

## Margaret Thatcher and the New Political Culture in the United Kingdom

Antonio Masala  
IMT Altì Studi, Lucca  
a.masala@imtlucca.it

### *Rise and of Welfare Consensus*

For the most part of the Twentieth century England has experienced a progressive increase in the role of the State, embodied in welfare measures and a massive intervention in the economy. The growth of the welfare state began in 1909 with Lloyd George, and the first half of the century was strongly influenced by the ideas of the Fabian Society, the Bloomsbury Group and John Maynard Keynes. This process saw the parallel growth of the Labour Party, driven by a socialist ideology and closely aligned with the Trade Union movement, although the Conservative Party was by no means immune from the socialist “virus” that had “infected” the whole British political body. Both the great crisis of 1929 and World War II played a very significant role in the progressive widening of the scope of State action. World War II, in particular, strengthened the process in two respects: under the guise of military necessity, it greatly increased the power in the hands of the government; on the other hand, it fostered the expectation of the public that after the war, their sacrifices were bound to be rewarded by a profusion of social benefits.

The Cabinet of Clement R. Attlee (1945-51) begot the so-called “Welfare Labour”, which was broadly outlined in the “Beveridge Report” (1942). 1945 saw the onset of the “welfare consensus”, a long period characterized by a broad agreement on high public spending and state interventionism. Both Labour and Conservative governments supported those wage increases that following the Keynesian orthodoxy, were bound to stimulate the aggregate demand and, therefore, to reduce unemployment. The welfare consensus was not an organic set of ideas, nor a set of explicit agreements between two parties. Recent literature claims, not unreasonably, that the conventional picture of the consensus is probably an exaggerated one, since important differences remained between the two parties. The consensus, however, was

undoubtedly a milestone in the history of the British polity. Its most salient feature can be identified in the establishment of a “middle ground” based on the intervention of the state in the economy, and specifically in the attempt to ensure the full employment of the male population and improvement of housing conditions.

Until the second Churchill government (1951-55), the rhetoric of individualism and liberal spirit remained in the Conservative Party, at least at a “peripheral” level. However, after the withdrawal of the old leader these elements almost disappeared completely. The consensus was finally solidified during Harold Macmillan’s government (1957-63). In 1938, in a book entitled *Middle Way*, he advocated a mixed economy based on a corporatist economic concept. At its core was the belief in the inevitable decline of capitalism. Looking at this book, is perhaps possible to see part of British liberalism as an attempt, theoretical (Mill), economic (Keynes) and political (Macmillan), to attain a kind of “socialism” from liberal positions, or rather reconcile the two positions as complementary. Everything seasoned with “British pride”, namely the belief that the British political class was able to succeed where others had failed. In this sense, despite the long period in which the Conservatives were in power (1951-64), the political debate “shifted to the left”, and it was often the Conservatives who were increasing the social spending and nationalizing of some companies.

The consensus began to break up in the late Sixties, when the unsustainable burden of debt and the problems of the static economy emerged in all their drama. Then, Britain appeared as the “great ill” of Europe and many commentators spoke of a so-called “British disease”. Throughout the Seventies the consensus gradually declined, and the government was unable to face the conflict with the Trade Unions, which inevitably followed every attempt to reform the system. The situation is well represented by the Conservative government of Edward Heath (1970-74), who won the elections proposing a program with liberal inspiration, and tried to achieve this goal in his first two years. In particular, in 1972 he passed the *Industrial Relations Act*, in order to reduce the power of Trade Unions. However, because of their opposition, and combined with the aggravated economic situation resulting from the oil crisis, Heath made the so-called *U-Turn*. This is a symbolic episode of how the government was no longer able to make choices and implement reforms. The memory of Heath’s government will be crucial in setting the strategy of Margaret Thatcher.

The two Labour governments which followed could only state that the hitherto adopted Keynesian policies were undefendable, and showed themselves hostages of the Trade Unions’

power. Harold Wilson was replaced in March 1976 by James Callaghan, who represented the dramatic figure of a politician aware of the need to replace Keynesian policies without a clash with Trade Unions, which strongly influenced the Labour Party, and were also linked with the control of financial resources. In Blackpool in 1976, he gave a well-known speech in which he *de facto* took note of the impossibility of the full employment of the male population, which was the cornerstone of post-war welfare politics.<sup>1</sup>

Callaghan's strategy was confronted with a big wave of strikes by public workers, which passed into history as the "Winter of discontent" (1978-79). The Trade Unions finally got salary increases of 20%, which proved once again, their status as the real "decision makers" in British politics. This was a dramatic moment in the history of British democracy, as also demonstrated in large part by the Anglo-Saxon literature, which in those years produced a large amount of writing about the crisis of democracy.<sup>2</sup>

### *The new Torism.*

When Margaret Thatcher was still leader of the opposition party (1975-79), some *columnists*<sup>3</sup> and some members of the Conservative Party<sup>4</sup> started to speak about a "revolution". The elements that bring about such a change are the outcome of a complex interplay of theoretical analysis and historical circumstances – if not happenstance – which found an indispensable nexus in Thatcher's personality and leadership style.

A starting point for understanding Thatcherism is an investigation of its impact on the internal politics of the Conservative Party, which was bound to be deeply changed by her leadership. As previously mentioned, a mindset that basically married the old Tory paternalism with the welfare and Keynesian economics was dominant throughout the Fifties and the Sixties. The one dissident of consequence was Enoch Powell. He had an excellent command of liberal

---

<sup>1</sup> The speech was mainly written by Peter Jay, the popular economics commentator for *The Times*, which had long opposed the several Keynesian theories and in the following years was to be close to Thatcher's policies. The speech is partially published and commented in James CALLAGHAN, *Time and Chance*, Politicos Publishing, London 2006 (1987), pp. 425 e ss.

<sup>2</sup> For a review see A. H. BIRCH, *Overload, Ungovernability and Delegation: The Theories and the British Case*, «British Journal of Political Science», n.14, 1984.

<sup>3</sup> See in particular the prominent historian of the conservative tradition, Lord Blake, who wrote «the Conservative Party is going through a period of major rethinking for the first time since 1945-50», in BLAKE, R., PATTEN, J. (eds) *The conservative Opportunity*, Macmillan, London, 1976, p.1.

<sup>4</sup> See GILMOUR, Ian, *Inside Right, A study of conservatism*, Hutchinson, London 1977.

ideas, as evidenced by a number of his writings<sup>5</sup>, which occasionally amount to a *de facto* paraphrasing of thinkers such as Ludwig von Mises or Friedrich Hayek. In 1958, Powell resigned from the Cabinet of Harold Macmillan<sup>6</sup>, but continues to remain a sort of critical conscience, of the party, albeit often unheeded. He was source of inspiration both for Thatcher and Keith Joseph.

Keith Joseph is a pivotal figure. He was among the champions of liberal policies early in Heath's government, although it must be conceded that in those years neither Joseph nor Margaret Thatcher, both ministers in the Heath's Cabinet, distinguished themselves by fighting against the excessive spending of their offices. After the U-Turn, Joseph began to disseminate liberal ideas, both within the party and in several remarkable speeches.<sup>7</sup> He was instrumental (as evidenced by some recent bibliographies<sup>8</sup>) in changing the Conservative Party and was widely considered a *de facto* candidate for the leadership of the party against Edward Heath.

Joseph withdrew his candidacy as a result of the onslaught in the press after his *gaffe* regarding the intelligence of the poorest people.<sup>9</sup> He then committed himself to supporting Thatcher's candidacy, helping to bolster her position within the party and developing the distinctive policies of her government. In many respects, Joseph can be considered Thatcher's *alter ego*. He was a reserved, if not shy, politician; as brilliant of an opinion maker as he was unfit for confrontation and political clashes. His withdrawal from the race for leadership in favour of Thatcher was one of those fortuitous, but providential (for free market ideas) events that occasionally occur in history.

After the withdrawal of Keith Joseph, Thatcher used his legacy and his ideas to challenge Heath's leadership. Heath had been the leader of the party since 1964 and despite his strong control over it, a replacement seemed inevitable. The way in which Thatcher claimed power was a very good mix of audacity, ability and fortune, a mix that characterised many moments of her political career. The fact that few wanted Heath as a leader, yet nobody dared to challenge

---

<sup>5</sup> See Enoch POWELL, *A Nation Not Afraid. The Thinking of Enoch Powell*, Badsford, London 1965 and *Freedom and Reality* (ed. J. Wood), Batsford, London 1969.

<sup>6</sup> The resignation from the Cabinet by all the Treasury ministers (Enoch Powell, Peter Thorneycroft and Nigel Birch) in 1958, for their disapproval of the excessive governmental expenditures, was considered by the premier Macmillan as "small local problems". It was probably one of the blackest moments for liberal ideas. The episode was to provide Mrs. Thatcher's rhetoric with some convenient "martyrs".

<sup>7</sup> The most momentous, given in Upminster on June 1974, would be read in A. SHERMAN *Paradox of Power: Reflections on the Thatcher Interlude*, Exeter, Imprint Academic, 2005.

<sup>8</sup> See in particular A. DENHAM e M. GARNETT, *Keith Joseph*, Acumen Publishing Ltd, 2002.

<sup>9</sup> Joseph had argued that most single mothers, because of their economic and social conditions, could not provide a proper education to their children, and went as far as to see in this a decline of the "British race".

him, allowed Thatcher to capitalise on the consensus, or at least acquiescence, of the party to her political proposal of a minority and an outsider candidate.

Once she was elected, however, the problems did not disappear. Her opponents were the Heath loyalists in the party ranks and the supporters of the old Tory paternalism (whom she used to call “wets”, as opposed to her “dry” supporters) who had no sympathy for her ideas. Even being an outsider represented a liability, in two important respects. First, she was a woman in a still largely male-dominated party, and second, she was the daughter of a grocer, not a member of the upper class, as was the case for much of the Conservative leadership. From the beginning, therefore, she caused a rift within the party.

In that moment, however, the need for a renewal was strongly felt, and this played in her favour. Thatcher could count on a few confidants, such as Keith Joseph and Goffrey Howe, but she immediately showed great skill in enlisting the support of the backbenchers, namely, the members of parliament lacking prestige assignments. They often saw her as a representative of the *middle class*, as opposed to the leadership of the party that they felt was becoming increasingly distant. In time, Ms. Thatcher showed to be capable of managing the side of the party (as well as civil servants, who sometimes were even more important than ministers in setting policy guidelines) that was hostile to her general governing philosophy. Aware that her position was shaky, she appointed members of the wing of the party that opposed her to important positions, initially in her shadow cabinet, and later in the Cabinet proper. As time passed, she gradually limited their autonomy and their power, until she was able to sack them or convince them to resign.

The main feature of her leadership, not the least of which pertained to the internal affairs of the Party, was undoubtedly her tenacity. She conceded when necessary, only to slowly but surely retake the lost ground, appointing to influential positions a circle of trusted individuals. When selecting individuals to be appointed to strategic assignments, the sharing of her basic philosophy was paramount. The crucial question was always the same: “is he one of us?”<sup>10</sup> does he share our values?

A series of *favourable circumstances*, both in the party and in the country at large, had a determining role in her endeavour to achieve the leadership of her party and the premiership. In either case, if her grasp on her position was uncertain, she managed to hold on thanks to her ability to use those circumstances to her advantage. An emblematic case was the Falklands war.

---

<sup>10</sup> This question gave the title to one of the most relevant Thatcher’s intellectual biography: Hugo YOUNG, *One of Us: Life of Margaret Thatcher*, Macmillan, London 1989.

The popularity she achieved thanks to the victorious short conflict enormously contributed to the Conservative victory in the 1983 election, which appeared almost unthinkable shortly before. She used the victory in an area marginal to British interests to stir the pride in the nation and to declare “the end of British decline”.

The expedient was successful, in a nation “hungry” for a return, at least in part, to the glory of times past (it has to be remembered that a large percentage of the population was born in, and still remembered, the age of the British Empire<sup>11</sup>). More generally, the nation was looking for something that would restore a long-lost pride in herself. In this respect, the steadiness of her response to the IRA’s bomb at Brighton also played an important part. After that episode, she definitely acquired the image of a leader able to face any challenge and to revive the fortune of the country. This was an image that was very suitable to her political aspirations and personal vision.

Generally speaking, *foreign policy* in its entirety had a great impact on the support for her government, also in electoral terms. In the international arena, the crisis of the communist system stood in plain view and it became increasingly difficult to believe that the triumph of socialism was ineluctable, as opposed to the widespread opposite belief among Conservative leaders in the Fifties and Sixties. The Eighties also saw the triumph of Ronald Reagan and a different, more assertive attitude of the Western world against communism. Mrs. Thatcher was lucky to be in such an international predicament, which she exploited by establishing a friendly relationship with the Soviet leader Mikhail Gorbachev. If we add her determination in driving the relationship with the European Union, we can thus regard Mrs. Thatcher as the first post-war British politician who was able to play a prominent role in international politics, and therefore to play the card of British pride to her advantage in electoral terms.

#### *Political system and Institutions.*

Her perseverance and skill in exploiting a series of circumstances (within the party, the country and the international arena) played an important role in achieving and maintaining power. However, a fundamental aspect in understanding Thatcher’s success is the institutional features

---

<sup>11</sup> From a symbolic point of view the Falklands was much more than a local conflict. It showed to the British people, as well as to many Western states, that it was still possible for democracies win a war, after the shocks occasioned by the British defeat at Suez and of the U.S. withdrawal from Vietnam.

of the British political system. They were crucial for success in a program of *radical change operated by minority positions*.

There are many factors to be considered. The first one is that Thatcher was particularly skilful, if not even unscrupulous, in using the power of patronage for political and bureaucratic assignments, both within the party and the government. This strategy helped her to overcome, in some years, the strong resistance that characterised the first part of her mandate. Another is the broad independence that the British system gives to the premier (which as it is known is the real power of the executive) in forming and transforming governments. Thatcher also used this element almost “unscrupulously”, and in her governments there are a number of moves and substitutions never before seen in British history. In this sense, all of her governments (with the partial exception of the first) had her unique imprint and were strongly under the Prime Minister’s control.

*The electoral system and the two-party system were also important elements* in her leadership. Thatcher had the fortune of not encountering other charismatic leaders in the Labour Party, and she benefited from the divisions within the party (the most important in 1981, which give rise to the Social Democratic Party). This was, because the presence of majority rule, an enormous electoral advantage. As the traditional anti-conservative vote split, Thatcher could pursue her policies without worrying about conquering the centrist electorate.

An interesting phenomenon is how the territorial diversification of the vote was strengthened in the Thatcher’s years.<sup>12</sup> Support for the Conservative Party’s increased in the traditionally conservative areas (mainly England, the most dynamic economically and therefore more “responsive” to the new policies) and decreased in areas traditionally closer to Labour (Scotland and Wales). The fact that in the first-past-the-post electoral system (unlike the proportional system) it does not matter whether a individual constituency is lost by a greater or lesser margin, meant that Thatcher did not have to look for mediation or accommodation with her adversaries. She could implement her policies focusing on raising support in just part of the country, without worrying too much about the other areas.

By the analysis of this case emerge as a political system with the characteristics of that British (majority electoral law, two-party system, strong premiership) could be an advantage and an incentive in proposing and emerging of new ideas in order to go out from a crisis situation. If a general conclusion can be drawn, it has to be that the case of Thatcher demonstrates, once

---

<sup>12</sup> The data are available on [www.parliament.uk](http://www.parliament.uk).

again, how the institutional characteristics and practices of party and political systems always play a crucial role in facilitating, or restraining, political change.

The circumstances and the political skills therefore played a key role. However, ideas also played their part, and to cite an opinion of Milton Friedman, perhaps without them there would have been Thatcher, but not Thatcherism.<sup>13</sup>

### *The battle of ideas.*

The evolution of the Conservative Party is intertwined with what can be called the “battle of ideas”. From a historical and political perspective, the Conservative Party – notwithstanding a number of electoral victories – had come the worse out of the post-war period, as it had come to accept the welfare consensus of those years, with its attendant high level of public spending and generally Keynesian policies. Nevertheless, looking at the history of political ideas, in those years there was one of the most flourishing periods of *rebirth and re-examination of both liberal and conservative theory*. In fact, from the last years of the war, authors as Friedrich A. Hayek, Milton Friedman and Michael Oakeshott wrote their most important works. These thinkers were not to achieve any significant academic success, at least until the Seventies, but their works proved to be of consequences and capable of changing the historic events during the years when consensus was unsustainable, in economic terms and in terms of social unrest.

Those ideas were filtered through the Anglo-Saxon culture by columnists<sup>14</sup> and were constantly debated in think tanks, placing the groundwork for a cultural revival of the Conservative Party. When the last conclusive ingredient, Thatcher’s leadership, was added to these elements, the result was a great change in the political culture in favour of the free market. It has not been demonstrated yet if this change has gone in the right direction and is truly sustainable. However, in the UK, as perhaps in no other Western country, ideas seem to have had consequences and have determined the course of events. For these reasons, it must be analyzed how and with what instruments these ideas were successfully implemented.

---

<sup>13</sup> In reference to the Institute for Economic Affairs’ role Milton Friedman wrote: «Had IEA never existed, Margaret Thatcher might still have become Prime Minister, but reforms she presided over would not have been politically feasible, and most likely would not even have been part of the platform», in S. ERIKSON (ed.) *A Conversation with Harris and Seldon*, Occasional Paper, IEA 2001, p. 71.

<sup>14</sup> The most important names are: Samuel Brittan (*Financial Times*), Peter Jay (*The Times*), T.E. Utley (*The Daily Telegraph*), Ronald Butt (*Sunday Times*), Paul Johnson (*New Statesman*), Will Hutton (*The Observer*) e Hugo Young (*The Guardian*). They, at different times and from different perspectives, gave a significant contribution to the development of liberal ideas. Also very important was the role of one of the most popular tabloid newspapers, the *Sun*.

Particularly relevant in this process was the role of three think tanks: the Institute for Economic Affairs (IEA), the Centre for Policy Studies (CPS) and the Adam Smith Institute (ASI). In these institutes there was a remarkable theoretical debate of great political consequence, carried out by those who became some of the main advisers or who inspired Thatcherite policies during the eighties. These think tanks did, on the conservative side, what in the past had made the Fabian Society for Labourism<sup>15</sup>: they *radically changed the political and social environment*, making it inclined to accept the free market's challenge and the reduction of the state's tasks. They also *developed concrete strategies* on how to implement major policy changes.

The IEA, led by Artur Seldon and Ralph Harris (the latter is also a ghost writer of Thatcher's), is the oldest and the most "theoretical" of the three think tanks. Its aim was to spread ideas by the circulation of books and papers<sup>16</sup>, and fight the battle of ideas to change the general political climate. It was working on the ideas of the three major schools of the contemporary liberalism: the idea that the state interventionism does not work (Chicago School), the fact that there are not alternatives to the market, understood as a process of discovery (Austrian School) and the idea that the government fails more often than the market (Virginia School). The Institute worked in an excellent way as organizer of meetings and as a publisher, inviting some of the most important contemporary authors to speak and publishing their works. Joseph was the first conservative politician that approached IEA, using it as "source" of books and using those ideas in speeches and articles to propose a radical renewal of the Conservative Party and British politics. Thanks to Joseph, Margaret Thatcher approached liberal theories, and in the Institute she had some particularly "instructive" meetings with Milton Friedman and Friedrich Hayek.<sup>17</sup>

While the IEA goal was to change the cultural climate, the role of the ASI was different and more "technical". It was established in 1977 with the intent to develop strategic policies for politicians. Over the years it was particularly useful to Thatcher's leadership in suggesting ways to prevent the lobbies from stopping the process of change. The ASI focused mainly on the reform of the public sector, in particular through the lens of the Public Choice Theory. The

---

<sup>15</sup> About the role of think tanks in the Thatcher period see DENHAM, A and GARNETT, M. *British think-tanks and the climate of opinion*, UCL Press, London 1998, KANDIAH, M. D. and SELDON, A. (eds) *Ideas and think tanks in contemporary Britain*, Portland, London 1996 (2 vol.) and COCKETT, R. *Thinking the Unthinkable: Think-Tanks and the Economic Counter-Revolution 1931-1983* Fontana Press, London 1995, who speaks about "counter-revolution against Fabianism", p.6.

<sup>16</sup> Some of the most relevant essays are in R. HARRIS e A. SELDON, (eds.) *The Emerging Consensus...?* Institute of Economics Affairs, 1981.

<sup>17</sup> Ralph Harris and Arthur Seldon tell how Thatcher met Friedman, who in a "long dinner" (after a private seminar) in 1978, explained her a lot of details about monetarism. They also recount how Thatcher, already prime minister and already *Iron Lady*, met Hayek in IEA and attended his lesson "like a meek schoolgirl". See S. ERIKSON (ed.) *A Conversation with Harris and Seldon*, cit., pp. 51-53.

theory – in extreme synthesis – claims that the public sector is ruled not by consumers, as instead by service providers (which often translate into the bureaucrats themselves), that obviously have the interest to increase their role even when not needed. The strategy for reforming this area was named *Micropolitics*<sup>18</sup>, and was based on the idea that in order to achieve reform, instead of tackling head-interest groups in the public sector, it is better to propose some attractive alternatives for change. It is a strategy to “circumvent” interest groups and their ability to prevent overall reforms of the system.

The most interesting case is the Centre for Policy Studies.<sup>19</sup> It was founded by Joseph and Thatcher, with a clear political task. Its goal was to develop new policies, and also to “convert” politicians and intellectuals to the Thatcherian cause. The CPS was mainly concerned in *acquiring* research on public policies to adopt once in the government. Nevertheless, especially in the opposition years, it produced many documents, often written by politicians, of remarkable theoretical level. These documents focused not only on economics, but also on what the values and objectives of the Conservative Party should be.<sup>20</sup>

Over the years, the CPS became part of Thatcherian leadership and was an instrument used in opposition to the Conservative Central Office and the Conservative Research Department. These were sort of internal think tanks in the party, still close to the old leadership and hostile to Thatcher. Hence, her desire to have a place for development of new ideas, a think tank to attract and form people capable of making theoretical contributions and with the ability to put them into practice. A sort of “gym” for the new leadership, something necessary for an ambitious program of change. Therefore, the history of the CPS shows on one hand the difficulties that Thatcher met within her party, and on the other hand her ability to create a new political leadership. With those people, despite difficulties resulting from her character, she was able to change the country over the following years.

But analysis of the CPS is also essential in order to understand what the strategy for government and for change in British politics was, and how it was drafted. This change was difficult to effect because of the fight against the Trade Unions.

---

<sup>18</sup> See Madsen PIRIE *Micropolitics. The Creation of Successful Policy*, Wildwood House, Aldershot 1988

<sup>19</sup> The story of the early CPS years is told in the book written by the individual that was for many years in charge of the Centre: A. SHERMAN, *Paradox of Power*, cit. Some of the most important CPS publications are in HAAS, Richard & KNOX, Oliver *Policies of Thatcherism: thoughts from a London thinktank* London-New York, University Press of America, London 1991, but they are all available in [www.cps.org.uk/](http://www.cps.org.uk/).

<sup>20</sup> Two papers are particularly significant that Keith Joseph wrote in 1976: *Stranded on the Middle Ground* and *Monetarism is not Enough*. In the first he attacked the Middle Ground and defend the “moral and material benefits of the market order” In the second he claimed that monetarism is useful but “is not enough unless there is also the essential reduction of the state sector and the essential encouragement of enterprise. We are over-governed, over-spent, over-taxed”.

*Strategy and rhetoric.*

Joseph and Thatcher knew that the political and intellectual climate was changing in favour of the free market. However, they also account that the battle of ideas had to be won “in the right way”. In this respect, the memory of the U-Turn in the Heath government was crucial. Heath had failed because he had advanced a liberal platform without the necessary theoretical underpinning, and because he did not have the right strategy to cope with the vested interests in the welfare state. He had attempted to make his reforms more consensual through a dialogue with the Trade Unions, but this dialogue turned out to be impossible and his project was utterly defeated. By witnessing Heath’s failure, Thatcher and her staff concluded that to change the country they needed to face off the power of the Trade Unions, and that new ideas were important to win the battle in the “right way”, they needed to spread new ideas about the government, but also to devise a set of suitable policies.

The “Trade Unions’ issue” was analysed in a number of research papers and documents, one of which in particular relief provided the name for the emerging Thatcherite strategy. *The Stepping Stones Program*<sup>21</sup> was written in the autumn of 1977 by John Hoskyns and Norman Strauss, who, together with Alfred Sherman (Director of CPS) and subsequently, Alan Walters, provided a critical contribution to the task of translating ideas into policies. The document contended that an electoral victory only based on the public’s dissatisfaction with the Labour Government was going to be fruitless, and it identified the Trade Unions as “the only group whose leaders’ political convictions and lack of economic understanding could pit them against any government which dares to do what has to be done” (p. 2).

The real problem was *how* to challenge the Trade Unions’ power. If the Conservative Party had openly challenged them, in all likelihood they would have lost the election, but if it had acquiesced in order to appease them, this would have stifled any hope of reform. The system seemed in fact to be “un-reformable” by means of a process of dialogue with the party’s opponents, therefore a clash with the Trade Unions, however precarious the outcome, was unavoidable. Hence the development of a strategy, christened “stepping stones”, which aimed

---

<sup>21</sup> *The Stepping Stones Programme*, [www.margaretthatcher.org/archive/displaydocument.asp?docid=109848](http://www.margaretthatcher.org/archive/displaydocument.asp?docid=109848).

to change the “climate of opinion” in the country and to ensure widespread support for the new politics of Thatcher.

It was a strategy of gradually wearing down the Trade Unions’ power. An open clash was avoided in the beginning, but the Conservatives never stopped blaming the Trade Unions and the Labour Party for the decline of Great Britain. A communication policy was carefully crafted in order to convey the impression that the Conservative Party would be a better manager of the state’s budget, without disavowing the intention of preparing a great political change. This strategy was aimed at the general public, for electoral purposes, and at the party itself, where the opposition to the new leadership was still very strong.<sup>22</sup>

This was a long-term strategy which lasted throughout the years in power. Along with the key contributions of the CPS and ASI, it was to be augmented by the development of specific policies aimed at the areas which needed to be modernized and to be transferred over to private management. The factor that mainly contributed to the success of this strategy and to the electoral victory of the Conservative Party, however, was the collapse of the welfare consensus. The “winter of discontent” saw inflation levels, which have not been equalled since, and a number of strikes which often turned violent affairs, unusual even for a country long accustomed to these phenomena.

Thanks to this series of circumstances, Margaret Thatcher was able to have her political proposals accepted by her own party and then by the country. The circumstances in fact supported the notion, advanced since 1974 by Keith Joseph and Thatcher herself, namely that however unappealing, a radical change was the only way out from the British predicament. The so-called TINA (there is no alternative) was the great rhetorical device that let the new ideas prevail first in the party and then in the country. The political proposal of Mrs. Thatcher was supported by a minority in the Party and in the country, but in time came to be accepted as a bitter medicine that couldn’t be refused.

However, to understand what such a medicine was composed of and how it could work effectively, a last and crucial ingredient of the prescription needs to be addressed, which will serve as a reminder of how much individuals matter in historical processes. I refer, of course, to Margaret Thatcher herself. The first feature of Thatcherism is actually tied to the *strong*

---

<sup>22</sup> This strategy was well embodied in two documents presented during Party’s Congress: *The right approach*, in 1976, and *The right approach to the economy*, in 1977. While the former is decidedly “ideological” and radical, the second (to whose writing had also participate James Prior, linked to the old leadership of Heath) was written in a more conciliatory style, in the attempt not to frighten a party unaccustomed to the forthcoming economic policies. For a discussion of the parts of the second document that were considered wrong and impracticable, see the notes made by Thatcher in her copy of the document, [www.margaretthatcher.org/document/3FE9928C24064D23804B47E4879E2CF0.pdf](http://www.margaretthatcher.org/document/3FE9928C24064D23804B47E4879E2CF0.pdf).

*personality of Thatcher*, a politician with a deeply-held faith in the notion that a change was needed for the United Kingdom, and who refused to meet halfway those people ready to compromise in that regard. This does not mean that she was not ready to give up some goals or to implement a strategy of gradual change when appropriate. What it does mean is that her political style and her manner of decision-making never saw compromise as worthy in itself, but was characterised by a Manichean attitude in which the “evil side” was represented by the “drift to Socialism”.

The rhetoric of Margaret Thatcher, in fact, was not characterized by an apologia of the free market, but a sort of *demonization of “enemies”* who had brought the British nation to ruin, namely the Trade Unions and those of the socialist mindset. She had a *Manichean vision of politics*, where the evil was represented by the socialist mindset and this gave her a “messianic” image, a veritable prophet of national redemption.<sup>23</sup> If it is true, as has been asserted<sup>24</sup>, that the main attribute of a leader is to be able to tell a story about the past, Thatcher was a true master in this art. She did it by identifying in the Labour Party, which she called socialist, and in the Trade Unions as the culprits of the British national decline.

Thatcher’s leadership thus found its essence (and this fits well with what we know of her personality) in the *contrast with an enemy*, either “external”, the Labour Party and international Communism, or “internal”, the supporters of Tory paternalism and welfare consensus in her own party. It is not easy to understand what in her description of Britain’s “enemies” was true and what was imaginary<sup>25</sup>, but it is hard to deny that the consensus and a mindset inclined towards the welfare state, if not to socialism itself, was something real and well-rooted in pre-Thatcher Britain. The change in public opinion was certainly influenced by the national and international circumstances of the time. At the same time, the outcome of the process would have been different, and less firmly rooted, if the leader of the country had not been a woman as determined in her decision making and as ready to distinguish, without unnecessary subtlety, good from evil as Margaret Thatcher. This particular aspect has led some scholars to consider Thatcherism a personal and instinctive approach to politics rather than a coherent set of ideas.

---

<sup>23</sup> On this see Kennet Minogue in K. MINOGUE, e M. BISS, M. (eds.) *Thatcherism: Personality and Politics*, New York, St. Martin’s Press, 1987, p. 4 e ss.

<sup>24</sup> H. GARDNER, *Leading Minds: An Anatomy Of Leadership*, Basic Book, New York 1995.

<sup>25</sup> See for example Peter JENKINS, *Mrs. Thatcher’s Revolution: The Ending of the Socialist Era*, Harvard University Press, 1987, «The consensus she imagined herself to be smashing was founded more in myth than in reality» p. 3.

Nevertheless, the question of whether Thatcherism can be considered an ideology or a practical response dictated by personal belief and experience remains open and merits further examination.

*Moral Values. Thatcherism as an ideology?*

The first question is whether Thatcher's only aimed to revive the British economy or if the economic measures were merely a way to achieve other goals. Were other values to be implemented or "restored" by her ostensibly economic strategy? As we have seen, the cornerstone of her strategy was to denounce the link between Socialist ideology, Labour Party and Trade Unions leadership. Mrs. Thatcher held these parties responsible for the "British disease", highlighting the failure of the consensus and then proposing an alternative model. At its core, however, the criticism was not economic in character, and the free market, however vigorously proposed, was not seen as the solution for every problem.

Her belief was that the economy was weak because something had gone wrong spiritually and philosophically<sup>26</sup>. The only way to overcome the English predicament was to therefore restore a set of moral values that had characterized the past of Great Britain, and which appeared to have been lost. The restoration of moral values seemed to be a prerequisite for economic revival, among a more general restoration of England's spirit, and the economic problems could only be solved in terms of moral values. She referred to what she called Victorian values, and stated that she had "absorbed" them in her childhood thanks to the example of her father and her "Victorian grandmother". An exact definition of the "true" Victorian values is not easy, but it is possible to try and *understand what Thatcher meant by Victorian values and how she thought they might be restored.*

---

<sup>26</sup> For instance, speaking about the winter of discontent, she said: «You can't go on letting a country decline economically without finding something else: that it declines spiritually and morally as well. If you no longer have confidence in your country to solve its economic problems, very soon you begin to lose confidence in the spirit of your country and you find all kinds of other things happening as well. I believe that's what happened this last winter. None of us ever expected to see some of the strikes we saw. We said those things can't happen in Britain, but I believe it was because some of our economic failures had so demoralised us that we got a decline of a sort we never expected to see here», Speech to Conservatives in Gravesend, 1979 April 17. <http://www.margaretthatcher.org/speeches/displaydocument.asp?docid=104016>

First of all, we can say that those values which Thatcher called Victorian could be better described as Victorian virtues, or perhaps even *bourgeois virtues*<sup>27</sup>. On one hand, there was an “ideal reference to the values of her childhood in Grantham: family, hard work, thrift, sense of community, etc. On the other hand, these values were inherent in individual virtues: energetic and active individuals, proud to make their own way without asking the state for help. The only request the holders of these virtues asked of the state was a framework of rules that allowed them to work in safety and order, and in particular, the defence of private property rights.

This is also the typical vision of the *liberal* tradition, which sees in the law the only common good that the society needs. Thatcher saw her position as a genuinely *conservative* one, in that she wished to restore what she saw as the ancient British liberties, protected by the Rule of Law, discarded by the socialist ambition to govern according to discretionary rules, aiming to organize and shape society.<sup>28</sup>

Thatcher believed in the existence of Victorian values. She was firmly convinced that these values were extant in a historical period, the Victorian age, and that they were the cornerstone of Britain’s greatness. Britain had declined in the twentieth century exactly because those values were increasingly neglected. All this was underpinned by the negative myth of Thatcherism, namely the socialist mentality and the related idea of a “nanny state”, a state that doesn’t see its citizens as free and responsible individuals, but creatures in need of help and protection. The result of the consensus’ years (of which conservative politicians equally bore responsibility) was the *destruction of those virtues*, and a decrease of the individual’s capacity to be independent of the state.

Starting from this interpretation of British history, Thatcher’s problem was how to reintroduce those Victorian values that had been swept away by at least thirty-five years of what she called socialism. How could this historical process be reversed? Certainly the values could not be inculcated by government’s enforcement, but the government could place the responsibility for the decay of those virtues on the socialist mentality. It could completely change the framework, in order to induce individuals to consider themselves responsible for their own destiny and behave accordingly. That meant there could no longer be the *nanny state*, but there

---

<sup>27</sup> See Gertrude HIMMELFARB, *The De-moralization of Society. From Victorian Virtues to Modern Values*, Vintage Book, New York 1996.

<sup>28</sup> The distinction – of which Thatcher was perfectly aware – between a “nomocratic” political system which simply lays down “rules of conduct”, and “teleocratic”, which draws up rules to achieve what is considered to be the happiness of individuals, is in the works of Michael Oakeshott and, although with a different terminology, in Hayek.

must be a *liberal state* which set the framework for individuals who would be free to act and try to achieve their own prosperity.

From the classical liberal perspective, there is at least another important notion which Thatcher embraced: namely the classical liberal belief that economic liberty and political liberty are inextricable, and that the one cannot be conceived without the other. The argument that the creation of wealth can be kept separate from its distribution was long extant in Britain, not least in its liberal tradition, as it was advanced by John Stuart Mill. This notion – whose most renowned supporter in recent times was John Rawls – was strongly disputed in the post-war years, most notably by Friedrich Hayek and by the Austrian School. And, revealingly, Thatcher explicitly draws from Hayek when *points to economic liberty as an indispensable stepping stone to restoring liberty tout court*.

Thatcher's vision was characterized by a “moral argument” for “competitive capitalism” and its institutions. Her goal was more ambitious and enduring than a mere economic revival. Indeed the economic revival, made by free and responsible individuals, became a key to restore the old lost virtues. This objective was demonstrated through the economic activity of her governments, need to be understood in the light of this overarching goal. This is particularly true of the privatization which occurred during the second term. This has been properly named “popular capitalism”, the widespread presence of capitalism in society, that, by making individuals owners, brings them to be autonomous individuals, and the makers of their – and the nation's – well-being.

The privatization and *popular capitalism* are the heart of the Thatcherism, and Margaret Thatcher showed how their significance reaches beyond economic aspects and represents a real *vision of democracy*.

Our opponents would have us believe that all problems can be solved by State intervention. But Governments should not run business. Indeed, the weakness of the case for State ownership has become all too apparent. For state planners do not have to suffer the consequences of their mistakes. It's the taxpayers who have to pick up the bill. This Government has rolled back the frontiers of the State, and will roll them back still further.

[...] We Conservatives believe in popular capitalism – believe in a property-owning democracy. [...] The great political reform of the last century was to enable more and more people to have a vote. Now the great Tory reform of this century is to enable more and more people to own property. Popular capitalism

is nothing less than a crusade to enfranchise the many in the economic life of the nation. We Conservatives are returning power to the people. That is the way to one nation, one people.<sup>29</sup>

As showed by Shirley Letwin<sup>30</sup>, privatization was a way to oppose the effects of socialism and to invest individuals with a sense of values, because choice in a free society always implies responsibility<sup>31</sup>. In this sense the privatization process and in particular the sale of the *enterprises* to many shareholders, the number increasing from 3 to 11 million, can be interpreted as Thatcher's underlining the "*moral dimension*" of this phenomenon.

A decisive step, mirroring the previous one, was the privatization of the *public houses*, which extraordinarily increased the number of owners. That sale was not the best investment for the state's budget, the houses were sold at a price lower than market price, but the goal, once again, was not purely economic. As for privatization, the aim was to implement the beneficial effects of private property, which makes people more independent, more willing to take risks and ultimately, self-sufficient. Through property ownership, it is possible to develop the entrepreneurial spirit and change values. This also leads to the consequent desire to pass ownership to descendants. Thatcher also hoped to promote the family, creating more responsible parents and reducing the divorce rate.

Other elements of Thatcherism, according with Letwin, can be viewed as "moral" objectives, more than mere economic objectives. The most interesting example is the *fight against the Trade Unions*, which previously enjoyed a high level of immunity acquired more or less "accidentally" and for individual reasons that historically made sense. Over the years, however, these immunities had turned into real forms of coercion suffered by individuals. For example, union membership had become mandatory, or closed shop, for everyone who wanted a job. Thatcher considered this a real violation of individual rights. In this sense, her anti-unionism

---

<sup>29</sup> Speech to the Conservative Party Conference, 1986 Oct 10, [www.margaretthatcher.org/speeches/displaydocument.asp?docid=106498](http://www.margaretthatcher.org/speeches/displaydocument.asp?docid=106498). In the same year Nigel Lawson, who was Chancellor of the Exchequer between June 1983 and October 1989, used the same expression: «Just as we have made Britain a nation of home owners so it is the long-term ambition of this Government to make the British people a nation of share owners, too; to create a popular capitalism in which more and more men and women have a direct personal stake in British business and industry. Through the rapid growth of employee share schemes, and through the outstandingly successful privatisation programme, much progress has been made – but not enough. Nor, I fear, will we ever achieve our goal as long as the tax system continues to discriminate so heavily in favour of institutional investment rather than direct share ownership». <http://www.margaretthatcher.org/archive/displaydocument.asp?docid=109503>.

<sup>30</sup> S. LETWIN, *The Anatomy of Thatcherism*, New Brunswick, Transaction Publishers 1993.

<sup>31</sup> In her memoirs she wrote: «Privatization [...] was one of the central means of reversing the corrosive and corrupting effect of socialism. Ownership by the state is just that – ownership by an impersonal legal entity: it amounts to control the politicians and civil servants [...]. but through privatization – particularly the kind of privatization which leads to the widest possible share ownership by members of the public – the state's power is reduced and the power of the people enhanced. [...] Privatization is at the centre of any programme of reclaiming territory for freedom» *The Downing Street Years*, HarperCollin, London 1993 p. 676.

was above all a fight to restore individual freedom of contract and the voluntary nature of joining an organization.

Looking at this set of ideas, and the myths and symbols characterizing her political experience, it is easy to understand the temptation of some scholars, as well as some anti-Thatcherian members of the Conservative Party<sup>32</sup>, to consider Thatcherism as an ideology. Nevertheless, if her basic ideas and most of her political acts were really coherent, *it is difficult to define Thatcherism as a political theory* and it would be wrong to study Margaret Thatcher as a political thinker.<sup>33</sup>

Margaret Thatcher was a politician with the desire and ability, for a variety of circumstances, to govern with a “mission” underscored by a set of values. In politics it is possible to be coherent without a “theory”, following instincts, a feature of politicians but not of philosophers. She certainly acted in accordance with values, especially freedom, which caused her to be accused of being “ideological” by some conservatives. However, her political actions were always coherent with the “classic” conservatism: pragmatic, not ideological. She was always *seeking a practical response to a particular historical situation*, and the motives became clear to her only after a while. In that sense Letwin is right when she says that the privatization program produced moral, more than material, effects. But we must also recognize that it probably was not implemented with that aim, or at least initially was not dictated by those motives.

Undoubtedly, she read books and was influenced by theories, but these just gave “intellectual respectability” to her deep convictions, which took precedent over those readings and were rooted in her experience and character<sup>34</sup>. She showed interest in theoretical discussions, but mainly showed an extraordinary ability to draw *practical implications* from those discussions, and then use the ideas as political tools. She was not an intellectual, which often for a politician is not a disadvantage, even in democratic countries, but she had an extraordinary ability to use ideas as political weapons. Her leadership supplied a very remarkable stimulus to the intellectual debate. All these characteristics made her an ideal strong politician, which in history is not frequent, but it is not an anomaly.

---

<sup>32</sup> In particular I. GILMOUR, *Dancing with Dogma. Britain under Thatcherism*, Simon & Schuster, London 1992.

<sup>33</sup> Margaret Thatcher showed the same idea in 2000, when, looking at ideologies as “liberalism”, “capitalism” or “statism” said «I would like to be clear: I don't regard Thatcherism as an "-ism" in any of these senses. And if I ever invented an ideology, that certainly wasn't my intention». [www.margaretthatcher.org/speeches/displaydocument.asp?docid=108387](http://www.margaretthatcher.org/speeches/displaydocument.asp?docid=108387)

<sup>34</sup> Concluding her second book of memoirs she wrote that her ideas about economy came from her “personal experience” of her world: “my ‘Bloomsbury’ was Grantham”, *The Path to Power*, HarperCollins, London 1995, chapter 16..

Her main characteristic, namely the determination to govern and attempt to achieve what she saw as right, marks her magnitude. It is also the source of a series of paradoxes that have characterized her leadership and makes Thatcherism extremely interesting and original.

*Democracy, liberalism and conservatism. The paradoxes of Thatcherism*

In their assessment of the results achieved by the Thatcher's government, scholars do not seem to have reached an agreement.<sup>35</sup> There are many doubts about the capacity of Thatcherism to revitalize "moral values", especially those pertaining to solidarity and sense of community, and whether or not it has led to a materialism that doesn't fit into this kind of values. This question raises, once again, one of the classic problems of political philosophy, well identified by Nietzsche, about the possibility of establishing moral values on something other than religion<sup>36</sup>.

It is widely accepted that what was implemented by Thatcher has been one of the most imposing and enduring changes of the *political culture* of a country. Although controversial, her attempt to solve the social conflicts produced by the welfare consensus, and therefore from excessive state intervention in economy, by means of a greater reliance on market mechanisms seems to have been a successful and long-lasting one. If her goal was to replace the interventionist policy based on consensus, or at least on negotiations, with the "order of the market", we must admit that she reached her goals. The spread of the free market culture and opening markets to international competition accompanied by a different attitude about the role of the state, restored the UK as one of the most competitive economies in the world. There are many elements to examine in order to evaluate how profound this change was, primarily at the cultural level, and perhaps the most obvious is the acceptance by the Labour Party of some Thatcherism bench marks.<sup>37</sup>

However, beyond the fact that the change which affected of one of the most ancient and solid democracies in the world still seems to have lasted, there are a number of "unresolved

---

<sup>35</sup> Interesting data can be found in J. E. EVANS, *Thatcher and Thatcherism*, London and Routledge, New York 1997

<sup>36</sup> See again HIMMELFARB, *The De-moralization of Society*, cit, in particular pp. 3-18 and 259-263.

<sup>37</sup> See Simon JENKINS, *Thatcher and sons : a revolution in three acts*, Penguin, London 2006.

issues” regarding the relationship between Thatcherism as a historical experience and its relationship with democracy, liberalism and conservatism. That is why Thatcherism stands as an ideal “litmus test” not only for some problems related to institutional change, but also for an analysis of contemporary political theory

As previously mentioned, Thatcher's intention was not only to ensure the Conservative Party governed the country, but that it governed with a precise mission, or “doing the right thing”. In her vision, this meant serving the “common good” as opposed to special interests represented by pressure groups, primarily Trade Unions. Thatcher’s idea was that the *government should act in the interest of the entire nation*, therefore the situation which dominated during the consensus’ years was unacceptable, because the government, rather than pursuing the common good, acted only as a mediator between social actors. To Thatcher, the Trade Unions influence over the government seemed a clear distortion of politics.

In fact, the Trade Unions became the true decision makers in a system which bore a strong resemblance to a corporatist one. The government increased its duties too much, by nationalizing companies and increasing wages, and thus became less a representative of the national interest, and more and more an actor among others, forced into the role of mediator between conflicting interests. Over time, maintaining this role became impossible. It was therefore clear that in order to have a government authoritative and representative of the whole nation, it was necessary to strip the Trade Unions of their bargaining power, and eliminate what Thatcher described as the socialist mentality.

Her idea that the state had lost its authoritativeness and its capacity to act in the common good, identified a classic problem of democracies, which often risk being hostage of interest groups and electoral lobbies that the political powers seek to satisfy with the distribution of public resources. The consequent increase of taxation and interventionism, raises problems in a democracy overloaded with an excess of demands, unable to fulfil the expectations it has deliberately raised.

Margaret Thatcher proposed a typical *conservative-liberal formula* in order to overcome this situation. Reverse the process by reducing the tasks of the state, its “sphere of intrusiveness”, and revive the economy, enabling it to recover its loss of authority. Conservatism and liberalism, as political theories, have deep differences, but they can converge when the historical situation demonstrates to a conservative that a state with too many tasks can not be authoritative, and to a liberal that the absence of certain conservative values leads many people

to see the state as a possible solution to all problems and all expectations, more or less legitimate.

Nevertheless, the *way* the British democracy has changed, does not answer the interesting questions. Thatcher, as previously mentioned, didn't have a clear ideology but rather a very clear idea of what was the right thing to do for the country, and which "enemies" – both in the Labour and the Conservative parties – opposed her project. This deeply held belief led her to trust only herself, and caused her to fear not only her opponents, but her political allies as well. In fact, even the relationship with people appointed by her, "thatcherians", was never a relationship of complete trust, perhaps with the exception of Keith Joseph. This is demonstrated by the remarkable number of "thatcherians" that she fired.<sup>38</sup>

The tendency to distrust everybody and to continuously insert herself into every government decision, was a consequence of her political experience. As previously mentioned, she held a minority position inside the party for a long time, and was opposed by the establishment. It was also a consequence of her character, which was an essential ingredient in implementing her political program. This tendency led Thatcher to always *seek a privileged relationship with the "British people"*, because she felt she was uniquely able to understand "the people", their will, and at a minimum, their real needs. This is a feature revealed by an analysis of her speeches, but also demonstrated through her attitude "against" the press, who she accused several times, for example after the Falklands war, of being unpatriotic and lacking common sense.

The most interesting element was her deeply held conviction that her reforms returned "power" to the people, power expropriated over the years by the welfare consensus. This "expropriation" had occurred as a result of the growth of the "nanny state", which involved itself in decisions which should be left to the private sphere, and therefore deprived individuals of their responsibility and freedom. In this sense, even her attack on what she called the "socialistic mentality", can be interpreted through her famous sentence, borrowed from the liberal tradition, that "the society does not exist", because only individuals exist.<sup>39</sup>

---

<sup>38</sup> For an interesting account: John RANELAGH, *Thatcher's People*, HarperCollins, London 1991.

<sup>39</sup> This is the main idea of "methodological individualism", which is an important element of the Classical Liberalism. It is clearly explained by scholars such Ludwig von Mises and Karl Popper. Thatcher remembers in her memoirs how her sentence, there being "no such thing as society" was often misunderstood because the second part of the sentence was not quoted: «there are individuals men and women, and there are families. And no government can do anything except through people, and people must look to themselves first. It's our duty to look after ourselves and then to look after our neighbours», *The Downing Street Years*, p. 626.

The return of power and freedom to the people was executed on several levels. On one hand, the privatizations resulted in a “nation of owners”, of houses and firms’ shares, which meant individuals became responsible for their own destiny. On the other hand, there was the fight against the corporatist redoubts, primarily the Trade Unions and Local Councils, frequently run by the Labour Party, which had increased their power over individuals by “taking care of them”, and this resulted in a change and an increase of the state’s tasks. This last point was the attack against a corporatist vision, which had deprived the parliament of its authority, leading to the *bankruptcy of the representative system*.

These may seem, once again, “classical” problems of contemporary democracies, and the solution may seem the solution of classical liberalism. However, if they are considered in the context of our remarks on some of Thatcher government’s features, a paradox does emerge. It is the attempt to solve the crisis of representation through a leadership that seeks to sweep out the “intermediate bodies”, more or less degenerated, and return the authority to the state, making it the only true interpreter of the popular will. If the goal was not a reduction of the scope of the state, this might look like a case of *Jacobin democracy* and populism. The government, or rather the leader, stands as the only interpreter of popular will and the only one able to return the power to the people, who have been otherwise deprived by the “enemies”.

However, looking at the conservative and classical liberal theories, Thatcherism faces yet *another paradox*. The government was extremely active in changing the existing state of things, and seemed nearly “revolutionary”. In a way, her government was very intrusive, so that the path towards economic change and relationships between different social actors almost always took the form of a “*inverse planning*”: it was necessary to “force” the market to work, through the intervention of politics. The intervention was designed to reinvigorate the market and entrepreneurship, but it took the form of a continuous, cumbersome and “planned” state intervention. In this regard, Thatcherism does not benefit the conservative vision, which avoids large and sudden changes or revolutions. It also doesn’t benefit classical liberalism, which wants the role of the state limited and as minimally invasive as possible.

This contradiction may be relevant in terms of political theory, but it was not relevant for Thatcher, who was a politician and not a philosopher. Her idea was act to restore the ancient freedoms and the old British virtues,<sup>40</sup> and in this sense she declared herself a conservative, an

---

<sup>40</sup> In 1999 she said: «Commentators sometimes talk as if the policies that turned Britain from the sick man of Europe to the model for Europe - indeed for more than Europe - were based on an economic formula. And I willingly grant the influence of free market economists, like Friedrich Hayek and Milton Friedman. But the root of the approach we pursued in the

allegiance which had experienced a sharp decline in previous decades. This goal meant returning to the Rule of Law, establishing a state which does not intervene in the economy, and finally, returning to the “Victorian” values. In order to achieve these objectives a strong government action is needed, because it is not important how much the government does, as instead the direction in which it operates. The goal is to reduce the role of the state, and it is not a paradox that to make such a reduction there should be an almost “autocratic government”.

Additionally, if the theoretical and political visions can clearly be kept separate there is a common problem for both. Is it possible that the implementation of liberal and conservative ideas are made by a government that uses methods that are neither liberal nor conservative? *Is it possible to “restore” freedom and conservative values by government intervention in some way “despotic” and “revolutionary”?* The problem becomes even more acute when it is considered that the changes implemented by Thatcher were to be, primarily cultural even before economic. Her government wanted to roll back a process which began long before the years of consensus, and in cultural terms, maybe a century before the advent of Thatcher<sup>41</sup>. Is it enough to have a charismatic leader in order to produce profound and enduring change in the political culture?

It is difficult to provide a positive answer to these questions if we reduce Thatcherism to only Margaret Thatcher’s figure and work. Once again, we must remember that *she was an ingredient, essential and unique but not sufficient, in a long battle of ideas* that had begun before she even reached power. She was, in some respects, the ripe fruit of that battle. The liberal theories gave not only “respectability” to her deeply held beliefs, but the liberal ideas, and those who worked on them, gave her awareness, strength, arguments and techniques to execute her principles and objectives.

This is why Thatcherism, who found in Margaret Thatcher an indispensable but not sufficient element, is an extraordinary lesson in how the ideas “are the key point” in historical processes, but they always rely on individuals and circumstances in order to have consequences.

---

1980s lay deep in human nature, and more especially the nature of the British people. If you really believe, as a matter of passionate conviction, in the talents and character of your nation, of course you want to set it free. And we British have a true vocation for liberty - all our history proves it».

[www.margaretthatcher.org/speeches/displaydocument.asp?docid=108381](http://www.margaretthatcher.org/speeches/displaydocument.asp?docid=108381)

<sup>41</sup> One of the most interesting attempts to show how a new mentality, suitable with socialism, existed in Great Britain till the end of Nineteenth century, is S. LETWIN, *The Pursuit of Certainty*, Liberty Fund, Indianapolis 1998 (1965), especially part iv.

## Bibliography

- ADAMS, Ian, (1998) *Ideology and Politics in Britain Today*, Manchester University Press.
- ADONIS, Andrew and HAMES, Tim (1994) *A Conservative Revolution?: the Thatcher-Reagan decade in perspective*, New York.
- BARRY, Norman P. (1987) *The New Right*, Croom Helm, London.
- BERLINSKI, C. (2008) *There is No Alternative: Why Margaret Thatcher Matters*, Basic Book, New York.
- BIRCH, A.H. (1984) *Overload, Ungovernability and Delegation: The Theories and the British Case*, «British Journal of Political Science», n.14.
- BLAKE, Robert (1976) *Conservatism in an Age of Revolution*, Churchill Press Limited, London.
- BLAKE, R., PATTEN, J. (eds) (1976) *The conservative Opportunity*, Macmillan, London.
- CALLAGHAN, James, (2006) *Time and Chance*, Politic's Publishing, London (1987).
- CAMPBELL, J. (2000) *Margaret Thatcher: The Grocer's daughter*, Jonathan Cape, London.
- (2008) *Margaret Thatcher: Iron Lady*, Vintage Book, London.
- CHARMLEY, J. (2008) *A History of Conservative Politics, since 1830*, Palgrave Macmillan, London (1996).
- CLARKE, P. (1991) *Question of Leadership*, Penguin, London.
- (2004) *Hope and Glory. Britain 1900-2000*, Penguin, London (2<sup>nd</sup> ed.).
- COCKETT, R. (1995) *Thinking the Unthinkable: Think-Tanks and the Economic Counter-Revolution 1931-1983* Fontana Press, London.
- CRAFTS, N. (2002) *Britain's Relative Economic Performance, 1870-1999*, Institute of Economics Affairs.
- DAVIES, A. J. (1995) *We, The Nation. The conservative Party and the Pursuit of Power*, London, Little, Brown and Company.
- DENHAM, Andrew, (1996) *Think-tanks of the new right*, Dartmouth, Aldershot.
- DENHAM, Andrew and Mark GARNETT, (1998) *British think-tanks and the climate of opinion*, UCL Press, London.
- DENHAM, Andrew e Mark GARNETT (2002) *Keith Joseph*, Acumen Publishing Ltd.
- DUTTON, D. (1991) *British Politics since 1945. The Rise and Fall of Consensus*, Basic Blackwell, Oxford.
- ERIKSON, S. (ed.) (1991) *A Conversation with Harris and Seldon*, Occasional Paper, IEA.
- EVANS, J. E. (1997), *Thatcher and Thatcherism*, Routledge, London and New York.
- FAIR, J.D. and HUTCHENSON, J.A. (1987) *British Conservatism in the Twenty Century. An Emerging ideological Tradition*, in «Albion. The Quarterly Concerned with British Studies», vol. 19, n. 4.
- GAMBLE, A. (1989) *The Free Economy and the Strong State. The Politics of Thatcherism*, Duke University Press, Durham.
- GARDNER, H. (1995) *Leading Minds: An Anatomy Of Leadership*, Basic Book, New York
- GARNETT, Mark, (1996) *Principles and politics in contemporary Britain*, Longman, London and New York.
- GILMOUR, Ian, (1977) *Inside Right, A study of conservatism*, Hutckinson, London.
- (1992) *Dancing with Dogma. Britain under Thathcerism*, Simon &Schuster, London.
- GIRVIN, Brian (1988) *The Transformation of Contemporary Conservatism*, London.
- GREEN, E.H.H. (2006) *Thatcher*, Oxford University Press.
- GREEN and TANNER, (2007) *The strange survival of liberal England: political leaders, moral values and the reception of economic debate*, Cambridge University Press.
- GRIFFITHS, B. (1983) *The Moral Basis of Market Economy*, Conservative Political Centre.
- HAAS, Richard & KNOX, Oliver (1991) *Policies of Thatcherism: thoughts from a London thinktank* (Copyright Centre for Policy Studies) University Press of America, London-New York.
- HARRIS, Kenneth (1989) *Thatcher*, Fontana Press, London.
- HARRIS, R. SELDON, A. (eds.) (1981) *The Emerging Consensus...?* Institute of Economics Affairs.
- HICKSON, Kevin (ed.) (2005) *The Political Thought of the Conservative Party since 1945*, Palgrave, London.
- HIMMELFARB, Gertrude (1996), *The De-moralization of Society. From Victorian Virtues to Modern Values*, Vintage Book, New York.

- JENKINS, Peter, (1987) *Mrs. Thatcher's Revolution: Ending of the Socialist Era*, Harvard University Press.
- JENKINS, Simon (2006) *Thatcher and sons: a revolution in three acts*, Penguin, London.
- KANDIAH, Michael David and SELDON, Anthony (eds) (1996) *Ideas and think tanks in contemporary Britain*, Portland, London (2 vol.).
- KAVANAGH, D. (1990a), *Thatcherism and British Politics. The End of Consensus?*, Oxford University Press.
- (1990b) *Politics and Personalities*, Macmillan, London.
- KAVANAGH, Peter e NORRIS, P (1994) *Consensus politics from Attlee to Major*, Blackwell, Oxford.
- KAVANAGH, Dennis and SELDON, Anthony (eds) (1989) *The Thatcher effect*, Oxford University Press.
- KELLEY J.L. (1997) *Bringing the Market back in - The Political Revitalization of Market Liberalism*, New York University Press.
- KING, Peter (2006) *A Conservative Consensus? Housing Policy Before and After 1997*, Imprint Academy, Exeter.
- LETWIN, Shirley (1965) *The Pursuit of Certainty*, Cambridge University Press.
- (1993), *The Anatomy of Thatcherism*, New Brunswick, Transaction Publishers.
- LEVITAS, R. (ed.) (1986) *The ideology of the new right*, Polity Press, Cambridge.
- LEYS, Colin (1989) *Politics in Britain: from Labourism to Thatcherism*, University of Toronto Press.
- LEWIS, R.(1979) *Enoch Powell: Principle in Politics*, Cassell, London.
- LITTLE, Graham (1988) *Strong leadership : Thatcher, Reagan, and an eminent person*, Oxford University Press.
- LUDLAM, Steve and Martin J. SMITH (eds) (1996) *Contemporary British conservatism*, Macmillan, London.
- MINOGUE, K.-BIDDIS, M. (eds.) (1987), *Thatcherism: Personality and Politics*, New York, St. Martin's Press.
- MARQUAND, D. and SELDON, A. (eds) (1996) *The ideas that shaped post-war Britain*, Fontana Press, London.
- PIRIE, Madsen (1988) *Micropolitics. The Creation of Successful Policy*, Wildwood House, Aldershot.
- POWELL, Enoch & WOOD, John (1965) *A Nation Not Afraid. The Thinking of Enoch Powell*, Badsford, London.
- POWELL, Enoch & Ritchie, R. (1989), *Enoch Powell on 1992*, Anaya, London.
- POWELL, E. (1969) *Freedom and Reality*, Batsford, London.
- RANELAGH, John (1991) *Thatcher's People*, HarperCollins, London.
- REDWOOD, John (1988), *Popular Capitalism*, Routledge, London.
- RIDDELL, Peter (1991) *The Thatcher Era and Its Legacy*, Blackwell, Oxford.
- ROY, S.-CLARKE, J. (eds.) (2005), *Margaret Thatcher's Revolution. How it happened and what it meant*, Continuum, London-New York.
- SAVAGE, S, P., ROBINS L (ed.) (1990) *Public Policy Under Thatcher*, Macmillan, London.
- SELDON, A. & COLLINGS, D. (1999) - *Britain Under Thatcher*, Longman, London.
- SHERMAN, A. (2005) *Paradox of Power: Reflections on the Thatcher Interlude*, Exeter, Imprint Accademic.
- SKIDELSKY, R. (1989), *Thatcherism*, Chatto & Windus, London.
- SUBROTO, R. e CLARKE, J. (2005) *Margaret Thatcher Revolution: How it Happened and what it Meant*, Continuum, New York.
- THATCHER, M. (1989) *Speeches to the Conservative Party Conference, 1975-1988*, Conservative Party Centre, London.
- (1993) *The Downing Street Years*, HarperCollin, London; trad. It. *Gli anni a Downing street*, Serling &Kupfer, Milano, 1993.
- (1995) *The Path to Power*, HarperCollins, London; trad it *Come sono arrivata a Downing Street*, Serling &Kupfer, Milano 1996.
- THATCHER, M. e COOKE, A (ed) (1989) *The Revival of Britain. Speeches on Home and European Affairs 1975-1988*, Aurum, London.
- WHITELEY, P., SEYED P., RICHARDSON, J., (1994) *True Blue. The Politics of Conservative Party Membership*, Clarendon Press, Oxford.
- WILLETTTS, David (1992) *Modern Conservatism*, Penguin Books, London.
- YOUNG, Hugo (1989) *One of Us: Life of Margaret Thatcher*, Macmillan, London.