

70

may
2010

UK POLITICS: Breaking with the Past

(Dr.) Alan Butt Philip

Jean Monnet Reader in European Integration at the University of Bath.
Convenor, John Stuart Mill Institute

David Cameron may be Britain's new prime minister, but no one would have predicted a few months ago that the outcome of the 2010 general election would be a full coalition between the Conservative and Liberal Democrat parties – including both their leaders! The coalition is the product of an election result in which no party achieved a majority, while all three parties were disappointed with their performance.

The coalition negotiators spent five days putting together an outline agreed programme which gives a clear signal that the government will be centrist, libertarian and decentralising. The Conservatives have had to compromise on electoral reform, human rights and taxes benefitting the rich, while the Liberal Democrats have had to concede points on the renewal of Britain's nuclear deterrent, the nuclear power programme, curbs on non-EU immigration and budget cuts this year. On the EU, both sides have made concessions. So there will be no attempt to repatriate the right to make social and employment laws to the UK, but there will be a referendum if any further sovereignty concessions are made to Brussels.

The more right-wing Tories may well be infuriated with the Cameron team that their campaign failed to win an outright majority (Rupert Murdoch and Lord Ashcroft have had a poor return for their crucial support) only to find that the Tory manifesto has been hi-jacked by pragmatists on the party's centre and left. The Liberal Democrats have five cabinet posts (energy, business, Treasury chief secretary, Scotland and political reform) and will have fifteen other more junior ministerial posts (including defence and foreign affairs) – all jobs which might otherwise have been given to aspiring Tories. So while the Liberal Democrat leadership has signed up to the deal with no opposition from LibDem parliamentarians and only one voice of dissent on their federal executive, it is among the Tories where there is more dissatisfaction.

A possible 'progressive' coalition of Labour and Liberal Democrat MPs quickly fell apart under the problem of not having enough votes in the House to have a parliamentary majority, and because too many Labour leaders at cabinet level wanted to go into opposition. A minority Conservative administration might

have been politically pure, but would also have been without a parliamentary majority to carry through the deep cuts in public spending that are needed over the next five years. This would greatly have disturbed the financial markets which in turn would have most probably also badly de-stabilised the UK economy.

There is genuine cordiality (and mutual surprise at how things have turned out) between the leadership of the two governing parties, but savage cuts across all government departments (except international development) will stoke up unpopularity everywhere. But the new government is also committed to legislating for fixed term parliaments of five years, so it is giving itself time to weather the storms ahead; and it does have a majority of over eighty that it can rely on.

One of the more curious situations arising is at the Department of Energy and Climate Change which is being headed up by a Liberal Democrat minister, Chris Huhne. The LibDems have traditionally been opposed to nuclear power but the government is preparing to permit several new nuclear power stations to be built alongside existing ones which are nearing the end of their lives. How to square the circle? Mr Huhne asserts that not a penny of public money will help to finance any of the costs of the nuclear power programme, and he is quietly confident that no such power stations will be built because the full costs (including de-commissioning and insurance against damage from any accident) will be commercially prohibitive.

The promise to organise a referendum on electoral reform is also problematic. The LibDems want full proportional representation using the Single transferable vote, but the Tories will not countenance this. So the proposed reform will retain single member seats, but will replace 'X' voting with a preferential vote, thus ensuring that every MP receives at least half the votes cast in his or her seat. The Tories are committed to voting through legislation to enable the referendum to take place, but may well campaign against any change to the present system.

So is this a government which can last the full five year term? Probably. If it is wise it will administer speedily all the unpleasant medicine needed to bring down the UK's structural deficit. The resulting unpopularity will help cement together the two parts of the coalition so as to ensure their collective and individual political survival. Ministers have already moved to cut their own salaries by five per cent. Cameron has moved his party to the left with cover from the LibDems. The whole political system is being reformed (including an elected House of Lords, elected under proportional representation) and British politics will never be the same again.

Whether the British economy can recover from the hollowing out of its manufacturing base and the steep decline of its financial services sector is much less certain.