

**MERGER
OR
RENEWAL?**

A Report To The Joint Liberal Assembly

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1. INTRODUCTION

The Joint Liberal Assembly at Harrogate last September elected eight members to a Liberal Team to negotiate with the SDP towards a merger of the two parties. Four of those eight are unable to recommend the final package and withdrew from the final negotiations. We agree on the main reasons why the proposals should be opposed by Liberals but each of us has additional points of opposition. You are entitled to a report back and I hope you will manage to read through this report before you vote. It was impossible to let you have it any earlier as negotiations only finished last Monday night.

I attended all the Liberal Negotiating Team meetings and all the formal joint meetings with the SDP Team with the exception of the latter part of the meeting on 12 January and the meeting on 18 January. On majority votes the Liberal Team had decided to accept a name and a preamble to which I have objections of principle and I could not bear to sit silently whilst items crucial to Liberal unity were conceded.

Consensus Abandoned

Despite being urged from the beginning by those team members with experience of negotiation, particularly within local government, to determine clear objectives and essential requirements, the Liberal Team failed to work effectively and conceded too many items in the early stages to be able to convince the SDP of its determination to stand firm on crucial matters later in the negotiations. Even the Team's own rules were changed to facilitate concessions. Initially attempts were made to secure consensus, even if "bottom line" items were later conceded, but the name was originally conceded on a 6 - 3 vote in the Liberal Team, and the inclusion of NATO within the Preamble on a 5 - 4 vote.

It is highly significant that the only time that the SDP backed down after having threatened to abandon the talks was over the infamous policy declaration when it was the Liberal Party that stood firm and not the Team. There could be no clearer indication that we could and should have achieved more and that the package as presented is unsatisfactory.

2. THE PROPOSALS

My over-riding aim was to keep the Liberal Party united. In good faith I entered negotiations believing that unity could best and most effectively be achieved within merger but that, if after all our efforts, the party would be divided then merger was not worth such a price. The Team professed to take the same view at the beginning but the talks rapidly gathered their own momentum and the merger itself became more important than such key considerations.

The proposals should be opposed because:

- they will cause a significant split in the Liberal Party;
- they are biased towards creating a party aimed at the more affluent areas, particularly in the south, than a party able to appeal to areas where Labour is the opposition;
- they will condemn Liberals to more years of internal struggle to maximise Liberal content, rather than enabling Liberals to leave behind the problems of the Alliance years in order to go out with the message to win the political arguments and the seats.

The defects in the proposals are, inevitably, not of equal significance. Those which

would prevent colleagues from joining on principle are more important than those which are wrong but are open to change if the whole Liberal Party joined. The name and the preamble are first order problems: the rest of the constitutional machinery is a second order problem, with the arguable exception of the process for changing the constitution.

3. THE PARTY NAME

A political party's name should give an indication of what the party believes. None of the proposed "short" titles could do that which is why a combination of the two parties' names was inevitable. However, the proposed name is divisive, and therefore unacceptable, precisely because it does indicate what the party is.

If the name was to combine the existing parties' key words then the one way to avoid any argument about relative importance, status, effectiveness or size was to have "Liberal" and "Social" in alphabetical order. It shows the thinness of the case against this when the only argument the SDP could dredge up was that its initials, LSDP, would provoke references to hippies and drugs! At most that would be a seven day wonder and in any case the party should surely have sufficient confidence in itself to make its initials exclusively its own.

The Liberals, by falling for "Social and Liberal Democrats", have ensured that a number of constituencies, particularly in the urban areas, for whom the name would be electorally very damaging, will not be able to join. It has been said recently - and very quietly - that a blind eye would be turned to Liberals fighting under their own variations of the name. With a single party that would be dishonest and would not, in any case, avoid the problem of all the national material and media focus being on the damaging title.

The second problem is that by confronting the alphabet it opens the legitimate debate on which party is entitled to come first. Objectively, of course, the Liberal case is clear but even to have the debate is divisive and embarrassing.

4. THE PREAMBLE

The origins of the present preamble provide one of the odder stories of the negotiations. Two Liberals and two Social Democrats were commissioned to prepare a preamble. This was duly done. It put three separate contentious points in brackets for the full joint team to determine. One of these, of course, was the list of names of organisations, including NATO. At the full meeting Alan Beith and David Steel proposed that NATO be omitted. Not one member from either side put a case for its inclusion on its merits. Even the SDP accepted that it was illogical: their entire argument was based on a fear of Owen pouncing if it was not there!

The Liberals offered the phrase "collective security with our allies" and an appropriately supportive reference in the policy declaration but the SDP refused to accept. Eventually the word came back that the SDP would accept any preamble so long as NATO appeared in it. By five votes to four the Liberal team agreed to capitulate and a new, supposedly more Liberal, text was hurriedly assembled and sent to the SDP. That text has been amended piecemeal ever since but has never been the subject of separate debate in the full team.

The case against inclusion has always been based on the accepted view that the preamble should be a statement of timeless values and that the inclusion of finite, human organisations is inappropriate and politically dangerous when one's attitude towards them can be reversed by changes in the bodies themselves. It also means that one's influence on NATO is diminished because support for it is entrenched in the constitution rather than being a subject of policy debate. Nor will the issue go away: it will be brought up year after year as a constitutional amendment.

Loyalty to Colleagues.

The present and most crucial objection to it has little to do with the issue itself. It is certainly nothing directly to do with defence policy but is a matter of loyalty and solidarity. There are some Liberals, not very many perhaps but often colleagues who have been committed Liberals for decades, who are Quakers or simply sincere pacifists. They have been able to be members and candidates hitherto because the Liberal preamble, as opposed to policy does not mention commitment to a military organisation. The proposed preamble faces them with an issue of conscience, even with the changes to the disciplinary clauses. I will not support such colleagues being put in this intolerable position with the prospect being forced out of the party.

5. CONSTITUTIONAL ARRANGEMENTS

The major difficulty with the mechanics of the constitution are that, even at best, so many Liberals will feel unable to join the new party that it will be difficult to rectify its centralist and elitist nature. This is particularly so when one considers the tortuous rules for constitutional amendments. The rule that some amendments will require a membership ballot directly contravenes the Harrogate Assembly resolution which was supposedly our negotiating authority.

The provisions for the representation of women as written in the constitution run counter to the decision of the York Party Council. Also contrary to Party Council's wishes is the lack of an equivalent body to Council: the replacement "Council for the Regions in England" is virtually powerless and has no policy responsibilities at all. The membership proposals are also essentially contrary to the terms of the Harrogate Assembly resolution. The scheme will be a national membership system with a local component. Once again it will favour affluent areas at the expense of the rest. There are many other points of concern, including conference representation and recognised bodies, which ensure that, as Robert MacLennan said on Radio 4's "World at One" on Tuesday last: **"We have a strong constitution, very like that of the SDP"**. Exactly!

6. THE POLICY DECLARATION

The episode over the policy declaration brought both parties into ridicule and deeply undermined the whole merger process. How can anyone take merger seriously when, three months after the decision was taken to have an "initial policy statement" produced by the two leaders in consultation, on the Liberal side, with the party's Policy Committee we end up being laughed at by everyone? It was agreed that the statement would be a "marketing version" of the preamble and would not contradict the General Election manifesto. In the event it conformed to neither agreed instruction. It is staggering that both leaders appeared unaware that their document would be wholly unacceptable to Liberals. As it happens the Policy Committee, Parliamentary Party and National Executive found a somewhat unaccustomed but highly effective unanimity.

In the course of dealing with this debacle a rather nasty anonymous attempt was made to implicate Alan Beith who, apart from agreeing the final unacceptable concession on name and preamble, had defended the party's interests better than most. Alan had warned from his first sight of the document that it was unacceptable and said that he would resign as Treasury Spokesman and as Deputy to the Leader if it was endorsed.

No Hidden Agenda!

Once the leaders had forcibly been made aware of the united stand of the Liberal Party it was inevitable that a suitably anodyne replacement would be produced by other colleagues. That duly appeared but the previous document still hovers around.

For instance, David Steel said, after the revolt, "so far as the document is concerned, it's very exciting and personally I'm proud of it." Robert MacLennan is on record in a number of places as being enthusiastic about the reactionary ideas that were so well highlighted by the media, indeed when asked by Michael Brunson on ITN last Tuesday if there was a "hidden agenda," he replied, **"No, it's an open agenda, there's nothing hidden about it at all."** Liberals will no doubt welcome such clarity.

On this, as on so many issues, Liberals in a merged party would face years of internal struggle to maintain even a semblance of Liberal values, Liberal style and Liberal policy. Des Wilson put it very clearly:

"There's no question that we will pay a price for years to come for the document, because politics is an unfair world, and our opponents are going to refer to it and refer to it in leaflets and in propaganda and there is no way we're going to be able to stop them." (Weekend World, last Sunday, 17 January).

As it happens there is one way to stop them and that is not to go ahead with a merger that is so vulnerable and ill-starred. Why on earth should we willingly and unnecessarily put ourselves into the firing line?

7. POLITICAL JUDGEMENT

Working politicians have always to be in the business of making judgements as to how events will work out given a planned course of action. We can for good or ill be judged on those decisions. My views on the SDP and the Alliance were set out in my booklet "Barrier or Bridge?" published in 1981 and in my speech at the 1981 Llandudno Assembly. I take no pleasure in recalling the accuracy of those statements. I was also on record as being concerned at the dangers attending David Steel's habit of running the party by announcement. No further comment!

Obviously I would much prefer to be effective than right. That is why, despite everything, most of us of like mind stuck with the party and tried to make the Alliance work. Now, applying the same judgement to merger, there will no escape routes for Liberals if it happens. The negotiating team have spent four months trying to make merger work. Four members - half those elected by the Assembly - believe that we have failed and that it will not work. I would desperately have wished to support the package. I am a very reluctant rebel but facts have to be faced.

Activists Are Important

The proposed name and the preamble will, as set out above, be sufficiently divisive on their own to justify voting against the merger package. Those who would refuse to join on such grounds may be numerically small but it is worth pondering what kind of colleagues they would be. The Liberal Party has survived and even at times thrived despite a vicious electoral system, largely antagonistic media, and the abuse of corporate funds by its opponents. It has done so because it has members who believe passionately in their cause and are prepared to make huge sacrifices to ensure its success. If a merged party does not similarly inspire these colleagues it has no hope of success. By and large it does not inspire them.

The policy problem, as also mentioned above, is only shelved rather than resolved. It is worth noting that although we were told that Social Democrats were also up in arms about the original document, it was like pulling teeth to extract similar criticisms from their negotiators. I am weary of being told about contrary individual SDP views. Over all my years in numerous negotiations I can barely recall more than a couple of instances where any of it surfaced nationally. The SDP system inhibits it and the merged party would inherit that SDP system.

Shadow Over Whole Package

Since the strange events of ten days ago Liberals have been asking another

pertinent question. If the judgement on the policy statement could be so massively misjudged, might not other items in the package also have flaws? They are virtually bound to be less major but they could be, and in my judgement are, sufficient to cast a shadow over the whole package.

If merger is to succeed it is no use being half hearted. Since the policy debacle enthusiasm seems to have ebbed away. What momentum there was seems to have been lost and those who were still intending to vote seem to be doing so reluctantly. That is no basis for merger. It requires full hearted consent otherwise it will not withstand the pressures and can never become a passionate campaigning party.

The argument from electoral expedience has also disappeared over recent months. Those keen on merger have previously told us that it was popular with the public. The poll evidence now shows a very different picture. Marplan in The Guardian on 14 January found that almost twice as many voters were less likely to vote for us than more likely to do so if we merged (26% to 14%). Only amongst our existing voters was there a majority who were more likely and even this had declined sharply since June. Also Harris polled 800 Liberal voters for Weekend World last Sunday, 17 January. They found that the number of Liberals favouring merger had declined from 67% to 44%. So, if the public is going to be put off by merger, and if less than half Liberal supporters want it, why should we still contemplate it?

Public Credibility Lost

One further reason why merger has lost credibility in recent weeks has been the way everything has been cobbled together. The continual changing around of bits in the constitution, even matters as crucial as the name, since the draft version was published, hardly inspires confidence. There has been no chance to consult again over late changes in the draft. The time scale was necessarily short but to have had a year or more would have made little difference to the outcome. The problem areas were irreconcilable on any consensus basis between the parties so more time would simply have delayed, rather than have improved, the inevitable decision. The messy nature of the package is no basis for fundamental decisions on merger and the end of the Liberal Party.

8. ALLIANCE LOCAL GOVERNMENT GROUPS

The one area where there are successful Liberals who are more inclined to favour merger than other active Liberals is local government. There a number of Council Groups where Liberals and Social Democrats work extremely well together. Councillors in these areas sometimes cannot see what all the fuss is about.

It is not by any means universal. There are those areas, such as Kirklees Metropolitan District, where merger is anathema because of their experiences with SDP Councillors. There are also a few groups where there is a majority of SDP members where the minority of Liberals are anti-merger. There is a third category where some or all of the SDP Councillors are Owenite, which has had a somewhat salutary effect on the Liberals. I make the point about the variety of experience because at the heart of my whole case against merger on the terms proposed is the crucial view that merger must be for all the party. A merger which only attracts some areas, some Liberals, some Council Groups is not in any sense a worthwhile alternative to a new, revitalised and relaunched Liberal Party. There is every chance that we could attract others to join us but under merger the division would be sufficient to prevent any resurgence

Top Down Constitution Prevents Initiatives

The puzzle for some Liberals in effective Alliance Groups is why their experience is so much different than at the national level. One reason is that a party centrally has to consider philosophy and values virtually without the constraints of a practical agenda. There is less need to spend time on philosophy at local level. Policy locally

and nationally has to take on board priorities and practicalities - which is why the manifesto was easier to put together than a statement of common values which has always eluded the Alliance centrally. Practical work, as on a Council with so much determined by an inexorable agenda, unites whereas philosophic contemplation divides! Having been closely involved with Alliance negotiations throughout the six years I have always been puzzled by the fact that none of the views of the splendid SDP Councillors I regularly heard about ever appeared at national level. The SDP's structure is top down and inhibits the kind of participation that enlivens the Liberal Party. The proposed new constitution is, as Robert MacLennan says, very similar.

There is also an inconsistency in the argument of being alike. If there are no great differences then a new, determined Liberal Party, under new management, would have every chance of attracting such individuals into it if the SDP were to continue its slimming exercise. Ponder what will happen if merger is defeated. The SDP will be in considerable difficulties, with lengthy legal and organisational strife between its two wings. Why does David Owen want the parties to merge? To clear the way for himself. The last thing he wants is renewed internal SDP chaos. In the early 1970s we recruited many individuals who were fed up with the then social democratic dominance of the Labour Party. It would be difficult to explain to them why they should stay if now we join up with the very people they deliberately left! With individual social democrats who clearly fit in with local Liberalism there would be no problem.

I also sense a slightly worrying echo of the local government situation of twenty five years ago. In a number of towns Liberals, to survive, had made pacts with other parties, mainly with Conservatives but occasionally with Labour. Over the course of time the arrangements had become very cosy and, when I visited them all in the early sixties I had great difficulty in convincing them that the various party philosophies were different. They saw little or no local difference. At the end of the day one cannot construct an exclusively local government philosophy. Indeed it is the lack of promotion of a compatible national philosophy and strategy that has partly led to the failure to translate local government success into parliamentary victories.

There is no perfect answer to the Alliance Group question but merger would isolate many groups - on both sides of the divide - and would prevent future development. No merger leaves the door open for future unity with the right people.

9. POLITICAL ANSWERS NEEDED

The political danger of merger is that it is seen by many as yet another short cut to electoral success, requiring neither rigorous intellectual commitment nor committed local campaigning. Not only are there no short cuts to political success, but the only question to which merger is conceivably an answer is, how does one avoid having two leaders saying damagingly different things during an election campaign. That seems to be a somewhat dated question now. The current problem is how to avoid two leaders saying the same damaging things!

Those of us who loyally tried to make the Alliance work, spending in my case more time than I ought to have spared from trying hold Leeds West, as a Whip, attending and speaking at SDP Conferences, working on The Time Has Come, and on the manifesto, know that however reasonable the image and the publications were, they were not incisive and did not have an appeal to that constituency of young concerned idealists who have tended to support - and even work for - Labour because they saw no other better answer.

Recruitment Difficult

Up to the Alliance the Liberal Party was able to recruit such individuals when the party set its stall out for them. Many of our Councillors, candidates and officers are exactly this kind of person but it has often been a hard job persuading them to

stay in recent years. In addition all too often our rare recruits from this key group have come through personal acquaintance with a like Liberal rather than through any indirect means. Unless we only wish to win the plush constituencies we must appeal to those who currently drift to Labour by default. That means addressing issues of concern to feminists, youth, those concerned about the arts, about green issues, and about the developing world. Based on past experience a merged party will inevitably have less appeal than the Liberal Party on these issues.

During the six years of the Alliance there has been hardly anything substantial written on Liberalism and Liberal Values. Apart from Richard Holme's The People's Kingdom, there is only the book of essays Partners in One Nation and Alan Beith's rather different exercise for the 1983 election. I blame myself as much as anyone else, having only managed to produce a number of booklets, but no political movement can flourish without a flow of challenging books, pamphlets and lectures. The lack is symptomatic of the debilitating effect of seeking salvation by illusion which is now reaching its apotheosis in merger. This time, however, it would be irreversible. If we are to take on the likes of Tony Benn, Ken Livingstone and Peter Hain in debate, as has been done in recent years, or indeed similar Conservatives, it will not help to have those powerfully defensible Liberal values diluted with what Russell Johnston once called **"a mish mash of unsalted Social Democratic porridge."**

10. A REVITALISED LIBERAL PARTY

The most common reason I hear for merger is that we cannot go back to the present Liberal Party on its own. Of course we could, but no-one is suggesting that that is the alternative. It requires a great poverty of imagination not to realise that to be freed from the formal constraints that, including the Lib-Lab Pact, have for ten years prevented the Party renewing itself, would by itself give a new lease of life.

The Party did in fact begin such an exercise in the brief interlude after the 1979 election. At the Margate Assembly of that year we had a superb debate on Liberal Philosophy, after which Alan Watkins of The Observer commented to me that it was one of the most stimulating afternoons he had spent at any party conference. The following year we debated Liberal values and then, for 1981, prepared the mid-term programme, Foundations for the Future whereupon the whole process was hi-jacked by the Alliance. The later attempt with the "Liberty 2000" team fell on stony ground. It will not do so now. I have no doubt that there is also general support for a new look at our own constitution.

A Dynamic United Party.

We have a huge opportunity to become the party that many of us have always known we could be. The party that in February 1974 clawed its way up to the same vote pro rata as the whole Alliance gained last June. The party that recovered in two short years from the awful 1970 election result. The party that bounced back after Jeremy Thorpe's sad episode. The party has immense depth and responds well to encouragement and badly to being bounced. This is the time to convince, cajole, campaign and even provoke each other to take up the challenge.

David Steel has said publicly that if merger does not go ahead he will stand down as leader. I can understand his reasons but, in a way, it will be a pity to end almost twelve years as leader so starkly and suddenly. After all it is not David the individual who has brought us to the present situation; it is David's caricature of the party which has been unfair. Frankly, if it were possible, I would be happy to keep Steel if I could get rid of Steelism! If the two are one and the same, so be it, in which case that debilitating disparaging of the party - to which the party has also responded badly - would go with him. But it will not be enough for David to go if we are still bound by his legacy. We care for individuals but we also recognise that the decisions we make at this Assembly will probably outlast all of us.

Faith in the Future

It is one of the great paradoxes of modern politics that British Liberals have so little confidence in themselves and in their Liberal Movement. We are the largest Liberal Party in Europe and yet we have the smallest faith. We disbelieve the media on virtually everything else and yet we heed the way they write us down. We let others determine for ourselves what we are and we fail to answer unjust criticism. There may not be much time left for us to gather together our resources, emotional and physical: our urban society is, I believe, more precarious than we sometimes imagine. But if at Blackpool we start to recognise our key role we can surely prevail. It is appropriate that it is that splendid German Liberal, Ralf Dahrendorf, who speaks most clearly to our present debate:

"The issue today is not how to be social democratic, much as this may agitate the victims of adversary politics. The issue is what comes after social democracy. If this is not to be a Blue, Red or Green aberration, it will have to be an imaginative, unorthodox and distinctive liberalism which combines the common ground of social democratic achievements with the new horizons of the future of liberty."

The social democratic achievements are there in the legislative record of the 1940s and '50s. The rest is up to us. We can reach out for the new horizons of the future of liberty, if we so choose.

II. CONCLUSION

I allowed myself one rather wicked smile last week at the pro-merger Liberal News ads coming before the debacle over the policy declaration. Some on the list ought to have known better than to sign up without seeing the prospectus. But there is something rather odd when the pro-mergerists - many of whose leading names have never won an election at any time in their lives - are regarded by the media as the realists trying to make the Liberal Party see sense. Whilst the anti-mergerists largely peopled by Liberals who, rather quirkily perhaps these days, make a habit of winning, are regarded as the party chauvinists who want to keep to pure internal debate rather than being effective.

We shall also, no doubt, have most if not all of the Parliamentary Party trundled out for merger. There is always something slightly odd about the way the MPs choose to act corporately from time to time. It is rather like the brave survivors of a polar expedition coming to tell the rest of us who got killed off en route that, despite what everyone else thinks, they are sure that it was actually a rather successful expedition and all we need next time are somewhat different arrangements and we shall all survive. A sort of "With Steel to the Antarctic - The Worst Journey in the World," but now with David Steel playing Captain Oates! This Assembly is the Assembly of the whole party and the vote will, I hope, as so often on these special occasions, go with the debate.

I believe, with Councillor David Morrish, that **"Our constitution preamble, membership scheme and name are worth fighting for They are not memorabilia but assets for the future fight."** It would be criminal to end the Liberal Party without a deep, assured confidence that the alternative is going to be better. Unity within our Liberal Movement must not be set aside for a vague hope. We must not repeat the divisions that have so often in history undermined the effectiveness of Liberalism. Jo Grimond wrote recently: **"I believe that a majority of people want liberalism but so far they have not been offered it."** It is high time they were.

The proposals are not even the best deal that could have been gained. They have been undermined ever since they were pieced together. Reject merger on these terms and stand firm for that which has a far, far better hope of success.