# berator

"Welcome to the Liberal Democrat conference in Birmingham, please have ready your passport, national insurance number, driving licence, letter from the rozzers saying you've got no 'previous', inside leg measurement, name of your grandmother's favourite pet, grid reference of the first street you delivered, blood group type, urine sample ...and have a nice day."

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WELCOME TO T NATIONAL FES

• Countering Lords' reform opponents – Claire Tyler

♦<sup>™</sup> Why are the Lib Dems still floundering? – Tony Greaves

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**Cover Photo - Mark Smulian** 

# COMMENTARY

### CANYOU EXPLAIN, OFFICERS?

The astonishing course of the phone hacking scandal so far has seen the humbling of a media empire that many liberals will have seen as among their sworn enemies.

News International quite openly prostituted its tabloids' political allegiance to whichever party it felt would be most pliable in advancing its business interests – one reason why its papers largely ignored the Lib Dems and vice versa.

They were the papers that helped put Margaret Thatcher in office and in 1992 the ones "what won it" for John Major. With the Tories doomed in the mid-1990s, they switched without a bat of an eye to supporting Labour, which returned the favour by doing nothing to control the Murdoch empire.

When they switched their allegiance back to the Tories in 2009, it was business as usual, with senior figures in News International serving as both employees and personal friends of the prime minister.

So far, the scandal has made David Cameron's judgement look woeful, closed the largest selling national newspaper, stalled the Murdoch bid to control BSkyB and led to fresh calls for tougher press regulation.

But quite the most disturbing aspect so far has been the position of the police. If a disinterested observer were to conclude that the original phone hacking investigation was abandoned by the police because of a web of morally (if not financially) corrupting links between the police and News International, that observer would surely hold a reasonable view.

We have not, as yet, had any credible explanation from the police of why the first investigation ended with two people charged and the conclusion that hardly anyone was hacked. We also do not know who and what the police thought they were protecting then, and may never know.

But the whole thing stinks and, given how important the integrity of the police is to democracy, this matters a great deal more than does the conduct of News of the World journalists, appalling as some of that was.

The felling of a Tory tabloid, and the caution that is likely to impose on the Sun, might be causes for Lib Dem rejoicing. But the party should resist calls for excessive regulation of the press, as Nick Clegg has rightly done.

The scandal would never have come to anything without fearless reporting by the Guardian and Private Eye, and hasty legislation on the back of public outrage will inevitably be a disaster.

### WITHDRAW THE WHIP

Any Liberal Democrat peer who votes against House of Lords reform should lose the party whip, a step that in itself would prevent them from being selected as a party candidate for any future elected upper house.

A century ago, a Liberal government was locked in combat with the House of Lords over getting its budget enacted. That battle took two general elections and was resolved only messily by limiting the Lords' power to one of delay rather than rejection of legislation.

Since then, there have been various attempts to reform the Lords, each of which has been torpedoed by powerful vested interests or by those who wanted to make the best the enemy of the good.

A century after Asquith and Lloyd George realised that it is a fundamental offence to democracy that unelected people should be able to make laws, their successors now have a real opportunity to remove this anomaly, or at least to reduce the number of unelected legislators to a proportion that makes them largely irrelevant.

Yet despite Lords reform having been party policy for a century, out of the woodwork crawl those Lib Dem peers who rather enjoy their unelected and unaccountable power and do not want to have to trouble themselves with anything as vulgar as getting elected.

They enjoy the privileges and status of belonging to London's 'best club' and do not want to lose the right to ponce around in robes making laws to regulate the lives of others while having no democratic mandate from anyone to do so.

The argument is advanced that peers are there for their expertise and that experts would not necessarily be easily able to secure election.

This is specious on two grounds. Firstly, an upper house can take evidence from any experts it chooses to. Secondly, peers are chosen for their expertise usually in one or two fields, yet they are able to vote on legislation concerning anything, including matters of which they may be wholly ignorant. Let the new upper house summon evidence from those experts qualified to give it as and when needed.

Another argument made is that the current House of Lords 'works'. That claim could have been made by members of the all-hereditary house of 1911, whose members were doubtless of the same opinion in relation to their own rights and privileges.

The idea that those who make laws should be accountable to those who live under those laws is intrinsic to liberalism, and the minority of Lib Dem peers who want to frustrate reform so as to preserve their privileges and status are a disgrace.



#### **KEEP CALM AND CARRY ON**

Liberal Democrat MPs recently had an awayday in Bingley to take stock of where the party stands – as well they might after the debacle of 5 May – but reached few conclusions.

Attendees report that there was also an elephant present in the room, but no-one referred to it. This shunned pachyderm's name was 'loss of trust', something the party mislaid during the tuition fees fiasco last autumn and has yet to find again.

The awayday was preceded by MPs being invited to meet leader Nick Clegg's adviser Richard Reeves, a man with no discernable experience in the party, to see polling data and 'feed in' to the process.

One MP who did so was therefore surprised to find when he arrived in Bingley that Reeves's presentation appeared to be the same as the one he had already seen, unaltered by any MPs' observations.

"The line was just 'keep calm and carry on'," the MP said. "There was nothing on loss of trust, just that the coalition shows we can govern and take tough decisions and that people wouldn't vote for us before because they did not believe that we could do either."

Oddly enough, more people voted Liberal Democrat before the party sought to show off its tough decisiontaking skills.

One strong feeling that emerged from the awayday was that the Lib Dems should stop being the people who always bring bad news to the public about the coalition's actions.

A constructive session on relations with the trade unions and how the party should approach the pensions issue concluded that it should not be confrontational, and that the Lib Dems should do their best to push the Tories into the limelight rather than be the face of these reforms.

Unfortunately, this was rather spoilt because, even as this discussion took place, the hapless Danny Alexander was on television calming down the pensions issue as only he can.

To be fair to Reeves, he is not the only one to have failed to grasp the loss of trust issue. Local government minister Andrew Stunell was given a hard time at the Liberal Democrat group meeting at the Local Government Association conference in late June.

The assembled group leaders and deputies are normally quite restrained but Stunell was heckled, not least for his inability to see that tuition fees was an issue of trust rather than one of higher education finance.

He also annoyed the councillors by seeming indifferent to the idea that having police commissioner elections on the same day as the local elections in 2012 could deliver another shattering blow to the party's already damaged councillor base.

### SHOCK AND CONCERN

The fallout continues from Cowley Street's abrupt decision to dispense with the regional campaign staff, in the hope that the regions might somehow pick up financing and managing them.

As RB noted in Liberator 346, director of elections and skills Hilary Stephenson insisted the changes were neither a cost-cutting exercise nor a reaction to May's dire election results, and even referred to them being part of "a full plan".

The cat was let out of the bag, though, when she said she was working with the regions "with the aim of them moving from part funding of posts to fully funding staff," which could only logically mean that funding had not been agreed before the change was announced.

And so it had proved. A startling message in June from London region to its activists said: "The other big news was the sudden announcement by HQ of their massive reorganisation of campaigns staffing, which meant that the regions lost the major part of funding for our campaigns officers, and HQ declared the posts redundant.

"Regional officers have become very busy as a result of this and it has been an enormously unsettling time for the good people we have in the party – and not just in London."

It continued: "Like many of you, the sudden announcements caused us a good deal of shock and concern."

'Sudden'? 'Enormously unsettling'? 'Shock and concern'? Not words normally used to describe something that is part of "a full plan".

How regions are supposed to manage staff is among the unresolved questions. South Central, for example, has had an officer turnover for perfectly valid work reasons that would have made it difficult for it to manage staff.

Eastern region already paid a large chunk of its campaigns officer's salary, as did MEP Andrew Duff, and both have had to increase these to cover the loss of the Cowley Street contribution.

And MPs who depended on the regional campaigns staff were none too pleased to have their loss sprung on them.

"All MPs and local parties have been asked to make a contribution to employ/retain the employment of someone in the region. Not aware of anyone responding positively," one told Liberator.

The row about Cowley Street staffing led to an entertaining day for participants at June's meeting of the party's English Council. Chair Jonathan Davies's report was rejected because of a decision not to replace the English party's part-time administrator Paul Rustad when he retires in the summer, but to subsume this into an administrative post line managed by the federal party. There was also a barrage of complaints to Stephenson about the handling of the regional campaigns officers issue.

### YOU CAN'T COME IN LOOKING LIKE THAT

Search the Liberal Democrat constitution as deeply as you like, and you will find no reference to the police deciding who represents local parties at its conferences.

But that is what is happening now as all applications to attend the conference have to be vetted by the police, who can 'recommend' that someone is excluded.

Party members and others attending now have to give every personal detail short of their inside leg measurement to the police, who can hold the information indefinitely and pass it to other police forces "to assist with the accreditation of subsequent political conferences only".

David Grace, who is preparing a business motion critical of the arrangements agreed to by the Federal Conference Committee, e-mailed the FCC to ask how the decision had been arrived at.

He asked: "You do not say what you require the identification information for and to whom the information will be passed. I understand that the party intends to pass the information to the police.

"If this is the case, then you should inform people of that intention and what use the police will make of it. Do they intend to advise the party on who may attend conference? Many of us may object. This is NOT a trivial matter and concerns data protection.

"As a party and in government we have opposed and stopped the introduction of identity cards. Conference Committee should be aware that many members will take exception to the party using their personal information in this way, particularly without their explicit consent."

Back came the reply: "As you can imagine, FCC discussed this is at length and we are definitely aware of the concerns party members may have about supplying certain personal information. The decision of what security level is appropriate and what this requires us to do as a party is decided primarily by the Home Office and Police. We have certainly pushed back wherever possible and are only asking conference attendees to supply the minimum data the police have asked for.

"We appreciate entirely that some members may take exception to supplying certain data, but do hope that you trust that these concerns have been discussed and addressed as best possible. While ultimately we have to follow police advice we will of course take any comments or concerns raised with us very seriously."

What all this really concerns is the insurance of the conference, since insurers will not cover the event unless police advice has been followed, effectively forcing the party to follow it.

That leaves some unanswered questions: why is this level of security needed now when it wasn't for Liverpool last year or Sheffield in March; why must the data be stored indefinitely; and how can conference committee or anyone else control what the police actually do with it?

Will it affect attendance? One prominent council

leader told Liberator: "There is a big difference between the police giving 'guidance' and instructing us on who may and who may not attend conference. I have no objection to the airport style security arriving on site. But this additional check is an affront to rights won and we should stand our ground."

#### **MID-TERM BLUES**

The coalition agreement's list of policies will run out some time around the middle of the parliament, by which time they will have either been enacted or judged best dropped. So what will the coalition do for the rest of the parliament?

It seems that nothing has been agreed in terms of how the mid-term review for the coalition -a refreshment of ideas and potentially some new policy initiatives - will proceed. No terms have been set down for how the outcome will be agreed, between or within the parties.

Various exercises have been held to try to fill this gap on the Liberal Democrat side, and it is likely that the agendas for the next two conferences will heavily feature ideas designed to go into the mix, with the 'Facing the Future' exercise looking at longer-term suggestions for a general election.

It is not clear how far the Federal Policy Committee will be involved, not least because there is tension between it and Treasury chief secretary (and main Clegg bag carrier) Danny Alexander ever since it voted by a large majority to eject him from its chair last autumn in favour of Cambridge MP Julian Huppert.

There is thought to be a working assumption that party conference will need to ratify any agreement on aims for the second half of this parliament at its autumn 2012 meeting.

An amendment to the strategy debate at March's Sheffield conference from the Social Liberal Forum, which was debated only following an appeal after the Conference Committee tried to throw it out (Liberator 346), resulted in a joint working group of the FE and FPC being set up to set out a more detailed process.

Someone also needs to sort out the havoc caused by the Federal Appeals Panel taking it upon itself to rule the 'triple lock' unconstitutional after it had been in undisputed use for 12 years (Liberator 346). A joint FE/FPC working group is deliberating on how to reassemble it.

### LATE STARTERS

The search for a Liberal Democrat candidate for 2012's London mayoral contest continues its entertaining path, with assembly member Mike Tuffrey and previous contender Brian Paddick throwing their hats into the ring.

The shortlist includes two other contenders; Lembit Öpik, whose vainglorious campaign has yet to secure the support of any London Lib Dem of note, and Brian Haley, a former Haringey Labour councillor who defected to the Lib Dems only last year.

To add to the fun, Patrick Streeter is still threatening various forms of legal action over the party's refusal to allow him to put himself forward for the candidacy.

The obvious question is why Tuffrey and Paddick waited until the last minute to enter the race. When nominations first opened last year, the only contenders were Öpik, Shas Sheehan and Jeremy Ambache. The latter two were not well-known, even within the Lib Dems, and Ambache subsequently left the party.

Either Tuffrey or Paddick could have wiped the floor with those three, but chose not to stand. London region, faced with the horrible prospect of Öpik as its candidate, aborted the process (Liberator 342). It resumed proceedings only this spring and Tuffrey, with almost everyone who matters in London telling him to stand, finally agreed to do so.

But then Paddick mysteriously reappeared, claiming to have learned the lessons of his 2008 campaign. During that campaign, he became noted for failing to take advice, putting people's backs up and being, so-tospeak, flat-footed on anything except law and order.

He compounded these offences by subsequently choosing to publish an embarrassing campaign diary in, of all places, the Daily Mail (11 May 2008), in which he insulted one of his press officers (Liberator 326).

Paddick clearly realises some of these failings; he launched his campaign with an extraordinary *mea cupla* on Liberal Democrat Voice (29 June), in which he said: "I was an uptight, politically naïve ex-police officer with no experience of party campaigning or working with activists. I got a lot wrong... I was far too serious about everything. I was terrified of Punch and Judy, of Paxman and Sopel and I had unrealistic expectations of what to expect from the party. I was, quite frankly, a bit of a pain!"

Despite this track record, and for motives that are not clear, Nick Clegg has chosen to back Paddick's candidature. Clegg went so far as to invite Paddick to his recent meeting with the family of murder victim Milly Dowler.

From having little choice, London party members are now spoilt for it. Tuffrey might not be a charismatic figure but he's not an embarrassing buffoon (Öpik), he's not already run a dreadful campaign (Paddick), he's never appeared on *I'm a Celebrity... Get Me Out of Here!* (Öpik and Paddick), he's not a johnny-come-lately (Haley), and he's not offended regional officers by embroiling them in litigation (Streeter).

His long experience in London's local government, and of battles with both Boris Johnson and Ken Livingstone, also means he could actually both campaign effectively and do the mayor's job.

#### **THEM'S THE RULES**

The 'yes' campaign in the AV referendum seems to be an inexhaustible source of tales of incompetence and stupidity.

One of the most amazing concerns a Liberal Democrat organiser who asked for 15,000 leaflets for the three wards in which he had full delivery networks.

Back came the reply that it had been decided that each ward could have only 1,000 leaflets in the city concerned, regardless of their size and anyone's ability to get them delivered. Therefore, he could have only 3,000 leaflets, even though he could get the other 12,000 delivered and no-one elsewhere in the city could.

The organiser pointed out that this policy would mean only a small part of each organised ward would get delivered, while the other 12,000 leaflets went to waste. What, he asked, did the 'Yes' campaign officials propose to do with these leaflets instead of letting him deliver them? "Pulp them," came the reply.

### **BATTLE OF NUMBERS**

Even among Liberal Democrats, the Middle East is a subject barely capable of being debated with civility, yet it appears that the Palestinian cause has pulled ahead of that of Israel, at least in terms of numbers.

The party has carried out one its periodic reviews of the status of associated and specified associated organisations. This review, conducted by Brian Orrell, recommended that Liberal Democrat Friends of Israel should have its AO status provisionally renewed until 2015, "subject to submitting a plan [by September] for increasing the membership from the current minimum of 30".

Yes, you read that right, 30. The Liberal Democrat Friends of Palestine, by contrast, had its AO status renewed without conditions, suggesting it must have rather more members.

Elsewhere, the review gave only provisional renewal as an SAO to the Liberal Democrats Lesbian and Gay Association "subject to successful implementation of a plan to reverse membership decline and increase from 200 at present to the minimum threshold of 250 by the end of 2012".

Demotion to mere AO status also beckons for two other SAOs, the Association of Liberal Democrat Trade Unionists and the Liberal Democrat Lawyers Association, neither of which troubled to submit the required documentation to the review.

The Humanist and Secularist Liberal Democrats were recommend to be suspended as an AO for failing to supply any documents, as was Dagger, the electoral reform pressure group. But then now is probably not the ideal time to be recruiting for that particular cause.

### LINED FOREHEADS

The Social Liberal Forum conference on 18 June was an excellent event, and quite unlike those navel-gazing 'radicals at the crossroads' gatherings of the 1980s.

Party event organisers might, however, be wary of adopting one innovation used. During the final session, a Twitter feed was set up to show the audience's comments.

Lib Dem-turned-Labour speaker Matthew Sowemimo found himself interrupted by derisive laughter as unflattering comments appeared, while Simon Hughes's legendary lateness also caused much mirth.

But what caused most amusement was that the Twitter messages were inadvertently projected onto speakers' faces due to the unfortunate positioning of the screen, with the result that comments about speakers were plainly visible on their foreheads.

Imagine if this procedure were followed at the main party conference during, purely by way of example, Danny Alexander's speech.

### LANSLEY UNDONE

# The party finally found its voice over NHS reform, but the politics of the Health Bill have been inept, says John Pugh

In July 2010, Andrew Lansley arrived in the House of Commons and announced the liberation of the NHS – a White Paper that promised the biggest revolution in it since 1948.

What happened to the coalition agreement about no more top-down reorganisations? What about the practicalities of huge structural change against a background of massive financial and clinical challenges? Where did all this come from?

At the first meeting of the parliamentary party after this bombshell, I raised my concerns. I can recall being told by a minister colleague that Tory ministers had told him that Lansley's proposals were 'a big win' for the Lib Dems. I can also recall being told that Lansley had formulated them six years ago.

Unhappiness mounted. NHS organisations beat a path to my door to tell me their reservations and their concern that the Department of Health wasn't listening.

At the September 2010 party conference, Paul Burstow and I did a double act at fringe meetings, singing different and discordant songs about the benefits and the perils of the plans.

The consultation about the White Paper (not about whether, but about how to implement the Lansley plan) proceeded throughout the autumn. Informed commentators lined up to pick holes in it. Despite a Command Paper being issued at the end of the year, I sensed that the Treasury was getting cold feet and Oliver Letwin was asked to look over Lansley's plans.

I gave Letwin a paper on what I thought were the flaky financial underpinnings of the plans. Reports rolled in of a service undergoing the institutional equivalent of a nervous breakdown, but still the bill was published and given a second reading. I served on the committee stage of the bill anticipating fireworks at Report stage.

And then came the spring conference; Shirley Williams speaking out, Norman Lamb bravely breaking cover and Tory private polling showing Lansley's ideas were tanking... and then the 'pause' and the 'listening exercise'.

Nick Clegg and his office deserve considerable credit for political realism at this point, and for being prepared to play hardball when needed. I helped put them in touch with the movers and shakers within the NHS because we knew any change would have to be more than a negotiation among politicians but would have to involve the whole NHS community.

Evidence rather than ideology was starting to shape the legislative process. We may not be out of the woods even yet, but we have learnt some valuable lessons.

Firstly, government is a lot harder than it looks. You have to remember that the vast bulk of coalition ministers are beginners. Confident, clever and charismatic they may be, but those characteristics do not automatically give you all the competencies needed to avoid the bear traps ahead. Secondly, coalition government works best when it is policy led by evidence. Then it's not just a clash or a compromise about ideologies and prejudices. This makes the case for pre-legislative scrutiny of legislative proposals, which is exactly what the next big Health Bill will get.

Thirdly, that 'listening' is a much underestimated art. Letwin told me that, if governments are to do bold things, they must act quickly while they still have 'political capital', even if they have to re-visit the plans they enact. I made the obvious point that hastily implementing a hastily agreed coalition agreement and then returning to modify proposals is not perhaps the best way to get a reputation for competence.

Ever since the end of the class war, ministers and prime ministers have sought to make their name by 'reforming' public services. It's what governments do these days. But whereas in business, people change their organisations only when necessary and only after their workings have been properly understood, ministerial reputations are built around hubris and intemperance. The groans of those tasked with implementing their schemes are taken as sure testimony that they are on the right track.

That the Lansley reforms have been substantially modified in sensible ways will ensure that posterity will judge him more kindly than perhaps his contemporaries do.

However, he has now ensured that the struggle to find the £20bn NHS savings prescribed by Alistair Darling will be blamed firmly on the coalition. When we read next year of hospitals collapsing under PFI deals negotiated by Gordon Brown, this government will carry the can. The NHS problems Labour left us will seem like the problems Lansley generated.

The politics of this are stupendously inept. Arguably, Lansley understands health better than Michael Gove understands education, but the potential to wreak politically damaging havoc is greater.

One real good that has emerged is that the wider party has found its voice. That voice and the internal debate that accompanies it will be much needed as we live with the fallout of what has been a very strange year for the NHS.

John Pugh is the Liberal Democrat MP for Southport and co-chair of the parliamentary policy committee on health and social care

### HEALTH BILL 'FUTURE FORUM' FACES TWO WAYS

### The Liberal Democrats have trumpeted the changes they achieved in the Health and Social Care Bill. John Bryant questions how good these changes really were

Since my article in Liberator 345 on the fortunes of the Health and Social Care Bill after the Liberal Democrats' spring conference in Sheffield, we have had an official pause in the Bill's legislative journey, a listening exercise, a report from the Future Forum, and publication of amendments to the Bill.

Activists have also attended the Social Liberal Forum's conference on 18 June, which received feedback from Evan Harris, one of the key campaigners for change.

My own modest role in the campaign for change was to convince Camden's Health Scrutiny Committee to make a submission to the listening exercise, setting out support for the 25 amendments that the Social Liberal Forum was promoting at the time. Since then, there have been various claims that the vast majority of these suggested changes have emerged as formal amendments to the Bill.

So that's all right then? Well, I think the gushing self-congratulations that have been published in recent weeks need to be tempered a little.

Not everyone in the NHS family of interests has declared its happiness with the result of the listening exercise. For the second time this year, the BMA voted at its annual conference (following a critical emergency meeting in March) to support a motion calling for the Bill's withdrawal, despite a call from its leadership not to be too critical now that the Bill was to be amended.

At the SLF conference, Evan Harris was critical of the report of Future Forum (the body appointed by the government to carry out its 'listening exercise' on the Bill), as it was littered with anecdotal references without a coherent analysis of the feedback it received from the many respondents to the listening exercise.

### **CLASSIC BUREAUCRATS**

There was also an example of the classic bureaucrats' answer to every problem by creating more committees. The Future Forum argues: "There should be a strong role for clinical and professional networks in the new system and multi-speciality clinical senates should be established to provide strategic advice to local commissioning consortia, health and wellbeing boards and the NHS Commissioning Board."

A clinical senate may well be a useful adjunct to the more formal commissioning landscape, but something similar already exists outside of formal NHS structures. One example is UCL Partners, which is a research body bringing together clinical leaders in Foundation Trusts in my part of north London to think through the best way of providing clinical pathways for specialist acute services. Its work in helping to shape the development of Hyper-Acute Stroke Units (HASUs) has led to the new HASU based at University College London Hospital (UCLH). This is now reported to be the third best performing HASU in the UK, with rapidly improving survival rates compared with the old regime.

So while such innovations as clinical senates may be useful, I am not sure that giving them a statutory role will make their contribution even more valid than at present. The key to progress here is to ensure that clinical recommendations on patient pathways from such informal bodies are given effective scrutiny in public by scrutiny committees either at borough or regional level.

I am not entirely convinced by the Future Forum's statement: "We have heard many people saying that competition and integration are opposing forces. We believe this is a false dichotomy. Integrated care is vital, and competition can and should be used by commissioners as a powerful tool to drive this for patients."

In developing an integrated care pathway for stroke patients in North Central London, the clinicians presented a case for UCLH to be the HASU, while other hospitals such the Royal Free in Hampstead would develop and expand their rehabilitation service for supporting patients in the period following the first three critical days after a stroke. Had a competitive approach been followed, both UCLH and the Royal Free would have had good claims to be the HASU, and a lot of time and money would have been wasted judging between competing bids. So in my own local example, working together to create a well-organised integrated care model produced the desired improving health outcomes, without competition being involved.

The Future Forum report later backtracks on the competition issue with this: "Most importantly, the Bill should be changed to be very clear that Monitor's primary duty is not to promote competition, but to ensure the best care for patients. As part of this, they must support the delivery of integrated care."

Without specifying clearly how integrated care models are to be created by using competition, it begs the question whether this report was designed to please both Conservative and Liberal Democrat members by providing a fudge between the different forces in favour of either competition or integration.

Future Forum's more detailed report *Choice and Competition* sets out some principles for a new Framework, which are: delivering choice; encouraging collaboration and integration; market making; improving outcomes; personalising care; reducing health inequalities; and enabling informed citizens. The most worrying of these for me is the principle of 'market making'. The section of the report devoted to this topic talks about new entrants to the market, but concentrates on the creation of new social enterprises rather than admit the existence of the elephant in the room – the possibility

"The most worrying of these new principles for me is the principle of 'market making'"

of many more services being commissioned from the independent sector.

The government's formal response to the Future Forum appeared to take on board many of the fears of Liberal Democrats, ruling out cherry-picking and competition on price. However, it is noticeable that the summary of *Choice and Competition* also states, "we will phase in the extension of any qualified provider". What this 'extension' might entail could be anyone's guess but, if you are naturally sceptical of anything the Tories put forward with regard to competition in health services, I would remain alert to future interpretations of this throwaway line.

One of the big worries regularly expressed by both providers and patients is that competitive tendering by clinical consortia (even on quality rather than cost grounds) could put some well-loved institutions such as Foundation Trust hospitals out of business because, without a certain level of core business, they may become unviable.

So even assuming that most of the new amendments to the Bill are supported across the coalition and are welcomed in the Lords, there is still more that Liberals should be doing.

As this Liberator was being prepared, Liberal Democrat conference representatives were being urged by SLF activists to put their names forward in support of a new motion for the autumn conference. It is drafted by Charles West and calls for all the new NHS structures created by the Bill to have a common duty when commissioning services to "avoid the risk of a transfer of such income or case-load as to undermine the ability of existing providers to provide emergency, complex case and intensive care services, and to provide education, training and research."

It also suggests that Monitor's duty to prevent anticompetitive behaviour, which is against the interests of patients, is matched by a duty to prevent anticollaborative behaviour for the same purpose. So what else should Liberals be doing? Besides supporting SLF motions at conferences, there is some useful work at a local level too. Many principal local authorities have created shadow Health and Well-Being Boards and it is through these that Liberal Democrat councillors can argue for better integration of health and social care

providers as they redefine patient pathways. They can also argue for much greater transparency of decisionmaking by all local providers, including Foundation Trust Boards.

Members of scrutiny committees could also challenge board members of emerging clinical consortia to avoid engaging arms-length organisations from the independent sector to carry out commissioning functions. PCTs were forced to shed around half their staff this year because of Andrew Lansley's decisions to cut management costs, but the remaining post-holders should be those with the expertise to understand the intricacies of health contracts. Retaining the transactional task of commissioning as an in-house function of consortia by them directly employing their own (hopefully ex-PCT) staff is something that Liberal Democrat councillors could and should be arguing for.

Liberal activists not serving on councils should continue to make their voices heard through their local press, urging local editors to spend some time on investigating the various interests that are hovering in every community to get a slice of the NHS cake.

I ended my last article on these issues by alluding to a "reasonably managed muddle". I am not yet convinced we will achieve anything better than this, despite the good work done by campaigners on improving the Bill. The Future Forum report attempts to look in two directions at the same time and, while many of the amendments to the Bill are welcome, it is the behaviour and motivation of the key players in every locality that will need to be closely monitored over the coming months.

John Bryant is a member of the Liberator Collective (as 'William Tranby') and a Liberal Democrat councillor in Camden, where he chairs the health scrutiny committee. He is also vice-chair of the North Central London Joint Health Overview and Scrutiny Committee

### Getting your copy of Liberator 348

Security hassles at the Liberal Democrat conference nowadays make it increasingly impractical for Liberator to continue to take its whole print run there and distribute copies to all subscribers present from our stall.

Therefore, for the first time, our conference issue will be posted to subscribers in early September, before the conference, together with renewal notices where needed.

Please do still come and see us on our stall to renew your subscription, talk about the magazine's content, buy the new edition of the Liberator Songbook, and drip unattributable gossip into our ears!

Publication before conference also means that, unlike before, you can write in the September edition about forthcoming conference matters. Send your articles and letters to the usual e-mail address: collective@liberator.org.uk

### **OFF WITH THEIR ROBES**

# A few months in the House of Lords has been long enough to convince Claire Tyler that it needs radical reform

As a Liberal Democrat, I am a firm believer that an elected second chamber is a fundamental part of strong government and a healthy democracy. It is a cause that has been dear to our hearts – and those of our predecessors – for more than a century. We are hardly preaching revolution here, rather the slowest sort of evolution.

As a newly arrived Lib Dem peer still trying to find my feet in a very curious institution, I am equally firm in my belief that the only way we are likely to get reform on the statute book is by being pragmatic rather than purist. The initial reception of the Draft Bill and White Paper in the Lords was hardly encouraging and made a mockery of the fact that the 2010 election manifestos of all three main parties contained a commitment to a wholly or mainly elected House of Lords. Short-term political advantage plus the lure of some more Lib Dem bashing proved too tempting for most – but not all.

Most of the arguments put forward were essentially a smokescreen for the preservation of the status quo, which comes down to a combination of entrenched privilege and party patronage. However, I am beginning to take heart from some of the more unexpected voices for change, and hoping that the debate might start to take on a more rational and progressive tone. In particular, in the recent debate in the Commons, some progressives on both the Conservative and Labour benches were staving faithful to their manifesto commitments and spoke up passionately for reform. David Miliband and several other Labour and Conservative MPs argued strongly that the key issue was strengthening the powers of the combined chambers against the might of the executive in the interests of strong and healthy government.

Of particular interest is whether David Cameron sticks to his word on this one. Can he deliver the backwoodsmen in his party, who seem wedded to privilege and entitlement? And, of course, can Ed Miliband lead his hopelessly divided troops on this issue and how? Will Labour's wish to be seen as modernising reformers win over the party's rabid dislike of the provenance of these reforms?

Liberal Democrats are, above all, democrats. Being wary of concentrations of power is hardwired into our DNA and we want to see political power dispersed as widely as possible. It should be so straightforward for us.

From my five short months as a peer, I don't deny that the House performs its scrutiny and revising role well and I have much respect for my fellow peers, who do a professional and informed job very conscientiously. The need for such a role is manifest. The quality of some of the legislation coming forward at the moment is lamentable, as the recent debacle over the NHS reforms has shown. The Public Bodies Bill is another case in point. For me, the overriding issue is that of legitimacy. Surely it is right that those who seek to govern and pass laws that others are obliged to obey are elected by the people. Where else can that legitimacy come from if not the ballot box? The current system – a curious cocktail of political patronage, appointments, hereditary privilege and the established church – certainly doesn't allow us the high moral ground to preach the undeniable superiority of democracy to despots.

Now you may think this all sounds a bit rich from someone who has just arrived in the House on the back of political patronage! My response is that the new Lib Dem peers all went in on a reforming ticket and I'm not aware of any that oppose reform. Of course, there are contrary voices in the wider group and it's for them to explain their views. Much has been made of the recent Times Survey, which indicated that 46% of Lib Dem peers were against reform.

My strong sense is that many Lib Dem peers (myself included) did not respond and thus the results are heavily skewed to those opposed to reform. My short time in the House has already reinforced my views on the need for radical change in its composition and workings.

The proposed changes are indeed evolutionary. Over a transition period of ten years, the Lords would change from a largely appointed to a largely elected House, starting at the general election of 2015. It would be elected in thirds by either STV or a list system using the regional European constituencies. Members would be elected for a non-renewable 15year term and ex-members would be debarred from standing immediately for the Commons. The elected upper house may also retain 20% of appointed peers. While purists will inevitably decry this, it will make it easier to secure acceptance of this package, and this sort of hybrid second chamber is by no means unknown elsewhere, including Italy, Ireland and India.

Indeed, it's instructive to look further at some international comparisons. Professor Robert Hazell from the respected Constitution Unit has pointed out that three-quarters of bi-cameral democracies have largely or wholly elected second chambers and seem well able to deal with the 'primacy' issue.

Hazell has argued that many of the 61 second chambers have safeguards to ensure they do not challenge the primary of the first chamber, which shows that lessons from overseas are being considered and that this can be made to work without the world as we know it coming to an end.

Various arguments were mounted in the Lords as to why reform should not go ahead and it's important that proponents have compelling counter-arguments. Reasons for retaining the status quo included:

Members of an elected second chamber would not accept that they had a lesser mandate than members of the House of Commons. An elected second chamber would demand more political powers (for example, the ability to reject, not simply delay bills; financial powers) and therefore the balance of power between the two Houses of Parliament would change

- An elected house would be dominated by professional politicians and would lose its more independent character, and the expertise of members who have had careers outside party politics.
- If the House of Lords' main purpose is as a revising and scrutinising chamber, it does not need to be directly accountable to the electorate.
- It performs an effective role as a revising chamber as it is.
- After the AV referendum, there is little public appetite for constitutional reform, and the public does not want yet more elected politicians.
- If the House of Commons is to retain more political power than the House of Lords, who would stand for election to a less powerful chamber?
- Elected members would expect a salary, pension and office staff. This would cost the taxpayer more than the current expenses system.
- The House of Lords could be reformed in less radical ways to make it more effective and to reduce its size.
- If members cannot stand for re-election, it undermines the argument about elected members being more accountable to the public.
- Having both elected and some appointed members could cause difficulties. For example, what would happen if the government was defeated by the unelected members?
- Retaining Church of England bishops, and not guaranteeing representation for other religious groups, undermines arguments about increased representativeness of a reformed House of Lords.

But probably the loudest protest has come from those that argue that no change can be made to the Lords composition without a fundamental review of its powers and functions in relation to the Commons.

There has been talk of 'gridlock', as an overmighty second chamber, emboldened by a democratic mandate, challenges the primacy of the Commons and seeks to prevent the government from 'getting its way'.

I'm clear that the overriding need for democratic legitimacy trumps these arguments and the case for reform is simply put:

- The House of Lords' lack of democratic legitimacy undermines its capacity to act as a check and balance on the executive and undermines parliament.
- With roughly 800 members, the House of Lords is too large. The size needs to be reduced although there is room for debate on its new size.
- Different systems of election, different geographical constituencies and different

length terms for the two Houses would prevent competition between them. Because the members of the upper house would be elected in tranches, it would never have a more recent mandate than the House of Commons, which would retain primacy.

- Long single terms would uphold the independent spirit of the House of Lords, since elected members would not speak with a view to contesting the next election.
- Expertise can be obtained in different ways not least by taking evidence from experts.
- Gender balance and diversity would be much enhanced along with far more equal representation from the regions.

Getting reform through the Lords will clearly be tough going. I suspect, if anything, opinion has hardened but there are also voices in favour of reform and modernisation, including on the opposition benches, and we need to work with them and encourage them.

Indeed, in a recent debate about the working practices of the House, I argued for more cross-cutting select committees to make better use of expertise on matters requiring a longer-term perspective, and it became clear that the acrimony of the previous debate was already receding with the need for some reform being more widely accepted.

I'm a pragmatist, and if it helps for us to make progress on some of the smaller, interim reforms (such as making statutory provision for retirement), I think we should.

It would certainly help if it looked like Lib Dem colleagues in both Houses actually talked to each other on this subject from time to time. Clearly, the timing in the wake of the AV referendum is far from ideal but there will never be a good time – hence the 100 year wait.

Above all, we must be careful not to come across as a party of constitutional obsessives out of touch with the electorate. But we must also hold true to our principles and values. Government is about tackling a range of tricky issues at the same time. So yes, let's focus on the economy, the NHS, youth unemployment and social care, but let's not miss this opportunity to complete the historic reform process started by Asquith a century ago.

And finally, if any sinews still need stiffening, consider this argument recently made Roland Watson, political editor of the Times, albeit as a pretty backhanded compliment: "Mr Clegg could make the following case for reform of the Lords: democratic legitimacy is imperative for a modern state. The upper chamber might become more powerful, but with merit. Too much shoddy secondary legislation, currently off limits to peers, slips through. If a more muscular upper chamber had a vote on war, perhaps we would have never gone to war, perhaps we would never have gone to Iraq."

Perhaps constitutional reform isn't just for cranks after all.

Claire Tyler is a Liberal Democrat member of the House of Lords

### STILL FLOUNDERING

# The Liberal Democrats show no idea of how to play the politics of coalition, or of how to publicise their achievements, says Tony Greaves

It's now nine months since Oldham East and Saddleworth, a result we thought was poor and now looks quite good. At that time, we were already getting, mainly, dreadful council byelection results. The entire media had turned hostile. And the party was floundering at all levels.

What, we wondered, had gone so wrong? Surely it was not the fact of the coalition. It was not even, we thought, coalition policy blunders such as tuition fees, though they now look like a disaster from which we may never recover. We thought that the coalition agreement (*Our Programme for Government*) was fair enough, with enough good Liberal Democrat policy to counter the less palatable Tory stuff and lots of examples where the Tories had to compromise. The Tory Right was unhappy – far more so now – so why were we the ones in the deep and sticky?

Nine months on, everything is a lot worse. The May elections were a disaster, most of all in the places that had given us new credibility in the previous two decades – the northern cities and Scotland. The opinion polls may have stopped going down, but at 10-11% that is hardly a cause for joy. The party at local level has not yet broken up (though another year or two of sweeping council losses will have that result). But at all levels, there is a sense that people haven't got a clue what to do about it all.

Is it failings by our ministers? There is growing recognition that, below the top level, Liberal Democrat ministers punch well above their weight and are harder-working and more effective than the balance of their Conservative colleagues. For many of them, I have nothing but praise and admiration, though some might have benefited from reading Chris Mullen's diaries as a check-list on their relationship with their civil servants.

But who out there knows what is going on within the government, good, middling or poor? The media rarely see beyond members of the cabinet, and here lies a real problem.

### **CRAZY AGENDAS**

For the past year, we have seen too many Tory secretaries of state leaping into action with their own crazy agendas. What people at high levels have called "heroic" legislation.

It started with Michael Gove's flamboyant but flawed Academies Act. Andrew Lansley's plans to dismember and recast the NHS may or may not have been halted in their tracks. Francis Maude's dismal Public Bodies Bill had to be substantially sorted out in the Lords. We saw the possibly heroic but evidently stupid actions of Eric Pickles in selling out local councils on day one of the comprehensive spending review, and Iain Duncan-Smith's ill-thought out plans for housing benefit. What all those had in common is that they were not in the coalition agreement. While Liberal Democrats, civil servants, academics and even the odd journalist ticked off things that are in the agreement, out-ofcontrol Tory warlords galloped over the horizon with radical and often dangerously illiberal ideas that are not.

And Liberal Democrat ministers, MPs and peers have been left dazed, trying to limit the damage as best they can. There are more 'train wrecks' in the pipeline. The housing benefit stuff is still with us and the massive cuts in legal aid are bearing down. If you thought forests were a disaster, watch out for the badgers.

After Oldham, many of us felt there were four things that need tackling with urgency. First, a clearer Liberal Democrat identity in the coalition. Well we've seen the end to Nick Clegg's foolish mantra that both parties must 'own' every coalition policy. Many of the compromises and trade-offs have now seen the light of day, but we still need to put our label on the things that are clearly Liberal Democrat. Things we support that the Tories would not have done; compromises that have pulled the Tories in a more Liberal direction.

The changes to the Health and Social Care Bill have been the most dramatic examples of Liberal Democrat influence. But politically they are too late and too complicated. Like the new system of funding tuition fees, they are a triumph of internal negotiation, of clever people finding cunning compromises. Politically, the answer was to withdraw the Bill and start again. For the first time in eleven years as a peer, people have started to ask me if I voted "for or against" a new Bill (something we don't usually do in the Lords anyway). They don't understand the complexities and nuances of legislation. The health bill could have been a gamechanger but we have muffed it.

Second, new rules for a new political situation. From the start – and enforced at first in memos from top civil servants, "they who must be obeyed" – everyone tried to force the square peg of coalition into the round hole of one-party government. It doesn't work. Two parties have a right to different principles, different policies and different views of the world.

It's foolish to pretend they don't exist and won't come out, and that is exactly what is now happening. There is nothing wrong with debate within government (livelier and more productive now than for many years), so why not let some of it out into the fresh public air? In both the Lords and Commons, parliament shows new signs of exerting itself.

But the Liberal Democrats have not adapted to this. In the Lords, over a year into this parliament, we are still trying to work out how best to exert influence as an autonomous party but within the coalition. It's more difficult when we have to deal with foolish proposals that were in the coalition agreement (elected police commissioners, referendums on European treaties, and now – in the so-called Localism Bill – elected mayors in eleven big cities). There have been substantial rebellions in the ranks. But they are rather ad hoc and our leadership in the Lords tries to carry on as though they were not happening. In the Commons, the Liberal Democrat whips office seems to be a wholly-

owned subsidiary of the government. Good whipping is a two-way operation but it's not clear how much effort the Liberal Democrat whips put into representing the views of our troops to the government.

Third, better communications in the party. No-one had worked out what new structures and channels we would need for our open and democratic party to operate effectively in a coalition environment. The new parliamentary committees are a useful innovation, but more is needed.

Most of all, the powers-that-be are still not telling our members, elected representatives and activists what we are doing in government – what has been achieved and what compromises and trade-offs have been made. We have a party full of people who understand these things, and who do not take kindly to being treated like kids (or indeed being instructed to believe in things that may be necessary trade-offs but which we do not believe in).

The email briefings and bulletins that the party sends out too often just parrot the (Tory) government line. When Liberal Democrat political pressure results in changes, the briefings may reflect this, but after the event and with no account of what we were all trying to do. It's a bit peeving to get a Liberal Democrat briefing telling me that the legislative nonsense I am trying to challenge and change is actually rather wonderful. But there is little communication between people working in parliament for the party's policies and principles, and the drones who churn out this stuff.

Fourth, an effective Liberal Democrat media operation. If ministers and people 'close to them' cannot explain clearly to journalists what is going on, how do they expect those journalists to report them 'fairly'? The stuff that is churned out is at best superficial. The processes of politics inside the coalition are still largely kept secret. Except, of course, no government can prevent 'leaks'. So the press report them on their own terms, inaccurately and in terms of rows and splits, and end with accusation of sell-outs. It's opening up a bit but it's time to be more open and honest, and to allow both coalition parties to explain their points of view and set out the agreements, compromises and trade-offs that are being debated and eventually made. And on those issues that are not by any stretch central or strategic, allow and accept that parliament itself might make some changes when laws go through.

"We've seen the end to Nick Clegg's foolish mantra that both parties must 'own' every coalition policy" People are now talking about "coalition phase two" – the last two years of this parliament – and what policies we can put forward. But it's all being done hush-hush with secret papers handed out at meetings and collected in again.

The biggest problem remains why we – week after week – agree to things that are politically bad for our party. The

things that piss off our core voters (students, white collar public sector workers, left/liberal professionals, residents of northern towns and cities, etc.) and the things that make life harder for us to win.

### WHAT MADNESS IS THIS?

The constituency boundary changes are a classic case. We knew they will knock us down more than either Labour or the Tories, so why were we whipped so hard to get it through? The AV referendum on the same day as the council elections – always a disaster waiting to happen – and now police commissioner elections on council election day next year. What madness is this? Many of these things are high-level deals ("sealed in number 10") and, however hard we try, we can't get them changed.

But who is there to do it? The people who should be doing it are Clegg's special adviser Richard Reeves and his people, whoever they are. But in that quarter, and even among the increasingly PR-based staff at Cowley Street, there seems to be little understanding of our party and little sensible communication with it.

On legislation, no-one in those circles seems to even ask the basic questions "what effect will this have on the people who vote for us?" and "what will the people who work for us think about it?" If they did, it is not clear that they have the ability to provide useful answers. Instead, we get the kind of mysterious chart of coalition legislation that was revealed in Liberator 345, linked to equally meaningless slogans such as 'Alarm Clock Britain'. As for coalition phase two, I fear the Tories will have more to contribute than we will.

In the past, the party has been rescued from crises of purpose and support by its local campaigning base. But in many places, the party has forgotten how to campaign, and the leadership and inspiration at national level that could lead to local parties regrouping and saving the day does not seem to exist.

Nine months after Oldham East and Saddleworth, I fear we are still floundering.

Tony Greaves is a Liberal Democrat member of the House of Lords

### DON'T BLAME NICK

### Liberal Democrats have no shortage of simplistic or absurd explanations for their catastrophic defeat in May. It's time they looked in the mirror, says Simon Titley

What was that you said? The Liberal Democrats had a terrible result in May because of what? Sorry, I can't hear what you're saying. There's a deafening noise of chickens coming home to roost.

This surfeit of poultry dates back over twenty years. You can blame more recent factors – Nick Clegg, the coalition, tuition fees, the cuts, the AV referendum – but you'd be wrong.

Let's begin by demolishing one myth: that the slide in Liberal Democrat support was due to tuition fees or the cuts. The party has suffered two sharp drops in support since the last general election. The first was on polling day in May 2010, when support fell from around 27-29% in the eve-of-poll opinion polls to 23% in the actual vote on the day. The second was during June and July 2010, when opinion poll ratings fell from about 20% to around 12-14%. Since then, the fall has been comparatively slight and, since November, poll ratings have stabilised around 10%. The party's estimated national share of the vote in this May's elections was 15%, historically poor but nevertheless higher than the prevailing poll ratings.

What does this tell us? It tells us that the main reason for the Liberal Democrats' loss of support is not tuition fees or the cuts (or the sense of betrayal attached to either). Neither of those decisions was announced until last autumn, several months after the party's opinion poll ratings had slumped. The significance of the tuition fees U-turn is not that it caused a drop in support but that, by destroying trust, it has made support much harder to regain. So far as the cuts are concerned, people are only just beginning to feel the effects.

The party's basic problem predates tuition fees. It predates the formation of the coalition or last year's general election. It even predates the merger. It is that the party has consistently failed to consolidate a sufficiently large core vote. While Labour and the Tories can each rely on at least 25% of the electorate to vote for them through thick and thin, barely 10% of the electorate is similarly committed to the Liberal Democrats. The rest of the party's support is 'soft' – the Lib Dem vote is like a bath with the taps left on and the plug left out. Consequently at each successive election, the party has to put a disproportionate effort into winning its previous vote afresh. It can't build out from a base because it hasn't got one.

Consolidating a core vote is simple, really. All you have to do is state clearly *what* you stand for and *who* you stand for. But the Liberal Democrats have always found this problematic because attracting some people necessarily repels others. The party refuses to do that because it would inevitably upset some of its MPs and councillors, who represent a very diverse demographic. So it has fudged the question, either by campaigning locally on issues about which no reasonable person could disagree (e.g. everyone wants the dog shit cleaned up) or by attracting protest votes against the government of the day (e.g. opposition to the Iraq War).

To make matters worse, the party tries to make a virtue of this, with its slogan: "We can win everywhere". Well, yes, you can, but only if you avoid confronting people with serious moral choices. And since the resulting electoral support is wide but shallow and transient, the opposite equally applies: "We can lose everywhere".

### **VOLATILE AND UNRELIABLE**

Liberal Democrat support fell so dramatically during May to July 2010 because the party's voters lacked commitment in the first place. The huge support suggested by opinion polls during the general election campaign was volatile and unreliable. And transient protest voters – never a reliable source of support at the best of times – will not support any party of government.

The only long-term answer to this problem is to build and cement long-term support among demographic groups more inclined to hold liberal values. All the evidence – exit polls, opinion surveys and psephological studies – suggests that these are people who tend to be younger, better educated and more cosmopolitan than average. But consolidating a core vote would require the party to take a stand. It would have to enthuse some people sufficiently strongly that others might be repelled. It would have to stand up for the interests of some groups and not others.

The party hasn't the balls to do this. It is paralysed by a fear of giving offence, so won't take the risks necessary to develop clear and compelling messages, hence it fails to enthuse anyone. Into this strategic vacuum steps the party leader with the intellectually bankrupt concept of 'Alarm Clock Britain'. Meanwhile, as the party dithers, its support is reduced to a core of 10% because any other potential support is either too fickle or can see no compelling reason to support the party.

It is undeniable that the coalition has had a profound effect on the Liberal Democrat vote but it is important to understand how. The coalition is not the primary cause of the party's woes. Rather, it has precipitated more fundamental and longer-term weaknesses. In particular, it has tested to destruction the party's 'strategy' (if one could dignify it with such a term).

This strategy comprises three main components. All three were plausible only in opposition, all have been made untenable by the coalition, and all have prevented the party cultivating a core vote that it could fall back on.

### STRATEGIC FAILURE NO.I

The first component is exemplified by the aforementioned slogan "We can win everywhere". It is an indiscriminate appeal to any and all demographics, based on the fallacy that everyone is equally likely to vote Liberal Democrat. But this can succeed only by saying different things in different places or by campaigning on uncontentious local issues. And it can work only when the party is not in power.

Long before the coalition, the shortcomings of this approach were exposed wherever the Liberal Democrats won control of a local council. Being in power forced the party to make hard choices in public. Oppositionism was no longer an option. With no idea what to put in their Focus leaflets, local Lib Dem councillors too often retreated into their role as administrators.

We are now seeing this problem writ large. Now that the party nationally is in government, it too must make hard choices. It can no longer hide or fudge its moral standpoint. But given the party has habitually avoided articulating a moral standpoint for fear of causing offence, its standpoint is being defined in other people's terms.

### STRATEGIC FAILURE NO.2

The second component of the failed strategy is 'incrementalism', the thousand-year plan to achieve a Commons majority one ward at a time. Crucially, supporters of this 'Very Long March' strategy are hostile to any idea of mounting an effective 'air war'. Hardly surprising, since it would require developing consistent nationwide messages, which would undermine the first component ("We can win everywhere").

Defenders of incrementalism claim that it works. Yes, up to a point. Local campaigning remains vital for the health of the party and democracy generally. And it is true that the incremental expansion of territory by advancing gradually from target ward to target ward, target constituency to target constituency, has delivered numbers of MPs and councillors not seen since the 1920s. The problem is that, if this approach is not allied to a complementary national campaign, you eventually get diminishing returns.

The number of Liberal Democrat councillors peaked at about 5,000 in the mid-1990s then gradually declined to under 3,900 before this May's elections and fewer than 3,100 today. In the May elections of 1997 to 2011 inclusive, the party suffered a net loss of councillors in nine years and achieved a net gain in only six (the last in 2008).

Still, we were assured before this May's elections that "where we work, we win" and that sitting Lib Dem councillors could thereby defy the odds. But a 'ground war' can achieve only so much. Even the most ardent local campaigner would admit that it is easier to win council seats when you are opposing an unpopular government. The boot is now on the other foot. Without a complementary national 'air war' or a core vote to fall back on, hard-working Liberal Democrat councillors running faultless local campaigns can nevertheless be swept away by an electoral tsunami.

Meanwhile, Liberal Democrat local campaigning is being undermined by the steady decline in party membership, from a peak of about 102,000 in 1992 to around 60,000 now. It is a problem common to all parties, which no one seems able to solve. And no incrementalist has satisfactorily explained how the exponential growth in local campaigning that their strategy demands can be sustained on a declining membership base.

Needless to say, the almost religious commitment to fighting elections solely by 'ground war' has provoked an equal and opposite reaction. The Liberal Democrats' 2010 general election campaign was run by a rightwing clique of PR and marketing men convinced that local campaigning was redundant and that elections could be won solely by an 'air war'. That theory was quickly tested to destruction.

### **STRATEGIC FAILURE NO.3**

The third leg of this wobbly stool is 'equidistance' – never saying in advance who you would prefer as a coalition partner but appearing even-handed until the deal is finally clinched. On the face of it, this is a respectable position. Expressing a preference before an election would alienate some voters and weaken your bargaining position.

Unfortunately it means that, when the Liberal Democrats do enter a coalition, they will inevitably alienate half their voters, whichever partner they choose. If the party had a substantial core vote, this would be less of a problem. But because the Liberal Democrat core vote is so small, the party has to 'borrow' a higher proportion of its votes from Labour and the Tories, which increases the proportion of its voters who will feel disillusioned with whichever coalition arrangement it makes.

So that's how we got into this mess. And who is to blame? It's you.

If you have ever held back from proclaiming liberal values because you were afraid it might offend someone, it's your fault. If your Focus leaflets are a politics-free zone, full of hackneyed slogans that haven't changed for thirty years, it's your fault. If you think "we can win everywhere" is a satisfactory strategy, it's your fault. If you think the party can advance solely by a 'ground war', it's your fault. If you think the party can advance solely by an 'air war', it's your fault. If you are an anti-intellectual who rejects political thought and debate because it gets in the way of leafleting, it's your fault. If you think the remedy for the party's ideological vacuum is to embrace neoliberal economic orthodoxy, it's your fault. If you think politics can be reduced to brand marketing, or 'efficient management', or fixes and deals, it's your fault. If you describe the Lib Dems as being in the 'centre' or 'middle' because you think the party should define itself by what it's not rather than what it is, it's your fault.

And until and unless you resolve precisely what and who you stand for, you will never get out of here alive.

Simon Titley is a member of the Liberator Collective

## WRONG END OF THE CABLE

# Coalition economic policy ignores the evidence and heads straight for disaster, says Ed Randall

I had the opportunity to question coalition economic strategy and challenge one of its principal proponents, Vince Cable, at the Social Liberal Forum conference on 18 June. There was a polite exchange but no meeting of minds.

Vince is a Tina ('There Is No Alternative') man, while I'm all for Tara ('There Are Real Alternatives'). We were both invited to respond to the question: 'Deficit Reduction – necessity or ideology?'

I was aided in my presentation by a very special warm-up act: a truly riveting and chilling address from Will Hutton about the Greek debt crisis, the future of the Euro and the ramifications of a Greek default.

Sadly, Vince was delayed and not there to hear Will's stinging attack on European leaders and economic policy makers who continue to preach the coalition's brand of austerity economics, play down the threat posed to their own economies by a Greek default, and – despite their rhetoric – soft pedal on fundamental banking reforms.

The SLF wanted to know whether coalition austerity had been driven by ideology or necessity. My answer was clear: it is ideology that has made 'deficit reduction' the paramount goal of coalition economic policy.

In the language of the Coalition Agreement: "...deficit reduction [is] the most urgent issue facing Britain."

What is more, the coalition quite deliberately set out to "accelerate the reduction of the structural deficit over the course of a parliament", and ensure that the "main burden of deficit reduction [would fall on government] spending rather than increased taxes."

### **AUSTERITY MISDIRECTED**

This policy is ill-advised. The government's austerity is misdirected. The claim that austerity is being pursued to protect "the most vulnerable... most at risk from the debt crisis" is disingenuous, at best, and plain deceitful at worst.

How can I make such claims, in the face of the Osborne and Cable mantra that there is no alternative to accelerated deficit reduction, concentrated on cutting public expenditure?

It isn't difficult for me to do so. I know that it is the economic analyses of the world's most eminent liberal economists that now sustains the case for increasing, rather than reducing, government expenditure in the UK.

Lest I be misunderstood, I am not, for one moment, claiming that government deficits do not have to be managed. It is how they are managed that is critical to our country's future prosperity and social cohesion.

One of the most important living economists, Richard Koo, a true heir to J.M. Keynes, has, in his role as chief economist at the Nomura Research Institute and adviser to the Japanese government, developed a sophisticated and empirically grounded theory of the macro-economy, which builds on Keynes's economic insights; insights drawn from another period afflicted by great economic and political turbulence.

Koo believes that Japan's economic collapse at the start of the 1990s, and its stuttering economic recovery, hold lessons for us all. He has refined and developed his case for more intelligent economic policy making, in the exceptional economic conditions we now face, over more than two decades. Richard was kind enough to let me "use anything and everything [that he had] produced [in order] to [help] save the UK economy".

Koo is the originator of the notion of a 'balance sheet recession'. It is a notion that relates to exceptional periods of economic retrenchment, which follow a bust at the end of a debt-fuelled boom of the kind the Japanese economy experienced in the 1980s.

Practitioners of conventional neo-classical economics, wedded – as an article of faith – to the idea of super efficient, lightly regulated and self-organising markets, have, until very recently, represented the economic performance of the UK and US economies, between the mid 1980s and 2006-07, as evidence of a great economic moderation.

What we know now is that this was a period of wholly immoderate and ultimately disastrous risk taking, most particularly in the financial sector. It was accompanied by immoderate economic rewards, bestowed by the risk takers upon one another.

Koo's idea of a balance sheet recession reflects developments in an increasingly important branch of economics known as behavioural economics. It also takes account of an exceptionally careful and detailed study of economic data taken from the world's largest economies. The conclusions Koo has drawn, from his present role and from extensive research in the US, where he worked for the Federal Reserve, show just how nonsensical is the notion of an 'expansionary fiscal consolidation' at the bottom of a balance sheet recession.

### **YIN AND YANG**

He understands how profoundly human psychology, shaped by mounting indebtedness and a crash in asset values, can affect our economic behaviour. In his terms, the Yang (or normal) economy is transformed into a Yin (or depression) economy in the bust that follows a great boom; households and corporations become obsessed with deleveraging/ paying down debt/ rebuilding balance sheets. What we now call the Great Depression – following one such mega boom and bust – and the present so-called Great Recession, have given rise to exceptionally challenging conditions for economic policy makers.

In such circumstances, there will be failures of aggregate demand, failures that impede and imperil economic recovery, unless there is substantial, sustained and constructive government intervention. As in the 1930s – when Keynes was trying to obtain a hearing for his new economic ideas – it is government action that is needed to boost demand. So-called Keynesian automatic stabilisers – of the kind that Vince Cable says he is willing to rely on – will not suffice to support economic recovery in the midst of a balance sheet recession.

Tragically, Vince appears to have abandoned Keynes and become an advocate of modern monetary theory. But his enthusiasm for a monetary route to economic recovery in the UK, which isn't working, and his unwillingness to acknowledge a central policy failure in the coalition's economic strategy, now threatens a series of failures in both economics and politics; failures few of his colleagues in the parliamentary party appear willing to acknowledge.

In a balance sheet recession, monetary remedies – conventional and unconventional – don't work; they are up against the zero bound and, more importantly, Yin deleveraging psychology. Koo's data demonstrates that very clearly.

#### **ONE-CLUB GOLFER**

In the UK, official data shows that monetary policy, including quantitative easing, has little or no traction. However, dogma – in the Treasury, at the Bank of England and the Tory and Liberal Democrat front benches – leaves us with a team of one-club golfers who must be close to suspecting that their club is broken.

We have a depressing and, at the same time, illuminating example of a greatly admired economic guru who had long been considered immovable; until the Earth moved despite him. Alan Greenspan finally admitted in 2008 that he had found a flaw in his attitude to financial regulation. It wasn't the only flaw in his economic philosophy. Indeed, he is not alone in continuing to dismiss fiscal remedies to our economic woes, insist on the essential correctness of the efficient market hypothesis and maintain an unswerving commitment to the idea that financial innovation is the key to reducing market risk.

Greenspan was deaf to all those who rejected his economic philosophy and caught up in a mutual admiration society. The circle he charmed and which charmed him continued to benefit from huge monetary rewards until the crash finally came. I fear that there are others, closer to the heart of British government, in whose sagacity a similarly ill-advised investment has been made.

Koo – who has been prepared to go where the evidence has taken him – has told me: "The flow of funds data for the UK indicate that it is in perfect balance sheet recession, with both household and corporate sectors deleveraging in the face of the lowest interests rates in decades if not in centuries". As he has acknowledged, there is a growing risk of a stuttering and anaemic recovery in the UK and the US, one that emulates Japan's painfully protracted emergence from its balance sheet recession.

Indeed, Koo has also told me: "...as you noted, the monetary aggregates in the UK are moving exactly the way Japanese monetary aggregates moved during the last twenty years. So I think we (you and I) have a strong case". Our strong case is a case for intelligent government spending to counteract the deflationary behaviour of the household and the private sectors, and to pursue critical Liberal Democrat policy objectives.

There is no lack of targets for public expenditure in austere times, the theme of the second half of my address to the SLF conference.

While Vince had two repeated messages: cut, cut and cut again, to achieve a more sustainable fiscal balance in the UK; and rely on monetary policy to reflate our ailing economy, which will ensure that investment resources are directed to where they can do most good. I offered a Liberal Democrat vision for Liberal Democrats in government.

My talk was titled 'Ideology and Necessity'. I asserted that a truly Liberal Democrat economic strategy should be bound to Liberal Democrat political goals. For Liberal Democrats, there are three political necessities; accelerated deficit reduction is not one of them.

The first is to halt and then reverse the 30-year trend in increasing social and economic inequality. The second is to accelerate the process of developing and implementing environmentally responsible policies. The third is to hold Big Finance to account and champion an institutional reformation, capable of ensuring that it becomes what Christine Lagarde has called a service industry; one that is willing and able to provide us with the financial services we need.

The pursuit of these aims is fraught with difficulties. None of them can be pursued with any real conviction unless we challenge and succeed in overturning the coalition government's economic strategy, which currently commits us to treating deficit reduction as paramount.

Throughout the conference, I listened with rapt attention to Evan Harris as he made a series of powerful and persuasive pleas for Liberal Democrats in government to use their leverage within the coalition to challenge and recast NHS reforms.

The goal was clear: to protect the NHS from a misguided and ideological assault, we should insist on policy that was evidence based. Yet, when it came to challenging coalition economic policy, however misguided it appeared to be, Evan insisted the Coalition Agreement reigned supreme.

The coalition strategy, not just the Liberal Democrat strategy within the coalition, is premised on charting a new course for the UK economy. That course rests on the belief that, after several years of austerity, the coalition will be able to put its economic record before the British electorate and claim that tough and uncompromising actions in government have supplied the foundation for an economic renaissance. If I am right, not only is the strategy deeply flawed in economic terms, it is also likely to prove a political and economic disaster for the party and, far more important, the country.

Ed Randall is a senior lecturer in politics and social policy at Goldsmiths, University of London; chair of Greenwich Borough Liberal Democrats; and the author of 'Food, Risk and Politics' (Manchester University Press, 2009)

## LOSING FROM STRENGTH

### A strong record was not enough to save the Liberal Democrat administration in Newcastle, when hostility to the government brought out Labour voters in droves, say David Faulkner and Wendy Taylor

When the Liberal Democrats took control of Newcastle City Council in 2004, the local press called it a "bombshell". After 30 unbroken years of Labour control, that is exactly what it was. Before the elections of 2004, we had 24 seats to Labour's 54, with no Tories.

We won in 2004 because of changes to ward boundaries and elector numbers that corrected what had been an unfair balance against us. We also won because of the endemic arrogance, incompetence and complacency of a Labour Party that had taken the electors of Newcastle for granted and was rated poorly by residents. Failed top-down regeneration plans, dissatisfaction with the state of local streets and neighbourhoods, and council tax increases two and three times the rate of inflation were at the heart of Labour's vulnerability.

In 2004, we won 48 of the 78 seats, with Labour reduced to 30 seats. Although Labour quickly responded to recover some seats that we had won, we had decided that we would not sit back on our laurels and we won three other wards that we had not targeted in 2004. By 2008, our majority had risen from 18 to 22 and, with 50 members, we were the biggest Lib Dem group in the country.

### WE ACHIEVED A LOT

We became recognised as a well-run and successful council. The Lib Dem group as a whole stayed united and strong and, unlike Labour both before and now, had no factions. And we achieved a lot.

To give some examples, Newcastle was named as the UK's most sustainable city by Forum for the Future two years running, and in 2011 the council won the national Government Business Award under the 'sustainability' category. We launched our own Declaration on Climate Change and now have the lowest carbon emissions of any UK city. We became the country's lead city for the installation of an electric vehicle charging infrastructure, introduced the first car club in the region, introduced new cycle routes and a bike hire scheme, more than quadrupled recycling rates in seven years, supported the growth of subsea and renewable energy companies and jobs, and developed a freight consolidation scheme to limit freight deliveries to city centre stores.

Through Newcastle Warm Zone, we insulated over 30,000 homes in the city, saving 25,000 tonnes of CO2 emissions and £3 million in energy bills, and are now installing solar panels on 300 council properties and have plans for a massive retro-fit of hard to heat homes.

We have ten Green Flags for our parks, the most in the North East, and are currently investing

£6 million in the Ouseburn Parks project, with a new visitor centre and animal farm. Our nurseries manage extraordinarily well-received city centre and neighbourhood centre beautification schemes.

There are 118 schools on the national Enviroschools programme, a higher proportion than anywhere else, and 16 schools have environmental green flag status, the fourth highest nationally.

We trebled the complement of our neighbourhood response mobile teams, and created local environmental management teams operating out of community centres rather than centralised council depots. We introduced mandatory 20mph speed limits on all residential roads (non- bus routes) throughout the city and have invested £15 million extra to improve residential roads and pavements.

Newcastle became the fastest improving local authority in the country for educational attainment. In 2010, the number of pupils getting five GCSEs of grade A-C improved by six percentage points to 78.6%, taking us from well below the national average in 2004 to above the national average now. Our most recent Ofsted assessment of children's services was the best ever, with the majority of young people performing in line with or above national averages. Our innovative Fusion Card scheme provides free use of sports centres and swimming pools at certain times of the day, and is used by over 25,000 young people.

Newcastle is a three star (the highest rating) local authority for adult care as assessed by the Care Quality Commission, further improving our performance in the past year.

We are a homelessness champion council; there is no rough sleeping in the city and we have not had to use bed and breakfast accommodation for several years. We are a beacon council for tacking child poverty and a lead authority in supporting the long-term unemployed through Newcastle Futures.

In the city centre, we have developed a taxi marshal scheme and the successful 'best bar none' best practice award scheme to regulate door supervisors and improve the management of drinking establishments. Although Newcastle continues to have a 'party city' reputation, it is much more controlled now, and the city is one of the UK's safest.

We built a capital programme that was the largest of any city, adjusted for our size, and two and a half times that of our predecessor.

The Lib Dem council played a major role in the economic development of the city, supporting enterprise and new businesses. We used prudential borrowing powers (borrowing against future income streams) to kick-start regeneration and employment schemes. We supported the Science City development, a joint venture with Newcastle University, to buy and develop the former Newcastle Brewery site as a centre for scientific research and the location of sciencerelated business. We are one of the local councils that made the case and paved the way for the introduction of accelerated development zones (tax incremental financing). We were also awarded a green flag by the Audit Commission for our work in supporting business and the local economy, and for helping vulnerable people

"Our mistake had been that, in 2004, we chose some community activists to be councillors who were never really Liberal Democrats and were unwilling to accept group rules"

during the recession, one of only two out of over 300 local authorities in the country.

We have trebled the number of apprentices that the council takes on – there are now almost 120. We led the setting up of the largest business improvement district company in the country and have worked in partnership on a number of projects, notably Alive After Five, where by funding free evening parking we have helped bring millions into the economy of the city centre. Tourism is still growing (we have been the country's top short break destination for the past few years) and considerable new hotel capacity is coming to market at present, as occupancy rates are high.

Newcastle was recognised in the recent Government Business Awards for financial management. Over our seven years, the council made £150m of annual efficiency savings, much of it through savings in administration and other back office functions, property, transport, IT, printing and publicity.

#### SO WHAT WENT WRONG?

Overall it's a pretty strong record. So what went wrong?

Our first problem was the defection of two of our councillors, who became independents. Our mistake had been that, in 2004, we chose some community activists to be councillors who were never really Liberal Democrats and were unwilling to accept group rules. In the 2010 general election, we then made the mistake of campaigning too much on national issues to try to win a parliamentary seat, rather than concentrating on our local record. The loss of six seats came as a shock, but was due to the higher turnout, particularly of Labour voters who don't bother to vote in local elections.

With a collapsed national opinion poll rating, the breach of trust caused by not delivering on the commitment on tuition fees, the inexcusable bias of the cuts against areas such as the north east, and being seen as Tory collaborators by Labour voters we had previously won over, the 2011 elections were never going to be easy.

We had hoped that our widely-recognised good stewardship of the city council would counteract the slide nationally, but all our political instincts and experience told us that it was unlikely to happen. We played down national politics in our local campaign, having publicly criticised the scale of spending cuts and somehow avoided many sensitive service cuts in the city. We crossed our fingers and put in a big effort but only won six of the 16 seats we were defending, and now there's a Labour majority of 12.

In many wards, the losses were again due to Labour voters who don't usually vote in local elections, but were keen to show their dislike of government policies. Two recent by-elections have shown us what an uphill task we have to regain our position. In a safe Labour seat, we came third behind the BNP. The other seat had

been a Lib Dem ward in 2004, but we had lost two seats by the defections and the third seat last year. The independent councillor stood against us together with another local candidate from the newly formed Newcastle First party, and we ended up coming fourth behind Labour and the two independents. You know you're in trouble when, after the count, the Tories offer to join you for a wake!

So where do we go from here? We still have 32 councillors, but some will need more help than others in regaining some momentum to their work. Those of us who have been councillors for a long time remember what it's like to be in opposition, so will work to challenge poor decisions by the new Labour council, which is already showing its natural arrogance. We lost only one of our executive members, so we know more than Labour about what's happening in the council, and that's making them paranoid and secretive.

Our disadvantage is that our seats will be under pressure again next year and perhaps beyond, so an overwhelming priority has to be to rebuild in areas where we have become weaker and where support has left us. That means a return to basic community politics with surveys, local campaigns, street letters, petitions, etc., as well as regular Focus and a clear message for each category of voters.

We all know that the demands of running a major authority are such that it is all too easy to give a lower priority to local campaigning, door-knocking, maintaining the organisational base and ensuring a high level of skills.

Most of our previously safe wards haven't been properly canvassed for years and that's our top priority over the summer, with the additional aim of finding more deliverers, members and activists. We need to make tough decisions about targeting for next year and offer extra support for our members who have been left in mixed wards.

With the government likely to remain unpopular for the foreseeable future, it won't be easy to win back support. But we are, however, immensely proud of what we achieved during our seven years of control in Newcastle and believe that given time, we can and will take control again.

David Faulkner and Wendy Taylor are the former Liberal Democrat leader and deputy leader of Newcastle City Council

### LESSONS FROM THE AV CATASTROPHE

The Liberal Democrats have finally agreed to hold an inquiry into the fiasco of the alternative vote referendum, but will those culpable learn the lessons or just close ranks, wonders Simon McGrath

The 'Yes' side of the AV referendum was the least competent political campaign since Michael Foot led Labour to utter defeat in 1983. The temptation for those of us who supported 'Yes' to leave it behind us and move on is strong, but that would be a huge mistake.

Since 5 May, a number of reports have come out describing what went wrong. Liberator 346 contained a cracking account, 'My Yes campaign Hell' by James Graham, who ran the 'Yes' social media campaign, but there have been a number of other accounts, in particular from Andy May, national manager of the 'Yes' campaign's regional staff.

A common theme from them has been an extraordinary arrogance on the part of the 'Yes' campaign's senior management, an unwillingness to test out their ideas of what might work and an unwillingness to listen to other points of view.

It is not only some 'Yes' campaign insiders who have been scathing. People from the Labour and Conservative 'Yes' campaigns have also told some extraordinary stories of their lack of involvement. It seems to me that there were five basic problems with the 'Yes to Fairer Votes' campaign.

### LACK OF A MESSAGE

The 'Yes' campaign had a fundamental problem that it lacked a message, or at least lacked any consistent message. A number of accounts have said how badly the "make your MP work harder" message went down with MPs, particularly Labour MPs (and the idea that the vast majority of MPs don't work hard was just as untrue as some of the 'No' campaign's lies). But much more to the point, this message failed to resonate with the public. Focus groups commissioned by the 'Yes' campaign showed that it simply didn't work, to which 'Yes' appears to have reacted by... dropping the focus groups.

### FAILURE TO WORK WITH YES CAMPAIGNS IN OTHER PARTIES

Nothing could have been clearer than the need to work with the Labour 'Yes' campaign and to neuter as far as possible the Tory 'No' campaign, yet all the accounts are that the 'Yes' campaign had an ineffective and often petulant relationship with them.

Then there was UKIP – Nigel Farage is an able and effective communicator, who would have been able to neutralise some of the Tory 'No' campaign, but no use was made of him until the very last minute.

This was a symptom of a broader problem – that

while the 'No' campaign managed to have people from the Tories and Labour working together, the 'Yes' campaign was dominated by Liberal Democrats and made little attempt to reach out to other parties.

#### REFERENDUMS ARE NOT WON BY EDDIE IZZARD ON TWITTER

The 'Yes' campaign had the huge advantage of large numbers of enthusiastic and able young activists. But it seems to have decided to run a campaign targeted at people like them, rather than the great mass of the electorate. Politics is a serious business and it needed serious politicians to get the message across. What on earth made the 'Yes' campaign think that Eddie Izzard and Billy Bragg would change anyone's mind?

While the 'Yes' campaign was very effective in using social media to mobilise its support, it had virtually no effect in changing people's minds. For that, you need to have a clear message and set the agenda on the TV news and in the press, something that the 'Yes' campaign signally failed to do.

It is ironic, given the Guardian's vilification of the Liberal Democrats since the election, that 'Yes' appears to have aimed its campaign purely at that paper's readers.

### NO CLEAR POSITION ON THE TORIES

While 'No' was quite happily running its campaign as the chance to give Nick Clegg a good kicking, 'Yes' had a fatal confusion about the Tories and David Cameron. One of the suggestions after the campaign is that 'Yes' could have run it as an anti-Cameron vote. I am not sure that would have worked but 'Yes' seems to have run a half-hearted version of this, which managed to increase the Tory turnout in the south without gaining concomitant votes in the north and Scotland.

Some of the Liberal Democrat contributions towards the end of the campaign were extremely odd. Take Tim Farron's comments that AV would have stopped the 'wickedness' of council house sales. This was one of the most popular policies of the last 40 years and around three million houses have been sold (it was also incidentally in the Liberal manifestos in 1983 and 1987). Surely the logic was that anyone in those families who had bought their council house and made a windfall profit should vote 'No'?

### SIMPLE INCOMPETENCE

One characteristic that comes across from the insiders' accounts is the incompetence with which the 'Yes'

campaign was run: leaflets not produced on time (and dreadful when they finally appeared); the decision not to use Freepost; senior staff being allowed to go on holiday over Easter; and so on. Worse than this, the campaign was run in a way in which feedback from the grassroots was either not welcome or ignored.

One of the most shocking things is that some of those working at a junior or middle management level are frightened to speak out as many of the jobs they may go to are funded by the Joseph Rowntree Reform "There is a strong sense that the Liberal Democrat 'establishment' has closed ranks because an inquiry would be too embarrassing to some party grandees" Happily, the party has now agreed to hold an inquiry (although the first most members knew about this was from reading the Guardian), to be carried out by James Gurling who is chair of the Campaigns and Communications Committee.

There are a number of things that should happen as part of this inquiry:

• Liberal Democrats who worked inside the 'Yes' campaign should be asked to give evidence. Given that some have expressed concerns about the effects on their careers, they should if necessary be

given an assurance of confidentiality

- Party members more generally should be asked for their input.
- There should be an absolute assurance that the report will be published and discussed at the party's autumn conference.

I am speaking as a Lib Dem, but there is a need for the Joseph Rowntree Reform Trust and the Electoral Reform Society to look at their own contribution and the behaviour of their senior people.

Being beaten by such a large majority was bad enough. But if we fail to learn from this and understand what needs to be done, next time it will be worse.

Simon McGrath is a member of Wimbledon Liberal Democrats. He has drawn on material available at: www.whywelostav.com

Trust or the Electoral Reform Society, whose senior management were running the campaigns.

### THE NEED FOR AN INQUIRY

A lot of people have suggested that there is no reason to have an inquiry, that the reasons for our defeat are obvious and that we should move on. I believe that to be totally misguided. There will probably be future referendums, particularly if there are any EU treaty changes, and we need to understand what happened and how we can counter the tactics used against us – many of them are likely to appear in future election campaigns.

There is a strong sense that the Liberal Democrat 'establishment' has closed ranks because an inquiry would be too embarrassing to some party grandees. When I started writing this piece for Liberator, it was to ask people to support a call at conference for an inquiry.



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### SENT TO THE VETS

### Justine McGuinness explains why she was the only conference committee member to oppose police vetting of Lib Dem representatives

This summer, something extraordinary will take place, quietly, probably in an anonymous office block to the background of the slurp of a coffee and gentle tapping on a keypad.

Hundreds of elected representatives to the Liberal Democrat conference will be vetted by the police to see if they can come to our conference. I'm focusing solely on our reps because that is where my concerns lie.

Why extraordinary? The British police have craftily rolled over the only mainstream political party that has consistently campaigned for human rights and civil liberties.

We stood up against the government of the day and much of the British media against the introduction of ID cards, yet we are happy to let the police have a say on who can come to our conference and be involved in making our policy. To my mind, this act makes us hypocrites.

People may not understand why I am so horrified that I was a lone voice on the Federal Conference Committee against vetting. Indeed, you can just hear journalists sneering, "welcome to the real world". But if we are involved in politics for any shared reason, it is to change the world in accordance with our values.

Vetting people elected by their peers in their local party to act as representatives at our conferences goes against our values. It is not who Liberal Democrats are. Lose sight of who we are, deny what is at our very core, walk away from our values, and we will stand for everything and nothing. Rather than standing up for democracy and being liberal.

Beyond the major test of whether this fitted with our values, there were three other tests. The first two are: is this necessary and is it proportionate? For me, vetting reps failed both. People have argued that we had to do this to have insurance cover. I simply do not buy this line. Insurance is an industry based on risk and a hard-nosed business; almost anything can be insured.

Protecting people from the threat of terrorism must be balanced with protecting people's rights and freedoms. Unlike the other mainstream parties, our local party members decide who will be their conference representatives. Some local parties take that decision seriously, other less so. My local party, like many others, expects reps to report to our members and to answer questions. Having crunched the data myself for a report on who attends conferences, I know the same names appear year after year. Our local parties, without any co-ordination from Cowley Street or the police, vet our reps.

Bluntly, why should a terrorist meekly sit through (possibly several) boring local party AGMs just to go to conference as a representative, particularly when they can walk into an MP or councillor's surgery almost any week and do their worst. No, pay the money and go as a journalist, you'll assassinate us more effectively!

The third test, which raises issues not just for the Liberal Democrats but all the parties, is, is this value for money? Or put another way, is the public purse being ripped off?

The cost of policing party political conferences has spiralled over the past two decades. The purpose of the Labour and Conservative conferences is not policy making. In those cases, it probably is fair to ask what actual value they add to policy debate in a modern democracy, other than providing an annual set-piece event that the media have to report.

Do they really need to be held every year? Certainly, the time has come to start asking questions about reasonable limits to the cost of policing what have become highly commercial and profitable events. Should so much public expenditure be devoted to such commercial events, particularly in a period of austerity? Is it right that serious amounts of money and resources are directed to a PR stunt, when police overtime and other budget headings have been cut?

According to a FoI request, of the 11,988 people vetted by Greater Manchester Police for Labour's conference last year, 24 were not allowed to attend the conference. Clearly a large number of those people attending would have been media or present for commercial reasons.

Maybe that does not seem like a high ratio (one in every 499 people being excluded), but the point is not really about numbers. In the case of the Liberal Democrats, our local parties have already 'vetted' their representatives. It is not the potential of one person being prevented from attending our conference, but interference by the police in our own internal democracy that for me is the underlying issue.

There is an important lesson for Cowley Street to learn here. Part of the anger felt over police vetting of reps is to do with the complete lack of consultation with the party. A basic rule of change management could be summed up as 'put some welly into two-way communication'.

Our liberty is precious. Our democracy is worth protecting. Vetting our members, who have been elected as representatives of their local party, is a step too far.

Justine McGuinness is a member of the Liberal Democrat Federal Conference Committee



#### LONG-LASTING DAMAGE

Dear Liberator, "Mainly due to its own mismanagement." That extract from James Graham's article about the AV referendum (Liberator 346) contains probably the only word in it with which I disagree –

"mainly". By its timing, wording and context, I for one was convinced from the outset that the referendum was a waste of time and money, and bound to end up the way it did, however well we managed it, although I did not factor-in quite such a low level of blatant political campaigning.

The damage could be longlasting, certainly if the following incident has any typicality. I know an 18-year-old lad for whom 5 May was the first opportunity to cast a vote. He takes no interest at all in local or national politics, was totally unimpressed by having the vote, and had no intention of ever using it. Until, that is, he and his mates went clubbing one evening and were confronted by a big 'no' advert claiming that the huge cost of installing AV would take money away from equipment for troops in Afghanistan. They all agreed that was outrageous, and determined to use their votes after all, to vote AV down.

When he told me about this, I started to point out the flaws in this dishonest poster. He preferred to believe the poster – "that did it for me". The view of him and his mates is that the Lib Dems are a bunch of rogues who are prepared to put some irrelevant voting scheme before humanity, and should not be taken seriously.

The best we can hope for from these youngsters is that they will otherwise not bother to vote at all in future, which goes against our democratic principles, as the AV campaign has put them right off us.

Tories and Labour both see the present political situation as their best chance in years to wipe us off the map. While the decision to go into the coalition was the least worst option, the Tories have really got us on the run. The electorate as a whole is quite ready to accept their propaganda that, when the publicity is bad, Nick Clegg gets the blame. Vince Cable and Norman Baker in particular have been levered into positions where they have to take flak for defending policies with which they disagree. George Osborne is quietly undermining the efforts of Chris Huhne on the environmental front

Instead of letting electoral reform lie for a while, Nick Clegg is fronting Lords reform based on unclear perceptions of why a House of Lords may be needed and how it should be constituted to meet such needs. In all this, we have clues as to why such a feudal anachronism as the Tory party has not yet met its deserved death.

If the Lib Dems did not exist, it would be necessary to invent them. But we now have a mountain to climb.

> Alan Bailey Secretary, Portsmouth Liberal Democrats

### TRADITION BETRAYED

Dear Liberator,

Caron Lindsay says (Liberator 346) that she couldn't bear the thought that the 'no' campaign in the forthcoming referendum on Scottish independence could be like the 'no' to AV one.

It might give her pause for thought to consider that the two referendums will most probably have identical outcomes: a substantial victory for a 'no' campaign predicated on fearmongering in defence of vested interests.

This should in turn raise the question of whether the recent enthusiastically 'unionist' posturing from the Scottish Liberal Democrat leadership is a betrayal of the party's century-old 'home rule' tradition. Something of the sort might well have occurred to the 50-odd percent of Lib Dem voters who switched to the SNP last month.

> Bernie Hughes East Kilbride

#### SPECIAL PLEADING

Dear Liberator,

I must take issue with Dinti Batstone regarding her letter (Liberator 346) in reply to my article about gender and class discrimination in the Liberal Democrats (Liberator 345).

Dinti denies that there is 'special pleading' by privileged women but then claims that women in the party face similar issues "irrespective of class".

To believe this, one must believe that all women in the party, irrespective of class, are at a disadvantage compared with all men. One must believe that even the most privileged woman has a harder time of it than the least privileged man. In short, one must believe that gender always trumps class.

My central argument still stands (and was not addressed by Dinti): that if the party tackles gender imbalance while doing nothing about class, the net effect will be to promote privileged women at the expense of nonprivileged men. This will merely exchange one problem for another. Simon Titley Brussels

### Liz Rorison

Liberator regrets to record the death on 24 June of Liz Rorison, for many years well known to thousands of conference Glee Club participants as its main pianist.

A full obituary will appear in our next issue

I sit on the terrace at Bonkers Hall, enjoying a hard-earned macaroon and cup of Darjeeling as I survey the crowds in their Sunday best and the trim marquees erected by the Queen's Own Rutland Highlanders under the supervision of Regimental Sergeant Major Carmichael. Yes, you join me on final day of the Rutland International Arts Festival.

As ever, the Festival is taking place in the Hall and its grounds, as well

as at numerous locations across the village and beyond. The performance of *The Persecution and Assassination of Jean-Paul Marat as Performed by the Inmates of the Asylum of Charenton Under the Direction of the Marquis de Sade*, for instance, took place in the *Bonkers' Arms* and, though the double booking with the darts match was inadvertent, I am told that, if anything, it added to the drama.

If I may offer an unbiased opinion as Chairman of the Organising Committee, Patron and occasional performer, our annual cultural festival is widely recognised by the world's leading arts administrators as being a unique event. There is Edinburgh, they often say, and then there is Rutland. In short, it is the eel's eyebrows.

I could not be present at the *Marat/Sade* myself as I was at the Home for Well-Behaved Orphans to cheer on their now traditional play. Good as it was, I must have a word with Matron in the morning as there was an awful lot of noise from under the stage towards the end of the performance and the little mites did not reappear to take their bow after it was over.

I have also had the rare pleasure of going to the pictures in my own cricket pavilion. The film I saw was *Mulholland Drive*, which has certainly made me see the more affluent suburbs of Leeds in a different light (high tea with the Wainwrights was never like that), even if the reels were obviously exhibited in the wrong order. Such are the riches of the week that I could equally well have seen Annette Brooke's *Lord of the Flies* or *The Outlaw Ian Swales* at the same venue.

Elsewhere there has been a traditional huppert show on the village green for the children and, of course, there has been a rich diet of theatrical performances on offer in the Village Hall. Unfortunately, the responsibilities of office mean that the parliamentary party has been unable to put on its usual performance of Shakespeare – for many years, people would come for miles to admire Cyril Smith's Bottom – but there has still been much to enjoy. Tomorrow I shall be taking in a production of Stephen Sondheim's musical *Anyone Can Birtwistle*, which I imagine offers a guide to those ambitious to gain Labour seats in the North, and a musical by one Willy Russell entitled: *John, Paul, George, Ringo... & Lorely Burt*.

Lord Bonkers Diary

This year I have taken the precaution of staging all the musical events on an island in the middle of Rutland Water. It is not that I object to Susan J. Kramer and the Dakotas playing their "rock and roll" for the young people: the problem is the jazz. Meadowcroft, naturally, was all for there being a large jazz component in this year's festival, and when I ventured to demur he started leaving copies of the *Horticulturalist's* Journal about the place

with various job advertisements ringed in red crayon. I took his point, which is why I shall be staying well clear of the shores of the Water this evening. For Meadowcroft will be playing in a concert with the former members of Earl Russell's Big Band. (You may recall that I offered them sanctuary here on the Bonkers Hall Estate after their leader died. Charitable as we Bonkers have always been, I still think his brother Bob could have Done More.)

Elsewhere on this final evening of the Festival, you can hear the Elves of Rockingham Forest and their "plangent melodies and Aeolian cadences (no money returned)", while I shall be at the performance of Beith in Venice (Benjamin Britten's controversial last opera) that is being staged in my own Ballroom.

Some will then take their refreshment in the Bonkers' Arms – rest assured: extra casks of Smithson & Greaves's Northern Bitter have been laid in – or at the hog roast on the village green. Miss Fearn will be on hand to offer her assorted fancies, while Mrs Patel from the shop will no doubt be offering her delicious Norman Lamb rogan josh.

The most discerning lovers of the arts will have bought tickets for the Festival dinner, at which I happen to be the guest of honour. Talking of the celebrated Aldeburgh composer, I have a feeling that during the meal I may be prevailed upon to retell my celebrated anecdote about the chamber concert that we put on in my boathouse many years ago. There was a high tide on Rutland Water that night and strong winds; the result was that the waves burst into the boathouse, sweeping away performers and audience alike. I had the foresight to snatch up a double bass as it floated past and paddled myself to safety (accompanied by Benjamin Britten on the piano).

If that were not treat enough, the evening and the Festival will close with the traditional firework display. I like to keep the most spectacular effects under my hat – not literally, you understand – but I fully expect to see such pictures as the Bird of Liberty and a likeness of Nancy Seear painted in the midnight skies. On evenings like this, there is nowhere else one would wish to be but Rutland.

Lord Bonkers, who was Liberal MP for Rutland South West 1906-10, opened his diary to Jonathan Calder