

# TWELVE KEY MOMENTS IN THE LIFE OF THE COALITION, AND WHAT THEY MEAN

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**1- Coalition Agreement published (12 May 2010).** The negotiations between the Conservative and Liberal Democrat on the Coalition Agreement (also known as ‘The Coalition: Our Programme for Government’) were completed just five days after the 7 May general election. The Agreement was a policy programme for the first two years of the Coalition, covering thirty-one areas of government policy.

## *Significance*

- The Coalition Agreement ensured that the ‘big trades’ needed to reconcile differences between the Conservative and Liberal Democrat manifestos were agreed at the outset, helping to minimize intra-coalition disagreement in its early phase.
- The policy commitments outlined in the Coalition Agreement were, overall, ideologically closer to those found in the Liberal Democratic manifesto than the Conservative manifesto, the larger party making important concessions to the smaller one, particular in the area of political reform. This showed the strong desire of Conservatives to get the Liberal Democrats on board in order to avoid forming a minority government that, given the controversial nature of Conservative’s economic policies, threatened to be weak, short-lived and (at least in the short term) unpopular.

- The big ‘win’ in the Coalition Agreement was nevertheless made by the Conservatives, in that the Liberal Democrats abandoned the neo-Keynesian economic strategy on which they had fought the election, to endorse the Conservative policy of robust deficit achieved largely through spending cuts. The Coalition Agreement underlined this by stating in its conclusion: ‘The deficit reduction programme takes precedence over any other measure in this agreement’.

## **2 – Increase in university tuition fees (December 2010).**

Despite the party’s high profile commitment to abolish university tuition fees, enshrined in each of its manifestoes since 2001, the Liberal Democrat leadership agreed, first, that one of its members (Vince Cable, the Business Secretary) would take responsibility for developing the Coalition’s policy in this area, and then made the policy of allowing university tuition fees to rise from £3,290 to a maximum of £9,000 a party vote. This was done despite the fact that the Coalition Agreement treated the issue as an ‘agreement to differ’, Liberal Democrat MPs being given the opportunity to abstain on any vote proposing an increase in tuition fees.

### *Significance*

- Although the government won the vote on the issue, 21 Liberal Democrats opposed the policy, a further 5 abstaining (taking account to absentees, most Liberal Democrats MPs failed to support the policy). This was the Liberal Democrats’ largest backbench rebellion since the party was formed in 1988. The vote marked the point at which Liberal Democrat backbenchers started to be more willing openly to disagree with Coalition policies. Increased backbench Liberal Democrat dissent has helped to make the current Parliament, based on trends in its first four years, the

most rebellious since 1945. In its first four years, Coalition rebellions occurred on 37 per cent of Commons divisions. In the same period, 42 (out of 57) Liberal Democrats rebelled at least once.

- The Liberal Democrat leadership's stance on this issue was intended, in part, to demonstrate that the party is no longer a 'party of protest', but a 'serious' party, one that was willing to take 'tough' decisions and to risk (short-term) unpopularity, when it is in the national interest to do so.
- The impact of these developments on the personal standing of Nick Clegg, the Liberal Democrat leader and Deputy PM, and on the popularity of his party, has been dramatic, entirely negative and long-lasting, turning them into a lightning rod for criticism levelled generally at the Coalition.

### **3 – Defeat of the AV referendum (May 2011).**

In a referendum on whether to replace the 'first past the post' (FPTP) electoral system with the alternative vote (AV) for Westminster elections, the 'no' campaign prevailed, gaining 68 per cent of the vote to the 'yes' campaign's 32 per cent. The commitment to holding such a referendum was a key aspect of the Coalition Agreement, and its crucial aspect as far as the Liberal Democrats were concerned, given the party's passionate and long-standing backing for electoral reform.

#### *Significance*

- During the AV referendum campaign, David Cameron, the PM and Conservative leader, played an active role in the 'no' campaign, even sharing a platform with Labour opponents of AV. As such, it marked the first point at which Cameron placed placating restive Conservative backbenchers (long-time opponents of electoral

reform) ahead of the need to conciliate Clegg and the Liberal Democrats. This set a pattern which was to continue, backbench Conservative dissent being fuelled by both the perception that the Conservatives were being 'over-fair' to Clegg and the Liberal Democrats, and the fact that the allocation of ministerial posts to Liberal Democrats made it more difficult to 'buy off' restive Conservative with the promise of promotion.

- Despite the Liberal Democrats' failure to achieve the key goal they had hoped to achieve by entering the Coalition, their commitment to the Coalition's future was never seriously brought into question. This demonstrates that the Liberal Democrats are bound to the Coalition by deeper factors, and in particular by the realisation that withdrawal would destroy the party's remaining credibility, indicating as it would do, that entering the Coalition had been a mistake in the first place.
- In addition to the misfortune that the 'yes' campaign was undermined by Clegg's poor personal standing, and an unwillingness to endorse a reform that promised to strengthen the position of the Liberal Democrats in all future elections, the Liberal Democrats suffered from the poor deal they had been extracted from the Conservatives in negotiating the Coalition Agreement. By holding a referendum that offered but a single alternative to FPTP, the campaign ended up focusing more on the flaws and failings of AV (never the Liberal Democrat's favoured system), and less on the broader issue of electoral reform. Also, the Coalition Agreement was silent on the question of where the Conservatives would stand on AV.

#### **4 – Backbench Conservative rebellion over EU referendum (October 2011).**

81 Conservatives (27 per cent of the parliamentary party) defied a three-line whip on a motion calling for a referendum on the UK's membership of the EU. The motion was nevertheless defeated by 483 votes to 111, with Labour support.

## *Significance*

- This marked a dramatic revival of the European issue in Conservative politics, and the failure of Cameron's attempt to keep Conservative Euroscepticism under control by getting the Liberal Democrats to agree to include in the Coalition Agreement a 'referendum lock', committing the government to holding a referendum should any future EU treaty propose a further transfer of powers to Brussels. The Commons vote demonstrated not only growing Euroscepticism within the party, but also that the nature of Conservative Euroscepticism had changed. 'Hard' Euroscepticism (defined by the desire to 'repatriate' powers from Brussels by renegotiating the UK's membership of the EU) had grown at the expense of 'soft' Euroscepticism (defined by the desire simply to block further transfers of power to Brussels); and the number of genuinely anti-European Conservative MPs (who back withdrawal from the EU, regardless of any renegotiation of membership) had grown.
- The resurgence of Conservative Euroscepticism is the main factor behind the rebellious nature of the 2010-15 Parliament. 9 out of 10 of the Coalition's most rebellious backbenchers have been Conservatives, and the most rebellious Conservative MPs have typically been right-wing Eurosceptics, who have also rebelled on issues ranging from prisons' voting rights (February 2011) to same-sex marriage (February 2013).
- Strengthened and radicalised Conservative Euroscepticism has a number of causes. These include: (a) since the 1980s, Conservative constituency parties have become more and more Eurosceptical, forcing MPs and prospective candidates to follow suit, (b) leading Conservative pro-Europeans from the 1970s and 1980s have left politics and not been replaced (Ken Clarke was the last to go, in July 2014), meaning that debate within the party over Europe is no longer between Europhiles and

Eurosceptics, but between different types of Eurosceptics, (c) the eurozone debt crisis, which deepened in 2011, provided Eurosceptics with an irresistible opportunity to show that the EU was failing, and may be fundamentally flawed, (d) the expansion of the EU into Eastern Europe since 2004 has entangled the issue of EU membership with the issue of immigration, strengthened popular Euroscepticism in the process, and (e) the rise of UKIP, especially as demonstrated by its performance in the local and European Parliament elections in May 2014, allowed Conservative Eurosceptics to argue that its threat can only be countered by, in effect, turning the party into UKIP.

#### **5 – Cameron ‘vetoes’ eurozone fiscal compact (December 2011)**

At an EU summit to called to develop strategies to tackle the eurozone crisis, Cameron blocked a proposed ‘fiscal compact’ that would have applied to the then-17 eurozone member states, despite the fact that the UK was the only dissenting voice out of the then-27 EU member states.

#### *Significance*

- Cameron’s ‘veto’ (technically, it was not a veto, as vetoes only apply in the EU to treaties, and the fiscal pact was not a treaty) was primarily designed to send a message to Conservative backbenchers that he was not going ‘soft’ on the EU. The tactic of conciliating restive backbenchers, for fear of (like John Major in the 1990s) provoking criticism, party splits and, maybe, leadership challenges, was to become Cameron's favoured approach to party management, providing evidence of backbench power and prime ministerial weakness.

- The veto caused a significant rupture within the Coalition because, despite being Deputy PM and having a strong interest in EU policy, Clegg was not consulted before the veto was exercised, showing the extent to which the Coalition's EU policy had come to be driven by forces internal to the Conservative Party itself.
- That the veto was essentially symbolic was evident both in that the fiscal compact applied to eurozone members only, and so would not affect the UK directly, and in that the UK stood aside the following month when the pact was accepted.

### **6 - Collapse of House of Lords reform (July 2012).**

Although the bill on the reform of the House of Lords secured its second reading by 462 votes to 124, 91 Conservatives voted against the motion. The legislation was abandoned when it became clear that Labour was not committed to supporting a motion outlining a timetable for the bill's consideration, confronting the government with the prospect of almost certain defeat.

#### *Significance*

- This provided further evidence of the growing assertiveness, and influence, of Conservative backbenchers. It was the largest rebellion by government backbenchers on the second reading of any bill since 1945.
- The abandonment of the reform was a major blow to Clegg, who had overseen the development of the legislation, and to the Liberal Democrats, for whom Lords reform represented their most treasured Coalition objective once electoral reform had been defeated. Intra-coalition tensions were intensified by the recognition that the collapse of Lords reform had been brought about primarily by Conservative backbench

opposition, breaching, many Liberal Democrats believed, the spirit (if not the terms) of the Coalition Agreement.

### **7 – Rejection of parliamentary boundary changes (January 2013).**

The Liberal Democrats joined Labour in voting against the parliamentary boundary changes in England, Scotland, Wales and Northern Ireland intended (a) to reduce the size of the House of Commons from 650 seats to 600 seats, and (b) to ensure that constituencies were more equal in terms of their population size.

#### *Significance*

- If approved and implemented, the parliamentary boundary changes would have resulted in the Conservatives gaining about 20 additional seats in the House of Commons. This would have significantly increased their chances of being the largest party after the 2015 election, and of gaining a Commons majority, thereby avoiding the need for another coalition.
- The Liberal Democrat actions on this matter were very clearly a response to the defeat of Lords reform. This ‘punishment’ of the Conservatives tested the Coalition to its extreme (many continental European coalitions would have broken up under such a strain). The fact that the Coalition survived in these circumstances showed the commitment of both parties to its maintenance, and indicated that it was very likely to remain in place until May 2015.

### **8 – Cameron commits Conservatives to ‘in/out’ EU referendum (January 2013).**

In a long-awaited speech, Cameron said that the British people must ‘have their say’ over Europe, pledging to hold an ‘in/out’ referendum on EU membership by the end of



2017, if the Conservatives win the 2015 election. This would be preceded by a renegotiation of the UK's membership, designed to achieve the repatriation of key powers. Cameron nevertheless indicated that he was confident that he would be able to recommend a 'yes' vote to the British people on the basis of these negotiations.

### *Significance*

- This was Cameron's most significant 'U' turn to date, and a remarkable demonstration of the burgeoning power of Conservative backbenchers. Cameron's strategy, on this matter, was likely to have been based on the assumption that this dramatic step would bring an end to the growing rebellion over Europe on the Conservative backbenches, neutralising the Europe issue for the remainder of the Parliament.
- Other considerations include that, as opinion polls showed clear support for a referendum, Cameron's pledge would both improve the Conservatives' chances of winning the next election (helping to fight off the threat from UKIP, in particular), and pose difficulties for the Liberal Democrats and Labour, caught, as they were, between adopting an unpopular anti-referendum stance and being seen to follow Cameron's pro-referendum lead.

### **9 – Backbench Conservative rebellion on Queen's Speech over EU referendum (May 2013).**

110 Conservative MPs (37 per cent of the parliamentary party) voted in support of an amendment to the Queen's Speech regretting the absence from the Speech of a commitment to holding the 'in/out' EU referendum during the 2013-14 parliamentary

term. Recognising the size of rebellion it was facing, the government allowed a partial free vote on the motion (ministers could abstain and backbenches had a free vote).

### *Significance*

- This provided evidence that, if anything, the Conservative leadership's strategy of making concessions to Eurosceptical backbenchers had backfired, strengthening, rather than weakening, their willingness to rebel. Not only had the size of the rebellion grown, but a rebellion of this nature on a Queen's Speech was historically unprecedented. In some ways, the vote was a warning to Cameron not to let up pressure on the attempt to reform the EU in line with 'hard' Eurosceptic concerns.

### **10 – Government defeated on Syrian intervention (August 2013).**

Having recalled Parliament to seek backing for military action over Syria (intended to aid anti-government forces in the civil war and facilitate the provision of humanitarian relief), the government abandoned the policy after being defeated on both a Labour motion (by 332 to 220) and on its own revised motion (by 272 to 285).

### *Significance*

- This was a notable demonstration of parliamentary power, the first government defeat on military action since the days of Lord Palmerston in the nineteenth century. It was also a major blow to Cameron's personal authority, so closely was he associated with the policy of intervention. In the aftermath of the wars in Afghanistan and Iraq, it was apparent that not only Labour MPs but also many Conservatives

were unwilling to endorse military involvements that has unclear political and military objectives as well as uncertain outcomes.

## **12 – Cameron fails to block Jean-Claude Juncker’s appointment as President of the EU Commission (May 2014)**

Cameron waged a month-long campaign to try to prevent the ‘federalist’ and former Luxemburg PM, Jean-Claude Juncker, from being appointed to the key role of President of the EU Commission. Juncker’s appointment was nevertheless endorsed in a European Council meeting by a vote of 26 to 2, with only Hungary joining the UK in opposing Juncker. MEPs voted to approve Juncker’s appointment the following month.

### *Significance*

- This was a further demonstration of prime ministerial weakness. Cameron felt obliged to mount a high-profile campaign in opposition to Juncker, largely in order to avoid further inflaming Eurosceptical Conservative backbenchers, while having virtually no chance of affecting the outcome of the process, so strong were the forces backing Juncker’s appointment. Indeed, Cameron’s rigid and impassioned stance probably weakened his ability to exercise leverage within the EU, but this was a price he thought worth paying for securing the support of Eurosceptics.
- By so publicly interpreting Juncker’s appointment as a threat to vital UK interests, Cameron almost certainly strengthened popular Euroscepticism, making a ‘yes’ vote in 2017 (if the Conservatives win the next election) more difficult to achieve. This illustrates that, having promised to hold a referendum on EU membership, Cameron may find it more difficult than he anticipated to achieve the outcome he desires.



## **The Coalition: Does it Matter?**

In the light of the above, what impact has the Coalition had on the workings of government and politics in the UK? What has changed as result of the formation in 2010 of a coalition government and not a single-party government; and how significant have these changes been? One of the problems raised by such questions is the difficulty of distinguishing between changes that have occurred *because* of the formation of a coalition and those that occurred simply *during* the period of the coalition. For example, the passage of the Fixed-Term Parliaments Act 2011, the most important constitutional reform to have been introduced since 2010, was in no way made necessary by the structural dynamics of coalition government. Rather, its appeal, as far as the Conservatives and Liberal Democrats were concerned, was essentially political rather than constitutional, namely that it would help to bind the parties to the Coalition by, seemingly, removing the option of precipitating an early general election by withdrawing from the government. Its other advantage for the coalition partners was that, by designating 5 years (and not 4 years, more in line with the average flexible-term length of 3 years and 8 months) as the parliamentary term, it gave them an extra year for popularity to return before an election, on the back of a hoped-for economic recovery.

The impact of the Coalition has, moreover, been more significant in some areas than others. While, for instance, pressure groups have effectively been unaffected, the Coalition's greatest impact has been felt in relation to Parliament, prime minister and cabinet, and party ideas and policies.

## **Parliament under the Coalition**

As detailed above, parliamentary pressure has forced the government to make a range of significant policy changes since 2010. This, in part, reflects the changed relationship between Parliament and the executive brought about by the formation of a coalition:

- Coalition governments typically encompass greater ideological breadth than do single-party administrations, as each of the coalition partners has its own political tradition and range of internal factions. And yet, coalitions are forced to develop policy programmes that reflect areas of consensus or overlap between the coalition partners. This tends to cause restiveness among party factions or tendencies whose views and values fall outside consensus thinking, making them feel disempowered by and resentful of coalition arrangements. (Much of this would apply to right-wing Conservative Eurosceptics.)
- Coalition governments have to 'work harder' than single-party government to gain parliamentary backing for their policies, because they need to win the support of two or more parties. 'Top-down'-styles of party management therefore become less appropriate, as emphasis is placed instead on negotiation and compromise.
- When two or more parties work together in government, additional grounds for discontent within the legislature are created by the inevitable perception of some government MPs that the 'other' party has too much influence over policy or is over-represented at ministerial level.

## **Prime ministerial power under the Coalition**

Prime ministerial power has been constrained in a number of ways since 2010:

- The introduction of fixed-term Parliaments has severely restricted the prime minister's ability to call a general election at a time of his choosing, seen as one of (few) formal powers of the PM. Although this makes it more difficult for Cameron to take advantage of what may be a temporary period of Conservative popularity, in the context of the Coalition, and in the light of the earlier discussion, the reform has, overall, been more of a blessing than a curse for Cameron.
- The Coalition Agreement for Stability and Reform, drawn up by the coalition partners at the outset, alongside the Programme for Government, constrains the prime minister's powers of patronage, especially in relation to Liberal Democrat ministers.
- Coalition government has meant that conflict-resolution processes have been put in place which narrow the prime minister's ability to exercise personal control over the direction of government policy. These processes include regular meetings between Cameron and Clegg, Clegg's role in relation to the Cabinet Committee system and meetings of 'the Quad'.
- These limitations, nevertheless, did not prevent Cameron from beginning his premiership very successfully. In his first two years in power, he suffered no significant policy reversals due to opposition within the cabinet and government, or from Parliament. However, he became an increasingly beleaguered prime minister. This occurred as the implications for prime ministerial power of the changed relationship between Parliament and the executive became apparent, especially through the growth in influence of Conservative Eurosceptics. From that point onwards, his overriding concern - mainly, but not only, on European issues - has been to conciliate internal party factions.

## Party ideas and policies under the Coalition

Two important developments in this area have occurred since 2010:

- The prominence of the politics of austerity has made it clear that tacking the budget deficit has become the key ideological divide in the UK. On the one hand, the Conservatives and the Liberal Democrats (especially the 'Orange Bookers) have embraced a small state stance, based on economic liberalism, sometimes seen as economic Thatcherism. In the case of the Conservative Party, economic debate has virtually ended since the demise, during the 1980s, of the so-called 'Wets', faith in the market rather than One Nation-style intervention now being almost universal. On the other hand, Labour, together with some 'unreconstructed' Liberal Democrats, has remained faithful to a residually neo-Keynesian economic approach that accepts the need for policies to stimulate growth while not embracing 'deficit denial'. A significant divide continues to exist between a 'Blairite', or 'New Labour', stance and a 'Brownite' stance on this matter.
- Conservative 'modernisation' has effectively been abandoned. 'Modernisation' in the Conservative Party was always more an exercise in re-branding, or 'detoxification', than one of policy renewal; but its emphasis on 'compassion' or 'social justice' was under pressure, certainly from 2008 onwards, as the challenge posed by the global financial crisis led to a return to free-market principles, reflected in a commitment to fiscal retrenchment. Although many predicted that the experience of working in coalition with the Liberal Democrats would strengthen Conservative 'modernisation', and leave the Eurosceptical right within the party isolated and weakened, the opposite, as the above makes clear, has been the case.