

MEMORANDUM

TO: Sir Keith Joseph

FROM: Alfred Sherman

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Coalition escapism.

Moderately what?

"When two paupers lie together,
a beggar is born."

Turkish folk-saying

Talk of coalitions and PR is a form of escapism. It is an attempt to find instant solutions for our problems without digging into the causes. It ignores political history, economic theory, and experience.

- 1) The "middle" in both parties have in fact set the tone of politics and policy for the past thirty odd years. They cannot deny paternity for their child. This is at the root of our problems.
- 2) The "mixed economy", so-called, has not worked, but has led to increasing crisis as it ate into savings, investment, fixed and working capital and social capital stock. This process was not immediately apparent, but has predictably proven cumulative when symptoms were tackled while the ill was ignored.

The socialists who promised that the mixed economy of 1945/51 was more or less their "final demand" now set out to benefit from its failure (viz Green papers, particularly on new industrial policy) and counsel "more of the same" as the only cure for ills brought on by their medicine. Conservatives cannot stand on the unworkable mish-mash inherited from Butler and Macmillan. They must offer something workable.

3) It is commonplace of British political science that the two (or even more than two) party systems can work only insofar as there exists wide common ground between the parties, and that it could not work if this common ground did not exist. Yet our problems are related to the decline in common ground, caused by the Conservatives' move towards the "middle ground" which encouraged the Labour left to pull its party leftward. With common ground, a coalition is unnecessary; with insufficient common ground, a coalition is impossible.

4) The argument is sometimes presented that both parties while in government wished and tried to operate correct policies, but have on each occasion been prevented from doing so by the opposition, i. e. both parties while in opposition. Hence, - the argument continues - if the moderates of both parties formed a government, measures would be undertaken and carried through. When you look closer, this argument has many serious flaws.

a) If both parties are so irresponsible, dishonest and short-sighted as to oppose on grounds of narrow and short-term party benefit measures they believed to be necessary, what reason is there to believe that a temporary shifting coalition of these flaneurs will be any less dishonest, short-sighted and narrow in dealing with the whole range of problems which modern British government must face?

b) What exactly are Labour "moderates" moderate about? What distinguished a "moderate" socialist (if that is not a contradiction in terms) from an immoderate one, apart from assessment of speed? Were the Clay Cross act, the destruction of grammar schools, whole-hearted support for the miners in 1971/2, including their blockade of power stations, Healey's measures, down to taxing of employers' BUPA contradictions Benn and Castle encouragement of sit-ins in factories and hospitals moderate? Surely the moderate is judged by how he acts under fire, not by what he says in the smoking room or wash-room.

c) Can one be "moderate" or "extreme" in one's diagnosis, which must surely precede policy prescription. Is it somehow "moderate" to believe that it is wage and price increases which cause inflation - as distinct from symptomising it? Is it "immoderate" to hold, with most of the world's economists, that inflation is a monetary phenomenon, and hence must be tackled by monetary methods, not by trying to suppress the symptoms? Surely, if the "monetarist" (read economist) analysis is correct, then prices and incomes policies can only lead to worse inflation as well as heightened social tensions. Could a "moderate" wish to bring about inflation and tension?

d) I am cautious about believing in "moderate" socialists, as distinct from cautious ones. But what is a moderate Conservative? and what is an "immoderate Conservative"? Is it immoderate to turn a critical eye on the workings of the mixed economy and welfare state, to ask if the betterment enjoyed by many, but not all during the fifties and sixties was indeed the result of the mixed economy and welfare state and not in spite of them? Is it "immoderate" to ask whether the policies of the sixties were not bound ineluctably to produce the ills of the seventies? In other words, is it immoderate to question anything WR-M takes for granted? Is it immoderate Conservatism to show the contradictions between various expedients undertaken in the name of the consensus? Can what is unworkable be truly moderate or expedient?

Was the Industrial Relations Act moderate Conservatism? If so, why did not moderate socialists give it a good word? Is confrontation moderate? If so, what is immoderate?

Was giving in to the UCS, moderate? Was printing money moderate? Was demonstratively hitting at the property market moderate?

e) Surely what the public wants is not a stage army of moderates but realistic workable policies which appeal to reason and reasonably enlightened self-interest, which a government can expect a reasonable opposition to follow, i. e. the government will appeal to reasonable moderate people in the country and in the opposition party to support reasonable policies, and the reasonable moderate men in the opposition party will either carry their party with them, or prove to be in a minority in their party, which will thereby forfeit the support of the reasonable moderate people among the voters. That is to say, if the reasonable moderate people are a majority in both parties, they will not need a coalition in order to act reasonably and moderately. If they are not a majority, or lack the moral qualities to act as they believe, then a coalition will not help anyway.

5) Many arguments against the constituency electoral system presented by or to Conservatives are in face implicitly arguments against the party system tout court and against Conservatism. The constituency electoral and two-party system worked well here for the best part of three centuries. That does not of itself mean that it still works well, but the onus is surely on those who demand change to show what it is in present circumstances which makes the system unworkable. Minority parties - Irish, Labour, Liberals - are no novelty to British constitutional history. The system did not lead to extremism. What has changed, if anything? And if it is the leftward drift of the Conservatives, surely the answer is not to give up the system, but restore vision to the Conservative party.

The argument that only PR or some other system will obviate control by leftwingers is flawed. In the first place, control by leftwingers of a minority vote labour party came about as a result of Conservative failure and loss of nerve and credibility. If Conservative nerve and credibility are restored, they will win back their lost votes (Liberal and Scottish National and abstentions). If they do not, there is no reason for believing that the "Moderate" socialists will join them at the risk of splitting their own party, and having to give up so many items of faith.

For the point is that the Conservatives could get all the votes they need for majority government under the present system, leaving the Labour party to split, under the effect of defeat, with one half looking towards the Liberals.

But many of the Conservatives who have espoused what they call electoral reform (I question the term's validity) wish to move away from party government to coalitions, and generally disfavour Conservative policies anyway.

Some of the dangers of PR are:-

- a) it strengthens the hold of the party machine, which decides the list.

The list is made up of safe people, time-servers, representatives of the various vested interests. Anyone who misbehaves, i.e. uses his brains or conscience, is dropped next time round.

- b) the system leads to a proliferation of parties, and thus perpetuates the need for coalitions, since no party gets a majority.

c) the coalition system produced by PR - with fixed term elections, barring total prolonged crisis - produces unstable governments, since the minor partners tip the balance and can bring the majority from a coalition built round one major partner to one built round the other. This leads to horse-trading, subordination of principles to party expediency and coalition arithmetic; undermines the credibility of party politics, thereby strengthens extremist movements, since the other flank presses on the next closest and so on.

- d) it lacks the will to take unpopular measures.

e) the state of Israel began its life with the PR system. Ben-Gurion and many other leading personalities soon decided that the political and moral corruption and total instability and purposelessness of government it creates, generated the need for electoral reform, along something similar to British lines. The machine was too well entrenched for this to happen.

6) The advantage of the alternate government system is that parties lie fallow in opposition, learn from experience, create new policies. In the permanent coalition, parties become sterile, the only new thinking and public awareness occurs outside the governmental parties, on the fringes of politics or outside.

7) We are blaming the party system for shortcomings of those who should work it. We need boldness, clarity, consistency. Those whose economic philosophy makes nonsense of so-called incomes policy, cannot honestly present it as a companion of monetary policy, the less so when their prospective partner, Healey, presents cuts in government expenditure as an alternative to his incomes policy, not as a prior prerequisite.

8) Each party is a coalition already. In Labour's case they have, at least, learned to discuss their differences openly. The Conservatives have yet to learn how to share their views with the public on issues where they differ, though everyone knows that they differ. This is a considerable weakness. It debilitates party intellectual life; it undermines their intellectual appeal and their credibility as a party and as people. Paper should be used for writing ideas on, not papering over cracks.

But if the Conservative party is crippled by its inability to discuss differences over the limited range inside the party, what kind of intellectual purpose will remain in a broader coalition, where every subject will be taboo. Once again, the cutting edge of thought will move elsewhere.