of No 10 between Heath and Gormley as the source of a crucial error of judgement.¹⁰⁸ This is based on Gormley's assertion that he told Heath that a payment for unsocial hours would be enough to satisfy the miners and that Heath made a gross error in writing this provision into the general guidelines for Stage 3, instead of keeping it in reserve as special treatment for the miners.¹⁰⁹ All subsequent historians have cited Gormley's version of this argument but none of them have examined the record of the meeting in the National Archives which presents a rather different picture.

The underlying implication in some of the accounts is that the early declaration of a state of emergency, while the coal stocks were high, followed by the move to the three-day week were to some extent unnecessary and counter-productive. Whitehead judged the former 'precipitate', while Campbell believed both were to some extent due to party political considerations.¹¹⁰ This thesis will examine the charge that the state of emergency and the three-day week were premature over-reactions to the miners' dispute and the oil crisis and will argue that the dominant factor in ministers' minds was the fear of exacerbating a number of other disputes which also threatened the electricity supply. While these disputes have been mentioned in passing by

¹⁰⁵ Fay and Young, *The Fall of Heath*, pp. 24-7; Whitehead, *The Writing on the Wall*, pp. 108-15.

¹⁰⁶ Campbell, *Edward Heath*, pp. 575-80.

¹⁰⁷ Ramsden, *Winds of Change*, pp. 368-83.

¹⁰⁸ Fay and Young, *The Fall of Heath*, p. 12.

¹⁰⁹ Joe Gormley, *Battered Cherub* (London: Hamish Hamilton, 1982), pp. 124-25.

¹¹⁰ Whitehead, *The Writing on the Wall*, p. 103; Campbell, *Edward Heath*, pp. 565, 571-3.

several historians, with the exception of Ledger and Sallis they have not been given sufficient weight.¹¹¹

All accounts of the second miners' dispute have argued that Heath missed several opportunities to settle it. Fay and Young cited Rothschild's prediction of the oil price rise and his argument that the changed comparability between the price of oil and that of coal offered the government a valid reason to break Stage 3 in favour of the miners.¹¹² Several historians have emphasised this but a number have mistakenly argued that Rothschild's advice was rejected out of hand because of personal differences with Heath.¹¹³ The files in the National Archives show that while Rothschild had indeed predicted an oil price rise it was for reasons to do with shortage of supply not the Middle East War and that the economic assumptions of his case were also disputed by Heath and his officials.

All the secondary accounts have drawn heavily on Gormley's version which contained some significant omissions and is not wholly reliable. This reliance has led to some confusion and mistakes, particularly over Gormley's assertion that extra payments for 'bathing and waiting' would have settled the strike if Harold Wilson (Leader of the Opposition 1970-74) had not scuppered it.¹¹⁴ Historians have generally relied on Gormley's narrative although some have rightly been more sceptical that it was the solution which he claimed.¹¹⁵ Fay and Young argued that Heath should have accepted the TUC offer that if the miners were made a special case they would encourage all other unions to settle within Stage 3.¹¹⁶ This has been discussed in detail and several historians have laid great stress on the possibility that

¹¹¹ Jeffery and Hennessy, *States of Emergency*, p. 239; Taylor, *Trade Union Question*, p. 209; Ledger and Sallis, *Crisis Management in the Power Industry*, pp. 59-71.

¹¹² Fay and Young, *The Fall of Heath*, pp. 17-18.

¹¹³ Whitehead, *The Writing on the Wall*, p. 103; Campbell, *Edward Heath*, pp. 324, 567-69; Ramsden, *Winds of Change*, p. 368; Beckett, *When the Lights Went Out*, p. 129. Clarke, *Hope and Glory*, pp. 337-38.

¹¹⁴ Gormley, *Battered Cherub*, pp. 132-35.

¹¹⁵ Fay and Young, *The Fall of Heath*, pp. 18-19; Whitehead, *The Writing on the Wall*, p. 16; Taylor, *Trade Union Question*, p. 211.

¹¹⁶ Fay and Young, *The Fall of Heath*, pp. 20-22.

this offered Heath a way out of the impasse.¹¹⁷ Others however were more doubtful as to whether or not it could have worked.¹¹⁸ The files in the National Archives shed more light on the government's consideration of 'bathing and waiting', the TUC offer, and the 'oil card'. This thesis will examine to what extent any of these were valid solutions and argue that all of them were more problematical than is frequently assumed.

The files in the National Archives have been available for some recent historians but the use made of them has been patchy. While Andrew Taylor drew on them for his account of 1972 they appeared too late for his treatment of 1974 which was based on the NUM records but also relied heavily on the secondary sources, which are sometimes in conflict.¹¹⁹ Beckett drew on a selection of files from the National Archive for his vivid account of the three-day week which focussed mainly on the impact on ordinary citizens.¹²⁰ Sandbrook has made some use of the Cabinet Minutes but his account is based mainly on the secondary sources.¹²¹

This thesis will argue that the effect of the reforms to contingency planning put in place after the first strike meant that the problems faced during the three-day week were different in character to those during the crisis of 1972. Another area where the files shed an interesting new light is on the state of the economy during the three-day week. Campbell and Sandbrook have argued that this did not have serious economic consequences, while Beckett has rightly questioned the myth about the enhanced productivity of British business.¹²² This thesis will argue that the papers in the National Archives show that the real position of the British economy was much worse than has been generally supposed. This accounted in large part for the government's deep reluctance to pay the miners more money. It also made it

¹¹⁷ Dorfman, *Government versus Trade Unionism*, pp. 100,103; Whitehead, *The Writing on the Wall*, p. 107; Taylor, *The NUM and British Politics*, pp. 93-4.

¹¹⁸ Campbell, *Edward Heath*, pp. 580-84; Taylor, *Trade Union Question*, pp. 212-13; Clarke, *Hope and Glory*, p. 338.

¹¹⁹ Taylor, *The NUM and British Politics*, pp. 84-102.

¹²⁰ Beckett, *When the Lights Went Out*, pp. 130-56.

¹²¹ Sandbrook, *State of Emergency*, pp. 567-612.

¹²² Campbell, *Edward Heath*, pp. 574-75; Beckett, *When the Lights Went Out*, pp. 130-143; Sandbrook, *State of Emergency*, p. 599.

impossible to sit out the strike, despite the level of the coal stocks, and was thus a major factor behind the final decision to call the general election.

Primary Published Primary Sources

The main primary published source for this thesis has been the memoirs and diaries of the period, which include those written by Conservative ministers and advisers, trade union leaders and others. The most detailed and informative first-hand account of the Heath Government was by Douglas Hurd (Prime Minister's Political Secretary 1970-74) based on his contemporaneous diary.¹²³ Hurd argued that the Heath Government was a brave attempt to tackle Britain's economic problems but was broken by the brutal exercise of trade union power. Hurd was the first to identify the weakness in the civil service machinery for handling emergencies in the autumn of 1970 and also criticised the inadequacy of officials' strategic advice. He acknowledged that the government became bogged down in the handling of public sector pay disputes and that the outcome of the 1972 strike was a disaster for the government.¹²⁴ Hurd's coverage of the Heath Government in his later memoirs was less detailed and largely based on the earlier book, although he was more explicitly condemnatory of Maudling's inadequacies as Home Secretary.¹²⁵

All political memoirs are written with the benefit of hindsight and since many of the members of Heath's Cabinet went on to hold office in the Conservative Governments of 1979-97, which repudiated most of what he stood for, particularly his attempts to negotiate with the trade unions, it is perhaps not surprising that their experiences during the 1970s were treated relatively briefly and with a strong flavouring of 'nostra culpa'. Reginald Maudling (Home Secretary 1970-2), Anthony Barber (Chancellor of the Exchequer 1970-4), Lord Hailsham (Lord Chancellor 1970-74), William Whitelaw (Lord President of the Council 1970-2, Northern Ireland 1972-3, Employment 1973-4), Lord Carrington (Defence 1970-4, Energy 1974, Chairman of the Conservative Party 1972-4), Peter Walker (Environment Secretary 1970-2, Trade and Industry 1972-4), James Prior (Agriculture 1970-2, Lord President of the

¹²³ Douglas Hurd, *An End to Promises: Sketch of a Government 1970-74* (London: Collins, 1979).

¹²⁴ *Ibid.*, pp. 95-103.

¹²⁵ Douglas Hurd, *Memoirs* (London: Little, Brown, 2003), p. 194.

Council 1972-4, Chairman of the CCU 1973-4), Geoffrey Howe (Solicitor General 1970-2, Consumer Affairs 1972-4) and Peter Rawlinson (Attorney General 1970-74) all produced memoirs.¹²⁶ The most relevant are those by Whitelaw, Carrington and Prior.

Most of his colleagues were sympathetic to Heath's attempts to deal with intractable problems; their general tendency was to blame the intransigence of the trade unions coupled with the difficulties in the world economy for the fate of the government. The exception was Margaret Thatcher (Education Secretary 1970-74) who recorded her visceral dislike of the government's compromises.¹²⁷ Several ministers testified to their deep apprehension about the human cost and social and political consequences of rising unemployment.¹²⁸ They recorded their admiration for Heath's clarity of vision and honesty of purpose but admitted that his style could frequently be brusque and intimidating.¹²⁹ Heath's own memoirs stressed his conviction of the importance of achieving economic growth, their tone was highly self-justificatory; he blamed his inheritance from the Wilson government for most of his government's problems and admitted to no mistakes.¹³⁰

The ministerial memoirs are notably brief on the 1972 miners' strike. Maudling gave only a brief account but revealed that he had to resist pressure from his colleagues to

¹²⁶ Lord Hailsham, *The Door Wherein I Went* (London: Collins, 1975); Peter Walker, *The Ascent of Britain* (London: Sidgwick and Jackson, 1977); Reginald Maudling, *Memoirs* (London: Sidgwick and Jackson, 1978); Prior, *A Balance of Power*; Lord Carrington, *Reflect On Things Past: The Memoirs of Lord Carrington* (London: Collins, 1988); Peter Rawlinson, *A Price Too High: An Autobiography* (London: Weidenfeld and Nicolson, 1989); William Whitelaw, *The Whitelaw Memoirs* (London: Aurum Press, 1989); Lord Hailsham, *A Sparrow's Flight: The Memoirs of Lord Hailsham of St Marylebone* (London: Collins, 1990); Peter Walker, *Staying Power* (London: Bloomsbury, 1991); Geoffrey Howe, *Conflict of Loyalty* (London: Macmillan, 1994); Anthony Barber, *Taking the Tide* (Norwich: Michael Russell, 1996).

¹²⁷ Margaret Thatcher, *The Path to Power* (London: HarperCollins, 1995), pp. 217-239.

¹²⁸ Carrington, *Reflect On Things Past*, p. 256; Howe, *Conflict of Loyalty*, p. 74; Barber, *Taking the Tide*, p. 105; Heath, *The Course of My Life*, p. 349.

¹²⁹ Walker, *The Ascent of Britain*, p. 58; Prior, *A Balance of Power*, pp. 71-2; Carrington, *Reflect On Things Past*, p. 252.

¹³⁰ Heath, *The Course of My Life*, pp. 325-8.

send in the army.¹³¹ Prior argued that the traumatic experience in 1972 played a large part in determining the government's reaction to the subsequent miners' overtime ban in 1973.¹³² Carrington viewed it as a damaging blow to the morale of the Conservative Party.¹³³ Heath blamed the miners' grievances on the policies of the Wilson Government and argued rather disingenuously that the government always regarded them as a special case, a claim which is not borne out by the files in the National Archives. He viewed the massed pickets as a direct challenge to the rule of law and made no admission of any failures in the handling of the dispute.¹³⁴

The memoirs contained fuller accounts of the 1974 strike, which reflected the division of opinion within the government as to whether there should have been a settlement with the miners or an earlier general election. Whitelaw recorded that he believed that the oil price rise could have justified making the miners a special case, but he was unable to persuade his colleagues. He was strongly opposed to an election and felt out of step with his colleagues and Parliamentary Party.¹³⁵ Heath's own memoirs were robustly defensive of his handling of the crisis. He blamed the NCB for offering too much too soon and argued that the miners were politically motivated. He regarded both the state of emergency and the three-day week as entirely necessary and he defended both the delay in calling the election and the eventual decision to hold it.¹³⁶

Prior referred only briefly and unrevealingly to his role as Chairman of the CCU during the three-day week.¹³⁷ He argued that by the autumn of 1973 the government had boxed itself in with the statutory incomes policy and the experience of 1972 made a second surrender to the miners impossible. With hindsight he later regarded the TUC offer as a possible way out, but remained convinced that the delay in calling the election was the crucial mistake.¹³⁸ Carrington did not believe the TUC offer was a way out. He was a strong advocate for an early election and thought that while

¹³¹ Maudling, *Memoirs*, pp. 160-1.

¹³² Prior, *A Balance of Power*, p. 88.

¹³³ Carrington, *Reflect On Things Past*, p. 260.

¹³⁴ Heath, *The Course of My Life*, pp. 350-353.

¹³⁵ Whitelaw, *Memoirs*, pp. 123-32.

¹³⁶ Heath, *The Course of My Life*, pp. 500-20.

¹³⁷ Prior, *A Balance of Power*, p. 82.

¹³⁸ *Ibid.*, pp. 87-92.

Heath delayed for too long it was still right to have held the election.¹³⁹ Walker regarded the TUC offer to make the miners' a special case as blatantly dishonest and bogus and also favoured an early election.¹⁴⁰ Hurd dismissed both 'bathing and waiting' and the TUC offer as flimsy proposals and he doubted the miners could have been made a special case in any way that was acceptable to Conservative supporters. He was a strong advocate of an early election and believed the crisis could only have been avoided by abandoning the incomes policy, which would have been disastrous.¹⁴¹

On the trade union side Gormley argued strongly that the miners had a just cause in both disputes. His account of the 1972 strike conveyed the sense that the miners' leaders were feeling their way through the strike and were surprised by the extent of public support.¹⁴² Gormley was adamant that the second dispute was an industrial and not a political one and claimed he had shown Heath a way to avoid it.¹⁴³ Gormley's recollections have formed many of the secondary accounts of both disputes but he glided over the divisions within the NUM Executive and his failures to persuade it to his more moderate point of view. The interrogation of the files in the National Archives have revealed a number of inconsistencies and omissions, which are indicated in the relevant chapters.

Other union leaders also argued that Heath made serious mistakes in his handling of the 1974 strike. Jack Jones (General Secretary Transport and General Workers' Union 1969-78) commended Heath's efforts to reach an understanding with the unions, but he also argued that the miners should have been made a special case in 1974 and that Heath missed several opportunities to settle the dispute.¹⁴⁴ Frank Chapple (General Secretary Electrical, Electronic, Telecommunications and

¹³⁹ Carrington, *Reflect On Things Past*, pp. 264-6.

¹⁴⁰ Walker, *The Ascent of Britain*, p. 58; Walker, *Staying Power*, p. 125.

¹⁴¹ Hurd, *End to Promises*, pp. 123, 126.

¹⁴² Gormley, *Battered Cherub*, pp. 83-118.

¹⁴³ *Ibid.*, pp. 123-45.

¹⁴⁴ Jack Jones, *Union Man* (London: Collins, 1986), pp. 259-61.

Plumbing Union 1966-84) also thought that Heath's refusal to accept the TUC offer was his biggest error.¹⁴⁵

Two recently published contemporaneous diaries provided some revealing insights into the climate of opinion and the events of the crisis of 1974. The diaries of Sir Ronald McIntosh conveyed the sense of exhaustion and pessimism among senior officials who were unable to see any way out of Britain's deep economic problems in the autumn of 1973. McIntosh was convinced that the TUC offer was a real solution to the miners' dispute and criticised Heath for being too obdurate to accept it.¹⁴⁶ The published papers of Hugo Young (Chief Leader Writer and Political Editor *Sunday Times*) contained the records of his frank interviews with Heath's ministerial colleagues, political and official advisers and union leaders and revealed the identity of many of the anonymous sources cited in *The Fall of Heath*.¹⁴⁷

Elements of the press have also been consulted, but for the subject of this thesis it is often noteworthy for the *absence* of coverage of the inner workings of the government machinery.

Primary Unpublished Sources

The main primary unpublished source for this thesis has been the recently released files in the National Archives. The records of the Prime Minister's Office (PREM) and the Cabinet Office (CAB) have provided a rich source of new evidence, not available to the authors of most of the secondary accounts, of operations at the heart of central government. These have been supplemented by the relevant files from other government departments including the Treasury, the Home Office, Defence, Trade and Industry and Employment. This thesis has also drawn on material from a number of other archives, namely those of the Conservative Party, the TUC and the NUM. It has also conducted a number of interviews, chiefly with former civil servants who were involved in the two crises.

¹⁴⁵ Frank Chapple, *Sparks Fly!: A Trade Union Life* (London: Michael Joseph, 1984), pp. 136-7.

¹⁴⁶ McIntosh, *Challenge to Democracy*, pp. 43-55.

¹⁴⁷ Fay and Young, *The Fall of Heath*; Hugo Young, *The Hugo Young Papers: Thirty Years of British Politics - Off the Record*, ed. Ion Trewin (Allen Lane, 2008), pp. 61-93.

Research Questions

In analysing the range of factors which influenced how the Heath government handled the two crises this thesis will address a number of research questions:

Were they inevitable or could they have been avoided if the government's strategic and tactical aims had been different. Was the government's handling of the crises marred by tactical misjudgements?

How intractable were the multiple nature of the economic problems which the government faced?

How far did these problems account for 'overload' and how much of it was due to the government's own over-reach?

To what extent was the handling of the crises affected by competing policy objectives during the crises, for example, on obtaining membership of the EEC during the miners' strike in 1972 and managing the problems of Northern Ireland in 1972 and 1973?

What part was played by weaknesses in the machinery of government? Were there significant events-related reforms, which improved the handling of subsequent crises?

What role was played by Heath as Prime Minister in the handling of the crises? How did his character, past experiences, style of government and his relationship with his colleagues affect the management of the crises? How well did other ministers manage events?

Was Heath over-reliant on civil service advice and was political advice crowded out? Did officials provide adequate advice and guidance through the minefields during both crises?

How much of a factor was the cumulative physical and mental exhaustion of both ministers and officials, which came from dealing with successive crises?

To what extent was there a lack of foresight, a culpable failure to understand the problems or an adherence to outdated frames of reference by individuals?

Structure

Chapter 1, 'Creaking and groaning', examines Heath's first attempts to reform the system for dealing with civil emergencies and the reasons for its failure.

Chapter 2, 'We must be prepared', analyses the origins of the first conflict with the miners and evaluates the Emergencies Committees' initial handling of the dispute.

Chapter 3, 'A victory for violence', looks at the government's handling of the prospect of the end of coal-fired electricity generation and its preparations for the use of troops on the eve of the Wilberforce Settlement.

Chapter 4, 'Bayonets and power stations', covers the measures taken within the Cabinet Office to anticipate potential crises, traces the reform of the system for managing emergencies and the establishment of the Civil Contingencies Unit.

Chapter 5, 'A "red-meat" settlement or a special case', analyses the causes of the second dispute with the miners, the early declaration of the state of emergency and the three-day week.

Chapter 6, 'Honour and party unity', examines the role of the CCU in the government's management of the three-day week, the effect on the economy and the reasons for the February 1974 election.

The Conclusion will draw out the implications of the new material in the archives for our understanding of government in the early 1970s and the debates over the long-running themes of British postwar history and politics.

Argument in brief

The focus of this thesis is the manner in which the two crises strained the structures and relationships at the heart of central government and the policy choices made by ministers and officials in the face of problems as they appeared to them *at the time*. It examines the manner in which ministers and officials operated the machinery of government for contingency planning, the extent to which the machinery proved adequate to the task and how the experience of the crises shaped developments in that machinery. It is thus both a political and an administrative history and does not attempt to be an overall analysis of economic policy making during the 1970s. This thesis has made use of the recently released papers in the National Archives to expand the core of knowledge, confirm some established judgements, modify others, as well as to correct some misinterpretations.

Chapter 1 Creaking and groaning

The Heath Government and Britain in the 1970s

The Heath Government was forced to declare five states of national emergency in four years, all because of major strikes which threatened essential services yet it came into office determined to address Britain's fundamental economic problems and both ministers and historians regarded it as one of the best-prepared Oppositions in the second half of the twentieth century.¹ The two major crises of 1972 and 1974 which resulted from the disputes with the NUM can only be understood against the background of the economic problems of the late 1960s and early 1970s, particularly attempts to reform industrial relations. The Industrial Relations Act has been well documented by historians, and here it is only outlined to provide the political context.² But to date almost nothing has been written about Heath's early attempts to strengthen the system of contingency planning *before* the 1972 miners' strike.³ This was driven both by apprehension about the effects of strikes on essential services and fears of subversion in the unions. This thesis will argue that it should be considered as the hidden and secret face of the public reforms both to the machinery of central government and the legislation to curb trade union power.

The Conservatives' convincing victory in the 1970 election, when they won 330 seats and 46% of the vote to Labour's 287 seats and 43% of the vote had not been predicted by the opinion polls and came as a surprise to the press, and even to some of Heath's colleagues.⁴ Heath alone had appeared convinced of victory and felt vindicated by the result, so he drew the conclusion that his own judgement was more reliable than that of experts. 'I knew that my instincts had been a better guide to the result than the supposed science of the opinion pollsters.'⁵ It bolstered his self-belief,

¹ Prior, *A Balance of Power*, p. 71; Hennessy, *The Prime Minister*, p. 344.

² Moran, *Politics of Industrial Relations: The Origins, Life and Death of the 1971 Industrial Relations Act*; Barnes and Reid, *Governments and Trade Unions*, pp. 137-41; Wigham, *Strikes and the Government*, pp. 157-65.

³ The only exceptions are very brief references in Davis, *Prime Ministers and Whitehall*, p. 141; Andrew, *Defence of the Realm*, p. 588.

⁴ Prior, *A Balance of Power*, p. 61; Whitelaw, *Memoirs*, p. 70.

⁵ Heath, *The Course of My Life*, p. 307.

made him less likely to listen to unpalatable advice and reinforced the dominant position of Heath over the other members of his Cabinet.⁶

Iain Macleod (Chancellor of the Exchequer 1970) died after only a few weeks in office. Robert Armstrong (Prime Minister's Principal Private Secretary 1970-74) stressed the significance of Macleod's death not only for Heath personally but for the government as a whole. 'Macleod had it in him to be a very good Chancellor and was the orator which Heath never really was. He was an absolutely key figure in the Conservative government and his death in July 1970 was a terrible blow and was never really made good.'⁷ Sir Douglas Allen (Treasury Permanent Secretary 1968-74) judged that the death of Macleod, coupled with Heath's wariness of the Treasury because of its doubts about the economic benefits of entry into the EEC, led to a concentration of economic policy making in No 10.⁸ One commentator asserted that many insiders thought that there was an ad hoc top economic policy run by two men, Heath and Sir William Armstrong.⁹

Macleod's replacement was Anthony Barber (Chancellor of the Exchequer 1970-74) an able tax lawyer but not a formidable character nor an extrovert politician. Heath was not close to Reginald Maudling (Home Secretary 1970-72) who was one of his defeated rivals for the party leadership in 1965 and a big figure in the Conservative Party as Chancellor of the Exchequer 1962-4. Robert Armstrong, who had also been Maudling's private secretary, recalled that, 'He was one of the most intelligent men I ever met, but he was a lazy man and cruised on his intelligence, and got away with it most of the time.'¹⁰ Maudling's main interest was criminal policy and he did not have sufficient grip on two main areas of his responsibilities which were to prove a source of major stress for the government: Northern Ireland and industrial unrest.

Robert Carr (Employment Secretary 1970-1972) was a conciliatory figure but not a charismatic politician and his main energies were occupied with the enormous task of overseeing the drafting, parliamentary passage and implementation of the

⁶ Ramsden, *Winds of Change*, pp. 319-22.

⁷ Interview with Lord Armstrong of Ilminster, 9 July 2009.

⁸ Interview with Lord Croham, 20 September 2007.

⁹ Keegan and Pennant-Rea, *Who Runs the Economy?*, p. 79.

¹⁰ Interview with Lord Armstrong of Ilminster, 9 July 2009.

controversial Industrial Relations Act.¹¹ John Davies (Trade and Industry Secretary 1970-2) was a former businessman who never mastered the House of Commons.¹² The new Department of Trade and Industry (DTI), which was responsible for the coal industry, covered a vast area and during 1971 and the early months of 1972 Davies' attention was absorbed by the political fallout from collapse of several key industrial firms.¹³ The character and preoccupations of Barber, Maudling, Carr and Davies, and their subordinate relationship with Heath, were to prove significant weaknesses in the government's handling of both the miners' strikes.

The Conservative manifesto for the 1970 general election, *A Better Tomorrow*, was the product of a detailed policy review in opposition.¹⁴ It gave a high priority to the control of inflation, 'the need to curb inflation will come first', but, although it firmly ruled out a formal prices and incomes policy, 'We utterly reject the philosophy of compulsory wage control', it was not specific about how it would control inflation.¹⁵ The aim of trade union reform was to improve relations between workers and management and strengthen the official leadership of trade unions.¹⁶ The manifesto also aimed to reduce the role of the state in industry to foster an economic climate which would reward enterprise and efficiency, but at the same time promised to increase public investment in infrastructure and regional development and pledged not to tolerate increasing unemployment.¹⁷

The extent to which the 1970 manifesto embodied the principles of the free market, which were later abandoned in the so-called 'U-turns' in 1972 on industrial policy and the implementation of a statutory prices and incomes policy has been debated both by Conservative politicians and by historians. Some have argued that it was a

¹¹ Wigham, *Strikes and the Government*, p. 157.

¹² Whitehead, *The Writing on the Wall*, p. 55.

¹³ Rolls Royce was nationalised in February 1971 and the 'work-in' at Upper Clyde Shipbuilders began in July 1971.

¹⁴ Ramsden, *The Making of Conservative Party Policy*, pp. 233-85; Ramsden, *Winds of Change*, pp. 254-304.

¹⁵ Craig, ed., *British General Election Manifestos*, p. 116.

¹⁶ *Ibid.*, pp. 119-20.

¹⁷ *Ibid.*, pp. 120-22.

betrayal while others have argued that the underlying purposes were consistent.¹⁸ A close reading of the 1970 manifesto provides material for both sides of the argument, but Ramsden has argued persuasively that the policy review in opposition failed to tackle fundamental differences of approach on economic policy between free-marketers and those who believed in greater state intervention.¹⁹

This was particularly true in the field of incomes policy where the paper on pay and price inflation was placed at the end of the agenda at the Selsdon Park Conference which discussed policy priorities in January 1970, so it was never adequately discussed and that the manifesto pledge was couched in more categorical terms than the leadership believed.²⁰ According to Peter Walker (Environment Secretary 1970-72, Trade and Industry 1972-74) Iain Macleod had argued in private that although there might need to be an incomes policy eventually this could be explained in the light of changed circumstances and it was essential to be clear one way or another in the manifesto.²¹

The serious consequence of the internal contradictions in economic policy was that too much weight was placed on trade union reform as the only answer to deal with inflation.²² Robert Taylor has argued that it was at the Selsdon Park Conference that the shadow cabinet began to recognise that they could face a confrontation with the unions over industrial relations reform. Carr suggested that they needed someone in a major sector to take a strike and not wilt and there needed to be some contingency planning. But Heath intervened and said it was better not to talk about it, even Cabinets did not.²³

Nor had the Party's industrial policy been worked out in detail. A review of nationalised industries was carried out in opposition by Nicholas Ridley (Junior Minister DTI 1970-72) who produced a radical report which recommended some

¹⁸ Whitelaw, *Memoirs*, p. 125; Campbell, *Edward Heath*, p. 264; Ramsden, *Winds of Change*, p. 346.

¹⁹ Ramsden, *Winds of Change*, pp. 276-280.

²⁰ *Ibid.*, p. 303.

²¹ Walker, *Staying Power*, p. 52.

²² Ramsden, *Winds of Change*, p. 285.

²³ Taylor, 'The Heath Government and industrial relations', pp. 168-9.

measure of de-nationalisation. But both Heath and Keith Joseph (Chief Conservative Spokesman on Industry) were wary of such a stance. Much more effort went into a review of taxation with the aim of reducing burdens on business and creating a climate in which entrepreneurs could flourish.²⁴ Brendon Sewill later argued that despite the rhetoric in the manifesto, ‘The lame duck philosophy – that inefficient firms should be allowed to go bust – had a comparatively small place in our thinking in opposition, was never mentioned at the 1970 Selsdon Park meeting and achieved headlines only with John Davies’s speech in October 1970.’²⁵ Davies, was a strong proponent of the free market, whose views were exemplified in his so-called ‘lame ducks’ speech when he stated, ‘We believe that the essential need of the country is to gear its policies to the great majority of people, who are not lame ducks, who do not need a hand, who are quite capable of looking after their own interests and only demand to be allowed to do so.’²⁶

The Heath Government’s economic inheritance in 1970 was mixed but the outlook both domestically and internationally was about to deteriorate. The Labour government’s final budget in the spring of 1970 had been fiscally tight and the balance of payments had moved into the black but inflationary pressures were building up. In the second quarter of 1970 hourly wage rates rose by 9.4% and consumer prices by 5.3%.²⁷ Economists have disagreed about the causes of inflation in the early 1970s. One school of thought has emphasised that rising costs were driven by a combination of factors, which included growing pressure from trade unions during the 1960s for higher real wages as well as rising commodity prices.²⁸

²⁴ Robert Taylor, 'The Heath government, industrial policy and the 'new capitalism'', in *The Heath government 1970-74: A Reappraisal*, ed. Stuart Ball and Anthony Seldon (London: Longman, 1996), pp. 146-7.

²⁵ Sewill, 'In Place of Strikes', p. 37.

²⁶ H C Debs (5th series), 4 November 1970, vol. 805, col. 1211.

²⁷ Alec Cairncross, 'The Heath Government and the British Economy', in *The Heath Government 1970-1974: A Reappraisal*, ed. Stuart Ball and Anthony Seldon (London: Longman, 1996), p. 115.

²⁸ Michael Kitson, 'Failure followed by success or success followed by failure? A re-examination of British economic growth since 1949', in *Cambridge Economic History of Modern Britain: Structural Change and Growth, 1939-2000*, ed. Roderick Floud and Paul Johnson (Cambridge: Cambridge University Press, 2004), p. 48.

Between 1970 and 1974 the Heath Government faced an international boom in all commodity prices, not just oil.²⁹

The Heath Government's relaxation of exchange controls in 1971 and the decision to allow the pound to float in June 1972 was another factor which contributed to an increase in inflation.³⁰ The floating currency also made it very difficult either to control or predict the level of sterling.³¹ The OPEC oil price rise hike in 1973 boosted world inflation still further and in Britain its disastrous effects were compounded when it triggered the cost of living threshold agreements in Stage 3 of the Heath Government's statutory incomes policy. These were retained by the incoming Labour Government in 1974, so that inflation rose from 9% in 1973 to reach a peak of 26.9 % in the autumn of 1975.³²

An alternative explanation of the causes of inflation, that it came from printing too much money, was propounded by Milton Friedman and the Chicago school of monetarist economists from the late 1960s. Monetarists argued for tighter control of the money supply and this view became increasingly popular among opinion formers in the financial markets in the mid-1970s. In Britain it was supported and disseminated by two influential commentators, Samuel Brittan (Economic Commentator *Financial Times*) and Peter Jay (Economics Editor, *The Times*), who both argued that greater attention needed to be paid to monetary targets. But monetary targets were only feasible after the development of cash limits in 1975 and were first publicly announced in the summer of 1976, when they became a significant element in economic policy.³³ During the period of the Heath Government the belief that monetarism was a realistic basis for practical politics as

²⁹ Catherine R Schenk, 'Britain in the World Economy', in *A Companion to Contemporary Britain, 1939-2000*, ed. Paul Addison and Harriet Jones (Oxford: Blackwell, 2005), p. 476.

³⁰ Hugh Pemberton, 'The Transformation of the Economy', *Ibid.*, pp. 194-5.

³¹ *Ibid.*, p. 184.

³² Central Statistical Office, *Retail Prices 1914-1990* (London: HMSO, 1991), p. 8. Table 2.

³³ Leo Pliatzky, *Getting and Spending: Public Expenditure, Employment and Inflation* (Oxford: Blackwell, 1982), pp. 135-47.

distinct from an academic theory was still in the future but it was the experience of 1970-74 which later boosted its credibility in the eyes of some of its adherents.³⁴

But although monetarism itself was very much in embryo, free-market ideas were advocated by research institutes such as the Institute for Economic Affairs and the Centre for Policy Studies and espoused by some influential Conservative politicians, including Enoch Powell (MP Wolverhampton South West 1950-74), Keith Joseph (Secretary of State for Social Services 1970-74) and Nicholas Ridley.³⁵ This provided one of several grounds for fissure between Heath and the free-market right wing elements in his own party, particularly after the 'U-turns' in 1972.³⁶

Another source of division was the introduction of the statutory incomes policy in 1972. Since the Second World War incomes policies, both statutory and voluntary, had been the generally accepted method of holding down inflationary wage demands. Both Conservative and Labour governments had tried them with varying degrees of success and statutory policies in particular ran counter to trade unions deeply held belief in free collective bargaining.³⁷ The Conservative Government of Harold Macmillan (Prime Minister 1957-63) had instituted a 'pay pause' in 1961. At the same time it had attempted to gain the co-operation of the TUC by consulting both sides of industry on national economic planning and set up the National Economic Development Office (NEDO) and its accompanying Council (NEDC) on which both industry and trade unions were represented.³⁸ The Wilson Governments (1964-70) initially tried to secure stable prices on a voluntary basis and set up the National Board for Prices and Incomes (NBPI), but this voluntary approach collapsed in the economic crisis of July 1966 and a statutory policy was then applied which played a large part in trade union resentment at the policies of the Wilson Government.³⁹

³⁴ Cairncross, 'The Heath Government and the British Economy', p. 125.

³⁵ Martin Holmes, *The Failure of the Heath Government* (Basingstoke: Macmillan, 1997), pp. x-xii.

³⁶ Peter Dorey, *The Conservative Party and the Trade Unions* (London: Routledge, 1995), pp. 103-22; Ramsden, *Winds of Change*, pp. 276-8.

³⁷ Wrigley, *British Trade Unions since 1933*, p. 55.

³⁸ Keith Middlemas, *Industry, Unions and Government: Twenty-One Years of NEDC* (London: Macmillan, 1983).

³⁹ Wigham, *Strikes and the Government*, pp. 133-55; Wrigley, *British Trade Unions since 1933*, pp. 55-59.

The aim behind institutions such as NEDO, NBPI and the Industrial Reorganisation Corporation (IRC) was that they would both raise the level of growth by planning the economy and relieving bottlenecks on the supply side and administer incomes policies to ensure that higher growth was not dissipated through inflation. The establishment of these tripartite institutions which brought government and both sides of industry together, was the culmination of a process which began after the First World War, was boosted by trade union participation in government during the Second World War and reached its apotheosis in the 1970s, when it began to break down.⁴⁰ They were a vital part of what has been termed the ‘Keynesian plus’ approach to the economy which dominated the 1960s and 1970s.⁴¹ As Sir William Armstrong described it after he had left office,

We, while I was in the Treasury, had a framework of the economy basically neo-Keynesian. We asked the questions which we asked ministers to decide arising out of that framework and it would have been enormously difficult for any minister to change the framework...I think we chose that framework because we thought it was the best one going.⁴²

The Heath Government not only had to deal with inflation but also rising unemployment. Fears about the political and social consequences of unemployment lay behind the decisions to rescue two large firms in financial difficulties in an apparent reversal of the government’s ‘lame ducks’ policy. Rolls Royce was nationalised in February 1971 and Upper Clyde Shipbuilders was bailed out in February 1972 after a work-in led by the shop stewards. Sir David McNee (Chief Constable of Glasgow) warned the government that he would need extra manpower to contain the social disorder which would come from mass unemployment in Scotland if the shipyards closed.⁴³

⁴⁰ Dorfman, *Government versus Trade Unionism*, pp. 1-7; Keith Middlemas, *Politics in Industrial Society: The Experience of the British System since 1911* (London: Andre Deutsch, 1979), pp. 11-20, 442-62; Keith Middlemas, *Power, Competition and the State. Threats to the Postwar Settlement: Britain 1961-74*, vol. 2 (London: Macmillan, 1980), pp. 294-394.

⁴¹ Hugh Pemberton, 'The Transformation of the Economy', in *A Companion to Contemporary Britain, 1939-2000*, ed. Paul Addison and Harriet Jones (Oxford: Blackwell, 2005), p. 183.

⁴² Brian Connell, 'A hardly-noticed transition from Whitehall to the City', *The Times*, 15 November 1976.

⁴³ Holmes, *The Failure of the Heath Government*, p. 44.

Although economists and historians have disagreed over the extent to which the Conservative Government's own policies contributed to inflation there has been unanimous agreement that during the 1970s the British economy was in serious trouble.⁴⁴ The Heath Government's economic policy was later castigated by its critics as a fatal combination of a statutory incomes policy, which brought it into conflict with the trade unions, and an expansionary financial policy, which boosted inflation.⁴⁵ But it was not clear at the time that the stable conditions of the 1950s and 1960s were at an end and there was no consensus among economists in the early 1970s that the conventional instruments of incomes policies and government intervention were no longer effective or what new direction economic policy needed to take.

Trade union reform

The overall aim of the Heath government's economic policy was to remedy the ills of low investment and poor productivity to achieve growth and so halt and reverse relative decline. The debate on 'decline' centred both on economic performance and on the loss of military and political power and prestige, particularly after the Suez crisis of 1956. This thesis does not attempt to address the possible causes of relative economic decline since as one economic historian has noted these are legion:

The list of explanations which have been advanced during the past forty years to explain Britain's failure to match her competitors is truly vast. It includes a divisive class system, an innate cultural hostility to industrialisation, the domination of government and industry by the financial interests of the City of London, lack of venture capital, excessive taxation, too much government spending, too little planning, insufficient expenditure on education and training, an adversarial two-party electoral system, restrictive labour practices and over-manning, incompetent managers and obstructive trade unions.⁴⁶

Tomlinson has argued that 'declinism' was taken for granted across the political spectrum from the 1960s and motivated both the Wilson and Heath Governments in

⁴⁴ Richard Coopey and Nicholas Woodward, eds., *Britain in the 1970s: The Troubled Economy* (London: UCL Press, 1996), pp. 1-14.

⁴⁵ Jock Bruce-Gardyne, *Whatever Happened to the Quite Revolution?: The story of a brave experiment in government* (London: Charles Knight, 1974).

⁴⁶ C. H. Feinstein, 'Success and Failure: British Economic Growth since 1948', in *Economic History of Britain since 1700, 1939-92*, ed. Roderick Floud and Donald McCloskey (Cambridge: Cambridge University Press, 1994), pp. 116, quoted in ; Kitson, 'Cambridge Economic History of Modern Britain', p. 42.

their attempts to modernise Britain.⁴⁷ It was typified by the alleged remark of Sir William Armstrong that the role of the senior civil service was, ‘the orderly management of decline’.⁴⁸ As Robert Armstrong described it:

Up to 1970 the problem seemed one of the management of decline, one of the reasons for European entry was to stop that. William Armstrong was deeply rooted in that sense that the main problem for the British government was managing decline. Heath disliked that very much although he had great confidence in William over counter-inflation policy. He wanted to create a new role for Britain as part of Europe.⁴⁹

To achieve growth the government believed it was essential to deal with the serious and growing problem of industrial disputes. As Carr put it, ‘Wherever you looked in Britain we were an old country in desperate need of physical renewal. We could only do this if we could get economic growth, and the Industrial Relations Bill fitted into this pattern, because we believed we would not succeed in getting growth going [without it].’⁵⁰

The number of strikes (not including those in coalmining) had almost doubled between 1960 and 1968, and the number of working days lost increased from just over three million to over four and a half million.⁵¹ One of the biggest problems was perceived to be the growth of unofficial disputes at the shop-floor level, which accounted for a large proportion of working days lost.⁵² The Labour Government of Harold Wilson (Prime Minister 1964-70) had tried and failed to address the problems of unofficial strikes and inter-union disputes. In early 1965 it had set up a Royal Commission on Trades Unions chaired by Lord Donovan (Lord of Appeal in Ordinary 1964-71), which did not report until June 1968, by which time ‘waiting for Donovan’ had become a political catch-phrase.⁵³

⁴⁷ Tomlinson, 'Economic 'Decline' in Post-War Britain', p. 167.

⁴⁸ Hennessy, *Whitehall*, p. 76.

⁴⁹ Interview with Lord Armstrong of Ilminster, 9 July 2009.

⁵⁰ Whitehead, *The Writing on the Wall*, p. 70.

⁵¹ J W Durcan, W E J McCarthy, and G P Redman, *Strikes in Post-War Britain: A Study of Stoppages of Work due to Industrial Disputes, 1944-73* (London: George Allen and Unwin, 1983), p. 93. Table 4.1.

⁵² *Ibid.*, p. 110. Table 4.11.

⁵³ Wigham, *Strikes and the Government*, p. 142.

The Donovan Report concluded that the answer lay in self-regulation by the trade unions, and it rejected proposals for legislative reform.⁵⁴ The Report was greeted with some disappointment.⁵⁵ It also looked too late because a few weeks before Donovan was published the Conservative Party had rushed out the results of its policy review on trade unions.⁵⁶ This was the subject of immensely detailed work and proposed a new legal framework for trade unions, which would make agreements between unions and employers legally enforceable by new industrial courts and enforce secret ballots before strikes. Workers would have the legal right to join a trade union but also the right not to be forced to join a ‘closed shop’.⁵⁷ Wilson and Barbara Castle (Employment and Productivity Secretary 1967-70) were both alarmed by a wave of unofficial strikes and stung by the popularity of the Conservatives’ proposals. In January 1969 the Labour Government produced a White Paper *In Place of Strife* which proposed several measures which would strengthen the role of trade unions and reinforce the authority of union leaders over the members. But it would also have introduced a ‘conciliation pause’ before any unofficial strike and compelled unions to hold secret ballots of their members before an official strike.⁵⁸

In April 1969 an Industrial Relations Bill based on *In Place of Strife* gave every worker the right to belong to a trade union. It also gave the Secretary of State legislative powers, backed up by financial sanctions, to impose a settlement on unofficial inter-union disputes, to order a twenty-eight-day ‘conciliation pause’ if there was a threat of an unofficial strike which posed a serious threat to the economy, and to order a strike ballot if there was the prospect of an official strike which posed a serious threat to the economy or the national interest. It met with increasing opposition, based mainly on an atavistic dislike of legislation in the area of industrial

⁵⁴ *Royal Commission on Trade Unions and Employers’ Associations Report*, Cmnd 3623, (London: HMSO, 1968).

⁵⁵ Currie, *Industrial Politics*, p. 233; Barnes and Reid, *Governments and Trade Unions*, p. 110; Wigham, *Strikes and the Government*, p. 146.

⁵⁶ *Fair Deal at Work: the Conservative approach to modern industrial relations*, (London: Conservative Political Centre, 1968).

⁵⁷ Dorey, *The Conservative Party and the Trade Unions*, pp. 63-87. Ramsden, *The Making of Conservative Party Policy*, pp. 243-4, 267-8.

⁵⁸ *In Place of Strife: A Policy for Industrial Relations*, Cmnd 3888, (London: HMSO, 1969).

relations, within the trade union movement, the Parliamentary Labour Party and the Cabinet, where the leading opponent was James Callaghan (Home Secretary, 1967-70). Wilson and Castle were forced to drop their legislative proposals in favour of a 'solemn and binding' agreement with the TUC to strengthen its own procedures for resolving inter-union disputes and unconstitutional strikes. 'Solomon Binding' became a term of ridicule, damaged the reputation of the Labour Government and contributed to its general election defeat in 1970.⁵⁹

The Conservative government was determined to push through trade union reform and the ideas had been so well-worked out in opposition that the government saw no need for a long process of negotiation with the TUC. A consultative document which embodied its proposal was published within a few weeks of taking office and Carr made it clear that the main principles were non-negotiable. Somewhat to his surprise Carr found that the officials in the Department of Employment, who had worked on Castle's Bill, were enthusiastic about the Conservatives' proposals.⁶⁰ These included Barnes, who according to Sir Geoffrey Howe (Solicitor General 1970-72), proclaimed himself to be not just a hawk but an eagle on the need for reform.⁶¹ They were rapidly, too rapidly, translated into legislative proposals and Howe complained later that the 'law with a human face' which they had aimed for had been turned into over-complicated legislation by the Parliamentary draftsmen.⁶² The Industrial Relations Bill, published in early December 1970, was so complex that Carr later admitted that although he was one of its main authors he needed extensive briefing to understand the purpose of its many clauses.⁶³

The Industrial Relations Bill aimed to reduce the number of strikes by making collective agreements between employers and unions legally binding unless specifically agreed by both parties. It established a National Industrial Relations Court (NIRC) as a branch of the High Court, with which recognised unions would

⁵⁹ Jenkins, *Battle of Downing Street*; Barnes and Reid, *Governments and Trade Unions*, pp. 112-6; Wigham, *Strikes and the Government*, pp. 149-153; Richard Tyler, 'Victims of our history': the Labour Party and In Place of Strife', unpublished PhD thesis, Queen Mary, University of London, 2005.

⁶⁰ 'Trade Unions and the Fall of the Heath Government', p. 46.

⁶¹ Howe, *Conflict of Loyalty*, p. 59.

⁶² *Ibid.*, p. 60.

⁶³ Whitehead, *The Writing on the Wall*, p. 71.

have to register in order to be immune from civil suits for damages. The NIRC would regulate a new code of practice which would outlaw unfair industrial practices and if registered unions contravened it they would forfeit their legal immunity to prosecution. The NIRC also had the power to enforce a sixty day 'cooling-off' period before unofficial strikes. It also instituted a requirement to hold a secret ballot before strike action.⁶⁴

The Conservative Party had few close links with the unions and ministers had gained the impression in private meetings with union leaders before the election that although the TUC would oppose the proposals on principle, once they became law they would be accepted.⁶⁵ Although Carr later conceded that the government tried to do too much at once, he argued that at the time there appeared to be good reasons for attempting a wide-ranging reform which would settle the issue for the foreseeable future.⁶⁶ The Bill met with determined opposition from Wilson and the Labour Party, although several of its proposals were identical to those of *In Place of Strife*, as well as from the unions. But after mass demonstrations and a bitter parliamentary battle it became law in August 1971, although several of its provisions did not come into effect until 1972. However, the unions, bolstered by their earlier victory over Wilson and Castle, continued to oppose the Act and undermined it by removing themselves from the official register. This rendered them liable to prosecution and provoked a series of legal confrontations, which culminated in the arrest and imprisonment of three dock workers in July 1972, accompanied by widespread protests.⁶⁷

Heath and his colleagues regarded their proposals as, 'rational, sensible and essentially modest', and because they had been explicit about them in the manifesto they were convinced they had an electoral mandate.⁶⁸ But the Act was a legally complex and over-ambitious measure which eventually proved unworkable in practice. It also led to a wave of strikes in protest, one estimate was that over three

⁶⁴ Barnes and Reid, *Governments and Trade Unions*, pp. 137-41.

⁶⁵ 'Trade Unions and the Fall of the Heath Government', p. 39.

⁶⁶ 'Symposium: Conservative Party Policy Making, 1967-70', *Contemporary Record* vol. 3, no. 3, 1990, p. 34.

⁶⁷ Dorfman, *Government versus Trade Unionism*, pp. 52-65; Wigham, *Strikes and the Government*, pp. 158-164.

⁶⁸ Taylor, *Trade Union Question*, p. 2.

million working days were lost.⁶⁹ Most importantly it soured relations between the government and the unions and intensified antagonism over the increasing number of pay disputes in the public sector, which were a persistent problem during the government's term of office. It thus exacerbated the problem of strikes which it was designed to solve. Between 1969 and 1973 the total number of stoppages rose by 87%, the number of workers involved by 22% and the total of working days lost by 244%, compared to the period 1960-68.⁷⁰ While most of them were disputes over the level of wages there was also a wave of political strike activity never seen before in the UK, mainly against the Industrial Relations Act with the remainder a protest against the statutory incomes policy.⁷¹

Industrial unrest

Although the manifesto had specifically set itself against a *compulsory* incomes policy the government soon decided on a policy of pay restraint in the public sector, which included the nationalised industries. The aim was to limit pay rises to 1% less than the preceding one and to refuse to allow wage increases to be passed on in price rises in the hope that this policy of 'norm minus one' (N-1) would be followed in the private sector and lead to a gradual reduction in wage inflation. But it was completely voluntary and depended entirely on government exhortation, with no sanctions if employers failed to observe it. It also ran counter to the main objective of trade union leaders to achieve the same gains for their members as other unions and was deeply resented by them.⁷²

The government was faced with increasing industrial conflict over pay from the time it took office in June 1970. A national dock strike forced it to declare its first state of emergency in July 1970. After an inquiry the strike was eventually settled with a pay award worth 7%. A five-week strike by local authority manual workers, which included dustmen, was settled at the beginning of November by an independent inquiry which awarded them 14.5%. This pattern of strikes, eventually settled at high levels by independent arbitrators repeated itself with a power workers strike in

⁶⁹ Wigham, *Strikes and the Government*, pp. 164-5.

⁷⁰ Durcan, McCarthy, and Redman, *Strikes*, p. 132.

⁷¹ *Ibid.*, pp. 168-70, 438.

⁷² Wigham, *Strikes and the Government*, p. 165.

December 1970 and a twelve-week strike by post office workers which ended, unusually, with a low settlement and victory for the government in March 1971.⁷³

The problem of strikes was an issue which the government took very seriously. In October 1970 Sir Burke Trend (Cabinet Secretary 1963-73) sent Heath a paper, 'The Prospects of Industrial Unrest'.⁷⁴ This had been produced for what Trend described as, 'a small working party on "Subversion at Home", which attempts to keep an eye on subversive activities, whether by right wing or left wing organisations, on the domestic front'. According to Trend, it met regularly and consisted of representatives from the Foreign Office, Home Office, Employment and Productivity, Education and Science and the Security Service (MI5).⁷⁵ This group would appear to be the Official Committee on Subversion at Home established in 1969.⁷⁶ Trend warned Heath that the paper, 'doesn't make very cheerful reading; and if it is a reliable forecast – as its predecessors in this series usually have been – we are probably in for a long, hard winter on the industrial front'.⁷⁷

The paper was a balanced analysis of the factors which might produce increased industrial unrest. It pointed out that as a result of the growth of individual plant bargaining trade union leaders had lost control of their rank and file, which they could only reassert by outflanking the militants and pushing for excessive wage claims. Even the most militant union leaders accepted that inflationary settlements could not continue, but although no union leader wished their own union to be in the forefront of the battle, a new lower rate would only be accepted after a decisive confrontation. It analysed the activities of the Communist Party and Trotskyite

⁷³ Barnes and Reid, *Governments and Trade Unions*; Wigham, *Strikes and the Government*, pp. 233-4; Jeffery and Hennessy, *States of Emergency*; Taylor, *Trade Union Question*, pp. 187-89.

⁷⁴ The National Archives: Public Record Office, hereafter TNA: PRO, PREM 15/458 'Prospects of industrial unrest: inter-departmental machinery for dealing with policy on pay and unions and aspects of wages policy and inflation', 'The Prospects of Industrial Unrest, (A joint paper by the Department of Employment and Productivity and the Security Service)'. Section of this paper are blanked out and retained under Section 3 (4) of the Public Records Act 1958.

⁷⁵ *Ibid.*, Trend to Heath, 12 October 1970.

⁷⁶ Andrew, *Defence of the Realm*, p. 588. The papers for this committee, after 1970, are not listed in the catalogue of the National Archives.

⁷⁷ TNA: PRO, PREM 15/458, Trend to Heath, 12 October 1970.

groups in a number of industries and found their role to be limited. But it also warned that it was difficult to judge whether opposition to the industrial relations legalisation would be so intense that there was a real risk of strike action being taken for political ends. It concluded with the stark warning; ‘Industrial peace – even relative and partial – can only be bought at the price of further industrial conflict.’⁷⁸

Heath took the issues of industrial disruption and the potentially destructive role of political extremists extremely seriously and the paper clearly made an impact on him, as his handwritten comments on Trend’s note showed.

I am not at all satisfied that officials have worked out for ministers both strategy and tactics as well as the mobilisation of resources to deal with this situation. At present we are barely muddling through ad hoc. Can we now tackle this thoroughly and get Ministers and Departments working to an agreed plan. There is no time to be lost.⁷⁹

Trend proposed that a small group of senior ministers should be set up to examine potential cases of industrial unrest, which could disrupt essential public services or supplies of vital commodities. Its task was to prepare a general strategy and ensure that contingency planning was in place, and it should be supported by a small group of senior officials.⁸⁰ Heath’s response was positive and stressed the need for urgency, he wrote on the paper

Agreed. The official group to work out the strategy and present it to Ministers is most important. It needs careful thought which cannot be provided by a Ministerial Committee. I hope they can get on with it quickly. I would like to see the strategy set out on paper as soon as possible.⁸¹

The Ministerial Committee on Industrial Unrest was known as GEN 19 and the Official Committee as GEN 20.⁸² Although the issues with which they were concerned were primarily economic and industrial the Home Office was the lead

⁷⁸ Ibid., ‘The Prospects for Industrial Unrest’.

⁷⁹ Ibid., Trend to Heath, 12 October 1970, handwritten comment by Heath, 14 October 1970.

⁸⁰ Ibid., Trend to Heath, ‘Strategy for Handling Industrial Unrest’, 24 October 1970.

⁸¹ Ibid., handwritten comment by Heath.

⁸² According to the Cabinet Office numbering system ad hoc Cabinet Committees were known as ‘GEN’ committees and numbered in order of their creation.

department and GEN 19⁸³ was chaired by Maudling and GEN 20 by Sir Philip Allen (Permanent Secretary, Home Office 1966-72).⁸⁴ According to Andrew the Whitehall response was unenthusiastic and Allen argued that it was not possible to foresee disruption with enough precision to make meaningful plans to deal with it.⁸⁵ This was a sensitive area fraught with difficulties but one senior Cabinet Office official made it clear that Heath attached great urgency to devising a strategy to enable the government to cope with strikes which threatened essential services, and that at some point a stand would have to be taken and wage claims resisted.

We should be able to identify the confrontations which are crucial and the points at which the maximum Government effort should be concentrated and how at these points the Government's resources should be deployed. We should identify also the battles that cannot be won when we should deliberately seek to avoid a confrontation.⁸⁶

The group clearly had access to the product of intelligence organisations including the Security Service (MI5) and the Special Branch⁸⁷ and was attended by a representative from MI5.⁸⁸ The highly sensitive nature of the work and the involvement of MI5 meant that the very existence of both the ministerial and the official groups were kept secret.⁸⁹ 'It would be very damaging if it were publicly represented that the Government had set up special machinery to work out plans for strike-breaking, and naturally the strategy itself is of the highest secrecy.'⁹⁰ GEN 20 met three times during November 1970 and surveyed the pay negotiations due to come to a head during the next few months. It analysed the extent to which strike

⁸³ TNA: PRO, CAB 130/484, 'Ministerial Group on Strategy to deal with Industrial Unrest' (GEN19). Its other members included Barber, Whitelaw, Carrington and Carr.

⁸⁴ TNA: PRO, CAB 130/485, 'Group of Officials on Strategy to deal with Industrial Unrest', GEN 20. Its members included Douglas Wass (Treasury Deputy Secretary), Barnes, Conrad Heron (Deputy Secretary, DE), Neil Cairncross (Deputy Secretary, Cabinet Office), James Waddell (Deputy Secretary, Home Office) and D Whyte (Security Service).

⁸⁵ Andrew, *Defence of the Realm*, p. 588.

⁸⁶ TNA: PRO, CAB 164/1158 'Strategy for handling unrest', Cairncross to Allen, 30 October 1970.

⁸⁷ TNA: PRO, CAB 130/485, GEN 20, 2nd Meeting, 18 November 1970.

⁸⁸ TNA: PRO, CAB 164/1158, Brian Norbury (Cabinet Office) to Sir Martin Furnival Jones (Director General Security Service), 28 October 1970.

⁸⁹ TNA: PRO, CAB 130/485, GEN 20, 1st Meeting, 2 November 1970.

⁹⁰ TNA: PRO, CAB 164/1158, Cairncross to Maudling, 10 November 1970.

action would cause serious disturbance to the economy or the public and attempted to identify subversive influences in industry.⁹¹

By mid-November 1970 Heath and his senior ministers were extremely worried by rising wage rates and struggled to find an effective strategy to deal with inflation. Heath convened a wide-ranging discussion with Barber and a small group of senior officials at Chequers. He asked why the old relationship between the growth in incomes and the level of unemployment (the Phillips curve) was breaking down, whether deflation could work and what would be involved in standing up to a strike. Barber warned that unless something was done about inflation there would be a balance of payments deficit before the end of 1971 and a crisis of confidence before that. Since deflation would result in a massive and unacceptable increase in unemployment and there was no merit in statutory control of prices and incomes he concluded, ‘the Government must stand up to a strike, perhaps to more than one strike, in the public sector and be seen to be allowing the consequence of management to work through to bankruptcy in one or two striking cases.’ While Heath saw the attraction of standing up to a strike in the public sector he was not yet convinced that the government would be able to see through a firm stand on the electricity workers’ pay claim which was then looming.⁹²

This sense of doubt that the currently accepted economic wisdom was still valid was clearly evident at a high-level meeting of ministers and senior civil servants to discuss inflation a couple of days later. Ministers were convinced that the balance of industrial power had swung in favour of workers who were prepared to press for high claims at the risk of damaging the national economy and that the monopoly power of the trade unions had become so strong that the temptation was for employers to give in and raise prices.⁹³ Heath instructed that detailed plans should be drawn up to deal with a possible national electricity strike but ministers were well aware that the

⁹¹ TNA: PRO, CAB 130/485, GEN 20, 1st Meeting, 2 November 1970.

⁹² TNA: PRO, CAB 164/1158, ‘Note for the Record: A Meeting at Chequers to discuss the Strategy for Dealing with Inflation’, 14 November 1970.

⁹³ This passage is echoed almost verbatim in his memoirs, Heath, *The Course of My Life*, p. 333.

country could not stand a strike of more than a few days in that, or other essential services such as gas and the water supply.⁹⁴

By the end of November 1970 the drafting of the Industrial Relations Bill, which was the public aspect of the government's policy for redressing the balance of power in industry, was well-advanced. But in private ministers had become increasingly anxious about inflation and there was a growing conviction that they would need to face down a major strike in the public sector, but the confrontation would have to be chosen extremely carefully. To deal with the inter-linked problems of pay, strikes and inflation the government machinery in this area was restructured and became increasingly complex.⁹⁵ GEN 19 became the Ministerial Committee on Pay Negotiations, chaired by Maudling,⁹⁶ and GEN 20 became the Official Committee on Industrial Disputes, chaired by Sir Philip Allen.⁹⁷ A Sub-Committee on Pay Negotiations, a small mixed committee of ministers and officials, chaired by Robert Carr, was set up,⁹⁸ and so was an Official Committee on Inflation, chaired by Sir Douglas Allen.⁹⁹ The Official Committee on Pay (PO)¹⁰⁰ was chaired by Sir Ronald McIntosh (Deputy Secretary, Department of Employment 1970-72, Treasury 1972-3). (See Figure 1, p 56).

⁹⁴ TNA: PRO, CAB 164/1158, 'Note of a meeting at No 10 on Strategy for Dealing with Inflation', 16 November 1970.

⁹⁵ TNA: PRO, PREM 15/458, Trend to Heath, 'Policy on Pay and the Unions', 20 November 1971.

⁹⁶ TNA: PRO, CAB 134/3033, 'Ministerial Committee on Pay Negotiations', P 70.

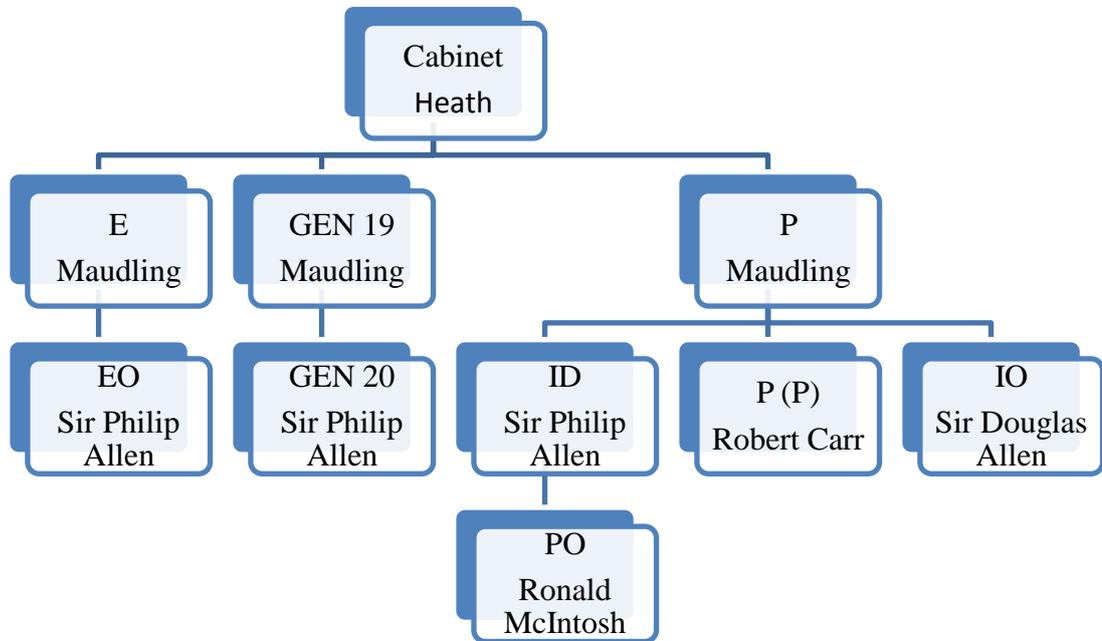
⁹⁷ TNA: PRO, CAB 134/2909, 'Official Committee on Industrial Disputes', ID 71,72.

⁹⁸ TNA: PRO, CAB 134/3035, 'Ministerial Steering Committee on Pay Negotiations: Sub-Committee on Pay Negotiations', P (P).

⁹⁹ TNA: PRO, CAB 134/2927, 'Official Committee on Inflation', IO.

¹⁰⁰ TNA: PRO, CAB 134/3433, 'Official Committee on Pay Negotiations'.

Figure 1. Structure of Cabinet Committees dealing with problems of industrial unrest in November 1970.



- E Ministerial Emergencies Committee
- EO Official Emergencies Committee
- GEN 19 Ministerial Group on the Strategy to deal with Industrial Unrest
- GEN 20 Official Group on Strategy to deal with Industrial Unrest
- ID Official Committee on Industrial Disputes
- IO Official Committee on Inflation
- P Ministerial Steering Committee on Pay
- P(P) Sub-committee on Pay Negotiations
- PO Official Committee on Pay

GEN 19 became P and GEN 20 became ID at the end of November 1970.

Heath's fears about the unpreparedness of the governmental machinery for dealing with major strikes were borne out by a work-to-rule by power station workers in December 1970. This resulted in widespread electricity cuts, with some large industries halted or slowed down, shops forced to close early and homes without electricity for hours at a time.¹⁰¹ The government hesitated for several days but the severity of the electricity shortage meant it was obliged to declare its second state of emergency on Saturday 12 December.¹⁰²

At one point during the dispute Maudling asked the Security Service to engage in a covert listening operation against the unions involved. Anthony Simkins (Deputy Director General MI5) was reluctant to do this and argued that this was in breach of the Charter since the unions could not properly be considered subversive organisations and the proposal was dropped.¹⁰³ Heath wrote later that the electricity dispute 'provided an opportunity for making the stand we all sought' so long as the country could withstand a complete shutdown by the electricity workers.¹⁰⁴ But the vulnerability of the electricity industry to any industrial action was brought home to the government during the work-to-rule. The dispute was eventually settled by referring it to a court of inquiry chaired by Lord Wilberforce, (Lord of Appeal in Ordinary 1964-82) which awarded a pay rise which the government presented as 10% but most other assessments put at between 15 and 18%.¹⁰⁵

During the dispute Douglas Hurd noted in his diary, 'Cold and the electricity go-slow hits harder and quicker than expected...It is clear that all the weeks of planning in the civil service have totally failed to cope with what is happening in the electricity dispute: and all the pressures are to surrender.' In a note to Heath Hurd stressed the need, 'to examine again the practical side of contingency planning for mitigating the effects of any future disputes. This did not look impressive this time, and some things which were said at the outset to be impossible (e.g. warnings of cuts) are now being done. (Surely the Official Committee is too large, and you need a

¹⁰¹ Ledger and Sallis, *Crisis Management in the Power Industry*, pp. 39-42.

¹⁰² TNA: PRO, CAB 128/47 'Cabinet Conclusions', CM 70, 46th Conclusions, 12 December 1970.

¹⁰³ Andrew, *Defence of the Realm*, pp. 589-90.

¹⁰⁴ Heath, *The Course of My Life*, p. 333.

¹⁰⁵ Barnes and Reid, *Governments and Trade Unions*, p. 140.

small group of officials under an energetic minister, not holding too many meetings).¹⁰⁶

The Official Committee on Emergencies (EO) was responsible for contingency planning and the management of civil emergencies where essential services were threatened. It had its origins in the Supply and Transport Organisation established in 1919 to deal with the wave of industrial unrest after the First World War and made permanent by the Emergency Powers Act 1920.¹⁰⁷ After the Second World War it was reconstituted in 1947 under the aegis of the Home Office as the Emergencies Committee with a broader remit to cope with natural disasters such as floods as well as industrial disputes which threatened the life of the nation.¹⁰⁸ Its terms of reference under the amended Emergency Powers Act 1964 were, 'To co-ordinate preparation of plans for providing and maintaining in an emergency supplies and services essential to the life of the community: in an emergency to co-ordinate action for this purpose and to report to the Ministerial Committee on Emergencies.'¹⁰⁹

It was chaired by the Permanent Secretary of the Home Office and since its membership included officials from any departments affected by an emergency it was large and unwieldy. EO was responsible for contingency planning for everything from major floods to strikes but by the early 1970s industrial relations had become increasingly fraught and complex and the leading role of the Home Office in an area of industrial and economic policy, a role which reflected both its wide remit and traditional position of power in Whitehall, had become an historical anomaly. The Official Committee reported to the Ministerial Emergencies Committee (E), which was chaired by the Home Secretary, Maudling, whose position in government reflected his seniority within the Conservative Party. As Hurd put it, 'Part of the problem was that Maudling didn't have a grip on anything, part of the Irish problem too. You had a man who was shrewd and idle, everybody liked him but he didn't

¹⁰⁶ Hurd, *End to Promises*, pp. 99-101.

¹⁰⁷ Jeffery and Hennessy, *States of Emergency*, pp. 10-39.

¹⁰⁸ *Ibid.*, pp. 143-80.

¹⁰⁹ TNA: PRO, CAB 161/16 'Cabinet Office: Committee Organisation Books', sixteenth issue 1965.

have a grip, yet he was too important to be shoved aside. He was a big beast so he had a political stature which he no longer deserved.’¹¹⁰

First attempts at reform

Jeffery and Hennessy believed that Hurd’s warning on the weaknesses of the system of contingency planning went unheeded.¹¹¹ But Heath was already concerned about the level of preparedness to deal with strikes even *before* the inadequate handling of the electricity dispute, and this led directly to further action in this area. Robert Armstrong informed Trend that Heath now wanted the arrangements for dealing with industrial emergencies to be examined as a matter of the utmost urgency. He particularly wanted the case for a small project team of officials, chaired by a very senior civil servant, with the capacity to devote a considerable amount of time, thought and energy to the work, to be examined.¹¹²

This proposal for a central project team was an encroachment upon the Home Office’s traditional territory and it was clearly resented by Sir Philip Allen who drafted a long and defensive rebuttal. The original document in the National Archives has dismissive comments written in the margins in what appears to be Heath’s handwriting. Next to Allen’s argument that both the Departments of the Environment and Trade and Industry had maintained operations rooms during the strike, is written, ‘almost useless’, and when Allen defended his assertion that the police would prefer to be in touch with the Home Office rather than with a central operations room, with, ‘This may sound absurd...’, the caustic comment, ‘It is.’ was scrawled.¹¹³

Trend was enthusiastic about the proposal for a central operations room which should be staffed twenty four hours a day, preferably by retired army staff officers, and be ready to deal with any emergency, whether an Act of God or the work of man. But he was much less sympathetic to the creation of a central project team and he proposed instead that the Emergencies Committee should be sharpened up. Trend’s

¹¹⁰ Interview with Lord Hurd of Westwell, 27 April 2004.

¹¹¹ Jeffery and Hennessy, *States of Emergency*, p. 234.

¹¹² TNA: PRO, PREM 15/1600 'Arrangements for dealing with industrial and civil emergency situation: setting up of Whitehall Command post; possible use of new Cabinet Office Emergency Room', Armstrong to Trend, 15 December 1970.

¹¹³ *Ibid.*, Allen to Trend, ‘Planning for Emergencies’, 15 December 1970.

judgement was that ‘although the machinery had creaked and groaned a bit’, it had stood up to the electricity emergency pretty well. ‘There is always going to be some creaking and groaning, if only because emergencies are by their nature, unforeseeable things and have to be played by ear.’¹¹⁴

This was deeply inimical to Heath’s firm belief that the handling of industrial disputes could be improved. His desire to reform the system for dealing with emergencies reflected his long-standing conviction of the importance of machinery of government. Machinery of government reform was a subject which engrossed him and he was convinced that ministers spent too much time on daily matters and not enough on strategic thinking.¹¹⁵ Much of the policy review in opposition had been devoted to the question of how to rationalise the civil service, reduce the burden on ministers, strengthen the heart of central government and improve its capability for analysis and policy formulation.¹¹⁶ The result was the White Paper, *The Reorganisation of Central Government*, which proclaimed ‘This administration believes that government has been attempting to do too much. This has placed an excessive burden on industry, and on the people of the country as a whole, and has also overloaded the government machine itself.’¹¹⁷

During the autumn of 1970 Heath had pressed ahead with a number of major reforms. Some administrative tasks were delegated to executive agencies, a number of smaller departments were amalgamated and two new large ministries, Trade and Industry (DTI) and Environment (DoE), were created. These super-ministries were designed to streamline decision-taking within departments so that inter-departmental tensions would be removed from Cabinet discussions which could then focus on more strategic matters.¹¹⁸ But they were to prove too big to be run effectively by one Cabinet Minister who had to manage a large team of six or seven junior ministers, delegate effectively but retain overall responsibility.¹¹⁹ A new system for analysing

¹¹⁴ Ibid., Trend to Armstrong, ‘Planning for Emergencies’, 23 December 1970.

¹¹⁵ Heath, *The Course of My Life*, p. 314.

¹¹⁶ Hennessy, *Whitehall*, pp. 210-11; Davis, *Prime Ministers and Whitehall*, pp. 83-111.

¹¹⁷ *The Reorganisation of Central Government*, Cmnd 4506, HMSO, October 1970, p. 3.

¹¹⁸ Heath, *The Course of My Life*, p. 314.

¹¹⁹ Campbell, *Edward Heath*, p. 314.

and assessing central government programmes to ensure value for money known as Programme Analysis Review (PAR) was established in March 1971.¹²⁰ But departmental ministers were unenthusiastic about having their programmes vetted in this way and it proved to be a time-consuming burden.¹²¹

The most radical and innovative reform was the establishment of the Central Policy Review Staff (CPRS), designed to ensure that all ministers were fully aware of the strategic implications of policy decisions, as well as all the alternative courses of action, and so better able to establish clear priorities. The ideas behind it were developed in opposition when the emphasis had been on strengthening the Prime Minister's office. The original proposal had been that it should be in No 10 but Trend had opposed this and when it was established in February 1971 it was based in the Cabinet Office and designed to service the government as a whole, not just the Prime Minister. Trend had also objected to it being called the 'Think Tank', although this was how it became known colloquially.¹²² It was established under the direction of the colourful maverick Lord (Victor) Rothschild (Director General and First Permanent Under-Secretary, Cabinet Office 1971-74). Rothschild had served in military intelligence during the Second World War, had a brilliant career as a scientist in government service and recently retired as Head of Research at Royal Dutch Shell.¹²³

Heath later described the CPRS as probably the most important and effective reform of his reforms to the machinery of government. 'It was allowed, even encouraged, if not to think the unthinkable, then at least to express the uncomfortable...What we heard was not always welcome or popular, but the discipline of hearing it was very salutary.'¹²⁴ Rothschild was not convinced about the various witty ways of describing the Think Tank such as 'sabotaging the smooth working of the Whitehall machine' or 'thinking the unthinkable'. 'From the start, it seemed to me that our job

¹²⁰ Blackstone and Plowden, *Inside the Think Tank*, p. 48.

¹²¹ Hecló and Wildavsky, *The Private Government of Public Money*, pp. 264-303; Hennessy, *Whitehall*, pp. 222, 235-56; Davis, *Prime Ministers and Whitehall*, pp. 132-37.

¹²² Hennessy, *Whitehall*, pp. 221-235; Davis, *Prime Ministers and Whitehall*, pp. 113-21.

¹²³ Kenneth Rose, *Elusive Rothschild: The Life of Victor, Third Baron* (London: Weidenfeld and Nicolson, 2003).

¹²⁴ Heath, *The Course of My Life*, pp. 315-6.

was to analyse problems and proposals and for that we needed excellent analytical brains: so that was what I tried to get.’¹²⁵

The CPRS consisted of a small mixed team of mainly young civil servants and outsiders. Its terms of reference were to analyse selected major policy issues, help ministers develop a collective strategy to achieve their major objectives, assess the compatibility of government’s action or non-action with this strategy. Its role was to identify and brief the Cabinet and Ministerial Committees on selected policy issues and to help select PAR programmes and analyse the results.¹²⁶ As Hurd described it, ‘Lord Rothschild roamed like a condottiere through Whitehall, laying an ambush here, there breaching some crumbling fortress which had outlived its usefulness’. The CPRS made regular presentations to the Cabinet at Chequers. ‘Their analysis was elegant but ruthless. They made no allowances for political pressures. They assumed the highest standards of intellectual consistency. They rubbed Ministers’ noses in the future.’¹²⁷

One project, directly related to the future, which the CPRS undertook in the late spring of 1971, was an attempt to establish an Early Warning System (EWS) for ministers. The aim behind this was to provide advance notice of possible crises which might occur so that contingency plans could be put in place.¹²⁸ In the late spring and early summer of 1971 Robin Butler (Treasury Official seconded to CPRS 1971-72, Private Secretary to the Prime Minister 1972-5) was in charge of drawing up a wide-ranging schedule of possible issues and events which might pose a problem. But this involved the CPRS in an enormous amount of work and not all departments, particularly the Treasury, were co-operative. Sir Douglas Allen protested to Rothschild, that the proposed machinery was not suitable for some of the

¹²⁵ Victor Rothschild, *Random Variables* (London: Collins, 1984), p. 81.

¹²⁶ TNA: PRO, CAB 129/155/71, CP 71 17, 3 February 1971.

¹²⁷ Hurd, *End to Promises*, pp. 38-39.

¹²⁸ Blackstone and Plowden, *Inside the Think Tank*, pp. 39-41; Ruth Cousens, 'The Central Policy Review Staff Early Warning System, 1971-1972', unpublished MA thesis, Queen Mary, University of London, 2003; Davis, *Prime Ministers and Whitehall*, pp. 121-24.

highly sensitive economic problems with which the Treasury dealt, that Trend was across the issues and could inform you 'when he feels it appropriate'.¹²⁹

Heath's response to Trend's objections to a central team in the Cabinet Office to plan for civil emergencies was distinct irritation, as his handwritten comment on Trend's note showed. 'This just is not good enough. Every major emergency so far I have had to take over myself: that certainly means that a central project team could organise effectively.'¹³⁰ Heath's relationship with Trend had elements of tension and this was one such moment.¹³¹ Robert Armstrong's view was that, 'Heath had great respect for Burke Trend, as who could not, because he was a very, very good civil servant and highly intelligent and a very agreeable man'.

But as Armstrong explained:

Trend was not a European, he was an Atlanticist, for him the relationship with the United States was key...he was also very much a Commonwealth man. Those two things mattered to him much more than Europe.

Heath was aware of Trend's views on Europe and that,

coloured their relationship. I think that was why my own role became important because I was pro-European. I got on very well with Burke and he was a very good friend, but I think Heath did come to rely on me in a way that perhaps in another system he would have been relying more on Trend. There were those who thought I was getting above myself, as it were. I tried not to but I found myself dealing with permanent secretaries almost as an equal really.

The other element, according to Armstrong was that Heath saw Trend as old-fashioned in matters of machinery of government since Trend was, 'very conscious of the dangers of over-concentration at the centre and the way it leaches responsibility away from departmental ministers.'¹³² While Trend was in favour of a permanent operations centre he was reluctant to support the proposal for a central

¹²⁹ TNA: PRO, CAB 184/22 'Arrangements for 'An Early Warning System' designed to keep a watch on emerging issues that may become major topical news', Allen to Rothschild, 14 May 1971.

¹³⁰ TNA: PRO, PREM 15/1600, Trend to Armstrong, 'Planning for Emergencies', 23 December 1970, handwritten comment by Heath.

¹³¹ Theakston, 'The Heath government, Whitehall and the civil service', p. 87; Hennessy, *Whitehall*, pp. 237-38.

¹³² Interview with Lord Armstrong of Ilminster, 9 July 2009.

project team based in the Cabinet Office and argued that it would be more effective and more economical to retain the Emergencies Committee.¹³³

Armstrong appeared to be sceptical about Trend's compromise. 'One tends to be suspicious of these proposals which are a happy combination of everybody's ideas, that they will in fact meet nobody's objectives.' But since the matter was now urgent Armstrong suggested that the proposal should be accepted, albeit 'on trial' and 'subject to ruthless revision'.¹³⁴ Heath accepted this advice reluctantly and acquiesced in Trend's proposal that the review of the Emergencies Organisation should be carried out by the Official Committee on Industrial Disputes.¹³⁵ Since this was also chaired by Sir Philip Allen it was not surprising that it decisively rejected the idea of a central operations room replacing the various departmental operations rooms which already existed.¹³⁶

The review of departmental plans for handling civil emergencies was carried out by T G Weiler (Assistant Secretary, Home Office), who produced two reports in the spring and early summer of 1971. It is a reminder of just how basic communications were in the early 1970s that the first report made such necessary recommendations for improvements as direct telephone lines for key staff and an inter-departmental telephone directory for use once Whitehall exchanges had closed down for the night.¹³⁷ The second Weiler Report surveyed the state of pay negotiations in those key industries and services essential to daily life and analysed the probable effect of any industrial action. It found the level of staffing to deal with emergencies to be adequate if not lavish.¹³⁸

It also stressed the inescapable fact, a recurrent theme in all attempts to strengthen contingency planning, that while preparations could be made to mitigate the worst effects of a major strike it was completely unrealistic to expect that services could be

¹³³ TNA: PRO, PREM 15/1600, Trend to Armstrong, 5 January 1971.

¹³⁴ Ibid., Armstrong to Heath, 'Planning for Emergencies', 5 January 1971.

¹³⁵ Ibid., Armstrong to Trend 5 January 1971.

¹³⁶ TNA: PRO, CAB 134/2909, ID 71, 1st meeting, 13 January 1971.

¹³⁷ Ibid., 'First Report of the Interdepartmental Working Group on Contingency Planning', ID 71 4, 13 April 1971.

¹³⁸ Ibid., 'Second Report of the Interdepartmental Working Group on Contingency Planning', ID 71 5, 28 April, 1971.

maintained at anything like a normal level.¹³⁹ Presciently it noted that the pay negotiations in the coal industry could break down as early as mid-September 1971 and it would not be possible to use troops or volunteers to maintain coal production. In the event of a miners' strike the steel industry and coal-fired electricity generating stations which produced 70% of electricity supplies would be brought to a standstill once they had used available stocks.¹⁴⁰

The Weiler reviews were completed by June 1971 to the satisfaction of the top echelons of the Home Office.¹⁴¹ They marked a significant stage in the evolution of the system of emergency planning and in some respects, such as their emphasis on the importance of communications, laid the foundations of the modern system which exists to the present day. They also did valuable groundwork in their survey of the key industries which were vulnerable to strike action. It has previously been thought that the first such comprehensive survey was undertaken after the 1972 miners' strike¹⁴² but the Weiler reviews preceded this and their work would be acknowledged and utilised by Hunt in the major review which took place a year later.

But while they produced some tangible minor improvements they left the Home Office Emergencies Organisation and the practice of separate departmental operations rooms intact. The Weiler reviews also engendered a dangerous sense of complacency in the Home Office that the system for dealing with emergencies had been improved more than turned out to be the case. Maudling reported to Heath that, 'the importance which we have attached to the need for proper contingency planning is beginning to pay dividends', and that government departments and public authorities, 'now seem to be fully alive to the issues'. A single word, 'Good', handwritten on the note, was Heath's terse response.¹⁴³

Heath's attempt, during the first year of his government, to sharpen up and modernise the Whitehall system of contingency planning by establishing a central

¹³⁹ Ibid..

¹⁴⁰ Ibid., Annex A1.

¹⁴¹ TNA: PRO, PREM 15/1600, Allen to Maudling, 'Contingency Planning for Civil Emergencies', 11 June 1971.

¹⁴² Jeffery and Hennessy, *States of Emergency*, p. 238.

¹⁴³ Ibid., Maudling to Heath, 'Emergency Planning', 5 August 1971.

unit in the Cabinet Office dovetailed with his other measures to rationalise and improve the structures of central government. It was also designed to strengthen the government's hand in dealing with the trade unions and reinforce its overall strategy on industrial relations. But whereas the Whitehall reforms and the Industrial Relations Act were public the attempts to improve contingency planning for industrial emergencies were kept highly secret.

But by the summer of 1971 Heath's aim of establishing a centralised system for managing emergencies had been defeated by a combination of Trend's bureaucratic conservatism and the Home Office's determination to defend its traditional territorial interests. Trend had hankered after a central operations room but while prepared to concede on this he warned that Heath should keep a watchful eye on how future emergencies were handled since, 'After all the proof of the pudding is in the eating.'¹⁴⁴ This was to prove prophetic: the attempts at reform ran into the sand just as the government faced the biggest threat yet to both its pay policy and ability to guarantee essential services from the NUM.

¹⁴⁴ TNA: PRO, PREM 15/1600, Trend to Armstrong, 12 May 1971.

Chapter 2 We must be prepared

The strike forewarned

Although the 1972 miners' strike is widely acknowledged as a major event the main focus of historians has been on the impact of the defeat on the government's political standing and the consequences of the strike. This is because it marked a change in the relationship between the government and trade unions; namely the attempt to reach a tripartite agreement on wages and prices, and when that failed, it led to a statutory prices and incomes policy.¹ It has also partly been seen as a watershed because it occurred shortly before the Budget in March 1972 and the Industry Act which have been widely characterised as a U-turn in economic policy.² In examining the reasons for the government's failure in its handling of the strike this thesis will query why the government failed to avert the strike and why it appeared to be so inactive for the first month. It will analyse the factors which contributed to the government's defeat and ask to what extent it was a straightforward industrial dispute and whether its political effect has been exaggerated.

All accounts of the strike have stressed the significance of the mobile picketing of the power stations. Clutterbuck had a detailed description, based on an interview with Arthur Scargill (member of the Barnsley Area Strike Committee NUM Yorkshire Region) of the direction of the flying pickets from the operations room of the Yorkshire Area Headquarters of the NUM in Barnsley.³ While Clutterbuck acknowledged the strike was principally about pay he also argued that it was by British standards 'unusually violent'.⁴ Robert Taylor also focussed on the organisation of the mobile picketing by the Yorkshire miners, which brought the power stations to a halt and argued that help from other unions was crucial to the miners' victory.⁵

¹ Dorfman, *Government versus Trade Unionism*, p. 68.

² Ramsden, *The Making of Conservative Party Policy*, pp. 298-99; Taylor, "The Heath government, industrial policy and the 'new capitalism'".

³ Clutterbuck, *Britain in Agony*, pp. 58-63.

⁴ *Ibid.*, p. 55.

⁵ Taylor, *The Fifth Estate*, pp. 362-65; Taylor, *Trade Union Question*, pp. 197-98.

Campbell's verdict was that the government's defeat stemmed from the twin misjudgements of the miners' mood and the level of the coal stocks and that the delay in the state of emergency stemmed from a mixture of complacency, a desire not to over-react and a failure of co-ordination between government departments.⁶ Andrew Taylor has drawn on the NUM's records and the files in the National Archives to examine the causes of the strike and the manner in which the government handled its relations with the NUM.⁷ But the question still remains as to why the government's overall strategy during the strike was so poor, a question which is all the more pertinent since the issue of how to deal with strikes was one which had preoccupied Heath from the autumn of 1970. The official records shed new light on this issue, particularly on the constraining effects of the government machinery.

The implicit argument in previous accounts has been that the strike took the government by surprise, which largely explained the poor way in which it was handled.⁸ In his memoirs Heath explained, 'What we did not anticipate was the spasm of militancy from a union which had been relatively quiet for so long, and the tactics which it was willing to adopt.'⁹ But the papers in the National Archives show that there were clear warnings that a miners' strike was a possibility and the government and the Central Electricity Generating Board (CEGB) had built up the coal stocks in preparation. There are also clear indications that the government was consciously prepared to take a stand against a major strike in the public sector as part of its overall strategy to curtail the power of the trade unions and reduce inflation.

All previous accounts have cited Carr's lament

Our judgement turned out to be wrong. There was no doubt about it, our intelligence about the strength of opinion with the miners' union generally was not as good as it should have been. The miners really do walk on their own... We just didn't know the miners. They hadn't been to St James's Square, the old home of the Ministry of Labour, for nearly fifty years.¹⁰

⁶ Campbell, *Edward Heath*, pp. 412-22.

⁷ Taylor, *The NUM and British Politics*, pp. 50-73.

⁸ Whitehead, *The Writing on the Wall*; Campbell, *Edward Heath*, p. 413; Taylor, *Trade Union Question*, p. 196; Sandbrook, *State of Emergency*, p. 116.

⁹ Heath, *The Course of My Life*, p. 350.

¹⁰ Whitehead, *The Writing on the Wall*, p. 74.

But the miners' strike was not a bolt-from-the-blue and there is clear evidence in the National Archives that by 21 October, when the NUM decided to ballot its members for a strike, there had been warnings from a number of sources that industrial action by the miners was a real possibility and that ministers, including Heath, were aware of this.

The NUM was traditionally regarded a moderate union and it had co-operated with the National Coal Board (NCB) in the rationalisation of the coal industry during the 1960s; between 1957 and 1972 the size of the workforce fell considerably from over 700,000 to less than 390,000 and the number of pits from over 800 to under 300.¹¹ During that period productivity had increased considerably and the old system of payment based on piecework had been reformed, but as a consequence of the National Power Loading Agreement (NPLA) the pay of the highest earning miners at the coal face had dropped. In 1960 the miners were third in the industrial earnings league, but by 1970 they were in twelfth position.¹²

Several factors worked against the organisation of any national strikes. The NUM was organised on a regional structure based on the coalfields, with a strong tradition of localism and fragmentation between different types of workers in the industry. It was also politically split between the moderate areas of Durham and Lancashire and the more militant areas of Yorkshire, Scotland and South Wales.¹³ Most importantly Rule 43 of the NUM required a very high threshold of a two-thirds vote in favour in a national ballot before a strike could be called. There had been no national strike in the coal industry since the General Strike of 1926 and the memory of that defeat had scarred the miners' leaders and made them wary of a repetition.¹⁴ But although there had been no national strike the coal-mining industry had a tradition of short, sporadic and regional unofficial stoppages.¹⁵ Between 1946 and 1973 coal mining accounted

¹¹ William Ashworth, *The History of the British Coal Industry, 1946-1982: The Nationalized Industry* (Oxford: Clarendon Press, 1986), pp. 249-265.

¹² Taylor, *The Fifth Estate*, pp. 359-60; Ashworth, *History of the British Coal Industry*, pp. 293-95; Taylor, *The NUM and British Politics*, pp. 12-24.

¹³ Taylor, *The NUM and British Politics*, pp. 1-4.

¹⁴ *Ibid.*, p. 51.

¹⁵ Durcan, McCarthy, and Redman, *Strikes*, pp. 240-71.

for 45% of all stoppages, 18% of all workers involved and 18% of days lost in industrial disputes.¹⁶

By 1971 resentment at the loss of earnings and the rundown of the industry had engendered a mood of frustration, which was articulated in militant rhetoric by the new leadership of the union. Lawrence Daly (General Secretary NUM 1968-84), argued strongly that the miners had been too moderate for their own good.¹⁷ While the President, Gormley, although regarded as a moderate, was also determined to reverse the decline in wages and declared that, 'I am not going to be a miners' leader if I cannot claim a bigger minimum wage for the lads who go underground than the lads carting dustbins round the streets of London are getting. We have been acquiescing for too long.'¹⁸ Militancy was also exacerbated during the first six months of 1971 by trade union resentment towards the Industrial Relations Bill which was then the subject of a bitterly contentious Parliamentary passage, accompanied by mass demonstrations.¹⁹

This attitude had resulted in a number of unofficial strikes for higher pay during the winters of 1969 and 1970 in the Yorkshire coalfield, where the tactic of sending pickets from one area further afield to increase the numbers at key points, known as 'flying pickets' was used.²⁰ In the autumn of 1970 55% of the membership of the NUM had voted in favour of a strike in a national ballot. At the NUM annual conference in July 1971, in a highly significant move at Gormley's instigation, Rule 43 was changed so that any future strike ballot would only require a reduced 55% majority in favour.²¹ The conference also voted to seek very large pay increases of £8 a week for surface workers, to bring their minimum wage to £26, £9 for underground workers to bring their minimum wage to £28 a week, and £5 for face workers to bring their minimum wage to £35 a week.²²

¹⁶ Ibid., p. 240.

¹⁷ Taylor, *The NUM and British Politics*, p. 50.

¹⁸ Taylor, *The Fifth Estate*, p. 359.

¹⁹ Dorfman, *Government versus Trade Unionism*, pp. 54-58.

²⁰ Taylor, *The Fifth Estate*, p. 362; Michael Crick, *Scargill and the Miners* (London: Penguin, 1985), pp. 44-45.

²¹ Taylor, *The Fifth Estate*, p. 361.

²² Ashworth, *History of the British Coal Industry*, p. 306. It is difficult to be precise about the percentage value of the various wage claims by the NUM and the offers by

The implications of the new militancy for the NUM's pay claim was not lost on the Coal Board and it was discussed by ministers and officials at several meetings during the summer and early autumn of 1971. Although the pay negotiations were ostensibly between the NUM and the NCB the latter was severely circumscribed by the government's policy of holding down public sector wages in the second half of 1971 to below 8% (the level of N-1).²³ The NCB warned that an attempt to hold an increase to 8% could well precipitate an unofficial strike.²⁴ Officials also noted that the miners' earnings in recent years had lagged behind other industries and they had good productivity record, which would enable the NUM to present a strong case if their claim went to arbitration, and recommended that the NCB should be allowed to offer an average increase of 7.5%.²⁵

At this point it was assumed that while the miners' leaders were likely to settle for arbitration, if it came to the point it would be easier to withstand a strike than in previous years. Since the aim was a settlement of not more than 7.5% and the pressure during the negotiations would be intense, 'the DTI should for the time being avoid giving the NCB any impression that an increase of more than 7 per cent (plus the 1 ½% under the NPLA) would be acceptable to the Government'.²⁶ Accordingly ministers decided that the NCB should be restricted to 7%.²⁷ According to Trend's later post mortem on the dispute, at this meeting, 'It was understood between Ministers privately that we had a further ½ % up our sleeves which we would be

the NCB since they were for different monetary amounts for separate categories of workers. Several sources estimated that the claim for some categories was 47% and all agrees that it was extremely high, with a huge gulf between the two sides.

²³ Barnes and Reid, *Governments and Trade Unions*, pp. 150-52.

²⁴ TNA: PRO, CAB 134/3433, 'Official Committee on Pay Negotiations', PO 71 101, '1971/72 Wage Round – DTI Public Sector Industries: Memorandum by the Department of Industry', 13 July 1971.

²⁵ TNA: PRO, CAB 134/3430 'Official Committee on Pay Negotiations', PO 71, 3rd Meeting, 29 July 1971.

²⁶ TNA: PRO, CAB 134/3427 'Ministerial Steering Committee on Pay Negotiations', P 71 66, R D McIntosh, 'Future Pay Negotiations: Note by Chairman of the Official Committee on Pay Negotiations', 30 July 1971.

²⁷ TNA: PRO, CAB 134/3425 'Ministerial Steering Committee on Pay Negotiations', P P, 29th Meeting, 5 August 1971.

ready to give away later.²⁸ But this knowledge was kept from Derek Ezra (Chairman NCB 1971-82).

At the end of September Sir John Eden (Minister for Industry 1970-72) warned his colleagues that Ezra was unhappy at opening negotiations with such a low offer that it could lead to an immediate breakdown in negotiations and an official strike. Ezra might ask for a formal instruction not to exceed the pay norm which would embarrass the government by revealing a gulf between it and the NCB and mean a direct confrontation between the government and NUM. While a firm stand might secure a settlement with the miners it could also result in a national strike. Eden concluded that although the risks of standing firm were very great he was prepared to run them, but he advised that Ezra should be allowed the extra ½% margin.²⁹

However, ministers were reluctant to allow Ezra latitude to offer more than an initial 7% since they feared that this would inevitably lead to a higher settlement, which would exceed the pay norm. The most they were prepared to do was to agree that if the NUM indicated they would settle at 7.5% then Ezra was authorised to accept their offer and clinch a settlement.³⁰ As Eden pointed out explicitly a few months later, 'The decision was reached in the full knowledge that the NCB would have preferred to aim for a settlement costing about 8% and that the limit set could mean a national official strike.'³¹

The danger that circumscribing the NCB too strictly might lead to a strike was made absolutely clear to Heath even before the negotiations between the NCB and the NUM began. Eden warned him that to settle with the miners at 8% would undermine the government's policy of minimising wage claims but while it might be possible to secure a settlement at 7% it could also lead to an uncontrolled spate of unofficial

²⁸ TNA: PRO, PREM 15/986 'Pay negotiations in the coal industry: National Union of Mineworkers' pay claim; effect on fuel and power supplies; state of emergency, appointment of Wilberforce Court of Enquiry; power cuts; end of coal strike; part 3', Trend to Armstrong, 'Chronology of the Pay Negotiations', 9 March 1972.

²⁹ TNA: PRO, CAB 134/3427, P 71 68, 'National Coal Board Pay Negotiations: Memorandum by the Minister for Industry', 30 September 1971'.

³⁰ TNA: PRO, CAB 134/3425, P, 30th Meeting, 5 October 1971.

³¹ TNA: PRO, PREM 15/984 'Pay negotiations in the coal industry; National Union of Mineworkers pay claim; coal strike', Eden to Carr, 7 December 1971.

strikes or even an official strike. 'We could probably stand a complete stoppage of four to six weeks with difficulty but without major disruption of the economy; distributed stocks of coal are high. But the economic and political consequences of a more prolonged stoppage are incalculable and clearly serious for the coal industry.'³²

There is anecdotal evidence that the strike was expected in the diary of Cecil King (Proprietor of Mirror Group Newspapers) who lunched with Alf Robens (Chairman of the Coal Board 1961-71) in the aftermath of the strike. King noted that, 'Before he left the Coal Board Robens had warned big coal consumers that a strike was coming and urged them to stock up, which most of them did.'³³ Ledger and Sallis noted that the coal stocks had been built up by the autumn of 1971 but that the danger was not thought to be such to warrant massive and uneconomic precautionary measures.³⁴ This is corroborated by the evidence in the National Archives that contingency planning against the possibility of a national strike which could result in the loss of production for up to eight weeks had taken place within the DTI since the beginning of 1971.³⁵ So that by early August it was noted that, 'Coal stocks were now higher than in the previous autumn and, although a miners' strike would be uncomfortable, if it occurred we were somewhat better placed to withstand it.'³⁶ But although stocks were high at the power stations and at large industrial plants stocks were much lower at smaller firms and institutional buildings where there was no facility to store them. It was simply not practicable to create central reserve stocks because of the cost and time of acquiring land and laying concrete bases.³⁷

This contingency work by the DTI had also been fed into the CPRS Early Warning System. The first EWS schedule was completed in the summer of 1971 and covered the whole waterfront of government policy. It was so wide-ranging as to be almost

³² Ibid., Eden to Heath, 6 October 1971.

³³ King, *The Cecil King Diary, 1970-1974*, p. 186.

³⁴ Ledger and Sallis, *Crisis Management in the Power Industry*, pp. 45-46.

³⁵ TNA: PRO, FV 38/184 'Mineworkers' strike: historical note and information about records', 'Coal Strike Records: (Para. 2) Control of Coal Distribution: Its Evolution and Re-Examination During the Strike'. This note is undated but clearly from early in 1972 and was part of the DTI post mortem.

³⁶ TNA: PRO, CAB 134/3425, P, 29th Meeting, 5 August 1971.

³⁷ TNA: PRO, FV 38/194 'Coal supply: contingency planning discussions with National Coal Board and coal trade', 'Distribution of Solid Fuel in a National Coal Strike: Note by Coal Division', 5 August 1971.

useless but it is interesting that under the heading of ‘Prices and industrial relations for the last quarter of 1971, it included, ‘Coal: possible strike, if prolonged, could cause widespread shortages.’³⁸ Robin Butler later acknowledged that the EWS had been virtually no use at all, ‘It was very difficult to get departments to be frank about what their fears were. If things weren’t happening government departments crossed their fingers and hoped they wouldn’t.’ Nor did the mention of a possible coal strike in the autumn of 1971 register with him at the time.³⁹ But while the possibility of a coal strike was not given any particular emphasis it is one more indication that the difficulties of achieving a pay settlement in the coal industry within the government’s norm were recognised by officials in the summer of 1971.

By mid-October the comfortable assumption was that electricity supply would not be seriously affected unless a strike lasted for more than two months. Coal stocks had been built up away from pit heads as much as possible; the power stations held nine and a half weeks supply and general industry four and a half weeks. A scheme had been worked out for domestic consumers to reduce consumption and give priority to the sick and aged.⁴⁰ At the end of December Allen reassured ministers that preparations for the distribution of coal had been carefully worked out and there was no need for an early proclamation of a state of emergency. But he also sounded a cautionary note,

It is obviously difficult to predict the likely duration of a strike. The National Coal Board considers that the apparent unwillingness of the NUM to commit its substantial financial reserves to strike pay and the severe drop in income that would be sustained by the miners make it unlikely that the strike would go on longer than for about 3 weeks. But we have had no experience of a national strike since 1926 and we cannot be sure that this forecast would not prove to be too optimistic.⁴¹

The warning was certainly there between the lines if ministers had cared to read it.

³⁸ TNA: PRO, CAB 129/158 ‘Cabinet Memoranda’, CP 71 96, Annex A, ‘Note by the Central Policy Review Staff’, 2 August 1971.

³⁹ Interview with Lord Butler of Brockwell, 9 December 2007.

⁴⁰ TNA: PRO, CAB 134/3374 ‘Ministerial Committee on Emergencies’, E 71 24, ‘Contingency Plans for Coal and Electricity Consumption: Note by the Chairman of the Official Committee’, 15 October 1971.

⁴¹ Ibid., E 71 25, ‘Threatened strike in the coal industry: Note by the Chairman of the Official Committee, Annex A’, 22 December 1971.

The early pay negotiations

The department responsible for the coal industry was the vast new DTI and during the second half of 1971 Davies was preoccupied with the industrial collapse of several well known firms, including Rolls Royce and Upper Clyde Shipbuilders. He left dealings with the NCB very much to the junior minister, Sir John Eden, but neither Davies nor Eden were very highly regarded and Cecil King's diary recorded frequent lunches with senior industrialists, civil servants and influential MPs where this was reflected.⁴² Gossip had it that Eden had been given the post only because he was a nephew of Sir Anthony Eden (Prime Minister 1955-57).⁴³ A close reading of the papers in the National Archives supports the view that Eden's role amounted to little more than that of liaison officer between the NCB and the complex network of Cabinet committees which formulated the government's strategy on pay in the public sector.

General responsibility for enforcing the pay policy of N-1 lay with the Ministerial Steering Committee on Pay Negotiations (P), chaired by Maudling, who was now past the zenith of his career. Many of the critical discussions on the details of individual claims took place in the Ministerial Sub-Committee on Pay Negotiations (P (P)), chaired by Robert Carr. This group was supported by the Official Committee on Pay Negotiations (PO), chaired by Ronald McIntosh (Deputy Secretary, DE). By the autumn of 1971 there were signs that N-1 had been effective in moderating the increase in wages in the public sector, although not in the private sector.⁴⁴ Terence Higgins (Treasury Minister 1970-72 and a member of the sub-Committee on Pay), recalled later, 'I had a graph in my office which showed its success.'⁴⁵ However, the government faced claims not only from the miners but other public sector workers; NHS craftsmen, gas, electricity and water workers. The miners' claim was not discussed on its own merits but in terms of its effect on these other claims and the overall policy.

⁴² King, *The Cecil King Diary, 1970-1974*, pp. 31, 37, 78-79, 90.

⁴³ *Ibid.*, p. 27.

⁴⁴ Cairncross, 'The Heath Government and the British Economy', p. 134.

⁴⁵ 'Witness Seminar: The Heath Government', p. 195.

The pay negotiations between the NCB and the NUM did not proceed well from the beginning. On 12 October, as Ezra had warned, the NUM rejected the NCB's opening offer of 6½% as derisory and refused to regard 7% as a basis for discussion.⁴⁶ The NUM called a national delegate conference for 21 October, where Daly made the case for a pay increase based on the miners' productivity record, recruitment needs and comparability with other industries. But he also used strong rhetoric to emphasise the political aspect of the strike. The NUM was

in the vanguard, because a whole number of other Unions large and small are awaiting the outcome of the Miners' struggle and the Miners' settlement...on the basis of our struggle I believe it is possible to create a broad unity in the Trade Union movement that will smash Conservative economic policy and help to pave the way for the defeat of the Tory Government and return a Labour Government which will introduce economic policies that can receive the full support of the Trade Union Movement.⁴⁷

The conference voted in favour of an overtime ban from 1 November and to hold a ballot for a national strike, but this rhetoric masked considerable uncertainty among the NUM Executive which was not a monolithic body. Gormley later recorded his unease at Daly's rhetoric.⁴⁸ The NUM Executive knew that coal stocks were high and that any refusal to do safety work would alienate public sympathy and split the workforce. They were also uncertain on the timing of any action; they needed to run down the stocks but were uncertain whether psychologically it would be better to take action as soon as possible or to wait until after Christmas.⁴⁹

There was a long standing rivalry that was both regional and political between Daly, Gormley and Mick McGahey (President of the Scottish NUM and a member of the Communist Party).⁵⁰ McGahey was well known for his militant views and was under surveillance by the Security Service, who had tapped his telephone but found his impenetrable Scottish accent difficult to understand.⁵¹ There were also differences between the militants and the moderates on the NUM Executive as to what they

⁴⁶ TNA: PRO, PREM 15/984, Eden to Heath, 13 October 1971.

⁴⁷ 'Minutes of a Special Delegate Conference, held at Congress House, 21 October 1971', NUM Archives, NUM Offices, Barnsley, Yorkshire, (hereafter NUM Archives).

⁴⁸ Gormley, *Battered Cherub*, p. 89.

⁴⁹ *Ibid.*, pp. 89-90.

⁵⁰ Phillips, 'The 1972 Miners' Strike', p. 192.

⁵¹ Andrew, *Defence of the Realm*, pp. 598-99.

would settle for. Although the NUM claim was for increases between £5 and £9 a week Gormley later claimed that shortly after 12 October he warned Ezra at a social occasion that an increase of £3.50 a week would be enough to get a majority on the NUM Executive, but if his warning was not heeded it would get harder and more expensive to settle the dispute the longer it went on. This left Ezra considerably shaken.⁵²

There is no reason to doubt this anecdote although Gormley's memoirs are not totally reliable and his role in both the 1972 and the 1974 dispute was ambivalent at certain key points. He had a reputation as a moderate but he had to manage militant members of the executive and bolster his base in the union. Ministers believed that he wanted to accept the NCB final offer in January but his advice was rejected by the NUM Executive, but Gormley made no mention of this in his memoirs.⁵³ Forty years later additional questions over his role were raised when a former Special Branch undercover officer alleged that Gormley was in touch with Special Branch throughout this period and in the autumn of 1971 informed them there would be definitely be a strike.⁵⁴ Even if true this did not necessarily constitute a betrayal of the union since it was entirely consistent with his efforts to convince the NCB and the government that the miners' pay claim had to be taken seriously. But it was also consonant with his wheeler-dealer character and his desire to limit the influence of Daly and McGahey, as he admitted, 'You can't be too careful in negotiations and sometimes it pays to be a bit secretive, even with your own side.'⁵⁵

The NUM's reputation as a moderate union had led ministers to disregard all warnings that a strike was likely. Even as late as 2 December, the day the ballot was announced, Carr maintained that support for the strike was concentrated in the traditionally more militant coalfields and a national strike might still be avoided, and

⁵² Gormley, *Battered Cherub*, p. 86.

⁵³ TNA: PRO, CAB 128/50 'Cabinet Conclusions', CM 72, 4th Conclusions, Minute 4, 27 January 1972.

⁵⁴ Taylor, *The NUM and British Politics*, pp. 107, footnote 130. 'True Spies', BBC 2, 27 October 2002, http://news.bbc.co.uk/1/hi/programmes/true_spies/2351547.stm (accessed 6.9.2010).

⁵⁵ Gormley, *Battered Cherub*, pp. 86-87.

that even if it did take place the coal stocks were in any case high.⁵⁶ This attitude was justified to some extent by the extremely close result of the NUM ballot, which was 58.8% in favour of a strike with 41.2% against. This just cleared the hurdle of 55%, which had only been in place since July 1971 and would not have been sufficient under the old rules. On 9 December the NUM Executive called a national strike to begin on 9 January 1972.

Gormley was suspicious that the NCB were constrained by the government's policy.⁵⁷ But just how tightly circumscribed Ezra was by ministers, who were fully aware that they were heading for a strike, is now clear from the papers in the National Archives. At the beginning of December Ezra had argued strongly for making the miners a slightly higher offer based on an increased productivity deal but, 'In accordance with the line previously agreed with his colleagues the Minister [Eden] told Mr Ezra that any settlement whether productivity based or not which could not be contained within the limit of about 7 ½ per cent agreed in October was unacceptable. Mr Ezra did not consider a settlement could be reached within that limit.'⁵⁸ This paragraph was marked with an X for Heath's attention by one of the private secretaries at No 10 who wrote, 'I think we have to stick on X even though it will probably mean a strike.' Heath's handwritten comment on the same day was terse and to the point. 'Yes' (against 'sticking on X') and, 'We must be prepared'.⁵⁹

Ezra held several meetings with the NUM in December and early January in which he made revised and slightly higher offers but ministers allowed him very little leeway. He proposed re-jigging the pay deal in favour of the lower paid in the hope that this would appeal to the NUM.⁶⁰ The Sub-Committee on Pay (P (P)) were initially reluctant to allow him to make this offer but on 21 December the main Pay Committee (P) decided to allow him to go ahead *but* only on condition that the NUM Executive agreed to remain neutral and to ballot their members on it. If they refused

⁵⁶ TNA: PRO, CAB 128/49 'Cabinet Conclusions', CM 71, 61st Conclusions, Minute 4, 2 December 1971.

⁵⁷ Gormley, *Battered Cherub*, p. 91.

⁵⁸ TNA: PRO, PREM 15/984, Evans (DTI) to Holland (DE), 9 December 1971.

⁵⁹ *Ibid.*, Gregson (No 10) to Heath, handwritten comment by Heath, 10 December 1971,

⁶⁰ *Ibid.*, Evans to Holland, 16 December 1971.

it was be withdrawn.⁶¹ On 21 December the NCB met the full NUM Executive and put forward a slightly revised package, which included a bonus scheme linked to productivity improvements, but the NUM refused to put it to their members.

In early January the Coal Board made its final increased offer which was publicly described as 7.9% but which the Sub-Committee on Pay (P (P)) admitted in private might have been worth considerably more because of the element of productivity bonus.⁶² This was again rejected by the NUM, which also refused the NCB's request that the claim should go to independent arbitration. So on ministers' instructions, and much against Ezra's wishes, the NCB withdrew the offer when the strike began and reverted to their original offer of 7.1%.⁶³ This removal of these slightly increased offers was seen by the NUM as needlessly aggressive and confrontational and infuriated Gormley.⁶⁴

Ezra was increasingly anxious about the prospect of a strike and tried hard to avert it, but his advice was disregarded. He explained later, 'It was made very clear to us that we had to stick to the government guidelines...whichever way we tried we couldn't get anything that was remotely within the government's guidelines.'⁶⁵ Robens remarked later that Ezra was less resistant to ministerial directions on pay policy than he, Robens, had been.⁶⁶ The papers in the National Archives show clearly that Carr, Davies and Heath were well aware that Ezra was inclined to settle but were determined to keep him in line,

his [Ezra's] handling of the negotiations leading up to the strike makes one doubt whether his heart is in negotiating a settlement that would be acceptable to the Government. We shall need strong nerves to come out of this dispute successfully but there is a great deal to play for and I am sure we should spare no effort to ensure that the NCB keep closely to the Government line.

⁶¹ TNA: PRO, CAB 134/3425, P, 34th Meeting, 22 December 1971.

⁶² TNA: PRO, CAB 134/3556 'Ministerial Steering Committee on Pay Negotiations, Sub-Committee on Pay Negotiations', P P 72, 1st Meeting, Confidential Annex, 12 January 1972.

⁶³ TNA: PRO, PREM 15/984, 'Note of the Meeting between Secretary of State and Chairman of the NCB', 20 January 1972.

⁶⁴ Gormley, *Battered Cherub*, p. 97.

⁶⁵ Roger Darlington and Dave Lyddon, *Glorious Summer: Class Struggle in Britain 1972* (London: Bookmarks, 2001), p. 36.

⁶⁶ King, *The Cecil King Diary, 1970-1974*, p. 185.

A copy of this was sent to Heath, who wrote on it, 'I agree'.⁶⁷

It is too simplistic to say that the government simply misjudged the mood of the miners. During the run-up to the strike both senior officials and ministers, including Heath, were well aware of the risks, but it was a gamble they thought worth taking in defence of the pay policy which they saw as a crucial element of their overall economic strategy. Barnes advised Carr that the NCB's offer had gone to the limit and that any further increase would ruin the government's wages policy. The government should be prepared for a strike of at least a month and probably six weeks but this would be well worth it, since if the strike were settled at the level of the NCB's offer the next year's wage round could be held down to 5 or 6%, and on the inflationary front the government could achieve 100% success. Barnes' strong advice to Carr was to avoid referring the miners' claim to any outside arbitrators, since the government would then lose control, and that Carr should take as little action as possible after the strike started. He acknowledged that there were risks to this strategy. 'But however serious the risks, the stakes are so high that they are worth taking.'⁶⁸ Carr passed this on to the Prime Minister with the covering note, 'I entirely agree with this advice.'⁶⁹ The handwritten question on the memo from one of the private secretaries was 'Prime Minister, Do you agree with this tough line?' Heath simply wrote on it, 'Agreed'.⁷⁰

Heath later wrote that the government was well aware that the miners had made huge improvements in productivity and that the real value of their pay relative to other workers had fallen and that it privately regarded them as a special case from the start.⁷¹ But this is hindsight. The first recognition by the Cabinet that the miners might be a special case was not until 27 January.⁷² When the strike began on 9 January the government's main concern was the effect it would have on the current pay negotiations in the electricity, gas and water industries.⁷³ Its overriding objective

⁶⁷ TNA: PRO, PREM 15/984, Barber to Davies, 18 January 1972.

⁶⁸ Ibid., 'Coalmining', Barnes to Carr, 6 January 1972

⁶⁹ Ibid., Carr to Heath, 6 January 1972.

⁷⁰ Ibid.

⁷¹ Heath, *The Course of My Life*, p. 350.

⁷² TNA: PRO, CAB 128/50, CM 72, 4th Conclusions, Minute 4, 27 January 1972.

⁷³ TNA: PRO, CAB 134/3556, P P 72, 1st Meeting, 12 January 1972.

was to achieve a settlement which would not cost more than had been on offer before the strike began.⁷⁴

The miners' strategy

According to one source Gormley feared the ballot margin was too close for a successful strike, but although initially reluctant then became determined to win.⁷⁵ In his memoirs Gormley acknowledged that the small majority for a strike made it imperative to keep it as short as possible.⁷⁶ The decisive factor in the NUM's eventual victory was the development of 'picketing away from home' or 'flying picketing' and the way in which it was applied, not just at the pits and NCB premises such as offices and stocking yards, but at ports and especially the power stations. Large numbers of miners were bussed away from their local pits to concentrate numbers of mass pickets at vulnerable points. It was the extent and effectiveness of this, rather than the actual strike, which took the government, the NCB and the CEEGB by surprise and they were unable to come up with any action to counter it.

Arthur Scargill (member of the Barnsley Area Strike Committee in the NUM's Yorkshire region) always claimed that the tactic of flying picketing was developed by the Yorkshire area of the NUM rather than by the NUM Executive in London.⁷⁷ He claimed that at the beginning of the strike the national leadership 'hadn't a clue'.⁷⁸ The Yorkshire area NUM was responsible for picketing across East Anglia and Robert Taylor has cited evidence in the NUM's records which show that it was Scargill who argued that the pickets should not be spread across all the power stations but that mass pickets should be concentrated at vulnerable installations in turn.⁷⁹ Andrew Taylor also drew on the NUM records for a detailed account of the picketing organised by the Yorkshire miners.⁸⁰

⁷⁴ TNA: PRO, CAB 128/50, CM 72, 1st Conclusions, Minute 3, 11 January 1972.

⁷⁵ Paul Routledge, *Scargill: An Unofficial Biography* (London: HarperCollins, 1993), pp. 64-5.

⁷⁶ Gormley, *Battered Cherub*, pp. 89-90.

⁷⁷ Clutterbuck, *Britain in Agony*, pp. 58-62.

⁷⁸ Taylor, *The Fifth Estate*, p. 362.

⁷⁹ *Ibid.*, pp. 362-64. The NUM Archives have become depleted over the years as the union has moved premises so I have only been able to consult the formal minutes.

⁸⁰ Andrew Taylor, *The Politics of the Yorkshire Miners* (London: Croom Helm, 1984), pp. 217-29.

But the most significant factor in the success of the picketing was the sympathetic co-operation of other unions. As early as October the NUM Executive had decided to approach the TUC and other unions for support in the event of a strike.⁸¹ Dorfman asserted that Vic Feather (General Secretary Trades Union Congress 1969-73) doubted whether the strike could be successful and was anxious not to jeopardise the moves towards tripartite discussions on the economy which were then beginning.⁸² After the strike the Security Service reported that at an early stage the TUC refused the NUM's request to convene a meeting of transport unions to discuss sympathetic action. Gormley openly criticised the TUC and this prompted Feather to reassure him that the unions would respect the miners' picket lines.⁸³ On 10 January, at a TUC special meeting to discuss the strike, where neither Daly nor Gormley were present, it was agreed that members of other unions would not cross official picket lines so it was important that the NUM should place these not only at the pits but at 'other places from which coal might be collected'.⁸⁴

This would seem to suggest that the secondary picketing was not solely the idea of Scargill but came about from a combination of factors. This decision by the TUC General Council to issue an instruction to other unions not to cross the miners' picket lines, wherever they were, proved critical. On 11 January Daly sent out an instruction to the area secretaries of the NUM to place pickets at 'coal stock yard, open cast sites, Docks and Power Stations'.⁸⁵ On 12 January the instructions to pickets stated that 'The aim of the NUM picket is to prevent the movement of coal and alternative fuels between power stations, coal depots and other coal consumers.' Since other unions had been instructed not to pass picket lines these 'should therefore be placed at strategic rail and road access points to prevent the movement of coal or alternative

⁸¹ 'Minutes of a Meeting of the NUM National Executive Committee, 14 October 1971', NUM Archives.

⁸² Dorfman, *Government versus Trade Unionism*, pp. 76-77.

⁸³ TNA: PRO, PREM 15/986, Note (title redacted), 24 February 1972, Allen to Armstrong, 25 February 1972.

⁸⁴ Finance and General Purposes Committee Minutes', 'Special Meeting, 10 January 1972', TUC Archive, Modern Records Centre, University of Warwick, (hereafter MRC), MSS.292D/24.1/5.

⁸⁵ '1972 Dispute and Wilberforce Evidence', Daly to Area Secretaries, Circular AS 17/72, 11 January 1972, TUC Archive, MRC, MSS.292D/253.103/1.

fuels'. It stressed that picketing should be peaceful and other workers not transporting fuel should be allowed to enter plants.⁸⁶ Andrew Taylor described this as one of the most important documents in post-war British politics.⁸⁷ This is perhaps a little exaggerated but it had a decisive effect on the course of the strike.

This instruction was interpreted widely by other unions so TGWU lorry drivers refused to drive supplies through picket lines at docks and power stations. ASLEF (Associated Society of Locomotive Engineers and Firemen) advised its members that the point where a railway line entered a power station should be regarded as a notional picket line, so when the NUM hung a banner with, 'Miner's [sic] picket line, Don't pass', from the parapet of a bridge on the railway line from the port of Thames Haven in Essex, train drivers refused to go under it.⁸⁸ A Thames pleasure steamer, the *Skylark*, was rigged up with posters by members of the Kent NUM which proclaimed it to be an NUM picket boat and a loud-hailer called on passing ships not to unload imported coal or oil. This enabled dockers and power workers to refuse to handle fuel which they could claim had passed through an official NUM picket line.⁸⁹

The picketing at the power stations proved to be even more effective than the NUM had hoped because it stopped vital supplies of lighting-up oil and hydrogen, not just coal, from getting into the power stations. Lighting-up oil was particularly important because it had to be burnt during start-up and low-load operations as well as continuously in those power stations which used low quality coal. Shortages of this commodity meant that power stations could only be used for part of each day and made it more difficult to conserve stocks of coal.⁹⁰ Two weeks into the strike the picketing had disrupted deliveries of lighting-up oil to the power stations to such an

⁸⁶ Ibid., 'Instructions to Pickets', 12 January 1972, TUC Archive, MRC, MSS.292D/253.103/1.

⁸⁷ Taylor, *The NUM and British Politics*, p. 59.

⁸⁸ Gormley, *Battered Cherub*, p. 100.

⁸⁹ Malcolm Pitt, *The World on Our Backs: The Kent Miners and the 1972 Miners' Strike* (London: Lawrence and Wishart, 1979), pp. 161-62.

⁹⁰ Ledger and Sallis, *Crisis Management in the Power Industry*, p. 50.

extent that Sir Stanley Brown (Chairman of the CEGB 1965-72) warned Eden that electricity cuts could be necessary within a week.⁹¹

During the first weeks of the strike the picketing was sporadic and unpredictable and accompanied by a certain amount of violence. Pickets and lorry drivers clashed at a cement company depot in Kent and abuse was hurled at female office staff by pickets in Doncaster.⁹² The police were frequently outnumbered by large crowds of pickets, shoving and pushing and throwing stones at lorries which tried to enter power stations and in several cases the police tried to maintain order by asking the CEGB to stop deliveries into the power stations.⁹³ Injuries were usually minor but on 3 February one miner was killed by a lorry driving through a picket line at Keadby in North Yorkshire. Although Andrew Taylor has speculated that this incident may have been a significant factor which led to state of emergency there is no evidence in the National Archives that it was ever discussed in this context.⁹⁴ The declaration of the state of emergency came a week later and was because rota restrictions on electricity could not be implemented without it.

Some commentators have stressed that the violence was minimal and once the confrontations were over relations between the police and the pickets was generally good.⁹⁵ This was certainly true compared to the violent battles between the police and the miners which marked the 1984 strike, but in 1972 the large numbers taking part in the picketing was a relatively new phenomenon which caused considerable consternation. Ledger and Sallis have described the reality of the picket line which involved ‘catcalling, stone-throwing and, above all pushing and shoving’. It was sometimes a ritual and sometimes more serious, the numbers of pickets fluctuated rapidly and confrontations could start and end quickly.⁹⁶ Pickets also prevented safety maintenance from being carried out in some places which meant there was a

⁹¹ TNA: PRO, PREM 15/984, Evans to Angel, 21 January 1972.

⁹² Alan Hamilton, ‘Union chief tells miners to keep pickets peaceful after some angry clashes’, *The Times*, 17 January 1972.

⁹³ Ledger and Sallis, *Crisis Management in the Power Industry*, pp. 48-50.

⁹⁴ Taylor, *The NUM and British Politics*, p. 67.

⁹⁵ Roger Geary, *Policing Industrial Disputes 1893-1985* (London: Methuen, 1985), p. 114.

⁹⁶ Ledger and Sallis, *Crisis Management in the Power Industry*, pp. 47-50.

danger that pits would deteriorate to a point where they could not reopen.⁹⁷ There were also rumours that Trotskyist groups were manipulating the miners.⁹⁸ These aspects of the picketing bolstered ministerial suspicions that that the miners' pay dispute was being used by subversive groups to undermine the government.

Throughout the dispute Heath viewed the NUM Executive as split between sensible moderates such as Gormley and 'hot-headed extremists such as the communist Mick McGahey'.⁹⁹ Andrew Taylor has argued that McGahey was not prominent in the 1972 strike and that Heath may have confused 1972 with 1974.¹⁰⁰ But the records in the National Archives show that the Security Service had reported that McGahey had asked the Communist Party leader of the power workers unofficial 'Combine' to black coal already within the power stations and not just coal which was being brought in. Although it also made clear that Jack Jones, leader of the TGWU, had instructed that this should not be done.¹⁰¹ Between 1964 and 1968 the Soviet Union regarded Jones as an agent and he was under surveillance by the Security Service for a year from October 1970. It found no evidence of a Soviet connection and concluded that the realities of his position as leader of the largest trade union in the country weighed more heavily with him than any influence from the Communist Party.¹⁰² Trend asked the Security Service to keep a sharp watch on whether there was any subversive activity involved in the picketing.¹⁰³ The Security Service had also bugged the headquarters of the Communist Party of Great Britain in King Street and were aware that Bert Ramelson (Industrial Organiser of the Communist Party) was in touch with both McGahey and Daly.¹⁰⁴

⁹⁷ TNA: PRO, PREM 15/984, 'Note of a Meeting between Robert Carr and Derek Ezra', 20 January 1972.

⁹⁸ Ibid., 'Coal Strike Report 22/23 January 1972'.

⁹⁹ Heath, *The Course of My Life*, p. 350.

¹⁰⁰ Taylor, *The NUM and British Politics*, p. 56 (footnote).

¹⁰¹ TNA: PRO, PREM 15/984, 'SUBIND no1/1972, Current Disputes in the Mining and Power Industries', 18 January 1972.

¹⁰² Andrew, *Defence of the Realm*, pp. 588-89.

¹⁰³ TNA: PRO, PREM 15/984, Trend to Heath, 21 January 1972.

¹⁰⁴ Andrew, *Defence of the Realm*, pp. 592-93.

The government was also nervous about student involvement in the miners' strike.¹⁰⁵ This was only a few years after the student unrest and large scale demonstrations of the late 1960s and increasingly ill-tempered confrontations between the authorities and disaffected radical interest groups were increasingly common. After the demonstration in March 1968 by 25,000 young people against the Vietnam War in Grosvenor Square, which ended in scenes of chaotic violence, the Security Service had carried out an assessment of the threat from extremists groups which might oppose a nuclear war with the Soviet Union.¹⁰⁶ This was fed into a study for the Chiefs of Staff which included a paragraph on the 'politicising' of the National Union of Students (NUS) and a note that the CP considered that eight members of the NUS Executive were amenable to its policies.¹⁰⁷ Although some students, notably from Essex University, did join the picket lines in some places there is no evidence in the National Archives that the Security Service considered that the mass pickets were orchestrated by far-left groups.

The picketing was successful for a number of reasons. One was that it effectively circumvented the law and the government was both legally and practically unable to counter it. There were complaints from the Coal Board, coal merchants and from industry that the police did not do enough to enforce the law and control the pickets.¹⁰⁸ At the outset Gormley had been nervous that the Industrial Relations Act would be used against the NUM.¹⁰⁹ But the parts of the Industrial Relations Act which dealt with 'unfair practices' and picketing did not come into force until 28 February and that any breaches of the law were a matter for civil not criminal action and it would be up to injured parties to take legal action for damages in a civil suit.¹¹⁰

¹⁰⁵ TNA: PRO, HO 325/102 'Picketing: National Coal Strike January 1972; student involvement; reports on specific groups of students'. This file is still retained and a Freedom of Information request was refused.

¹⁰⁶ Peter Hennessy, *The Secret State: Preparing for the Worst 1945-2010*, 2nd ed. (London: Penguin, 2010), pp. 122-52.

¹⁰⁷ TNA: PRO, CAB 186/8 'Joint Intelligence Committee (A) (JIC(A)): Reports, Part 2', 'The Security of the United Kingdom Base in a Situation Leading to a Threat of General War', JIC A 71 16, para. 61, 23 March 1971.

¹⁰⁸ TNA: PRO, CAB 134/3486 'Official Committee on Emergencies', E, 6th Meeting, 28 January 1972.

¹⁰⁹ Gormley, *Battered Cherub*, p. 93.

¹¹⁰ TNA: PRO, PREM 15/985 'Pay negotiations in coal industry: National Union of Mineworkers' pay claim; coal strike; effect on fuel and power supplies; state of

The law allowed peaceful picketing at workplaces, even at those not involved directly in a dispute like the power stations, i.e. ‘secondary picketing’.¹¹¹ Sir Peter Rawlinson (Attorney General 1970-74) made it clear to the Cabinet that picketing was only unlawful if it broke the criminal law by using intimidation. Preventing the use of coal held by third parties had been interpreted by the courts to be ‘indirect’ as opposed to ‘direct’ action to breach a legal contract.¹¹²

Intimidation was illegal (and it certainly occurred in some places) but ministers were also frustrated by the actions of the police whom they thought were more concerned to maintain public order rather than stop the picketing. But the police had a duty to show strict impartiality between the pickets and those who wished to work and it was the responsibility of the senior police officer on the ground to decide how best to deal with the situation.¹¹³ Throughout the strike the Cabinet continued to chafe against the limitations of the law on picketing and was deeply frustrated at being unable to find any way round them.¹¹⁴ Allen recalled that, ministers were, ‘pretty spineless and confused – it was a novel situation for them. Ministers wanted something to be done but they did not have a clear grasp of the law on picketing and the powers of the police.’¹¹⁵

Another factor which assisted the picketing was that although the NUM did not give strike pay it paid the cost of overnight lodgings of pickets away from home directly to the landlady and also paid £2 out of pocket expenses to the pickets themselves. Ministers were considerably irritated that the Supplementary Benefits Commission decided that it would disregard £1.25 of this amount when making social security payments to the families of striking miners.¹¹⁶ Ministers also considered whether

emergency; appointment of Wilberforce Court of Enquiry; power cuts; part 2', Holland (DE) to Gregson (No 10), 4 February 1972.

¹¹¹ The legislation which governed the law on picketing was Section 7, Conspiracy and Protection of Property Act 1875 and Section 2, Trades Disputes Act 1906.

¹¹² TNA: PRO, CAB 128/50, CM 72, 6th Conclusions, Minute 3, 10 February 1972.

¹¹³ TNA: PRO, CAB 134/3486, ‘Note by the Chairman on the Law of Picketing’, EO 72 2, 14 January 1972.

¹¹⁴ TNA: PRO, CAB 128/50, CM 72, 1st Conclusions, Minute 3, 11 January 1972; 3rd Conclusions, Minute 3, 20 January 1972; 4th Conclusions, Minute 4, 27 January 1972; 6th Conclusions, Minute 3, 10 February 1972.

¹¹⁵ Interview with Lord Allen of Abbeydale, 9 March 2004.

¹¹⁶ TNA: PRO, CAB 134/3486, EO, 5th Meeting, 19 January 1972.

they could stop social security benefits to the families of striking miners but again found the legal and political obstacles insuperable.

Officials noted at the time that the miners also proved more adept than the government at public relations. They exercised considerable ingenuity in synchronising the picketing with the arrival of press, radio and TV reporters and cameramen.¹¹⁷ The government meanwhile was unable to publicise any of its successes at circumventing the pickets for fear of exacerbating the picketing, so the impression given by the press was one of unimpeded victories for the militants.¹¹⁸ More critically the miners also began to win over the public to their side, including, it would seem, at least some Whitehall officials. One television programme, live from the Blaen Rhondda social club,¹¹⁹ obviously made a deep impression on one of the authors of the daily Coal Strike Report, who admiringly described

the earnest and passionate speeches of the miners themselves, presenting, in (probably) their best clothes, an excellent image of intelligent, estimable, self-respecting citizens, parents of teachers and other professional people, with a good case.¹²⁰

By contrast, on the same programme Ezra was forced to admit he did not know the price of a pound of butter and made what King described as ‘a disastrous showing’.¹²¹

All the government’s preparations for a miners’ strike had focussed on building up the coal stocks, but the two month ban on overtime had already eroded these even before the actual strike began.¹²² Although the power stations still held seven weeks supply of coal the NUM’s picketing tactics rendered much of that unusable and its general strategy was to stop all movement of coal, except for priority groups such as hospitals, old-age pensioners and schools. It was above all the picketing at the power stations which proved critical; throughout the dispute many power stations still held supplies of coal which they were unable to burn because they lacked other vital

¹¹⁷ TNA: PRO, PREM 15/984, ‘Coal Strike Report 22/23 January 1972’.

¹¹⁸ Ibid.

¹¹⁹ *Frost Programme*, London Weekend Television, 23 January 1972.

¹²⁰ TNA: PRO, PREM 15/984, ‘Coal Strike Report 29/30 January 1972’.

¹²¹ King, *The Cecil King Diary, 1970-1974*, p. 17.

¹²² TNA: PRO, CAB 134/3374, ‘Threatened Strike in the Coal Industry: Note by the Chairman of the Official Committee’, E 71 25, Annex A, 22 December 1971.

supplies and it was this which undermined their capacity to produce electricity. The success of the picketing took the miners themselves by surprise; even Scargill admitted that at first he did not understand the significance of lighting-up oil for the power stations.¹²³ The NUM's strategy was not fully formed at the outset but developed rapidly as the strike progressed and the picketing intensified so that it had already drastically curtailed the power stations' ability to access the coal stocks by 10 February and the major confrontation at Saltley.

The government's strategy

The government's strategy, on the other hand, developed slowly and always struggled to catch up with the miners. Its stance once the strike began on 9 January can be divided into roughly three phases. The first phase was essentially a continuation of its attitude before the strike began; that any pay settlement with the miners should be within the limits of its unofficial pay policy and cost no more than the NCB's final offer in early January. During the second phase, from the end of January until the declaration of a state of emergency on 9 February, the government belatedly recognised that the miners had good grounds to be considered a special case and both ministers and officials were increasingly anxious about the effects of the picketing on power supplies, but there was no change of approach. The government remained reluctant to declare a state of emergency and to refer the dispute to any form of independent inquiry. During the third 'emergency' phase of the strike, the rapidly escalating threat to electricity supplies meant the government's overriding priority switched from achieving a low pay settlement to getting the miners back to work at any cost. It was forced to reverse its previous position, declare a state of emergency and set up a court of inquiry.

During the first phase of the strike the overriding aim to hold the line in defence of the unofficial pay norm was reinforced by the pending negotiations in the gas and electricity industries.¹²⁴ Ministers were steadfastly opposed to an independent court of inquiry since the previous experiences with these was that they usually resulted in pay rises well above the employers' initial offer, over which the government had no control. A local authority manual workers dispute in autumn of 1970 had been settled

¹²³ Arthur Scargill, 'The New Unionism', *New Left Review*, no. 92, 1975, p. 13.

¹²⁴ TNA: PRO, CAB 128/50, CM 72, 1st Conclusions, Minute 3, 11 January 1972.

by an independent with a pay award of 14.5%. The electricity workers dispute at the end of 1970, which had resulted in a state of emergency, had been settled by a court of inquiry led by Lord Wilberforce, which had awarded pay rises of between 15 and 18%. The only exception had been the post office workers dispute, which was settled with a 9% increase when the claim was between 15 and 20%.¹²⁵

The government's initial reaction to the miners' strike was to distance itself from the dispute in public and leave its day-to-day handling to the NCB and it did little more than make a low key appeal to the public to conserve coal.¹²⁶ In private ministers were aware that they might eventually need to act but agreed that any concessions should not be won too easily.¹²⁷ The inherent difficulties in this strategy of publicly maintaining its distance from the dispute while privately exercising tight control over the NCB's room for manoeuvre soon became apparent when Feather publicly exhorted Carr to intervene. Carr told the Cabinet that he felt obliged to go through the motions of meeting both the NCB and the NUM.¹²⁸ But since the government was still determined not to change its position this only made it look ineffectual.

Campbell has commented briefly on the failure of co-ordination between government departments.¹²⁹ But the full extent to which responsibility for managing the different aspects of the strike was spread across government departments and a cumbersome and labyrinthine structure of inter-departmental ministerial and official committees has only been revealed by the files in the National Archives. (See Figure 2, p. 91). As the sponsoring department for the electricity and the coal industries the DTI had operational control of the strike. Although it set up a duty room (which operated for twelve hours a day from 8am to 8pm) in practice this did little more than produce a daily 'Coal Strike Report' which pulled together reports on the level of coal stocks and picketing incidents *after* they had occurred. Although the DTI at both ministerial and official level was in touch with both Ezra and Sir Stanley Brown neither Davies nor Eden played a major part in formulating the government's strategy towards the

¹²⁵ Taylor, 'The Heath Government and industrial relations', p. 170.

¹²⁶ TNA: PRO, CAB 128/50, CM 72, 1st Conclusions, Minute 3, 11 January 1972.

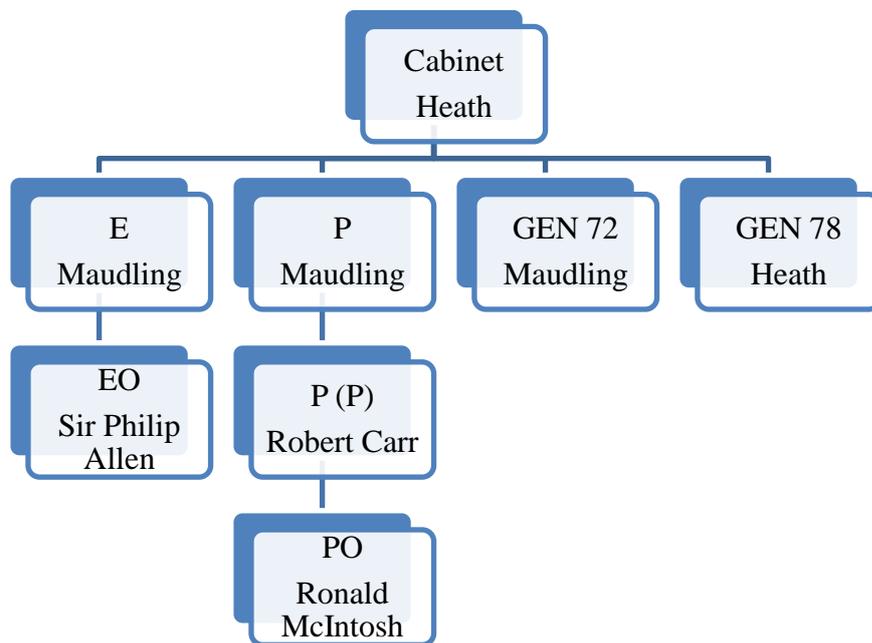
¹²⁷ *Ibid.*, 2nd Conclusions, Minute 2, 18 January 1972.

¹²⁸ *Ibid.*, TNA: PRO, CAB 128/50, CM 72, 3rd Conclusions, Minute 3, 20 January 1972.

¹²⁹ Campbell, *Edward Heath*, p. 414.

negotiations between the NCB and the NUM. The Department of Employment saw itself as the guardian of the government's pay policy and the ministerial and official committees on pay, which were its responsibility, saw any settlement above the norm as likely to open the floodgates to a rush of higher claims. This formed the basis for the hard-line approach which Barnes and the DE took throughout the strike.

Figure 2. Structure of responsibility of Cabinet Committees for handling the 1972 miners' strike.



E	Ministerial Emergencies Committee
EO	Official Emergencies Committee
P	Ministerial Steering Committee on Pay
P(P)	Sub-committee on Pay Negotiations
PO	Official Committee on Pay
GEN 72	Ministerial Committee on Coal Miners' Strike
GEN 78	Ministerial Committee on Coal Miners' Pay Dispute

Heath's earlier attempts to overhaul the system for managing civil emergencies had foundered, so responsibility for contingency planning and the central day-to-day running of any civil emergency still lay with the unreconstructed Committees on Emergencies. The disengaged Maudling still chaired the Ministerial Committee (E) and Sir Philip Allen the Official Committee (EO). As Hurd put it, 'Maudling just wanted to handle particular crises with the least possible bother.'¹³⁰ As the strike progressed EO expanded and became so large and unwieldy it was forced to re-locate. Sir Philip Allen freely admitted that the Official Committee was too big and 'people came just to find out what was happening', and although he protested at this he did so only mildly.¹³¹

EO got off to a shaky start and never seemed to be entirely in command; the Home Office had no system of its own for finding out what was happening on the ground but had to rely on the Department of Employment and the DTI, which had regional offices. EO received only patchy information from the Coal Board and the police and at the beginning of the strike it was perturbed at press reports that the miners intended to prevent the use of coal stocks held at the power stations, which would mean that they would need to revise their estimate of the likely effects of the strike.¹³² A few days later 'a clear picture of the nature, extent and effectiveness of picketing was not yet available'.¹³³ This phrase was a constant refrain during the early part of the strike.

Ministerial and official optimism that the coal stocks would last longer than the miners' resolve appeared at first to be justified. By the end of the first week, according to the daily 'Coal Strike Report', the picketing was only sporadic; coal was getting through to hospitals and most schools and drivers had not boycotted the power stations unless pickets were actually present at the gates.¹³⁴ But over the next week a more apprehensive tone, a forerunner of things to come, had crept into the reports, the picketing was, 'much more widespread and continuous than expected'.¹³⁵ This was another repetitive refrain during the first weeks of the strike. By the end of

¹³⁰ Interview with Lord Hurd of Westwell, 27 April 2004.

¹³¹ Interview with Lord Allen of Abbeydale, 9 March 2004.

¹³² TNA: PRO, CAB 134/3486, E, 2nd Meeting, 12 January 1972.

¹³³ Ibid., 3rd Meeting, 17 January 1972.

¹³⁴ TNA: PRO, PREM 15/984, 'Coal Strike Report', 15/16 January 1972.

¹³⁵ Ibid., 'Coal Strike Report', 17 January 1972.

the second week of the strike the mood was still relatively sanguine and Trend reported to the Prime Minister that the coal stocks were still holding up, partly due to the mild weather.¹³⁶ How out of touch this was with the effects of the picketing was revealed when only two days later Sir Stanley Brown warned Eden that power cuts would be necessary within days.¹³⁷ By 21 January the picketing was widespread and 7,000 workers had been laid off or were on short time.¹³⁸

The other main factor which accounted for the government's failure to devise any strategy to deal with the miners was, as Hurd has argued, because two other major issues; Europe and Northern Ireland claimed ministers' attention. 'So as usual everything was happening at once.'¹³⁹ The Treaty of Accession to join the European Economic Community (EEC) was signed on 22 January and it had to be ratified by Parliament. For the next month, as the dispute with the miners became more serious, the European legislation was the subject of a bitter Parliamentary battle. A substantial minority of Conservative backbench MPs were adamantly opposed to it and the Labour Opposition fought the bill line by line.¹⁴⁰ Both issues came to a head at the same time. After three days of acrimonious debate the final crucial vote on Europe, which the government won only narrowly by eight votes, took place on 17 February. Emotionally and politically Europe was Heath's priority and he made the final speech in the debate the evening before the Wilberforce Inquiry reported and at the height of the crisis over electricity.

Throughout the summer and autumn of 1971 civil unrest in Northern Ireland, which was still the responsibility of the Home Office, turned into violence after the introduction of internment without trial of terrorist suspects. On 30 January, as the picketing grew in intensity, thirteen unarmed civil rights marchers were shot and killed by the army on 'Bloody Sunday' in Londonderry, which led to the abolition of the Northern Ireland government at Stormont and the imposition of direct rule. Allen recalled that morning after morning both he and Maudling were attending meetings at No 10 on Northern Ireland. It is illustrative of Heath's strained relationship with

¹³⁶ Ibid., Trend to Heath, 19 January 1972.

¹³⁷ Ibid., Evans (DTI) to Angel (Home Office), 21 January 1972.

¹³⁸ Ibid., 'Coal Strike Report', 21 January 1972.

¹³⁹ Hurd, *End to Promises*, p. 102.

¹⁴⁰ Howe, *Conflict of Loyalty*, p. 68.

Maudling that he could not bring himself to tell him that he was removing Northern Ireland from the Home Office remit and instructed Allen to inform him instead. Allen admitted he did not relish the handling of the miners' strike and acknowledged that he should have taken it more seriously at the beginning, and it was, 'not my finest hour'.¹⁴¹ Distracted as they were by Northern Ireland, neither Maudling nor the Home Office had a sufficient grip on the miners' strike.

Ministers were also anxious that unemployment was rising inexorably. Howe later recalled the panic-driven atmosphere during the autumn of 1971 when money was poured into ventures like the bankrupt UCS in order to keep unemployment down.¹⁴² It was a both a political and a psychological blow for Heath and a generation of Conservative politicians, for whom the depression of the 1930s had been a formative experience, when on 20 January the unadjusted figure for unemployment had passed the then politically explosive figure of one million.¹⁴³ There were rowdy scenes in the House of Commons and the Speaker was forced to suspend the sitting to shouts of 'Heath out'.¹⁴⁴ A few days later Heath was taunted by Wilson that he was 'the first dole queue millionaire' since Neville Chamberlain (Prime Minister 1937-40 and Chancellor of the Exchequer 1931-37 at the height of the slump).¹⁴⁵ Prior testified that Heath was very shaken by this and it had a marked effect on his wish to reflate the economy.¹⁴⁶

Campbell commented that the first two months of 1972 'must rate as the most dreadful short period of concentrated stress ever endured by a British Government in peacetime – at any rate before the autumn of 1992'.¹⁴⁷ But the collapse of the pound out of the Exchange Rate Mechanism on 'Black Wednesday', 16 September 1992, pales into insignificance beside the multiplicity of political and economic problems which the Heath Government faced. The combination of failing industries, rising

¹⁴¹ Interview with Lord Allen of Abbeydale, 9 March 2004.

¹⁴² Howe, *Conflict of Loyalty*, p. 74.

¹⁴³ Prior, *A Balance of Power*, p. 74.

¹⁴⁴ H C Debs (5th series) 20 January 1972, vol. 829, col 660-1; 'Commons sitting suspended in uproar after clash over million unemployed', *The Times*, 21 January 1972.

¹⁴⁵ H C Debs (5th series) 20 January 1972, vol. 829, col 999.

¹⁴⁶ Whitehead, *The Writing on the Wall*, p. 82.

¹⁴⁷ Campbell, *Edward Heath*, p. 406.

unemployment, the miners dispute, legislation on the EEC and violent unrest in Northern Ireland all placed an enormous strain on ministers.

The government's strategy, although it could hardly be dignified by that term, was flawed from the outset and it was then very slow to take on board the extent and effects of the picketing. As Hurd argued at the time, by staying in the background the government allowed the NUM a virtual monopoly of the media and failed to explain its case.¹⁴⁸ These failings were partly because of the dominance of other issues but also the result of the complex structure of committees which meant that the strike was dealt with in a piecemeal manner. Just before the start of the strike there was an attempt to set up a ministerial group to deal with it but it met only once.¹⁴⁹ It is not clear why this group was abandoned but it could be simply because it was also chaired by Maudling and its membership was almost identical to the Ministerial Committee on Emergencies. The result was that the only forum which considered the strike in all its aspects was the Cabinet and in January 1972 the miners' strike was only one of a number of acutely difficult issues which it faced.

¹⁴⁸ TNA: PRO, PREM 15/985, 'Note to the Prime Minister', 7 February 1972.

¹⁴⁹ TNA: PRO, CAB 130/553 'Coal miners' strike: Meeting 1', GEN 72, 1st Meeting, 6 January 1972.

Chapter 3 A victory for violence or a special case

Delay over the emergency

Even after it recognised the seriousness of the effects of picketing on the power stations the government failed to act decisively and declare a state of emergency which would have conserved the coal stocks. Gormley thought the delay was odd and others have also been critical of the failure to make an early declaration.¹ But historians have not analysed the reasons for the delay, which, as the files in the National Archives show, was due largely to the fear of exacerbating other pay disputes as well as antagonising the miners still further. The records also reveal that there were substantial differences between ministers and officials over when to declare a state of emergency and the decision-making process was characterised by hesitation and confusion.

A state of emergency was legally necessary because the CEGB was under a statutory obligation to provide power and could not implement a system of planned electricity cuts on a rota basis simply to conserve its supplies of coal. Power cuts were only permitted under the ‘force majeure’ and ‘emergency’ provisions of the Electric Lighting (Clauses) Act 1899 and the Electricity Supply Regulations 1937 if the system was overloaded. The Electricity Boards could only be relieved of their statutory obligations to provide supplies and maintain voltage by the government declaring a state of emergency and making appropriate regulations under the Emergency Powers Act 1920.²

By the last week in January, according to one official at No 10, the declaration of a state of emergency was a ‘live issue’.³ But for almost the next two weeks ministers and officials at all levels of government agonised over the timing. When the Official Committee (EO) met on 25 January it recognised that the strike was now likely to

¹ Gormley, *Battered Cherub*, p. 105; Jeffery and Hennessy, *States of Emergency*, p. 234; Taylor, *Trade Union Question*, p. 198; Ledger and Sallis, *Crisis Management in the Power Industry*, p. 56.

² TNA: PRO, CAB 134/3486, ‘Electricity Supply: Effect of Coal Miners’ Strike and Need to Control Consumption: Memorandum by the Department of Trade and Industry’, EO 72 4, 24 January 1972.

³ TNA: PRO, PREM 15/984, Gregson (No 10) to Heath, 26 January 1972.

last for between six and eight weeks, when a month earlier it had estimated it would not continue for more than three weeks.⁴ Even after it ended there would be a further two weeks before coal supplies would be back to normal. Supplies were still getting through to priority domestic consumers, such as the sick and elderly, and to hospitals but some areas were much less well placed than others. Difficulties with industrial coal stocks were expected within the week and the CEEGB had warned the DTI that substantial power cuts would be needed within days. Although the level of coal stocks had declined it was now clear that they would have to proclaim a state of emergency, not because the power stations had run out of coal, but because the picketing had prevented other vital supplies from getting through and made it impossible to utilise what stocks there were.⁵

The next day Allen warned the Ministerial Committee on Emergencies (E) that there would need to be electricity cuts within days, but ministers faced a dilemma; they were acutely aware that the earlier restrictions were imposed, the longer coal supplies would last. However they were worried that the public had as yet experienced little hardship as a result of the strike and were not psychologically prepared for electricity rationing. Moreover a state of emergency would ratchet up public and press demands for the government to intervene in the dispute, and this they were not ready to do.⁶ Although the gas workers had settled their pay claim within the government's norm the electricity workers had not and ministers feared that a state of emergency might provoke them to take industrial action which would exacerbate the power shortage.

On 27 January Carr told the Cabinet that he now recognised that the miners had some justification for feeling their pay had lagged behind other workers. He now felt he would have to intervene in the dispute, but he did not want to do this before the negotiations with the electricity workers were settled. For the first time the Cabinet discussed a declaration of a state of emergency, but worried that it might be seen by the miners as both provocative and a sign that they were winning.⁷ Trend also

⁴ TNA: PRO, CAB 134/3374, 'Threatened Strike in the Coal Industry: Note by the Chairman of the Official Committee', E 71 25, Annex A, 22 December 1971.

⁵ TNA: PRO, CAB 134/3486, EO 72, 5th Meeting, 25 January 1972.

⁶ TNA: PRO, CAB 134/3485 'Ministerial Committee on Emergencies', E, 2nd Meeting, 26 January 1972.

⁷ TNA: PRO, CAB 128/50, CM 72, 4th Conclusions, Minute 4, 27 January 1972.

advised delay, 'Emergency action now might lead the miners to think that they were winning and it would be better to play it cool a little longer, until actual shortages or substantial power cuts make it politic to change tack.'⁸

But the weekend of the 29 and 30 January was an extremely difficult one for the government. Not only was it the weekend of 'Bloody Sunday' in Londonderry but the weather was very cold, electricity load shedding began and extensive picketing succeeded in closing Thorpe Marsh power station in Yorkshire.⁹ The CEGB issued a public warning that power cuts were likely during the following week and the position of domestic priority consumers had become serious.¹⁰ EO, which had now expanded to an unwieldy group of thirty six officials, debated at length whether it was more important to preserve the coal stocks or to avoid inflaming the picketing and finally concluded that a state of emergency should be proclaimed on Friday 4 February to come into effect on Monday 7 February.¹¹

But E hesitated and held a protracted debate about the timing; while an earlier declaration would preserve the dwindling supply of coal ministers feared the public was still not prepared to accept a state of emergency as necessary. A further complication was that they expected the negotiations in the electricity industry to be settled by 7 February. Carr then planned a conciliation attempt with the miners and was anxious that the declaration of a state of emergency should not coincide with this. E was clearly divided but finally rejected EO's advice and deferred a decision on the state of emergency. They decided to put their trust in the forecast of milder weather over the next two weeks and hoped that the NUM would become more co-operative in ensuring that coal supplies were available to priority consumers.¹²

These arguments were aired at the Cabinet meeting the following day. While the Cabinet minutes merely noted that the factors which governed the timing of the state of emergency were 'finely balanced'¹³ Trend's post mortem analysis of the dispute

⁸ TNA: PRO, PREM 15/984, Trend to Heath, 26 January 1972.

⁹ TNA: PRO, PREM 15/985, 'Coal Strike Report, 31 January 1972'.

¹⁰ TNA: PRO, CAB 134/3486, EO 72, 7th Meeting, 1 February 1972.

¹¹ Ibid.

¹² TNA: PRO, CAB 134/3485, E 72, 4th Meeting, 2 February 1972.

¹³ TNA: PRO, CAB 128/50, CM 72, 5th Conclusions, Minute 6, 3 February 1972.

revealed that it was John Davies who ‘voiced his concern about the risks entailed in deferring a proclamation and introducing electricity restrictions until the following week’.¹⁴ As a result of Davies’ intervention E met again that evening and in another agonised and protracted discussion revisited the arguments of the day before. Finally, fear of jeopardising the negotiations with the electricity workers and the worry that public opinion was not yet prepared won the day. E decided to stick to its original decision to reject EO’s advice for an early proclamation of a state of emergency on 4 February.¹⁵

By the time EO met again on Monday 7 February the supply of electricity had seriously deteriorated and unscheduled power cuts were likely at any time. 20,000 workers had now been laid off because of the strike and there was an additional anxiety that the strike might spread to road tanker drivers.¹⁶ The next day E finally recognised that the time for delay was over and recommended that a state of emergency should be proclaimed to come into effect from midnight on Wednesday 9 February. This banned the use of electricity for floodlighting and advertising but E rejected advice from EO that there should also be restrictions on the use of electricity for domestic heating, since this was too draconian for the public to accept and impossible to enforce in practice.¹⁷ By the time the state of emergency was declared the effects of the strike had penetrated to the heart of the Whitehall machine responsible for its management. As one official responsible for producing the daily ‘Coal Strike Report’ wrote, ‘The strike has really begun to take effect now – this is being typed under emergency lighting and cannot be duplicated until the blackout is over!’¹⁸

The Cabinet meeting on 27 January marked a belated recognition that the miners’ case was justified and an awareness that the picketing posed a real threat to the supply of electricity. But the dominant factor in ministers’ minds was still the effect the declaration of a state of emergency would have on its pay policy and it did not

¹⁴ TNA: PRO, PREM 15/986, Trend to Armstrong, ‘The Emergency’, p. 4, 9 March 1972.

¹⁵ TNA: PRO, CAB 134/3485, E 72, 5th Meeting, 3rd February 1972.

¹⁶ TNA: PRO, CAB 134/3486, EO 72, 8th Meeting, 7th February 1972.

¹⁷ TNA: PRO, CAB 134/3485, E 72, 6th Meeting, 8 February 1972.

¹⁸ TNA: PRO, PREM 15/985, ‘Coal Strike Report, 10 February 1972’.

inaugurate any major change in strategy or in its public stance. Part of the explanation was that ministers were distracted by the events in Northern Ireland. As Robert Armstrong recalled, 'Bloody Sunday was a major ingredient in what was happening. Maudling was interested in criminal policy but not much interested in Northern Ireland. He had to be but he wasn't by instinct.'¹⁹

However the files show that much of the responsibility for the delay lay in the confusion and hesitation, and the divisions between them, which marked the discussions of E and EO. It is clear from the records in the National Archives that both EO and E were very slow to understand what was happening with the picketing on the ground and then to react to it. EO was too large and unwieldy to move quickly and the split structure of the Official and the Ministerial Committees militated against the integration of factual knowledge and practical advice with political judgement and decision taking. The delay in the state of emergency meant that the coal stocks were eroded more rapidly than necessary and meant that during the final negotiations with the miners the country was on the brink of running out of electricity and the government had no option but to give in.

Road to surrender

Once the decision to declare a state of emergency was taken Heath appears to have realised the inadequacy of the Emergencies Committee since he set up an ad hoc Ministerial Committee on the Coal Miners' Pay Dispute (GEN 78). It was chaired by Heath and its members included Maudling, Barber, Carrington, Whitelaw, Carr and Davies.²⁰ GEN 78 finally brought together the two inter-locked issues of the miners' pay claim and the deteriorating position in the electricity supply. It met every day during the final critical week of the strike and effectively superseded the Ministerial Committee on Emergencies. The record of its first meeting on the evening of Wednesday 9 February at No 10 reveals how sombre the tone of the discussion was as ministers, advised by Trend and Barnes, discussed their extremely limited options for dealing with the strike.²¹

¹⁹ Interview with Lord Armstrong of Ilminster, 9 July 2009.

²⁰ TNA: PRO, CAB 130/559 'Coal miners' pay dispute', GEN 78 72.

²¹ *Ibid.*, 1st Meeting, 9 February 1972.

By this stage picketing had immobilised a large part of the coal stocks so that although 6.1 million tons remained only 3.8 million tons of these were usable. This was a significant drop from a week earlier and the CEGB had warned that even with immediate action to reduce demand three quarters of the power stations could be brought to a virtual standstill within two weeks.²² The government's preparations for a miners' strike had concentrated on building up the coal stocks, it had not envisaged a scenario whereby coal was plentiful but inaccessible and its priority was now to halt the picketing and get the miners back to work.

Formal negotiations between the NCB and the NUM were broken off when the strike began. Although Carr had felt obliged by Feather to hold separate meetings with the leadership of the NCB and the NUM there had been no change in the government's position that any settlement must be within its pay norm.²³ Ezra's view, which he made clear to Carr, was that the NCB's withdrawal of its final offer, at the government's insistence, had hardened the NUM's attitude and he now thought the dispute would have to be settled by the Department of Employment.²⁴

For its part the NUM made it clear that they regarded themselves as a special case and would not return to work without a settlement which recognised this and even if a court of inquiry were set up they would not agree to accept its findings in advance.²⁵ There was some unease among trade union leaders that the NUM was not carrying out safety work at the pits but the TUC General Council backed the miners' claim.²⁶ Carr held a private meeting with Feather, which they both agreed not to give to the press, where Feather warned Carr that the miners were indeed a special case and the government would have to find a way of giving them more money because the longer the strike went on the harder attitudes would become.²⁷

²² TNA: PRO, PREM 15/985, Eden to Maudling, 9 February 1972.

²³ TNA: PRO, CAB 128/50, CM 72, 3rd Conclusions, Minute 3, 20 January 1972.

²⁴ TNA: PRO, PREM 15/984, 'Note of a Meeting between Secretary of State and Chairman of the NCB', 20 January 1972.

²⁵ Ibid., 'Note of a Meeting between Secretary of State and the leaders of the NUM', 21 January 1972.

²⁶ 'TUC General Council Minutes', 26 January 1972, TUC Archive, MRC, MSS. 292D/20/5.

²⁷ TNA: PRO, PREM 15/984, 'Note of a Meeting between Robert Carr and Vic Feather', 26 January 1972.

These meetings appear to have modified Carr's attitude towards the miners' pay claim since on 27 January Carr told the Cabinet that the NUM's intransigent attitude reflected the feeling among many miners that they had steadily lost ground in comparison with other workers and that it was indeed true that the ending of piece-work had left the face-workers with lower earnings than they had received ten years earlier.²⁸ This was highly significant since it marked the first realisation at Cabinet level that the miners had valid reasons to be considered a special case, although this had been acknowledged by the Pay Committees in the summer of 1971.²⁹

But for the next ten days the government made no significant move; the electricity workers claim was still pending and, as Trend's post-strike analysis recorded, ministers and officials were split on the best way forward.³⁰ The NCB was now convinced that only a substantial cash offer of at least £3 a week for the lowest paid workers would secure a settlement but officials in both the Treasury and DE viewed this as a significant retreat on pay policy.³¹ Although ministers now recognised the miners were a special case they were divided over whether it would be better to have an independent court of inquiry or for the government to lead the attempt at conciliation. Carr refused to acknowledge that a re-balanced offer was necessarily a defeat for the pay policy and was personally reluctant to set up a court of inquiry.³²

On 7 February the electricity workers settled for a pay increase of 7.8%, which was both within the government's norm and also removed a major threat to power supplies. By now the press was calling for Carr to intervene and on 9 February he made the NUM an offer rebalanced in favour of the lower paid face workers, which would last for eighteen months.³³ But bolstered by the success of the picketing the

²⁸ TNA: PRO, CAB 128/50, CM 72, 4th Conclusions, Minute 4, 27 January 1972.

²⁹ TNA: PRO, CAB 134/3430, PO 71, 3rd Meeting, 29 July 1971.

³⁰ TNA: PRO, PREM 15/986, Trend to Armstrong, 'Pay Negotiations, Conclusions', 9 March 1972.

³¹ TNA: PRO, CAB 134/3543 'Ministerial Steering Committee on Pay Negotiations; Papers', 'Note by Officials at DE, Treasury and DTI', P 72 4, 3 February 1972.

³² TNA: PRO, CAB 134/3542 'Ministerial Steering Committee on Pay Negotiations', P 72, 1st Meeting, 1 February 1972; 2nd Meeting, 7 February 1972.

³³ The NCB offer was an increase of £3 for surface workers, £3.50 for underground workers and £2.75 for face workers.

miners' attitude had hardened and Gormley told Carr that a settlement which would have been possible a month ago was no longer viable, that neither a court of inquiry nor arbitration would by themselves solve the dispute and, 'They needed an awful lot more money to settle.'³⁴

On the evening of 9 February Carr reported to the first meeting of GEN 78 that although the NUM were due to meet the NCB that evening there was no likelihood that it would lead anywhere and the miners 'were confident of their strength and remained unyielding'. Carr put forward three options: to allow the talks to break down; to appoint a court of inquiry; or he himself could attempt to mediate in the dispute, which was the course he favoured. But his colleagues were unconvinced that conciliation by Carr would be successful and he was over-ruled. Instead they decided that a revised offer, an immediate cash increase of £3 a week with a minimum earnings guarantee of £22 a week in return for an eighteen month settlement, should be placed on the table that evening. Once the miners rejected it, as they certainly would, a court of inquiry should be set up to report as quickly as possible. The miners were not to be informed that a court of inquiry was in the offing but Carr should 'make it known' that the government had made the miners a generous offer so that their intransigence would become plain to the public. By adopting this rather devious stratagem of unattributable briefing to the press the government hoped that public sympathy for the miners would be eroded by the effect of the restrictions on electricity.³⁵

But the strategy backfired. Gormley later claimed that at this stage some members of the NUM Executive were in favour of settling but that he urged them not to in the belief they could now get more money.³⁶ Gormley claimed that Carr called him in and asked him to return to work on the basis of the NCB offer, with the promise that if the court of inquiry offered more it could be backdated. But Carr had told the press that an increase in wages would increase the price of coal and have an adverse effect on the economy, which angered the Executive which agreed there would be no

³⁴ TNA: PRO, PREM 15/985, 'Note of a Meeting between Robert Carr, Joe Gormley and Lawrence Daly', 9 February 1972.

³⁵ TNA: PRO, CAB 130/559, GEN 78 72, 1st Meeting, 9 February 1972.

³⁶ Gormley, *Battered Cherub*, p. 107.

provisional return to work.³⁷ The meetings between Carr and the NUM ended in a complete breakdown, with the NUM's 'absolute minimum' demand coming to an increase of 25%.³⁸ Carr told Gormley he did not want to appoint a court of inquiry but the gap between the two sides was immense and the nation would expect him to act, while Gormley responded that a court of inquiry would not get his members back to work.³⁹

The same hesitations and divisions between ministers and different committees which had characterised the discussions over when to declare a state of emergency also marked the slow change in ministerial attitudes towards the miners' pay claim. Before 9 February action on the miners' pay claim was determined by its effect on the overall pay policy and only when other claims were settled did the government move to act. The offer of 9-10 February would almost certainly have averted the strike if it had been made earlier in October or even in December, but the miners had now lost a month's pay and even a moderate like Gormley was now irritated by what he perceived to be the NCB's foot-dragging attitude in the negotiations and determined to fight on, as he later recorded, 'by then I was becoming a bit bloody-minded'.⁴⁰

There was a fatal delay in recognising the seriousness of the strike and setting up adequate machinery to deal with it. GEN 78 finally brought together the inter-linked issues of the electricity supply and the miners' pay claim and attempted to formulate a strategy to handle them together but by then it was too late. At the first meeting of GEN 78 the government recognised that above all it had to get the miners back to work but by then the miners' intransigence was such that the pay offer was no longer acceptable. The government's strategy of distancing itself from the dispute had failed and it was left with no other option than to set up a court of inquiry which it had hitherto refused to contemplate. It had now abandoned the two pillars of its strategy, if it could be dignified by such a term. The first meeting of GEN 78 marked the

³⁷ Ibid., pp. 108-9.

³⁸ TNA: PRO, PREM 15/985, Holland (DE) to Gregson (No 10), 10 February 1972.

³⁹ Ibid., 'Note of a Meeting between Secretary of State and the NUM', 10 February 1972.

⁴⁰ Gormley, *Battered Cherub*, p. 107.

moment the government surrendered in private, but it was about to be on the receiving end of a much more public defeat.

Humiliation

On 10 February the weaknesses of the government's position became glaringly obvious to the public for the first time. The state of emergency came into effect and rota cuts in electricity rapidly became widespread; negotiations with the NUM broke down and that evening Carr announced that there would be a court of inquiry into the dispute, headed by Lord Wilberforce; but most dramatically of all a mass picket of miners, augmented by local engineering workers on a one-day strike, forced the police to close the Saltley Road gates of the headquarters of the West Midlands Gas Board in Birmingham.

This was a large coke depot which supplied local industries and usually served about four hundred lorries a day but by the end of January, as stocks at other depots throughout the country dwindled, the number had risen to something approaching seven hundred and queues of lorries were waiting at the Saltley Road Gates. Picketing began on Friday 4 February and over the week-end Arthur Scargill organised the arrival of several hundred more men so that by Monday 7 February five hundred pickets had gathered at the site. By Tuesday four hundred police, under the control of Sir Derrick Capper (Chief Constable of Birmingham) were ranged against one thousand pickets. Over the next two days the number of pickets increased until by Thursday 10 February there were an estimated 15,000 pickets, under the direction of Scargill. The police were totally outnumbered and in the middle of the morning, fearing violence and disorder on a large scale, the Chief Constable gave the order to close the gates.⁴¹

Saltley has variously been described as 'the great set-piece confrontation' and 'the showdown'.⁴² Descriptions of it have dominated many accounts of the 1972 strike.⁴³

⁴¹ TNA: PRO, PREM 15/985, 'Coal Strike Reports' 7, 8, 9 and 10 February 1972.

⁴² Whitehead, *The Writing on the Wall*, p. 75; Taylor, *Trade Union Question*, p. 198.

⁴³ Clutterbuck, *Britain in Agony*, pp. 64-74; Whitehead, *The Writing on the Wall*, pp. 75-76; Beckett, *When the Lights Went Out*, pp. 66-86; Sandbrook, *State of Emergency*, pp. 121-26.

Prior described it as ‘the turning point’ and he was followed in this by Ramsden.⁴⁴ But as Campbell pointed out it was probably not a turning point because the power situation was already desperate, and Beckett and Sandbrook have seen it as a symbolic triumph. But while Saltley did not affect the course of the strike directly it was undeniably a significant event politically with long term consequences.

The Saltley Road gates to the depot were closed while the Cabinet was in progress and a note was brought in to inform Maudling what had happened. The Cabinet minutes noted that the enforced closure ‘represented a victory for violence against the lawful activities of the Gas Board and the coal merchants’ and ‘provided disturbing evidence of the ease which, by assembling large crowds, militants could flout the law with impunity because of the risk that attempts to enforce it would provoke disorder on a large scale.’⁴⁵ But the official records do not convey the full force of what Prior later described as a very dramatic moment.⁴⁶ Maudling wrote later that since the Chief Constable had assured him that the gates would only be closed over his dead body, he (Maudling) had rung him the next day to enquire after his health. Nevertheless Maudling acknowledged that the risk of violence between the police and the huge numbers of pickets was so great that it was the correct decision, and that to have sent in the army would only have made the situation worse. ‘If they [troops] had been sent in, should they have gone in with their rifles loaded or unloaded? Either course could have been disastrous.’⁴⁷

Not all ministers or officials agreed with him and in his memoirs Heath was strongly critical of the police whom he described as ‘weak, and frightened of a scrap with the pickets’ and condemned their ‘softly, softly approach’ as ‘disastrous’. He described Saltley as ‘the most vivid, direct and terrifying challenge to the rule of law that I could ever recall emerging from within our country’.⁴⁸ Sir Douglas Allen also judged that at Saltley the government lost control and showed a terrible weakness, he believed that the army should have been sent in.⁴⁹ During the five days of mass

⁴⁴ Prior, *A Balance of Power*, p. 73; Ramsden, *Winds of Change*, p. 353.

⁴⁵ TNA: PRO, CAB 128/50, CM 72, 6th Conclusions, Minute 3, 10 February 1972.

⁴⁶ Whitehead, *The Writing on the Wall*, p. 75.

⁴⁷ Maudling, *Memoirs*, p. 161.

⁴⁸ Heath, *The Course of My Life*, p. 351.

⁴⁹ Interview with Lord Croham, 20 September 2007.

pickets seven pickets and twenty police were injured and there were seventy five arrests.⁵⁰ Although the violence was minimal in comparison with the miners' strike ten years later at the time it was the most violent incident in British industrial history for sixty years.⁵¹ Ministers were shaken and felt that the law had been broken so flagrantly that the capacity of the government and the police to enforce it had been called into question and were distinctly alarmed at what they perceived to be a new and disturbing attitude among some sections of society towards laws with which they disagreed.⁵²

But in the annals of the labour and trade union movement the 'battle of Saltley' metamorphosed into a legendary victory; it made Arthur Scargill a hero of the left and contributed to the unbridled hubris which led him to embark, without a ballot, on another miners' strike over ten years later.⁵³ As Andrew Taylor has pointed out this perspective on Saltley has owed much to the much-quoted and self-aggrandising interview which Scargill gave a few years later.⁵⁴ He declared,

we took the view we were in a class war... We were out to defeat Heath and Heath's policies. Anyone who thinks otherwise was living in cloud-cuckoo land. We had to declare *war* on them and the only way you could declare war was to attack the vulnerable points. They were the points of *energy*: the power stations, the coal depots, the points of supply. And this is what we did.⁵⁵

This interview is quoted in many accounts of the 1972 strike.⁵⁶ But it is important to stress that this syndicalist perspective was not shared by most miners or those of their leaders, such as Gormley who, however much they disliked the Heath Government's policies, regarded the dispute as one about pay and conditions. Gormley always maintained, although not entirely accurately, that the picketing was entirely within

⁵⁰ TNA: PRO, FV 38/184, 'Coal Strike Records, Annex S, Schedule on picketing incidents'. This note is undated, but early 1972.

⁵¹ Clutterbuck, *Britain in Agony*, p. 71.

⁵² TNA: PRO, CAB 130/559, GEN 78 72, 4th Meeting, 15 February 1972.

⁵³ This was confirmed in a conversation with former officials at the NUM offices in Barnsley. They remembered that in 1972 and 1974 they had been 'out for a month' and then won, and thought it would be the same again in 1984.

⁵⁴ Taylor, *The NUM and British Politics*, p. 61.

⁵⁵ Scargill, 'The New Unionism', p. 13.

⁵⁶ Jeffery and Hennessy, *States of Emergency*, pp. 235-36; Campbell, *Edward Heath*, p. 414; Beckett, *When the Lights Went Out*, p. 70; Sandbrook, *State of Emergency*, p. 120.

the law and rather noticeably his memoirs contained only a very brief account of Saltley, perhaps because it was essentially Scargill's show.⁵⁷

But it was a searing experience for Conservative ministers and for one in particular it was, 'a victory for violence', and a defeat for the forces of law and order. Margaret Thatcher later claimed,

For me what happened at Saltley took on no less significance than it did for the Left. I understood as they did that the struggle to bring trade unions properly within the rule of law would be decided not in the debating chamber of the House of Commons, nor even on the hustings, but in and around the pits and factories where intimidation had been allowed to prevail.⁵⁸

Her experience of dealing with the trade unions as a member of Heath's Cabinet was one of the most potent factors which formed Thatcher's determination to curtail trade union power and stiffened her resolve to confront and defeat the NUM. It is revealing that a handwritten comment on the cover of the DTI's file on the history of the strike noted, 'This file contains a valuable record of the 1972 strike and will certainly be required in the event of any future strikes.'⁵⁹

It was unquestionably a humiliation for the government and perceived to be so at the time.⁶⁰ King noted in his diary, 'Picketing is no longer peaceful and blatant intimidation goes unchecked.'⁶¹ But it was not a real turning point. The decision to appoint a court of inquiry had been taken the day before at GEN 78 and the state of emergency had already come into effect. Moreover, since the power stations could not burn coke the closure of the depot, which in any case re-opened shortly afterwards, had no effect on the supply of electricity which was now the critical factor.⁶² Saltley was the most dramatic illustration of the government's loss of control over the dispute but the decision to appoint a court of inquiry was widely seen as an indication, by everyone including senior officials, that the government

⁵⁷ Gormley, *Battered Cherub*, pp. 104-5.

⁵⁸ Thatcher, *The Path to Power*, p. 218.

⁵⁹ TNA: PRO, FV 38/184, handwritten note on the file cover, dated 28 May 1980.

⁶⁰ Alan Pike, 'Pickets hail victory at coke depot', *Daily Telegraph*, 11 February 1972.

⁶¹ King, *The Cecil King Diary, 1970-1974*, p. 179.

⁶² Taylor, *The NUM and British Politics*, p. 62.

was now prepared to give in to the miners.⁶³ Cecil King's diary for 14 February noted 'Presumably the court of inquiry will lead to a climb-down by the Government and an inflationary settlement.'⁶⁴ Hurd famously recorded in his diary for 11 February, 'The Government now wandering vainly over battlefield looking for someone to surrender to – and being massacred all the time.'⁶⁵

The state of emergency

The state of emergency began on 10 February, the same day as the confrontation at Saltley, but neither the public nor industry had been psychologically prepared for the drastic rota cuts in electricity which followed. On 11 February Davies announced in the Commons that the availability of electricity was deteriorating rapidly and that from the following week medium sized firms would only be allowed the use of electricity for three days a week. The use of electricity for heating in offices, shops, public halls, catering establishments and premises for recreation, entertainment and sport would be banned and he appealed to the whole community to do all within its power to reduce consumption.⁶⁶ Wilson accused the government of trying to bully its way through with the miners and incompetence in miscalculating both the mood of the miners and the state of the electricity supply.⁶⁷

The severity of these measures took both Parliament and the public by surprise.⁶⁸ The manner in which they were implemented also led to vociferous protests from industry.⁶⁹ On 11 February rota cuts reduced electricity consumption by 20% and on 12 February by 30%.⁷⁰ The results were chaotic; the power cuts sent some of the time switches on street lights haywire so they were on all day, to the annoyance of the public.⁷¹ A number of essential industrial plants, supposedly exempt, were

⁶³ Interview with Lord Allen of Abbeydale, 9 March 2004.

⁶⁴ King, *The Cecil King Diary, 1970-1974*, p. 180.

⁶⁵ Hurd, *End to Promises*, p. 103.

⁶⁶ H C Debs (5th series) 11 February 1972, vol 830, col 1736-37.

⁶⁷ H C Debs (5th series) 11 February 1972, vol 830, col 1740.

⁶⁸ Our political staff, 'MPs staggered by drastic measures to restrict the use of electricity,' *The Times* 12 February 1972; King, *The Cecil King Diary, 1970-1974*, p. 180.

⁶⁹ Roland Gribben, 'Severity of cuts shocks companies', *Daily Telegraph*, 12 February 1972.

⁷⁰ TNA: PRO, CAB 134/3486, EO, 10th Meeting, 14 February 1972.

⁷¹ Ledger and Sallis, *Crisis Management in the Power Industry*, p. 312. Fn. 18.

mistakenly served with notices to cut their consumption. In some areas rota cuts were operated for three hours on and three hours off, instead of four hours on and eight hours off as had been promised, and bakers complained that this was not long enough to bake bread.⁷² The leaders of the CBI protested to Carr at the chaotic way in which the emergency regulations had been implemented.⁷³

This criticism was echoed in the press, which had become increasingly harsh.⁷⁴ The press had been surprised by the miners' decision to strike and initially assumed that they would be defeated.⁷⁵ At first the press coverage was neutral and news reports were largely confined to the inside pages, but as the strike continued the tone of the coverage began to change and reflected a growing sympathy and increasing recognition that the miners did a hard, dirty and dangerous job for which they were poorly rewarded. As one journalist wrote, 'People feel that miners are not just a special case but a special breed of men.'⁷⁶ *The Times* described the government's strategy as 'masterly inactivity' and criticised both the DTI and the Emergencies Committee for having under-rated the effectiveness of the pickets and failed to warn industry adequately of the emergency measures. Both Maudling and Davies were singled out for falling short and Heath was warned that 'the tougher the government's line the less it can afford mistakes'.⁷⁷

Throughout the dispute public sympathy was on the side of the miners rather than the employers. Gallup polls taken in January, February and March 1972 showed that sympathy for the miners was respectively at 55%, 57% and 52% while support for the employers was at 16%, 19% and 20%.⁷⁸ This was also reflected in the private polling done for the Conservative Party by ORC which found that on 1 February 54% believed the miners were justified in striking for higher wages but by 14

⁷² TNA: PRO, CAB 134/3485, E 72, E, 8th Meeting, 14th February 1972.

⁷³ TNA: PRO, PREM 15/985, 'Note of a meeting between Secretary of State and Sir John Partridge (President) and Campbell Adamson (Secretary General of the CBI)', 14 February 1972.

⁷⁴ Our industrial staff, 'Widespread confusion in industry over the emergency orders', *The Times*, 12 February 1972.

⁷⁵ 'The miners are busy getting nowhere', *The Economist*, 22 January 1972.

⁷⁶ Trevor Fishlock, 'Monmouthshire mining community shows itself proud, rugged and stubborn', *The Times*, 14 February 1972.

⁷⁷ Editorial, 'The good reasons and the bad', *The Times*, 15 February 1972.

⁷⁸ Taylor, *The NUM and British Politics*, p. 59.

February this had increased to 66%, by then 49% believed the government were handling the dispute very badly and 19% fairly badly.⁷⁹

The government also faced mounting criticism from its own backbenchers. On 14 February Davies issued a stark warning in the Commons that in two weeks time the electricity generating capacity would be down to 20 to 25% of normal load, which would only be sufficient 'to keep essential services going...the clear inference is that there would be neither electricity for industry, nor for the home....there is no experience of handling electricity supply at these low levels. The certainty of being able to provide for essential services must be regarded as pretty precarious.'⁸⁰ Only one Conservative (David Crouch MP, Canterbury) stood up in the Commons and openly accused the government of incompetence.⁸¹ But the following day Davies and Howe faced a meeting of Conservative backbenchers who were strongly critical of the government for failing to keep its own backbenchers informed. They accused ministers of first failing to intervene and then appearing to panic and introducing draconian restrictions on the use of electricity in industry with little warning.⁸²

By Monday 14 February the coal strike had resulted in 800,000 people, nearly 4% of the employed workforce, being laid off, an acute problem for the government which had seen unemployment reach one million a few weeks earlier. The prospect of the country running out of electricity was now frighteningly near because, although the CEGB had not run out of coal, picketing had prevented them from accessing all but 2.6 million tons of its total of 8 million tons.⁸³ The Chairman of the CEGB attended E Committee to warn that this was only enough for ten days average consumption; within a fortnight the coal generated capacity would come to an end and the CEGB would have to rely on oil, gas and nuclear power stations. These could only provide about 25% of the normal requirements and it might not be possible to maintain supplies for essential users such as hospitals.⁸⁴ The miners' strike was so effective

⁷⁹ TNA: PRO, LAB 77/84 'Coal Strike', Douglas to Carr, 16 February 1972.

⁸⁰ H C Debs (5th series) 14 February 1972, vol 831, col 156-57.

⁸¹ H C Debs (5th series) 14 February 1972, vol 831, col 140-43.

⁸² David Wood, 'Ministers to face angry Tories', *The Times*, 15 February 1972; George Clark, 'Tory MPs criticise lack of talks', *The Times*, 16 January 1972.

⁸³ TNA: PRO, CAB 134/3486, EO 72, 10th Meeting, 14 February 1972.

⁸⁴ TNA: PRO, CAB 134/3485, E 72, 8th Meeting, 14 February 1972.

because the UK economy was hugely dependent on coal. In 1971 it was the single major source of energy; it was the source of 75% of the electricity supply and it also supplied directly over 40% of the power needed in industry and over 55% of domestic needs.⁸⁵

By now the effects of the strike had penetrated to the very core of the Whitehall machine responsible for its management. Officials were under such pressure and so hampered by working without electricity that they failed to produce the daily 'Coal Strike Report' for ministers between 11 and 13 February.⁸⁶ On 15 February Heath tried without success to persuade Feather to use his influence with the NUM to call off the picketing. Heath had a good personal relationship with Feather, whom he described as 'very civilised' and 'a delightful man in many ways'.⁸⁷ But the official record cannot disguise the tone of asperity as Feather interrupted the Prime Minister and roundly denounced the 'catastrophic mistakes' made by both the Coal Board and the Department of the Employment, which he accused of 'fiddling about'.⁸⁸

Rebuffed by Feather and bereft of a strategy ministers were forced to contemplate increasingly desperate measures to conserve electricity. The restrictions on the use of electricity had achieved a 36% saving in power stations' consumption of coal and domestic consumers had responded well to appeals for economy. However some large industrial firms had reorganised their work so that they operated additional shifts on the days when their electricity was not restricted so the total consumption remained high. Proposals that British Summer Time should be brought in early or that television programmes curtailed were mooted but dismissed on the grounds that the inconvenience and irritation would outweigh any savings in electricity.⁸⁹

As the position deteriorated rapidly there was confusion between the multiple different committees on the appropriate action to take. On Wednesday GEN 78 took

⁸⁵ *Energy Consumption in the UK* (London: HMSO, 2004), Table 1.7.

⁸⁶ TNA: PRO, PREM 15/985, 'Coal Strike Report', 11-14 February 1972.

⁸⁷ Dorfman, *British Trade Unionism Against the Trades Union Congress*, pp. 51-52; Heath, *The Course of My Life*, p. 329.

⁸⁸ TNA: PRO, PREM 15/985, 'Note for the Record: Meeting between the Prime Minister, the Secretary of State for Employment and the General Secretary of the TUC', 15 February 1972.

⁸⁹ TNA: PRO, CAB 134/3485, E 72, 9th Meeting, 16 February 1972.

the view that there would be no need for additional restrictions on the use of electricity for another week.⁹⁰ But the following day it was forced to revise this and recommended that restrictions should come into force from the following Monday 21 February. It advised Davies that when he made a statement that afternoon in the Commons he should ‘aim to expose the full gravity of the outlook without giving an impression that the normal life of the nation would come to a virtual halt unless the dispute with the miners were quickly resolved.’⁹¹

The suspension of the normal life of the nation was in fact an entirely accurate description of the gravity of the situation. Davies warned that further restriction would be necessary the following week for industrial, commercial and domestic users, but these restrictions would only delay by a few days the end of coal-fired electricity when it would be possible ‘to meet only the essential services of the country with very little left available for other users – domestic or industrial’.⁹² Despite the warning Davies’ statement was low key and he emphasised that the restrictions and the appeals for economy had resulted in reducing consumption but in private the Cabinet were made aware that if the picketing continued and the electricity supply fell to between 20 to 25% then much more draconian restrictions would have to be implemented.⁹³

On the brink

Brendon Sewill memorably described the atmosphere during the 1972 emergency in apocalyptic terms:

At the time many of those in positions of influence looked into the abyss and saw only a few days away the possibility of the country being plunged into a state of chaos not so very far removed from that which might prevail after a minor nuclear attack. If that sounds melodramatic I need only say that – with the prospect of the breakdown of power supplies, sewerage, communications, effective government and law and order – it was the analogy that was being used at the time.⁹⁴

⁹⁰ TNA: PRO, CAB 130/559, GEN 78 72, 5th Meeting, 16 February 1972.

⁹¹ Ibid., 6th Meeting, 17 February 1972.

⁹² H C Debs (5th series) 17 February 1972, vol 831, col 623-24.

⁹³ TNA: PRO, CAB 128/50, CM 72, 7th Conclusions, Minute 7, 17 February 1972.

⁹⁴ Ralph Harris and Brendon Sewill, *British Economic Policy 1970-74: Two Views* (Institute of Economic Affairs, 1975), p. 50.

This description has been widely cited in subsequent accounts.⁹⁵ Ledger and Sallis have detailed how critical the position was in the power stations and concluded that by the end of the strike, ‘The situation could hardly have been more grave.’⁹⁶ But the full picture of just how close the country came to running out of electricity and how near the government was to deploying troops has only become clear with the release of the official papers.

The two or three days before Wilberforce reported were the height of the crisis when ministers feared that the miners might refuse to accept the findings of the court of inquiry, or delay returning to work for several weeks while they held a ballot, with dire consequences for the electricity supply.⁹⁷ The depth of alarm was clearly evident in a paper by the DTI which forecast that after 28 February the CEGB would be reduced to its oil, gas and nuclear capacity, but even this would be vulnerable to breakdowns and disruption from industrial action. Although it might be possible to safeguard supplies to vital services such as hospitals and sewage plants since these were scattered throughout the networks this was a major engineering operation which would leave other consumers without supplies for days at a time. A further problem was that if, despite the rota cuts, demand for electricity still exceeded supply, then block disconnections would be triggered automatically, which would disconnect all consumers, including essential services.⁹⁸

The DTI envisaged that the use of electricity would be prohibited for most ‘commercial’ purposes, which was much wider than the dictionary definition, and included shops and government, local authorities and business offices, schools, hotels, theatres, banks, law courts, prisons, fire stations, garages and petrol stations, doctors and dentists premises. It meant that banking and other financial transactions would be at a standstill, payroll work would be delayed or prevented, so many workers would be left without pay, shops would only be able to open during daylight hours, schools and all places of

⁹⁵ Jeffery and Hennessy, *States of Emergency*, p. 235; Taylor, *Trade Union Question*, p. 198; Ramsden, *Winds of Change*, p. 353; Ziegler, *Edward Heath*, p. 351.

⁹⁶ Ledger and Sallis, *Crisis Management in the Power Industry*, pp. 53-54.

⁹⁷ TNA: PRO, CAB 130/559, GEN 78 72, 6th Meeting, 17 February 1972.

⁹⁸ TNA: PRO, CAB 134/3485, E 72 11, ‘Coal Strike – Electricity supplies when coal-fired generation ends: Note by the Minister for Industry’, 17 February 1972.

entertainment would be forced to close.⁹⁹ Domestic supplies of electricity would also need to be restricted to the bare minimum to safeguard supplies to essential services, which would nevertheless be subject to unavoidable power cuts and Eden proposed restricting the use of electricity for both domestic heating and water. It would also be necessary to restrict electricity to London Underground and British Rail.¹⁰⁰ All these measures were so draconian that if they had been introduced the normal life of the country would certainly have ground to a halt.

When E Committee met at noon on Friday 18 February, ministers were already aware that Wilberforce had recommended a large increase in miners' pay, but uncertainty over whether the miners would accept the report and the imminent end of coal-fired electricity forced them to plan more drastic restrictions. They agreed that from 23 February electricity for medium-sized industrial consumers would be further restricted to two, rather than three, weekdays, and there would be power cuts of three or four hours between 6 am and midnight. The electricity position was so grave that ministers decided that once coal fired-generation was at an end it would probably be necessary to use troops to deliver lighting-up fuel into the power stations and EO was instructed to draw up plans to use troops and volunteers for the much larger operation of moving the coal stocks.¹⁰¹

Under the Emergency Powers Act 1964 (which amended the Emergency Powers Act of 1920) the government had the power to use the armed forces on 'urgent work of national importance' during a state of emergency, which could be declared when any events were likely to occur which could 'deprive the community, or a substantial proportion of the community, of the essentials of life'.¹⁰² Under the provisions of 'Military Aid to the Civil Ministries', in the Queen's Regulations servicemen could also be used in more limited circumstances if no state of emergency existed provided the government did not need to requisition property or equipment.¹⁰³ While

⁹⁹ Ibid.

¹⁰⁰ Ibid., E 72, 10th Meeting, 18 February 1972.

¹⁰¹ Ibid.

¹⁰² Emergency Powers Act 1964. Both Acts are reproduced in Appendix 1 in Jeffery and Hennessy, *States of Emergency*, pp. 270-3.

¹⁰³ Ibid., pp. 242-3; Steve Peak, *Troops in Strikes: Military Intervention in Industrial Disputes* (London: Cobden Trust, 1984), pp. 57-8.

servicemen were more than happy to provide ‘military aid to the civil community’ in the event of natural disasters such as floods there was much less enthusiasm about ‘military aid to the civil ministries’ – which was strike-breaking.¹⁰⁴ General contingency plans for the use of servicemen in industrial disputes already existed and had been reviewed since the beginning of the dispute but both Whitehall officials and the NCB were extremely reluctant to use them as other than a last resort.¹⁰⁵ This view was shared by Cabinet ministers.¹⁰⁶

But by the final week of the strike the future of the electricity supply was so precarious that GEN 78 asked EO to draw up contingency plans for the use of troops if the Wilberforce Inquiry failed to settle the dispute.¹⁰⁷ This meant using either troops or volunteers to deliver essential supplies to the power stations and to move some of the immobilised stocks of coal. Using servicemen to break a strike was a drastic step fraught with difficulties since it would place a huge strain on the police who would need to be deployed to protect the troops and it would exacerbate the tensions which already existed between pickets and the police. There was also a risk that it would lead to other groups of key industrial workers, such as tanker drivers and railway workers, going on strike.

It is clear from the records that there was considerable pressure from ministers to use some combination of troops and volunteers to move the coal stocks and to deliver lighting-up oil to the power stations and this was viewed with great unease by officials.¹⁰⁸ In a stark note Sir Philip Allen made no attempt to conceal the deep misgivings of both himself and the police, or to minimise the practical difficulties and dangers of these operations. ‘Operation Cutter’, the largest, would need over five thousand servicemen from all three services to distribute the coal stocks at the pit-heads and elsewhere, which had been immobilised by the picketing. ‘Operation Arbiter’ would deliver lighting-up fuel to key power stations and ‘Operation Raglan’

¹⁰⁴ Jeffery and Hennessy, *States of Emergency*, p. 267.

¹⁰⁵ TNA: PRO, CAB 134/3374, ‘Threatened Strike in the Coal Industry: Note by the Chairman of the Official Committee’, E 71 25, Annex A, 22 December 1971.

¹⁰⁶ TNA: PRO, CAB 128/50, CM 72, 3rd Conclusions, Minute 3, 20 January, 1972.

¹⁰⁷ TNA: PRO, CAB 130/559, GEN 78 72, 3rd Meeting, 14 February 1972.

¹⁰⁸ TNA: PRO, CAB 134/3486, EO 72, 10th Meeting, Confidential Annex, 14 February 1972.

would replace tanker drivers, who were likely to strike if troops were used in ‘Cutter’ or ‘Raglan’. However, the same men needed to implement Cutter were also earmarked for Arbiter and Raglan, so not all three operations could be implemented in full simultaneously.¹⁰⁹

Moving the coal stocks (Cutter) was a large operation which would take seven days to put into effect and since not enough troops held heavy goods licences it would mean that inexperienced drivers would be handling large vehicles. The police would have to maintain access for a steady stream of lorries. ‘This would be very difficult, but the police believe that at the probable cost of great violence and some failures, they would in general be able to manage this.’ Delivering oil to the power stations (Arbiter) was a more limited operation which could be put into effect within three days. The police thought that this would be possible but again ‘a good deal of violence in which people could get killed would have to be accepted and there might be some failures’. The police were above all anxious that the servicemen should be unarmed and that the use of armed servicemen ‘with all that that implied, should be reserved as a last possible resort’.¹¹⁰

Deployment of troops during the strike was a delicate issue which was closely guarded within Whitehall and Allen’s note was regarded as highly sensitive.¹¹¹ All discussions on the subject in the large Official Committee were minuted in Confidential Annexes with a very restricted circulation, documents which dealt with the issue were labelled ‘Top Secret’ with warnings that their circulation should be very closely controlled.¹¹² Although the Emergency Powers Act 1920 gave the government the power to deploy troops during strikes if it was essential for public safety the Ministry of Defence was particularly apprehensive about their use. It was concerned to limit their role and above all adamant that under no circumstances

¹⁰⁹ TNA: PRO, CAB 130/559, GEN 78 72, ‘Maintenance of Electricity Supplies: Note by the Chairman of the Official Committee’, 16 February 1972.

¹¹⁰ Ibid.

¹¹¹ TNA: PRO, PREM 15/985, Norbury to Armstrong, 16 February 1972.

¹¹² Ibid., Norbury to Angel, 17 February 1972.

could soldiers driving tankers force a picket line, they would have to be escorted through pickets by police.¹¹³

Although GEN 78 discussed Allen's note, with its stark warning, on the Wednesday it hesitated to take any immediate decisions on the use of troops.¹¹⁴ But Heath instructed Maudling to discuss it further,¹¹⁵ and by the Friday E Committee recognised that troops would have to be deployed the following week if there were no settlement.¹¹⁶ It is clear from the papers in the National Archives that the government was on the brink of calling on the troops to put 'Operation Cutter' into effect.¹¹⁷ Just how close the armed services were to mobilisation is underlined by an operational telegram sent out the same day Wilberforce reported: 'SITUATION CONSIDERED VERY SERIOUS, LIKELIEHOOD EXISTS THAT OPERATION CUTTER WILL HAVE TO BE PUT INTO EFFECT AT VERY SHORT NOTICE AND BE FULLY EFFECTIVE WITHIN 48 HOURS.'¹¹⁸ These plans were kept highly secret and so troops were not put on official stand-by since this would have meant them becoming public knowledge. But it is clear that if the miners' pickets were not removed the MoD fully expected to have to deploy servicemen and break all the usual rules of notice.¹¹⁹

But although the press was increasingly critical none of the extremely sensitive discussions about the effects of the end of coal-fired electricity or the use of troops became public. Davies' statements in the Commons on the implications of the end of coal-fired electricity generation were reported factually but with little speculation as to the terrible consequences.¹²⁰ Throughout the strike there was detailed factual news coverage of the effects of power cuts on industry and the incidence of picketing but

¹¹³ TNA: PRO, DEFE 24/860 'Military aid to the civil community: peacetime assistance to civil ministries; civil emergencies, industrial disputes', 'Coal Strike – Ministerial Meeting', Note by W F Cooper (Deputy Director of Army Staff Duties), 16 February 1972.

¹¹⁴ TNA: PRO, CAB 130/559, GEN 78 72, 5th Meeting, 16 February 1972.

¹¹⁵ *Ibid.*, 6th Meeting, 17 February 1972.

¹¹⁶ TNA: PRO, CAB 134/3485, E 72, 10th Meeting, 18 February 1972.

¹¹⁷ TNA: PRO, DEFE 24/860, 'Coal Strike: Loose Minute', 17 February 1972.

¹¹⁸ *Ibid.*, 'Operational Telegram, Southern Command', 18 February 1972.

¹¹⁹ *Ibid.*, 'Assistance to Civil Ministries – Coal Strikes, Annex A', 18 February 1972.

¹²⁰ Hugh Noyes, 'Even essential services in danger if situation does not change', *The Times*, 15 February 1972.

very little on the discussions within E Committee, no mention of the deployment of servicemen and no evidence of leaking and briefing by ministers.

Senior officials have not corroborated Sewill's description of chaos and panic. Over thirty years later Robert Armstrong judged that, 'Panic was exaggerated, but there was great apprehension at the consequences of running out of coal-fired electricity.'¹²¹ Sir Philip Allen also denied that there was panic in Whitehall but admitted that the atmosphere was one of 'widespread apprehension'.¹²² Sewill's description might be somewhat lurid but even the under-stated tone of the official minutes of the Cabinet, GEN 78 and the Emergencies Committees revealed the acute anxiety felt by ministers and officials. In the last week of the strike the press coverage was sombre but not alarmist, with the general expectation was that the Wilberforce Report would end the strike, but this confidence was not shared by ministers.¹²³

The settlement

The inquiry into miners' pay was chaired by Lord Wilberforce, with two independent adjudicators, and its terms of reference were 'to inquire into the causes and circumstances of the present dispute between the National Coal Board and members of the National Union of Mineworkers and to report'.¹²⁴ Ministers' forebodings about a court of inquiry proved to be justified since Wilberforce held two days of public hearings on 15 and 16 February which the NUM used to highlight the level of miners' pay and their poor conditions to great effect.¹²⁵ The final report was sent to Carr late on the evening of Thursday 17 February at the same time as Heath was making the final speech on the second reading of the European Communities Bill which ratified entry into the EEC, which the government won by a majority of only eight votes.¹²⁶ The Wilberforce Report contained a comprehensive survey of the

¹²¹ Interview with Lord Armstrong of Ilminster, 9 July 2009.

¹²² Interview with Lord Allen of Abbeydale, 9 March 2004.

¹²³ TNA: PRO, CAB 128/50, CM 72, 7th Conclusions, Minute 7, 17 February 1972.

¹²⁴ *Report of Court of Inquiry into a dispute between the National Coal Board and the National Union of Mineworkers under the chairmanship of the Rt. Hon Lord Wilberforce, Cmnd. 4903*, (London: HMSO, 1972).

¹²⁵ John Hughes and Roy Moore, eds., *A Special Case? Social Justice and the Miners* (London: Penguin, 1972); Gormley, *Battered Cherub*, pp. 109-11; Taylor, *Trade Union Question*, p. 199.

¹²⁶ H C Debs (5th series) 17 February 1972, vol 831, col 743-53.

recent history of the rundown in the mining industry and the arduous conditions of work and pay which the miners endured, and concluded that it was for ‘reasons which are exceptional and do not apply in industry generally that we believe the mine workers at this particular time to have a just case for special treatment’.¹²⁷ It recommended pay increases of between £4.50 and £6 a week, around 22%, this was even more than ministers had feared and according to Robert Armstrong their reaction was one of dismay.¹²⁸

When ministers and officials of GEN 78 met at 9 am on Friday 18 February they faced the prospect of an end to coal-fired electricity and had no other option than to accept the Report, and to stress that Wilberforce had declared the miners were a special case.¹²⁹ But generous as the settlement was, there was still no guarantee that the NUM would accept it. The NUM was presented with the Wilberforce Report at the Department of Employment in St James’s Square, where, according to the official records Gormley told Carr that the prospects of a settlement were good and he would recommend that the NUM Executive called off picketing that night.¹³⁰ But although Gormley recorded his satisfaction that the Report was a total vindication of the NUM’s arguments he made no mention of this point in his memoirs.¹³¹ The miners had now been on strike for six weeks and there was a group on the NUM Executive which was unwilling to settle for anything less than the full claim and it voted to reject the Report and ask for a further increase of £1 a week.¹³²

Gormley later claimed that he knew there was no chance of a further cash increase, and that the only way out of the impasse was to ask for an improvement in a range of fringe benefits: ‘We made out a shopping list. It was as long as your arm.’¹³³ The NCB was prepared to agree to most of these but the hardliners on the NUM Executive still wanted to hold out for more cash. Gormley later claimed that he could have engineered acceptance at this point if he had put it to the vote:

¹²⁷ Wilberforce Report, p 17, para. 35.

¹²⁸ Interview with Lord Armstrong of Ilminster, 9 July 2009.

¹²⁹ TNA: PRO, CAB 130/559, GEN 78 72, 7th Meeting, 18 February 1972.

¹³⁰ TNA: PRO, CAB 128/50, CM 72, 8th Conclusions, 18 February 1972.

¹³¹ Gormley, *Battered Cherub*, pp. 111-13.

¹³² There is some confusion about the numbers and the NUM records do not mention any votes on this.

¹³³ Gormley, *Battered Cherub*, p. 113.

But to myself I said, “To hell with them. They’ve made us suffer for six weeks, now they’re going to suffer. I’m going to go for every last drop I can wring from them because I’m going to teach them a lesson, a lesson that they’ll have to start heeding advice in future”.¹³⁴

But Gormley consistently over-estimated his ability to persuade his Executive and it is probable that he was putting a retrospective gloss on his position. That was certainly Heath’s view who claimed that ‘Gormley himself was clearly uncomfortable about the tactics that his union had used, but lurking behind him were the real destroyers, McGahey and Scargill.’¹³⁵

Carr telephoned Heath late Friday afternoon to tell him that the NUM Executive had rejected the Wilberforce Report and asked Heath to meet them later that evening.¹³⁶ The Cabinet met at 8pm, by candlelight, according to Prior, because of a power cut.¹³⁷ Carr came late from the negotiations with the NUM Executive and reported that Gormley, who had initially recommended acceptance of Wilberforce, was now asking for a further £1 a week, which the NCB were unwilling to grant. Feather had advised the NUM Executive that their position was unreasonable and they should put Wilberforce to a ballot even if they could not recommend it, but they had refused to do so, but they were however willing to meet Heath that evening.¹³⁸

The Cabinet now faced an acute dilemma; if it stood firm on the Wilberforce recommendations and the NUM remained adamant the implications were stark. Although servicemen and volunteers could be used to move the coal stocks these would run out within a few weeks and the government would then be unable to sustain the normal life of the country unless it surrendered to the miners. But if the government offered the NUM a further cash increase this ‘would present the militant leadership of the miners with so clear a victory that no democratically constituted Government could hope to sustain their authority for long without seeking a fresh

¹³⁴ Ibid., p. 114.

¹³⁵ Heath, *The Course of My Life*, p. 353.

¹³⁶ TNA: PRO, PREM 15/986, Robert Armstrong, ‘Note for the Record: Miners’ Pay’, marked ‘Secret and Personal’, 21 February 1972.

¹³⁷ Prior, *A Balance of Power*, p. 73. The Cabinet Minutes make no mention of this.

¹³⁸ TNA: PRO, CAB 128/50, CM 72, 8th Conclusions, 18 February 1972.

mandate from a General Election. To fight and to lose would be bad enough; not to fight at all would be even worse.’¹³⁹

Although the Cabinet minutes did not attribute particular views to named ministers Robert Armstrong’s Note for the Record on the events of the evening revealed the somewhat surprising fault-line of the division, which interestingly marked the basis of future political alliances. Sir Alec Douglas-Home (Foreign Secretary), Lord Hailsham, Barber, Geoffrey Rippon (Chancellor of the Duchy of Lancaster), Whitelaw, Prior and Thatcher were in favour of standing firm behind Wilberforce, on the grounds that the possible consequences were less serious than the implications of surrender. While Maudling, Keith Joseph, (Secretary of State for Social Services), Lord Jellicoe (Lord Privy Seal and Leader of the Lords), Davies and Peter Thomas (Wales), were unwilling ‘to take on a fight which might well end only in surrender to the miners, a humiliating defeat for the Government and the complete collapse of its authority’.¹⁴⁰

The hawks were in a small majority but it is clear that the Cabinet was fundamentally divided so it was agreed that Heath would try to persuade the NUM to stop the picketing immediately and to ballot their members on Wilberforce, and if this failed ministers should meet again.¹⁴¹ This meeting, with its hint that a general election would be necessary to restore the government’s authority, uncannily prefigured the Cabinet meeting which was to take place nearly two years later on 5 February 1974, in almost exactly the same circumstances, but with a different outcome.¹⁴²

The sequence of meetings through the late evening in No 10 which eventually settled the miners’ dispute had a distinct element of farce and were minutely chronicled by Robert Armstrong. The NCB members and the NUM Executive were corralled in different rooms, with Feather and Campbell Adamson in yet another room. The

¹³⁹ Ibid.

¹⁴⁰ TNA: PRO, PREM 15/986, Robert Armstrong, ‘Note for the Record: Miners’ Pay’, 21 February 1972.

¹⁴¹ TNA: PRO, CAB 128/50, CM 72, 8th Conclusions, 18 February 1972.

¹⁴² TNA: PRO, CAB128/48/5 ‘Most confidential records including records of meetings not circulated, Nov 70 - Feb 74’, ‘Meeting of Ministers held at 10 Downing Street at 7.45 pm, 5 February 1974’.

Cabinet ended at 9.15pm and, after a short meeting with Feather and Campbell Adamson, Heath and Carr then met the NUM negotiating team led by Gormley and Daly for an hour.¹⁴³ At this meeting Heath argued that Wilberforce was fair and generous and had gone well beyond the NCB offer and he pleaded with the NUM to recognise their responsibilities not only to their members but to other workers and the country. But the NUM still threatened to reject Wilberforce because it did not give them the £7 increase for underground workers and £6 for surface workers.¹⁴⁴

The NUM negotiating team then resumed talks with the NCB while Heath, Carr and a few ministers and officials waited for the outcome. At 12.15 am the NUM negotiators rejoined their delegation and it was at this point that one of the NCB team told an official that the NUM had been convinced by Heath that there was no prospect of any further increase in pay and had concentrated on other benefits. But at 12.45 am, to great consternation, it was noticed that the NUM Executive were leaving No 10 by the front door, but it then transpired that this was not because the talks had broken down but because they had voted to accept an agreement. Heath and Carr then met the NCB and NUM negotiating teams for a meeting which lasted only 15 minutes where Gormley announced that they had done a deal with the NCB, based on the Wilberforce cash settlement plus a range of fringe benefits which included changes to bonus payments, when adult rates would be paid and an extra week's holiday. The NUM Executive had by a majority agreed to recommend it to the membership.¹⁴⁵

GEN 78 met for the last time at noon on Saturday 19 February in No 10 and was widened to include all Cabinet ministers within reach of London. Although Maudling tabled warm congratulations for the way in which Heath had stood firm during the final hours of the negotiations ministers acknowledged that they had failed to appreciate the miners were a special case and that they had been ill-prepared for the shortages of electricity.¹⁴⁶ The miners called off the picketing immediately so the

¹⁴³ TNA: PRO, PREM 15/986, 'Note for the Record: Miners' Pay', 21 February 1972.

¹⁴⁴ Ibid., Robert Armstrong, 'Note for the Record of a Discussion held at No 10 on Friday 18 February at 10.20 pm (ended at 11.15 pm)'.

¹⁴⁵ Ibid., 'Note for the Record: Miners' Pay', 21 February 1972.

¹⁴⁶ TNA: PRO, CAB 130/559, GEN 78 72, 8th Meeting, 19 February 1972.

power stations were able to access NCB coal stocks and imported coal and the electricity position eased. The NUM Executive recommended acceptance of the Wilberforce Report in the ballot of its members, which voted overwhelmingly in favour of the settlement (over 95%), but this took several days so the miners did not return to work until 28 February. The rota cuts of electricity finally ended on 1 March and the state of emergency was lifted on 8 March.

Aftermath and reaction

The post mortems on the emergency began immediately. Two days after the NUM Executive had agreed to recommend acceptance of the Wilberforce Report Armstrong wrote to Trend: ‘The Prime Minister finds it hard to believe that the way in which the miners’ dispute developed was unplanned and he has asked for the preparation of an analysis to show who was responsible for the organisation of this episode.’ This was to include who was responsible for the decision to try to bring power supplies to a standstill and who planned and organised the programme of picketing.¹⁴⁷ Heath also requested an urgent analysis of how the dispute had been managed by the Ministerial Committees Emergencies and on Pay.¹⁴⁸

Heath’s request elicited a long and extremely detailed post mortem on the strike from Trend, which was mainly defensive in tone.¹⁴⁹ Trend admitted that although the possibility of a miners’ strike had been discussed at a departmental and official level in the summer of 1971, ‘Ministers were not sufficiently warned – and did not themselves sufficiently appreciate – the “moral” strength of the miners’ claim until very late.’ But he also pointed out that since ministers’ overriding imperative was to maintain the pay policy it was doubtful that, even if they had focussed earlier on the details of

¹⁴⁷ TNA: PRO, PREM 15/986, Armstrong to Trend, copied to Allen and Barnes, 21 February 1972.

¹⁴⁸ Ibid., Armstrong to Norbury, 21 February 1972.

¹⁴⁹ Ibid., Trend to Armstrong, 9 March 1972. This very long note is a detailed post-mortem which traced the origins and course of the dispute. It is divided into three sections; ‘Pay Negotiations’, ‘The Emergency’ and ‘Conclusions’. It also included a detailed chronology of the meetings of the Cabinet, GEN 78, the Ministerial and Official Emergencies Committees and the Ministerial and Official Committees on Pay.

the miners' pay claim, whether they would have been willing to breach the unofficial ceiling of 8%.¹⁵⁰

Trend acknowledged that ministers had been divided over whether to have an independent inquiry and as a result the decision to set up a court of inquiry had been left until very late and there was considerable force in the criticism that it should have been done earlier.¹⁵¹ Trend defended the delay in the proclamation of a state of emergency on the grounds that it was of paramount importance not to risk industrial action by the electricity workers. While he admitted that the government was taken by surprise by the speed at which coal-fired power stations approached a halt he pointed out that the success of the pickets 'was as much of a surprise to the pickets themselves as to everybody else'.¹⁵² He defended the absence of any plans to deal with the end of coal-fired electricity on the grounds that 'nobody supposed that we should have to face strike action for as long as this'.¹⁵³

Trend's overall conclusion was that 'nobody foresaw the scale on which the emergency would develop but that their failure in this respect was not due to any particular deficiency in their procedures for discussion and planning but was the result of the unforeseen – and unforeseeable – course which the strike took as a result of the miners' intransigence in maintaining their claim far beyond the point at which they might have been expected to compromise.'¹⁵⁴ Trend's document is a bureaucratic masterpiece in that it combined clarity of analysis with evasion of responsibility. It achieved the difficult feat of simultaneously identifying several points of serious failure in the handling of the miners' pay dispute while exonerating those who took the decisions.

Allen responded to Heath's request for an analysis of the strike and enclosed material from the Security Service.¹⁵⁵ The Security Service judged that before the strike began the NUM had made no preparations for picketing which had developed on an ad hoc

¹⁵⁰ Ibid., Trend to Armstrong, 9 March 1972. 'Conclusions' p. 2.

¹⁵¹ Ibid., p. 3.

¹⁵² Ibid., p. 3.

¹⁵³ Ibid., p.4.

¹⁵⁴ Ibid. p. 4.

¹⁵⁵ Ibid., Allen to Armstrong, 25 February 1972.

basis and was initially chaotic. The NUM Executive were surprised by the solidarity shown by the rank and file after the close ballot result and their considered verdict was that, 'It could not be maintained that the strike has been under Communist control.'¹⁵⁶ A second background note provided a detailed analysis of subversive influences within the NUM. It described the NUM Executive of twenty eight as including six members of the Communist Party (CP) and two sympathisers and a group of anti-communists who took their lead from Gormley. Before the strike began the CP element was concerned there would be a sell-out by Gormley. Once the strike began the CP threw its weight behind it, since they thought it a way of extending their influence and ultimately bringing down the government, which was their prime political objective. CP officials unconnected with the NUM had played a significant part in organising the mass picketing at Saltley and throughout the dispute McGahey had been in touch with Bert Ramelson. But it nevertheless concluded that the NUM Executive Committee as a whole had not been decisively influenced by the Communist Party and that 'traditional moderates in the NUM Executive and among the rank and file have adopted as militant a stand as the Communists. The apparent unanimity of the Executive and the solidarity of the rank and file have to a large degree been created by the progress of the dispute itself.'¹⁵⁷

But Heath remained deeply suspicious that there was a political element to the dispute and wrote on Allen's note, 'I don't find this very convincing. What are Sir Denis Barnes' comments on this? We must discuss.'¹⁵⁸ Barnes judgement was that the eight CP members on the NUM Executive constituted a substantial minority of 'wreckers' who were prepared to use industrial power to damage the political system. This, coupled with the fact that every member of the Executive was anti-government and the Labour Party's attitude gave it the quality of a political strike; 'the influence of the extremists was very much in tune with the mood of the Executive and was

¹⁵⁶ Ibid., Note (title redacted), 24 February 1972.

¹⁵⁷ Ibid., 'Influence of Subversive Organisations in the National Union of Mineworkers and the Miners' Strike. Strength of the Communist Party of Great Britain and Trotskyist Organisations in the National Union of Mineworkers', Note by the Security Service, 24 February 1972.

¹⁵⁸ Ibid., Allen to Armstrong, 25 February 1972, handwritten comment by Heath.

helped by the political atmosphere...what developed was a near wrecking consensus rather than any planned conspiracy.¹⁵⁹

Barnes also commented that the NUM were very dissatisfied with Feather's early reluctance to encourage sympathetic action from other unions and this led Feather to give an assurance that other unions would respect miners' picket lines. Barnes judged that Feather had done this to get himself out of a difficult position without foreseeing the consequences. But Barnes regarded the strike as an example of the increased militancy of a minority of workers and the greater effectiveness of the weapons they chose.¹⁶⁰ Heath's handwritten comment, 'This adds something' appears to express satisfaction that Barnes' note reflected his own suspicions.¹⁶¹

Heath's request for an analysis of the strike was sent to the Security Service and on 16 March Furnival Jones sent Trend a note 'Subversion in the UK – 1972', the tone of which was resolutely unalarmist. It judged that the CP had failed to attract the electorate and although it was pursuing political power by infiltrating the trade unions it was weakened by internal dissension. The CP did its best to exploit disputes but did not control any union or exercise a decisive influence over the TUC, but the note acknowledged that, 'It sees an opportunity in current disputes for forcing a General Election, its principal aim since June 1970.'¹⁶² It was precisely this point which worried Heath and his ministers.

The Security Service judgement that the main driving force of the strike was not political was also shared by the TUC. In a note which shed an interesting light on its attitude Len Murray (Assistant General Secretary TUC 1969-73) remarked on the relative passivity of other unions, whose attitude had not been marked by great enthusiasm: 'I at least detected little fervour, nor much serious attachment to the view that the miners were blasting a hole through which others could pour. Nor was there much disposition on the part of other unions to escalate the strike, even for political purposes.' A decisive factor was 'The Government's carelessness – in

¹⁵⁹ Barnes to Armstrong, 8 March 1972.

¹⁶⁰ Ibid.

¹⁶¹ Ibid., handwritten comment by Heath.

¹⁶² Andrew, *Defence of the Realm*, p. 595.

assessing the determination of the miners, in over-estimating the capacity of the electricity supply industry, in wrongly assessing the effect of public attitudes.’¹⁶³

But Heath and most of his colleagues seized on such evidence that there was of subversive activity and Barnes’ note demonstrated that the mood of antagonism and suspicion existed among officials as well as ministers. The only minister who did not share this perspective was Maudling who disagreed with most of his colleagues that industrial disputes could be blamed on subversive activity. He read the Subinds reports¹⁶⁴ with much interest and thought that those, particularly on the railways dispute, supported his point of view.¹⁶⁵ Phillips has argued strongly that the 1972 strike was not ‘a victory for violence’ and that it should be viewed as a straightforward industrial dispute to arrest decline in real wages and gain security in an industry in structural decline.¹⁶⁶ But the mass pickets at Saltley and the Longannet power station in South East Scotland, which he described in detail, were a new phenomenon which shook Conservative ministers and became inextricably linked in their minds with the militant rhetoric of class war employed by NUM officials such as McGahey. Although the main driving cause of the strike was pay it took place against the background of the bitter conflict over the Industrial Relations Act which gave it a political dimension.

The miners’ victory in 1972 bolstered their self-confidence for the second strike in 1974, sharpened antagonism between government and the unions and contributed to the growth of industrial militancy throughout the decade. This was acknowledged implicitly by Gormley, who, although he rejoiced at a great victory which restored the miners to a position near the top of the industrial wages league, later expressed doubts about some of its consequences.

¹⁶³ ‘1972 Dispute and Wilberforce Evidence’, Murray to Feather, 24 February 1972, MRC, MSS.292D/253.103/1.

¹⁶⁴ The Subversion in Industry Reports (SUBINDS) were drawn from covert sources such as informers, Special Branch telephone intercepts and the Security Service and reported on the activities of political militants active in trade unions. See TNA: PRO, CAB 164/1140 ‘Organisation for civil emergencies’, Sermon (Home Office) to Norbury (Cabinet Office), 20 November 1972; Andrew, *Defence of the Realm*, pp. 595-96.

¹⁶⁵ Andrew, *Defence of the Realm*, p. 595.

¹⁶⁶ Phillips, ‘The 1972 Miners’ Strike’, p. 202.

But I'm not sure whether the strike performed a good or a bad service. It was good that it united the lads and showed them the strength which unity could bring. On the other had it meant that it led to an attitude of mind that people thought immediately of strike action when they didn't get what they wanted.¹⁶⁷

In a television broadcast on 27 February Heath maintained that it was not the case the miners had won, but that everyone had lost.¹⁶⁸ But this outlook was not shared even by some of his closest advisers, Hurd was quite clear, both then and later, that the outcome of the miners' strike was disastrous.¹⁶⁹ 'I could not understand why ministers set about disguising and trying to forget what had happened, which was a public and disastrous defeat.'¹⁷⁰ But whatever their public position many of Heath's most loyal ministers admitted later that they knew that they had suffered an ignominious defeat, as Carr acknowledged later, 'the court of inquiry blew us to pieces'.¹⁷¹

Although historians have stressed the build-up of resentment among the miners at the rundown of the industry and the erosion of their pay the 1972 strike was not inevitable. The ballot result in favour was very narrow and it could not have taken place without the change to Rule 43. The strike could have been avoided if the government had paid more heed to the warning signals in the summer and autumn of 1971 and been less rigid in adhering to its pay norm. As Gormley argued, a settlement even marginally above the 8% norm would probably have been acceptable to the NUM even when the strike began in January.¹⁷² As the papers in the archive have shown, Heath and the ministers most directly concerned with the issue were aware that a miners' strike was a real possibility from the summer of 1971, the government was not taken by surprise by the strike, rather it was prepared to confront the miners rather than breach its pay guidelines.

¹⁶⁷ Gormley, *Battered Cherub*, p. 118.

¹⁶⁸ Heath, *The Course of My Life*, p. 353.

¹⁶⁹ Hurd, *End to Promises*, p. 102.

¹⁷⁰ Hurd, *Memoirs*, p. 208.

¹⁷¹ Whitehead, *The Writing on the Wall*, p. 77.

¹⁷² TNA: PRO, PREM 15/985. 'Report of Gormley's speech to the Northumberland miners in Newcastle', 12 February 1972.

Heath and his ministers paid too little attention to the dispute in its early days, GEN 78 was not set up until very late and even then it failed to come up with any strategy. The main explanation for this lay in the political context of the autumn of 1971 and the first two months of 1972. The miners' victory was not inevitable but once the strike began it developed a momentum of its own as the NUM's attitude hardened and the government made a series of mistakes. An earlier declaration of a state of emergency would have conserved the coal stocks already within the power stations and prolonged endurance for a while but it is uncertain that it would have affected the final outcome. However, the delay coupled with the government's failure to explain its reasoning undermined its authority and damaged its reputation. The decisive factor in the miners' victory was the effectiveness of the picketing of the power stations which surprised the miners as well as the government. Some historians have speculated that a tougher attitude by the government towards the picketing might have defeated the strike.¹⁷³ But if the government had attempted to use servicemen to force deliveries through to the power stations it would have led to extremely ugly confrontations which ministers were not prepared to contemplate except as a last resort.

Jeffery and Hennessy questioned to what extent the Emergencies Committee was at fault:

Conventional wisdom in Whitehall has it that the central government's handling of the 1972 miners' strike was a shambles, that the old Emergencies Organisation, as developed in the late 1940s, had rusted throughout the 1950s and 1960s, and finally fell apart when required to tackle the economic and physical consequences of Mr Scargill. This view is directly challenged by some of the excellent quality officials who were involved in it throughout the period. The 'shambles' story, they claim, was put about by the Cabinet Office, who took over responsibility for civil emergency planning in the aftermath of the 1972 crisis, in order to justify their imperialism at the expense of the Home Office. The real reason for the move, according to this school of thought, was the difficult relationship between the Prime Minister and his Home Secretary Reginald Maudling. Heath wanted to bypass a colleague in whom he had lost confidence.¹⁷⁴

But the evidence in the National Archives has demonstrated that the Whitehall structure for handling civil emergencies was deeply flawed. There is no certainty that

¹⁷³ Taylor, *The Fifth Estate*, p. 367; Ziegler, *Edward Heath*, p. 352.

¹⁷⁴ Jeffery and Hennessy, *States of Emergency*, p. 236.

the existence of the central project team, which Heath had wanted, would have led to a different final outcome but it might well have proved more adept than the Emergencies Committees in devising and implementing a strategy to deal with the coal and electricity shortages. Trend must bear some of the blame for this since he had opposed any structural reform in the autumn of 1970 but Heath was also responsible for not pushing it through.

The strike marked a seminal moment in British politics. It meant that ministers were determined not to give in during the next dispute with the miners. As Prior put it, 'We vowed that never again would we, "do a Wilberforce".'¹⁷⁵ But the government's authority had already been fatally compromised and the handling of the miners' strike was roundly condemned by sections of the Conservative Party. After one meeting Ramsden judged that 'Few heavier brickbats can ever have been thrown at a Tory Government by a national representative body of its supporters.'¹⁷⁶ As Carrington acknowledged, 'The most devoted of our supporters thought the Government had bought their way out of trouble by giving in to industrial muscle – a circumstance which undoubtedly influenced us two years later when further trouble in the mines arose.'¹⁷⁷ Hurd also judged that it was a decisive episode,

After that, although there were moments when the government seemed to seize the initiative, from then on the Furies were at it, and it was being knocked about and on the defensive. There were occasional moments when it seemed to regain the initiative, but yes, I do regard it as a turning point.¹⁷⁸

The 1972 miners' strike can be summed up as both a failure of political strategy and government machinery from which neither ministers nor officials emerged with any credit. It was unquestionably a searing experience for ministers, and a humiliating defeat for the Heath government which undermined its authority. It led directly to major changes in the government machinery for dealing with civil emergencies.

¹⁷⁵ Prior, *A Balance of Power*, p. 73.

¹⁷⁶ Ramsden, *Winds of Change*, p. 354.

¹⁷⁷ Carrington, *Reflect On Things Past*, p. 260.

¹⁷⁸ Interview with Lord Hurd of Westwell, 27 April 2004.

The establishment of the Civil Contingencies Unit

The experience of the mass picketing during the 1972 miners' strike, which had placed the electricity supply in such a perilous position, had a profound effect within Whitehall. It spurred ministers and officials into efforts in a number of directions to prevent a repetition of the crisis. This chapter will cover several of these aspects; the establishment of the CCU and the strengthening of the machinery for dealing with civil emergencies, attempts to guard against subversion in the trade unions and anticipation of the threat to oil supplies in the Middle East.

To date very little has been written about the reform of contingency planning after 1972. The existence of the Civil Contingencies Unit was first revealed publicly by Fay and Young in 1976 and followed up by Peter Hennessy.¹ But its existence was kept very secret within Whitehall and not formally acknowledged until the mid-1980s. The first account of the early work of the CCU and the review of contingency planning was by Jeffery and Hennessy.² References to it by all other authors have been based on this, although Davis has a condensed account which refers briefly to some of the recently released government files.³ This is the first detailed study of the establishment of the CCU and the major review of contingency planning to make extensive use of the files in the National Archives which shed new light on its development.

After the débâcle of the miners' strike Heath was more than ever convinced that a thorough reform of the system for dealing with civil emergencies was absolutely necessary and Trend, who had formerly defended the status quo, now conceded its shortcomings. In a long post-mortem on the strike, which was written only a few days after the Wilberforce settlement, Trend admitted that the Emergencies

¹ Stephen Fay and Hugo Young, 'The Fall of Heath', *Sunday Times*, 22 February 1976; Peter Hennessy, 'Surprising slants on reforming Whitehall', *Financial Times*, 12 June 1976.

² Jeffery and Hennessy, *States of Emergency*, pp. 237-38.

³ Peak, *Troops in Strikes*, pp. 66-69; Geary, *Policing Industrial Disputes 1893-1985*, p. 95; Campbell, *Edward Heath*, p. 571; Taylor, *The NUM and British Politics*, pp. 74-75; Davis, *Prime Ministers and Whitehall*, pp. 141-42.

Organisation had operated at too low a level of competence, information had been too slow to reach the top and it had taken too long for decisions to be executed.⁴

Trend now acknowledged the need for an improved system of contingency planning for both natural disasters and industrial emergencies and for an organisation which could deal with a crisis once it developed. He proposed that a senior minister should take charge of preparations for dealing with any emergency and then ensure that all other ministers were kept informed as a crisis developed. Since this minister would need a support staff, Trend suggested that this should be based in the Whitehall Situation Centre, which was then under construction as the base to manage the transition to nuclear war. The communications systems and the planning personnel in Whitehall departments were much the same for both war and civil emergencies. Trend proposed that plans for dealing with civil emergencies should now be rehearsed in much the same way that war plans were.⁵

But Trend still emphasised that the responsibility for managing any emergency was primarily that of the department concerned and that it would be constitutionally improper to give executive responsibility to a centralised unit. He still advocated the retention of something similar to the Emergencies Organisation although he thought it needed to operate at a higher level and in a more compact form. He was also anxious that the minister responsible for emergency planning should be in the Commons and not the Lords. He was also sensitive that it would be a perceived humiliation for the Home Secretary if he lost responsibility for this area.⁶

There was still a considerable amount of foot-dragging in Whitehall since although Permanent Secretaries recognised the need for greater centralisation of crisis management they disagreed over its form. Barnes wanted any new unit to be situated within the Department of Employment, while Allen was still anxious for the Home Office to retain its responsibility for dealing with civil emergencies.⁷ By the end of

⁴ TNA: PRO, CAB 164/1139 'Organisation for civil emergencies', Trend to Heath, 'The Emergencies Organisation', 23 February 1972.

⁵ Ibid.

⁶ Ibid.

⁷ Ibid., 'Norbury to Trend, 'Crisis Management'', 22 February 1972; Dunnett to Trend, 23 February 1972; Allen to Trend, 23 February 1972

April Heath had clearly become impatient with the lack of progress as the peremptory tone of a weekend telex from Chequers to Robert Armstrong showed.

I asked the Secretary of the Cabinet to go ahead with setting up one command post for the whole of Whitehall. I emphasised that this was a matter of the greatest urgency. I have not yet received any specific proposals for this organisation or for the staffing of it. Kindly inquire and report. I cannot over-emphasise the importance which I attach to this project.⁸

In reply, Armstrong reassured Heath that the new Emergency Room would be ready by July.⁹ But Heath was not placated and wrote on the note,

Yes, but what I want immediately is a CP [command post] working out the overall strategy for dealing with crises in addition to dealing with immediate ones. This requires a full staff and cannot wait until July. Discuss urgently.¹⁰

He stressed that he wanted an immediate investigation into every emergency which could face the country on the civil side together with full and detailed proposals as to how to deal with it:

I must have immediate action on this. Even if the present threats do not all materialise, we may well be threatened with a more serious situation from next autumn onwards.¹¹

But if Trend moved too slowly there were others who were prepared to act decisively and grasp the nettle of reform. Heath's anticipation of further industrial trouble and the need for an organisation to counter it was made more acute by the railway dispute which began in April and lasted for two months. When the railway unions began a work-to-rule in support of a 16% pay claim the government applied to the NIRC for a cooling-off order. This was granted, the unions complied but after it had expired they reimposed the work-to-rule and overtime ban. The government then applied to the NIRC for an order for a compulsory strike ballot. The unions opposed this but eventually agreed, however the result was 80% in favour of industrial action and the government allowed British Rail to settle at around 13%. The dispute made the government look ridiculous and undermined the compulsory ballot provisions of the Industrial Relations Act which was never used again.¹²

⁸ TNA: PRO, PREM 15/1600, Heath to Armstrong, 28 April 1972.

⁹ Ibid., Armstrong to Heath, 28 April 1972.

¹⁰ Ibid., handwritten comment by Heath, 30 April 1972.

¹¹ Ibid., Heath to Armstrong, 30 April 1972.

¹² Barnes and Reid, *Governments and Trade Unions*, pp. 159-61.

Heath had now lost all confidence in Maudling and both the Emergencies Committees and he established two ad hoc committees to deal with the railways dispute; GEN 94, a ministerial group, which he chaired, to deal with overall strategy¹³ and GEN 96, a committee of officials.¹⁴ GEN 96 was chaired by Lord Jellicoe (Leader of the House of Lords and Lord Privy Seal) with John Hunt (Second Permanent Secretary, Cabinet Office) as his deputy. Jellicoe was a veteran of Special Boat Squadron of the Royal Marines during the Second World War.¹⁵ Heath had entrusted the task of overseeing the miners' return to work, the resumption of full production in the pits and getting power supplies through to industry to him, rather than to John Davies. Jellicoe threw himself into this role with relish and sent Heath reports on a daily basis and his robust handling of this and the favourable publicity he generated greatly impressed Heath.¹⁶

During the railways dispute GEN 96 met daily and was in direct communication with the two emergency rooms run by the Department of the Environment and the Department of Trade and Industry. Daily situation reports were produced by the departments and supplied directly to each member of the ministerial group, GEN 94. GEN 96 also ensured that ministers received oral briefings on recent developments.¹⁷ GEN 96's work also included keeping abreast of the wider implications of the dispute such as its effects on the transport of food and industrial raw materials, as well as the attitudes of the trade union leaders and members.¹⁸ It was composed of approximately half a dozen officials from the departments most affected and so it was both more senior and less unwieldy than the Official Emergencies Committee. There was a much tighter system for ensuring that ministers were rapidly made aware of all significant events on the ground as rapidly as possible.

¹³ TNA: PRO, CAB 130/577 'The Railways dispute', GEN 94.

¹⁴ TNA: PRO, CAB 130/579 'Industrial Disputes (formerly Rail Emergency)', GEN 96.

¹⁵ Lorna Almonds Windmill, *A British Achilles: The Story of George, 2nd Earl Jellicoe* (Barnsley: Pen and Sword Military, 2005), pp. 30-110.

¹⁶ TNA: PRO, PREM 15/986, Heath to Jellicoe, 7 March 1972.

¹⁷ TNA: PRO, CAB 130/577 'The Railways dispute', GEN 94, 'The Railways Dispute: Note by the Secretaries', 19 April 1972.

¹⁸ TNA: PRO, CAB 130/579.

The linchpin between the two committees, was Jellicoe, who chaired GEN 96 and was also a member of both GEN 94 and the Cabinet. The other key figure was John Hunt, the main driving force in Whitehall behind the reform of contingency planning. In the spring and summer of 1972 Hunt used GEN 96 to forge a crucial alliance with Jellicoe which became the motor for the overall reform of the system for contingency planning. Hunt's thinking was already clear by the end of April when he commented that the role of GEN 96

has brought home to most Departments (if not to all Ministers) the desirability both of putting the Cabinet Office in the lead and of our organising ourselves to do the work properly. We now want to strike while the iron is hot and to establish more satisfactory standing arrangements.¹⁹

Hunt took forward the ideas in Heath's Chequers telex and within a few days drew up proposals for a new committee for strategic planning based in the Cabinet Office. This would be composed of senior officials who would also be responsible for contingency planning within their own departments. It would be strategic in character and would identify the vulnerable points in the economy where industrial disputes had the potential to develop into emergencies. During an actual emergency this committee, chaired either by a Cabinet Office official or by the Lord Privy Seal would report to a small group of ministers chaired by Heath. These two committees would be serviced by a small 'command post' within the Cabinet Office and based in the new Situation Centre. He also proposed that there should be something along the lines of the War Book, for civil emergencies.²⁰

Hunt's memo was an incisive analysis of the weaknesses of the past system and the need to both overhaul the overall machinery for contingency planning and identify potentially dangerous problems in advance. His stated aim was to strengthen strategic planning, and ensure more effective management of a crisis without removing formal executive responsibility from the department concerned. But his proposals, which included the abolition of the Emergencies Committees, were more radical than Trend's and greatly enhanced the role of the Cabinet Office. He

¹⁹ TNA: PRO, CAB 164/1139, Hunt to Jellicoe, 'Organisation for Emergencies', 26 April 1972.

²⁰ Ibid., Hunt to Heath, 'Civil Emergencies', Hunt to Heath, 1 May 1972.

acknowledged that the Home Office was reluctant to lose its traditional role in this area and there was also some resentment about Jellicoe straying into other ministers' areas.

Heath seized on Hunt's proposals with alacrity and on the same evening that he received the note held a meeting with Hunt and Jellicoe. Jellicoe endorsed Hunt's thinking and emphasised the need for officials of high calibre. Hunt's proposals were also warmly received by Heath, who stressed that the officials in the 'command post' should have a strategic and not just a tactical role. It was also essential not to wait until the Whitehall Situation Centre was completed in July since the government was likely to face industrial troubles well before then and the new machinery would be invaluable in dealing with them. Heath hoped that because the Situation Centre would cover defence as well as civil emergency planning this might assuage sensitivities in other Whitehall departments. He asked Hunt to put his proposals into effect with the minimum of delay.²¹

But Whitehall turf wars had not vanished overnight and there was still resistance to change. Hunt informed Heath that 'eyebrows were being raised' because GEN 96, which was ostensibly concerned only with the railways was turning its attention towards the docks, and he advised Heath that it might now be a good idea to inform both Maudling and the rest of the Cabinet of the new arrangements which had hitherto been kept within a very small circle.²² Although the Emergencies Committees had been sidelined they had not been formally abolished, and since they, along with the Cabinet itself, were one of the few Committees whose existence was then publicly admitted, there had been some embarrassment in Whitehall about how to explain the lack of meetings during the railway dispute.²³ But it was not until 1 August that Heath formally informed the Cabinet that since the Emergencies Committees were not 'well adapted to present circumstances', from now on he would chair a ministerial group, the Industrial Relations Policy Committee (IRP), to oversee industrial disputes. Reporting to this would be a group of senior officials, to be known as the Civil Contingencies Unit, chaired by Jellicoe with Hunt as his deputy.

²¹ Ibid., Robert Armstrong, 'Note for the Record', 2 May 1972.

²² Ibid., 'Civil Emergencies', Hunt to Heath, 2 May 1972.

²³ Ibid., Hunt to Lawman, 'Emergencies', 17 May 1972; Hunt to Trend, 'The Press and the Emergencies Committee', 5 June 1972.

At the same time Heath also informed the Cabinet that a full scale review of emergency planning was already underway.²⁴

GEN 96 thus evolved seamlessly into the Civil Contingencies Unit (CCU) with exactly the same membership of senior officials. Its remit was: 'To co-ordinate the preparation of plans for ensuring in an emergency the supplies and services essential to the life of the community; to keep these plans under regular review; to supervise their prompt and effective implementation in specific emergencies.'²⁵ The CCU was not the outcome of the Hunt Review²⁶ nor did the establishment of the CCU lead to the review of contingency planning.²⁷ The CCU developed, under the direction of Hunt and Jellicoe, out of the experience of managing first the railway dispute and then the dock strike in the spring and summer of 1972. Although it was only formally established in August 1972 it already existed de facto, and its successful operation shaped the direction of the review of contingency planning.

The review of contingency planning

The review was carried out by the Committee on Civil Emergencies Planning (GEN 108) which was established in June 1972 with Hunt as the chairman assisted by F W (Frank) Armstrong, a senior official seconded from the Ministry of Defence. It contained representatives from key Whitehall departments but Hunt was determined to keep control of emergencies firmly within the Cabinet Office. He made it plain that other Whitehall departments would be consulted only when relevant²⁸ and he gave short shrift to their complaints of exclusion.²⁹ Most of the work was done by Hunt and Frank Armstrong within the Cabinet Office and GEN 108 met only four times.³⁰ The review was kept very secret within Whitehall: only the upper echelons were informed of its existence and as late as October 1972 the Cabinet Office

²⁴ TNA: PRO, CAB129/164 'Cabinet Memoranda', CP 72 84, 'Civil Emergencies: Note by the Prime Minister', 1 August 1972.

²⁵ TNA: PRO, CAB 134/3472 'Civil Contingencies Unit: Meetings', CCU 72 1, 'Composition and Terms of Reference', 11 August 1972.

²⁶ Jeffery and Hennessy, *States of Emergency*, p. 237.

²⁷ Davis, *Prime Ministers and Whitehall*, p. 142.

²⁸ TNA: PRO, CAB 164/1139, Hunt to all Permanent Secretaries, 5 June 1972.

²⁹ TNA: PRO, CAB 164/1140, Hunt to Philip Allen, Douglas Allen, Denis Barnes et al, 10 July 1972.

³⁰ TNA: PRO, CAB 130/590 'Civil emergencies contingency planning', GEN 108 72.

advised that any reference to GEN 108 should be omitted from a general circular to under secretaries.³¹

By the time the review began Hunt's ideas were already well-formed and he and Armstrong were also able to build on the ground work which had been done by the earlier Weiler review of contingency planning in the spring of 1971. Armstrong proposed that the main priority for the review should be industrial action which put the normal life of the nation at risk, leaving 'Acts of God' natural disasters and foreign action aside. Armstrong agreed with Hunt's proposal that a recently retired military officer should be recruited to run the Whitehall Situation Centre and draft a Civil Emergencies Book, analogous to the highly secret War Book designed to be used in the transition to nuclear war, for the Cabinet Office.³² In an interesting reminder of the state of communications in the early 1970s Armstrong's initial opinion was that the facilities in the Situation Centre did not need to be too sophisticated for handling civil emergencies, while 'facsimile transmission' was desirable, television was unnecessary. While it is not clear who thought of the name 'Civil Contingencies Unit' this note contained the first reference to a 'Contingencies Committee'.³³

At the first meeting of GEN 108 Armstrong tabled a list of vital industries taken from the Weiler Report; coal, gas, electricity, oil, rail, docks, seamen, water, fire, ambulance, hospital, local authorities, postal services and the industrial civil service. He noted that the police had been deliberately left off the list and suggested that steel and road haulage should probably be added.³⁴ The committee agreed with Armstrong's approach and Hunt was so gratified by the constructive atmosphere of the meeting and the enthusiasm for the review that he informed Jellicoe that the minutes 'make rather dull reading largely because there was general agreement with the way in which we proposed to conduct the operation'.³⁵

³¹ TNA: PRO, CAB 164/1140, Weatherston to Easton, 11 October 1972.

³² For more details of the Government War Book see Hennessy, *Secret State*, pp. xxxiii-xxxvii.

³³ TNA: PRO, CAB 164/1139, F W Armstrong to Hunt, 'Civil Emergencies', 22 May 1972.

³⁴ TNA: PRO, CAB 130/590, GEN 108 72, 1st meeting, 16 June 1972.

³⁵ TNA: PRO, CAB 164/1140, Hunt to Jellicoe, 26 June 1972.

The core question for the review was how to prolong endurance during strikes in essential industries, but at an early stage Hunt warned Robert Armstrong not to expect dramatic results since departments had been over the ground several times before. It was impossible to maintain the normal life of the nation in the face of certain types of industrial action. This would be the case in a general strike, or if there were major strikes in two or three industries, but the single industry which caused the most anxiety among politicians and officials was electricity.³⁶ Electricity was (and is) the industry on which all other essential services were dependent since without it everything from sewage pumping to street lighting, factories, offices, schools and hospitals would be unable to function.

In December 1970 industrial action by manual workers had caused the electricity supply to drop by 25% and during the 1972 miners' strike the supply had fallen by 35% and was about to get worse.³⁷ Hunt was so concerned that he floated the idea of a no-strike agreement in the electricity industry in return for treating them as a special case in pay negotiations.³⁸ But Robert Armstrong pointed out that while it was an ingenious suggestion, he doubted if the unions would accept it since they would calculate that they could be treated as a special case without having to trade in their right to strike.³⁹

It was in this context of acute anxiety over the vulnerability of the electricity industry that Hunt and Frank Armstrong had to deal with the highly controversial idea that one way to cope with strikes in key industries was to train and deploy an alternative labour force consisting either of troops or of volunteers. The proposal that either a 'civilian support corps' or troops should act as strike-breakers, was viewed with alarm in Whitehall and Hunt made no secret of his reservations. He pointed out that it would be impossible to train either troops or volunteers in secret, it would

³⁶ Ibid., Hunt to Robert Armstrong, 'Civil Emergencies', 21 July 1972.

³⁷ Ibid.

³⁸ TNA: PRO, PREM 15/2124 'Electricity supplies: contingency planning for restrictions on use of electricity during electricity manual workers and engineers pay disputes', Hunt to Robert Armstrong, 18 September 1972.

³⁹ Ibid., Robert Armstrong to Heath, 21 September 1972.

inevitably become known immediately and would make the government's relationship with the TUC very difficult.⁴⁰

Plans already existed within the Ministry of Defence for the deployment of servicemen in civil emergencies caused by strikes and each operation had its own esoteric code name: CUTTER - distribution of coal stocks; GRAPEFRUIT – operation of gas works; DEMAGOGUE – operation of power stations; ARBITER – delivery of oil to power stations; RAGLAN – distribution of oil from terminals. But officials were acutely aware that these plans should only be activated with extreme care as a last resort.⁴¹ During the 1972 miners' strike both Maudling and Philip Allen had strongly resisted suggestions that the army should be used. Experiences during the dock strike in the summer of 1972 had also highlighted some of the weaknesses in using troops during industrial action. One of these was the shortage of army drivers capable of driving large lorries, particularly oil tankers, dangerous vehicles which were, and are, the equivalent of bombs on wheels. This could be crucial if there were a tanker drivers' strike, and after the dock strike Jellicoe had noted that, 'a lot of servicemen were given what was perhaps unfortunately described as a "crash course" on articulated vehicles during the emergency' and proposed that this needed to be done much more widely.⁴²

This thorny issue was discussed at a meeting between Heath, Jellicoe, Hunt, Frank Armstrong and Sir William Armstrong. While they agreed that overt training of troops was so provocative that it was inconceivable in present circumstances Jellicoe was still keen on the idea of a civilian volunteer force and Hunt was asked to discuss with the Chairman of the CEBG on a 'purely personal basis' various ways of improving endurance in an electricity strike, one of which was 'the training of troops or volunteers to replace striking labour'. Hunt's reaction to this idea can only be

⁴⁰ TNA: PRO, CAB 164/1140, Hunt to Robert Armstrong, 'Civil Emergencies', Hunt to Robert Armstrong, 21 July 1972.

⁴¹ TNA: PRO, FV 38/183 'Emergency planning arrangements: use of servicemen and requisitioning', Oliver to DTI officials, 'Use of servicemen in DTI emergencies', 5 September 1972.

⁴² TNA: PRO, BA 15/8 'Prime Minister's emergency report: dock and coal strikes', Jellicoe to Heath, 30 August 1972.

surmised but he underlined the phrase 'purely personal basis' and placed a question mark by it in the margin.⁴³

In an effort to resolve this sensitive issue of an alternative labour force Hunt discussed it with key officials from a range of departments. They agreed that while it was acceptable to use troops or volunteers in the aftermath of natural disasters, this was very different to using them in strikes. Training volunteers to work in industries such as coal mines, or run power stations or the railway system was complex and skilled work which could not be done secretly or quickly. The Ministry of Defence was particularly anxious about the acute political dangers of such proposals. It was adamant that the Territorial Army should not be used in strikes and wanted nothing to do with the organisation of a Civil Support Corps. The MoD was only prepared to consider training servicemen to carry out non-military tasks if it could be done discreetly. The Department of Employment was also convinced that a standing register of volunteers was not worth the political trouble it would cause and would only commit the department to a revision of the pamphlet which it had issued to its local offices on the recruitment of volunteers in an emergency.⁴⁴

But Hunt and Armstrong still had to head off the enthusiasm of Jellicoe and other Conservative politicians on the use of volunteers. In the aftermath of the 1972 miners' strike Sir Peter Roberts (Conservative MP for Sheffield Ecclesall 1945-50, Sheffield Heeley 1950-66) had sent a long memorandum to Maudling with a raft of ideas including reinforcing the police with members of local rifle clubs. The papers had been mislaid only to resurface awkwardly during the review of contingency planning.⁴⁵ Frank Armstrong regarded these proposals with alarm.

The memoranda by Sir P Roberts are dangerous documents. I cannot see any Civil Service planners ever working on these lines. The cure proposed seems to be worse than the (vastly overstressed) disease. I am aware that our proposals for a General Strike situation look puny compared with these Cromwellian tactics but I think that, short of the power workers joining with other industries in strike action, national endurance can be sensibly increased by our proposals if HMG are prepared to meet the cost. For the power

⁴³ TNA: PRO, CAB 164/1140, Robert Armstrong to Hunt, 'Civil Emergencies', 28 July 1972.

⁴⁴ Ibid., 'Note of a Meeting held in the Cabinet Office', 1 September 1972, marked 'Top Secret'.

⁴⁵ Ibid., Hunt to F W Armstrong, 2 October 1972.

industry, in the situation envisaged, even Sir P Robert's proposals do not provide a solution. As Napoleon almost said, you can do everything with bayonets except work power stations.⁴⁶

By the middle of October 1972 Hunt and Armstrong had produced an interim report which reflected the substantial progress which had already been made. The Whitehall Situation Centre (now known as the Cabinet Office Briefing Rooms) was in operation and considerable improvements had been made in the ability to stockpile foodstuffs and oil. The highly sensitive issue of 'substitute labour' had been considered with the tentative conclusion that the main recourse must be to the services. The Ministry of Defence was asked to examine how it could discreetly extend training in some areas so troops could drive articulated lorries and work modern cranes. The practicalities of recruiting civilian volunteers were so great that it was more or less ruled out.⁴⁷

But the most intractable problem was still the power industry, particularly because of the threat posed by industrial action in the coming winter. Plans were underway to buy more mobile generators for places ranging from hospitals to large dairies and bakeries, to provide emergency heating and lighting for government offices and to reduce civil servants in London to 10% for essential work only. But Hunt acknowledged that all these measures would not solve the problem of electricity, and that neither troops nor volunteers could perform skilled work in power stations.⁴⁸

The Hunt/Armstrong report

F W Armstrong made such good progress in drafting the final report that by early November Hunt was ready to share the findings with Jellicoe; although prepared to listen to his suggestions he was determined to brook no obstruction from him or Whitehall generally.⁴⁹ The final report, 'Civil Emergencies: Action to Increase

⁴⁶ Ibid., F W Armstrong to Hunt, 3 October 1972.

⁴⁷ Ibid., Hunt to Robert Armstrong, 'Civil Emergencies Review: Interim Report', 10 October 1972.

⁴⁸ Ibid.

⁴⁹ Ibid., Hunt to F W Armstrong, 6 November 1972.

Preparedness', was completed by January, sent to the Prime Minister and then formally submitted to the Cabinet's Industrial Relations Policy Committee.⁵⁰

The report identified sixteen industries and utilities where industrial action could cause disruption: out of these the five where workers could inflict the greatest damage were oil, coal, rail, docks and electricity, and in rail, coal and docks they had shown themselves prepared to do so. The most worrying was electricity, 'short of a general strike no likely combination of stoppages was as damaging to the nation as a stoppage in the electricity industry on its own'.⁵¹ The electricity industry was also vulnerable to coal, rail and oil stoppages. Government departments had already increased their expenditure on mobile generators but since they could only provide 0.1% of the national generating capacity this would be inadequate in a severe electricity emergency. It recommended that vulnerable places such as government offices (including benefit offices), national computers, hospitals, prisons, water and sewage stations should have permanent standby generators. But they stressed that this would only offer a breathing space of a few weeks.⁵² The Report had again examined the idea of a no strike agreement in the electricity industry but reluctantly concluded that it was unworkable.⁵³

On electricity Hunt and Armstrong basically admitted defeat. Their review had only served to confirm the nation's vulnerability to a power crisis. Modern power stations were too complex for troops to make much difference. The main recommendation on standby generators would cost £36 million but this was only a palliative. In the event of a total stoppage it was only possible to duplicate a tiny proportion of the national generating capacity, 'a power crisis is still by far the worst of the industrial threats. It will be seen from the Report that we have approached it from several directions without much success.'⁵⁴

⁵⁰ TNA: PRO, CAB 134/3653 'Industrial Relations Policy Committee', 'Civil Emergencies: Action to Increase Preparedness: Report by the Cabinet Office', IRP 73 2, 12 January 1973.

⁵¹ Ibid., Para. 5.

⁵² Ibid., Paras. 5-7.

⁵³ Ibid., Para. 53.

⁵⁴ TNA: PRO, CAB 164/1226 'Cabinet Office organisation in civil emergencies', F W Armstrong to Hunt, 10 January 1973.

Two areas were identified where industrial muscle was concentrated in relatively few hands and which needed immediate remedial action; oil distribution and grain imports. The memory of the dock strike in the summer of 1972 was still fresh and the aim was to extend endurance in food supplies against a national dock strike of up to twelve weeks by stockpiling. In 1972 there had been fears that an imminent shortage of animal feed would lead to a premature mass slaughtering of animals so the report recommended that the stock of animal foodstuffs should also be built up at a cost of £16 million.⁵⁵ The Report concluded that it was too expensive and impractical to stockpile industrial raw materials. It also recommended that special measures should be taken to safeguard the Scottish Islands in terms of food, animal feedstuffs and oil supplies.⁵⁶

Coal stocks had been a point of acute vulnerability during the 1972 miners' strike. The Coal Industry Bill was making provision for grants to the NCB to increase coal stocks and the Report suggested that these subsidised stocks should be held at power stations and away from NCB stock areas which would be affected by a strike. It explicitly acknowledged the external threat to oil supplies and mentioned that plans were already underway, backed up by legislation, to make sure that oil stocks should never be less than ninety days supply.⁵⁷

The vexed issue of substitute labour was tackled head on and the impractical nature and dangerous consequences of some of the wilder ideas exposed. The Report noted tartly that 'The increased complexity of industry since 1926 [the General Strike] has put out of reach some of the things, such as train-driving, in which amateurs were then allowed to participate (although even there the legend may have overlaid the truth).'⁵⁸ There was now a premium on specialist skills in many industries. It was one thing to replace lorry drivers or dustmen but to run a railway, a modern power station or a large sewage works was quite another.

⁵⁵ TNA: PRO, CAB 134/3653, IRP 73 2, Paras. 13-20.

⁵⁶ *Ibid.*, Paras. 24-30.

⁵⁷ *Ibid.*, Paras. 21-23.

⁵⁸ *Ibid.*, Para. 47.

The Report had examined the plans which already existed for using servicemen in industrial disputes in twelve major utilities, but using them was subject to two severe constraints. The first was whether their deployment might make the situation worse by exacerbating the strike and leading to sympathetic action in other industries. The second was availability, which was especially pertinent as Northern Ireland was now swallowing up troops. The one area where the services could make a real difference would be if they trained more drivers to drive articulated lorries which were essential for oil distribution. But the Ministry of Defence was very concerned that extra training would become public knowledge and cause both political embarrassment and the relationship between the MoD and trade unions to deteriorate.⁵⁹ The MoD view was that to use volunteer reserves such as the Territorial Army to deal with strikes would be disastrous since they relied on the goodwill of the whole community, many of them were also members of trade unions and would have divided loyalties.⁶⁰

The report rejected the notion of a trained civilian corps which had been Jellicoe's pet hobby-horse. It concluded that to call for volunteers in advance to engage in strike-breaking would be extremely divisive. The idea of recruiting civilians would always be seen as provocative by the unions and might well make the situation worse. Although the report conceded that there might be some rare occasions when it was justified; such as when life was under threat from a strike by emergency ambulance drivers, if a union had come under the control of extremists or if there was a general strike when the object was to bring down the government by industrial means. The report was firmly against keeping a register of volunteers in advance, but the Department of Employment was revising the pamphlet which it issued to its local offices on the recruitment of volunteers in an emergency.⁶¹ Armstrong acknowledged that 'I am sure that there will be Ministerial disappointment at the cold water poured on the idea of volunteers and admittedly the rewriting of a DE pamphlet is a pretty insignificant outcome. It seems however that the Lord Privy Seal is now persuaded that we cannot sensibly do more.'⁶²

⁵⁹ Ibid., Para. 39-43.

⁶⁰ Ibid., Para. 44.

⁶¹ Ibid. Para. 46-50.

⁶² TNA: PRO, CAB 164/1226, F W Armstrong to Hunt, 10 January 1973.

There were four main recommendations which needed decisions; three of which related to the cost of stockpiles and electricity standby generators. The fourth, and most contentious, was the recommendation that servicemen should be trained to drive articulated vehicles. Hunt was not convinced by the MoD's objections and advised Heath to over-rule them.⁶³ When the Industrial Relations Policy Committee met on 25 January it agreed that training servicemen to drive articulated vehicles was neither inflammatory nor unsuitable for the armed forces and that it should be given to as many servicemen as possible. It approved all four recommendations.⁶⁴

The Report did not resonate with grand conclusions since many of the preventative measures which Hunt and Armstrong had examined had already been put into effect. Updated plans for accidents and natural disasters, as well as major strikes, had already been incorporated into the Civil Emergencies Book and the procedures for activating the Regional Emergency Centres (RECs) had been revised. However, it was not only a comprehensive review of all the issues related to contingency planning but a penetrating analysis of the vulnerability of the modern state to industrial action as technology made industries both more complex to run and more dependent on technical and managerial skill. It also provided an illuminating picture of the antagonistic state of industrial relations in the early 1970s and revealed the depths of apprehension amongst senior officials at the ease with which industrial disputes could cause extensive damage.

The CCU and COBR

The first test for the CCU was the dock strike in August 1972, which posed a severe threat to supplies to the Scottish islands and to animal feedstuffs. The Heath government declared its fourth state of emergency but its general strategy was, in Trend's words, to 'play it cool and low' to try and avoid public alarm over possible shortages.⁶⁵ But in private there was considerable anxiety and active consideration

⁶³ TNA: PRO, PREM 15/1600, Hunt to Robert Armstrong, 8 January 1973.

⁶⁴ TNA: PRO, CAB 134/3653, IRP 73, 1st Meeting, 25 January 1973.

⁶⁵ TNA: PRO, PREM 15/976 'Industrial disputes in docks: national dock strike; Lord Aldington and Jack Jones report on docks; part 3', Trend to Heath, 'Cabinet: Industrial Affairs', 7 August 1972.

was given to the possibility of using troops to unload ships.⁶⁶ But although the RAF was used to deliver supplies to the Scottish islands the government held back from using troops to unload ships.⁶⁷ They feared that road haulage drivers would then 'black' the docks, which would have serious implications for oil distribution.⁶⁸

The CCU acquitted itself well during the dock strike and Heath was at last satisfied that a functioning system for handling industrial emergencies was now in place. He commented approvingly, 'I have read the daily reports which have been provided about the state of our resources during the dock strike. These seem to have been admirably compiled and a great improvement on previous efforts. We also seem to be in a position now to obtain more accurate information about most aspects of these problems. Please congratulate those concerned.'⁶⁹ Jellicoe reported to Heath that the new machinery had worked very satisfactorily. 'Departments have been represented at senior level on the Civil Contingencies Unit at which I take the chair. We have kept the membership small. The flow of information has been quick and the response to demands has been prompt and flexible. For myself, I found it very convenient to be able to go to Cabinet or Ministerial meetings direct from a briefing by the Unit.'⁷⁰

The success of the CCU underlined the fact that another element of the government machinery designed to forewarn ministers of impending crises had now outlived its usefulness. The Early Warning System (EWS) set up at the instigation of Lord Rothschild and managed by the CPRS had always met with resistance in Whitehall, notably from the Treasury, which was anxious that market sensitive information would become public. Trend also deplored the fact that too much sensitive and essentially pessimistic information would be broadcast through Whitehall, 'It contains several items which make one raise one's eyebrows.' He advised Heath that its circulation should be restricted by grading it secret rather than confidential.⁷¹ To

⁶⁶ Ibid., Trend to Heath, 7 August 1972.

⁶⁷ Jeffery and Hennessy, *States of Emergency*, p. 237.

⁶⁸ TNA: PRO, PREM 15/976, 'The Docks Emergency: Note by the Cabinet Office', 7 August 1972.

⁶⁹ TNA: PRO, PREM 15/977 'End of national dock strike; lessons to be learned, part 4', Heath to Hunt, 22 August 1972.

⁷⁰ Ibid., Jellicoe to Heath, 30 August 1972.

⁷¹ TNA: PRO, CAB 164/1157 'Setting up of an early warning system for ministers', Trend to Heath, 'Early Warning System', 3 July 1972.

Rothschild's dismay and irritation, Heath agreed to Trend's suggestion that the circulation list of the EWS document be restricted to a small group of senior ministers. Rothschild protested that if the document was not widely circulated and became merely a sanitised diary of forward events then it was not worth the time and effort and it might as well cease.⁷² By this stage the CCU was well into its stride and so was Hunt's review of contingency planning and Heath was content that the EWS exercise should be abandoned.⁷³ Hunt, a former Treasury official, wrote on his copy of the note, 'No tears need be wept!'⁷⁴

In the autumn of 1973 Mark Schreiber (Special Adviser Civil Service Department) proposed that the EWS should be revived.⁷⁵ But while Hunt supported the idea of a 'forward look' he was opposed to any revival of the EWS. As he explained to Heath, the Cabinet Office was working on a plan to provide a systematic forward look three times a year: 'This is not a resuscitation of the CPRS Early Warning system which attempted to cover too much ground and was intended for Ministers generally. Our plan is to produce a tool for the management of business at the centre.'⁷⁶ A 'forward look' exercise was begun, but not finished, in December 1973 and a further one completed in May 1974 for Harold Wilson.⁷⁷

During the autumn of 1972 the prospect of industrial action in the electricity industry was a source of acute anxiety for the government and the CCU oversaw preparations to withstand it. The CCU supervised a programme to purchase mobile generators to provide standby power for key services ranging from hospitals to large dairies and bakeries, and drew up plans to provide emergency heating and lighting for government offices and to restrict civil servants in central London offices down to a

⁷² Ibid., Rothschild to Robert Armstrong, 5 September 1972.

⁷³ Ibid., Robert Armstrong to Rothschild, 7 September 1972.

⁷⁴ Ibid., handwritten comment by Hunt, 8 September 1972.

⁷⁵ TNA: PRO, PREM 15/1602 'Problem areas for government: introduction of early warning system', Schreiber to Hunt, 11 October 1973.

⁷⁶ TNA: PRO, PREM 15/2014 'Appointment of John Hunt to succeed Sir Burke Trend as Cabinet Secretary; review of the Cabinet Committee structure', Hunt to Robert Armstrong, 'Organisation of Government Business', 5 November 1973.

⁷⁷ TNA: PRO, PREM 16/106 'GOVERNMENT MACHINERY. Cabinet Secretariat 'Forward Look' exercise: business coming forward to Cabinet and Cabinet Committees', Hunt, 'Forward Look Exercise', 3 April 1974; Davis, *Prime Ministers and Whitehall*, p. 124.

core of 10% for essential work.⁷⁸ At Hunt's request the code names GRASSHOPPER and HERRINGBONE replaced the rather too obviously apocalyptic TWILIGHT and DOOMSDAY for the final stages of an electricity emergency.⁷⁹

During the first half of 1973 the CCU was responsible for overseeing the implementation of the recommendations in the Hunt Report. Most of these were concerned with improvements in the ability to stockpile oil and foodstuffs. The most contentious, where Heath, on Hunt's recommendation, had overruled the MoD, was that the armed services should train more servicemen to drive articulated vehicles.⁸⁰ By the summer of 1973 the CCU had been in existence for a year and met several times a week. The range of subjects on its agenda illustrated just how widespread disruption from industrial action was in the early 1970s. It analysed the prospects for industrial action in the gas, coal and water supply industries, the National Health Service, and the docks and railways. It also examined the problems of picketing at power stations, how to manage social security payments at a time of mass unemployment and the provision of standby electricity generating equipment to vital services.

The CCU also conducted a review of the Emergency Powers Act 1920 (as amended in 1964). Under Section 1 of this Act a state of emergency could only be declared if the community, or a substantial part of it, was in danger of being deprived of the essentials of life. The Hunt Report had questioned whether the Act should be redrafted to cover widespread, but not hazardous disruption, to one portion of the community. The CCU set up a working party which concluded that anxiety about *ultra vires* and what legally constituted a 'substantial proportion of the community' was unnecessary. The declaration of a state of emergency was ultimately a political judgement, which was more likely to be challenged in parliament than in the courts and it recommended that there was no need for new legislation.⁸¹

⁷⁸ TNA: PRO, CAB 134/3472, CCU 72, 6th to 12th Meetings, August to November 1972.

⁷⁹ Ibid., 6th Meeting, 30 August 1972.

⁸⁰ TNA: PRO, CAB 134/3653, IRP 73, 1st Meeting, 25 January 1973.

⁸¹ Ibid., 'Emergency Powers Act 1920: Memorandum by the Lord President of the Council', IRP 73 15, 9 November 1973.

The CCU met regularly in the Cabinet Office Briefing Rooms, formerly known as the Whitehall Situation Centre, located in a suite of rooms in 70 Whitehall. This contained all the political, home defence and military information necessary for the Prime Minister to take fully informed decisions on the release of nuclear weapons and provided a base for the Transition to War Committee.⁸² Heath had authorised the construction of this in July 1971⁸³ and it was in operation from September 1972.⁸⁴ It was variously referred to as ‘the Briefing Rooms’, ‘the Rooms’ or simply by its initials ‘COBR’. Tight secrecy surrounded its existence since its primary purpose was to manage the transition to a nuclear war. If there were competing claims on its use priority lay firstly, with transition to war, secondly, terrorist incidents and only thirdly with civil emergencies, whether industrial action or natural disasters.⁸⁵ Although the Cabinet was informed of its existence Trend was most anxious its real purpose should be kept secret and suggested that ministers should be told that its role was simply to enable the government to carry out the complicated civil and military exercises required by NATO.⁸⁶

Hunt had overall responsibility for the Rooms and Brigadier R J (Dick) Bishop (Controller of the Rooms) was in charge of their day to day running.⁸⁷ Bishop had been both a member of GEN 108 and the CCU from its inception and became Secretary of the CCU in early 1973. Bishop was also responsible for keeping the Civil Emergencies Book (CEB), first issued in February 1973, updated. This was a loose-leaf folder, updated annually and circulated to all Whitehall departments and the RECs. It contained a summary of all the factors which affected civil emergencies and the means of dealing with them. It was divided into three sections. The first dealt with potential industrial disputes in industries which threatened the essentials of life,

⁸² TNA: PRO, HO 223/129 'Central Government in War: proposals for Home Office administrative arrangements and facilities', 'Cabinet: Crisis Management Working Party: Costed Proposals for the Whitehall Situation Centre', GEN 8 71 1, Final, 1 July 1971; Hennessy, *Secret State*, pp. 321, 378.

⁸³ TNA: PRO, HO 223/129, Trend to Maudling, 12 July 1971.

⁸⁴ TNA: PRO, CAB 164/1140, Hunt to Robert Armstrong, 'Civil Emergencies', 21 July 1972.

⁸⁵ TNA: PRO, CAB 164/1226, Hunt to Trend, 20 December 1972.

⁸⁶ TNA: PRO, PREM 15/1600, Trend to Heath, 8 January 1973.

⁸⁷ TNA: PRO, CAB 164/1226, Hunt to Trend, 20 December 1972.

the second covered general preparedness, including the reserve resources such as electricity generators held by government departments, and the third section was concerned with natural disasters and environmental pollution.⁸⁸

The section on general preparedness set out the guidelines on Military Assistance to the Civil Ministries (MACM) and the political and legal considerations which governed the use of troops. It warned that the introduction of servicemen in any industrial dispute was likely to produce an emotive reaction in the unions and ‘as a general rule troops should not be employed unless most serious harm to the nation’s interest will follow if they are not committed’. The CEB also acknowledged that in a major industrial dispute which gravely affected the life of the community the government might need to appeal for volunteers to help maintain essential services but it stressed that this could only be a measure of last resort since the use of volunteers would invariably be regarded as strike-breaking, harden attitudes and delay a settlement and could pose a serious threat to public order. It is a measure of how sensitive this issue was that there was a strict instruction, printed on the DE circular which set out how Employment Exchanges were to recruit volunteer labour, that it was to be kept extremely secret.⁸⁹

By May 1973 Bishop had trained and organised teams from across government departments into shifts who could man the briefing rooms in a severe industrial dispute and co-ordinate activity through departmental emergency rooms. The Rooms had domestic support and provision for eating and sleeping. They were also kitted out with state-of-the-art equipment and had secure communications to duty rooms in government departments, Civil Service regional offices, the police, military headquarters in the UK and northern Europe, NATO HQ and Washington and Moscow.⁹⁰

⁸⁸ TNA: PRO, CAB 175/36, ‘Civil Emergencies Book’, January 1973.

⁸⁹ Ibid., ‘Recruitment and supply of labour in the event of an emergency arising from an industrial dispute’, printed on the front was: ‘Until RO [Regional Office] notifies LO s [Local Offices] to take action this circular must be kept in a sealed envelope marked “Circ 28/1500 (3rd Rev)”’, under lock and key’.

⁹⁰ TNA: PRO, CAB 164/1306 ‘Organisation for Civil Emergencies’, ‘Cabinet Office Briefing Rooms’, 23 May 1973.

From the Briefing Rooms central government was able to communicate with the Regional Emergency Committees (RECs) based in eleven provincial towns across Britain. During the autumn of 1972 GEN 108 reviewed their role and they were overhauled so that by the end of the year office suites complete with standby generators for emergency heating and lighting and telex communications had been set up. GEN 108 had considered activating them during the autumn of 1972 when an electricity strike seemed imminent but did not in the end do so.⁹¹

The CEB set out the role of the regional organisation during a severe peacetime civil emergency. The RECs would be chaired by a civil servant of under-secretary rank and they were coterminous with the division of the regions for civil defence but they were civilian operations with no wartime or home defence responsibilities. Their role was to co-ordinate government activity in a civil emergency and to resolve local clashes of interest. They were responsible for preparing a regional plan and the co-ordination of actions to maintain supplies in a civil emergency and *not* to take executive action and assume the responsibilities of government departments, nor did they have any responsibility for police operations. They were to report to the CCU, which would activate them in an emergency.⁹²

In May 1973 Jellicoe was forced to resign from the government as a result of a scandal involving a call girl. In June 1973 James Prior succeeded him as chairman of the CCU and held the posts of Lord President of the Council and later Leader of the House of Commons. In May 1973 John Hunt was appointed to succeed Trend as Cabinet Secretary, although he did not take up the appointment until October. He was succeeded as deputy chairman of the CCU by Patrick Nairne, an official from the MoD who became Second Permanent Secretary in the Cabinet Office.

The establishment of the CCU was one of the most successful and certainly the most long-lasting of Heath's reforms to the machinery of government. Like the creation of the CPRS it reflected Heath's desire to strengthen institutions at the centre of government. Jeffery and Hennessy raised the issue of the Home Office's conviction

⁹¹ TNA: PRO, CAB 130/590, GEN 108 72, 2nd Meeting, 1 November 1972; 3rd Meeting, 9 November 1972.

⁹² TNA: PRO, CAB 175/36, 'Civil Emergencies Organisation: Memorandum for Chairmen of Regional Emergency Committees', January 1973.

that the creation of the CCU was a product of Cabinet Office imperialism.⁹³ Robert Armstrong judged that the CCU was a significant change in the role of the Cabinet Office:

Trend saw the Cabinet Office in an old-fashioned way as the collective servant of the Cabinet; co-ordinating and organising business rather than a centre of positive activity. The development of the European Unit in 1971-2 [to support the negotiations for entry to the EEC] was taking the logic of the Cabinet Office one stage further. The CPRS was another element in that. The creation of the Civil Contingencies Unit under John Hunt, who was a very effective administrator and a centralising man by instinct was a further element.⁹⁴

But although the CCU undoubtedly marked a significant accrual of power to the Cabinet Office, which continued under Hunt's tenure as Cabinet Secretary from 1973 to 1979, it was a reform which Heath had wanted from 1970 and was given a final impetus by the disastrous handling of the 1972 miners' strike. It adapted and evolved to deal with a wide range of civil emergencies and is clearly recognisable as the forerunner of the present Civil Contingencies Secretariat.

Subversion

By the summer of 1973 Hunt was cautiously optimistic about the overall state of contingency planning but not complacent, 'in most of the key public sector services the position is significantly better than last year: and the longer term measures authorised by the Industrial Relations Policy Committee are all being pressed ahead as quickly as possible. As against this we must remember that militants may become more sophisticated in ways of applying pressure and we must look ahead and try to anticipate trouble.'⁹⁵ The activities of politically motivated militants and subversives within the trade union movement had been a source of anxiety for the Heath Government ever since the strikes in the summer of 1970. This had been exacerbated by the violent picketing during the 1972 miners' strike which had severely shaken the Cabinet and Heath and his ministers had become convinced that sections of the trade unions were prepared to use industrial disputes over pay as a cover for bringing

⁹³ Jeffery and Hennessy, *States of Emergency*, p. 236.

⁹⁴ Interview with Lord Armstrong of Ilminster, 9 July 2009.

⁹⁵ TNA: PRO, PREM 15/1601 'Arrangements for dealing with industrial and civil emergency situations: setting up of Whitehall Command post; possible use of new Cabinet Office Emergency Room; building up stocks of essential materials; part 2', Hunt to Armstrong, 3 August 1973.

down a Conservative government. The evidence in the National Archives on this subject is patchy and much of it is retained under Section 3(4) of the old Public Records Act 1958 but it complements and adds to the material in Andrew's authorised history of the Security Service based on its files. It demonstrates the considerable level of anxiety about subversion among ministers as well as the greater caution of officials and confirms Andrew's judgement that officials acted as a brake on ministerial ambitions to extend the scope of the Security Service.

After the 1972 miners' strike the problem of subversives was very much on the Whitehall agenda.⁹⁶ Within the context of an overall review of industrial strategy Trend identified three subject areas to be examined. First, prices and incomes; secondly, measures to restrict picketing and curtail social security benefits to strikers' families; thirdly, 'Covert actions against subversion both in industry and in other fields'. Trend suggested that the Cabinet's Economic Strategy Committee (ES) should co-ordinate a review of this last area and that he and Donald Maitland (Chief Press Secretary No 10 1970-73) would welcome an opportunity to discuss with Heath the part to be played by the information services in exposing subversion.⁹⁷ There is no record in the National Archives of any subsequent discussion between Heath, Trend and Maitland but there are indications that work on subversion was underway.⁹⁸ At the first meeting of the Industrial Relations Policy Committee it was noted that 'The impact of subversive activity was under study separately.'⁹⁹

The proposal that there should be some interdepartmental system of reporting on internal threats which would include a proper assessment of communist influence in the trade unions had been 'in the air for some time' and was strongly supported by Trend, who 'had a streak of romanticism in him about the work of the intelligence services'.¹⁰⁰ He argued that in the same way that the JIC produced intelligence reports for ministers on overseas based threats there was a need for a 'home JIC'. But

⁹⁶ TNA: PRO, PREM 15/2130 'Subversion in Industry: Industrial Intelligence, part 3', Parts 1 and 2 are still retained under Section 3(4) Public Records Act 1958.

⁹⁷ TNA: PRO, CAB 164/1158 Trend to Heath, 'Industrial Policy', 30 March 1972.

⁹⁸ Ibid., Trend to Heath, 'Industrial Policy', 11 April 1972.

⁹⁹ TNA: PRO, CAB 130/575 'Industrial Relations Policy Committee', GEN 92 72, 1st Meeting, 12 April 1972.

¹⁰⁰ Private information. The sources in this chapter can be verified by Professor Peter Hennessy.

other senior figures in Whitehall, including Allen, were rather more sceptical and both the Home Office and MI5 were very anxious to prevent sensitive intelligence, derived from covert surveillance which had to be authorised by the Home Secretary, from being too widely disseminated across Whitehall.¹⁰¹

Soon after Carr became Home Secretary in July 1972, Michael Hanley (Director General of the Security Service 1972-78) proposed a new committee under the aegis of the Home Office to be responsible for assessing internal security in the UK. In September 1972 the new committee on Subversion in Public Life (SPL) was created to supervise and direct the collection of intelligence about threats to internal security arising from subversive activities, particularly in industry. The reports were prepared jointly by an MI5 officer and an official from Department of Employment.¹⁰² SPL was chaired by James Waddell, a senior Home Office official experienced in counter-subversion who had been an unsuccessful candidate to replace Furnival Jones as DG.¹⁰³ He was described by one who knew him as ‘very dry, very much an old style civil servant, not much of a sense of humour but very sharp’.¹⁰⁴ SPL issued a series of reports on subversion in industry, around every two months, which drew on background on unions and industry from the Department of Employment. On Heath’s instructions the circulation was restricted to a small group of senior ministers.¹⁰⁵ According to Andrew there was consistent pressure on the Security Service to go beyond its charter in the investigation of subversion and industrial unrest but was resisted by both Hanley and Allen.¹⁰⁶

There is evidence in the National Archives that SPL was not the only group concerned with subversion in industry. In October 1973, shortly after he had taken over as Cabinet Secretary, Hunt discussed with Heron and Hanley whether the Industrial Assessment Group, also chaired by Waddell, should provide ministers with a preview of the prospects for industrial unrest during the coming winter. But the IAG had concluded that this was simply not practical since the situation was moving

¹⁰¹ Private information.

¹⁰² Andrew, *Defence of the Realm*, pp. 596-97.

¹⁰³ Ibid.

¹⁰⁴ Private information.

¹⁰⁵ Andrew, *Defence of the Realm*, pp. 596-97.

¹⁰⁶ Ibid.

so fast that it was impossible to foresee the interaction of events on each other without getting into the realm of pure speculation. Hunt's own scepticism was evident when he stressed that 'experience has shown that covert sources can contribute only slightly to broad general assessments, for which the other sources available to Ministers are of more use than the product of the Group'.¹⁰⁷

According to one former official who was closely involved in this area there were two types of product from the groups which were concerned with subversion in industry. The first was a weekly summary written by a recently retired Security Service officer, who was technically on the Joint Intelligence Committee's (JIC) Assessments Staff. This was drawn largely from published material because there was not enough material from covert sources. The second product was a series of special longer reports which covered each of the main unions. They were drafted by the Security Service (MI5) and the JIC machinery was involved in their production and distribution. The former official is adamant that they were 'very measured reports', and 'they found very few "reds under the beds" in the unions, which was not what Conservative ministers wanted to hear'.¹⁰⁸ In the National Archives there are six editions of a paper 'Subversive Influences in Industry', which was a digest of material only from public, not intelligence sources, and consists of a mixture of direct quotes and extracts from newspaper articles. This is possibly the first of the two types of reports.¹⁰⁹

Another group also existed, which was described as a 'small inter-departmental group of officials', chaired by Sir Patrick Dean (former Chairman of the JIC, 1953-60 and Ambassador to Washington, 1965-69) under the direction of Robert Carr, charged 'with developing methods, including appropriate publicity and exposure, by which certain types of subversive activity can be countered'. Hunt and Robert Armstrong examined whether the work of this group could be useful in the context of the disputes with the NUM and ASLEF in December 1973 but Hunt's view was that it was best to proceed very cautiously when emphasising the role of subversion

¹⁰⁷ TNA: PRO, PREM 15/2130, Hunt to Robert Armstrong, 'Industrial Assessment', 24 October 1973.

¹⁰⁸ Private information.

¹⁰⁹ TNA: PRO, PREM 15/2130.

within the trade unions and there was scope to do this without using covert sources.¹¹⁰

Hunt's cautionary influence on Heath is clear when in January 1974 he sent him three pages of a draft speech for an important debate in the Commons which accused the NUM and Associated Society of Locomotive Engineers and Firemen (ASLEF) of being subject to the influence of the Communist Party, which was opposed to any form of wage restraint and wanted to use industrial activity to bring the government down. The draft had been agreed with the Department of Employment and the Security Service and Hunt commented, 'I think you would be safe in using this material which seems to go as far as possible [one and a half lines redacted]. Whether it is wise to use is in this particular debate is a matter for political judgement.'¹¹¹ Heath heeded Hunt's advice and the following day refrained from any accusations of subversion: instead he struck an emollient tone and ended his speech with an impassioned plea for reason and moderation.¹¹²

Hunt, who was himself a former Secretary of the JIC,¹¹³ was more sceptical of the work of the intelligence services than Trend. Further evidence of Hunt's caution in this sensitive area was demonstrated in December 1973 when he told Heath, 'There is some tidying up required of the various Committees concerned with subversion and at some stage they might become a "home" JIC. But I do not think the moment is ripe for this yet.'¹¹⁴ The files in the National Archive do not provide a comprehensive picture of the structure of committees in this area since neither the records for the SPL nor the IAG on this subject are available. On 4 March 1974, the day the Heath Government left office, Hunt returned all IAG and SPL documents to the JIC Secretariat, possibly an indication that he thought this material would be perceived differently by the incoming Labour Government.¹¹⁵

¹¹⁰ Ibid., Hunt to Heath, 18 December 1973.

¹¹¹ Ibid., Hunt to Heath, 8 January 1974.

¹¹² H C Debs (5th series) 9 January 1974, vol 867, col 7-24.

¹¹³ TNA: PRO, CAB 159/37 JIC Minutes, 23rd Meeting, 10 May 1962.

¹¹⁴ TNA: PRO, PREM 15/2014, Hunt to Heath, 'Review of the Cabinet Committee System', 23 November 1973.

¹¹⁵ TNA: PRO, PREM 15/2130, Note on the file. In response to a FoI request I was told that these have not been kept.

Anticipation of the oil shock

One significant issue which linked the CPRS and the central machinery for planning for civil emergencies was a growing anticipation of a problem with oil supplies. This was high on the government's agenda before the oil shock in October 1973. Energy policy was a personal interest of Lord Rothschild's and as the former Head of Research at Shell he had both an acknowledged expertise and an extensive network of personal contacts.¹¹⁶ The UK's dependence on foreign oil had long been of particular interest to him and in October 1971, at his instigation, Heath met Sir David Barran (Chief Executive of Shell).¹¹⁷ Barran predicted a major world energy crisis between 1980 and 1995 because of the gap between supply and demand. Oil would have to take the strain on demand which would enhance the political strength and bargaining power of Middle East oil producing countries.¹¹⁸

Another warning of the dangers posed by the OPEC countries to the price and supply of oil came from Robert Belgrave (a former diplomat and a senior executive at BP) who sent Donald Maitland a long memorandum which dismissed some of the popular misconceptions about scarcity of resources. But he also warned that during the next ten years demand for oil could well exceed supply and that the US, Japan and the EEC could end up in competition with each other. OPEC had the 'whip hand' and could at any time cut off supplies for political reasons. This memorandum was taken very seriously and circulated widely among senior officials.¹¹⁹

Energy policy fell within the remit of the DTI but this was not its main responsibility, and, apart from the coal industry, the topic received very little attention.¹²⁰ From the autumn of 1971 the CPRS attempted to fill the gap and worked on possible counter-measures the UK could take to protect its economy from

¹¹⁶ Blackstone and Plowden, *Inside the Think Tank*, p. 75.

¹¹⁷ TNA: PRO, PREM 15/595 'Sir David Barran of Shell gave Prime Minister exposition of study of future energy supply and demand; papers on international oil questions; CPRS paper on oil economics and supplies; DTI study on energy policy', Rothschild to Armstrong, 21 September 1971.

¹¹⁸ *Ibid.*, 'Note for the Record', 5 October 1971.

¹¹⁹ TNA: PRO, PREM 15/1847 'Review of energy policy following increase in price of Middle East oil to cover coal, natural gas and nuclear power: reorganisation of nuclear industry; study of energy conservation by CPRS; part 4', Belgrave to Maitland, 1 March 1973.

¹²⁰ Blackstone and Plowden, *Inside the Think Tank*, p. 76.

expected rises in the price of oil during the 1970s. This was such a complicated subject that Rothschild produced what he called a 'Child's Guide'. This controversial memorandum, 'Oil Economics and Supplies', concluded that very little could be done and that only palliatives were available during the 1970 s. In its original form it contained a list of recommendations, the thrust of which was that the UK should rely more on gas, indigenous oil and nuclear power, but it also contained the highly sensitive proposal that the UK should attempt 'by all means possible to divide the oil producing countries'.¹²¹ It went through a number of drafts and was circulated, without the recommendations, as a CPRS note to Heath, the DTI and also to Carrington.¹²²

In early 1973 Heath commissioned a wide ranging review of energy policy from the CPRS.¹²³ Oil was then around \$2.20 a barrel¹²⁴ and this report predicted three scenarios for the oil price in 1985, at 1972 prices. These were EASY \$3.75, SCARCE \$6, CRISIS \$9. It recommended increased investment in exploration for new coal supplies and that new nuclear power stations should be commissioned as soon as possible.¹²⁵ Heath's reaction was immediately positive, he wrote on Rothschild's covering letter, 'This requires urgent treatment by the DTI. Thank you. Please keep me in touch.'¹²⁶ Heath was so interested in this report that swift arrangements were made by the No 10 private office for Rothschild and his team to give the Prime Minister a personal briefing.¹²⁷

Rothschild's script for the presentation was punchy and colloquial; it was a foray into what he described as 'the world of futurology' and 'crystal ball gazing', and he

¹²¹ TNA: PRO, CAB184/57 'International oil questions', 'Oil Economics and Supplies: A Memorandum by the CPRS'. This version dated December 1971 is a draft paper for the Economic Policy Committee but it was never circulated.

¹²² TNA: PRO, CAB 184/58 'International oil questions', Rothschild to Heath, 27 April 1972.

¹²³ TNA: PRO, PREM 15/1847, Heath to Rothschild, 'Prime Minister's Personal Minute', 28 February 1973.

¹²⁴ Ibid., Rothschild's script for a presentation to the Prime Minister.

¹²⁵ TNA: PRO, CAB 134/3607 'Ministerial Committee on Economic Strategy: Papers', (ES (73) 18), 'An Energy Policy for Britain: A Report by the Central Policy Review Staff, 9 May 1973'.

¹²⁶ TNA: PRO, PREM 15/1847, Rothschild to Heath, 2 May 1973.

¹²⁷ Ibid., Rothschild to Armstrong, 3 May 1973.

emphasised, ‘\$9 a barrel is not a CPRS joke. We got it from a major international oil company.’¹²⁸ Blackstone and Plowden (both former members of the CPRS) claimed that the CPRS gave an oral presentation to incredulous ministers which caused something of a sensation and that many ministers refused to accept the validity of the report.¹²⁹ However, in May 1973, when the Cabinet’s Economic Strategy Committee (ES) considered the CPRS report at the same time as a memo by Peter Walker (Secretary of State for Trade and Industry 1972-74) on energy policy, Walker admitted that there were good reasons for accepting the CPRS estimate of the oil price rather than the DTI one and ES agreed to adopt the SCARCE scenario.¹³⁰

It is important to note that Rothschild was looking over 10 years ahead and his predictions were based on assumptions about supply and demand as well as the desire for oil producing countries to gain an increased share of the profits from the natural resource they owned at the expense of the western oil producing companies. But while the CPRS Report did *not* predict the oil shock of October 1973, it was proved ‘right in principle, if wrong in practice’ and the report was a major factor which established its credibility in Whitehall.¹³¹

It also raised the salience of the issue of oil supplies and further evidence of the government’s concern in this area was the establishment of the Task Force on Oil Supplies (ESOT) as a sub-committee of the Economic Strategy Committee. It was set up in June 1973 to examine the threat to an interruption of oil supplies from Libya and was a mixed committee of ministers and officials drawn from various departments. It was chaired by Carrington and its members also included Walker and Rothschild.¹³² In July 1973 it produced a report which was a frank and trenchant analysis of the extent of the UK’s dependence on oil from unstable regions. It pointed out that Libya and Iraq were radical, unpredictable and ready to pick quarrels with the west on any pretext. The Arab world was obsessed by the Arab/Israel

¹²⁸ Ibid., Rothschild’s script for presentation to the Prime Minister, 8 May 1973.

¹²⁹ Blackstone and Plowden, *Inside the Think Tank*, p. 77.

¹³⁰ TNA: PRO, CAB 134/3606 ‘Ministerial Committee on Economic Strategy’, ES 73, 4th Meeting, 15 May 1973.

¹³¹ Blackstone and Plowden, *Inside the Think Tank*, p. 77.

¹³² TNA: PRO, CAB 134/3609 ‘Ministerial Committee on Economic Strategy: Task Force on Oil Supplies’ (ESOT).

dispute and there was increasing talk of using oil as a political weapon to induce the west to put pressure on Israel. Egypt was the most influential Arab state and a key factor in the behaviour of the traditional regimes which had friendly relations with the west. Most presciently it predicted that a further round of serious fighting could well lead to a shutdown of Arab oil, although it drew the erroneous conclusion that an outbreak of major hostilities between Israel and the Arab countries was unlikely at present.¹³³

This was proved dramatically wrong when on 6 October Egypt attacked Israel. When the US airlifted arms to Israel there was a swift reaction from the OPEC countries which decided on a price increase from \$2.90 to \$5.11 a barrel. Some of the Arab oil producing countries also announced an immediate cut in oil production of 5% to be followed by additional cuts that each month Israel failed to withdraw from the occupied territories of 1967. By the autumn of 1973 the price of oil was already high. Between December 1970 and September 1973 the official price of oil (Arabian light) had risen from \$1.21 a barrel to \$2.90 a barrel, prices on the spot market were even higher.¹³⁴ At the same time demand increased from 46 to 56 million barrels a day, the bulk of this increase was in the industrial countries with the US top of the list.¹³⁵ The price rise, the cut in production and the selective embargo against countries supportive of Israel, generated alarm bordering on panic in the western oil consuming countries. Auction prices for oil soared and in December OPEC raised the price to \$11.65 a barrel. The price then fell slightly in 1974 and the threat to production turned out not to be as great as it first appeared. Even at the height of the cutback in November 1973 the shortfall was not more than 5% of world consumption, which could be met by drawing on stocks and in early 1974 the cutbacks ended.¹³⁶ But during the autumn of 1973 there were no reliable figures on the impact of production and therefore enormous uncertainty among western governments including Britain.

¹³³ TNA: PRO, CAB 134/3607, 'First Report from the Task Force on Oil Supplies: Memorandum by the Secretary of State for Defence', ES 73 35, 24 July 1973.

¹³⁴ Leonardo Maugeri, *The Age of Oil* (Westport: Praeger, 2006), p. 108.

¹³⁵ BP Statistical Review of World Energy, 2012, <http://www.bp.com/sectiongenericarticle800.do?categoryId=9037130&contentId=7068669>

¹³⁶ *Ibid.*, pp. 113-4.

The oil shock was the biggest peacetime political and economic seismic event of the second half of the twentieth century. Oil was central to the prosperity of industrial economies and the enormous price increase had a severe and long lasting effect. As Yergin described it 'It had recast the alignments and geopolitics of both the Middle East and the entire world. It had transformed world oil and the relations between producers and consumers, and it had remade the international economy.'¹³⁷ Some historians have implied that the oil crisis in the autumn of 1973 took the government entirely by surprise and that Rothschild's warnings were ignored.¹³⁸ But although the exact timing and the extent of the oil shock in the autumn of 1973 was not foreseen warnings from several quarters were taken seriously by both ministers and officials. While Rothschild was not as uniquely prescient as has sometimes been supposed¹³⁹ the CPRS work on energy had a significant impact.

The attempts to counter subversion and the preparatory work to guard against problems with the oil supply were supplementary aspects of the government's attempt to strengthen its capability to deal with civil emergencies. All of them took place in secret so previous accounts have of necessity been partial. It is only with the release of the papers in the National Archives that one can appreciate the full extent of the effort which went into the Heath Government's preparations against a recurrence of a crisis such as the 1972 miners' strike. On the domestic front the creation of the CCU was by far the most significant development and by the autumn of 1973 it had overseen the build up of stocks of oil as well as coal to help the government weather an energy crisis. But there was comparatively little the government could do to influence the international oil market.

¹³⁷ Daniel Yergin, *The Prize: The Epic Quest for Oil, Money and Power* (London: Simon and Schuster, 1991), p. 632.

¹³⁸ Whitehead, *The Writing on the Wall*, p. 101; Ramsden, *Winds of Change*, p. 368.

¹³⁹ Hennessy, *Whitehall*, p. 231; Davis, *Prime Ministers and Whitehall*, pp. 130-31.

Chapter 5 A ‘red-meat’ settlement or a special case

The background to the crisis

This chapter examines the reasons for the declaration of the fifth state of emergency in November 1973. It covers Heath’s relationship with Gormley and the NUM and the source of the misunderstandings and friction between them. It examines the various factors which constituted the energy crisis in the autumn of 1973 and the government’s attempt to formulate a strategy to deal with them. It sets the decision to move to a three-day week in the context of the deteriorating economic outlook and the role played by the rigid statutory incomes policy in exacerbating several industrial disputes. It examines the various opportunities to settle the dispute with the miners; extra payments for ‘bathing and waiting’, the ‘oil card’ and the TUC offer that the miners should be treated as a special case. It has drawn extensively on the files in the National Archives to support or modify the existing accounts in a number of areas.

The state of emergency has to be seen in the context of the evolution of the government’s policies since the summer of 1972 and the general economic background in the autumn of 1973. The need to strengthen contingency planning was the first major lesson which the Heath government drew from the crisis of 1972; the second was that there had to be a better way to settle differences with the trade unions.¹ This conviction was reinforced during the late spring and summer of 1972 which had been marked by angry protests against the Industrial Relations Act and industrial disputes first on the railways and then on the docks, which had necessitated a fourth state of emergency in August 1972.

Throughout the autumn of 1972 Heath embarked on a series of long and exhaustive talks with the CBI and the TUC in an attempt to reach a voluntary agreement which would hold down wages and prices. But the tripartite talks ended in failure and left the government convinced that it had no alternative but to try and hold down

¹ Prime Ministerial Broadcast, 27 February 1972, quoted in Heath, *The Course of My Life*, p. 353.

inflation by introducing a statutory incomes policy in November 1972.² Stage 1 was a 90 day freeze on wages and prices announced on 6 November 1972.³ This was followed by Stage 2 to cover the pay round which would run from the end of March 1973 to the autumn and it limited wage rises to £1 a week plus 4% and also set up an independent Pay Board to adjudicate on wage claims.⁴

The move to a statutory incomes policy was in direct contravention of the words in the 1970 Conservative manifesto, which had declared, 'We utterly reject the philosophy of compulsory wage control.'⁵ As Prior explained it later the Cabinet were reluctant converts since they realised the difficulties it would cause with all the inevitable anomalies and inflexibilities.⁶ It was bitterly opposed by Heath's old enemy, Enoch Powell (MP for Wolverhampton South West 1950-74)⁷ who queried whether Heath had taken leave of his senses?⁸ But although it caused dissent on the free-market right of the party only Powell voted against the legislation.⁹ Despite a small number of localised strikes and token one-day stoppages Stage 2 was generally successful.¹⁰ In April 1973 even the NUM voted against industrial action against the advice of the Executive.¹¹

But by the summer of 1973 the statutory pay policy was under severe strain from rising inflation. In the summer of 1971 it had been 10%, by the summer of 1972 the government had managed to reduce it to 6% but by July 1973 it had risen again to 9.4%.¹² Inflation was due to a number of factors. The liberalisation of credit controls in 1971 led to an explosion of bank lending and a property boom which had caused

² Dorfman, *Government versus Trade Unionism*, pp. 79-86; Barnes and Reid, *Governments and Trade Unions*, pp. 163-70.

³ *A Programme for Controlling Inflation: The First Stage*, Cmnd 5125 (London: HMSO, 1972).

⁴ *A Programme for Controlling Inflation: The Second Stage*, Cmnd 5205 (London: HMSO, 1973).

⁵ Craig, ed., *British General Election Manifestos*, p. 116.

⁶ Prior, *A Balance of Power*, p. 75.

⁷ Heath sacked Powell from the Conservative front bench after an inflammatory speech on immigration, the so-called 'rivers of blood' speech, in April 1968.

⁸ H C Debs (5th series) 6 November 1972, vol 845, col 631.

⁹ Ramsden, *The Making of Conservative Party Policy*, pp. 356-57.

¹⁰ Barnes and Reid, *Governments and Trade Unions*, p. 174.

¹¹ Gormley, *Battered Cherub*, pp. 122-23.

¹² Central Statistical Office, *Retail Prices 1914-1990*, p. 8, Table 2.

house prices to soar by 70% in two years. Inflation was also fuelled by the Budget in March 1972 which cut taxes and increased public expenditure in a move designed to curb the rise in unemployment and boost growth.¹³ At the same time the 1972 Industry Act, which gave wide powers of intervention to the Secretary of State and established an Industrial Development Advisory Board, also increased expenditure through a system of generous regional grants and subsidies to industry.¹⁴

The rise in inflation was also partly due to international factors beyond the government's control. In June 1972, after the United States ended parity between the dollar and the gold standard, the British government had abandoned a fixed exchange rate for sterling against the dollar and allowed the pound to float, so that between the end of 1971 and the middle of 1973 sterling fell by 20% against the dollar. While this helped exports it made the price of imports, which were already high because of a world-wide surge in commodity prices, even more expensive. This led to a balance of payments deficit and yet more downward pressure on the pound.¹⁵

One of the main figures in the tripartite talks between the government, the TUC and the CBI was Sir William Armstrong (Head of the Home Civil Service 1968-74) who had also been influential in the secret preparations for the 1972 Industry Act.¹⁶ Both officials and ministers have testified to his considerable influence over Heath.¹⁷

Robin Butler believed that it was in part because Heath was distrustful of the Treasury.

Heath had been at the DTI and seen the effect of the Treasury's 'stop-go' policies on industry...He was a shy man and felt comfortable with a small

¹³ Cairncross, 'The Heath Government and the British Economy', pp. 112-28.

¹⁴ Taylor, 'The Heath government, industrial policy and the 'new capitalism'', pp. 152-54.

¹⁵ Cairncross, 'The Heath Government and the British Economy', pp. 131-33; Richard Coopey and Nicholas Woodward, 'The British economy in the 1970s: an overview', in *Britain in the 1970s: The Troubled Economy*, ed. Richard Coopey and Nicholas Woodward (London: UCL Press, 1996), pp. 4-6; Tom Clark and Andrew Dilnot, 'British fiscal policy since 1939', in *Cambridge Economic History of Modern Britain: Structural Change and Growth, 1939-2000*, ed. Roderick Floud and Paul Johnson (Cambridge: Cambridge University Press, 2004), p. 389.

¹⁶ Whitehead, *The Writing on the Wall*, pp. 82-83.

¹⁷ Theakston, 'The Heath government, Whitehall and the civil service', p. 88; Kevin Theakston, *Leadership in Whitehall* (London: Macmillan, 1999), pp. 192-4. Interview with Lord Croham, 20 September 2007.

number of people which included Peter Carrington, Jim Prior, Willie Whitelaw. Armstrong came from a poor background, he had grown up in the depression of the 1930s and shared Ted's feeling of compassion really for working people and hatred of unemployment – the belief that you had to do everything to try and re-engage the feeling of social cohesion during the war.¹⁸

Sir Frank Cooper (Deputy Secretary Civil Service Department 1970-73) believed that Armstrong had become bored with civil service management issues and hankered after a major role in central issues of economic policy.¹⁹ He was the most prominent of the able triumvirate of civil servants at the centre of government (the others were Robert Armstrong and John Hunt) on whom Heath relied. Armstrong's commitment to the statutory incomes policy, which he had helped draft, was intense. When he had appeared in public beside Heath and Barber at its launch at a press conference at Lancaster House on 6 November 1972 Bill Kendall (General Secretary of the Civil and Public Services Association) had dubbed him 'the real Deputy Prime Minister'.²⁰

There has been a debate over the extent to which the move towards intervention in industry and a statutory incomes policy constituted a break with the government's previous policies as set out in the manifesto. Ramsden argued that both amounted to one of the biggest changes of direction that the Conservative Party had carried out in office since the early 1960s.²¹ While Taylor argued that while the industrial policy was not a complete U turn it was not totally consistent either.²² Both were later to become the focus of bitter criticism from the Conservative right.²³ The debate over the U-turns is not directly relevant to the subject of this thesis since as far as the effect on the government's stance towards the miners went, the similarities between N-1 and the statutory incomes policy proved more marked than the differences.

¹⁸ Interview with Lord Butler of Brockwell, 9 November 2007.

¹⁹ 'Witness Seminar: The Heath Government', p. 212.

²⁰ Fay and Young, *The Fall of Heath*, p. 10.

²¹ Ramsden, *The Making of Conservative Party Policy*, pp. 298-9.

²² Taylor, 'The Heath government, industrial policy and the 'new capitalism'', p. 141.

²³ Norman Tebbit, *Upwardly Mobile*, revised ed. (London: Futura, 1989), p. 134.

The garden meeting

At first sight it seems extraordinary that less than two years after the bruising defeat by the miners in February 1972 the Heath Government ended up embroiled in a second dispute with the NUM. It is all the more so since it was a dispute which both Heath and Gormley wanted to avoid. After the NUM annual conference in early July 1973 called for a large wage increase of around 35% Heath held a secret meeting on 16 July with Gormley in the garden of No 10. Gormley was anxious both to avoid another strike and also to limit the influence of the more left wing and militant Daly and McGahey.²⁴ No officials were present at the meeting apart from Sir William Armstrong.

All previous accounts of the garden meeting, which has been universally cited by historians as the source of a fatal misunderstanding between Heath and the NUM, have been based on Gormley's version of events, first as told to Fay and Young and then recounted in his own memoirs.²⁵ Gormley recalled that he told Heath and Armstrong that wages would not be the sole component of the NUM's claim, there would also be a demand for an increased payment for working unsocial hours. He believed that Heath and Armstrong had taken the hint and left the garden in an optimistic mood, convinced he had shown the government the way to pay the miners more and yet retain their incomes policy. 'I was sure they would use that loophole to avoid a second confrontation.'²⁶

But the official note of the meeting, 'marked personal and secret', presents a rather different picture. This minute, based on Sir William Armstrong's account recorded what was described as a, 'wide-ranging general discussion', in which Gormley was remarkably frank about the problem of militants, communists and fellow travellers within his union. He told Heath and Armstrong that while he himself understood the wider picture of rising world commodity prices, the miners at the pit-heads saw only

²⁴ Taylor, *The NUM and British Politics*, pp. 84-5.

²⁵ Fay and Young, *The Fall of Heath*, p. 7; Gormley, *Battered Cherub*, pp. 124-5.

²⁶ Gormley, *Battered Cherub*, p. 125.

an increase in the cost of living. He canvassed the possibility of some kind of productivity deal and suggested extra payments for shift workers.²⁷

While the official record does not directly contradict Gormley's account, it does not corroborate it, nor even overlap with it to any extent. There was no mention of unsocial hours, only the possibility of a productivity element in Stage 3, which Gormley acknowledged would require detailed work and he promised to keep in touch with Armstrong, 'on the way his thoughts were developing so that they could be taken into account in the consideration of possible criteria for Stage 3'.²⁸ Gormley stated in his memoirs that he did not tell his Executive about the meeting.²⁹ Prior also confirmed that the meeting was also kept from the Cabinet³⁰ although the note of it was sent to Robert Armstrong and Conrad Heron (Permanent Secretary Department of Employment 1973-75), 'on a personal basis'.³¹

Heath presented the details of Stage 3 of the pay policy at a press conference on 8 October 1973, which even Hurd acknowledged was almost incomprehensible to the journalists there let alone the television audience at home.³² Stage 3 limited wage increases to £2.25 a head or 7%, whichever was greater, it also contained complicated provisions for extra 'threshold payments' of forty pence a week which would be triggered once the Retail Price Index (RPI) rose 7% above its level at the start of Stage 3, and another forty pence a week for every point after that.³³ Stage 3 included allowances for increased productivity and for working unsocial hours, which would be applied to all workers. There was also a provision for difficult cases which could be judged in accordance with a report on relativities by the Pay Board, which was expected to report at the end of 1973.³⁴ Significantly, there was also a

²⁷ TNA: PRO, PREM 15/1680 'National Coal Board pay negotiations: National Union of Mineworkers' pay claim; post mortem review; part 4', 'Note for the Record', 17 July 1973.

²⁸ Ibid.

²⁹ Gormley, *Battered Cherub*, p. 78.

³⁰ Young, *Hugo Young Papers*, p. 64.

³¹ TNA: PRO, PREM 15/1680, Stuart to Armstrong, 17 July 1972.

³² Hurd, *End to Promises*, p. 114.

³³ *The Price and Pay Code for Stage Three*, Cmnd 5444 (London: HMSO, 1973); *Counter-Inflation Policy: Stage Three*, Cmnd 5466 (London: HMSO, 1973).

³⁴ Barnes and Reid, *Governments and Trade Unions*, pp. 176-78.

clause, which Ronald McIntosh said he drafted, which allowed ministers to break the Pay Code when they thought it was in the national interest to do so.³⁵

Stage 3 was not only extremely complicated and rigid: it had been devised over the summer of 1973 before the outbreak of the Yom Kippur war and subsequent rise in the price of oil caused inflationary price increases. The threshold agreements were to prove a fundamental flaw and one of the main causes of spiralling inflation in 1974-5. Gormley claimed he had envisaged his proposal on unsocial hours as a special deal for the miners alone and stressed his irritation that the provisions in Stage 3 applied to all workers. 'I wasn't best pleased. I had gone there to try to solve our problem, not to give them help in running the country as a whole.'³⁶ However, the official note of the meeting *does* show that there was indeed a general discussion of economic problems and not just of miners pay.³⁷

On 10 October the Coal Board offered the miners a pay deal which went almost to the limit of what was available under Stage 3. It included a 7% increase in basic pay, 4% for unsocial hours plus another 1% holiday pay, with another possible 3.5% for a productivity agreement. Nonetheless the NUM turned the deal down.³⁸ Conservative ministers later blamed the NCB for offering too much too soon. Carr complained that they left no room for negotiation.³⁹ Heath noted later that he was dismayed that such a generous offer should have been made so early and personally blamed Derek Ezra (Chairman of the NCB 1971-82).⁴⁰ But Tom Boardman (Minister for Industry 1972-74) pointed out that one of the major problems with a statutory code was that it would have been offensive and counterproductive to the miners to offer them less than the maximum allowed.⁴¹ Roger Dawe (Private Secretary to the Employment Secretary 1972-4) recalled that while the Department of Employment was 'amazed and annoyed that the NCB offered the full amount straight away but after 1972 it was

³⁵ 'Trade Unions and the Fall of the Heath Government', p. 42.

³⁶ Gormley, *Battered Cherub*, p. 127.

³⁷ TNA: PRO, PREM 15/1680, 'Note for the Record', 17 July 1973.

³⁸ Gormley, *Battered Cherub*, pp. 127-28; Ashworth, *History of the British Coal Industry*, p. 332.

³⁹ Whitehead, *The Writing on the Wall*, p. 102.

⁴⁰ Heath, *The Course of My Life*, p. 503.

⁴¹ Whitehead, *The Writing on the Wall*, p. 102.

fairly gloomy as to whether the miners would settle for anything less than the full amount they were seeking'.⁴²

Heath had lost confidence in both the NCB and the Department of Employment after the 1972 miners strike. Boardman recalled that Heath removed responsibility for the negotiations away from the Department of the Employment and handed it to the DTI, which caused a certain amount of friction with Maurice Macmillan (Employment Secretary 1972-73) in government.⁴³ Dawe thought that a question mark hung over the department, partly because of the 1972 strike, partly because of Macmillan, whom he described as 'an able man and a nice man', but one who appeared to lack sufficient weight with his colleagues and did not have the confidence of No 10.⁴⁴ According to Sir Douglas Allen, 'there was a tendency in Whitehall to think Derek Ezra a bit of a wet'.⁴⁵ Ezra himself admitted that the negotiations in 1973 were directly between the government and the miners; the NCB was sidelined and only knew what was going on through their contacts with the NUM.⁴⁶

This meeting in the garden of No 10 has been blamed by historians as the source of a critical misunderstanding between the government and the miners which played a major part in the 1974 strike.⁴⁷ Former ministers also thought the same. Boardman thought that it 'was a disaster. They did not let anyone know what had been said.'⁴⁸ Prior wrote later that ministers were given the impression that a deal had been done on unsocial hours but in retrospect he questioned whether Gormley was, 'too wily an old fox' to have given the firm pledge in which Heath and Armstrong put so much faith.⁴⁹

⁴² Interview with Roger Dawe, 23 September 2009.

⁴³ 'Trade Unions and the Fall of the Heath Government', p. 41.

⁴⁴ Interview with Roger Dawe, 23 September 2009.

⁴⁵ Interview with Lord Croham, 20 September 2009.

⁴⁶ 'Trade Unions and the Fall of the Heath Government', p. 42.

⁴⁷ Fay and Young, *The Fall of Heath*, pp. 7, 12; Whitehead, *The Writing on the Wall*, pp. 99-101; Ashworth, *History of the British Coal Industry*, p. 333; Taylor, *Trade Union Question*, p. 208. Campbell, *Edward Heath*, pp. 562-63; Taylor, *The NUM and British Politics*, p. 86.

⁴⁸ 'Trade Unions and the Fall of the Heath Government', p. 41.

⁴⁹ Prior, *A Balance of Power*, pp. 87-8.

Robin Butler believed that Heath had an exaggerated notion of both Gormley's ability to deliver and placed too much faith in the existence of a mutual interest between employers, trade unions and government. Heath, 'really thought he had done a deal with Gormley which Gormley would deliver.' But in Butler's view, 'It was not that Gormley was a dishonest man but he was a weak man and Ted Heath exaggerated his ability to deliver.'⁵⁰ Dawe was more sceptical, his perception was that Gormley was an allegedly moderate wheeler-dealer, who appeared in different guises to different people. He judged that in meetings the militants Daly and McGahey were calling the tune and that Gormley did not possess the power of the other two. Gormley was working his way round Whitehall allegedly looking for a deal, but, 'I sometimes wondered...You never had any doubts where McGahey and Daly stood but you could never be sure with Gormley.'⁵¹

The incident of the meeting in the garden is a stark illustration of the dangers of unminuted meetings and the pitfalls into which ministers and officials at the apex of government can fall when trying to manage complex issues through informal contacts. Heath, Armstrong and Gormley all believed they had heard what they wanted to hear and their different recollections resulted in a serious misunderstanding, whereby both Heath and Gormley felt betrayed by the other. Gormley had wanted the miners to be a special case within Stage 3 while Heath felt that Stage 3 had been drawn up to meet their concerns in mind, that no further exception could be made and they were unreasonable in demanding more. The end result was intransigence on both sides.

The energy crisis and the reasons for the state of emergency

Prior wrote later that, 'Our reaction to the miners' overtime ban which began in November was dictated by the traumatic experience of the 1972 miners' strike. We were determined not to get caught out again, but now we went to the other extreme.'⁵² Historians have not analysed in detail the reasons behind the declaration of the fifth state of emergency announced on 13 November 1973 but the inference drawn has been that the government over-reacted and both the state of emergency

⁵⁰ Interview with Lord Butler of Brockwell, 9 November 2007.

⁵¹ Interview with Roger Dawe, 23 September 2009.

⁵² Prior, *A Balance of Power*, p. 88.

and the three-day week were to some extent unnecessary. Whitehead judged the emergency 'precipitate' while Campbell argued that compared with 1972 the coal stocks were high, but partly because of the simultaneous threat to oil supplies and partly to signal their determination not to get caught out again ministers decided on a state of emergency.⁵³

But during October and November the government was faced with an increasingly serious energy crisis from three sources; the uncertainty over oil supplies in the wake of the Yom Kippur war, the prospect of an overtime ban by the miners, which became a reality on 12 November, and the threat of industrial action from the moderate Electrical Power Engineers' Association (EPEA) which represented vital technical staff in the power stations. With the exception of Ledger and Sallis, who correctly emphasised its significance,⁵⁴ other historians have made only glancing references to the dispute with the EPEA.⁵⁵ This was not least because the government was anxious to play down the threat in public but the papers in the National Archives show the extent to which it was a source of acute anxiety to ministers and an equally important factor, along with the oil shortage and the miners' overtime ban, which was announced on 8 November to take effect on 12 November, in the decision to declare a state of emergency.

After the Yom Kippur war and the OPEC oil price rise there was great uncertainty on the international front and the government's estimates of the effect on the UK changed daily; one estimate suggested that in November there would be a 20% shortfall in normal oil supply.⁵⁶ The government found it extremely difficult to obtain accurate information and the Oil Industry Emergency Committee which consisted of DTI officials and representatives of the oil companies was activated so that ministers could have daily updates on the oil supply position.⁵⁷ The Task Force on Oil was also instructed to maximise efforts to maintain Britain's oil supplies,

⁵³ Whitehead, *The Writing on the Wall*, p. 103; Campbell, *Edward Heath*, p. 565.

⁵⁴ Ledger and Sallis, *Crisis Management in the Power Industry*, p. 59.

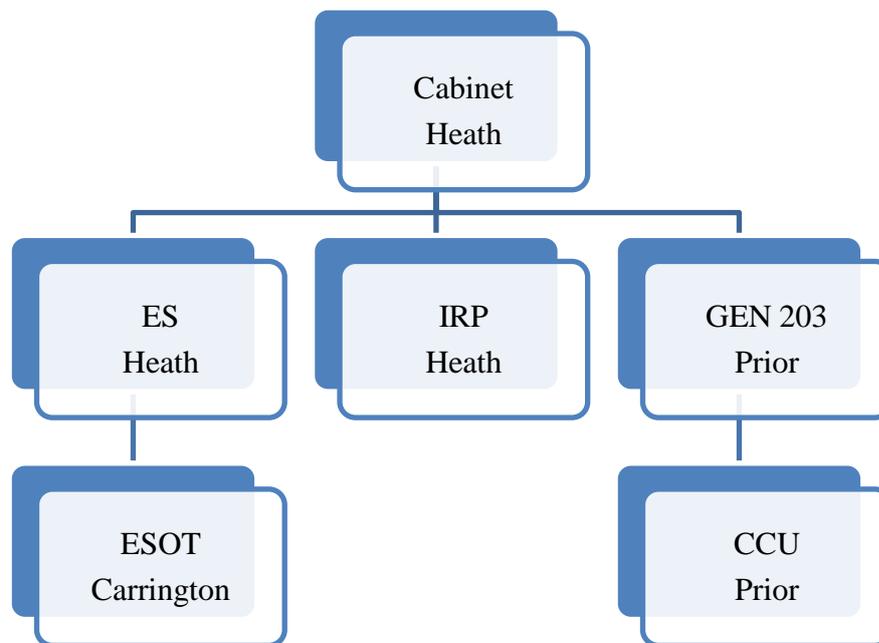
⁵⁵ Jeffery and Hennessy, *States of Emergency*, p. 239; Taylor, *Trade Union Question*, p. 209.

⁵⁶ TNA: PRO, CAB 134/3588 'Civil Contingencies Unit: Meetings', CCU 73, 39th Meeting, 18 October 1973.

⁵⁷ TNA: PRO, POWE 64/3 'History of the 1973-1974 Oil Emergency: Report by the Oil Industry Emergency Committee'.

which included pressure on British owned oil companies to give priority to supplies to the UK.⁵⁸

Figure 3. Structure of Cabinet Committees which dealt with the 1973-4 crisis.



CCU	Civil Contingencies Committee worked directly both to the Cabinet and ES
ES	Economic Strategy Committee
ESOT	Task Force on Oil (abolished at the end of 1973)
GEN 203	Ministerial Committee to supervise the CCU – came into existence only during the general election campaign and met only once.
IRP	Industrial Relations Policy Committee (GEN 94) to which the CCU originally reported, fell into disuse and was abolished at the end of 1973 during Hunt’s cull of committees.

⁵⁸ TNA: PRO, CAB 134/3606, ES 73, 7th Meeting, 2 November 1973.

During the autumn the main strategic committee which dealt with the energy crisis was the Cabinet's Economic Strategy Committee (ES) which was chaired by Heath and its members included all the most senior ministers. Mindful of the lessons from the disjointed machinery in 1972 Heath instructed that there should be close co-ordination between the Task Force on Oil Supplies and the CCU.⁵⁹ The CCU focussed on practical preparations and its briefings provided a solid foundation for wider strategic discussion at both ES and Cabinet.⁶⁰ Since the spring of 1972 the CCU had overseen a programme of building up the coal stocks so that by October 1973 the power stations held twenty million tons of coal equivalent to twelve weeks of normal winter usage, the highest ever. Stocks of the ancillary supplies such as lighting-up fuel, which had been the weak link in keeping the power stations going in 1972, had also been built up to six weeks of endurance.⁶¹ The CCU had also made early plans for petrol rationing so that by mid-October a large number of petrol coupons were already stored at a Ministry of Defence depot ready for distribution to post offices. During October and November it pressed ahead with preparations for petrol rationing and for legislation to implement price controls on petrol.⁶²

But the government's efforts to conserve stocks of oil were circumscribed by the growing threat of industrial action from the miners. In 1973 coal provided approximately 63% of fuel for electricity generation, oil approximately 26% and nuclear energy 10%.⁶³ The energy dilemma which faced the CCU was that the country could save a large amount of oil, between five and six million tons, but only at the expense of burning an extra fourteen million tons of coal, which would leave the country dangerously exposed to the miners or severe winter weather.⁶⁴

⁵⁹ TNA: PRO, CAB 128/53 'Cabinet Meetings', CM 73, 47th Conclusions, Minute 2, 16 October 1973.

⁶⁰ The Industrial Relations Policy Committee, to which the CCU had originally reported, did not meet after July 1973 and was abolished in December 1973 in the cull of committees carried out by John Hunt after he became Cabinet Secretary.

⁶¹ TNA: PRO, CAB 134/3588, CCU 73, 38th Meeting, 18 October 1973.

⁶² Ibid., 39th Meeting, 19 October 1973; 42nd Meeting, 29 October 1973; TNA: PRO, CAB 134/3589 'Civil Contingencies Unit: Meetings', CCU 73, 46th Meeting, 13 November 1973.

⁶³ www.berr.gov.uk/files/file40593.xls, accessed 12.3.2011.

⁶⁴ TNA: PRO, CAB 134/3588, CCU 73, 39th Meeting, 18 October 1973.

The growing energy crisis was compounded by industrial action from the moderate EPEA which banned overtime from 1 November. This was because the government refused to implement an agreement, which the EPEA had reached with the employers in December 1972 under Stage 2 of the incomes policy, because it contravened the more restrictive Stage 3. Action by the EPEA was serious because at that time any disconnections caused by a generating capacity shortage, which would ensue from an absence of engineers in the power stations outside normal hours, had to be done by engineers at substations out in the field, to avoid switching off hospitals and other vital electricity users. Action by the EPEA also reduced the output of nuclear power stations and affected the efficient operation of coal fired power stations so that more coal was burned.⁶⁵

Most worrying of all for the Cabinet was that industrial action by the EPEA would preclude the operation of any system of orderly and selective rota cuts in a power shortage. Instead there would have to be a much more unpredictable and indiscriminate system of cuts which would not allow preferential treatment to be given to emergency services.⁶⁶ The DTI had produced a chilling assessment of the effects of a strike by both manual and engineering staff which would mean ‘the National Grid would be broken up, many essential consumers would be disconnected and most of the country would be blacked out’.⁶⁷ It was abundantly clear from the papers in the National Archives that nobody at the CEGB or in Whitehall knew just what the effects of industrial action by the power station engineers would be and this contributed to the general mood of apprehension.⁶⁸

As in 1972 ministers continued until the last minute to hope that the threatened overtime ban by the miners would not materialise.⁶⁹ But this hope was dashed by the decision of the NUM to operate an overtime ban from 12 November, which ratcheted up the energy crisis, and ministers at ES decided there should be a general appeal for

⁶⁵ Ledger and Sallis, *Crisis Management in the Power Industry*, pp. 61-2.

⁶⁶ TNA: PRO, CAB 128/53, CM 73, 55th Conclusions, Minute 2, 13 November 1973.

⁶⁷ TNA: PRO, CAB 134/3590 ‘Civil Contingencies Unit: Papers’, ‘Contingency Planning in the Electricity Industry: Memorandum by the DTI’, CCU 73 57, 4 October 1973.

⁶⁸ TNA: PRO, PREM 15/2124, Dawe to Butler, ‘Note on EPEA Action’, 30 October 1973.

⁶⁹ TNA: PRO, CAB 128/53, CM 73, 53rd Conclusions, Minute 5, 8 November 1973.

a 10% reduction in fuel consumption.⁷⁰ An overtime ban was likely to have a rapid effect on coal production and the most pessimistic estimate was that it could reduce the coal supply by 40%. If that proved accurate then the coal stocks would only last until the end of February before the safety level of six million tons, which the CEEB was obliged to hold as a reserve level so that it could ensure a balanced distribution of stocks between power stations, was reached. If extra coal was burnt to achieve a 25% cut in oil consumption then the safety level of coal stocks would be reached by the end of January. Moreover, although coal stocks had been built up at the power stations, industrial firms were in a much more vulnerable position.⁷¹

Ministers at ES discussed tactics at length but were unable to formulate any coherent overall strategy. In public ministers claimed that the pay offer to the miners was a good one but privately among themselves ministers acknowledged that the NUM had a case; that while the unsocial hours payment under Stage 3 would benefit underground workers it would do very little for surface workers. They admitted that under Stage 2 of the pay policy the miners had lost most of the ground which they had gained in the Wilberforce settlement. Although they were still determined to defend Stage 3 at all costs ministers lacked any strategy to persuade the miners to settle; there was no scope for legal action under either the Industrial Relations Act or the Counter Inflation Act, and they rather feebly, but unrealistically, hoped that adverse public opinion might have an effect on the NUM.⁷²

But pressure on the government increased when the opposition tabled an emergency debate in the House of Commons for Tuesday 13 November. In preparation for this Heath convened a Cabinet Committee composed of ministers and senior officials which met the evening before to discuss the miners' industrial action.⁷³ This meeting acknowledged that the presentation of the government's case was not good, that the figures in the pay offer were very complex and that the NCB had failed to get them

⁷⁰ TNA: PRO, CAB 134/3606, ES 73, 9th Meeting, 9 November 1973.

⁷¹ TNA: PRO, CAB134/3591 'Civil Contingencies Unit: Papers', 'Possible Effects of Industrial Action by the Miners and Electrical Power Engineers', CCU 73 85, 8 November 1973.

⁷² TNA: PRO, CAB 134/3606, ES 73, 9th Meeting, 9 November 1973.

⁷³ The ministers included Prior, Walker and Macmillan, and amongst the officials were Sir William Armstrong, Hunt and Heron.

across to the public while Gormley had had a clear field on radio and television. Ministers also admitted that the EPEA, unlike the miners, had a genuine grievance and it would be a good idea to settle with them.⁷⁴ From the official record it is clear that the discussion at this meeting lacked a general sense of direction and was essentially tactical rather than strategic. Since the government's overriding goal was to adhere completely to Stage 3 there was little room for compromise.

By the time the Cabinet met the next day they felt under growing pressure from public opinion to take action. For the first time *The Times* focussed on the issue of the miners' pay, until then its attention had been on the Middle East war and the problem posed by the EPEA.⁷⁵ The *Daily Mail* also pumped up the crisis.⁷⁶ Ministers concluded that the triple threat from the miners, the EPEA and the disruption of oil supplies now justified a proclamation of a state of emergency to conserve fuel stocks and to protect industry.⁷⁷ That afternoon Carr announced that the industrial action by the miners and the power engineers, coupled with the uncertainty over oil supplies from the Middle East constituted a threat to the essentials of life of the community. A state of emergency would take effect from midnight; the initial restrictions were relatively mild; electricity for display advertising would be limited and government buildings were ordered to cut their fuel consumption by 10%.⁷⁸

At the time the declaration of a state of emergency came as a surprise to the press, the public and the Commons and seemed an over-reaction.⁷⁹ *The Times* commented that, 'The government's change from a stance of 'wait and see' to urgent action took the House of Commons by surprise yesterday...Behind the scenes, in fact senior ministers emphasised the precautionary nature of the decision rather than a crisis.'⁸⁰ It was greeted with hostility by the Labour Party and Shirley Williams (Labour MP

⁷⁴ TNA: PRO, CAB 130/708 'Miners' Dispute: Meeting 1', GEN 192, 12 November 1973. In another echo of 1972 there was only one meeting of this committee.

⁷⁵ John Groser, 'Downing street power crisis talks after MPs force emergency debate': 'Threat to 'break' Government', *The Times*, 13 November 1973.

⁷⁶ Anthony Shrimley, 'Heath's moment of truth', *Daily Mail*, 13 November 1973.

⁷⁷ TNA: PRO, CAB 128/53, CM 73, 55th Conclusions, Minute 2, 13 November 1973.

⁷⁸ H C Debs (5th series) 13 November 1973, vol 864, col 257-260.

⁷⁹ Our Labour Staff, 'Pit leaders disdain over-reaction', *The Times*, 14 November 1973; 'Blown off course again', Guardian editorial, 14 November 1973.

⁸⁰ David Wood, 'Urgent action to meet energy crisis: triple threat to the nation', *The Times*, 14 November 1972;

for Hitchin, Spokesperson on Home Affairs) queried its necessity and suggested that the government was attempting to blame the miners for the oil crisis.⁸¹

But the decision to declare a state of emergency was not taken lightly; at the time the energy position was genuinely precarious with a triple threat to electricity from uncertainty over oil supplies, the prospect of a rapid decline in coal production and the threat which the EPEA action posed to the safe and orderly management of the electricity supply. But while the threat to oil supplies was an external factor over which the government had only limited influence the industrial action by the NUM and EPEA was the direct result of its statutory incomes policy.

Deeper into the mire

Hurd later observed that, 'During November 1973 the earth began to move under the Government's feet... We had most of us dreaded, beyond anything else, a further engagement with the miners. Yet here we were being manoeuvred once again towards the same fatal field, still littered with relics of the last defeat.'⁸² This ascribed a measure of helplessness and passivity to the government's predicament but the decision to adhere religiously to Stage 3 and allow no exceptions was a fully conscious one. At the beginning of November Heath discussed economic prospects and the implications of Stage 3 with a group of senior officials. The main worry was that inflation was rising as a result of increases in both the costs of raw materials and wages, and there was a danger that the thresholds were triggered once but not twice. They agreed that wage settlements were the critical factor and the most crucial were the miners and the railwaymen so it was essential to 'achieve an industrial "red meat" settlement' and to get across the message that the government was operating under a statutory regime which gave no room for concessions.⁸³

During November and December there was still considerable uncertainty over the oil supply and the government tried all possible means to secure the UK's supplies, including pressure on the major oil companies of Shell and BP which between them

⁸¹ H C Debs (5th series) 13 November 1973, vol 864, col 258.

⁸² Hurd, *End to Promises*, pp. 114-5.

⁸³ TNA: PRO, PREM 15/1452 'Prices and incomes policy: Prime Minister's meeting with Sir Arthur Cockfield, Chairman of Price Commission; part 30', Robin Butler, 'Note for the Record: 1 November 1973'.

accounted for half the UK supplies. While the government had little leverage over Shell, it held the majority shareholding in BP and ministers argued that it should therefore give the UK preferential treatment, but BP resisted this as it would undermine its position as a multi-national corporation, and provoke a similar action in other countries, particularly the US.⁸⁴ Heath was furious at what he later described in his memoirs as ‘the obstinate and unyielding reluctance of these magnates to take any action whatever to help our own country in its time of danger’.⁸⁵

As the shortage of oil supplies began to be felt there were long queues at petrol stations, largely as the result of panic buying and Walker appealed for a reduction in weekend motoring to a minimum and none on Sundays.⁸⁶ The DTI, following instructions from the CCU, set up Regional Petroleum HQs ready to administer a system of petrol rationing and fuel rationing books were printed and distributed to post offices. The Cabinet returned to the issue of whether to introduce petrol rationing on several occasions in November and December but always baulked at it, relying instead on public appeals and price controls.⁸⁷ Walker claimed later that he was adamantly opposed to rationing since it would have been monstrously unfair and the administration of it was a potential disaster area.⁸⁸ But rumours of petrol rationing, reported in the press, exacerbated the public sense of crisis and anxiety over petrol shortages was so acute that some people resorted to stealing it.⁸⁹

At the beginning of December the oil companies were still unable to predict supply levels with any confidence; their best estimate was that in December there would be a shortfall in crude oil of 16% and in January of just over 20%. The CEGB had intended to cut its oil burn by 30% but if it went ahead with this, in conjunction with the miners’ overtime ban, this would entail electricity disconnections between the

⁸⁴ TNA: PRO, CAB 134/3606, ES 73, 11th Meeting, 15 November 1973.

⁸⁵ Heath, *The Course of My Life*, p. 503.

⁸⁶ H C Debs (5th series) 26 November 1973, vol. 864 cols. 949-51.

⁸⁷ TNA: PRO, CAB 128/53, CM 73, 55th Conclusions, 8 November 1973; 57th Conclusions, 22 November 1973; 59th Conclusions, 4 December 1973; 61st Conclusions, 13 December 1973.

⁸⁸ Walker, *Staying Power*, p. 115.

⁸⁹ Paul Johnson, ‘Panic at the pumps’, *Daily Mail*, 19 November 1973; ‘Petrol Pincher Jailed’, *Daily Mirror*, 23 November 1973; Our motoring correspondent, ‘Long queues, short tempers for topping up’, *The Times*, 6 December 1973.

end of January and mid-February, depending on the extent to which the overtime ban reduced the level of coal production. The Cabinet decided to limit the CEEGB's oil cut to 13% but this would only delay the need for disconnections by a week.⁹⁰ More restrictions on fuel consumption were necessary and Walker announced measures to limit the temperature in commercial premises, curtail street lighting and impose a maximum speed of 50 mph on roads.⁹¹

On 23 October Heath, accompanied by Macmillan, Boardman and Heron, had met a deputation from the NUM, led by Gormley, Daly and McGahey. The NUM asked for changes to the proposals for Stage 3, particularly on unsocial hours and holiday pay. But Heath was adamant that the proposals had been constructed so that the miners would benefit.⁹² At this stage the NUM Executive was not prepared to put the NCB's pay offer to a ballot of its members but nor was it yet prepared to recommend strike action. It opted instead to seek authority for an overtime ban in support of its pay claim from a special delegate conference on 26 October.⁹³ This was a repeat of its strategy in 1972 and both ministers and officials were by this stage thoroughly disillusioned with the leadership of the NUM. Macmillan blamed Gormley for failing to hold an early ballot which would have been unlikely to vote for industrial action and ministers were now convinced that Daly was seeking another confrontation.⁹⁴

The miners' overtime ban began on 12 November and the state of emergency followed a day later. Coal production began to fall rapidly and on 28 November Heath called the entire thirty six members of the NUM Executive to a meeting in No 10 in an attempt to persuade them to settle within Stage 3. Hurd's criticisms of the civil servants who prepared Heath for this meeting were stringent. 'It should have provided a chance for that clear-headed analysis of the options before the Government, which was by then badly needed. Instead there was silence on the big issues and a confused, bitty discussion of trivial tactical points. I felt critical of the

⁹⁰ TNA: PRO, CAB 128/53, CM 73, 59th Conclusions, Minute 5, 4 December 1973.

⁹¹ H C Debs (5th series) 5 December 1973, vol 865, col 1262-1264.

⁹² TNA: PRO, PREM 15/1655 'Meetings between Prime Minister and representatives of National Union of Mineworkers (NUM), 23 October and 28 November 1973', 'National Union of Mineworkers and Stage 3', 24 October 1973.

⁹³ 'Minutes of Special Meeting of the NEC on Thursday 25 October 1973', NUM Archives.

⁹⁴ TNA: PRO, CAB 128/53, CM 73, 52nd Conclusions, Minute 6, 1 November 1973.

senior civil servants present, whose duty it should have been to force the discussion into some coherent channel.⁹⁵

It is certainly true that the official briefing for this meeting was voluminous and much of it was concerned with the detailed intricacies of the NCB offer.⁹⁶ But the main flaw was the absence of any effective *political* strategy; ministers simply hoped that the NUM would ballot its membership on the NCB offer and a motion for a strike would be defeated. The evening before Heath's meeting with the NUM Prior, Macmillan, Boardman, Terence Higgins (Financial Secretary to the Treasury) and Heron met to discuss how to achieve a settlement to the various disputes. But the minutes showed the ministers were divided on whether to offer the NUM an inquiry into the future of the industry and unsure of how to persuade the moderates within the NUM to call off the overtime ban.⁹⁷ Ministers simply pinned their hopes on 'private intelligence' that moderates within the NUM would press for a ballot on the NCB's offer.⁹⁸

But there were warnings from other sources that this was still uncertain. After a private dinner with Gormley, Donald Harker (Director of Publicity at Conservative Central Office) told Hurd that while Gormley wanted to see the dispute settled quickly without a head-on collision with the government, he would call the ballot only when he was confident the miners would vote against strike action, and that would not happen without some drastic improvement to the NCB offer.⁹⁹ That the government's strategy was a high risk one was clear. Sir William Armstrong, after a private conversation with Len Murray (General Secretary TUC 1973-84), reported Murray's conviction that if the miners settled within Stage 3 so would other unions. But there was also a real danger that public sector unions could coalesce round the

⁹⁵ Hurd, *End to Promises*, pp. 117-8.

⁹⁶ TNA: PRO, PREM 15/1655, 'Briefings for the Prime Minister's Meeting with the NUM'.

⁹⁷ TNA: PRO, PREM 15/1680, 'Handling of the Miners' and the Power Engineers' Disputes: Note of a Meeting held in the Lord President's Room, 27 November 1973'.

⁹⁸ TNA: PRO, PREM 15/1655, 'Prime Minister's Meeting with NUM: 28 November Supplementary Brief: Further Information', 27 November 1973.

⁹⁹ *Ibid.*, Harker to Hurd, 23 November 1973.

miners in a determined effort to overthrow Stage 3, and the possibility of an early election would be in the forefront of many union leaders' minds.¹⁰⁰

By the time of the meeting on 28 November the NCB had been completely sidelined and was not even represented at the meeting. Heath was flanked on either side by Barber and Sir William Armstrong, the other ministers present were Macmillan and Boardman. Gormley sat facing Heath, with Daly on his left and McGahey on his right, accompanied by the whole of the NUM Executive, including Scargill.¹⁰¹ Previous accounts of this meeting have focussed on the acrimonious clash between Heath and McGahey, Andrew Taylor has made use of the NUM records but none have made use of the official record of the meeting.¹⁰² The recollections of those present differ as to what exactly what was said. Barber remembered that Heath asked McGahey what he wanted and that McGahey replied, 'something to the effect, "I want to see the end of your Government!"'.¹⁰³ According to Boardman, Heath welcomed the NUM and told them he hoped they could exchange views, to which McGahey retorted, 'I'm not interested in your point of view. I'm only interested in getting you out of that chair.'¹⁰⁴ Robin Butler was also present at the meeting and cannot recall the exact words but he does remember that McGahey said something along the lines of, 'we mean to bring the government down'.¹⁰⁵

The official note of the meeting only recorded rather blandly that McGahey told Heath that, 'The miners were not trying to defeat the Government but he made no secret of his views that the quicker there was an election and a change of Government the better.'¹⁰⁶ But those who were present at the meeting remember it as

¹⁰⁰ Ibid., Sir William Armstrong to Robert Armstrong, 27 November 1973.

¹⁰¹ Ibid., 'Seating Plan for the Meeting of 28 November 1973'.

¹⁰² Fay and Young, *The Fall of Heath*, pp. 16-17; Whitehead, *The Writing on the Wall*, p. 104; Taylor, *Trade Union Question*, p. 209; Taylor, *The NUM and British Politics*, pp. 89-90.

¹⁰³ Whitehead, *The Writing on the Wall*, p. 104.

¹⁰⁴ 'Trade Unions and the Fall of the Heath Government', p. 42.

¹⁰⁵ Interview with Lord Butler of Brockwell, 9 November 2007.

¹⁰⁶ TNA: PRO, CAB 130/651 'Prices and Pay: The Next Phase: Papers 155-176', GEN 142 73 175, 'Meeting with the National Union of Mineworkers National Executive Committee: 28 November 1973'.

much more acrimonious and it was reported as a clash in *The Times* the next day.¹⁰⁷ McGahey later denied he had implied the use of force and Gormley also claimed that McGahey only meant the use of the ballot box.¹⁰⁸ But all the miners' leaders had recently made a series of public statements which gave ministers good grounds for believing the NUM were seeking a confrontation. The preceding weekend the press had reported that Daly had told a rally that the miners could break Phase 3 and force the withdrawal of the counter-inflation legislation.¹⁰⁹ Even the moderate Gormley had also been quoted as saying that the miners meant to get a £50 basic wage and if this meant breaking the Government 'then a break there would have to be'.¹¹⁰

The most interesting aspect of the official note of the meeting is not the clash between Heath and McGahey but what it reveals about Heath's attitude to wage bargaining and economic policy. Heath described Stage 3 as an orderly framework to provide a sensible way of controlling inflation. He had discussed it with the NUM negotiating committee and taken account of the points which they had made. While Stage 3 did not give the miners everything they wanted it enabled them to catch up on the ground they had lost since the Wilberforce settlement. 'The Code had been put before Parliament and it was now the law', so any settlement must be within its limits. In 'a free-for-all' there would be greater inflation, the pound would lose its competitiveness, prices would go up and most important, the government would be unable to continue the policy of expansion, with the result that unemployment would rise.¹¹¹

Sir William Armstrong recalled later that one of the NUM delegation asked Heath why he could not pay the miners for coal what he was willing to pay the Arabs for oil and, 'that in fact was bang on the economic nose. And the Prime Minister really had

¹⁰⁷ Alan Hamilton, 'Miners' leaders reject Mr Heath's appeal', *The Times*, 29 November 1973.

¹⁰⁸ Gormley, *Battered Cherub*, p. 131.

¹⁰⁹ Alan Hamilton, 'Miners' leader tells rally: "We shall have victory"', *The Times*, 26 November 1973.

¹¹⁰ TNA: PRO, PREM 15/1655, 'Brief for the PM's Meeting with the NUM, Annex'.

¹¹¹ TNA: PRO, CAB 130/651, GEN 142 73 175, 'Meeting with the National Union of Mineworkers National Executive Committee: 28 November 1973'.

no answer to that.’¹¹² The NUM records show that Heath responded that he was trying to convey to the Arab states that that they would suffer financially if they pursued their present policies and ‘just as the Arabs could push things too far, so could others’.¹¹³ While the official record merely states that Heath’s response was that the government was trying to keep all prices down.¹¹⁴ Later in his memoirs Heath expressed outrage at the suggestion, ‘The majority of the NUM executive had priorities which no democrat could tolerate and, at one point, it was even suggested that, since we were having to pay the oil producers the price they demanded we ought to treat the miners in the same way.’¹¹⁵

This meeting seems to have reinforced Heath’s suspicions that elements within the NUM were politically motivated. In his memoirs he noted that McGahey proclaimed he wanted to bring the government down.¹¹⁶ But rather remarkably Heath reported to the Cabinet that it had been, ‘a useful and restrained discussion in a relatively good atmosphere’. Although disappointed that the NUM Executive still refused to ballot their members Heath believed that there were signs that his exposition on world and national economic problems ‘had made a genuine impact on at least the more moderate members of the Executive’.¹¹⁷

This is a remarkable testament to Heath’s unflagging but unrealistic confidence in the rationality of human nature in general and Gormley in particular but his hopes that Gormley would be able to persuade the NUM Executive to put the NCB offer to a ballot of the membership had proved misplaced. The NUM met in private in No 10 and their records show that it was argued that now was the time to have a ballot to see if the members supported the NEC’s rejection of the offer, but they agreed a

¹¹² ‘Miners: State of Emergency’, Thames TV, 15 March 1978, quoted in Holmes, *The Failure of the Heath Government*, p. 107; Young, *Hugo Young Papers*, p. 79.

¹¹³ NUM Archives: Minutes of a Special Meeting of the NEC held at 10 Downing St, Wednesday 28 November 1973.

¹¹⁴ TNA: PRO, CAB 130/651, GEN 142 73 175, ‘Meeting with the National Union of Mineworkers National Executive Committee: 28 November 1973’.

¹¹⁵ Heath, *The Course of My Life*, p. 508.

¹¹⁶ *Ibid.*, p. 505.

¹¹⁷ TNA: PRO, CAB 128/53, CM 73, 58th Conclusions, Minute 7, 29 November 1973.

ballot would not be held at this stage.¹¹⁸ Heath recalled that Gormley told him he would take a vote directly after lunch. ‘He assured me it was going to be all right. He came alone to my study after their meeting had resumed looking pale and drawn, to tell me he had been defeated.’¹¹⁹ This was one of several of Gormley’s failures to persuade his Executive, which are a notable omission in his memoirs.

What shines through the official records is Heath’s conviction that the interests of the miners were the same as those of the nation as a whole; to keep prices and wage inflation down so the policy of economic expansion essential for high employment would follow. His dismissive view of free collective bargaining was that it would be a ‘free-for- all’ and his genuine conviction was that Stage 3 would benefit both the miners and the country. Heath’s meetings with the NUM testified above all to his faith in ‘rationality in politics’.¹²⁰ Heath felt strongly that the pay code had the backing of Parliament and hence an almost moral political legitimacy as well as a statutory authority and that by rejecting the NCB offer the miners were being completely unreasonable. But the NUM Executive was focussed on the problems of the industry, and particularly their pay and conditions compared to other workers in more pleasant environments. Heath’s appeal to the NUM to identify with the national interest was one which they were unable to meet. The meetings resulted in an impasse and served only to illustrate the widening gulf between the government and the miners.

Reasons for the three-day week

On 13 December, after the state of emergency had been in force for a month, the government announced that from 1 January 1974 industry would move to a three-day week. Most previous historians have not analysed the reasons why the government took the drastic decision to implement the three-day week in detail although Sandbrook has drawn on the Cabinet minutes to emphasise the difficulties with the

¹¹⁸ NUM Archives: Minutes of a Special Meeting of the NEC held at 10 Downing St, Wednesday 28 November 1973.

¹¹⁹ Heath, *The Course of My Life*, p. 503. Heath dates this incident at the meeting on 23 October, which began at 4.30 pm, but the mention of lunch points to it being at the 28 November meeting.

¹²⁰ Peter Riddell, *Rationality in Politics*, Heath Obituary, BBC Radio 4, 18 July 2005.

energy position.¹²¹ There is, for example, no discussion in Whitehead although there is a passing reference to the rail dispute with ASLEF in Jeffery and Hennessy.¹²² Prior later argued that it was a mistake, ‘having taken such drastic action at the very outset, it was subsequently more difficult to convince people that the situation was really as serious as we had claimed’.¹²³ Campbell believed that the three-day week was a misjudgement, that it was a response to party pressure for a signal that the government was going to stand firm.¹²⁴ But despite Prior’s later doubts the papers in the National Archives show that at the time there was intense anxiety among ministers and officials as to whether the country’s energy supplies could hold out.

Throughout the second half of November the government had attempted to maintain an air of normality which had led a frustrated Douglas Allen on 6 December to complain to McIntosh (now Director General of NEDO) that ministers did not realise how bad things were.¹²⁵ By early December the pressure on ministers and officials mounted as the wider economic outlook deteriorated. There had been a disastrous set of trade figures in November, due mainly to the weakness of the pound, and higher oil prices were now inevitable, which would affect not only the balance of payments but the whole range of government policy on public expenditure, counter inflation, public transport and energy. On 6 December the pound fell by ten cents against the dollar and there was a wave of panic selling in the city, which generated alarmed newspaper headlines.¹²⁶

It was against this background that four of the most senior officials, Sir William Armstrong, Sir John Hunt, Sir Douglas Allen and Robert Armstrong met to discuss the Treasury’s plans for an emergency budget, which included drastic cuts in public expenditure for the financial year 1974/5 and the possibility of tightening Stage 3,

¹²¹ Sandbrook, *State of Emergency*, pp. 584-85.

¹²² Jeffery and Hennessy, *States of Emergency*, p. 239.

¹²³ Prior, *A Balance of Power*, p. 89.

¹²⁴ Campbell, *Edward Heath*, pp. 571-72.

¹²⁵ McIntosh, *Challenge to Democracy*, p. 12.

¹²⁶ ‘Pound and dollar decline’, *The Times*, 7 December 1973; Anthony Shrimley and Patrick Sergeant, ‘Day the city lost its head’, *Daily Mail*, 7 December 1973.

with even a complete freeze on pay.¹²⁷ After this meeting Robert Armstrong warned Heath that the ‘business as usual’ line which the government had so far followed was now no longer viable and it was necessary to prepare public opinion for the difficult times ahead. ‘It is arguable that confidence is no longer served by continuing as at present: if the situation is clearly serious and calls for action, confidence is damaged not improved, by a continuing appearance of Governmental blindness (or refusal to see) and inaction.’ Since a series of emergency economic measures were likely to be needed in mid-January it would be highly unwise for Heath to be out of the country and he should cancel his planned visit to China.¹²⁸

It was a measure of just how deep the crisis was that Armstrong felt it necessary to commit such a stark warning to paper. The same day there was an almost identical warning from Hurd and a group of political advisers. Hurd worried that Heath had become too detached from the political aspects of the crisis and he echoed Armstrong’s warning that the policy of trying to maintain business confidence had reached its limit and if the government continued along this course, ‘it would increasingly be felt to be out of touch with reality and to have lost its grip on events’.¹²⁹

But while senior officials were aware of the seriousness of the problems they were unable to come up with any solutions and as McIntosh recorded in his diary, during December even the most senior and able civil servants such as Douglas Allen seemed at a loss, ‘for the first time since I have known him I found him uncertain what should be done next...He confessed that he not only didn’t know what ministers would do but didn’t know what advice he ought to give them.’¹³⁰ William Armstrong was, ‘in a very depressed mood. He said that the situation was graver than anything we had faced since the war. But he didn’t offer any suggestions for getting out of it.’¹³¹ Robert Armstrong recalled, ‘Those last months in the autumn of 1973 onwards

¹²⁷ TNA: PRO, PREM 15/1429 ‘Economic statement 17 Dec 1973 (public expenditure reductions, taxation and consumer credit measures)’, Robert Armstrong to Heath, 6 December 1973.

¹²⁸ Ibid., Robert Armstrong to Heath, 6 December 1973.

¹²⁹ Hurd, *End to Promises*, pp. 118-9.

¹³⁰ McIntosh, *Challenge to Democracy*, pp. 5-6.

¹³¹ Ibid., p. 6.

were as difficult a time as any period faced by any government...There was so much going on it was difficult to keep pace with it all.¹³²

There was a widespread recognition among those who dealt with him that by December Heath was exhausted.¹³³ Hurd believed that the pressure of other events prevented the miners' crisis from getting the attention it needed.¹³⁴ The industrial unrest coincided with arduous and delicate negotiations on a power sharing agreement in Northern Ireland which culminated in the Sunningdale Agreement on 9 December which was only concluded by talks which lasted through the night. This was followed by other diplomatic activity and a disastrous European summit on the oil crisis at Copenhagen. Other ministers were also exhausted; Barber, who was deep in planning an emergency budget was suffering from 'acute fatigue' while Carr was also very tired.¹³⁵ Hunt commented later that the strain of dealing with the Yom Kippur war had taken its toll, 'they were all very tired men and they were not taking decisions in the most sensible way.'¹³⁶

A sense of powerlessness and despondency in Whitehall was reflected in an increasingly hostile press. A full page spread in the Labour-supporting *Daily Mirror* was headlined, 'Country of Chaos,' with sub-headings; 'The rail crisis', 'The economic crisis', 'The fuel crisis', 'The power crisis'.¹³⁷ While *The Times* was also sharply critical, 'The Government have now begun to run into a bad press over their handling of the fuel crisis and they have only themselves to blame. They are once again busy proving that they are the worst readers of popular psychology in the country.'¹³⁸ In this febrile atmosphere there was widespread gloom among the political elite not only about the economic prospects but also the future of democratic government. Freddie Fisher (Editor *Financial Times*) thought there was a real risk of a right wing authoritarian government while Lord Plowden (former Chair of the

¹³² Interview with Lord Armstrong of Ilminster, 9 July 2009.

¹³³ McIntosh, *Challenge to Democracy*, p. 16.

¹³⁴ Hurd, *End to Promises*, p. 121.

¹³⁵ Fay and Young, *The Fall of Heath*, p. 15; Campbell, *Edward Heath*, p. 570.

¹³⁶ 'Trade Unions and the Fall of the Heath Government', p. 44.

¹³⁷ *Daily Mirror*, 12 December 1973.

¹³⁸ David Wood, 'When a crisis does not look like a crisis', *The Times*, 10 December 1973.

Atomic Energy Authority and one of ‘the great and the good’) prophesied ‘a dictatorship of the left’.¹³⁹

The energy position, which was already weakened by the triple threat from the uncertain nature of the oil supply, the effects of the miners’ overtime ban and the industrial action from the EPEA came under further threat when pay negotiations with the train drivers’ union ASLEF broke down on 3 December. The tone of the official record conveys a sense that the CCU was almost overwhelmed by the problems it faced. ‘The risk to the life and economy of the nation was such that immediate action by the Unit was necessary...Time was at a premium.’ Prior acknowledged that although contingency plans had been drawn up to deal with different types of emergencies, ‘none had envisaged simultaneous action on so many fronts with such potentially damaging effects as now seemed possible’.¹⁴⁰

By 10 December fears over the energy position had become acute. The ASLEF work-to-rule was likely to reduce the movement of coal to power stations by 10%, which combined with the effects of the miners’ overtime ban, meant a 50% reduction in the coal supply to power stations. The EPEA action had already reduced the output from nuclear fired power stations which meant a greater oil and coal burn, when both were in short supply, was necessary. Walker predicted that if the miners’ overtime ban continued electricity disconnections would be necessary by mid-January and within two or three weeks after that electricity generating capacity would be down to the level of the 1972 miners’ strike.¹⁴¹

If all the industrial disputes were settled by the end of December it might be possible to scrape through but on the worst assumptions there would be widespread and unpredictable disconnections by mid January. Walker argued that drastic savings in electricity were necessary to get through the winter and he proposed to achieve this by restricting industry and commerce to three days electricity a week. The tone of Walker’s paper was deeply pessimistic, ‘In my view we dare not assume the best or

¹³⁹ King, *The Cecil King Diary, 1970-1974*, p. 325; McIntosh, *Challenge to Democracy*, p. 24.

¹⁴⁰ TNA: PRO, CAB 134/3589, CCU 73, 56th Meeting, 5 December 1973.

¹⁴¹ TNA: PRO, CAB134/3591, ‘Electricity Supply - Further Restrictions: Paper by the DTI’, CCU 73 107, 10 December 1973.

anything like it. If we do, and are wrong, the consequences are so serious as to be unacceptable. We should therefore resolve to pay a considerable insurance premium now and recommend that we take steps to restrict electricity demand by 20% as from next week.¹⁴² The government was also under pressure from the electricity industry which had already called publicly for restrictions on the use of electricity, and now pressed ministers for further controls on consumption so that stocks of both coal and oil could be conserved.¹⁴³

During the week beginning 10 December the various ministerial and official committees responsible for handling the crisis met frequently; the CCU met three times, the Economic Strategy Committee (ES) twice and the Cabinet twice as they grappled with the practical implications of the draconian restrictions which were proposed. Ministers at ES were extremely anxious at the effect of Walker's proposals on the economy since it was estimated that they would very quickly lead to a 10% fall in industrial production, unemployment of three quarters of a million people, with serious implications for growth and the balance of payments. In a desperate attempt to avoid putting industry on a three-day week ES considered a range of drastic measures such as restricting domestic heating to one room, electric light to only one in each room and requiring thermostats on water heaters and fridges to be set at the lowest feasible level. Ministers reluctantly decided that these swingeing cuts in domestic consumption would be unenforceable, but were still anxious, if at all possible, to avoid a three-day week and ES requested Walker to investigate the possibility of achieving the necessary 20% saving from a four-day week with rota cuts.¹⁴⁴

But the next day Walker reported that this was impossible since it would require selective rota cuts which could not be implemented because of the EPEA action. While this was not widely understood there was little point in provoking this moderate union by pointing the blame at them. Walker argued strongly that there was no alternative but to restrict industry to a three-day week with normal hours and no

¹⁴² Ibid.

¹⁴³ Ledger and Sallis, *Crisis Management in the Power Industry*, p. 64.

¹⁴⁴ TNA: PRO, CAB 134/3606, ES 73, 14th Meeting, 11 December 1973.

overtime and with great reluctance ES agreed.¹⁴⁵ On 12 December Walker warned the Cabinet that the position at the power stations was likely to deteriorate and repeated his argument that savings of 20% in electricity consumption were necessary. He proposed a five-day limit between 14 and 29 December and a three-day week from 31 December.¹⁴⁶ Heath endorsed the proposal for the three-day week with the gloomy comment that it was necessary if the government were to have any chance of surviving until the end of March.¹⁴⁷

The next day in the Commons Heath announced that from the following Monday 17 December industry and commerce would be limited in their use of electricity and from 1 January they would be restricted to three consecutive days a week. While shops could open every day they would have electricity only for three days, there were restrictions on street lighting and advertising displays and television would close down at 10.30pm. He warned that power cuts would become inevitable unless energy savings were achieved and that because of the EPEA action vital services could be badly affected. He exhorted everyone to keep rooms at lower temperatures, switch off lights and turn down thermostats. In his Commons statement Heath placed most of the blame for the measures on industrial action. He emphasised that stocks of coal in the power stations had fallen to 40% below normal because of the miners' overtime ban and that deliveries of both coal and oil to the power stations were threatened by the ASLEF action, while the EPEA action meant it was difficult to manage electricity restrictions in an orderly manner.¹⁴⁸

The announcement of the three-day week came as a shock. *The Times* called it, 'one of the gravest statements made to the House of Commons since the war'.¹⁴⁹ The *Daily Mail* reflected the views of many Conservative supporters and advocated a firm stand against the miners, 'The measures the Prime Minister announced yesterday will mean inconvenience for all and hardship for not a few. The Daily Mail

¹⁴⁵ Ibid., 15th Meeting, 12 December 1973.

¹⁴⁶ TNA: PRO, CAB 128/53, CM 73, 60th Conclusions, 'Confidential Annex: Economic and Industrial Affairs', 12 December 1973.

¹⁴⁷ Ibid.

¹⁴⁸ H C Debs (5th series) 12 November 1972, vol 866, col 645-650.

¹⁴⁹ Hugh Noyes, 'Three-day week for industry because of electricity cuts', *The Times*, 14 December 1973.

believes they are necessary. And that Mr Heath will get the support of the nation for which he asked so directly on TV last night'.¹⁵⁰ This typified the kind of reaction of 'seeing it through with the miners' and 'avoiding appeasement' which so worried McIntosh, who was anxious that the government after having first under-reacted would now over-react.¹⁵¹ Cecil King on Friday 14 December commented, 'So the balloon has begun to go up...I doubt if this will work – the resentment is more likely to build up against the Government – and rightly so.'¹⁵²

The TUC had not been consulted, either formally or informally about the move to the three-day week and were both resentful about this and anxious about the effect on employment.¹⁵³ Sir Sidney Greene (Chairman of TUC Economic Committee 1968-75, General Secretary of NUR 1957-74) told Heath that the unions had been flabbergasted by the suddenness of the decision to impose the three-day week.¹⁵⁴ Both the failure to consult the TUC and the presentation of the reasons for the three-day week angered the unions.¹⁵⁵ Jack Jones recalled in his memoirs that he told the TUC General Council, 'The miners are being made to carry the can and we should do all we can to support them.'¹⁵⁶

The official records show that the Cabinet took the decision to implement the three-day week with great reluctance and real anxiety about the effects on industry and unemployment. The main factor was undoubtedly the genuine shortage of *all* fuel stocks at the power stations, not just coal, but in placing the blame in public on industrial action the government antagonised the unions and made a settlement of the miners' dispute more difficult to achieve. It also laid it open to the charge that the three-day week was a political measure to counter the industrial disputes and bolster

¹⁵⁰ Editorial, 'A time to stand together', *Daily Mail*, 14 December 1973.

¹⁵¹ McIntosh, *Challenge to Democracy*, pp. 19-21.

¹⁵² King, *The Cecil King Diary, 1970-1974*, p. 331.

¹⁵³ 'Economic Committee Minutes', 17 December 1973, TUC Archive, MRC, MSS.292D/560.1/9.

¹⁵⁴ TNA: PRO, PREM 15/1844 'Measures taken to deal with current energy and industrial emergency: coal and oil stocks and deliveries to power stations; electricity restrictions', 'Note of a Meeting with the TUC', 19 December 1973.

¹⁵⁵ Barnes and Reid, *Governments and Trade Unions*, pp. 179-90.

¹⁵⁶ Jones, *Union Man*, p. 259.

Stage 3. This was to prove deeply damaging to all attempts to reach a settlement with the miners over the next few weeks.

Missed opportunities

There is a widespread view, well-entrenched among historians and commentators, that Heath and his ministers missed a number of opportunities to reach a settlement with the miners, either through blindness or wilful obstinacy. At various times there were proposals that the miners might be paid more than Stage 3 for 'bathing and waiting' time before and after shifts began, that the increase in the oil price relative to coal justified paying the miners higher wages or that the TUC offer to regard the miners as a special case should have been acted upon. The view that mistakes were made is firmly held by some of the participants, although they differed in the emphasis they place on each. Gormley claimed that 'bathing and waiting' would have achieved a settlement if Wilson had not intervened.¹⁵⁷ Ezra, Murray and McIntosh were all convinced that the TUC offer was a real opportunity to settle and the government made a huge mistake in not accepting it.¹⁵⁸ With hindsight, although not at the time, Prior accepted that it would have been sensible to accept the TUC offer, while Whitelaw admitted later that his failure to refer the miners' claim to the Pay Board was a mistake.¹⁵⁹

Historians have also differed in the emphasis they have placed on the various missed opportunities. Gormley's claim on bathing and waiting has been treated with a moderate amount of scepticism but discussion of it has served to reinforce the impression that the government was culpable of a series of errors.¹⁶⁰ Much more emphasis has been placed on Rothschild's argument that the rise in the oil price after the Middle East War made coal cheaper than oil, and several commentators have judged that Heath summarily and mistakenly rejected this.¹⁶¹ The files in the

¹⁵⁷ Gormley, *Battered Cherub*, pp. 132-36.

¹⁵⁸ 'Trade Unions and the Fall of the Heath Government', pp. 42-44.

¹⁵⁹ Whitehead, *The Writing on the Wall*, p. 110; Prior, *A Balance of Power*, p. 92.

¹⁶⁰ Dennis Kavanagh, 'The fatal choice: the calling of the February 1974 election', in *The Heath Government 1970-74: A Reappraisal*, ed. Stuart Ball and Anthony Seldon (London: Longman, 1996), pp. 367-68; Morgan, *Britain Since 1945*, pp. 348-50.

¹⁶¹ Whitehead, *The Writing on the Wall*, p. 103; Campbell, *Edward Heath*, p. 324; Ramsden, *Winds of Change*, p. 368; Clarke, *Hope and Glory*, p. 338; Davis, *Prime Ministers and Whitehall*, p. 156; Beckett, *When the Lights Went Out*, p. 129.

National Archives have shed more light on the claims and counter-claims which have surrounded all these proposed solutions.

The appointment of William Whitelaw (Employment Secretary 1973-74) was also seen as a possible solution to the crisis. At the beginning of December Heath reshuffled the Cabinet and replaced Macmillan, in whom no one in the Cabinet had much confidence,¹⁶² with Whitelaw, whose conciliation skills had achieved a great deal in Northern Ireland and there was a considerable expectation that he might be able to achieve something similar with the miners. Although King noted in his diary, 'Poor Willie Whitelaw knows nothing about industrial relations and I doubt whether his charm will avail him.'¹⁶³ As Whitelaw later candidly admitted he was the wrong man for the job since he was mentally and physically exhausted after Northern Ireland and out of touch with events at Westminster.¹⁶⁴ Nor, as he also acknowledged, did he have any understanding of the intricacies of Stage 3 of the Pay Code, unlike Heath who knew the detail 'down to the last comma'.¹⁶⁵ One of his anonymous colleagues put it even more graphically, 'Willie was a danger to shipping throughout.'¹⁶⁶

Whitelaw's reputation as a conciliator coupled with his instinct for compromise led the NUM to have high expectations that he would offer them more than Stage 3, and at the beginning of December he held a confidential meeting at Browns Hotel in Mayfair with Gormley, who found him sympathetic to the miners' case.¹⁶⁷ One way out of the impasse would have been to have made the miners a special case under Stage 3 by invoking the clause in the Pay Code which allowed the government to make exceptions in the national interest. In his memoirs Whitelaw later claimed that, 'Privately I felt that such an approach had few objections, for the Government had power under the Act to sanction a higher settlement under exceptional circumstances.'¹⁶⁸

¹⁶² Young, *Hugo Young Papers*, p. 64. (Source: Jim Prior).

¹⁶³ King, *The Cecil King Diary, 1970-1974*, p. 322.

¹⁶⁴ Whitelaw, *Memoirs*, p. 124.

¹⁶⁵ Young, *Hugo Young Papers*, p. 68.

¹⁶⁶ Whitehead, *The Writing on the Wall*, p. 105.

¹⁶⁷ Gormley, *Battered Cherub*, p. 132.

¹⁶⁸ Whitelaw, *Memoirs*, p. 126.

But Whitelaw was out of step with the core belief among most ministers and senior officials that to make the miners a special case would open the door to higher claims from other unions and cause great resentment among those workers who had already settled within Stage 3. He later told McIntosh that he was never in any doubt that the government should have settled the miners claim before Christmas in the wake of the oil crisis. 'He said he regretted not having pushed this point of view harder. He was new to the job at the time and Conrad Heron and William Armstrong were advising ministers to stand firm at all costs.'¹⁶⁹ By the time Whitelaw arrived the state of emergency was already in operation and Heath and No 10, not the Department of Employment, were managing the dispute.¹⁷⁰ Whitelaw even felt that he was excluded from top level meetings with officials.¹⁷¹ According to Roger Dawe, while Whitelaw's arrival boosted the Department's morale and he was very good at personal contact, by then Daly and McGahey had become ever more intransigent, and it was arguably already too late.¹⁷² Robert Taylor thought that by December the Cabinet and NUM Executive were not yet completely locked into an inevitable confrontation.¹⁷³ But even if that were so once the three-day week was announced in mid-December attitudes on both sides hardened still further.

Gormley claimed that the dispute was almost resolved just before Christmas by his proposal that the miners could be paid extra for the time they spent waiting at the pit heads for their shift to begin and bathing afterwards. According to Gormley, Harold Wilson scuppered this idea by betraying his confidence and claiming ownership for it as his own idea which forced the government to repudiate it but there are some discrepancies in Gormley's account.¹⁷⁴ The idea of paying the miners for bathing and waiting time had been examined within government even before Wilson wrote to

¹⁶⁹ McIntosh, *Challenge to Democracy*, pp. 166-67.

¹⁷⁰ 'Trade Unions and the Fall of the Heath Government', p. 42.

¹⁷¹ Mark Garnett and Ian Aitken, *Splendid! Splendid!: The Authorized Biography of Willie Whitelaw* (London: Cape, 2002), p. 172.

¹⁷² Interview with Roger Dawe, 23 September 2009.

¹⁷³ Taylor, *Trade Union Question*, p. 210.

¹⁷⁴ Gormley, *Battered Cherub*, pp. 134-5. Gormley dated this incident as 21 December and stated that Harold Wilson raised it in the House of Commons the same day, but this was the Adjournment debate for the Christmas recess and there is no record of any intervention by Wilson on this subject on that date.

Heath at the end of November and suggested that the miners could be paid for all the time they spent on NCB premises such as waiting for their shift to begin or end.¹⁷⁵

On 27 November, the day before Heath's meeting with the NUM Executive at No 10, Wilson repeated his proposals at a meeting of the trade union group of Labour MPs in the House of Commons. Gormley then raised the issue at the meeting between Heath and the NUM on 28 November but Heath's reply was discouraging.¹⁷⁶ The Pay Board examined the issue in more detail during December but found that the time the miners' spent at the pit heads was not long enough to justify an increase substantial enough to satisfy the NUM.¹⁷⁷ The issue dragged on over Christmas and the Pay Board's final ruling came in early January.

Another argument was that the miners could and should have been made a special case after the change in the supply and prices of oil after the Middle East war. There was a reasonable argument that the effect of the Middle East war on the supply and price of oil made coal both more necessary and relatively cheaper. This was the line taken by Rothschild who had always argued that the supply of coal was more secure than oil, but by the autumn of 1973 his relationship with Heath had cooled. At the opening of a government laboratory in Wiltshire he had been dismissive of Britain's future economic prospects on the same day that Heath had made an extremely optimistic forecast.¹⁷⁸ Rothschild had omitted to clear his speech in advance and Heath had been furious.¹⁷⁹ The issue was even discussed by the Cabinet and Rothschild was severely reprimanded.¹⁸⁰

¹⁷⁵ TNA: PRO, PREM 15/1680, Wilson to Heath, 23 November 1973. The second letter is referred to in Philip Ziegler, *Wilson* (London: Weidenfeld and Nicolson, 1993), p. 398; Ziegler, *Edward Heath*, p. 419.

¹⁷⁶ TNA; PRO, CAB 130/651, 'Meeting with the National Union of Mineworkers National Executive Committee: 28 November 1973'.

¹⁷⁷ TNA: PRO, PREM 15/2126 'National Coal Board pay negotiations: National Union of Mineworkers' pay claim; post-mortem review; part 5', KJ Johnson (Deputy Chairman Pay Board) to Norman Siddall (Deputy Chairman NCB), 21 December 1973, copied to Gormley.

¹⁷⁸ Victor Rothschild, *Meditations of a Broomstick* (London: Collins, 1977), pp. 89-95.

¹⁷⁹ Hennessy, *Whitehall*, pp. 234-235; Davis, *Prime Ministers and Whitehall*, pp. 153-55.

¹⁸⁰ TNA: PRO, CAB 128/48/4 'Most confidential records including records of meetings not circulated', CM 73, 42nd Conclusions, 27 September 1973.

Although Rothschild kept his post Robin Butler believed that the Letcombe speech marked a significant souring of relations which had already grown more distant.

There was always something of the maverick about him [Rothschild]. It was not too much to say he was naïve about government and politics but he had interesting contacts and friends with whom he was influential...Ted found him interesting but I think that consciousness of the financial naiveté and the danger that could lead Ted into, led him not to regard him in any way as a soul mate.¹⁸¹

It was with some apparent trepidation, ‘I hope I won’t be excoriated for straying into forbidden fields’, that Rothschild pointed out to Heath that coal was now definitely cheaper than oil and would be so even if the miners’ pay were increased and ‘as lifelines are sometimes useful there may be one here’.¹⁸² Heath merely sent a neutral acknowledgement.¹⁸³

One account has suggested that Heath angrily rejected Rothschild’s proposal.¹⁸⁴ But the economic and political arguments were more complex than Rothschild admitted. Heath and his ministers were sceptical about the real extent to which coal was cheaper than oil given how much public money, over £1,100 million under the Coal Industry Act, had been invested in the mining industry.¹⁸⁵ At the end of January Rothschild tried again to persuade Heath that the oil price rise necessitated a re-think of the economics of energy and would justify settling with the miners above Stage 3.¹⁸⁶ But Rothschild failed to persuade Heath. ‘The Prime Minister discussed this with Lord Rothschild. It was clear that he was not in general agreement: whatever the “energetic” arguments for a larger offer to the miners, they took no account of the fact that the disturbance of relativities that would result would certainly generate massive claims from other groups to whom the “energetic” arguments did not apply,

¹⁸¹ Interview with Lord Butler of Brockwell, 9 November 2007.

¹⁸² TNA: PRO, PREM 15/2126, Rothschild to Heath, 12 December 1973.

¹⁸³ Ibid., Armstrong to Rothschild, 17 December 1973.

¹⁸⁴ Whitehead, *The Writing on the Wall*, p. 103.

¹⁸⁵ TNA: PRO, PREM 15/2126, ‘The Coal Mining Dispute: Note of a Meeting at No 10, 8 January 1974’.

¹⁸⁶ TNA: PRO, PREM 15/2127 ‘National Coal Board pay negotiations: National Union of Mineworkers’ pay claim; part 6’, Rothschild to Heath, ‘The Miners’, 28 January 1974.

and who could apply their industrial power with equally damaging effect (e. g. railwaymen)'.¹⁸⁷

Heath's resistance may also have been due to the almost hysterical tone of Rothschild's memo. The strain was clearly considerable on Rothschild, who had had a heart attack in December.¹⁸⁸ His memo also contained an apocalyptic warning of the dire state of the economy and to remedy it he envisaged a wartime scenario of hardship and sacrifice. He advocated the immediate cancellation of Stage 3 and a new Stage 4, which would be a temporary freeze on both wages and prices, plus the immediate imposition of ruthless temporary import controls. 'Shortages will occur in the shops and manufacturers will discontinue particular lines. But these are burdens which can be sustained for a period of time in comparison with the alternative – chaos, riots and anarchy'.

He suggested that Heath should secretly ask the US President Nixon to make a hundred million tons of coal a year available, 'to prevent the UK going Communist'. He proposed that 'positive and ruthless action should be taken to discredit those responsible for the nation's troubles in the mines and elsewhere, and those members of the Labour Party who are prepared, actively or passively, to endorse the activities of those who are dedicated to the downfall of democracy in the United Kingdom, irrespective of the political hue of the Government in power'.¹⁸⁹ These were drastic remedies which no government could have introduced short of total war and could hardly have helped his case with Heath.

The new evidence in the National Archives has highlighted some of the discrepancies in Gormley's account of 'bathing and waiting' and supported the judgement of those who have rightly expressed scepticism that it was a real solution. The files also show that while Rothschild was more far-sighted than most in understanding the long-term implications of the oil price rise his arguments on

¹⁸⁷ Ibid., Handwritten comment by Robert Armstrong.

¹⁸⁸ 'Rest for Lord Rothschild after overwork', *The Times*, 20 December 1973.

¹⁸⁹ TNA: PRO, PREM 15/2127 'National Coal Board pay negotiations: National Union of Mineworkers' pay claim; part 6', Rothschild to Heath, 28 January 1974.

miners' pay were considered and dismissed on economic grounds as well as because Heath was determined to adhere to Stage 3.

The TUC offer

On 9 January 1974 the TUC representatives at a meeting of the National Economic Development Council (NEDC or 'Neddy') made a surprise offer that if the government treated the miners as a special case under Stage 3 then they would not support any other union in a similar claim.¹⁹⁰ The TUC or Neddy offer has been seen by some of the participants and several historians as the most viable of the several missed opportunities to settle the dispute. This view was held at the time by Ezra, Murray and McIntosh and particularly strongly expressed by them at a witness seminar held at the ICBH.¹⁹¹

Historians have devoted considerable space to discussion of the TUC offer but have been divided on whether or not it could have worked. Dorfman thought it was a missed opportunity.¹⁹² Whitehead judged that 'In effect they [the TUC] were endorsing Stage 3, almost policing it.'¹⁹³ Andrew Taylor called it 'a remarkable offer'.¹⁹⁴ While Robert Taylor judged Heath's refusal to accept it was at least a tactical mistake.¹⁹⁵ Campbell has a detailed account but reserved judgement on whether it would have worked.¹⁹⁶ Sandbrook tended to think it was too cynical a manoeuvre for Heath to accept but that Barber's rejection was a big 'what if'.¹⁹⁷ Barnes was always sceptical that any reasonable settlement could ever have been reached with the NUM.¹⁹⁸ While Clarke's verdict was that it was industrial nonsense but a political lifeline.¹⁹⁹ Ziegler has a brief reference to the Cabinet discussion²⁰⁰ but

¹⁹⁰ TNA: PRO, PREM 15/2118 'Prime Minister's meetings with Trades Union Congress (TUC) on the energy crisis, the economic situation, and the mineworkers' dispute; part 16', 'Minutes of a Meeting held at the National Economic Development Council at 3pm on Wednesday 9 January 1974'.

¹⁹¹ 'Trade Unions and the Fall of the Heath Government', pp. 42-44.

¹⁹² Dorfman, *Government versus Trade Unionism*, pp. 100-03.

¹⁹³ Whitehead, *The Writing on the Wall*, p. 108.

¹⁹⁴ Taylor, *The NUM and British Politics*, pp. 93-4.

¹⁹⁵ Taylor, *Trade Union Question*, p. 212.

¹⁹⁶ Campbell, *Edward Heath*, pp. 580-84.

¹⁹⁷ Sandbrook, *State of Emergency*, pp. 603-05.

¹⁹⁸ Barnes and Reid, *Governments and Trade Unions*, p. 183.

¹⁹⁹ Clarke, *Hope and Glory*, p. 338.

none of the accounts have drawn on the official records of Heath's many meetings with the TUC.

Whitelaw had held a number of meetings with the NUM Executive in December and early January in which he tried unavailingly to convince them that Stage 3 offered them a good deal and that if they returned to work then the government would examine the whole future of the coal industry.²⁰¹ But it is clear that by the beginning of January Whitelaw had privately given up on any hope of a breakthrough and his advice was, 'to sit it out'.²⁰² Whatever optimism he had begun with had evaporated and he warned the Cabinet that the NUM was intractable and he had only decided to meet them again so he could resist Ezra's desire for a meeting between the NCB and the NUM. In his view this would be dangerous since Ezra's 'known desire to seek every means of an accommodation with the union might weaken the Board's position in the dispute'.²⁰³ Nor was much progress made in the dispute by removing responsibility for energy policy from the mammoth DTI and creating a new Department of Energy under Lord Carrington, also Chairman of the Conservative Party, whose appointment was not welcomed by the miners.²⁰⁴ This division had been strongly resisted by Walker at the end of 1973 and Carrington took over the new department, 'without enthusiasm'.²⁰⁵

It came as a complete surprise to ministers when Sir Sidney Greene announced that, 'if the Government were prepared to deal with the miners as an exceptional case, Congress and the trade union movement would not use it or quote it with reference to wage negotiations in any other field or sections of industry'. This appeared to be an offer which might enable the government to settle with the miners as a special case but still adhere to Stage 3 for other workers, but Barber, who chaired the meeting, was unenthusiastic and questioned whether it meant that the TUC would now support

²⁰⁰ Ziegler, *Edward Heath*, pp. 420-22.

²⁰¹ TNA: PRO, PREM 15/2126, 'Note for the Record of a Meeting between the Secretary of State and Representatives of the NUM, 20 December 1973'; 'Note of a Meeting between the Secretary of State and the NUM Executive, 9 January 1974'.

²⁰² *Ibid.*, Hunt to Heath, 2 January 1974.

²⁰³ TNA: PRO, CAB 128/53, CM 74, 1st Conclusions, Item 4, 3 January 1974.

²⁰⁴ Gormley, *Battered Cherub*, p. 137.

²⁰⁵ Carrington, *Reflect On Things Past*, p. 262; Walker, *Staying Power*, p. 114.

Stage 3.²⁰⁶ McIntosh noted in his diary that he thought this was a major concession by the TUC and that Barber's inadequate response was a huge missed opportunity. 'I could hardly believe my ears when I heard this tendentious question and the hostile tone in which it was asked...One would have expected him to be more adroit, however much he disliked it.'²⁰⁷

But there was some justification for Barber's refusal to engage since normally any such move by the TUC would have been signalled informally to No 10, the Treasury and the Department of Employment so that a considered response could be given, not produced like a rabbit out of a hat with no warning.²⁰⁸ Barber was taken by surprise and felt that the offer was 'a little bit of trickery'.²⁰⁹ But the TUC records show that the idea had first occurred to them only that morning.²¹⁰ Allen, who was also present at the NEDC meeting, said that if he had known about the TUC's initiative in advance he could have prepared Barber and stopped him rejecting it outright, but it was only on the way into the meeting that Greene had given him a hint. In Allen's view there were serious weaknesses to the proposal but he scribbled a message to Barber on a piece of paper, "It's not good enough, but don't let it go." But by the time he managed to get the note to him Barber had already said, "It's no good, quite hopeless".²¹¹

The TUC's failure to signal the offer in advance convinced Barber that it was not serious and Barber made his view that it was a propaganda exercise clear at the Cabinet the following day.²¹² Allen believed that Whitelaw would have handled it better but he was not present at NEDC since he was engaged in yet another deadlocked encounter with the NUM, after which his offer of a full investigation into

²⁰⁶ TNA: PRO, PREM 15/2118, 'Minutes of a Meeting held at the National Economic Development Council at 3pm on Wednesday 9 January 1974'.

²⁰⁷ McIntosh, *Challenge to Democracy*, pp. 45-6.

²⁰⁸ Interview with Roger Dawe, 23 September 2009.

²⁰⁹ Whitehead, *The Writing on the Wall*, p. 107.

²¹⁰ 'TUC Economic Committee Minutes, 9 January 1974', TUC Archive, MRC, MSS.292D/560.1/9.

²¹¹ Interview with Lord Croham, 20 September 2007.

²¹² TNA: PRO, CAB 128/53, CM 74, 2nd Conclusions, Minute 6, 10 January 1974.

the future of the coal industry had been publicly rejected.²¹³ Allen thought that it was Whitelaw's rebuff by the NUM which led him to dismiss the TUC offer as 'flim-flam', and so, 'when they told Heath about it, it went dead'.²¹⁴ Whitelaw reported on what he termed his depressing meeting with the NUM to the Cabinet, 'The moderate members of the executive were clearly unhappy, but they said little and when they spoke they played into the hands of the militants.' Nevertheless he still thought that it was unlikely that the NUM Executive would hold a ballot and that there would not be an all out strike.²¹⁵

It is clear from the minutes that the Cabinet was now fundamentally divided on how to handle the miners' dispute. Particular views are not attributed to individuals but some ministers took the view that as unemployment increased there was a danger that public opinion would turn against the government and therefore they should make a final all out effort to reach a settlement with the NUM. But another more hard-line group was convinced that this would show a fatal weakness, 'Any settlement with the miners beyond the terms of the Stage 3 Pay Code could demonstrate once for all that the Government could never withstand the monopoly powers of unions and this would not only put an end to all possibility of a rational economic policy but would strike at the heart of democratic government.'²¹⁶

Despite their initial scepticism during the next few weeks Heath, Barber and Whitelaw, accompanied by senior officials held a number of tortuous and ultimately fruitless meetings with the leadership of the TUC. The lengthy minutes of these meetings on 10, 14 and 21 January in the National Archives show that the TUC side was anxious to see the end of the three-day week and desperate to convince Heath of the likelihood that once the miners had settled all other major unions would also settle within Stage 3. The TUC pledged to use its moral authority to this end and Hugh Scanlon (President AUEW) made it clear that his own union, the engineers, would settle within Stage 3. They urged the government to reach an agreement with those on the NUM Executive who were 'reasonable men'. But Heath was clearly

²¹³ Paul Routledge, 'Miners scorn offer of cake tomorrow. Both sides dig in for lengthy confrontation', *The Times*, 10 January 1974.

²¹⁴ Interview with Lord Croham, 20 September 2007.

²¹⁵ TNA: PRO, CAB 128/53, CM 74, 2nd Conclusions, Minute 6, 10 January 1974.

²¹⁶ *Ibid.*

angry that the miners were not prepared to discuss their general conditions and were only interested in extra money. He was adamant that the special nature of the miners' case had been taken into account in the drafting of Stage 3 and refused to promise that any more money could be made available. While he recognised the sincerity of the TUC's offer he wanted a specific guarantee that no other union would claim to be a special case under Stage 3.²¹⁷

The last meeting on 21 January to discuss the TUC offer ended in an impasse.²¹⁸ The TUC felt they had put themselves out on a limb and been rejected and Murray in particular was decidedly irritated. 'A sense of affront was felt by the whole Movement...caused by the lack of response on the Government's behalf.'²¹⁹ At the meeting on 21 January the TUC delegation asked whether there were any circumstances in which the government was prepared to make the miners a special case. 'That question, it was said, had been met with absolute silence.' This silence was taken to mean that the government was absolutely determined to let the miners dispute drag on and ride it out.²²⁰

Robert Armstrong, who was present, remembered that at the last meeting:

Mr Heath realised he had pressed them as hard as he could and he was not going to get the kind of guaranteed commitment he would have needed. He sat at the meeting absolutely silent for a measurable period of time which felt endless. He was clearly thinking what he should do. I remember thinking that if I had been him I would have adjourned the meeting and kept them there and had a discussion with colleagues. But he didn't do that and after the long silence said that what the TUC was able to offer was not sufficient.²²¹

Although ministers eventually acknowledged the TUC's sincerity they remained fundamentally unconvinced of its ability to restrain individual trade unions.

Boardman recalled that electricians leader, Frank Chapple, had earlier told him, "If

²¹⁷ TNA: PRO, CAB 134/3749 'Ministerial Committee on Economic Policy', EPC 74 11, 'Meeting with the Trades Union Congress, 14 January 1974'.

²¹⁸ Ibid., EPC 74 14, 'Meeting with the Trades Union Congress, 21 January 1974.'

²¹⁹ 'TUC General Council Minutes, 23 January 1974', TUC Archive, MRC, MSS. 292D/20/7.

²²⁰ Ibid., The TUC records of the three meetings with Heath are not in the TUC Archive at the MRC but they were discussed by the General Council on 23 January 1974.

²²¹ Interview with Lord Armstrong of Ilminster, 9 July 2009.

those buggers [the miners] get one farthing more than me, then all bets are off. And I could stop the country in forty eight hours. It'll take them forty eight weeks, you know.”²²² On the other hand Jack Jones later asserted that ministers had an exaggerated view of Chapple’s importance and that he could not have prevailed against the general will of the TUC.²²³ Chapple later condemned Heath’s, ‘refusal to pick up the TUC olive branch’ as his biggest error.²²⁴ Before Christmas Jones had privately told Whitelaw that he did not believe that special treatment for the miners would be followed by similar claims by other workers, and although he could not say it in public, many of his members would be glad to settle within Stage 3.²²⁵

Heath reported to the Cabinet that although the TUC argued that the economic situation would keep wage awards below Stage 3 levels it could not guarantee that other unions would not also claim to be a special case. Ministers concluded that the TUC offer did not justify making the miners an exception to Stage 3; they were acutely aware that their own supporters would find this very difficult to accept and the memory of the Wilson government, which had relied on undertakings from the TUC was an unhappy precedent.²²⁶

That the Neady offer was the answer was held largely by trade unionists and industrialists. Murray believed that the TUC could have made the offer stick, ‘Heath had us where he wanted us. We were in his hands and he could not lose.’ If it had worked it would have been a great political triumph for Heath in showing he could bring the miners to heel. If it had failed then Heath would have been able to implement whatever anti-union policy he wanted.²²⁷ McIntosh was also convinced that whatever noises they might make in public other unions would be obliged to settle within the limits of Stage 3.²²⁸ Ezra also considered the government missed a

²²² Whitehead, *The Writing on the Wall*, p. 103.

²²³ 'Trade Unions and the Fall of the Heath Government', p. 43.

²²⁴ Chapple, *Sparks Fly!*, p. 137.

²²⁵ TNA: PRO, PREM 15/2118, ‘Note for the Record: Meeting between Secretary of State for Employment and General Secretary of the TGWU, 18 December 1973’.

²²⁶ TNA: PRO, CAB 128/53, CM 74, 3rd Conclusions, Minute 6, 17 January 1974.

²²⁷ Fay and Young, *The Fall of Heath*, p. 22.

²²⁸ McIntosh, *Challenge to Democracy*, p. 47.

great opportunity.²²⁹ John Hunt also conceded that this episode showed neither ministers nor civil servants at their best.²³⁰

But other senior officials remained more sceptical. Allen did not believe that the TUC could have restrained other unions, but that if Heath had accepted the TUC offer and it then failed he would have been in a much stronger position. But 'Politicians don't understand politics and it was a great opportunity lost.'²³¹ However Butler was even more sceptical, 'The trade unions were selling a pig in a poke. There was a high degree of cynicism and a belief that what the unions were out for was a victory over the government. The government wanted to settle it but felt that if they did so on a basis that wasn't defensible to workers in other industries, that would be asking for trouble. So in the end they had no choice but to reject the package that the TUC offered and just hope the miners would accept the deal.'²³²

Some ministers who opposed the TUC offer at the time later changed their minds. Whitelaw always wanted to settle, but Prior who was in favour of standing firm against the miners, later considered that the government had made a mistake, 'It would have got us off the hook, and put the unions on their best behaviour. Had their self-restraint failed, we would then have been in a much stronger position to take whatever steps might have been necessary.'²³³ Thatcher also concluded, 'We might have done better to accept it and put the TUC on the spot.'²³⁴

The NEDDY offer was much more of a political expedient than a real solution. The TUC had no powers to restrain other unions from also claiming to be a special case under Stage 3 and Heath and his ministers were not convinced that it could exercise effective restraint. In Heath's eyes this invalidated it as a real solution to the problems which faced the country and he was not willing to use it as a manoeuvre to escape from a confrontation, in a way in which Harold Wilson would probably have

²²⁹ 'Trade Unions and the Fall of the Heath Government', p. 42.

²³⁰ *Ibid.*, p. 44.

²³¹ Interview with Lord Croham, 20 September 2007.

²³² Interview with Lord Butler of Brockwell, 9 November 2007.

²³³ Prior, *A Balance of Power*, p. 92.

²³⁴ Thatcher, *The Path to Power*, p. 233.

done.²³⁵ A rational logic underlay Heath's position but the logical outcome of his failure to accept the TUC offer as an expedient to extricate the government from a collision course with the NUM led inexorably to the other confrontational option of a general election, which he found equally unpalatable.

²³⁵ Heath, *The Course of My Life*, p. 510.

Chapter 6 Honour and party unity

Breakdown

Historians have criticised both Heath's hesitation in calling a general election and his eventual decision to hold one. Fay and Young argued that the majority opinion within the Conservative Party was in favour of an early election and Heath's ambiguity infuriated his ministers and advisers.¹ Whitehead's account testified to the divisions within Heath's closest circle.² Campbell also detailed the divisions between ministers and advisers but argued that opinion within the Conservative party was much more evenly balanced.³ Kavanagh analysed the decision making process in detail⁴ while Ramsden was acutely critical of the delay.⁵

This chapter will cover the debate over whether to hold an early general election, the reasons for the delay and the factors which determined the eventual decision. Both the hesitations over the election and the February 1974 election campaign have been covered in previous accounts but the files in the archives shed more light on the reasoning behind the delay, the Cabinet divisions over a possible move to a four-day week in the middle of January, the state of the economy during the three-day week and the rationale behind the government's often opaque position.

The possibility of an early general election had been considered seriously within Conservative Central Office as early as February 1973.⁶ A paper by Michal Fraser (Chairman of Conservative Research Department 1970-74) and others had envisaged that the next hurdle would be a serious challenge to the authority of the government and the law by a powerful union. It had envisaged several election possibilities including 'a snap Election because of a particularly compulsive set of circumstances'. But as the paper also warned, 'since the First World War no General Election has been confined to a single issue...there is no guarantee that the electorate,

¹ Fay and Young, *The Fall of Heath*.

² Whitehead, *The Writing on the Wall*, pp. 108-10.

³ Campbell, *Edward Heath*, pp. 575-80.

⁴ Ramsden, *The Making of Conservative Party Policy*, pp. 299-301; Kavanagh, 'The fatal choice', p. 355.

⁵ Ramsden, *Winds of Change*, pp. 372-75.

⁶ Kavanagh, 'The fatal choice', p. 355.

or significant parts of it, will not decide to vote about something else with possibly disturbing results'.⁷

Rumours that the government might hold an early election surfaced in the press from mid-November onwards.⁸ These aroused strong feelings in several quarters: at a private dinner Sir Hugh Cudlipp (Chairman of International Publishing Corporation – the owners of Mirror Group Newspapers) told Sir William Armstrong to pass on his view to Heath that if the government chose to have a snap election on the issue of who governed the country the *Daily Mirror* would oppose it as 'a bogus election'.⁹

A head of steam behind an early election had built up in some sections of the party since the autumn of 1973. Nigel Lawson (a journalist and former editor of *The Spectator*) had been recruited to the Conservative Research Department in October 1973 to work on a draft manifesto and he argued that the electorate needed to be warned of tough times ahead, based on changed world economic prospects.¹⁰ Hurd also warned Heath that the government needed to recognise the gravity of the economic position and that the emergency Treasury package under discussion, 'would pave the way for an early General Election, if you decided that this was desirable'.¹¹ Hurd argued strongly that a settlement in breach of Stage 3 would destroy the government's authority and break the morale of the Conservative Party. This was a position which Hurd continued to hold even after the election defeat.¹²

For the next two months while rumours surfaced in the press, Heath held an endless series of meetings which inconclusively debated the merits of an early election on 7

⁷ 'The Strategic/Tactical Situation in 1973', 14 February, 1973, SC 73 17, Conservative Party Archive (hereafter CPA), Bodleian Library, Oxford.

⁸ Gordon Greig, 'Ministers urge snap election', *Daily Mail*, 5 January 1974; Michael Hatfield, 'Speculation grows on prospect of an election', *The Times*, 5 January 1974; George Clark, 'Mr Heath calls ministers to Chequers amid speculation on early poll', *The Times*, 14 January.

⁹ TNA: PRO, PREM 15/1452 'Prices and incomes policy: Prime Minister's meeting with Sir Arthur Cockfield, Chairman of Price Commission; part 30', 'Report on a dinner with Sir Hugh Cudlipp', Sir William Armstrong to Robert Armstrong, 23 November 1973.

¹⁰ Ramsden, *The Making of Conservative Party Policy*, pp. 301-02.

¹¹ Hurd, *End to Promises*, pp. 118-9.

¹² *Ibid.*, p. 119.

February, which would be held, to the Conservative's advantage, on the basis of the old electoral register. Heath refused to make a decision and his thoughts appeared obscure even to his closest advisers.¹³ Heath's closest advisers were divided in their views. Hurd, and the younger group of political advisers were in favour of an early election but Sir William Armstrong was strongly opposed, since he believed the government would be abnegating its authority. As Armstrong told Hugo Young two years later, 'I was always convinced the election would not be won. I thought they were running away from the thing by having an election.'¹⁴ Armstrong later admitted that in giving advice on this subject he had overstepped the mark.¹⁵

This division was mirrored in both the Cabinet and in the wider Conservative Party. Both Carrington and Prior, who were both close to Heath, were in favour of an early election. Carrington said later, 'As Party Chairman I knew – particularly in the light of what many thought a weak-kneed settlement with the miners in 1972 – that the Government would not be forgiven for a surrender. Our resolution was on trial and I believed that if we conceded the miners' case Conservative support throughout the country would be in tatters.'¹⁶ But Whitelaw, also close to Heath, was opposed to an early election since he feared it would jeopardise the fragile power-sharing agreement in Northern Ireland. His reservations were shared by his successor Francis Pym (Northern Ireland Secretary 1974) and by Carr.¹⁷ Hailsham was also opposed to an early election.¹⁸ Whitelaw said later that Heath never revealed his thinking, 'His great mistake was in letting Peter and Jim go on thinking he favoured 7 February, even though he never intended to have an election then.'¹⁹

A critical weekend conference to discuss an early election was held on 12 and 13 January at Chequers.²⁰ Lawson had by this stage produced a couple of drafts of a possible manifesto for a snap election. The first draft had summoned up memories of

¹³ Ibid., pp. 125-27.

¹⁴ Young, *Hugo Young Papers*, p. 79.

¹⁵ Brian Connell, 'A hardly-noticed transition from Whitehall to the City', *The Times*, 15 November 1976.

¹⁶ Carrington, *Reflect On Things Past*, p. 262.

¹⁷ Campbell, *Edward Heath*, pp. 578-9.

¹⁸ Hailsham, *A Sparrow's Flight*, p. 387.

¹⁹ Young, *Hugo Young Papers*, pp. 67-68.

²⁰ Kavanagh, 'The fatal choice', pp. 359-60.

inflation in Weimar Germany and attacked the militant leaders of the NUM: ‘a surprising proportion of whom are dedicated members of the Communist Party, committed to the overthrow of the British way of life, are at present exploiting their members’ traditional loyalty for political ends’.²¹ Even Carrington ‘felt that the general tone was rather hard and anti-miner’.²²

The Chequers meeting on the evening of Sunday 13 January included Heath, Douglas-Home, Barber, Carrington, Carr, Prior, Whitelaw, Atkins as well as Fraser, Hurd, Lawson and other officials from the Conservative Party. By then the stridency of the first draft had been toned down and both Carrington and Barber approved of it. But the divisions between the ministers present were apparent and it was clear that they had no solution on to how to achieve a settlement with the miners. Carrington believed that the attitude of the miners would be changed once they had won a general election but Whitelaw disagreed and queried how they could fight an election without a solution to the miners’ dispute; he argued that the miners would not settle just because of an election, ‘They will stick it out. If we win what then are we going to do?’ Ministers were also unsure on whether to stand firm on Stage 3 or to tighten it still further. Hurd argued they would need a new Phase 4 after the election and Heath agreed that there might have to be a freeze until they had got through the balance of payments and the oil crisis.²³

The Chequers meeting was inconclusive and when the deadline for calling an early election on the old register passed on 17 January Heath and Prior had a heated altercation, during which Heath accused Prior of generating election fever at Central Office while Prior told him that Labour MPs were delighted there was to be no election.²⁴ Election fever had been running high in some quarters and Heath’s delay angered some sections of the Conservative press.²⁵ But as Kavanagh has pointed out,

²¹ ‘An Appeal to the Nation – a contingency draft manifesto for an early general election’, SC/73/23, CPA.

²² 8th Meeting Steering Committee, 20 December 1973, SC/ 73/25, CPA.

²³ ‘Minutes of the 9th meeting of the Steering Committee held at Chequers at 6.40 pm on Sunday 13 January 1974’, The Fraser of Kilmorack Papers, Hoover Institution Archives. The revealing semi-verbatim record of the discussion is on the microfilm copies held by the CPA at the Bodleian Library Oxford, Reel 110, Box 89, Folder 2.

²⁴ Prior, *A Balance of Power*, p. 92.

²⁵ Anthony Shrimpsley, ‘It’s confusion unlimited!’, 18 January 1974.

opinion in different sections of the party was also divided, while the area agents were in favour of an election the 1922 Committee of Conservative backbenchers was more finely balanced.²⁶ Those who argued for an early election cited the private opinion poll work by Opinion Research Centre (ORC) whose work carried weight with the Conservative Party as it was the only organisation which had correctly predicted the 1970 victory.²⁷ Surveys by ORC suggested that the Conservatives could win an early election if it was called quickly in defence of Stage 3 since the unions were unpopular and the public supported an incomes policy. But ORC also warned that there was sympathy for the miners' cause and the government was blamed for rising prices and if there was a delay public opinion could turn against the government.²⁸ As Hurd commented, this polling evidence was by no means as conclusive as it was later claimed in retrospect.²⁹ It has been suggested that Heath was ill during this period but Heath later denied it in his memoirs.³⁰ It seems more credible that Heath's reluctance to call an election was mainly due to his desire to explore all possible means of settling the miners' dispute with the TUC, and these meetings dragged on until the last week in January.

Heath and his ministers were also preoccupied with the economy. A combination of contingency planning, the effects of the emergency restrictions and the mild weather had proved so successful in conserving fuel stocks that the government had considered moving to a four-day week and Heath discussed this as a realistic possibility at his meeting with the TUC on 21 January. The EPEA had also settled their pay claim at the beginning of January within Stage 3 and called off their industrial action which removed one source of anxiety from ministers.³¹

But the impetus to relax the restrictions of the three-day week came as much from acute anxiety about the general position of the economy which already suffered from a balance of payments deficit. The underlying deficit was so bad because the rapid

²⁶ Kavanagh, 'The fatal choice', p. 360.

²⁷ David Butler and Dennis Kavanagh, *The British General Election of February 1974* (London: Macmillan, 1974), p. 179; Ramsden, *Winds of Change*, p. 373.

²⁸ Kavanagh, 'The fatal choice', pp. 357-8.

²⁹ Hurd, *End to Promises*, p. 126.

³⁰ Campbell, *Edward Heath*, pp. 576-7; Heath, *The Course of My Life*, p. 512.

³¹ TNA: PRO, CAB 128/53, CM 74, 1st Conclusions, Minute 4, 3 January 1974.

push for expansion had increased demand for imported raw materials, which the weak exchange rate and higher commodity prices made increasingly expensive. This had been exacerbated by higher oil prices; at the end of December OPEC had announced that the price of oil would rise to \$11.65, which meant it had quadrupled within four months.

On 12 December Barber had warned the Cabinet that, 'the country was now facing the gravest economic crisis since the Second World War'. The likely shortfall in the oil supply would lead to a fall in industrial production of 10% in the next financial year and in the second half of 1974 output would be down by 8% against earlier predictions; instead of an economic growth rate of 3.5% there would be a negative growth rate of minus 4.5%.³² A week later Barber had introduced a deflationary package of emergency economic measures; credit controls were tightened and demand reduced by £1.2 million in 1974/5, to be financed mainly from cuts in public expenditure.³³ Barber's budget was not well received in the Commons or the press.³⁴ King was also particularly scornful, 'The measures proposed are partly cosmetic, partly inadequate and partly will take too long to have a significant effect.'³⁵

In the last week in January Heath and Barber held two Budget planning meetings with Sir William Armstrong, Douglas Allen and Sir Kenneth Berrill (Head of the Government Economic Service and Chief Economic Adviser) in which the dire state of the economy was discussed. A CPRS/Treasury Paper had predicted a current account deficit of £4 billion in 1974 on the basis of oil at \$8.50 a barrel and pointed out: 'Whatever the precise outcome of negotiations with the NUM we have therefore now entered a world in which prices and incomes will inevitably look very different from what they did in the summer...It is now clear that real incomes are likely to be

³² TNA: PRO, CAB 128/53, CM 73, 60th Conclusions, 'Confidential Annex: Economic and Industrial Affairs', 12 December 1973.

³³ H C Debs (5th series) 17 December 1973, vol. 866 cols. 952-6.

³⁴ Editorial, 'Not much of a Budget'; Hugh Noyes, 'MPs giggle, chortle and jeer as Chancellor presents proposals to a House lacking in a sense of occasion', *The Times*, 18 December 1973.

³⁵ King, *The Cecil King Diary, 1970-1974*, p. 332.

lower than in 1973 and that at best they will be stationary.’³⁶ Berrill warned that the longer three-day working lasted the worse the effects would be, ‘lower stocks, more shortages of components, more danger of bankruptcies, more unemployment rather than short-time working, longer period of strain on sterling and the danger that confidence in sterling may go’.³⁷

Heath and Barber were aware that they now faced extremely difficult economic prospects in which all their previous assumptions, including the aim of maintaining full employment, would need to be revised. Barber argued that the balance of payments problems were so great it would be worth the risk of easing the restrictions on electricity use as much as possible, and that even if there was a decision for a strike ballot by the NUM there was a case for going ahead with 80% working. They recognised that they would have to compromise, ‘on an acceptable level of unemployment’ which might be 750,000 by the end of the year.³⁸

Barber judged it was now necessary to raise energy prices, this would bring in increased revenue but it would also increase the cost of living. As a consequence it now seemed likely that the thresholds would be triggered much earlier and more frequently than had been assumed when Stage 3 was drawn up. It might be possible to revoke them but the political and other disadvantages of re-opening Stage 3 were very clear. ‘There would be charges of breach of faith, since the threshold provisions had been included with the object of providing for unforeseen price increases.’ There were two possible scenarios, one in which it was possible to deal with the developing economic situation in a reasonably orderly manner and another in which there was a major collapse of confidence which called for immediate and drastic action.³⁹

³⁶ TNA: PRO, CAB 134/3757 ‘Steering Committee on Economic Strategy’, ‘1974: The Background to Policy’, ‘Memorandum by the CPRS, prepared jointly with the Treasury’, ES O 74 2, 14 January 1972.

³⁷ TNA: PRO, PREM 15/2043 ‘Prospects for prices and incomes policy; Pay Board report on pay relativities; economic consequences of electricity restrictions; part 31’, ‘Management of the Economy in 1974/75: The Effects of a Coal Strike’, Note by Sir Kenneth Berrill, 18 January 1974.

³⁸ Ibid., ‘Points made at a meeting at 10 Downing Street at 12 noon on Tuesday 22 January 1974’, marked ‘Budget – Top Secret’.

³⁹ Ibid., ‘Note of a meeting held at 10 Downing Street on Wednesday 24 January 1974 at 11.50 am’, (NB. The dates are muddled on the papers in the National Archives, Wednesday was 23 January 1974).

On 24 January Carrington proposed to the Cabinet that industry should now be allowed to work a five-day week with 80% electricity, with commerce staying on three days electricity. But the Cabinet was clearly deeply divided on the issue. The minutes do not attribute views to individual ministers but some argued that the strategy had always been to restrict electricity consumption to prolong endurance, the miners had always sought to deplete stocks and then impose a strike when the economy was least able to resist it. 'Relaxation now would be seen as a sign of weakness by the Government: the miners would be encouraged in their resolve.' However others argued strongly that the three-day week could not be endured much longer, the trade figures would get worse and there were signs that many companies would soon be in difficulties. 'The ability of the economy to withstand restrictions was a much more critical factor for the endurance of the economy than were the fuel stocks.'⁴⁰ The Cabinet was unable to reach a decision in the morning and reconvened at 6 pm that evening but it was then told by Whitelaw that the NUM Executive had voted to hold a ballot to ask for the authority to call a full-scale strike.⁴¹

In a last desperate attempt to avert a strike Heath had sent a long public letter to Gormley which amounted to a *tour d'horizon* of the country's and the world's economic problems. It promised a fundamental review of miners' pay and conditions to take account of the new economics of energy but it also stressed the importance of sticking to Stage 3.⁴² The NUM Executive considered Heath's plea but they were anxious that the three-day week had preserved the coal stocks and 'after a very full discussion', code for disagreement, decided that more intensive action was needed and they would not attend any further meeting unless there was a larger cash offer on basic wages.⁴³ The Executive voted 16 to 10 to call a ballot asking for the authority to call a strike, with a carefully worded question, which engaged the loyalty of the membership towards the union. In his memoirs Gormley claimed later that Heath's

⁴⁰ TNA: PRO, CAB 128/53, CM 74, 4th Conclusion, Minute 4, 24 January 1974.

⁴¹ Ibid., 5th Conclusion, Minute 5, 24 January 1974.

⁴² TNA: PRO, PREM15/2174 '1974 energy crisis: measures to deal with energy and industrial emergency; coal and oil stocks and deliveries to power stations; electricity restrictions; part 2', Heath to Gormley, 23 January 1974, published in *The Times*, 25 January 1974.

⁴³ 'Minutes of a Special Meeting of NEC on 24 January 1974', NUM Archive.

letter was designed for public consumption and annoyed the Executive but they were also aware of the speculation that the government might move to a four-day week and ‘with fuel stocks holding out, and spring around the corner, our final card had to be played now or never’.⁴⁴

The political divisions over the election and the possible move to a four-day week were mirrored by a sense of disarray and confusion in the senior civil service and the decision of the NUM Executive to hold a strike ballot precipitated the Whitehall equivalent of a collective nervous breakdown in the official machine. McIntosh recorded in his diary for 25 January that Allen had told ministers that if the three-day week continued for any length of time the country may collapse, and as a result was *persona non grata* with them. Allen said that ministers had no idea how to get out of the situation if the miners vote for a strike unless they have already decided to have an election and that none of them have any real understanding of economic matters except perhaps Heath.⁴⁵ Allen’s lack of confidence in ministers was shared by Derek Mitchell (Second Permanent Secretary at the Treasury), who predicted economic and social disaster. The Treasury found it very difficult to get the reality of the economic situation across to ministers, partly because so much was filtered through William Armstrong, who was clearly unbalanced and took a high moral line about the miners’ challenge to the government.⁴⁶

Hurd described the ‘Tchekovian’ atmosphere of the weekend conference to discuss Anglo-American relations at Ditchley Park (the Foreign Office’s country house used for conferences) on 26 and 27 January as the rain lashed the windows and ‘Sir William was full of notions, ordinary and extraordinary’.⁴⁷ A few days later Armstrong had a nervous breakdown. Allen’s judgement thirty years later was that Armstrong was ‘a great man who cracked. He was under stress and probably his advice to Heath wasn’t all that good. But the real problem was that you could talk to him, get the impression he agreed with you and suddenly realise that the advice he’d

⁴⁴ Gormley, *Battered Cherub*, pp. 138-39.

⁴⁵ McIntosh, *Challenge to Democracy*, p. 62.

⁴⁶ *Ibid.*, p. 68.

⁴⁷ Hurd, *End to Promises*, p. 131.

given was quite different, so William was losing our trust in him long before he actually went.’⁴⁸

Both ministers and political advisers testified to the extent to which Heath relied on Armstrong for advice. Mark Schreiber (Special Adviser in the Civil Service Department) said that Armstrong’s advice was not always very good, but Heath was convinced that rational wisdom reposed in the Head of the Civil Service.⁴⁹ Whitelaw felt strongly that Armstrong had become more a minister than a civil servant and overstepped the mark by making political statements at meetings with ministers.⁵⁰ Prior judged, “he had become far too political. Messianic was a good word. It had a terrible effect.”⁵¹ Armstrong’s breakdown deprived Heath of his closest adviser, as Whitehead put it, ‘The smoothest piece of the Whitehall machinery had broken down.’⁵²

The stalemate around the TUC offer and the failure of all attempts to resolve the miners’ dispute strengthened the position of those within the Conservative Party who argued for an early election to break the deadlock and give the government a fresh mandate. But it was never clear exactly how an election victory, even if it could be won, would persuade the miners to settle. The senior officials who were filled with gloom about the economic and political prospects and critical of ministers had no realistic policy options to offer the beleaguered government. At one point Hunt even proposed that the miners could be given more under Stage 3, if other unions would accept correspondingly less.⁵³ But this suggestion bordered on the bizarre and would have been unworkable in practice. By the second half of January both ministers and officials who were entrenched behind Stage 3 began to recognise that it contained serious flaws but the government was in a state of paralysis and unable to make use of any opportunity, however slim, to settle the miners’ dispute.

⁴⁸ Interview with Lord Croham, 20 September 2007.

⁴⁹ Young, *Hugo Young Papers*, pp. 76-77.

⁵⁰ *Ibid.*, pp. 68, 77.

⁵¹ *Ibid.*, p. 78.

⁵² Whitehead, *The Writing on the Wall*, p. 110.

⁵³ TNA: PRO, PREM 15/2118, Hunt to Robert Armstrong, 21 January 1974.

The last loophole

The last loophole, which the government might have grasped, was the much-delayed Pay Board Report published on 24 January, which recommended that flexibility in dealing with claims for special treatment was necessary during an incomes policy and recommended that the government set up a Relativities Board.⁵⁴ This appeared to some to be another way of paying the miners more money without abandoning Stage 3 and that was Ezra's reaction, 'we naturally thought that was the end of the story; this was another sort of Wilberforce exercise – it's going to be expensive but that's it.'⁵⁵ But although Whitelaw welcomed the Report he also insisted that the miners' case could not be dealt with under this procedure immediately.⁵⁶

Whitelaw later claimed that it did not occur to him that a new Relativities Board could provide a way of settling the miners' dispute.⁵⁷ But the issue was discussed extensively the following day at a meeting between Heath, Whitelaw and Carrington and Ezra, with other members of the NCB and senior officials. Ezra urged ministers to use the Relativities Board to settle but Heath was adamant that if the miners extorted a large settlement by the use of industrial power the TUC could do nothing to stop other unions doing the same; the electricity supply workers would use their power and the printing unions had just put in for a rise of over 30%. If the NUM succeeded the consequences for parliamentary democracy, the authority of government and the economy, would be very serious indeed.⁵⁸

This comment illustrated the mindset of confrontation now prevalent but the government was under increasing pressure to settle and was urged to do so through the relativities machinery in a *Times* editorial kept on file in the National Archives.⁵⁹ As he explained to the Cabinet, Heath's initial view was that the new machinery would take time to set up and since the miners' pay settlement was due on 1 March

⁵⁴ *Pay Board Advisory Report (2) – Problems of Pay Relativities, Cmnd 5535*, (London: HMSO, 1974).

⁵⁵ 'Trade Unions and the Fall of the Heath Government', p. 42.

⁵⁶ H C Debs (5th series) 24 January 1974, vol 868, col 1898-1903.

⁵⁷ Whitehead, *The Writing on the Wall*, p. 110.

⁵⁸ TNA: PRO, PREM 15/2127 'National Coal Board pay negotiations: National Union of Mineworkers' pay claim; part 6', 'Note for the Record: Friday 25 January 1974'.

⁵⁹ Editorial, 'A line to be followed', *The Times*, 30 January 1974.

no proper examination of their case could be carried out by then. Nor had the government allowed for expenditure on the implementation of the Relativities Report within Stage 3, since its intention had always been to allow for it within Stage 4. However, the government was now anxious to regain the initiative and decided to send open letters to the TUC and the CBI offering to set up the proposed machinery, but only on condition that the miners accepted the NCB offer and returned to normal working.⁶⁰ But by this stage Gormley had stated that the NUM would not attend any more meetings with the government unless there was more cash on the table.⁶¹

The next day Heath told the Commons that if the TUC and the CBI accepted the Relativities Report then it could be implemented as a matter of urgency.⁶² But the TUC was unenthusiastic about the whole relativities procedure since it regarded it as another manifestation of the confines of the government's pay policy. It judged that it offered little hope of an immediate end to the miners' dispute and argued that the government already had the power to make the miners an exception to Stage 3.⁶³

On the afternoon of Monday 4 February Heath met the TUC representatives at No 10 again to discuss the Relativities Report. He urged them to accept it as the basis for a settlement of the miners' dispute and to use their influence with the NUM to persuade it to agree to the new relativities procedure. But while the TUC representatives did not reject the Relativities Report outright they were distinctly unenthusiastic about it and did not believe that it could be used to settle the miners' claim. The TUC still wanted the government to accept their initiative. Heath argued that the Relativities Report built on the TUC initiative and stressed the advantages of a rational evaluation of the miners' case. When Heath explained that Whitelaw would ask to see the NUM Executive early the next day before they met at 9.30 am to discuss the result of the miners' ballot Murray replied that the request would probably be rebuffed. Heath retorted that, 'it was a fine position when an individual

⁶⁰ TNA: PRO, CAB 128/53, CM 74, 6th Conclusions, 30 January 1974.

⁶¹ PREM 15/21277, Gormley to Heath, 29 January 1974.

⁶² H C Debs (5th series) 31 January, 1978, vol 868, col 607-612.

⁶³ 'TUC Economic Committee Minutes, 1 February 1974', TUC Archive, MRC, MSS.292D/560.1/9.

trade union could hold a pistol to the head of the elected Government in this way'.⁶⁴ It was a long and tortuous discussion over four hours and the official record reveals the exasperation on both sides. The TUC refused to try and influence the NUM unless the government was prepared to make more money available and Murray was bitterly critical of the government in the next day's press.⁶⁵

Whitelaw made a last minute appeal for a further meeting with the NUM Executive on the morning of 5 February, but, as Murray had predicted, Gormley refused to meet him. The miners' ballot produced an 81% vote in support of the Executive and a strike would begin at midnight on 10 February. As Robin Butler recalled, 'I do remember taking the result of the miners' ballot to him [Heath] in the flat and giving it to him. He said, "What do you think we can do now?" And rather boldly for a young civil servant I said that I thought there was only one thing to do which was put it to the electorate.'⁶⁶

On the afternoon of 5 February Heath, Barber, Whitelaw and Carrington met the leaders of the CBI, who were by this stage apocalyptic in their dire warnings about industrial breakdown as a result of the three-day week and desperate for the government to settle with the miners by any means possible: 'There comes a time when if you cannot win you disengage and fight on another ground. ..if you have to settle the quicker the better...Some degree of honour for Government and Industry may be impossible.'⁶⁷ They hinted that they would make it public that they had urged the government to compromise with the miners but Heath was adamant that 'if the miners won their full cake by brute force' the railwaymen would follow their example and so would the electricians in the next pay round.⁶⁸

⁶⁴ TNA: PRO, CAB 134/3749 'Ministerial Committee on Economic Policy', EPC 74 18, 'Meeting with the TUC on Monday 4 February 1974 at 4.30 pm, 10 Downing Street'.

⁶⁵ Paul Routledge, 'Mr Murray spells out TUC's offers', *The Times*, 5 February 1974.

⁶⁶ Interview with Lord Butler of Brockwell, 9 November 2007

⁶⁷ 'Notes on Meeting at 10 Downing St on 5 February 1974', CBI Archive, MRC, MSS.200/C/3/DG2/26.

⁶⁸ TNA: PRO, CAB 134/3749 'Ministerial Committee on Economic Policy', EPC 74 19, 'Meeting with the Confederation of British Industry, 5 February 1974'.

Later that evening Heath called an emergency Cabinet meeting and instructed those present to keep the fact that the meeting had taken place and even more what had been discussed secret even from ministers outside the Cabinet. Heath was deeply critical of the TUC and even more contemptuous of the CBI, whom he dismissed as, 'frightened men'. There were three possible courses of action open to the government. It could sit out a coal strike until the will of the NUM cracked. On a three-day week fuel stocks would last until end of April and on a two-day week until the end of May, but the current account deficit would be very high and the risks to both sterling and the economy were very great. It was highly likely that economic factors would force the government to settle with the miners. The second course was to get the best possible deal with the NUM as soon as possible but this could well mean conceding their claim in full, which would destroy the government's credibility and pave the way for the railway unions to make similar demands. The third possibility was to call a general election since if they won they would have a mandate for another five years and for a firm but fair incomes policy and could deal with the situation more effectively. If they lost they could 'preserve both their honour and Party unity'. Although it was finally a decision for the Prime Minister all the ministers present declared themselves in favour of a general election.⁶⁹

Only two copies were made of the minutes and no previous historians have drawn on this record of Heath's consultation with his colleagues over a general election. Although it was not announced until two days later the decision to hold an election was effectively taken at this meeting. In his memoirs Heath recalled that he held two political Cabinet meetings, at the first both Whitelaw and Pym spoke against an early election but at the second there was no voice of dissent.⁷⁰ Hailsham, who had originally been against an election, changed his mind after the whips warned that there might not be a Commons majority for standing firm against the miners.⁷¹

At the final pre-election Cabinet on 7 February Heath announced that he would write to Gormley to request that industrial action was suspended until after the election.

⁶⁹ TNA: PRO, CAB 128/48/5, "Meeting of Ministers held at 10 Downing Street at 7.45 pm, 5 February 1974". (Only 2 copies were made of the minute.)

⁷⁰ Heath, *The Course of My Life*, p. 511.

⁷¹ Hailsham, *The Door Wherein I Went*, p. 297; Hailsham, *A Sparrow's Flight*, p. 387.

Since, during an election campaign the Conservatives would need to show how they could get the miners back to work, Whitelaw now proposed that the miners' case should be referred to the Pay Board and examined in the light of the Relativities Report.⁷² In a ministerial broadcast that evening Heath announced that the miners' pay claim would be dealt with by the Pay Board according to the principles of the Relativities Report and the government would accept the result.⁷³ This was likely to award the miners more than Stage 3 and the very fact of a referral undermined the government's argument that the election was necessary to defend its incomes policy. Sewill judged that the late referral on 7 February weakened the whole case for the general election.⁷⁴

The referral to the Relativities Board also provided ammunition for Heath's fiercest critic within his own party. Enoch Powell, who had always opposed an incomes policy, had already announced that he would not stand as a Conservative candidate. In a letter to his constituency chairman he denounced the election as fraudulent and an act of gross irresponsibility, in that it was being called to defend an incomes policy which would be abandoned after the election.⁷⁵ But Powell's criticism was off target in that Heath and Barber's conviction was that incomes policy would need to be tightened after the election, not the free collective bargaining which both Powell and the TUC espoused.

Heath's argument was that he delayed the referral of the NUM's claim to the Pay Board because he hoped to gain the support of both the CBI and the TUC for the new machinery and most importantly its acceptance by the NUM. Although the Pay Board would be likely to award the NUM more than Stage 3 it would be justifiable, in Heath's view, if it was done through a proper rational procedure and not as a result of industrial muscle. Heath's position had some logic since both the TUC and the CBI were unenthusiastic about the relativities machinery. Although the NUM

⁷² TNA: PRO, CAB 128/53, CM 74, 8th Conclusions, Minute 4, 7 February 1974.

⁷³ TNA: PRO, PREM 15/2128 'National Coal Board pay negotiations: National Union of Mineworkers' pay claim; relativities report; part 7', Transcript of Ministerial Broadcast, 7 February 1974.

⁷⁴ Kavanagh, 'The fatal choice', p. 368.

⁷⁵ Our Political Editor, 'Mr Powell will not stand in an essentially fraudulent election', *The Times*, 8 February 1974.

eventually gave evidence to the Pay Board Inquiry it *never* agreed that it would accept its findings as binding and it seems unlikely that an earlier referral would have averted the strike ballot. But the tortuous episode was marked by muddle and confusion and once again the government was on the back foot with the NUM and unable to communicate its case to the public with any clarity.

The CCU and the three-day week

The election campaign was fought during the three-day week, which has entered the collective folk-memory as a symbol of the failure of the 1970s. But, as Campbell has pointed out, a recollection of conducting ordinary activities by candlelight is inaccurate and there has been a tendency to confuse memories of the power cuts of 1970 and 1972 with 1974. The early introduction of the restrictions on the use of electricity coupled with the unusually mild weather in January and February 1974 meant that the random power cuts of 1972 were avoided so ‘the country was dim and chilly rather than actually dark or cold’.⁷⁶ Beckett’s account focussed on the experiences of ordinary citizens, including the vicissitudes of civil servants in unheated offices.⁷⁷ Sandbrook has drawn on press reports and popular television programmes and argued that the restrictions seemed to many to be an over-reaction.⁷⁸ Campbell and Sandbrook have both argued that the economic impact was not as dire as had been predicted, although Beckett rightly questioned the myth of enhanced productivity during the three-day week.⁷⁹

Very little has been written about the role of the CCU in managing the three-day week, since its existence at the time was not public and its work continued to be shrouded in secrecy. At the time there was only an oblique press reference to Prior as chair of ‘the Cabinet emergency committee’.⁸⁰ In his memoirs Prior devoted only three rather uninformative paragraphs to his work as Chairman of the CCU.⁸¹ There is only a brief account of the CCU during the 1973-4 emergency in Jeffery and

⁷⁶ Campbell, *Edward Heath*, pp. 574-5.

⁷⁷ Beckett, *When the Lights Went Out*, pp. 132-46.

⁷⁸ Sandbrook, *State of Emergency*, pp. 590-601.

⁷⁹ Campbell, *Edward Heath*, pp. 574-75; Beckett, *When the Lights Went Out*, pp. 142-43; Sandbrook, *State of Emergency*, pp. 598-99.

⁸⁰ David Wood, ‘Separation between departments of Energy and Trade and Industry will not be complete’, *The Times*, 9 January 1974.

⁸¹ Prior, *A Balance of Power*, p. 82.

Hennessy.⁸² Fay and Young had a rather lurid description of its work, which described it as something ‘like the plot of an improbable thriller’.

The anonymous figures who command the military and the Civil Service to keep essential services going – known as regional commissioners – were put on stand-by. And the regional seats of government, the secret bunkers from which the country is run after a breakdown of Parliamentary government, were prepared for action. This had been done to avert a state of chaos described in print by one official, Brendon Sewill, as resembling that which would follow a “minor nuclear attack”.⁸³

Both Fay and Young’s and Sewill’s accounts of fears of breakdown in Whitehall were exaggerated since the work of the CCU meant that the government was in some respects well-prepared for the emergency and despite the pessimism among ministers and officials there was not the same panic as in 1972. There is no evidence in the records of the CCU that the Regional Emergency Committees were activated. Throughout the three-day week the CCU met on average two or three times a week chaired either by Prior or by Patrick Nairne (Deputy Secretary Cabinet Office). Although Fay and Young asserted that the CCU scarcely met during the campaign⁸⁴ it met at least weekly.⁸⁵ Heath, who was concerned that the conduct of government should be as non-partisan as possible during the election and wanted a clear division between political and official matters, had set up an Emergency Action Committee (GEN 203) to provide ministerial supervision for the CCU and to take any urgent operational decisions on power supplies and picketing.⁸⁶ GEN 203 was also chaired by Prior and included Carrington, Carr, Whitelaw, Carr, Walker and Ian Gilmour (Defence Secretary 1974). Its terms of reference were to deal with urgent questions from the state of emergency, consider any measures needed to prolong endurance and provide guidance to the CCU. It met only once on 18 February when it decided that the need for petrol rationing was now over and the Regional Petroleum Offices, which had been set up to implement a rationing scheme should be run down.⁸⁷

⁸² Jeffery and Hennessy, *States of Emergency*, pp. 239-40.

⁸³ Fay and Young, *The Fall of Heath*, p. 5.

⁸⁴ *Ibid.*, p. 28.

⁸⁵ TNA: PRO, CAB 134/3717 'Civil Contingencies Unit: Meetings'.

⁸⁶ TNA: PRO, CAB 128/53, CM 74, 8th Conclusions, Minute 1, 7 February 1974.

⁸⁷ TNA: PRO, CAB 130/719 'Emergency Action Committee', GEN 203 74, 1st Meeting, 18 February 1974.

When the introduction of the three-day week was under discussion in mid-December the CCU showed a clear grasp of the impact of electricity restrictions and exerted a moderating influence on some of the more draconian suggestions for conserving electricity. It recognised very quickly that the proposal to allow heating in only one room in each house was not only harsh but unenforceable.⁸⁸ Prior advised the Cabinet that it would be better to start on a voluntary basis with a massive advertising campaign.⁸⁹ The CCU also pointed out that some superficially straightforward measures, such as cutting electricity in places of entertainment, would actually lead to bankruptcy for theatres and cinemas and the damage to public morale would be greater than the savings gained.⁹⁰ It kept a close watch on the detailed orders which regulated the state of emergency so that in comparison with 1972 the restrictions on electricity operated relatively smoothly. There was a slight hiccup when schools were not exempted from an order which cut heating in public buildings but this was swiftly corrected.⁹¹ In her memoirs Thatcher recalled her fury at this, but Prior blamed the silence of one of her officials at the CCU.⁹²

During the three-day week the CCU exercised fine judgements on the competing need for electricity across every aspect of national life. Although there had been a programme of putting stand-by generators in place in sewage stations and hospitals these could provide only a proportion of normal power and there were not enough to go round. The CCU deliberated whether to allocate two of the government's generators to the Inland Revenue (PAYE) computer at Liverpool and the Customs and Excise (VAT) computer in Southend, or to a private company, Beechams, the main manufacturer of penicillin, which took eleven days to make and could be ruined if interrupted by electricity cuts of more than twenty minutes.⁹³

Campbell has argued that, 'Technically the three-day week was a considerable success: the nation's consumption of coal and oil was substantially reduced without serious economic consequences and the public was spared the misery of random

⁸⁸ TNA: PRO, CAB 134/3589 CCU 73, 61st Meeting, 12 December 1973.

⁸⁹ TNA: PRO, CAB 128/53, CM 73, 61st Conclusions, 13 December 1973, Minute 5.

⁹⁰ TNA: PRO, CAB 134/3589, CCU 73, 61st meeting, 12 December 1973.

⁹¹ *Ibid.*, 47th meeting, 16 November 1973.

⁹² Prior, *A Balance of Power*, p. 89; Thatcher, *The Path to Power*, pp. 230-31.

⁹³ TNA: PRO, CAB 134/3717, CCU 74, 5th meeting, 14 January 1974.

blackouts. The lessons of the previous miners' strike had been well learned: the Government was not beaten by shortage of coal stocks.⁹⁴ But this is only partly correct since the papers in the National Archives show that the position of the coal stocks was more precarious than previously thought.

In mid-November at the start of the miners' overtime ban and the state of emergency the level of coal stocks at the power stations was at a record 19.1 million tons. But as result of the miners' action these stocks were run down much faster than the previous year so that a month later they had been depleted to 15.5 million tons.⁹⁵ The coal stocks then held up reasonably well throughout January, both because of the warm weather and because the general public had responded to appeals for savings in domestic electricity, plus the end of the EPEA action. It was these factors which led to press speculation that the Cabinet would consider moving to a four-day week.⁹⁶ But this idea was abandoned once the NUM Executive decided to hold a strike ballot, since the prospect of the complete loss of coal production rendered it completely unviable.

But the high headline figure for the coal stocks concealed the fact that much of it was of extremely poor quality. One Treasury official who examined the idea of transporting some of the CEEB's reserves of coal to locations in greater need scathingly concluded that it largely consisted of very old stock, of dubious quality, which had lain for years in what were essentially convenient dumping grounds, and it was questionable how much of it was useable. It could not be moved easily and there was not much point in considering further 'the useless 6 million tons'.⁹⁷

⁹⁴ Campbell, *Edward Heath*, p. 575.

⁹⁵ TNA: PRO, PREM 15/2175 '1974 energy crisis: measures to deal with energy and industrial emergency; coal and oil stocks and deliveries to power stations; electricity restrictions; part 3', 'The Need for the Three-Day Week: Speaking Note, 5 February 1974'.

⁹⁶ Christopher Lorenz, 'Hopes of four-day working week soon', *Financial Times*, 18 January 1974; 'Prospect of four-day week and Prime Minister defers election decision', *The Times*, 18 January 1974.

⁹⁷ TNA: PRO, T 357/179 'Civil emergencies: contingency planning', Nagler to Griffiths, 10 January 1974.

By 25 January, when a full scale strike appeared inevitable, the power station stocks were down to 13.6 million tons of coal and the estimate was that by the time the strike began on 11 February they would be down to 11.7 million tons of coal, or only enough for five and a half weeks of electricity if the three-day week was maintained.⁹⁸ In a frank assessment of the mood of the CCU one official reported: ‘The tone was very gloomy and the Lord President [Prior] seemed particularly depressed...there seemed little hope of anything that would lengthen the endurance of the country beyond that of the miners... The impression the Lord President gave was that he did not think the country could in fact stand up to a miners’ strike and that something else would have to be done.’⁹⁹

Endurance of electricity supplies depended on a number of factors; the weather, the level of domestic savings which had begun to tail off, the extent to which power stations could be switched from coal to oil, whether or not power stations were picketed so supplies could not get through. If all factors were favourable electricity endurance could be extended to mid-April, even longer if draconian restrictions on its use were implemented, but this would only be at the expense of more adverse effects on industry.

The resilience of British industry throughout the three-day week has become part of popular mythology. As Beckett put it, ‘The enhanced productivity of British business during the three-day week is still an article of faith for many former members of the Heath government.’¹⁰⁰ In his memoirs Heath asserted that production only fell by 2%.¹⁰¹ Jeffery and Hennessy claimed that production was 75% of normal while hours were reduced by 40%.¹⁰² But the real position was more nuanced.

At the final pre-election Cabinet minister were acutely worried about the effects of short time working.¹⁰³ This had discussed a paper by Carrington which estimated that the electricity system could withstand a miners’ strike until mid-April but well before

⁹⁸ TNA: PRO, CAB 134/3717, CCU 74, 9th Meeting, 25 January 1974.

⁹⁹ TNA: PRO, T 357/179, Pickering to Caff and Eastal, 25 January 1974.

¹⁰⁰ Beckett, *When the Lights Went Out*, p. 143.

¹⁰¹ Heath, *The Course of My Life*, p. 506.

¹⁰² Jeffery and Hennessy, *States of Emergency*, p. 240.

¹⁰³ TNA: PRO, CAB 128/53, CM 74, 8th Conclusions, Minute 5, 7th February 1974.

that the steel industry would be in great difficulty because of a shortage of coking coal. This would quickly work through to user industries within four weeks and it would become impossible to sustain even a three-day working week. It warned that the three-day week would have increasingly severe effects on business confidence, liquidity and the balance of payments and that industrial output could fall by as much as 27% in the first quarter of 1974.¹⁰⁴

At the start of the strike on 12 February a paper by the DTI warned that while manufacturing industry had maintained an output of around 75% of normal in January this would not continue as existing stocks were used up and there was a shortage of vital components. It predicted that the important steel producing sector would suffer a serious decline in output by mid-March if the three-day week was maintained. Steel was necessary to a wide range of industries and any shortages would have long term effects; a shortage of steel for food canning would mean that crops would be wasted and there would be shortages next year.¹⁰⁵

The paper forecast that if oil deliveries to power stations were increased by 20% then electricity endurance could be extended to mid-April, but this could only be done on the basis of a three-day week if rota cuts were introduced and this could prove catastrophic for continuous process industries, such as food production. If a two-and-a-half day working week was introduced then endurance for both electricity and steel could be extended by a fortnight, but such a move would have dire consequences; it would result in a considerable loss of industrial output and the effect of cumulative shortages would cause financial problems so serious that there would be closures and bankruptcies. If industry could see no immediate end to the strike then general business confidence could collapse at short notice; while it was impossible to predict just when this might happen it was likely to occur before the onset of widespread insolvencies.¹⁰⁶

¹⁰⁴ TNA: PRO, CAB 129/174/8 'Cabinet Memoranda', CP 74 8, 'Response to a Coal Miners' Strike: Memorandum by the Secretary of State for Energy, 6 February 1974'.

¹⁰⁵ TNA: PRO, CAB 134/3718 'Civil Contingencies Unit: Papers', CCU 74 36, 'Effects of the Coal Strike on Industry', 12 February 1974.

¹⁰⁶ Ibid.

This pessimistic assessment of the effects of the strike on industry was not at all what Heath wanted to hear and his irritation was plain from his handwritten comment on the paper. 'The tone and language of this report is so extravagant and so contrary to the other evidence I've been given that I can have little confidence in it. Now let me have a proper balanced assessment.'¹⁰⁷ But the revised assessment a fortnight later brought little comfort since it showed that the endurance for steel was slightly longer, and for electricity slightly shorter, than the earlier forecast. Both were now likely to end at the beginning of April, which the government should regard as the effective limit of tolerable industrial endurance.¹⁰⁸

After the election the DTI and the Department of Employment commissioned a team of management consultants to carry out a detailed study of one hundred and twenty companies affected by the restrictions of the three-day week. This found that output per labour hour improved slightly by about 5%, although at a slightly higher cost, but output per week averaged around 83% of normal. The main motivation for the increased productivity was the desire of employees to maintain their earnings which led them to accept hardship and inconvenience on a temporary basis and put aside other disputes. But the extra effort and co-operation was limited by growing fatigue and the fading novelty element and the long shifts and Saturday working were generally disliked. It concluded that there was no evidence, 'that three days' enthusiastic work produced almost as much output as in a normal week'.¹⁰⁹

This study focussed on those firms which had been particularly affected by the three-day week and overall the Index of Industrial Production fell by six points in the first quarter of 1974.¹¹⁰ This was considerably less than both the CBI and officials had feared at the outset, since on days without electricity many firms exercised considerable ingenuity and employed measures such as switching away from power

¹⁰⁷ Ibid., handwritten comment by Heath.

¹⁰⁸ Ibid., CCU 74 46, 'Effects of the Coal Strike on Industry', 26 February 1974.

¹⁰⁹ TNA: PRO, PREM 16/944 'MANPOWER. Department of Industry Report 'The Three Day Week', June 1976', *The Three-Day Week*, Report by the Department of Industry (London: HMSO, 1976). Commissioned from Inbucon/AIC Management Consultants Limited.

¹¹⁰ Central Statistical Office, *Economic Trends, June 1975*, (London: HMSO 1975), p. 26.

tools.¹¹¹ But the longer the three-day week continued the greater the damage there would have been to the economy as shortages became cumulative. As it was GDP in the first quarter was down 2.5% against the final quarter of 1973.¹¹²

In May 1974 the Wilson Government set up a group of officials, chaired by Patrick Nairne, to examine the lessons from the handling of the crisis.¹¹³ This found that the handling of the emergency had been successful in that no one had gone short of food or pay and economic breakdown had been averted. The report judged that the CCU had proved effective in a number of ways; providing a clearing house for developments, co-ordinating action, including scrutinising the orders on electricity restrictions and monitoring developments and offering tactical advice to ministers. But it also identified an overall need for more strategic economic policy advice during an emergency. It had rather strayed outside its remit to deal with essential services when it discussed steel production on the rather tenuous grounds that a shortage of steel in the food-canning industry might eventually affect the availability of food. The Report concluded that while the remit and operation of the CCU was sufficient for a short-lived emergency, in a longer one ministers needed wider and more strategic policy advice, which the CCU did not have the expertise or the seniority to provide. The CCU was not equipped to consider such issues as the impact on industry of a prolonged strike or the economic consequences of conceding wage claims against the damage done by prolonged disruption.¹¹⁴

Prior later declared that ‘much of my work at that time now seems no more than a bad memory’ and he rather dismissively concluded that the theory was the better prepared we were the more likely we would be able to resist or even prevent a serious strike but, ‘The odds were always against us.’¹¹⁵ David Howell (Minister of

¹¹¹ ‘Handcraft’, *The Economist*, 12 January 1974.

¹¹² Source: ONS figures for UK GDP since 1948 (adjusted for inflation), Guardian Data Blog, posted 24 February 2012, accessed 22. 3.2012.
<http://www.guardian.co.uk/news/datablog/2009/nov/25/gdp-uk-1948-growth-economy?INTCMP=SRCH>

¹¹³ TNA: PRO, CAB 130/739 ‘Official Group on Review of Emergency’, MISC 22 74.

¹¹⁴ *Ibid.*, ‘Economic and Industrial Implications of an Emergency’, MISC 22 74 3, 16 July 1974.

¹¹⁵ Prior, *A Balance of Power*, p. 82.

State, Department of Energy 1974) was more positive and judged that officials ran the CCU brilliantly.¹¹⁶ Jeffery and Hennessy rightly judged that given its limited aims the CCU stood up well to the test of the 1973-4 winter crisis, but quoted one official as saying ‘it was pretty close at the end’.¹¹⁷ On a logistical level the government’s management of the energy crisis was a success and the work on contingency planning proved its worth in extending electricity endurance. But although the worst fears of ministers and officials were not realised the adverse effects of the three-day week would have become more severe the longer it lasted and given the already weak position of the economy it would have been impossible to continue with it for any length of time. The problems posed by economy during the three-day week also revealed the limits of the CCU and highlighted what Hunt had foreseen: that although *endurance* could be prolonged it was impossible to provide alternative sources of energy to maintain normal life.

The election

There are a number of detailed accounts of the February 1974 election campaign and the consensus view among historians is that the Conservative campaign had no clear message and was marked by muddle and confusion.¹¹⁸ Prior, who had been one of the strongest advocates of an early election, later reflected ruefully, ‘The campaign itself was a nightmare.’¹¹⁹ The files in the National Archives add little to what has been written about the campaign elsewhere although the Note for the Record which detailed Robin Butler’s desperate but unavailing attempts to reach Heath and his advisers on the evening of 21 February when the Pay Board released figures which appeared to show the government had miscalculated the miners’ pay, reinforce the impression of hapless misfortune which dogged the Conservative campaign.¹²⁰

¹¹⁶ Peter Hennessy, *Cabinet* (Oxford: Blackwell, 1986), p. 79.

¹¹⁷ Jeffery and Hennessy, *States of Emergency*, p. 240.

¹¹⁸ Butler and Kavanagh, *The British General Election of February 1974*; Whitehead, *The Writing on the Wall*, pp. 110-15; Campbell, *Edward Heath*, pp. 598-619; Ramsden, *Winds of Change*, pp. 375-83; Sandbrook, *State of Emergency*, pp. 616-45; Ziegler, *Edward Heath*, pp. 428-42.

¹¹⁹ Prior, *A Balance of Power*, p. 93.

¹²⁰ TNA: PRO, PREM 15/2128, Robin Butler, ‘Note for the Record’, 28 February 1974.

The opinion polls showed a narrow Conservative lead throughout the campaign and despite their failure to predict the correct result in 1970 the general expectation of most commentators at the outset was that the Conservatives would win.¹²¹ But contradictory messages ran throughout their campaign. Heath set up the question of ‘Who governs Britain?’ in his ministerial broadcast of 7 February.¹²² The popular right wing press latched onto this theme and carried it through the campaign.¹²³ But against the advice of some of his advisers Heath fought a moderate and non-confrontational campaign which failed to energise the electorate and disappointed Conservative supporters. A Party Election Broadcast on 17 February, presented by Barber, accused the Labour Party of being under extreme left-wing influence and caused a furore.¹²⁴ Ramsden argued that the ‘who governs’ theme was actually popular with many Conservative supporters and the failure to carry it through the campaign and the débâcle over the broadcast demoralised the staff of Central Office.¹²⁵ The row over the broadcast also convinced Barber to withdraw from front-line politics after the election.¹²⁶

The records are however interesting on the consideration which went into the possible deployment of police and servicemen and show that the worst fears of the planners as far as both violence and picketing and the electricity position were not realised. Before the election the government’s suspicion of extremist influence had reached a high pitch. At the end of January McGahey made an inflammatory speech, which proclaimed that if troops were used to move coal he would appeal to them to come to the assistance of the miners. McGahey’s remarks were condemned both by the Labour party and by Gormley.¹²⁷ Nevertheless they triggered alarm bells in the Cabinet and all over Whitehall and reinforced fears of subversive influences within the NUM. Ministers and officials were braced for a repeat of the mass picketing of 1972 and Heath asked Gilmour to review the issue of military aid to the civil power and the availability of troops if mass picketing threatened delivery of supplies to

¹²¹ Butler and Kavanagh, *The British General Election of February 1974*, p. 91.

¹²² TNA: PRO, PREM 15/2128, ‘Text of Ministerial Broadcast’, 7 February 1974.

¹²³ Campbell, *Edward Heath*, pp. 594-5.

¹²⁴ Butler and Kavanagh, *The British General Election of February 1974*, pp. 160-1.

¹²⁵ Ramsden, *The Making of Conservative Party Policy*, p. 302; Ramsden, *Winds of Change*, pp. 377-8.

¹²⁶ Correspondence with Professor John Ramsden, 19 June 2008.

¹²⁷ ‘Labour and miners attack Mr McGahey’, *The Times*, 30 January 1974.

power stations.¹²⁸ Gilmour reported that there were contingency plans to use servicemen to move coal, oil and lighting up fuel to the power stations in the event of a strike, which would require 18,000 men if the plans were mounted simultaneously. But he was also adamant that primary responsibility for maintaining law and order must remain with the police; servicemen would be told to avoid physical contact and argument with pickets and in any confrontations servicemen would be instructed to withdraw to prevent damage to themselves or property.¹²⁹

The experience of 1972 had been studied carefully and the Home Office was confident that co-operation between police forces had been improved and, 'arrangements for the interchange of intelligence between Special Branch were reviewed. The police believe that these arrangements are now fully effective. The Security Service is of course also involved.' There were plans to open a National Reporting Centre at New Scotland Yard in the event of a strike so that police resources could be allocated according to national priorities, this would, 'naturally receive reports from police forces and from the Security Service'.¹³⁰ But this note also illustrated the difficult line the police had to tread between guaranteeing the rights of those who wanted to work and those who wished to picket peacefully. It was not a criminal offence for miners to picket the power stations to prevent delivery, not only of coal but also other essential supplies, so the police could do nothing to undermine the 'sanctity attaching to picket lines' and their main role was to prevent intimidation.¹³¹ The Civil Emergencies Book stressed that there would be no question of the National Reporting Centre exercising any command over police forces and all police operations would remain under the individual control of individual chief officers of police.¹³²

¹²⁸ TNA: PRO, PREM 15/2117 'Discussions on reform of legislation on picketing; contingency planning; possible issue of leaflet on picketing; part 2', Armstrong to S G Norris (Home Office), 28 January 1974.

¹²⁹ Ibid., 'Aid to the Civil Power', Gilmour to Heath, 1 February 1974.

¹³⁰ Ibid., 'Picketing: Contingency Planning. Note by the Home Office, 21 January 1974'.

¹³¹ Ibid.

¹³² TNA: PRO, CAB 175/36 'Cabinet Office Civil Emergencies Book (February 1973): incorporating Amendment No. 1'.

As in 1972 there was much anxiety about deploying servicemen to contain picketing. The CCU discussed the use of servicemen in industrial disputes but it was totally opposed to troops being employed on any duties which might bring them into confrontation with pickets.¹³³ But all fears of violent confrontation turned out to be unfounded. Once the election was called Heath had asked Gormley to call off the strike but, although Gormley tried, he failed to persuade the NUM executive to do so.¹³⁴ However the NUM restricted the number of pickets in any one place to six and there was no mass picketing. As Prior acidly observed, ‘the miners were clever enough tacticians to play everything quietly...whether at the mines, power stations or docks they were as quiet and well-behaved as mice.’¹³⁵

The election campaign was fought during the three-day week which meant industry, shops and offices were on short-time working, and there were many other minor restrictions on the use of electricity, such as street lighting, which affected the quality of daily life. But the order which had shut down television at 10.30 pm was lifted to enable proper coverage of the campaign, which helped to dissipate any sense of crisis and reinforced the view that the election was unnecessary.¹³⁶ The Conservative campaign was derailed by several unfortunate incidents. On 21 February the Press Association, after a briefing by Derek Robinson (Deputy Chairman of the Pay Board), reported that the miners pay was 8% below the national industrial wage for manual workers, rather than above it as had been assumed. According to the government the Pay Board had used a slightly different statistical method.¹³⁷ But this was a complicated message to convey and took several days to emerge while the press reaction, even from Conservative newspapers, was hostile.¹³⁸

¹³³ TNA: PRO, CAB 134/3717, CCU 74, 12th Meeting, 4th February 1974, ‘Use of Servicemen: Confidential Annex’.

¹³⁴ TNA: PRO, PREM 15/2128, Gormley to Heath, 9 February, 1974; Gormley, *Battered Cherub*, p. 141.

¹³⁵ Prior, *A Balance of Power*, p. 93.

¹³⁶ Butler and Kavanagh, *The British General Election of February 1974*, p. 67.

¹³⁷ TNA: PRO, PREM 15/2128 ‘National Coal Board pay negotiations: National Union of Mineworkers’ pay claim; relativities report; part 7’, Robin Butler, ‘Note for the Record, 28 February 1974’.

¹³⁸ ‘The Great Pit Blunder’, *Daily Mail*, 22 February 1972.

There were several other nightmarish incidents for the Conservatives. On 26 February Campbell Adamson stated that the Industrial Relations Act had soured the industrial climate and he would like to see it repealed. He did not realise his remarks were being recorded and offered to resign but the damage was done.¹³⁹ A few days before polling day Powell advised Conservative supporters opposed to the EEC to vote Labour and then revealed that he had already used his postal vote to do so.¹⁴⁰ The Government was further undermined by poor economic statistics: on 15 February the RPI showed a 35% increase in all prices and 50% increase in food prices since June 1970,¹⁴¹ and on 25 February the monthly trade figures showed a £383 million deficit for January, the largest ever recorded.¹⁴²

Despite all these tribulations the Conservatives won a slightly higher share, 37.8%, of the popular vote, than Labour with 37.1%. But the electoral system gave Labour 301 seats, 17 short of an overall majority, to the Conservatives 297. The result came as a surprise to most ministers and to some officials in No 10. Robin Butler remembered that on election night, 'I had a party at my home and Robert Armstrong came. When the first votes came in the atmosphere changed immediately and Armstrong left saying he would need to be alert the next day. It was a shock, we expected the Conservatives to win.'¹⁴³ Since neither party had an overall majority Heath felt justified in not resigning immediately and attempted to put together a coalition with the Liberals, who had won 19.3% of the vote but only 14 seats. But this ended in failure and on 4 March he finally resigned and Wilson became Prime Minister in a minority Labour government.¹⁴⁴

On 4 March, the same day that the government formally changed hands, the Pay Board presented its report. As expected it proposed that the miners should be given an increase in excess of Stage 3 and recommended a total offer of £100 million (the NUM claim had been for £130 million). But it also stressed that the conditions

¹³⁹ Butler and Kavanagh, *The British General Election of February 1974*, p. 107.

¹⁴⁰ *Ibid.*, pp. 104-5.

¹⁴¹ *Ibid.*, p. 85.

¹⁴² *Ibid.*, p. 105.

¹⁴³ Interview with Lord Butler of Brockwell, 9 November 2007.

¹⁴⁴ TNA: PRO, PREM 16/231 'PARLIAMENT. Government majority and the Constitution', Robert Armstrong, 'Events leading to the resignation of Mr Heath's administration on 4 March 1974: Note for the Record, 16 March 1974'.

which underground workers endured were very different to those of surface workers and recommended a much greater differential between the two groups than the NUM wanted.¹⁴⁵ The Labour Cabinet authorised the NCB to reach a settlement within the terms of the Relativities Report but the NUM repeated its negotiating tactics of 1972 and demanded that its claim be met in full. A detailed Note for the Record recorded the protracted negotiations through the evening of 6 March as officials tried desperately to locate Michael Foot (Employment Secretary 1974-6) and Eric Varley (Energy Secretary 1974-6) to authorise the NCB to grant concessions above the limit the Cabinet had set. Eventually the NUM succeeded in extracting a settlement worth approx £105 million.¹⁴⁶ This was an abrupt reversal of policy which came as a shock to some in the senior civil service. Robin Butler acknowledged, 'When Wilson came in and said, "We've got to settle this strike", I found it one of the most traumatic moments in my career. I'd been working very hard for Ted Heath and writing speeches on "Who governs Britain", and then having someone say this was a complete waste of time and write speeches on it. I found that very traumatic.'¹⁴⁷

Aftermath

In his memoirs Heath maintained that although an election was never anything better than a grim necessity by the beginning of February there was no credible alternative.¹⁴⁸ He held to that view in public ever after. Yet in October 1974 his friend, Lord Aldington (Conservative MP for Blackpool North 1945-62) who was with him through the early hours of 1 March told McIntosh, 'When the results became clear Heath said, with tears streaming down his face, that clearly, "he had got it all wrong".'¹⁴⁹ Waldegrave also told Hugo Young that at the end of the election campaign Heath told a small gathering of friends that he had let them down. When

¹⁴⁵ TNA: PRO, PREM 16/135 'INDUSTRIAL POLICY. National Union of Mineworkers (NUM) pay claim: publication of Pay Board report on relativities', *Pay Board, Special Report, Relative Pay of Mineworkers*, 4 March 1974.

¹⁴⁶ Ibid., Robin Butler, 'Note for the Record: Settlement of the Coal Miners' Dispute, 7 March 1974'.

¹⁴⁷ Interview with Lord Butler of Brockwell, 9 November 2007.

¹⁴⁸ Heath, *The Course of My Life*, pp. 511-2.

¹⁴⁹ McIntosh, *Challenge to Democracy*, p. 151.

they protested that they had all agree not to hold the early election on 7 February, ‘“What I mean,” said Ted, a little resignedly, “is having the election at all”.’¹⁵⁰

Historians have questioned why, after resisting for so long Heath finally gave in and decided to hold an election. Hurd argued that the overriding reason was that his policy of economic growth was now impossible because of the oil price rise, ‘The lean years would need new policies and a new vocabulary. There would have to be an end to promises.’ He asserted that Heath would not have agreed to hold it on the grounds of the coal dispute alone, but it was the coincidence of the miners’ strike with the disastrous change in economic prospects which led him to change his mind and clinched the argument.¹⁵¹ Campbell argued that there was an element of retrospective rationalisation in Hurd’s view and that Heath came to regret calling the election because it was *not* fought on the need to adjust to world economic changes but ‘on the triangle of issues which had forced him to hold it – the miners’ pay claim, the control of inflation and the use of trade union power’.¹⁵²

After the election defeat many Conservatives argued that it was the *delay* in calling the election which was responsible for the government’s defeat.¹⁵³ Lawson later argued strongly that an earlier election would have made it impossible for the NUM to hold a strike ballot and that Heath’s delay was the fatal strategic mistake.¹⁵⁴ But while Carrington acknowledged that the date was important he was adamant that, ‘There were only two alternatives, an election or a cave-in’.¹⁵⁵ While it is true, as Campbell argued, that the election was fought on a narrower rather than a broader interpretation of economic problems the evidence in the files supports the argument that by February it was unavoidable. The difficulties posed by the three-day week were such that it could not have been sustained indefinitely and the economy could not have withstood the total loss of coal production entailed by a full-scale strike. The argument that because the government had given into the miners once in 1972 it was politically impossible for it do so again weighed less with Heath than with other

¹⁵⁰ Young, *Hugo Young Papers*, p. 84.

¹⁵¹ Hurd, *End to Promises*, p. 135.

¹⁵² Campbell, *Edward Heath*, p. 594.

¹⁵³ Prior, *A Balance of Power*, p. 96.

¹⁵⁴ Kavanagh, 'The fatal choice', p. 368.

¹⁵⁵ *Ibid.*, p. 362.

ministers and wide sections of the Conservative Party. This was reflected in the divisions within the Cabinet in January 1974 over how to handle the TUC offer and whether or not to move to a four-day week. The extent of Heath's isolation from his own party was evident in the delay over whether to call an election and the conduct of the campaign.

But the election was not part of a reasoned strategy. Ministers were never clear how a renewed mandate would have settled the miners' pay dispute since the NUM never agreed in advance that it would accept the Pay Board Report and a new Conservative Government would have been extremely reluctant to grant more concessions. It was borne of desperation since the government had reached a total impasse in a trial of strength against the miners. Both the TUC and the CBI, which Heath had tried so hard to engage as partners in managing the economy, no longer supported him. Those critics within the Conservative Party and the unions who alleged that Heath had elevated Stage 3 to a dogma were justified but Heath was convinced that it was the fairest way to deal with inflation, since it applied equally to all groups within society, and that since it was ratified by Parliament it had the full authority of law behind it. He also believed that it was right and rational and hence had an almost moral force and it was these factors which lay behind his inflexible resistance to allowing the miners anything above the Stage 3.

The dangers posed by a miners' strike were well-understood by ministers and officials after 1972 and the government attempted to counter these, first, by extending endurance and secondly by incorporating the particular needs of the NUM within Stage 3. The latter was a failure and the government was unable to formulate any effective strategy to deal with the NUM. Heath relied too much on the secret meeting with Gormley and doubtful intelligence about the intentions of the NUM Executive. He also set too much store on the effectiveness of the series of large set-piece meetings with the NUM and the TUC. These large and unwieldy meetings of groups of ministers and phalanxes of officials ranged against delegations from the TUC and the NUM were reminiscent of international diplomacy in the wake of a war. They had been unsuccessful in securing agreement during the tripartite negotiations with the TUC and the CBI in the summer and autumn of 1972 and it was unwise to use them again.

Although the contingency planning was logistically successful in extending the *length* of endurance for electricity it did not, as Hunt had correctly predicted, supply a parallel source of energy which would enable the government to run the economy. The effort which went into contingency planning also meant that the focus among ministers and officials shifted more to withstanding a strike than avoiding one at all costs. The government recognised the mistakes which it made in the handling of the 1972 miners' dispute and drew a number of lessons from the experience. It correctly deduced that the government machinery for contingency planning needed to be strengthened but rigid adherence to an incomes policy proved to be a flawed political strategy.

Conclusion

This thesis is the first detailed look at the crises of 1972 and 1974 based on extensive use of the files in the National Archives. It has complemented the work of previous historians and in some areas enabled authoritative judgements to replace what has formerly been speculation. It has generally supported the widely accepted judgement that the Heath Government was an honourable failure. However, the files have revealed with greater clarity than before the cumulative strain on ministers and officials as they coped with extremely difficult events and shown that the tactical misjudgements for which the Heath Government has frequently been condemned were largely the product of attempts to manage competing pressures which in the end proved irreconcilable.

To a large extent the crises of 1972 and 1974 were self-inflicted wounds. It was the overriding conviction of the need to adhere to an incomes policy (N-1 in 1971 and Stage 3 in 1973) which was the dominant strategic factor in the way both were managed and in both cases the merits of the miners' claim was secondary to the need to hold the line with other unions. Previous historians have usually seen the statutory incomes policy as evidence of a U turn but what has emerged from a close study of the files is the similarity between the government's stance in both cases; the difference was one of degree not direction.

In neither case did the disputes with the miners take ministers completely by surprise. The archives have produced new evidence that Heath and the ministers most directly concerned with the issue were aware that a miners' strike was a real possibility from the summer of 1971. This modifies the emphasis which previous historians have placed on the unexpectedness of the 1972 strike. Given the uncertainty with which the leadership of the NUM embarked on strike action it could have been averted if the government had paid more heed to the warning signals from Ezra and others. A settlement only marginally above the pay norm would probably have been acceptable to the NUM until just before the strike ballot was called.

The crisis in the autumn and winter of 1973 had three constituent elements which inter-acted with, and exacerbated each other: first, the threat to oil supplies and the price rise; secondly, the industrial disputes which threatened the electricity supply; thirdly, rising inflation, caused by a combination of international factors and the government's domestic economic policies. Ironically, it was the oil shock, over which the government had the least control, which was handled most competently. The miners' dispute was the most serious of the three industrial disputes which threatened electricity but the dangers it posed were compounded by the action of the EPEA and ASLEF and it was the *combination* of these disputes, not just the miners' action alone, plus the uncertainty over the oil supply, which led the government to declare an early state of emergency and the three-day week. Although some historians have made passing references to the other disputes they have not given them sufficient emphasis.¹ The papers show just how much these weighed with ministers and contributed to the decision to declare an early state of emergency and introduce a three-week.

All three industrial disputes in the autumn of 1973 had their origins in the rigid statutory incomes policy, which was the government's only remedy for inflation. The papers in the archives confirm the judgement of previous historians who have emphasised that it was Heath's overriding commitment to Stage 3 which was the determining factor in his refusal to take any of the opportunities to compromise with the NUM.² After his secret meeting with Gormley in July 1973 Heath was convinced that he had already made the NUM an exception to Stage 3 and thereafter refused to accept that the miners' leaders took a different view. The determination to adhere to Stage 3 was the reason why he rejected Rothschild's arguments over the relative price of coal and oil. It was also why he rejected the TUC offer that if the miners were made a special case it would not support any other union in a similar claim and insisted that the TUC should offer a cast iron guarantee which it did not have the power to deliver.

¹ Campbell, *Edward Heath*, p. 571; Taylor, *Trade Union Question*, p. 209; Ramsden, *Winds of Change*, p. 369.

² Campbell, *Edward Heath*, pp. 568-9.

But this thesis has also revealed the extent to which all the possible solutions to the second miners' dispute were given detailed and extensive consideration. None of them were as summarily dismissed as some have supposed and all had serious flaws. It has disputed that 'bathing and waiting' was the solution missed by a hairsbreadth which Gormley claimed.³ It also shows that Rothschild's arguments about the relative price of oil and coal were considered but dismissed because of their inflationary effect. It therefore disputes the judgement of those who have seen the CPRS 'oil card' as a way out which Heath wilfully refused to follow.⁴ Similarly the TUC offer was given very full, and indeed agonised consideration, but while Heath and at least some of his ministers were eventually convinced of the TUC's sincerity, despite the manner of the original tabling, they could not bring themselves to believe that other unions would not claim to be a special case. In that they were probably right and the evidence has supported the judgement that it was an expedient rather than a real solution.⁵

While adherence to an incomes policy was the dominant *strategic* factor behind the government's handling of the two crises, there were also weaknesses in its *tactical* handling of both disputes. The archives support the view Heath and his ministers paid too little attention to the first dispute until very late and then made a series of mistakes. An earlier declaration of a state of emergency would have conserved the coal stocks within the power stations and prolonged the endurance of the electricity system even if it would not necessarily have altered the final outcome. Some historians have mentioned the fear that a state of emergency might exacerbate other disputes, particularly in the electricity industry.⁶ But previous accounts have not given sufficient weight to the acute apprehension which ministers felt at the prospect of any disruption to electricity which was the determining factor. But the delay, coupled with the government's failure to explain its reasoning, undermined its position and damaged its authority.

³ Gormley, *Battered Cherub*, pp. 134-5.

⁴ Campbell, *Edward Heath*, pp. 567-9; Rose, *Elusive Rothschild*, p. 189; Davis, *Prime Ministers and Whitehall*, p. 156.

⁵ Taylor, *Trade Union Question*, pp. 212-3; Sandbrook, *State of Emergency*, pp. 605-6.

⁶ Campbell, *Edward Heath*, p. 414; Ledger and Sallis, *Crisis Management in the Power Industry*, p. 56; Sandbrook, *State of Emergency*, p. 126.

In the second dispute the government repeated its earlier error of over-reliance on moderate elements within the NUM. The general view of other historians has been that Heath put too much faith initially in the secret deal with Gormley and on his ability to manage his Executive. This is reinforced by the new material in the archives which shows that from the beginning of November individual ministers and officials were clearly disillusioned with his leadership. It was against all the evidence, even after the 28 November meeting, that the government continued to hope that the moderates on the NUM Executive would settle within Stage 3. As in the first dispute the government failed to understand or formulate any effective strategy to deal with the NUM.

Not all the criticisms of the government's tactics were justified. The decisive factor in the miners' victory in 1972 was the effectiveness of the secondary picketing of the power stations which extended the strike beyond the boundaries of the coalfield and turned an industrial dispute into a strike which almost strangled the electricity supply. The files in the National Archives have revealed in much more detail just how near the country came to the end of coal-fired electricity generation and how perilous the position would have been if the NUM had not settled on 18 February. This answers those of Heath's critics within the Conservative Party who criticised him for the last-minute concessions which he made on the Wilberforce Report.⁷

The papers have also revealed for the first time just how close the government came in 1972 to mobilising servicemen on a large scale and they would have been forced to do so if no settlement had been reached. Some have argued that the government could have defeated the strike if they had used the police or the army at an earlier stage to force through deliveries to the power stations.⁸ But the government's restraint in resisting this temptation prevented more violent confrontations and possible deaths. Although the government was heavily criticised in 1973 for too early a declaration of both the state of emergency and the three-day week there were valid precautionary reasons for both decisions given the multiple threats to the electricity supply and the extremely uncertain nature of the international oil market. But in both

⁷ Tebbit, *Upwardly Mobile*, p. 150.

⁸ Taylor, *The Fifth Estate*, p. 367.

crises the government failed to communicate its strategy and make its case with the public.

This thesis has extended considerably our knowledge of Heath's machinery of government reforms in the area of contingency planning. This had been secret until the release of the files in the National Archives and only the bare outlines of the existence of the Civil Contingencies Unit was known. It has shown that Heath identified the inadequacies of the existing Whitehall committee structure to deal with the problems of strikes in essential services in the early months of his government, much earlier than supposed. But his first attempts to reform the machinery for dealing with the interlocked issues of pay, inflation and industrial unrest resulted in an over-complicated and labyrinthine committee structure in which the damaging issue of the miners' pay claim was lost in the summer and autumn of 1971.

After the power workers' strike in the winter of 1970 Heath was fully aware of the weaknesses of the Home Office Emergencies Committees, but he failed to push through the reforms he needed to achieve his goal of a 'command post' in the Cabinet Office and accepted an inadequate compromise in the spring of 1971. In this he was defeated by Whitehall conservatism, both from Trend's reluctance to strengthen the Cabinet Office at the expense of ministerial departments and the Home Office's defence of its traditional remit, anomalous as it by then was. Heath realised the importance of the strategic 'look ahead' and tried to put in place structures which would enable ministers and officials to do this. Both the CPRS Early Warning System and its Report on Energy were examples of this, although the EWS turned out to be completely ineffective.

This study has provided the conclusive answer to the question raised by Jeffery and Hennessy as to how much the Home Office was really at fault.⁹ It has confirmed that the Emergencies Committees' handling of the first miners' dispute was deeply flawed. Having been gainsaid by Whitehall once Heath was determined not to be so again and drove through the creation of the CCU, which was effectively in operation from the early summer of 1972, *before* the Hunt review was concluded. Hunt's

⁹ Jeffery and Hennessy, *States of Emergency*, p. 236.

review was a comprehensive overhaul but not a fresh look at contingency planning; it consolidated the work done by the earlier Weiler review, hitherto undocumented, and reinforced the lesson that the government could not withstand sustained disruption to the electricity supply. From the autumn of 1972 the CCU prepared methodically for the consequences of industrial disruption which stood the government in good stead in the autumn and winter of 1973.

The evidence in this thesis has disproved the assertion by some historians that the government failed to prepare adequately for a second miners' dispute.¹⁰ The files show that by the autumn of 1973 the CCU had ensured that stocks of both coal and oil had been built up and contingency planning was well-developed so the endurance of vital services was prolonged even though the CCU came under immense pressure from the combination of multiple disputes, which exceeded the planners' worst fears. The CCU was an immense improvement on the Emergencies Committees and proved effective in identifying and planning for industrial disputes. It enabled government departments to communicate effectively with each other and the handling of the three-day week was a great improvement on the crisis in 1972. But in an interesting echo of the criticisms of the Emergencies Committees, by early 1974 the CCU had grown in size from the small tightly knit body which had handled the dock strike in the summer of 1972. This perhaps reflected an inevitable tendency in Whitehall that any committee widely perceived to be influential attracts the attendance of ambitious officials.

However, the emphasis on contingency planning to deal with industrial disruption also had a dangerous effect on the government's strategy in that it reinforced in ministers' minds the possibility of withstanding a miners' strike rather than the need to avoid one at all costs. Hunt's report had perceptively identified electricity as the key industry for national survival and he had freely acknowledged the limits of contingency planning in this area; it was impossible to put in place enough alternative generating capacity to run the economy. But what Hunt had not fully foreseen, and the experience of the three-day week demonstrated conclusively, was

¹⁰ Middlemas, *Power, Competition and the State. Threats to the Postwar Settlement: Britain 1961-74*, p. 391; Andrew Marr, *A History of Modern Britain* (London: Macmillan, 2007), p. 340.

that prolonging the endurance of vital services would be at the *expense* of the normal running of the economy. The more the government conserved energy for essential services the more it deprived productive industry and consumers with adverse economic and electoral consequences. The archives show that the three-day week was simply not economically sustainable for any length of time and was not as successful as some historians have thought.¹¹

The secrecy which surrounded the CCU led to some exaggerated descriptions of it as ‘an alternative government that takes over the running of Britain in an extreme national emergency’¹² and the implication that unelected officials were abrogating a possibly unconstitutional amount of power to themselves.¹³ This thesis has provided a more comprehensive and detailed picture of the origins and operation of the CCU and refuted such sinister interpretations of it. The CCU never became the strategy body which Heath wanted, nor could it be since it had neither the remit nor the capacity to negotiate pay settlements and so prevent the strikes which threatened essential services. But the CCU was an important and effective reform to the capability of the centre of government. Although erroneous to see its creation as simply the product of Cabinet Office imperialism it undoubtedly marked an accrual in the power of the Cabinet Office and contributed to the continual process of strengthening it. It enabled James Callaghan (Prime Minister 1976-79) to navigate through a series of disputes from the oil tanker drivers to the public sector strikes during the winter of 1978-9.¹⁴

Unlike Heath’s other reforms to the machinery of government the CCU was not planned in opposition but was a direct response to experience in government. It can be considered the reverse side of the coin both to the Whitehall reforms, which were designed to strengthen the centre such as the CPRS and PAR, and to the Industrial Relations Act, but whereas those were public this was kept extremely secret. The CPRS has hitherto been seen as the most effective and successful of Heath’s reforms

¹¹ Campbell, *Edward Heath*, pp. 574-5; Sandbrook, *State of Emergency*, p. 599.

¹² Fay and Young, *The Fall of Heath*, p. 5.

¹³ Peak, *Troops in Strikes*, pp. 67-8.

¹⁴ Jeffery and Hennessy, *States of Emergency*, pp. 243-4.

to the machinery of government¹⁵ but that encomium most properly belongs to the CCU, which outlasted the CPRS which was abolished in 1983. It was a significant part of Heath's legacy, accepted even by Thatcher, and it laid the foundation of the modern system of contingency planning.

There is a tension in the literature between those who have argued that Heath's was one of the most collegiate and cohesive Cabinets of the postwar era and those who have taken the view that he was a dominant Prime Minister who put a firm stamp on his government. His cabinet ministers testified to his readiness to discuss issues and support his colleagues.¹⁶ James argued that Heath was 'extremely solicitous about ministerial collegiality and ran the most harmonious Cabinet of recent decades'.¹⁷ Hennessy emphasised that although his instincts were collegiate his personality frequently intimidated his colleagues and has described his style as 'directed collegiality'.¹⁸ But others have disagreed. Margach asserted, 'It was a one-man Government'.¹⁹ Butler and Kavanagh also judged that, 'In public and in private, it was a Heath government throughout'.²⁰ While Ramsden argued that by the time Heath became leader of his party he had already demonstrated an inflexible determination to get his own way and that he dominated the government.²¹

Both the collegiate and the more authoritarian side of Heath were evident in the handling of the two miners' disputes. On the authoritarian side the records show the manner in which Heath constrained the NCB and took control of the 1972 dispute from the Home Office, necessary as it was and very much at the eleventh hour. They also confirm the extent to which Macmillan and the Department of Employment as well as Ezra and the NCB were by-passed in 1973. Hennessy has cited the secret development of the 1972 Industry Act and Chevaline improvements to the Polaris missile system as examples of Heath's occasional by-passing of the Cabinet.²² To

¹⁵ Kevin Theakston, *The Civil Service since 1945* (Oxford: Blackwell, 1995), p. 113.

¹⁶ Maudling, *Memoirs*, p. 189; Barber, *Taking the Tide*, p. 75.

¹⁷ Simon James, 'Cabinet Government: A Commentary', *Contemporary Record* vol. 8, no. 3, 1994, p. 27.

¹⁸ Hennessy, *The Prime Minister*, pp. 344, 341.

¹⁹ James Margach, *The Abuse of Power* (London: W H Allen, 1978), p. 29.

²⁰ Butler and Kavanagh, *The British General Election of February 1974*, p. 25.

²¹ Ramsden, *Winds of Change*, pp. 319-23.

²² Hennessy, *The Prime Minister*, pp. 344-5.

this it can now be added that he also kept from the Cabinet his determination to abolish the Emergencies Committee, using the rationale that the CCU was linked to the plans for nuclear war to keep its development secret until it was firmly established. The records also confirm the oral evidence from Heath's ministerial colleagues that Heath never told the Cabinet about the meeting in the garden of No 10 between himself, Sir William Armstrong and Gormley in July 1973.

Although Heath took over the personal management of both crises he was careful to involve his colleagues at key moments. The acute stage of the 1972 crisis was managed by the Cabinet Committee GEN 78, where some ministerial disagreements such as Carr's wish to set up arbitration were overruled. But where there was a much more fundamental split among ministers, such as on the evening of Friday 18 February over whether to stand firm against the miners on the Wilberforce Inquiry or to negotiate further, Heath did not force the issue and agreed to consult the Cabinet further before making any final decision. In the autumn of 1973 Heath initially attempted to use the Cabinet's Economic Strategy Committee as a forum to deal with the miners' strike and this was where the early decision to declare a state of emergency in November and the imposition of a three-day week were first discussed. But once the miners had decided to implement the overtime ban ES was unable to formulate a clear strategy and Heath felt it necessary to involve the full Cabinet. Both the state of emergency and the three-day week were fully discussed and endorsed by the Cabinet.

In 1974, as in 1972, at key moments of disagreement, such as over how to handle the TUC offer or whether to move industry to a four-day week Heath acknowledged ministerial disagreements and did not impose a view on the Cabinet but postponed decisions to allow time for reflection. The problem with this was that the Cabinet then became enmeshed in the tactical as well as the strategic handling of the dispute and ministers who had no detailed knowledge of the issues around the miners' pay claim and whose perspective was mainly determined by Conservative Party politics became involved. This aspect is clearly evident in the last Cabinet meeting before the Wilberforce settlement in 1972 and the Cabinet meetings which discussed the TUC offer and the four-day week in January 1974.

Heath's dominance over his Cabinet was evident in both crises and the role played by other ministers was secondary, and in both cases the management of the crises was adversely affected by the combination of personal weaknesses and ministerial burdens on his Cabinet colleagues. In 1972 Maudling's lack of engagement with the miners' dispute, which was only partly due to the distraction of the problems in Northern Ireland, was a significant factor in the failure of the Emergencies Committees to deal with the strike. Davies struggled to deal with serious cases of industrial failure and to master the wide remit of the new DTI, while Carr was preoccupied with the Industrial Relations Act.

Heath's dominance was even more evident in the second crisis when his personal commitment to every element of Stage 3 and determination to withstand the miners' pay claim was the dominant factor. Other ministers played minimal and ultimately negative roles. Barber was exhausted and overwhelmed by the deteriorating economy and his instinctive rejection of the TUC offer was unhelpful. Neither Macmillan nor Whitelaw proved effective in dealing with the NUM. Although Whitelaw was personally close to Heath and shared his desire to achieve a settlement, he did not have the same commitment to the statutory incomes policy and he understood neither this nor the minutiae of the miners' pay claim. Carrington and Prior, the other two ministers who were personally close to Heath, were both convinced after the defeat in 1972 that the government's authority would be undermined in the Conservative Party by compromise with the miners. This argument weighed much less with Heath and their strong advocacy of an early election contributed to his sense of isolation in the final weeks of the government.

That Heath was inclined to favour bureaucratic solutions to problems and was too reliant on the civil service at the expense of political advice was clearly held by some of his Cabinet colleagues.²³ Hurd judged that both the pressures of events and the structures of government crowded out political advice.²⁴ Most historians have taken the view that civil service views, particularly those of Sir William Armstrong, were

²³ Young, *Hugo Young Papers*, pp. 68, 74, 77.

²⁴ Hurd, *End to Promises*, p. 35.

too dominant and some have even seen him as a Permanent Secretary manqué.²⁵ This was particularly emphasised by his critics on the Conservative right after the election defeat in 1974.²⁶ Perhaps not surprisingly Heath's senior officials such as Robert Armstrong denied that he was over-influenced by his officials and maintained that he listened carefully to all sources of advice.²⁷ Heath's relationship with Sir William Armstrong and Lord Rothschild has been much commented on by previous historians.²⁸ This thesis has found little written evidence, except the record of the garden meeting in July 1973, to add to what is already known about the influence of Sir William Armstrong.

The files have, however, revealed new aspects of Heath's relationship with Rothschild and the CPRS. They have shown that although the CPRS did valuable early work on the oil price and the threat to oil supplies from political developments in the Middle East this was an acknowledged area of concern across Whitehall. Rothschild and the CPRS were not uniquely prescient in this area. The papers also throw an interesting light on Rothschild's contributions to possible solutions to the crisis in the winter of 1973-4 and demonstrate that by the early months of January 1974 the strain of events had clearly taken a toll on his judgement. The exaggerated language of some of his memos was continued in his open letter to Harold Wilson on his resignation in October 1974 when he called for a period of national austerity, 'a freeze, rationing and harsh taxation on luxuries...because we are at war, with ourselves and with that neo-Hitler, that arch enemy inflation'.²⁹

Trend's insistence that the CPRS should service the Cabinet as a whole and not just the Prime Minister's office has already been documented, as has his wariness of the CPRS Early Warning System.³⁰ The papers in the archives have also revealed shown

²⁵ Fay and Young, *The Fall of Heath*, p. 22; Whitehead, *The Writing on the Wall*, p. 52; Peter Hennessy, *Whitehall* (London: Secker and Warburg, 1989), p. 210.

²⁶ Holmes, *The Failure of the Heath Government*, p. 131.

²⁷ Interview with Lord Armstrong of Ilminster, 9 July 2009; 'Witness Seminar: The Heath Government', p. 209.

²⁸ Whitehead, *The Writing on the Wall*, p. 89; Hennessy, *Whitehall*, pp. 233-5, 238-40.

²⁹ Lord Rothschild, 'Farewell to the Think Tank' *The Times*, 1 October 1974; Rothschild, *Meditations of a Broomstick*, p. 121.

³⁰ Hennessy, *Whitehall*, pp. 221-2; Davis, *Prime Ministers and Whitehall*, pp. 121-4.

that Trend played a similar role in the autumn of 1970 in obstructing Heath's desire to reform the system for dealing with industrial disputes, and that he was unenthusiastic, even after the first crisis in 1972, for a unit in the Cabinet Office which might undermine the role of individual departments. They confirm the judgement of him as a conservative constitutionalist reluctant to oversee the growth of a strong centre at the expense of individual government departments.

The files also reveal the strong contrast between the 'Socratic questioning' method employed by Trend and Hunt's more forceful and direct advice. Hunt was clearly the driving force behind the creation of the CCU and enabled Heath to achieve his desired reforms for dealing with civil emergencies. Heath clearly felt a close affinity with him but he became Cabinet Secretary only in the autumn of 1973 when the government was already committed to the statutory incomes policy, which had been designed before the oil crisis. Hunt's experience in designing the CCU was to stand him in good stead in the management of similar disputes during the premiership of James Callaghan, and, above all, in the close relationship he forged with the Prime Minister during the Cabinet meetings on the IMF crisis.

The papers show that while Heath received clear advice from both Hunt and Robert Armstrong there is no evidence that either of them over-stepped the mark in any way to offer political opinions. Nor is there any evidence that they were in conflict with advice from political sources about the actual management of the two disputes. The main argument of Heath's critics within the Conservative Party was that in 1972 the government should not have given in to the miners and conceded the Wilberforce settlement, but as this thesis has shown, the electricity position was so dire that the government had no alternative. The criticism in 1974 centred around the delay in calling an election, which from a party political view had a good deal of justification, there were no realistic suggestions from ministers or political advisers on how to settle the dispute with the miners. After the election defeat hostility towards the statutory incomes policy and Heath's rigid adherence to it grew, but with very few exceptions it had been supported by the Conservative Parliamentary Party.

The crises of 1972 and 1974 saw the government in conflict with an adversary, which was a symbolic embodiment of the weaknesses of the British economy. The

NUM typified an increasingly powerful and resurgent trade unionism, which was perceived by the government to be motivated by sectional rather than the national interest. They thus encapsulated and intensified many of the long running themes of British politics: ungovernability, overload, economic decline, the growth of trade union power and the debate over the postwar consensus. The surprise defeat of Heath and the shock to the governing elite was reflected in a body of literature from the mid-1970s onwards which identified new trends in British politics which threatened the stability of the political order. Clutterbuck documented the growth in physical violence,³¹ Finer saw the rise of adversary politics,³² King analysed the attrition of 'overload'³³ and Addison viewed the postwar consensus as under pressure.³⁴

Historians have differed as to whether the Heath Government's two conflicts with the NUM were simply disputes about pay or whether they exemplified, and contributed to, a trend towards an increased polarisation and even violence in British politics. Hurd argued that Heath had been broken by 'the brutal exercise of trade union power', but that he neither sought nor welcomed confrontation with the trade unions.³⁵ While Phillips maintained the contrary view that it was a straightforward industrial dispute about pay.³⁶ Both disputes have to be seen in the light of the bitter conflict over the Industrial Relations Act which set the context for the government's relations with the trade unions for the rest of its term in office, even after it had effectively abandoned the Industrial Relations Court and tried but failed to reach a tripartite agreement on prices and incomes during the summer and autumn of 1972. Although Heath continued with attempts to gain the co-operation of the unions, as shown by his meetings with the NUM Executive and his long sessions with the TUC in January and February 1974, it is clear from the archives that a legacy of distrust remained on both sides.

This thesis has revealed the extent to which the government was convinced that there was a political motive behind some of the miners' leaders and the continual

³¹ Clutterbuck, *Britain in Agony*.

³² Finer, *Adversary Politics and Electoral Reform*.

³³ King, 'Overload: Problems of Governing in the 1970s'.

³⁴ Addison, *The Road to 1945: British Politics and the Second World War*, p. 280.

³⁵ Hurd, *End to Promises*, pp. 150, 104-5.

³⁶ Phillips, 'The 1972 Miners' Strike', p. 202.

undercurrent of anxiety about subversion which underlay the government's handling of both disputes. It has found some evidence in the archives which supports Andrew's contention that officials exercised a restraining influence on ministers, but it has also shown that anxiety about subversion was *not* confined to ministers and was shared by senior officials. Morgan dismissed Heath's anxieties on this issue as mistaken.³⁷ But the mass picketing during the 1972 strike was a new phenomenon in industrial disputes which justified ministerial alarm at the militant rhetoric of class war employed by NUM officials such as Scargill and McGahey. Although the main driving cause of both disputes was pay there was undoubtedly a political edge to the two crises.

The political element in the disputes was also heightened by the manner in which Wilson, in a text-book illustration of 'adversary politics', opportunistically aligned himself with the trade unions, over both the industrial relations legislation and the two miners' disputes, for electoral advantage. The large demonstrations against the Industrial Relations Act and the mass picketing were paralleled by the sharply antagonistic exchanges in the Commons between Wilson and Heath over these and issues such as unemployment. These were given more edge by a personal dislike between the two men so that from the perspective of the mid-1970s there appeared to be a new level of animus in British politics. This trend intensified during the later 1970s and 1980s when the personal and political differences between Mrs Thatcher and the Labour leaders James Callaghan, Michael Foot and Neil Kinnock became even more marked.

As Gormley himself feared the NUM's successes in 1972 and 1974 provided an example of successful strike action which was emulated by other unions and contributed to the growth of industrial militancy throughout the decade and into the early 1980s.³⁸ The clashes between the police and massed pickets first seen at Saltley were repeated at the disputes at Grunwick in 1977 and Wapping 1986 and during the miners' strike of 1984-5. Anxieties about governability continued throughout the decade with the formation of the National Association for Freedom and rumours of

³⁷ Morgan, *Britain Since 1945*, p. 347.

³⁸ Gormley, *Battered Cherub*, p. 118.

right wing former military officers preparing to combat anarchy.³⁹ But the worst fears that the political system was in some way broken proved unrealised when, after two indeterminate outcomes in February and October 1974, the electoral system delivered a decisive and democratic mandate to the Conservative Party in 1979.

As defined by King 'overload' was a combination of circumstances beyond the government's control and governmental over-reach, and both aspects of this were evident in the government's handling of the two crises.⁴⁰ Heath had recognised the problem of overload on the Cabinet early on and tried to deal with it by creating fewer and larger Whitehall departments. But the attempt to deal with Cabinet overload had the effect of increasing ministerial overload and meant that the DTI was so large that the miner's issue was neglected in the autumn of 1971 and it was seriously over-stretched during the energy crisis in the autumn of 1973.

As Ramsden has argued, it was demonstrably a government with an over-ambitious programme. Its two main aims of entry into the European Community and reform of industrial relations both required contentious legislation, which had difficult Parliamentary passages. To these it then added a detailed statutory incomes policy and an interventionist industrial policy, which both also required complex legislation.⁴¹ Heath was also temperamentally inclined to pull issues into No 10 and to over-involve himself in the details of policies. The overload which adversely affected the handling of the two crises was in some measure a consequence of the government's own policies which resulted in widespread ministerial exhaustion by the end of 1973.

However, much of the burden of overload was involuntary. The problems of Northern Ireland, which were not of the government's making and over which it had little control, were a serious distraction in handling both crises. As Sir Philip Allen admitted, in 1972 Northern Ireland was the major preoccupation of the Home Office and detracted significantly from its concentration on the miners' dispute. It was also

³⁹ Clutterbuck, *Britain in Agony*, pp. 240-3; Whitehead, *The Writing on the Wall*, pp. 211-20.

⁴⁰ King, 'Overload: Problems of Governing in the 1970s', pp. 287-8.

⁴¹ Ramsden, *The Making of Conservative Party Policy*, p. 290.

a serious distraction for Heath and the Cabinet during the autumn of 1973 when the intense negotiations which led up to the Sunningdale Agreement on power sharing added to ministerial exhaustion, especially in the case of Heath and Whitelaw.

By far the biggest element to overload was the multiple problems posed by the British economy. The economic circumstances in the autumn of 1971 and the first two months of 1972 were very difficult with rising unemployment and the fallout from the industrial collapse of several major firms such as Rolls Royce and Upper Clyde Shipbuilders. By the autumn of 1973 the economic problems were even greater; the inter-linked problems of rising inflation, the enormous balance of payments deficit and most particularly the fall-out from the oil price rise and the cut in supply were overwhelming.

As King argued, the range of problems which the government was expected to deal with had increased and its capacity to influence them had decreased.⁴² The oil shock in the autumn of 1973 marked an end to hopes for economic growth and a growing realisation that the levers of the British economy no longer worked in the same way they had done since 1945. The lesson that the UK was increasingly at the mercy of global forces beyond its control was to be delivered even more forcefully by the financial markets in the IMF crisis in 1976. But in 1974 the interventionism which led inexorably to overload was seen as more than just a preferred policy option, but by both ministers and officials as the duty and responsibility of governments of both major political parties. Writing in 1975 King thought that it was but a 'forlorn hope' that some of the functions of government could be removed, but a retreat from interventionism in the details of economic management was to be one of the defining traits of the Conservative Government of the 1980s.

The notion of the 'the postwar consensus has proved a notoriously elusive one for historians to pin down and highly dependent on the temporal vantage point of the historian. But there has been a general agreement that its chief elements included a commitment to the goal of full employment and support for a welfare state, within the framework of Keynesian economics. Governments of both parties saw trade

⁴² King, 'Overload: Problems of Governing in the 1970s', p. 294.

union co-operation and participation in tripartite discussions on economic management as part of the mode of operation and way to achieve that goal. Several historians have argued that the fall of the Heath Government marked the end of the postwar consensus.⁴³ Other possible milestones are the Healey Budget of 1975 which abandoned the commitment to full employment, Callaghan's speech to the Labour Conference in 1976, which appeared to abandon Keynesian economic policy, the election of the Conservative Government in 1979 and its deflationary Budget in 1981.⁴⁴ Attempts to pin down the exact date have proved unsatisfactory and it is more fruitful to see it as a process of gradual erosion.⁴⁵

The extent to which Heath represented a continuation or a break with the past has been debated. During the Heath Government and its immediate aftermath the radical and confrontational aspects of its policies were salient. Writing in 1979, when the Conservative Party in opposition had embarked in a radical new direction on economic policy Hurd argued that the Heath Government 'should be regarded as a necessary first attempt, the rough work of pioneers' to deal with the old problems of inflation, unemployment, lack of investment, overweening trade union power, industrial and agricultural stagnation, weakness in Europe and the world.⁴⁶

But after the Conservative Governments of 1979-97 presided over high levels of unemployment which would have been unthinkable ten years earlier and politics became increasingly polarised historians stressed that Heath's aim was modernisation and reform of the postwar settlement particularly the economy, and emphasised his continuation with, and attachment to, the 'postwar consensus'. Hennessy argued that, 'Heath, from first to last, was attempting to breathe new life,

⁴³ Middlemas, *Power, Competition and the State. Threats to the Postwar Settlement: Britain 1961-74*; Vernon Bogdanor, 'The fall of Heath and the end of the postwar settlement', in *The Heath Government 1970-74: A Reappraisal*, ed. Stuart Ball and Anthony Seldon (London: Longman, 1996), p. 390; Hennessy, *The Prime Minister*, p. 355.

⁴⁴ Hugo Young, *One of Us: A Biography of Margaret Thatcher*, Final ed. (London: Pan, 1993), pp. 223-25; Kavanagh and Morris, *Consensus Politics from Attlee to Major*, pp. 42, 112-16.

⁴⁵ Peter Hennessy, *Having It So Good: Britain in the Fifties* (London: Allen Lane, 2006), p. 361.

⁴⁶ Hurd, *End to Promises*, p. 142.

economic vitality especially, into that postwar settlement.’⁴⁷ Campbell also judged that Heath wanted to reform rather than dismantle the postwar settlement while Sandbrook saw him as only partially prefiguring Thatcher in his stress on the importance of entrepreneurship.⁴⁸

This thesis has found evidence to support both views since what has emerged most clearly from the archives is the internal contradictions in Heath’s attitude to the trade unions as he confronted them over the Industrial Relations Act and the statutory incomes policy and yet sought the co-operation of the TUC in the general running of the economy, particularly in the control of inflation. Heath felt genuine sympathy for the problems of working people and this was recognised, at least later, by some union leaders. But at the same time it is obvious that he had little respect for trade unions as institutions. The archives show that there was an explicit recognition in the autumn of 1971 that the government needed to win a major battle on public sector pay⁴⁹ and that in 1973 there was ‘a need for a “red meat” industrial settlement’.⁵⁰

From the autumn of 1970 the Heath Government was as anxious about inflation as Thatcher’s was to be ten years later. But Heath was deeply opposed to a free-market approach, his view of free collective bargaining was that it was a ‘free-for-all’ and he believed that the statutory incomes policy was both a rational solution and, most importantly, a fair one for all sections of society. In retrospect the incomes policies, especially the over-complex and detailed statutory policy, appear almost absurd and doomed to failure but at the time Heath and his ministers, as well as officials, believed it was the only way to contain inflation without increasing unemployment. So while ministers and officials were to some extent prisoners of an outdated mindset and dimly aware of it, neither they nor the electorate were yet prepared to pay the price of increased unemployment to deal with inflation.

⁴⁷ Hennessy, *The Prime Minister*, p. 356.

⁴⁸ Campbell, *Edward Heath*, p. 313; Sandbrook, *State of Emergency*, pp. 641-2.

⁴⁹ TNA: PRO, CAB 164/1158, ‘A Meeting at Chequers to discuss the Strategy for Dealing with Inflation: Note for the Record’, 14 November 1970.

⁵⁰ TNA: PRO, PREM 15/1452 ‘Prices and incomes policy: Prime Minister’s meeting with Sir Arthur Cockfield, Chairman of Price Commission; part 30’, ‘Note for the Record’, 1 November 1973.

There are indications in the records that Heath and Barber recognised that the previous economic orthodoxies were no longer valid. In the early months of 1970 Heath questioned whether the established assumptions about the relationship between prices and unemployment still held. In early 1974 during the Budget discussions Heath and Barber were uncomfortably aware that a higher level of minimum unemployment would have to be tolerated. But these signs that ministers recognised new economic realities were only glimmerings. Both ministers and officials were more clear-sighted about the problems than the solutions and there is no indication that either had any idea of how to resolve the miners' dispute, remedy the balance of payments deficit or control inflation. From the papers in the National Archives it would appear that had they won the election the government contemplated tightening the incomes policy by abolishing the thresholds, which would have been a recipe for more conflict with the trade unions.⁵¹

The evidence in the papers underscores the contradictory nature of Heath's policies, in that he was caught between a desire to modernise Britain and reverse relative decline but also constrained by the past, particularly the experience of high unemployment in the 1930s. While the underlying *motivation* behind the industrial relations reform and incomes policies was consensual the *outcome* was confrontational. This was not only because of the nature of the policies but also a product of Heath's style of government, which his handling of the miners' disputes encapsulated. He had an unbending conviction in the rationality of his government's policies and an inability to engage in the politics of compromise and positioning of which both Wilson and Gormley were such able practitioners. Heath's style of government was inextricably linked with his personality and what comes through his handling of the two crises is his fundamental belief in the efficacy of rational persuasion. This led him to put so much emphasis on the large set piece meetings with the NUM and the TUC, but while he appealed to the union leaders to recognise the public interest he failed to communicate effectively and persuade either them or the electorate.

⁵¹ TNA: PRO, PREM 15/2043 'Prospects for prices and incomes policy; Pay Board report on pay relativities; economic consequences of electricity restrictions; part 31', 'Note of a Meeting held at 10 Downing Street on Wednesday 24 January 1974 at 11.50am'.

Heath recognised correctly that both the TUC offer and the election were political expedients rather than solutions. But in January 1974 there were no solutions available and it came down to an inevitable choice between two expedients. Even if the Conservatives had won the February 1974 election it is not certain how easily they could have settled with the NUM. It was Heath's faith in rationality which led him to put so much emphasis on the machinery of government but as the second crisis demonstrated, contingency planning proved to be an inadequate substitute for a political strategy.

The crises can be seen as turning points in that both of the two major political parties drew lessons from them which determined the political weather for the next thirty years. The role which the trade unions had played in the downfall of the Heath Government, coupled with its earlier failure to carry through the reform proposals of *In Place of Strife*, convinced the leadership of the Labour Party that it could only govern with the consent of the unions. It devised a 'Social Contract' which rejected incomes policies and included public expenditure on a wide range of social policies.⁵² Under the Labour government of Harold Wilson (Prime Minister 1974-76) these policies of high public expenditure, absence of wage restraint, coupled with the threshold agreements of the incomes policy which it retained, resulted in the soaring inflation of 27% in the autumn of 1975.⁵³

This undermined international confidence in the British economy and precipitated the sterling crises in the spring and autumn of 1976. The government of James Callaghan was then obliged to apply to the IMF for a loan and agree to stringent conditions, an event which was perceived as both a national humiliation and a major watershed in economic policy.⁵⁴ Callaghan's loyalty to the trade unions and his desire not to alienate them and split the Labour movement was his overriding preoccupation throughout the crisis. The public sector strikes against the stringent terms of the Callaghan Government's 5% incomes policy in the winter of 1978-9

⁵² TUC/Labour Party Liaison Committee, *Economic Policy and the Cost of Living*, July 1973.

⁵³ Barnes and Reid, *Governments and Trade Unions*, pp. 191-5.

⁵⁴ Kathleen Burk and Alec Cairncross, *Good-bye Great Britain: The 1976 IMF Crisis* (New Haven: Yale University Press, 1992), p. xi.

were fuelled by the resentment of low-paid workers at the policy of public expenditure cuts, identified with the terms of the IMF loan. They were unlikely to have occurred if the trade union leadership had not been emboldened by the example of the victories of the NUM in 1972 and 1974.

These events and the debacle of the 'winter of discontent' destroyed what remained of the Labour Party's reputation for economic competence after the deflation of July 1966 and the devaluation of the pound in November 1967. The confidence of the party leadership in the good sense of the trade union movement was undermined and it generated a sense of failure and betrayal by the membership which drove the party leftwards and culminated in the 1983 election manifesto, dubbed 'the longest suicide note in history'.⁵⁵ As a reaction to this, during the second half of the 1980s and 1990s, the overriding goal of the Labour Party in opposition was to rebuild a reputation for sound economic management. In office after 1997, as it strove to retain internal and international confidence, it distanced itself from the trade unions and embraced the market economy, governed by only light touch regulation.

The two confrontations with the NUM and the circumstances of the February 1974 election were critically decisive in forming the attitude of generations of Conservative politicians to the trade unions. The determination to reduce their power was reinforced by the 'winter of discontent' which generated an electoral mandate for the government of Margaret Thatcher (Prime Minister 1979-90). As has been generally recognised the Thatcher Government learnt valuable lessons from the confrontations of 1972 and 1974 and it proceeded to dismantle many of the unions' legal privileges by piecemeal.⁵⁶ Its economic policy of de-regulation, emphasis on control of the money supply and privatisation of swathes of nationalised industry also eroded the old industrial base on which trade union power depended. The effectiveness of these policies was demonstrated in its defeat of the NUM in the 1984-5 miners' strike. Its experiences in 1972 and 1974 had led the NUM to believe

⁵⁵ This remark is attributed to Gerald Kaufman (Labour MP for Manchester Ardwick 1970-83, Gorton 1983-) in Denis Healey, *The Time of my Life* (London: Michael Joseph, 1989), p. 498.

⁵⁶ Taylor, 'The Heath Government and industrial relations', pp. 189-90.

victory would again be achieved relatively painlessly but by then the rules of engagement had altered.⁵⁷

From the vantage point of the early years of the twenty-first century the experience of the Heath Government seemed to have little bearing on contemporary politics. The Labour Government of Tony Blair (Prime Minister 1997-2007) and Gordon Brown (Chancellor of the Exchequer 1997-2007) was a time of economic growth, high levels of public spending and a stable level of unemployment. But the sub-prime banking crisis which began in the autumn of 2007 ushered in a period of international economic recession, severe public expenditure cuts and consequent strikes, when policymakers once more struggled to manage events which were beyond their control. By the end of 2011 some commentators once more argued that the established assumptions which had underpinned economic policy making for a generation were broken.⁵⁸ Others heralded the spectre of a return to travails worse than those of the 1970s.⁵⁹ Whether the outcome of these predictions will be borne out remains to be seen, but there is now added interest in reviewing a period of comparable difficulty to the present era.

⁵⁷ Young, *One of Us*, pp. 367-78.

⁵⁸ Robert Peston, *The Party's Over*, BBC 2, Sunday 11 December 2011.

⁵⁹ Larry Elliot, 'You think the 1970s were bad? This is shaping up to be a lot worse', *Guardian*, 1 December 2011.

Appendix 1 Chronology

1970

- 18 June Heath Government elected with an overall majority of 30.
(Conservatives 330, Labour 288, Liberals 6).
- 16 July First state of emergency declared over dock strike.
- 29 July Dockers awarded 7% pay award and dispute resolved.
- October *Prospects for Industrial Unrest* warned of the dangers posed by the
increasing number of strikes. Ministerial and Official Groups on
Strategy to deal with Industrial Unrest established.
- 11 November Rolls Royce rescued with a government loan.
- 3 December Industrial Relations Bill published.
- 7 December Power station workers began a work-to-rule in pursuit of 25% pay
claim, followed by power cuts.
- 12 December Second state of emergency declared.
- 14 December Work-to-rule called off; appointment of a Court of Inquiry headed by
Lord Wilberforce.
- 15 December Industrial Relations Bill passed second reading.

1971

- January Review of the Emergencies Committees established chaired by Sir
Philip Allen.
- 20 January Post Office workers strike began in pursuit of 15-20% pay claim.
- 1 February Ford workers strike began.
- 3 February Home Office review rejected the idea of a central operations centre to
handle civil and industrial emergencies.
- 4 February Rolls Royce nationalised.
- 5 February First soldier killed in Northern Ireland.
- 10 February Wilberforce inquiry awarded the power workers 15%.
- 1 March One-day strike against the Industrial Relations Bill.
- 8 March Post Office strike ended.
- 30 March Budget cut taxation and increased pensions and benefits.
Ford workers accepted a 33% pay award and a no-strike agreement
over two years.

- April/May Weiler Reports on Contingency Planning recommended basic improvements to communications but left the Emergencies Committees intact.
CPRS Early Warning System set up at the instigation of Lord Rothschild.
- 29 July Upper Clyde Shipbuilders' work-in began.
- 6 August Industrial Relations Act passed.
- 9 August Internment in Northern Ireland introduced.
- 14 October NUM Executive rejected the NCB offer of 7% and called for an overtime ban from 1 November.
- 28 October Commons vote on the principle of entry into the EEC passed with the support of 59 Labour MPs.
- 1 November Miners' overtime ban started.
- 9 December NUM voted for a national strike.
- 1972**
- 9 January Miners' strike in pursuit of 47% pay claim began.
- 20 January Unemployment rose above 1 million.
- 17 January 'Flying picketing' began.
- 22 January Treaty of Accession to the EEC signed.
- 30 January 'Bloody Sunday', 13 civilians killed in Londonderry.
- 4 February Picketing began at the West Midlands Gas Board coal depot in Birmingham.
- 7 February Pay agreement of 7.8% for the electricity workers reached.
- 10 February Third state of emergency declared. Mass picketing forced the closure of the Saltley Road gates to the West Midlands coke depot in Birmingham.
- 11 February Carr announced an inquiry into the miners' dispute headed by Lord Wilberforce. John Davies announced drastic restrictions on the use of electricity in offices, shops and public buildings.
- 17 February Second reading of the European Communities Bill passed with a majority of 8.
- 18 February Wilberforce reported that the miners had 'a just case for special treatment' and awarded them increases worth up to 27%. NUM

leaders finally accepted the Report after extracting further concessions at a late-night meeting at No 10.

- April Industrial Disputes Committee (GEN 96) established with Lord Jellicoe as chairman and John Hunt as deputy chairman to deal with the railways dispute.
- 16 June First meeting of Committee to Review Contingency Planning (GEN 108), chaired by John Hunt.
- 1 August GEN 96 became the Civil Contingencies Unit.
- 3 August Fourth state of emergency declared over the dock strike.
- 7 September CPRS Early Warning System abandoned.
- 2 November Breakdown of the tripartite talks with the TUC and the CBI.
- 6 November Announcement of 90-day freeze on wages and prices. Stage 1 of the counter-inflation policy.

1973

- January *Civil Emergencies: Action to Increase Preparedness* submitted to Heath and approved by the Industrial Relations Policy Committee.
- 1 April Stage 2 of the counter-inflation policy which limited pay rises to £1 a week plus 4% began.
- 14 May CPRS Report *An Energy Policy for Britain* which predicted a drastic increase in the price of oil and recommended increased investment in coal and nuclear energy was submitted to Heath.
- 24 May Jellicoe resigned from the government.
- 16 July Meeting between Heath, Gormley and William Armstrong in the garden of No 10.
- 24 September Rothschild's 'Letcombe' speech predicted a gloomy outlook for the UK economy.
- 6 October Outbreak of the Yom Kippur War.
- 8 October Announcement of the details of Stage 3 of the counter-inflation policy.
- 10 October NCB offered the miners a deal at the limits of Stage 3, 7% plus other additional payments.
- 11 October NUM rejected NCB pay offer.
- 23 October Heath met NUM at No 10 where the NUM asked for a pay increase above Stage 3 and refused to ballot its members on the NCB offer.

- 24 October NUM delegate conference gave the Executive the authority to call for an overtime ban.
- 1 November EPEA (power workers' union) overtime ban began.
- 7 November Stage 3 which limited wage rises to £2.25 a week or 7% came into effect.
- 8 November NUM announced overtime ban.
- 12 November Miners' overtime ban began.
- 13 November Fifth state of emergency declared.
- 28 November Heath met the NUM Executive at No 10 and offered them a wide-ranging enquiry into future of the coal industry.
- 2 December Whitelaw became Employment Secretary.
- 4 December ASLEF work-to-rule began.
- 6-9 December Sunningdale Conference on future of Northern Ireland.
- 12 December Barber warned the Cabinet that it was the gravest economic crisis since the war. Cabinet agreed to the three-day week.
- 13 December Heath announced a three-day week from 1 January.
- 17 December Barber announced a deflationary package of £1.2 million.

1974

- 1 January Three-day week began.
- 8 January Department of Energy under Lord Carrington created.
- 9 January NUM rejected Whitelaw's offer of an enquiry into pay and conditions. At a meeting of the NEDC the TUC proposed that if the miners were treated as a special case other unions would not use this as a bargaining tool.
- 14 January Heath met the TUC at No 10.
- 17 January Cabinet discussed but rejected the TUC proposal to make the miners an exception to Stage 3. Deadline for holding a general election on the old register passed.
- 21 January Heath met the TUC at No 10.
- 23 January Heath sent an open letter to Gormley which appealed to the miners not to go on strike.
- 24 January Cabinet debated whether to relax the three-day week. NUM decided to hold a ballot calling for a strike. Pay Board Report on Relativities which recommended an enquiry into pay differentials published.

- 31 January Heath announced in the Commons that if the TUC and CBI accepted the Pay Board report it could be implemented urgently.
- 4 February Heath met the TUC at No 10 for the last time. 81% of the NUM membership voted for a strike.
- 5 February Meeting of ministers decided on a general election.
- 7 February Heath announced a general election and that he had referred the miners' pay claim to the Relativities Board.
- 15 February RPI figures showed a 35% increase in prices since June 1970.
- 21 February Pay Board briefing which appeared to suggest that the miners' pay was lower than had been assumed.
- 25 February Trade figures showed a large deficit.
- 28 February General Election. Labour was the largest party with 301 seats, but with a slightly lower share of the popular vote (37.1%) than the Conservatives (37.8%) who won 297 seats.

Appendix 2

List of Abbreviations

ASLEF	Associated Society of Locomotive Engineers and Firemen
CCU	Civil Contingencies Unit
CEB	Civil Emergencies Book
CEGB	Central Electricity Generating Board
CPRS	Central Policy Review Staff
DE	Department of Employment
E	Ministerial Emergencies Committee
EO	Official Emergencies Committee
EETPU	Electrical, Electronic, Telecommunications and Plumbing Union
EPEA	Electrical Power Engineers' Association
ES	Economic Strategy Committee
ESOT	Task Force on Oil Supplies
EWS	Early Warning System
GEN 19	Ministerial Group on the Strategy to deal with Industrial Unrest
GEN 20	Official Group on Strategy to deal with Industrial Unrest
GEN 72	Ministerial Committee on Coal Miners' Strike
GEN 78	Ministerial Committee on Coal Miners' Pay Dispute
GEN 94	Committee on the Railways Dispute
GEN 96	Committee on Industrial Disputes (formerly Rail Emergency)
GEN 108	Committee on Civil Emergencies Planning
GEN 203	Emergency Action Committee
IAG	Industrial Assessment Group
ID	Official Committee on Industrial Disputes
IO	Official Committee on Inflation
IRP	Industrial Relations Policy Committee
MACC	Military Aid to the Civil Community
MACM	Military Aid to the Civil Ministries
NEDC	National Economic Development Council
NEDO	National Economic Development Office
NIRC	National Industrial Relations Court
NPLA	National Power Loading Agreement
NUM	National Union of Mineworkers
P	Ministerial Steering Committee on Pay
P(P)	Sub-committee on Pay Negotiations
PO	Official Committee on Pay
RECs	Regional Emergency Committees
TGWU	Transport and General Workers' Union

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CAB 165 Cabinet Office: Committees (C Series) Files

CAB 175 Cabinet Office: War Books

CAB 184 Central Policy Review Staff: Files

CAB 186 Cabinet Office: Central Intelligence Machinery: Joint Intelligence

Committee: Memoranda (JIC, JIC(A))

DEFE 24 Ministry of Defence: Defence Secretariat

FV 38 Department of Trade and Industry: Power Files

HO 223 Home Office: General Files

HO 325 Home Office: Queen's Peace Files

LAB 77 Department of Employment: Private Office Papers: General Files and
Papers

POWE 14 Department of Energy Files

POWE 64 Department of Energy and Predecessors: Oil Policy (Home) Division:

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Lord Armstrong of Ilminster (9 July 2009)

Lord Butler of Brockwell (9 November 2007)

Lord Croham (20 September 2007)

Roger Dawe (23 September 2009)

Lord Hurd of Westwell (27 April 2004)

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