

Back from the Brink

Andrew Tyrie MP

Parliamentary
Mainstream

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**FOREWORD BY
THE RT HON STEPHEN DORRELL MP**

Parliamentary Mainstream brings together Conservative MPs who share the objective of ensuring that the Conservative Party represents mainstream centre-right political opinion in Britain.

Andrew Tyrie offers an authoritative analysis of the extent to which our party failed to meet this objective during the 2001 General Election, and then goes on to make some important suggestions about how we can learn the lessons of 7th June.

He begins with an analysis of the scale and causes of our election defeat. He then concentrates on what to do about it, focussing on the need for an overhaul of our policy prescriptions, our tone of voice, and our political organization.

Most important of all, he underlines the need for the Conservative Party to win back the voters' trust. Without that we do not have the political authority to make a serious contribution to the policy debate, still less any prospect of translating our ideas into practice.

In this pamphlet Andrew begins the process of showing how it can be done.

Stephen Dorrell
Chairman, Parliamentary Mainstream

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CHAPTER ONE

INTRODUCTION

“The Conservatives must accept the need for change. We must broaden the base and appeal of the party. The party has allowed itself to become caricatured by our opponents as a narrow sect... Disraeli made the Conservatives the party of one nation – for rich and poor alike... We need again to demonstrate that the party is open to all those who share our values – freedom, enterprise, responsibility and tolerance.”

Iain Duncan Smith 19th June 2001.

Little strategic thinking has been undertaken in the Conservative Party for a long time. Power consumes intellectual capital. Our intellectual shortcomings are the price of two decades of power and little replenishment took place during the first few years of opposition.

Conservative policies of the past four years, and particularly the rhetoric, brought the parliamentary party and the grass roots closer together, but at the cost of taking the party further away from those it needs to win elections. Iain Duncan Smith has been right to suggest that too much of what we have been saying has been vulnerable to caricature as sectarian.

Other than in times of crisis – and even then it is difficult – opposition parties cannot make the political weather and persuade the electorate to tolerate sharp changes in direction.¹ 2001 was not such a moment and the party should not rely on

¹ One such moment of crisis was 1979. Bernard, now Lord Donoughue quotes Callaghan as saying: “You know there are times, perhaps once every thirty years, when there is a sea-change in politics. It then does not matter what you say or what you do. There is a shift in what the public wants and what it approves of. I suspect there is now such a sea-change – and it is for Mrs Thatcher.” Kenneth Morgan, *Callaghan A Life*, Oxford University Press, 1997, p697.

² See Samuel Beer in “Britain after Blair”, *The Political Quarterly*, 1997, p318.

2005 so being, either. Nor was 1997, which has been aptly described as a landslide for the *status quo*.² Labour won in 1997 by convincing the electorate of the extent to which there would be continuity with the policies – on economic, home and foreign affairs – of the Thatcher-Major administrations.

To win the Conservatives will have to contest for votes in a landscape largely shaped by the Labour government. The next election will be won in the centre ground of British politics among a large and increasing number of people not committed to voting for either of the major parties. Their agenda must be ours, and be seen to be ours.

In order to take that ground the Conservatives must be ruthlessly clear as to the scale of the defeat and its causes. No Conservative revival is possible without clarity about the starting point, without a preparedness to discuss it and to adapt.

The next chapter measures the scale of the defeat. Chapter 3 suggests how the party can start to recover.

CHAPTER TWO

THE SCALE OF THE DEFEAT

He that diggeth a pit shall fall into it.³

The 2001 election has left the Conservative Party weaker than in 1997. The defeat in June will come to be seen as the worst in the whole history of the Conservative Party.

It was tempting initially to see the 2001 result as something of a 'standstill' with 1997, or perhaps even a slight improvement: the number of Conservative MPs is the same now as in 1997 and Labour's share of the vote fell while ours rose slightly. But this is dangerously complacent.

The 1997 defeat could be explained on the grounds of exhaustion after 18 years, by the mood in the country of 'It's time for a change' and on the success of Labour's new glitzy presentational style. None of these applied in 2001. After four years of Labour a large number of voters were disappointed with them but they did not see us as a realistic alternative. Disillusion with Labour should have assisted us – if anything, 'time for a change' should have been on our side. Our presentational style was not the reason for the defeat: the party ran a highly professional and energetic campaign, in many respects matching Labour's media operation. Nor was defeat the fault of party workers – to the extent that they can influence outcomes – who turned out in larger numbers than the opposition parties could muster.

Although Labour may become very unpopular, it should not be taken for granted that the Conservatives will be the beneficiaries.

Conservatives cannot rely on the swing of the pendulum. On the contrary, there is a good deal of evidence – discussed below – to suggest that the Liberal Democrats could garner much of the support which Conservatives might otherwise have hoped would come to them. The Liberals have been the primary beneficiaries of the growth of the anti-politics culture, enabling them to sway electorates with local campaigns in targeted seats in a way not afforded to the major parties. The incoherence, unworkability and unattractiveness of many of their policies at the national level are no longer necessarily a bar to their further progress in the first past the post electoral system.

Most worrying for Conservatives is the fact that the electoral system also works to the Conservatives' disadvantage. We obtain only a quarter of the seats while getting a third of the vote. The two main causes are the 'gearing' in any first past the post electoral system and the smaller average size of a seat won by Labour than won by Conservatives.⁴ Tactical voting, which is largely against us at the moment, exacerbates the problem. An illustration of the resulting imbalance is that Labour's 9 percentage point lead in 2001 gave them a landslide victory, with an overall majority of 167, whereas a Conservative lead of 8 per cent in 1992 resulted in an overall majority of only 29.

At the next election it is likely that the Conservatives will have to be 8 points ahead of Labour in order to win the same number of seats and 11.5 points ahead to secure an overall majority.⁵ Were the Conservatives to do significantly worse in terms of share of the vote at the next election we would be likely to lose a disproportionate number of seats. The Conservatives may not just be in a hole. We may be on the ledge of a deeper pit. Appendices I-III illustrate these points.

⁴ At the 2001 election the average electorate was 65,749 for a Labour seat and 72,117 for a Conservative.

⁵ See the estimates by John Curtice in his article, "General Election, Repeat or Revolution" in *Politics Review*.

A huge volume of polling evidence also suggests that the 2001 defeat should be of more concern to the Conservatives than that of 1997. While it is important to treat opinion polls with extreme scepticism – it is likely that many people habitually lie to them – ignoring them altogether goes too far. Here is some of the bad news:

- The low turn out (59.4 per cent) probably saved the Conservatives from an even greater defeat. It is likely that a higher proportion of Labour voters stayed at home than Conservative. Before the 2001 election, for example, *The Times* reported that 63 per cent of Conservatives, 62 per cent of Liberals, but only 52 per cent of Labour supporters said they were certain to vote.⁶ Among the twenty per cent who never turn out, Labour's lead is probably greater still, since a disproportionate number of them are young, poor or from ethnic minorities.
- Polling evidence implies that if the election had not looked such a foregone conclusion more Labour voters would have turned out in marginal constituencies.⁷ In other words, had the Conservatives appeared closer to victory in the run-up to the election it is likely that the mountain we had to climb would have steepened.

The 2001 result supports the polling evidence on the 'steepening mountain' problem. Labour performed best in its most marginal seats. Labour MPs defending majorities of less than 10 per cent increased their share of the vote by 1.8 points, while the Tories increased their share by only 0.5 points. This compares with a national fall of 2.4 points by Labour and an increase of just over a point by the Conservatives. Peter Riddell has pointed out that a similar

differential pattern was observable regionally and was seen most clearly in the South East of England: "The swing from Labour to the Tories was just 0.8 per cent in London and 0.3 per cent in the rest of the South East. This enabled Labour to see off Tory challenges in most places with the exception of the eastern edge of London and Essex, where the Tories won three seats (Romford, Upminster and Castle Point). By contrast, the expected Tory gains in the highly marginal seats of Kent affected by the influx of asylum-seekers failed to materialise."⁸

- The 2001 election provided some evidence for the benefits of incumbency. To the extent that sitting MPs do better this will, by definition, benefit opponents of Conservatives in three-quarters of all seats.⁹
- The 'first past the post' electoral system may not offer indefinite protection to the major parties from the Liberals. The 2001 result suggests that tactical voting is a growing and apparently durable phenomenon. At the moment, it is primarily targeted at Conservatives. ICM polls during the 2001 campaign indicated that more than a third of the electorate would be prepared to vote for whichever party was most likely to oust the Conservatives.¹⁰ The Liberals have made unprecedented inroads into Conservative strongholds. They took Guildford, North Norfolk and Teignbridge and increased their majorities in recently gained seats like Kingston, Torbay, Colchester, Carshalton & Wallington and Romsey.¹¹ Nonetheless, our two gains

⁶ See Robert Worcester & Roger Mortimore, *Explaining Labour's Second Landslide*, p182, Politico's, 2001.

⁷ Worcester and Mortimore, *op cit*, see especially p182-3.

⁸ See Tim Austin and Tim Harnes, *The Times Guide to the House of Commons*, Times Books, June 2001, p37-8.

⁹ See David Butler and Dennis Kavanagh, *The British Election of 2001*, Macmillan, 2001, p318-320.

¹⁰ See Andrew Cooper, "A party in a foreign land" in *A Blue Tomorrow*, edited by Edward Vaizey, Nicholas Boles and Michael Gove, Politico's, 2001, p27, footnote 5.

¹¹ Compared to 1997. The Romsey result was distorted by the 2000 by-election.

from the Liberals, the Isle of Wight and Taunton, were an encouragement.

At the next election the Conservatives will contest 18 of our 30 marginal seats with the Liberals¹² – 58 of the 166 Conservative seats have the Liberals in second place. Tactical voting against the Conservatives was also evident in many seats with Labour the incumbent. Seats such as Bradford West, Enfield Southgate, Gillingham, Hastings and Rye and Shrewsbury all saw swings from Conservative to Labour. Tactical voting against the Conservatives, whether by Labour or Liberal voters, appears to have been most pronounced in the more marginal seats, providing further evidence to support the ICM polls.

- Local constituency work by the Liberals, especially in newly captured seats, seems to be noticed by voters. When voters were asked how satisfied they were with the way their local MP was doing his or her job, 72 per cent of those with Liberal MPs were satisfied compared to 40 per cent for Labour and 38 per cent for Conservative.¹³ In these polls respondents were not reminded of the name of their MP, nor of his or her party. It is unlikely that the Liberals are in fact better at the job of local representation, although some may be better at local media handling. A more likely explanation is that Liberals, without the burden of a major party label, or the responsibility that comes with the possibility of power, are better placed to benefit from the growth of the anti-politics culture.
- Conservative support among the young is falling away. Among the under 45s it is now weaker than it has ever been

and it was low turnout among this group in particular which spared the Conservatives from a worse defeat. The Liberals are making the most ground against the Conservatives from among the young. Liberal support from the under 45s is now only 5 percentage points behind the Conservatives, compared with a 10 percentage point gap in 1997.¹⁴ The current enthusiasm among a wide range of politicians, commentators as well as the Electoral Commission to try and secure a higher turnout among the under 45s is likely further to weaken the Conservatives' electoral performance in the absence of a fundamental improvement in our appeal to younger voters.

- The counterpart to the loss of the young vote is, of course, that Conservative voters are ageing. In 2001 it was only the older age groups that swung towards the Conservatives and this swing was strongest among the more elderly voters. 40 per cent of those aged over 65 voted Conservative in 2001, which was 4 percentage points higher than 1997. By contrast, 24 per cent in the 25 to 34 age group voted Conservative in 2001, 4 percentage points lower than in 1997. Just under half of Conservative votes come from the one-third of the population aged 55 and over.¹⁵ This could be interpreted as the Conservatives failing to appeal to the young; equally it could be taken to mean that New Labour has failed to charm the older voters. There is a lot to be said for ensuring strong support among older voters. They are more likely to exercise their right to vote and their numbers are growing. But the danger is that the ageing of the Conservative vote has been faster than would be implied by mere generational change – we are not recruiting enough middle-aged voters.

¹² See Michael Thrasher & Colin Rallings, *Election 2001: The Official Results*, Politico's, 2001.

¹⁴ Derived from Worcester and Mortimore, op cit p5.

- The traditionally strong support for Conservatives from women is in decline. Until the mid 1980s a disproportionate number of women voted Conservative. In 1983 women's support for the Conservatives was 8 percentage points higher than men's. However, by 2001, this gap had narrowed to 1 percentage point. Tory support among older women is weaker than before. In 2001 support for the Conservatives among women over 55 was only 2 percentage points higher than among their male counterparts whereas in 1992 it was 12 percentage points.¹⁶ Although Labour's lead among younger women has narrowed it has not done so nearly enough to compensate. As with the balance between young and old, equal support from both sexes will not be a problem if the proportionate decline in support from women can be replaced by an equivalent growth in support from men.
- Conservatives remain very identified with Europe, partly as a consequence of the decision to fight the last election on it. This is probably counter-productive on three counts. First, it reminds a wider public that the party is disunited on the issue. Secondly, Europe is not an issue of high salience with a large proportion of the electorate. Thirdly, the vast majority of those for whom it is a crucial issue are already Conservative voters – Europe as an issue cannot swing many votes to us. The August 2001 MORI survey suggested that 12 per cent think Europe or the EU is the most important issue facing the country and 22 per cent that it is one of the most important issues. But public services – NHS (23/54 per cent), education (10/35 per cent) – are much more widespread concerns. At the last election Europe was probably in tenth place.¹⁷

Furthermore, although the public's instincts are broadly Eurosceptic (70:30 against joining the Euro, of those who expressed an opinion, in the most recent poll¹⁸), around half have not finally made up their minds and feel they do not know enough about the issue to do so. For example, in June 2000 when other polling questions were finding a 2:1 or more balance against the Euro, 58 per cent of the public picked from a 5-point scale: "Britain should have a public debate before deciding whether or not to join after a referendum; only 12 per cent said "Britain should never join".¹⁹ The polling evidence suggests that the "wait and see" approach on the Euro remains the most reasonable for any party to explain to the electorate.²⁰

- Conservatives are perceived as extreme. 15 per cent of respondents to a recent MORI poll associated "extreme" with the Conservative Party, compared to 3 per cent for Labour.²¹ The move from the pragmatic "No to the Euro in the next parliament" position to a "Never" position could exacerbate the problem.
- Labour have made considerable inroads into traditional Conservative support among so-called AB socio economic class voters in the last two elections. The perception that the Conservative Party is too right wing is particularly evident among this group. For example, an NOP poll showed that while 27 per cent of all voters thought the Conservatives were too right wing, among AB voters the proportion rose to 41 per cent.²² The share of the Conservative vote among AB

¹⁸ MORI poll for Schroder Salomon Smith Barney, August-September 2001, published in *Sterling Weekly*, 7 September 2001.

¹⁹ MORI poll for the *News of the World*, June 2000.

²⁰ Elsewhere, for example, in *Sense on EMU*, European Policy Forum, 1998, I have argued that the approach also has much to commend it on economic, political and constitutional grounds.

²¹ MORI Poll for *The Times*, 20-25 September 2001.

²² *Daily Express*, 10th May 2001.

¹⁶ Worcester and Mortimore, *op cit*, pp200-1.

¹⁷ Worcester and Mortimore, *op cit*, p84.

voters in 2001 was 2 percentage points lower than in 1997, continuing the trend of a fall seen between 1992 and 1997.

- The concentration of the Conservative vote in the rural areas evident in 1997 and the diminution of support in urban seats, was consolidated in 2001. In the most rural and the most urban seats the disparity grew. In 86 seats classified as 'major rural' the Conservative vote rose 3 per cent compared to an increase of just over one per cent in the country as a whole. In 219 'entirely urban' seats the Conservative vote fell by 0.3 per cent.²³ Conservative weakness in urban areas is far more than an 'inner city deprivation' issue.

All the foregoing might suggest that the hole we are in is so deep and dark that the bottom is invisible, but there are glimmers of light. Not all the polling or psephological evidence is bad for the Conservatives. Here is some of the good news:

- People change their minds more easily. A higher proportion of people have been prepared to change parties between elections in the last decade than in any previous decade of democratic politics. 1997 was the biggest swing ever between the same leading two parties after a 5-year parliament. Only in 1945, 10 years after the previous election, and in 1931, after a complete realignment of parties into a National Government, were the swings bigger. Only 20 per cent of electors in 2001 supported their party "very strongly"; in 1992 it was 33 per cent. Of those giving a voting intention at the start of the campaign, 32 per cent admitted that they might still change their mind, and 21 per

cent still said the same by the eve-of-poll; in 1987 25 per cent were wavering at the start of the campaign, but only 11 per cent by election day.

Also, the "churn", which measures the proportion of people prepared to switch parties during election campaigns, may have increased, from under a quarter of the electorate in 1979 to over a third in 2001. During the 2001 campaign itself, 10 per cent of the public switched between parties, but 34 per cent had some change of mind, including those who changed their minds whether or not to vote. This is the highest figure found in polling over six elections. A quarter of those who voted say they made up their mind during the 2001 campaign, though it was even higher, over a third, in 1992.²⁴

- Labour lost vote share across many groups in 2001, and particularly among some who could be thought of as their traditional supporters – falls in Labour's vote share in 2001 were recorded against young voters aged 18-24 (-8 per cent); DE voters (-4 per cent); the unemployed (-10 per cent); those in council (-4 per cent) and private rented tenures (-8 per cent); trade union members (-7 per cent). The fact that this softening of the vote was greater in Labour's safest seats inhibited the translation of this decline in support into a significant loss of seats.²⁵
- Like ours, the size of Labour's natural voting base has also shrunk. Working class households have fallen from two-thirds to just half of the population since Harold Wilson was Prime Minister. Mrs Thatcher benefited from this, winning the votes of aspirational C2s in the 1980s. There is no reason

²³ See Worcester and Mortimore, *op cit*, p 212, which also contains a useful discussion of the difficulties of distinguishing urban from rural seats.

²⁴ Worcester and Mortimore, *op cit*, pp 13-15

²⁵ Worcester and Mortimore, *op cit*, Table 2.

why, if the Conservatives strike a chord with this growing centre ground, it cannot be recaptured. Labour's apparent supremacy in 'cross-class appeal' may be much less durable than it appears. It may be heavily dependent on the appeal of Tony Blair over the heads of his party.

- The blame for sleaze is shifting. 19 per cent of voters thought Labour gave the impression of being sleazy and disreputable before they came into office in March 1997. By January 2001 this had risen to 49 per cent.²⁶ Conservatives can take only some comfort from this. Sleaze at Westminster has been exaggerated, contributing to the decline in the electorate's faith in the polity. All politicians now have a duty to show a sense of proportion in levelling allegations of 'sleaze' if this is to be reversed.
- The most fundamental piece of 'good news' is that, although the UK electoral system is very biased against the Conservatives, some of the imbalance will be redressed. As already discussed, the systemic bias has two main causes, 'the gearing' effect of the first past the post voting and the smaller average size of safe Labour seats, compared with the safe Conservative seats.

On the second of these causes the cavalry, or at least some of it, may arrive, but not in time to bring greater fairness at the next election. The four Boundary Commissions are required to report between April 2003 and April 2007, but their recommendations, if approved, would only take effect at the subsequent election. In any case, they will almost certainly wait until after the 2005/6 election before reporting. For the election after next some redress to the excessive

representation of Scotland is also likely to occur. Under the Scotland Act creating devolution, constituency sizes in Scotland (though not in Wales) are due to be brought more closely into line with those of England. This will remove a little under a quarter of the bias against Conservatives. Powers to alter the system of boundary reviews will only be transferred to the Electoral Commission once this review has been completed, but this will not necessarily lead to the elimination of the remainder of the bias, nor even the equalisation of the size of constituency electorates. The Electoral Commission will not be able to equalise constituency sizes – even if it decides to try – without primary legislation. I remain a supporter of the first past the post system, despite the disadvantage it at present poses for my party. The redrawing of boundaries throughout the UK to create seats of equal size must be a requirement for the long-term credibility of that system.

²⁶ Worcester and Mortimore, *op cit*, Table 19.

CHAPTER THREE

TOWARDS RECOVERY

“Change? Why do we need change? Things are quite bad enough as they are.”²⁷

The preceding section outlined the haemorrhaging of traditional Conservative support, which in many respects worsened in 2001. Yet there is still a mood among some in the party that little needs to change or, if it does, it is mainly presentational – Conservative arguments are broadly right and the electorate will come round to them in the end. This often sits alongside the idea that Labour are making a mess of it and that the pendulum will swing, particularly if there is a recession.

As already discussed, these approaches are wrong and could lead to another disaster. The fate of the Liberal Party in the first quarter of the last century should act as a reminder of how quickly the British electoral system can enable voters to consign a party to oblivion. The Conservative Party needs to change and be seen to have changed, in some respects fundamentally. When people talk of change it is pertinent to ask ‘change for what’? Conservatives are uneasy about the word, although they have been very good at it.

I believe that three types of change are required. The first is a change of substance, the roots of which must lie in policy. The second is a change of tone when presenting these policies. The third concerns the party organisation. In order to win, the party will need both to reform its organisational structure and also to re-examine rigorously what campaigning techniques really do swing elections, distinguishing dispassionately the ‘dignified’ parts of political campaigning from the functional.

²⁷ In recent months I have seen (or heard) this remark attributed to Lord Palmerston speaking with Queen Victoria, to Queen Victoria replying to Palmerston, and also to Lord Salisbury.

The Substance of Policy

Elections are almost always won and lost in the centre ground of politics. All the evidence is that the centre ground is bigger now than ever before. As already pointed out, at the start of the 2001 campaign a record number of people, over a third of the electorate, said they had not yet made up their minds. But on June 7th a very large proportion of them stayed at home or voted Labour or Liberal for the first time. To win power the Conservatives will have to appeal to the whole of the centre ground – all of those who are not irrevocably committed to Labour. This will require not just new policies but a credible language and tone as well. It will mean the explicit abandonment of the ‘core vote strategy’ of the last election.

We know a lot about the voters ‘in the middle’. Central Office have done a good deal of research. A much higher proportion of them read *The Times*, *The Independent* or *The Guardian* than read *The Mail* or *The Telegraph*. In this group are those that have benefited most from our tremendous reforms of the 1980s and 1990s. They enjoy greater freedom than ever before to travel, spend money as they choose, to save and to own a home and cars. The evidence is that the electorate, and particularly those voters the Conservatives most need to win over, are more highly educated, sophisticated and politically footloose than at any time in post war politics. They are very aware of Labour’s shortcomings: the hospitals no better despite higher spending, the collapse of the integrated transport strategy, the bureaucracy in the schools, the drift to higher taxation, amongst much else. Polls suggest that the electorate is now much less confident that Labour policies will improve the public services.²⁸

²⁸ In June 2001, a fortnight after the election, 54 per cent agreed that “In the long term, this government’s policies will improve the state of Britain’s public services”; by October, this had fallen to 45 per cent, with 42 per cent disagreeing. See the poll in *The Times*, 26th October 2001, p16.

Opportunities for the Conservatives to fill that political vacuum are already there. The 2001 election has told us how not to do it. Reminders of Thatcherism, commitment to marriage,²⁹ opposition to section 28, immigration,³⁰ and saving the pound will not be remotely enough. This tactic at best increased turnout among Conservative supporters but it did not sway the uncommitted. On the contrary it cost support in the centre ground, a consequence of the impression of irrelevance, in some respects even anachronism, which comes with excessive emphasis on such an approach.

To win, our agenda must reflect the centre ground's. Our tone must avoid authoritarian and nationalist populism and reflect their sense of liberal tolerance. Our values of greater freedom, greater personal choice and a sense of responsibility are theirs too. Our job will be to convince them of that.

The wider electorate does not follow policy debates in detail but the sense that the party is accumulating intellectual capital and that it is seeking to address the concerns of the mass of the British people can play a crucial role in creating the impression of electability. The party's central message, and its image, are therefore inextricably linked to the policy agenda.

Iain Duncan Smith has rightly embarked on a fundamental review of policy. I believe that the review should be conducted in three stages. The first should examine the main problems that Britain faces and on which the Conservatives need to develop policies that make sense to the electorate. Only with clarity on this first task should the second, the job of drawing up policy proposals and practical solutions, be undertaken. Both the first and the second stages should draw on the expertise of practitioners, academics and others as much as possible. The third task is, of course, the equally important job of communicating the outcome to the electorate.

The preliminary stage is required for two important reasons. First of all, in many areas of government activity, although the wider electorate may sense that little progress is being made by the government, they are not aware of what is causing the failure, nor is there much public discussion of the causes of it. The opposition's job must be to articulate clearly the source of the problem and to provide compelling evidence to back up the case. For example, people may sense that the NHS is not getting better despite huge injections of public spending. We need to be clear why that is the case and explain the reasons to a wider electorate; similarly on transport and education. This first stage is not to be confused with merely scrutinising or attacking the government, although some of the problems Britain now faces may have been inflamed or created by government action, or lack of it. Nor should we present it as such.

The second reason for starting, and being seen to start with a thorough examination of Britain's problems is that we need to earn the licence to talk about solutions, which can best come by establishing beyond doubt that we understand the problems. If the electorate does not credit the Conservatives with that understanding, particularly in health, education and transport, they will be far less likely to take seriously any solutions we put forward. In Appendix IV I have provided a few suggestions of the kind of questions which the first stage of the policy review might want to address. They are illustrative only, and not in the least comprehensive.

Asking some questions is, of course, the easy part. I may attempt some of the harder work in the months ahead. I am under no illusions about the scale of the task. Not all such can be answered by either the opposition or the government. In their seeming intractability, some of them are almost comparable to the problems that Britain was facing in the 1970s. It was the Conservatives who found the imagination to lead Britain away from those problems. It can and should now be the

²⁹ See Andrew Cooper, *op cit*, p20.

³⁰ See Andrew Cooper, *op cit*, p19.

Conservatives who show the courage to address these – the early 21st Century challenges. The centre ground of British politics will take more notice of us if we do.

Tony Blair has pitched his rhetorical appeal in the centre ground but he has not, so far, been able to satisfy the expectations he aroused. Labour's competence to govern is increasingly in question. We need to win the electorate's trust in our ability to govern – intelligent and practical policies are crucial to that task. There is a vacancy in the heartland of British politics. We can, and must, fill it.

Tone

A different tone requires far more than a change of language. A change of language and image is likely to be successful only if it reflects, and is believed to reflect, a sea-change in attitude. The Conservatives will make headway in the centre ground of British politics when it is clear that we have an enthusiasm for addressing the political agenda of those voters. A Tory 'makeover' is unlikely to work. The rigour of the examination that will come from the media will, sooner or later, expose phoney conversions. Tony Blair's emphasis on spin and the impression that policy is developed in response to presentational needs, is eroding his credibility. To the extent that Labour's conversion to free enterprise and the Thatcher/Major legacy has been insincere, the opportunity for the Conservatives is all the greater.

On tone, as with the substance of policy, the job will not be easy. It will mean discarding some of the language we have been deploying and the attitudes that go with it. We need to recognise that the preparedness hitherto of some in the party to carry on much as we are without radical change – and the widespread perception among the electorate of it – has given the appearance of disengagement from mainstream political debate. The Conservative Party has sometimes appeared intolerant, arrogant and extreme.

Some Conservatives seem insufficiently aware of a new emerging moral consensus of tolerance about many issues, appearing to dismiss all 'modern values' as political correctness. Some undoubtedly are, but aspects of the new consensus also reflect a tolerance of diversity which Conservative tradition suggests we should embrace. Examples of this are policies and attitudes towards marriage, Section 28, and immigration amongst others (to which I have already alluded) which, whatever the merits of the individual policies, have suggested intolerance to those groups affected. This grates not only with them but with many more among the electorate, particularly in the centre ground, who wish to reflect the more tolerant mood. As David Willetts recently observed, we need to take a leaf out of George Bush's book. The President frequently addresses the concerns of non-white voters not because he expects many to vote for him – perhaps as few as 9 per cent vote Republican – but because by articulating their concerns Mr Bush also reassures Middle America.³¹

Apparent arrogance or at least indifference has been reflected, among many things, in our relations with the business community. A legacy of the anti-tripartism days was a Conservative instinct to exclude not only unions from privileged access but also the business community.³² By the early 1990s this had created the conditions in which Labour could launch a City and business charm offensive. For the time being, it has worked. However, a new business agenda is emerging. The spawning of special reliefs and subsidies for business, the increase in regulations and the development of subtle forms of social pressure on businesses – regulation by stealth – are Labour policies which demand redress

³¹ The last Gallup poll of the US Presidential campaign on 5th to 6th November suggested the following breakdown of non-white voting intention: Bush 9 per cent, Gore 81 per cent and Nader 5 per cent.

³² This was the 'common ground' to which Keith Joseph alluded in a famous speech in 1975 – the common ground between all people not represented by either of the big battalions, and whom the Conservatives should make a particular effort to represent.

reform the way party conferences are held. Seaside gatherings of the faithful are enjoyable but introspective. Conferences held in major cities – Birmingham for example – would send a very different message to the rest of the country. They could involve more speeches from invited guests and experts, and not just at the fringe. Leaders of single issue pressure groups could be invited to speak from the floor on issues where the Conservative Party is trying to formulate policies directed towards their concerns. Businesses, small and big, should play a far greater role too, rather than be relegated to the occasional fringe meeting and late night receptions. At party conference time, above all, the party should be seen not just to be having a dialogue with itself but with much of the rest of the country.

The party also needs to re-examine what campaigning techniques, both between and during elections, really can influence the result. How much difference can and do local agents make? Does direct mail make a difference? And what about telephone canvassing? What contribution can e-mail and the internet play? And so on. Although unequivocal answers will often be elusive there should be enough evidence to provide informed opinions on these issues. In the 21st Century the party's press office will probably become even more crucial to the party's performance than it has hitherto. We are facing a government which has arrogated public money and resources on a huge scale for the benefit of the Labour Party.³⁸ The press office will need more resources and the best possible staff. It will also need more internal discipline if the party is to avoid the damaging leaks of the latter part of the last parliament.

³⁸ In 1996/97 there were 38 special advisers (HC Deb 11th November 1999 c826) with a salary bill of £1.8 million (HC Deb 1st May 2001 c607). In October 2001 the number had risen to 81 and the salary bill to £4.4 million (HL Deb 16th October 2001 c473). The vast majority of these advisers are said to be engaged largely or exclusively on highly partisan work. The No.10 media operation has also been tripled in size under Alistair Campbell's direction. Some of its work is also held to be party political.

CHAPTER FOUR

CONCLUSION: COMING BACK FROM THE BRINK

The Conservative Party is in a hole. It is crucial for Conservatives to recognise that the 2001 election was not a standstill but in important respects reflected a further weakening of our electoral base. It is equally crucial that we do not rely on the swing of the pendulum. There is nothing inevitable about recovery. Another serious defeat beckons unless we address the causes of the last two.

Nonetheless, it is also true that a majority of the British are still by instinct conservative. Many are no longer convinced that Labour can deliver higher levels of public services as they witness the failure of policies based on greater central intervention and regulation and as they sense little improvement, despite repeated announcements of higher public spending. They are also increasingly suspicious of Labour's emphasis on presentation before substance and they are becoming aware of Labour's disdain for parliamentary democracy. They yearn for better quality government, the higher level of competence and the sense of balance which they used to associate with Conservative administrations.

That is our opportunity. At the moment the mass of 'voters in the middle' do not see us as relevant because they do not believe we can provide more competent government on those issues which matter most to them. We have four years to prove that we can. If we challenge for power in the centre ground of British politics, we can win again, and soon.

by Conservatives. But we are not yet closely enough associated by the business community with wanting to do something about it.

The impression of extremism lingers, too. Although the failure to expel John Townend after his offensive remarks and hints that we might consider creating a two-tier Health Service have played their part, it is Conservative policy towards Europe which has created most indelibly the impression of extremism.

A party which has become so identified with a single issue is encouraging caricature as fanatical. The Conservative tone on Europe needs to reflect more closely the electorate's own apparent priorities, rather than the party membership's³³. Although held by the electorate to be important it is not considered the most important issue in politics. Our policies should be framed far more pragmatically and on the basis of the national interest. This does not mean falling silent on the Europe issue, which will not carry credibility; it does mean that Conservatives should discuss our differences on it in more moderate tones. Any party which appears to treat differences of view on Europe so unreasonably within itself is unlikely to appear reasonable and tolerant of others' views to a wider electorate.

Iain Duncan Smith has already taken important steps aimed at tackling some of these problems. His decision to disassociate the party from the Monday Club, and require three Conservative MPs to resign from it, has sent a helpful signal. Iain Duncan Smith has also suspended the activities of 'Conservatives against a Federal Europe' (CAFE), which has called in the past for Britain to withdraw from the EU unless the Treaties are renegotiated. CAFE will remain closed while Iain Duncan Smith is leader of the party.³⁴ This is also a helpful step in the right direction. More needs to be done.

³³ The electorate put Europe tenth in its list of priorities in a recent poll (see px). In another admittedly not fully representative recent poll for *The Sunday Telegraph* (26th August 2001, see footnote 35) Conservative members put Europe top.

³⁴ See Eben Black, *Sunday Times* 14th October 2001 and CAFE's website at www.cafe.org.uk.

Reform of party organisation and campaigning

Party organisations exist to win elections. All other tasks – raising money, selecting candidates, providing leadership and cohesion, amongst others – are ultimately subordinate to that end. The approach and tools needed to win elections in the 21st Century are likely to be very different from those employed in the 20th. The parties which adapt quickest will do best. In the 21st Century all the major parties will have to grapple with the consequences of three fundamental changes: the collapse of mass membership, the rise of informal politics and the increasing importance of the media in British political life.

Most formal politics and their institutions are in decline. Major parties have been among the most serious casualties. The Conservative Party is still the largest in Britain with 325,000 members against 311,000 for Labour. Conservative membership has declined from a peak of 2.8 million in 1953. Total membership of all political parties in Britain is probably now well below one million which for many years has been less than membership of the Royal Society for the Protection of Birds.

Meanwhile, non-party political activism is growing. More people have attended a protest meeting in Britain than a meeting of one of the major parties.³⁵ Environmental pressure groups – Greenpeace, Friends of the Earth, the Worldwide Fund for Nature – boasted 850,000 members between them in the mid 1990s. The Countryside Alliance brought 250,000 demonstrators on to the streets of London in 1998 within a year of its foundation. Single issue political activism is particularly marked among the young, who have also now virtually absented themselves from formal party political activity.

³⁵ See G Parry, G Moser, and N Day, *Political Participation and Democracy in Britain*, Cambridge University Press, 1992.

It is noteworthy in passing that the collapse of mass parties, and the growth of interest groups and single issue activism, is returning aspects of politics to its condition before the First World War. 19th Century politics was dominated by campaigning leagues and associations. Perhaps the supremacy of political parties in modern political discourse, apparently a consequence of universal suffrage in the first quarter of the 20th Century, may come to be seen as only a temporary phenomenon.

A third crucial influence on the future of parties is the growth of the media. Television, in particular, has all but destroyed the traditional structure of party activity. Television has now replaced the party meeting as the main source of information for the politically aware. For the would-be activist it is no longer necessary to hear leading politicians at public meetings since they appear on almost a daily basis in one's living room. Television has also fuelled the growth of informal political activity – the media have an inexhaustible thirst for allegedly representative 'pressure group' spokesmen. Television has probably played a part in loosening the public's attachment to any one party and has accelerated the decline of deference to traditional institutions, including political parties.

Despite these changes – the sharp falls in membership over the last 50 years, the replacement of activism with informal and single issue politics and the growth in influence of the media – the structure of local parties is still remarkably similar to that of half a century or more ago. The relationship between them and the party at the centre has not changed much either, despite the hugely centralising effects of television on political life. The membership, the level of activism, the number of agents and campaigning zeal may have declined but the constituency structure of both the major parties would be recognisable to the early post-war politically active generations.

Some proposals

The Conservative Party organisation requires major reform. First, it needs to cast itself nearer the image of those it seeks to represent. Unless the Conservative Party as an institution shows itself to be reaching out beyond its core vote, to those who might have considered voting Conservative but have not done so over the last decade, progress will be slow. Secondly, it needs to embark on a fundamental re-examination of what campaigning techniques win elections and what party structure is required to buttress them.

The first will require, amongst other things a review of candidate selection, membership and conference organisation. Taken together, these reforms would go a long way towards transforming the image of the party.

Selection of parliamentary candidates is the most important single function of constituency associations. The Conservative Party cannot continue forever with only 9 per cent women candidates in the parliamentary party which is, incidentally, also the number of Etonians, talented though both cohorts are! Something clearly needs to be done, and be seen to be done. New Labour sought to tackle their own 'selection' problems by centralising control, excluding Militant and in some cases 'fixing' selections of new Labour sympathisers. Attempts to increase the number of women candidates culminated in the use of women only short lists, until these were recently held to contravene the Sex Discrimination Act.³⁶

Conservatives are by instinct decentralisers and should reject such heavy-handedness. Conservatives are also rightly suspicious of positive discrimination for particular groups, which inevitably

³⁶The current Sex Discrimination (election candidates) Bill is designed to rectify a 1996 employment tribunal decision, based on the 1975 Act

means discriminating against another group. Nor is there any necessity for exact or even rough equivalence between the backgrounds of MPs and those they represent. The notion that men cannot represent women, the young the old, Catholics atheists and so on is patently absurd. However, the sense that the Conservatives select only white middle-class and mainly public school educated males has been damaging – the backgrounds from which candidates are chosen must be broadened.

At the very least, Central Office needs to devote much more energy to seeking out and encouraging the ablest people from a wide variety of backgrounds to apply for seats. Some of the hurdles which inhibit such people from applying to go on to the list of approved candidates need to be set aside. None of the political parties are any longer in a 'buyer's market' – the fact is that the most talented people in the country are not queuing up to get elected. Central Office can no longer afford to wait for able people from different backgrounds to knock on 32 Smith Square's door. In the current jargon the party needs to be much more proactive, seeking out those it needs in a recruitment campaign.

Widening the base of those selecting candidates might also prove effective. Much more can be done to encourage this from the centre. Already, Conservative Future has done well. A more dynamic successor to the Young Conservatives set up in 1997, and still relatively small, it has attracted a number of very able young people to the party. Judging by the available surveys of existing membership, more young people are much needed,³⁷ although some solace can come from the fact that a similar

³⁷ The ICM poll prepared for *The Sunday Telegraph* in August 2001 suggested the following age profile.

	Conservative members%	Adults in the population%
18-34	3	31
35-54	3	36
55-64	24	13
65+	63	20

A sample of 229 members of the Conservative Party were telephoned on 23rd and 24th August. Interviews were conducted in four areas, New Forest East, Blaydon, Gateshead East & Washington and Thanet South. The results are un-weighted and the poll was not representative of all Conservative Party members.

problem is afflicting Labour. Conservative Central Office might consider trying to create 'Conservative Health' and 'Conservative Education', designed specifically for those working in these professions. More also can be done to forge links with single issue campaigning groups, not only in the context of wider membership but also to further the policy reviews.

One radical means of broadening the base of those selecting candidates, while leaving control in local hands, might be to move towards a system of 'primaries'. Best known through their operation in the United States, primaries would enable many more, perhaps all, supporters of a particular party in a given constituency to participate in the selection of a particular candidate. Prior to the selection of a candidate the constituency association could invite all Conservatives in the constituency to register for a vote in the primary.

Such a bold step, a genuine pre-election open primary contest, would be likely to generate much greater interest in the Conservatives and activity at local level in the run up to a general election, giving a huge advantage to the party, particularly in marginal seats. If well constructed it could transform the image of the party in many areas, especially in those we most need to win. On the other hand it might deter some of the ablest would-be candidates who would not want to risk their existing careers by engaging in a prolonged primary process. Much more work on the implications of such a change would be required before Conservatives would want seriously to entertain such a radical change – the selection of candidates would no longer involve merely a dedicated few but thousands, perhaps tens of thousands of party supporters. There would, of course, be some cost involved, and also a risk of 'entryism' but this has not been a major problem in the United States. Primaries are the sort of initiative which would benefit from a 'pilot scheme' in a dozen or so seats.

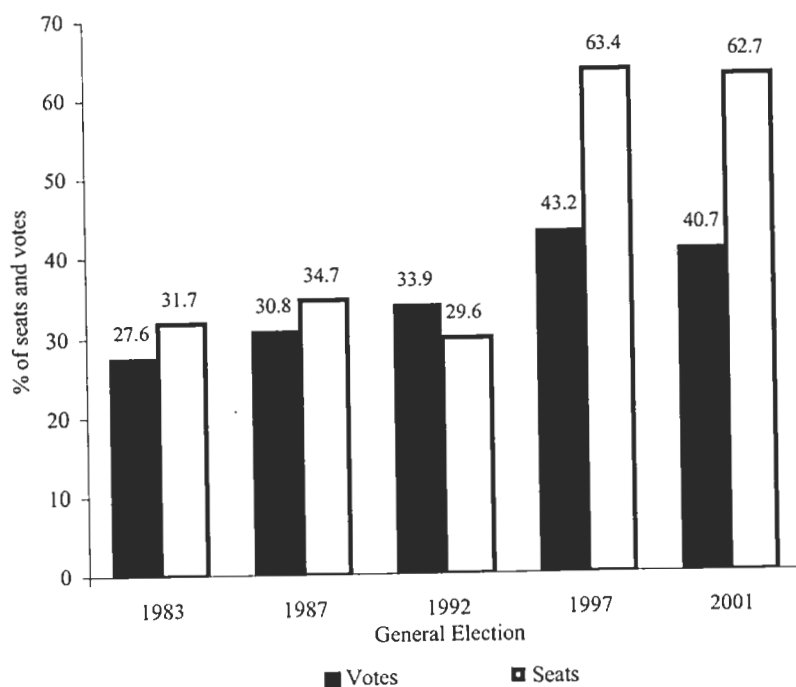
Another contribution which the party organisation could make to reaching out beyond the core vote might be fundamentally to

APPENDIX I

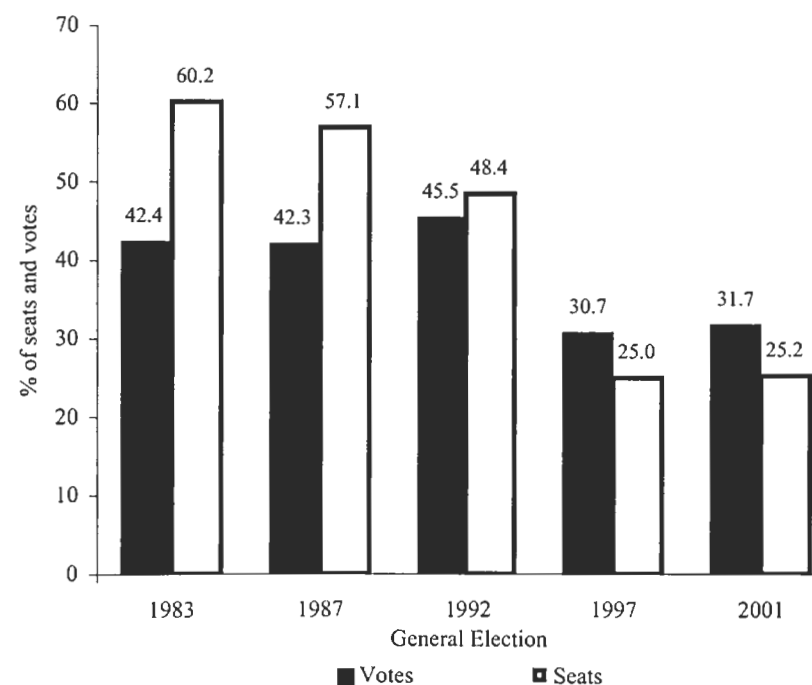
The disparity between seats and votes: major parties at recent elections

A comparison of the two bar charts illustrates not only the disparity between seats and votes for the major parties but also an increase in the disparity in the last two elections, compared with the landslides of the 1980s. In 1983 the gap between seats and votes was 17.8 percentage points. In 2001 the gap was 22 percentage points – a smaller vote share delivered even more seats.

Votes and Seats: Labour



Votes and Seats: Conservative

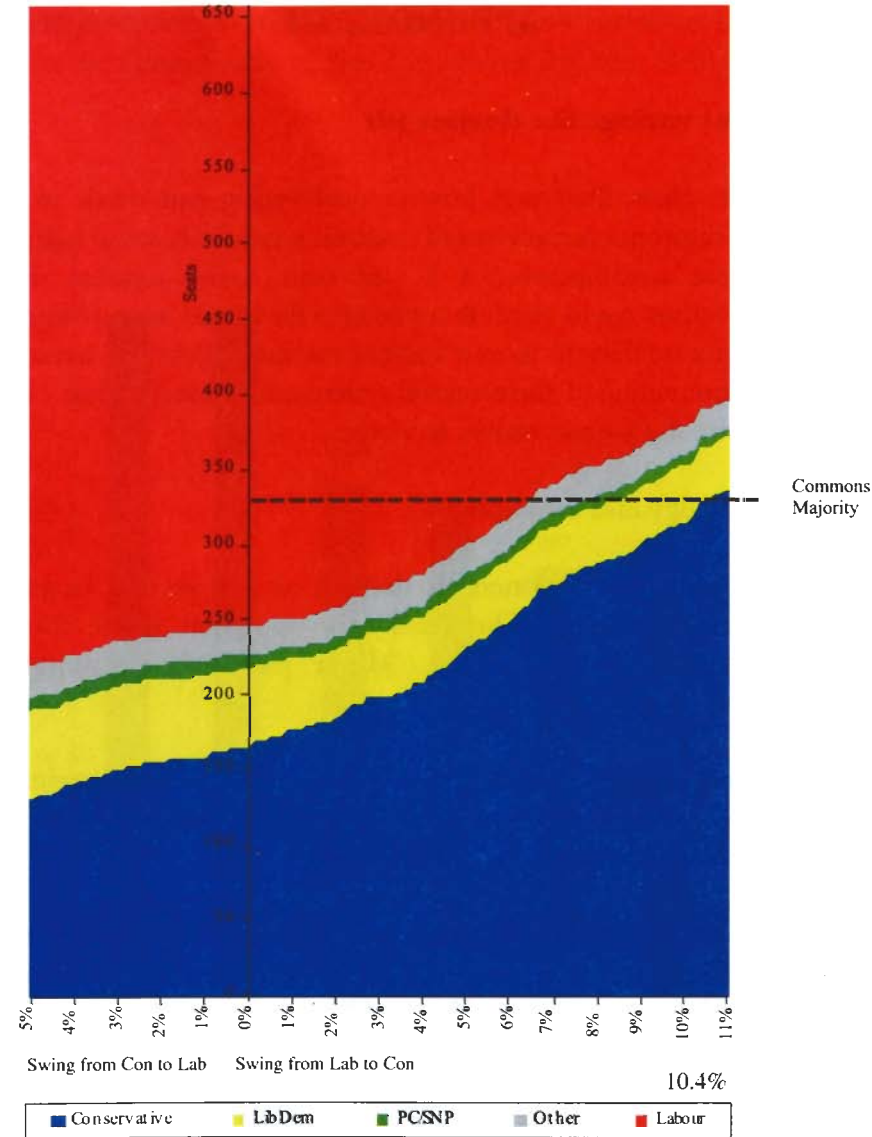


Source: House of Commons Library

APPENDIX II

Recovery: climbing out of the hole

The graph illustrates the swing to the Conservatives required to obtain an overall majority, based on the assumptions used by John Curtice that the geographical distribution of party support, including tactical voting, remains the same as 2001 (see page 4). A 10.4 per cent swing against Labour to secure an overall majority is equivalent to a Conservative lead over Labour of 11.4 percentage points. Tactical voting may well, of course, turn to the Conservatives' advantage when the electorate tires of Labour. The graph assumes a two way swing between Conservative and Labour.



Source: House of Commons Library

APPENDIX III

Tactical voting: the deeper pit

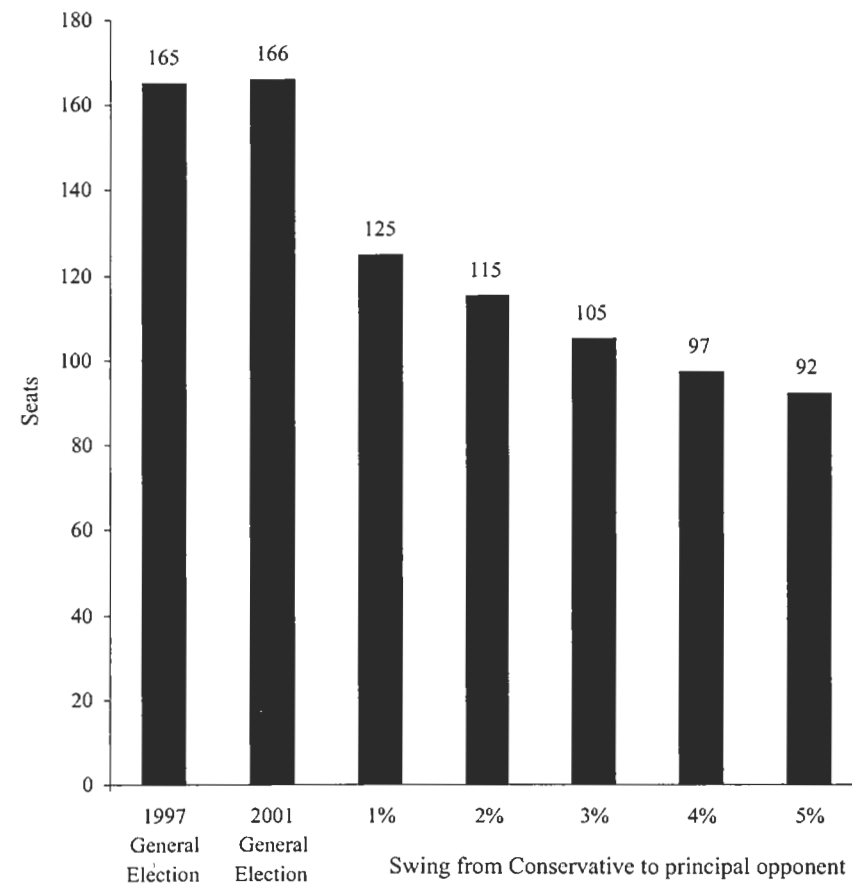
The bar chart illustrates how tactical voting can result in a further disproportionate loss of seats on a relatively small swing. On these assumptions, a 1 per cent swing against the Conservatives could result in a loss of a further 41 seats. When the electorate decides to oust Labour the same 'gearing', caused by the interaction of the electoral system and tactical voting, can accelerate the Conservatives to victory.

Methodology and assumptions:

- The principal opponent is defined as the second largest party in each seat. The secondary opponent is the third largest party in each seat. Minor party shares remain constant.
- Tactical voting is assumed to take place in the most marginal seats, whereby up to 50 per cent of the secondary opponent's share can go the principal opponent.
- The rate of tactical defections from the secondary opponent falls linearly, reaching zero in a seat where the Conservatives have a 20 percentage point majority.

The assumptions are broadly consistent with electoral experience in seats such as Kingston and Surbiton, North Norfolk and South Dorset. The 'up to 50 per cent' assumption is supported by polling evidence. For example, two thirds of Labour voters said they were prepared to vote tactically in an ICM poll. More than a third of the electorate

were prepared to vote for which ever party was most likely to oust the Conservatives. See *The Observer* 3rd June 2001.



NDIX IV

Some illustrative questions for the first stage of the policy review.

- Why do Britain's public services appear to underperform those of the best in continental Europe? Is this caused by inadequate public spending provision, or something else? Even where problems can be solved with higher spending will the public perceive them to have been solved?

What are the shortcomings of the existing structure of delivery of public services: for example, the relationship between schools, LEAs, and central government; the relationship between Hospital Trusts and the Department of Health etc?

Why do public services appear less consumer friendly than much of the private sector? In the public services can incentive structures be created that can substitute for and do as well as profit in the private sector? To what extent is there scope for the further extension of performance-based targeting as a spur to higher performance?

Why does getting help to the most needy appear to be so difficult for the Social Security system to achieve? And why does so much of what we do provide appear to lead to waste and fraud?

Can aspects of social security spending be decentralised and can the voluntary sector play a larger role?

Why are businessmen increasingly complaining about the regulatory and administrative burden on their businesses?

Are they just bleating or is their wealth creating potential being reined in?

- How can the electorate's faith in the British political system be strengthened? Is this lack of faith partly a consequence of the weakness of the Commons at the hands of the executive, or the increasing number of government appointments to the House of Lords, Quangos, etc?
- Is the current form of devolution working for all our citizens' benefit? Is more reform required to bring stability to the constitutional relations between England and Scotland: a re-examination of finances; the West Lothian question; the imbalance in representation?

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AFTERWORD

It was only after four successive election defeats that Labour took a different direction and won. I recently came across the following poem which is so nearly apposite of their experience. It need not, and I am determined should not, also be the experience of my party.

There's a hole in my sidewalk! Autobiography in Five Short Chapters

I

I walk down the street.
There's a deep hole in the sidewalk.
I fall in
I am lost ... I am helpless;
it isn't my fault.
It takes forever to find a way out.

II

I walk down the same street.
There is a deep hole in the sidewalk.
I pretend I don't see it.
I fall in again.
I can't believe I am in the same place;
but it isn't my fault.
It still takes a long time to get out.

III

I walk down the same street.

There is a deep hole in the sidewalk.

I see it is there.

I still fall in . . . it's a habit.

My eyes are open.

I know where I am.

It is my fault.

I get out immediately.

IV

I walk down the same street.

There is a deep hole in the sidewalk.

I walk around it.

V

I walk down another street.

Portia Nelson
Actress and songwriter, who died this year

**How deep is the crisis facing the Conservative Party?
What should the Party do about it?**

Andrew Tyrie demonstrates that the 2001 defeat was the worst in Conservative Party history. Support is haemorrhaging from groups of voters vital to the Conservative Party's long-term future. The electoral system now also punishes the Conservatives even more than it did Labour in the 1980s.

No Conservative recovery is possible without clarity about the scale of the defeat and its causes, nor without a willingness to discuss it and to adapt.

If the Conservatives show that they can provide better quality government – the higher level of competence and sense of balance which used to be associated with Conservative administrations – they can win again, and soon. For Britain is poorly governed, and the electorate are already disillusioned with Labour.

Andrew Tyrie argues that the Conservative Party must urgently address, and be seen to address, the issues and concerns which matter most to the mass of uncommitted voters in the centre ground of politics. And he sets out how to do it.

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