Liberalism and Power - David Steel's leadership

by Michael Meadowcroft

Introduction

Assessing the twelve years of David Steel's leadership of the Liberal party in order to make an informed judgement of the kind of leadership now required in the merged party is fraught with at least three problems. First, it tends to ignore the personal friendship that can exist despite criticism, plus a recognition of the immense amount of time honourably devoted to the task; second, it inevitably concentrates on criticism rather than approbation; and third, it is inevitably regarded as being disloyal by those many members and supporters who see politics only as personified in party leaders.

In the interests of informing its future judgement none of these should deflect the party from looking back over David Steel's career and particularly over his leadership of the Liberal Party from 1976. Indeed the same dilemma was faced by David himself over the far more sensitive case of Jeremy Thorpe. David's biographer notes that "he felt a deep sense of loyalty to Thorpe, but he also had a deeper loyalty to the Liberal party, and in the end it was this second loyalty which was to prevail" [1].

The most obvious change between 1976 when David Steel became Liberal Party Leader and today is, of course, the fact that, because of the Alliance, there were actually fewer Liberal candidates at the 1987 election than there were in 1964. Temporarily, at least, Liberalism will inevitably be diluted in order to appear to synthesise it with Social Democracy, at the same time as having to see off a fourth, well financed, political party under David Owen's leadership - a task that could have been commenced seven years ago if the natural evolution of parties had been allowed to happen then, with those now merging joining the Liberal Party and the rest struggling to maintain a separate Social Democratic Party. David Steel has achieved the remarkable task of breathing fresh life into a political philosophy; sadly it was not Liberalism.

Steel and social democracy

What the statistics on their own cannot show is the political legacy of the Steel years and in particular the impossibility of matching his speeches extolling the essential nature of Liberalism and the demise of social democracy with an implicit strategy of diminishing the Liberal Party and reviving social democracy. Before acting as midwife to the SDP by inhibiting some Labour MPs from joining the Liberal Party, his six addresses to the Liberal Assembly prior to the formation of the Alliance in 1981 [2], plus his leadership "manifesto" [3], the booklet *Labour at 80 - Time to Retire* [4], and the book *A House Divided* [5], all contain explicit passages stressing the primacy of Liberalism or the end of social democracy.

Nor was this simply a Steel aberration. David's closest adviser and speech writer, Richard Holme described social democracy as "Salvation by Illusion" in 1979, and wrote: "social democracy .... on close inspection is seen to have left a very slender political testament behind. Its main sustaining belief now appears to have been that if only the economy would grow fast enough, a redistribution in favour of the less privileged members of society could be made without undue awkwardness in other quarters" [6].

Ralf Dahrendorf, having written in 1979 about the end of the social democratic consensus in his *Life Chances* [7], and about *After Social Democracy* in 1980 [8], then wrote, "Between the new socialists and the new conservatives, there are the social democrats who believe that by tinkering with the system we can make it work for some time to come. In an immediate and fairly short-term sense they may well be right, but they have no answer to the underlying issues mentioned here. The new pragmatists are merely survival politicians, essentially about the past rather than about the future." This trenchant analysis was written as recently as 1985 in a book, *Partners in One Nation* [9], actually edited by David Steel. Perhaps he just did not read the individual chapters. He certainly did not heed Dahrendorf's.

Perhaps the purpose of the Alliance was to go for "immediate and short-term" answers but that hardly squares with David's leadership manifesto appeal "Our task is a very different one. It is to spell out a clear vision of the society we want to achieve; to provide long-term goals to a people weary of the politics of pragmatism, expediency and compromise," [10]. That ringing appeal only lasted for three months up to the 1976 Assembly when, despite avowing that there was "no place for the Liberal Party in the soft cosy centre of political debate" and that "we must be away out forward (to) capture the new ground and the high ground of politics" [11], it was his determination to "deploy the coalition case" which dominated the speech. The speech provoked Jo Grimond to write "I listened in vain for the radical voice .... What Steel has to do now is to forge a new libertarian radicalism and get it past the party to the public at large" [12].

No Liberal should argue against the inexorable logic of coalition following an election which does not give one party an overall majority. Such a result is a virtually inescapable consequence of proportional representation and, frankly, I cannot recall any instance of a Liberal arguing against such an outcome. Indeed the evidence is all around us of Liberals in a variety of local government coalitions. There is, however, a world of difference between post-election coalition and pre-election arrangement and it is that distinction which is absent in David Steel's thought and which has caused so much difficulty.

The Pact that failed to deliver
There was considerable anxiety about the Lib-Lab Pact but there was hardly any attempt to argue that it was not legitimate. Liberal criticism was centred on the efficacy of its structure and, latterly, on the Liberal failure to extract from it any

visible signs of significant Liberal influence. Above all the failure even to win PR for the European Parliament elections, rightly, suggested to many Liberals that the negotiating skills of the Liberal leadership were somewhat limited. Jo Grimond has stated that electoral reform was "the prize, the only prize, which could have justified the pact," and both Christopher Mayhew and David Owen are on record as believing that PR for Europe was attainable [13] and [14]. John Pardoe was forced to conclude that "David was prepared to do a deal at all costs" [15]. The same determination was applied to the Alliance, and now to merger, as if somewhere, despite all the evidence, there really is a Holy Grail which only impure knights can hope to find.

The best clue to David Steel's impatience with what he sees as his party's faults is found in his biography: "Most Liberals measure the success of the Liberal party in terms of the triumph of Liberal candidates. Steel measures the success of the party in terms of the triumph of Liberal ideas," [16]. It is a bizarre antithesis; few Liberals equate political success with electoral success but most realise that the two progress in harness.

It is the mark of a presumed superficiality of thought on the part of Liberals that assumes that the party does not understand how political leverage is exercised. I doubt if there is a single Liberal Councillor who does not use the legitimate tricks of the political trade to secure benefits for his or her ward and constituents. However, it is unusual to find a politician who does not realise that it is the power to poll effectively, even in third place, that influences both the establishment and politicians in other parties. The power to deprive MPs or Councillors of their seats concentrates their minds enormously.

"The triumph of Liberal ideas" also requires Liberal unity. That has not always been apparent over the past decade. Those who believe that unity means supporting the leader come what may can, of course, argue that the party has at times been at fault in showing open dissent but, particularly in the light of the recent debacle over the original policy declaration, they should see that such unity is dearly bought at the price of reluctant compromise and the setting aside of judgement as to the outcome of imposed decisions. J. K. Galbraith's dictum is highly relevant, "Given the choice between keeping the confidence of your friends and appeasing your enemies, never hesitate. It is your friends who give you power. You can overcome opposition, but you cannot do it without allies" [17]. Applied to the Lib-Lab Pact it may explain why so few Liberal ideas triumphed. Joel Barnett records that "Michael (Foot) told (the Cabinet) it was no use asking what to do about the Liberals. .... He thought David Steel was an honourable man, doing his best, with what was effectively a rabble, rather than a disciplined Parliamentary group" [18].

Undermining Liberal unity
David has not sought to win over, or usually even to understand, the Liberal Party. Perhaps that is because he was only able to spend just over two and a half years as an "ordinary" member between leaving university and being elected to Parliament.

However, even in that short period he sought to minimise the party's electoral challenge, writing that there should be "no further adoptions except in those constituencies where there is a good organisation already operating, and which have been seeking a candidate for some time" [19]. In the same 1963 article he demanded that the thirty Liberal candidates most likely to lose their deposits be "weeded out now"! Amongst the seats not fought in 1964 were five that were won in 1983 and seven others that are now amongst our best prospects. Even in Leeds West we lost our deposit in 1966 but it did far less harm than not fighting would have done.

The next attempt at inter party co-operation was the short-lived Radical Action Movement. Started in early 1968 by Richard Holme it aimed to act as a "catalyst of a much wider radical movement and to start a debate both within the Labour and Liberal parties with the aim of forging an alliance between the progressive forces of Britain" [20]. David Steel managed to get two Labour MPs to sign up and when one of the original Liberal founders, Chris Layton, was fighting a by-election in Swindon in October 1969 David spoke for him: "we believe that a strong Liberal party can be a major force in any political changes that take place. The party label, however, is not really important; what we are looking for is any group of people that has a fresh, up-to-date approach to the problems of Britain" [21]. The Swindon electors were not deeply impressed; a 13% swing gave the seat to the Conservatives, leaving Chris Layton with just 15% of the vote. Nothing more was ever heard of RAM after this.

Learning, perhaps, from RAM, David's next initiative in July 1970 was to try a rather wider alignment, arguing publicly that the Liberal Party should selectively support a few more liberally inclined Conservative and Labour MPs [22]. Liberal support then sank to 6% on Gallup by December 1970 but thereafter saw a remarkable rise, reaching 28% by August 1973, following four by-election victories. The February 1974 General Election saw 517 Liberal candidates polling an average of 23.6%. The Conservatives lost their overall majority and Jeremy Thorpe accepted Prime Minister Heath's invitation to discuss a Lib-Con coalition without discussing it with his Parliamentary colleagues, let alone Party officers. The party was in uproar, although, in truth, there was never any real prospect of a deal given the arithmetic and the psychological antipathy to keeping in office a Government that had lost a vote of confidence at the election.

A bare four months later David chose to make a Party Political Broadcast devoted entirely to deploying the case for coalition in principle. It was done after consultation only with Thorpe and was hardly the moment to confront a party that had polled extremely well and which believed with some justification that a massive breakthrough was eminently possible. Such loss of nerve and the lack of a barnstorming leadership between February and October 1974 contributed to the missing of the Liberals' best opportunity for over fifty years. The party's National Executive Committee responded to the PPB, repudiating the idea of coalition in words that in principle were unsustainable but, in the political circumstances of the

time, were the only practical way of restoring the Liberal impetus in the public mind. David simply told the Executive, whose meeting he had not attended, that their resolution was worthless [23].

The following year he wrote a very ambivalent pamphlet in the *Strategy 2000* series. It set out a thorough Liberal critique of the current political scene but ended by suggesting that there were "a couple of dozen Tory MPs who could be accommodated within any genuinely liberal movement" and that "many of the self-styled social democrats would be in happier company in combination with Liberals than Socialists." Therefore, he continued, "Should an opportunity for an effective regrouping of the left come about it is important that the Liberal Party should not behave like a more rigid sect of the exclusive brethren, but be ready to join with others in the more effective promotion of liberalism" [24]. Thus the record of David's thirteen years of active politics should have been sufficiently clear to the party when it had to elect a new leader following the fall of Jeremy Thorpe in 1976.

Steel's aims
There are, however, three factors which have always complicated an assessment of David's aims. First, whereas Jo Grimond saw re-alignment of the left as continuing a basically two party system, with Labour and Liberal changing places over a period, David Steel has tended to see re-alignment as being a three party system entailing permanent co-operation between two parties not necessarily as equals. Thus the Liberal Party could well remain a relatively small party <u>but</u> with influence. I doubt whether the party realised this implication of the Steel strategy, at least until it was too late and we were locked into an unequal Alliance.

Second, although David is instinctively a "narrow front" man he has at times spoken ambiguously as if he envisaged all the kindred souls in and out of the other parties formally joining the Liberal Party. How otherwise can one explain the following passage from his speech declaring his candidature for the leadership: "Let us proclaim with conviction that it is only within the Liberal Party that the aspirations of millions who have long since abandoned all hope and faith in representative politics can be met"? [25]. Or how can one explain the following specific rejection of electoral pacts: "Why should the electors of Roxburgh, Selkirk and Peebles be denied the opportunity to vote Labour simply because the Labour candidate regularly loses his deposit? And why should Liberal voters in a Tory/Labour marginal obey the instructions of the Liberal leader on how to vote after their own candidate has been withdrawn?" [26]. I guess that many Liberals read the bold type rather than the small print.

Third, David Steel is very much a 1960s politician and seems not to have appreciated the key differences between Liberalism and Social Democracy, particularly after the economic crisis of 1973 which, as Ralf Dahrendorf analysed in his 1974 Reith Lectures [27], marked the end of the possibility of continuing the "Butskellist" consensus. William Wallace has made the point [24] that the SDP is

very similar to the Liberal Party of 1960-62. The point is that the Liberal Party made the attempt to re-focus its philosophy and values to the new agenda both in 1979-81 [29], and in the "Liberty 2000" initiative in 1985 [30], whereas the Party Leader seems not to have appreciated the opportunity presented with Social Democracy in decline at the same time as the Liberals' relevance was increasingly apparent.

The Alliance - another way to undermine the Liberal Party
As with the Lib-Lab Pact, the Alliance may well have been inevitable, and could have been beneficial, if the Liberal Party had gone into it confident of its own relevance and strength, philosophically and strategically. David appears to have started off with a very different strategy in mind than that which he eventually forced through. Talking of early discussions with Roy Jenkins, David said: "To be blunt, at that particular time, I don't think either of us was thinking in terms of a new party which would be equal in status to the Liberal Party ... (but) a new party which might ... conceivably get up to maybe 100 candidates ... working right from the beginning clearly with the Liberal Party and frankly rather under its umbrella" [31]. Ironically this is exactly in line with the conclusions of a booklet I wrote in 1981 [32]. How different things might now be had that original strategy been followed.

David's own politics are often seen to be somewhat ambivalent. An American journalist who produced a profile of Steel wrote: "All of the SDP's senior members told me, in one way or another, that at heart Steel was one of them, and not much of a Liberal." He quotes Bill Rodgers as saying, "He is really a Social Democrat, even when he does talk like a Liberal." Such opinions were by no means confined to SDP members. The writer continues: "I talked with Cyril Smith in the central lobby of the House of Commons not long ago and asked what he thought of Steel's quest. "Steel is a Social Democrat," he said. "His aim is to destroy the Liberal Party in order to create a new centre party, and to take us into the new party lock, stock and barrel." Smith is opposed to any merger. "The Liberals have a future on their own" he said firmly. "And the SDP can't survive as a national party. It is already disintegrating in some parts of the country" [33].

That centre party is what has now been achieved and I suppose Liberals must only be relieved that David Owen was determined to go his own way rather than sticking it out and picking up the leadership of the new merged party. It has taken David Steel a quarter of a century from his 1963 article to stop Liberals fighting every seat, to get rid of the Liberal constitution and committees he has openly criticised, and to join up with the separated right wing of the Labour party. It is, I suppose, success of a sort, but not for Liberalism. It is particularly inappropriate for the kind of Liberalism that is so desperately needed in the huge northern conurbations, such as my Leeds. I have never felt that the kind of party David wanted ever really understood the inner cities nor the reality of Labour authoritarianism. Perhaps that is why Leeds West still remains the only seat won from Labour in almost sixty years without the benefit of a by-election.

One-way loyalty

Throughout the twelve Steel years his colleagues have all done all they could to improve the situation, trying to be loyal to David as leader as well as to the party. This has involved explaining, often in vain, the consequences of his intended actions and then covering as best one could when he still went ahead. Defending the indefensible to the Party Council is not many Liberals' idea of a pleasant Saturday afternoon but it has had to be done. That loyalty has not always been reciprocated, as Liberal candidate and later MP, Bill Pitt found out in 1981, as well as Richard Pine and others in 1983, William Wallace in 1985, and Archy Kirkwood, Simon Hughes and myself in 1986, all of whom were criticised publicly for actions which sprang from expressed commitments to the party with which David disagreed.

On almost every occasion, because of the dire media consequences of voicing even the vaguest criticism of the leader, colleagues have swallowed hard and stifled their comments even though there was always the fear that a future misjudgement could be far more embarrassing politically. That fear became a reality over the disastrous first version of the policy declaration for the proposed new party [34]. Despite it being unanimously rejected by the Parliamentary Liberal Party, the Liberal Policy Committee and the National Executive, David still said, "so far as the document is concerned, it's very exciting and personally I'm proud of it" [35]. Richard Wainwright has pointed out that this "was not an accident or an isolated lapse" [36]. I have also drawn attention elsewhere to David Steel's inconsistencies on defence policy in the light of debate at the 1986 Eastbourne Assembly [37].

The wrong choice in 1976 - spot the difference

The leadership choice in 1976 was not just between two Liberals with different personal styles. It was a much more fundamental choice between one who had not seen the need to weld the party into a cohesive unit, even when as Chief Whip it was a key aspect of the job, and had always been openly impatient with party structures and methods which seemed to impede his view of the Liberal Party as expendable in pursuit of some wider grouping.

The other candidate, John Pardoe, was no less committed to effective coalition politics and to the necessity of political compromise. The essential and crucial difference was that John understood that effective influence could only come through a confident and powerful Liberal Party. Such confidence could only come by fighting every seat at every election with a committed party aware of its own relevance and strength. It was after the election that one assessed the need and practicality of coalition, though, of course, one needed to prepare internally in advance for all possible outcomes of that election.

John, of course, had his faults but the difference between the two candidates was huge. John involved himself closely in the party machine and was not prepared to see the party unfairly criticised. The following extracts from two articles he wrote after the 1974 elections illustrate that difference vividly:

The lack of confidence (between the two elections) was not so much between the Leader and the rest of the Party, as between the Parliamentarians and the institutions of the Party such as the Council and the Executive. The fault is on both sides. The Parliamentary Party is too ready to be contemptuous of the Council and the Executive.

The colossal impact of February fell away because it was built on intellectual sands. It was not as though the intellectual rock was not available; there is a huge store of intellectual rock in Liberal policy. But for some perverse reason, the election platform which emerged in October was not built on it. If I despair at anything about this Party it is its habit of trivialising its own policies [38].

As I travel around the country I find the Liberal Party is in great heart. It is only when I return to London - and more particularly that corrupting hothouse at Westminster - that I sense the mood of despair. The time has come for the Liberal Party - at Westminster and in the country - to ask and answer this crucial question: Do we want to be a party of power or a party of influence? Upon the answer we give will depend the whole stance, style and strategy of the party.

Let me make it clear where I stand. This party is a party hungry for power or it is nothing. A party which aims only to win influence is like a man who sets out to dig half a hole [39].

If anything is going to persuade Liberal activists all to join and to be enthusiastic about the new party it is the prospect of a leader who understands the Liberal Party and who is rooted in it. David Steel's caricatures of his party and of his colleagues have been unfair and damaging. I know of no-one who enjoys constitutional detail for its own sake; I know of a number who have felt the need to protect the constitution. I know of no-one who is more interested in internal debate than in winning elections and in making Liberalism influential; I know of many who realise that local government successes have not been translated into Parliamentary victories because the internal organisational and strategic links have been ineffective, and have therefore sought to improve them.

The way the new party is set up is, alas, a recipe for factionalism. The sound of pencils squeaking on slates has already been heard. The new leadership will exacerbate this fatally if they confront rather than cooperate, and announce rather than persuade. It needs judgement and understanding. The lessons of the past may be painful to Liberals but they need to be learned.

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